

The MS-61
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INTRODUCTION

The office of the Tax Collector is an integral part of the Town's finances because it is responsible for the collection of the largest revenue source to the Town. It is important because of the related volume of transactions and it is essential that the records are kept up to date and reconciled at least on a monthly basis.

As described in the New Hampshire state statute **RSA 41:35** *Duties of the collector*,

“ I. Every collector of taxes shall keep in suitable books a fair and correct account in detail of the taxes due, collected, and abated, and of all property sold for nonpayment of taxes, which books shall be public records. A tax collector shall remit all money collected to the town treasurer, or to the town treasurer's designee as provided by RSA 41:29, VI, at least on a weekly basis, or daily whenever tax receipts total \$1,500 or more. The collector shall make final payment to the town treasurer of all moneys collected within 10 days after the close of the town's fiscal year. Failure to remit collections on a timely basis as required by this paragraph shall be cause for immediate removal from office under RSA 41:40. He or she shall submit the tax books and lists to the treasurer and selectmen for inspection and computation when requested so to do and if they discover any errors therein they shall immediately notify the town auditors thereof; and the auditors shall promptly examine the collector's records and make a written report to the selectmen and the department of revenue administration of their findings, conclusions and recommendations. The collector shall be at a usual place of business, or any other place, at least one day each month for at least 2 hours continuously for the transaction of tax business, which time and place shall be printed upon the tax bills sent out by the collector. The collector shall make a written report to the town at the end of each fiscal year which shall contain the amount of the taxes committed to him or her to collect; the amount of taxes collected, together with interest thereon; the amount of discounts allowed; the amount of taxes abated; the total amount of uncollected taxes; and an account of all sales of real estate to collect taxes. Upon written request therefor the collector shall provide the selectmen with an itemized list of the uncollected taxes at the end of the fiscal year.

II. A tax collector may use automatic or electronic data processing equipment in performing his duty to keep fair and correct tax accounts. The commissioner of revenue administration shall adopt rules, pursuant to RSA 541-A, relative to the use of such equipment and the form for such accounts. every tax collector shall keep in a suitable set of books a fair and correct amount in detail of the taxes due, collected, and abated, and of all property sold for non-payment of taxes, which books shall be public records. A tax collector shall pay all the money collected to the town treasurer at least on a weekly basis, or on a daily basis at the discretion of the commissioner of Revenue Administration. The tax collector shall make final payment to the town treasurer of all monies collected by him or her within ten days after the close of the town's fiscal year. Failure to deposit collections in a timely manner shall be cause for immediate removal from office. He or she shall submit his or her tax records to the treasurer and selectmen for inspection when requested to do so. He or she shall make a written report to the town at the end of each fiscal year.”

The financial records of the tax collector are summarized annually in the Tax Collector's Report (MS-61) which is what this hand out will address. The areas to be addressed are areas that tax collectors at times have had problems with. The MS-61 has been included and can also be down loaded from the state's website at:

www.nh.gov/revenue/forms/msforms.htm or <http://www.nhtaxcollectors.com>.

It is very helpful to the Department of Revenue Administration when you use this form. If you have created an MS-61 form on an excel spreadsheet, please be sure that it mirrors the state's form including account numbers and the signature line.

The MS-61 needs to be filed with the Department of Revenue Administration by the dates below:

- 1) March 1 by municipalities reporting on a fiscal year basis pursuant to RSA 31:94; and
- (2) September 1 by municipalities reporting on an optional fiscal year basis pursuant to RSA 31:94-a

MONTHLY RECONCILIATION OF THE MS-61 FORM

Reconciliation of accounts is a very important responsibility of the tax collector and should be done on a monthly basis. When performing the monthly reconciliation, it will be easier if you focus on one levy and one type of tax (ie; yield, property, etc) at a time so that if there are any problems, they can be readily identified.

Part of the duties of the tax collector is the monthly reconciliation of the deposits/remittances made to the town treasurer. This is an extremely important function in the reconciliation of the MS-61 form. At the end of every month, you need to total all of the cash receipts collected for the month, summarized by tax levy type and year and compare this amount to the amount the town treasurer is reporting.

When you are ready to begin the reconciliation process, be sure that you have printed off the computer system all of the applicable month end reports and corresponding supporting documentation, which will make the reconciliation process easier.

The print outs and corresponding documents would include as follows:

1. Prior month reconciliation.
2. Any warrants issued during the month.
3. A listing of overpayments during the month, with the corresponding payment request forms used to apply for the refund.
4. A listing of any credit balances as of the end of the month.
5. A listing of payment transactions for the month, which have been already reconciled and confirmed with the town treasurer.
6. A listing of any abatements granted and corresponding abatement slips which have been approved by the Board of Selectmen or Board of Assessors.
7. A listing of discounts issued during the month, if applicable.
8. A listing of property taken by tax deed, if applicable.
9. A listing of uncollected/unredeemed property, yield, land use, excavation and resident tax owed as of the last day of the month. Please note that this amount should not include the credit balance mentioned in number 4.

Once all of this information has been compiled, you are now ready to start the reconciliation process which can either be done on the MS-61 form or a modified version of the form shown on the next page. This modified version breaks down the reconciliation by levy and type of tax as follows:

PREPARED BY: _____

DATE PREPARED: _____

**Monthly Reconciliation– Accumulated Totals
Tax Collector’s Accounts
Property Taxes Current Year Levy of _____**

Year to Date for the month ending _____

-DR-

Property Tax Warrant _____

Prior Year Prepayments* _____ < _____ > _____

Supplemental Warrants _____

Add: Overpayments Refunded _____

Interest & Penalties Collected _____

Total Debits _____

-CR-

Total Remitted to Treasurer** _____

Interest & Penalties _____

Abatements _____

Current Levy Deeded _____

Uncollected Property Taxes Receivable _____

Credit Balance (Prepayments) _____ < _____ > _____

Total Credits _____

*This is your prior year prepayments (Credit Balances) This is a **Negative** amount

**Includes Prepayments

PREPARED BY: _____

DATE PREPARED: _____

**Monthly Reconciliation– Accumulated Totals
Tax Collector’s Accounts
Property Taxes Prior year Levy of _____**

Year to date for the month ending _____

-DR-

Beginning Uncollected Property Taxes Receivable	_____
Supplemental Warrants	_____
Add: Overpayment Refunds	_____
Interest & Penalties Collected (include Tax Lien Interest)	_____
Total Debits	=====

-CR-

Total Remitted to Treasurer	_____
Transferred to current year levy*	_____ < > _____
Interest & Penalties (include Tax Lien conversion Interest)	_____
Conversion to Tax Lien (Principal Only)	_____
Abatements	_____
Current Levy Deeded	_____
Ending Uncollected Property Taxes Receivable	_____
Credit Balance (Prepayments)	_____ < > _____
Total Credits	=====

*Move these amounts to current year levy with their corresponding remittances to treasurer amounts after warrant is issued.

PREPARED BY: _____
DATE PREPARED: _____

**Monthly Reconciliation– Accumulated Totals
Tax Collector’s Accounts
Tax Lien**

Year to date for the month ending _____

-DR-

Unredeemed Taxes Receivable _____

Add: Overpayments Refunded _____

Tax Lien During the year _____

Interest & Penalties Collected _____

Total Debits _____

-CR-

Total Remitted to Treasurer _____

Interest & Penalties _____

Abatements _____

Deeded to Town _____

Ending Unredeemed Tax Lien Receivable _____

Total Credits _____

**THERE SHOULD NEVER BE CREDIT BALANCES – ALL OVER PAYMENTS SHOULD BE
APPLIED TO THE NEXT LEVY YEAR OR REFUNDED**

PREPARED BY: _____

DATE PREPARED: _____

**Monthly Reconciliation– Accumulated Totals
Tax Collector’s Accounts
_____ Yield Taxes**

Year to date for the month ending _____

-DR-

Yield Tax Warrant _____

Add: Overpayments Refunded _____

Interest & Penalties Collected _____

Total Debits _____

-CR-

Total Remitted to Treasurer _____

Interest & Penalties _____

Add: Abatements _____

Conversion to Tax Lien (Principal Only) _____

Current Levy Deeded _____

Uncollected Yield Taxes Receivable _____

Total Credits _____

To illustrate the use of the monthly reconciliation form, we will reconcile the 2009 Property Taxes for the month of June. The following information has been obtained:

1. A copy of the property tax warrant issued in June.
2. A listing of overpayments received in June.
3. A listing of remittances for the month of June.
4. A copy of the tax deed taken in June on a property.
5. A listing of the uncollected property taxes at June 30, 2009.

Note: The Town has a fiscal year end of December 31, 2009.

Follow along with the blank reconciliation form below so that you can participate in the reconciliation process.

PREPARED BY: _____

DATE PREPARED: _____

**Monthly Reconciliation– Accumulated Totals
Tax Collector’s Accounts
Property Taxes Current Year Levy of _____**

Year to date for the month ending _____

-DR-

Property Tax Warrant _____

Prior Year Credit Balances* _____

Supplement Warrants _____

Add: Overpayments Refunded _____

Interest & Penalties Collected _____

Total Debits _____

-CR-

Total Remitted to Treasurer** _____

Interest & Penalties _____

Abatements _____

Current Levy Deeded _____

Uncollected Property Taxes Receivable _____

Credit Balance (Prepayments) _____ < >

Total Credits _____

*This is your prior year prepayments (Credit Balances) This is a **Negative** amount

**Includes Prepayments

**TAX COLLECTOR'S WARRANT
STATE OF NEW HAMPSHIRE**

_____, SS:

To _____, Collector of Taxes for the Town/City of _____
in said County:

In the name of the said state, you are hereby directed to collect the taxes in the list herewith committed to you, amounting in all to the sum of twelve thousand and 85/100 dollars (\$12,000.85) with interest at twelve percent (12%) as appropriate, from the date that the original warrant was issued.

And we further order to you to pay all monies collected to the Treasurer of said Town/City at least on a weekly basis, or daily when receipts exceed \$ 1,500.00, or more often when directed by the Commissioner of Revenue Administration.

Given under our hands and seal at said Town/City of _____, New Hampshire, this first day of June 2009.

Board of Selectmen/Assessors

OATH

Pursuant to RSA 75:7, we, the Board of Selectmen/Assessors for the Town of _____, do hereby certify under the penalty of perjury that, in making the inventory for the purpose of assessing the foregoing taxes, all taxable property was appraised to the best of our knowledge and belief at its full value, in accordance with state appraisal standards.

We, the undersigned, Board of Selectmen/Assessors for the Town of _____, do hereby also acknowledge receipt and acceptance of the 2009 Property Tax Rate of \$17.51. This rate is comprised of the following:

Local Education	\$7.12
State Education	\$2.30
County	\$2.16
Municipal	\$5.93

We hereby state that no further action will be taken barring a Department of Revenue Administration error.

Signed under the penalty of perjury

Board of Selectmen/Assessors

Sworn to and subscribed before me this _____ day of _____, 2009

Notary Public/Justice of the Peace

**Town of West Georgetown
2009 Property Tax Commitment
For the Period Ending June 30, 2009**

Tax Payer Name	Invoice Type	First Issue	Second Issue	Total Tax Bill
Adams, Raymond & Catherine	Property 01	\$ 330.73		\$ 330.73
Baker, Patricia & Mark	Property 01	\$ 2,299.74		\$ 2,299.74
Brown, David	Property 01	\$ 821.20		\$ 821.20
Dahlinger, Mary	Property 01	\$ 894.66		\$ 894.66
Foote, Thomas & Gladys	Property 01	\$ 737.55		\$ 737.55
Janes, Larry	Property 01	\$ 53.05		\$ 53.05
Martel, Peter	Property 01	\$ 31.90		\$ 31.90
Perkins, Edith	Property 01	\$ 414.25		\$ 414.25
Russell, John & Jerri	Property 01	\$ 1,037.66		\$ 1,037.66
Sylvia, John & Susan	Property 01	\$ 1,814.52		\$ 1,814.52
Turgeon, Rudy & Nancy	Property 01	\$ 1,170.79		\$ 1,170.79
West, George	Property 01	\$ 15.30		\$ 15.30
Wood & Duhaime	Property 01	\$ 1,342.21		\$ 1,342.21
Young, David & Rosemary	Property 01	\$ 1,037.29		\$ 1,037.29

TOTAL		\$12,000.85	\$	-	\$ 12,000.85
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**Town of West Georgetown
2009 Property Taxes
Payment Transaction Listing
For the Period Ending June 30, 2009**

Tax Payer Name	Invoice Type	Principal Paid	Interest Paid	Total Paid
Adams, Raymond & Catherine	Property 01	\$ 330.73	\$ 6.75	\$ 337.48
Baker, Patricia & Mark	Property 01	\$ 2,299.74		\$ 2,299.74
Brown, David	Property 01	\$ 821.20	\$ 6.76	\$ 827.96
Jones, Larry	Property 01	\$ 53.05		\$ 53.05
Perkins, Edith	Property 01	\$ 414.25		\$ 414.25
Martel, Peter	Property 01	\$ 50.00		\$ 50.00
Turgeon, Rudy & Nancy	Property 01	\$ 1,170.79		\$ 1,170.79
West, George	Property 01	\$ 15.30		\$ 15.30
Wood & Duhaime	Property 01	\$ 1,342.21		\$ 1,342.21
Young, David & Rosemary	Property 01	\$ 1,037.29		\$ 1,037.29

TOTAL		\$ 7,534.56	\$ 13.51	\$ 7,548.07
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Town of West Georgetown
Listing of Tax Deeded Property for the 2009 Property Taxes
For the Period Ending June 30, 2009

<u>Tax Payer Name</u>	<u>Amount Deeded</u>
Dahlinger, Mary	\$ 894.66

Town of West Georgetown
Listing of 2009 Uncollected Property Taxes
For the Period Ending June 30, 2009

<u>Tax Payer Name</u>	<u>Invoice Type</u>	<u>Unpaid Balance</u>
Foote, Thomas & Gladys	Property 01	\$ 737.55
Martel, Peter	Property 01	\$ (18.10)
Russell, John & Jeri	Property 01	\$1,037.66
Sylvia, Jon & Susan	Property 01	<u>\$1,814.52</u>
TOTAL		<u><u>\$3,571.63</u></u>

To perform the reconciliation, start at the top of the form and work your way down. The first thing you enter is the property tax warrant on the debit side of the reconciliation where it says "Property Tax Warrants". Next you review your documentation and find no prior year credit balances or overpayment refunds. Then you enter the "Interest & Penalties Collected" from your payment transaction listings or remittance reports. This amount of interest is posted on both the debit and credit sides of the report since the interest on both sides must always agree.

Now go to the credit section of the reconciliation and enter in payments received during the month, (double check to see that the tax collector's remittances agree with the remittances reported by the town treasurer/bookkeeper). If they do not agree, you need to determine what the difference is and why it exists so that you can be in agreement. In this instance, property tax remittances to the treasurer should be \$7,534.56. There are no abatements, but there is a deed. The amount of the unpaid 2009 taxes related to this property needs to be entered on the "Current Levy Deeded" line. Finally, you can enter in the amount of the uncollected property taxes at month-end.

Upon examination of the listing, it was noted that a credit balance of \$18.10 is posted. When looking back at the taxes committed and the payment transactions, we see that Peter Martel paid \$50.00 when his tax bill only came to \$31.90, thus he overpaid \$18.10. Upon a telephone conversation with Mr. Martel, he decided that he did not want a refund, but for the balance to be applied towards his second half tax bill. *Remember, you can only accept prepayments if you have authorization from your Selectmen to do so.*

If you do not have authorization to accept prepayments, then complete a refund request for \$18.10 and give it to the bookkeeper/accountant to process. You must then perform the refund transaction in your computer/books and list the refund under the overpayments section with the notation "refunded".

If you do have the authority to accept prepayments, you need to enter this prepayment on the MS-61 as such, at the same time increasing the "Uncollected Property Taxes" balance since this credit balance is artificially deflating the total listing of uncollected taxes. The true "Uncollected Property Taxes" balance now becomes \$3,589.73 and not the \$3,571.63 as noted on the listing. Following is what the completed month end reconciliation should look like:

PREPARED BY: West Georgetown Tax Collector

DATE PREPARED: July 5, 2009

**Monthly Reconciliation– Accumulated Totals
Tax Collector’s Accounts
Property Taxes Levy 2009**

Year to date for the month of June, 2009

-DR-

Property Tax Warrant	\$ <u>12,000.85</u>
Prior Year Prepayments*	<u> </u>
Supplement Warrants	<u> </u>
Add: Overpayments Refunded	<u> </u>
Interest & Penalties Collected	\$ <u>13.51</u>

Total Debits \$ 12,014.36

-CR-

Total Remitted to Treasurer**	\$ <u>7,534.56</u>
Interest & Penalties	\$ <u>13.51</u>
Abatements	<u> </u>
Current Levy Deeded	\$ <u>894.66</u>
Uncollected Property Taxes Receivable	\$ <u>3,589.73</u>
Credit balance (Prepayments)	\$ <u>(18.10)</u>

Total Credits \$ 12,014.36

*This is your prior year prepayments (Credit Balances) **Includes Prepayments

Once these amounts have been entered on the reconciliation form, both sides of the form should be added and they should both be in agreement. This exercise should be performed for every tax levy, by year and type of tax (Property, LUCT, Yield, Excavation, etc.) and for every tax lien year. It is recommended that the reconciliations be done on an accumulated basis. Once done the information should all be kept in an orderly fashion in a folder or three ring binder. Below is an example of how you carry forward, on an accumulated basis, the above given the fact that in July Thomas & Gladys Foote paid their outstanding tax amount of \$737.55 and you received an abatement for Jon & Susan Sylvia in the amount of \$500.00.

The amount paid by Thomas & Gladys Foote is added to the Remitted to the Treasurer section and the abatement for Jon & Susan Sylvia is added to the abatement section. Both amounts are then subtracted from the property tax amounts to be collected at the end of the month. Make sure you ascertain that your balances report amount to be collected equals your reconciliation report balance to be collected monthly also.

**Monthly Reconciliation– Accumulated Totals
Tax Collector’s Accounts
Property Taxes Levy 2009**

Year to date for the month of July, 2009

-DR-

Property Tax Warrant	\$ <u>12,000.85</u>
Prior Year Prepayments*	<u> </u>
Supplement Warrants	<u> </u>
Add: Overpayments Refunded	<u> </u>
Interest & Penalties Collected	\$ <u>13.51</u>

Total Debits \$ 12,014.36

-CR-

Total Remitted to Treasurer**	\$ <u>8,272.11</u>
Interest & Penalties	\$ <u>13.51</u>
Abatements	<u>500.00</u>
Current Levy Deeded	\$ <u>894.66</u>
Uncollected Property Taxes Receivable	\$ <u>2,352.18</u>
Credit balance (Prepayments)	\$ <u>(18.10)</u>

Total Credits \$ 12,014.36

*This is your prior year prepayments (Credit Balances) **Includes Prepayments

PREPAYMENTS

Prepayments are money that is collected in advance of a tax bill. **RSA 80:52-a** “Prepayment” states that “Any town by vote at a town meeting under a proper article in the warrant or by vote of the board of selectmen or the town council and any city by vote of its governing board may authorize the prepayment of taxes and authorize the collector of taxes to accept payments in prepayment of taxes. If a town or city so votes, any person, firm or corporation owning taxable property may, at any time before notice of the amount of taxes assessed against said property has been received, make payments on account of such taxes as will be due and the collector shall receive such payments and give a receipt therefor and credit the amounts paid toward the amount of the taxes eventually assessed against said property. In any town or city which shall vote to authorize the prepayment of taxes, the collector of taxes shall give such bond in the form and amount which the commissioner of revenue administration shall require, and the collector shall pay over all sums so received to the town treasurer under the provisions of **RSA 41:35**. No taxpayer shall be allowed to prepay taxes more than 2 years in advance of the due date of the taxes. No interest shall accrue to the taxpayer on any prepayment, nor shall any interest be paid to the taxpayer on any prepayment which is later subject to rebate or refund.”

For example, Jim Smith received a 2009 second half tax bill from the town and it totaled \$1,500.00. Jim had some extra money so he decided to use this money to pay extra toward his tax bill. The town received payment from Jim in the amount of \$2000.00, which created a prepayment of \$500.00. This payment would be posted to Jim's account and it now reflects a \$500.00 credit balance. This credit balance will remain until the next tax bill is issued when it would be applied to that bill. This transaction will now be illustrated as to how it would be reflected on the MS-61 form.

TAX COLLECTORS REPORT
For the Municipality of West Georgetown Year Ending 2009

DEBITS

UNCOLLECTED TAXES - BEG. OF YEAR*		Levy for this Year 2009	PRIOR LEVIES (Please Specify Years)		
Property Taxes	#3110	XXXXXXXXXX			
Resident Taxes	#3180	XXXXXXXXXX			
Land Use Change	#3120	XXXXXXXXXX			
Yield Taxes	#3185	XXXXXXXXXX			
Excavation Tax @.02/yd	#3187				
Utility Charges	#3189	XXXXXXXXXX			
Property Tax Credit Balances**					
TAXES COMMITTED THIS YEAR					
Property Taxes	#3110	\$1,500.00			
Resident Tax	#3180				
Land Use Change	#3120				
Yield Taxes	#3185				
Excavation Tax @.02/yd	#3187				
Utility Charges	#3189				
OVERPAYMENT REFUNDS					
Property Taxes- Refunded	#3110				
Resident Tax	#3180				
Land Use Change	#3120				
Yield Taxes	#3185				
Excavation Tax @.02/yd	#3187				
Interest-Late Tax	#3190				
Resident Tax Penalty	#3190				
TOTAL DEBITS		\$1,500.00			

*This amount should be the same as the last year's ending balance. If not, please explain. ** Enter as a negative. This is the amount of this year's taxes pre-paid last year as authorized by RSA 80:52-a. The amount is already included in the warrant & therefore in line #3110 as positive amount for this year's levy.

TAX COLLECTOR'S REPORT

For the Municipality of West Georgetown Year Ending 12/31/2009

CREDITS

REMITTED TO TREASURER	Levy for Current Year 2009	PRIOR LEVIES (Please Specify Years)		
2008				
Property Taxes	\$2,000.00			
Resident Taxes				
Land Use Change				
Yield Taxes				
Interest(including lien conversion)				
Penalties				
Excavation Tax @\$.02/yd				
Utility Charges				
Conversion to Lien(principal only)				
DISCOUNTS ALLOWED				
ABATEMENTS MADE				
Property Taxes				
Resident Taxes				
Land Use Change				
Yield Taxes				
Excavation Tax @\$.02/yd				
Utility Charges				
CURRENT LEVY DEEDED				
UNCOLLECTED TAXES - END OF YEAR #1080				
Property Taxes				
Resident Taxes				
Land Use Change				
Yield Taxes				
Excavation Tax @\$.02/yd				
Utility Charges				
Property Tax Credit Balance*	< 500.00>			
TOTAL CREDITS	\$1500.00			

*Enter as a negative. This is the amount of taxes pre-paid for next year as authorized by RSA 80:52-a. (Be sure to include a positive amount in the Property Taxes actually remitted to the Treasurer)

The credit balance at year end should have been reported on the MS-61 as a separate entry as illustrated above. Now to further illustrate, you are ready to carry over all of the ending balances so they become beginning balances for the new year. Be sure to carry over the \$500.00 prepayment so that it can be applied towards the next bill. When you carry it forward it will be treated like a credit balance in the uncollected balances at the beginning of the year as illustrated below:

TAX COLLECTORS REPORT					
For the Municipality of <u>West Georgetown</u> Year Ending <u>2009</u>					
DEBITS					
UNCOLLECTED TAXES - BEG. OF YEAR*		Levy for this Year 2009	PRIOR LEVIES (Please Specify Years)		
Property Taxes	#3110	XXXXXXXXXX			
Resident Taxes	#3180	XXXXXXXXXX			
Land Use Change	#3120	XXXXXXXXXX			
Yield Taxes	#3185	XXXXXXXXXX			
Excavation Tax @.02/yd	#3187				
Utility Charges	#3189	XXXXXXXXXX			
Property Tax Credit Balances**		(\$500.00)			
TAXES COMMITTED THIS YEAR					
Property Taxes	#3110				
Resident Tax	#3180				
Land Use Change	#3120				
Yield Taxes	#3185				
Excavation Tax @.02/yd	#3187				
Utility Charges	#3189				
OVERPAYMENT REFUNDS					
Property Taxes- Refunded	#3110				
Resident Tax	#3180				
Land Use Change	#3120				
Yield Taxes	#3185				
Excavation Tax @.02/yd	#3187				
Interest-Late Tax	#3190				
Resident Tax Penalty	#3190				
TOTAL DEBITS		\$(500.00)			

*This amount should be the same as the last year's ending balance. If not, please explain. ** Enter as a negative. This is the amount of this year's taxes pre-paid last year as authorized by RSA 80:52-a. The amount is already included in the warrant & therefore in line #3110 as positive amount for this year's levy.

REFUND OF OVERPAYMENTS

RSA 80:57 Refund of Overpayments states “if any person tenders a payment for any taxes and/or interest, in excess of the taxes levied and interest incident thereto, the collector of taxes shall direct the selectmen to issue an order upon the town treasurer to refund to the person making such payment or his heirs or assigns the excess sum so paid; provided, however, that if the sum overpaid is \$5.00 or less, no refund shall be required unless the taxpayer in such case shall apply in writing to the tax collector for said refund within 60 days of actual payment.”

If the overpayment received is \$5.00 or less and is not being refunded, then this amount should be posted as interest in your computer/books and on both the debit and credit sides of the MS-61.

RECONCILIATION WITH THE TOWN TREASURER/BOOKEEPER

Part of the duties of the tax collector is the monthly reconciliation of the deposits/remittances made to the town treasurer. This needs to be done on a monthly basis and again on an annual basis. This is an extremely important function in the reconciliation process. At the end of every month, you will need to total up the cash receipts collected, summarized by the tax type and levy year and compare this amount to what the town treasurer is reporting. These amounts should be the same.

If a variance exists, you need to find out why. Perhaps one of you is using the wrong cutoff date for deposits or one of you has not accounted for a bounced check or a deposit in transit. In any event, these amounts need to be in agreement. Once you have reconciled with the town treasurer, you need to reconcile with the town accountant/bookkeeper which should include the reconciliation of balances left to be collected. If a variance exists you again need to find out why. In this case it could be that one of you is not taking into consideration an abatement, refund or bounced check transaction. What follows is a sample of a reconciliation with the town treasurer.

Town of West Georgetown
Town Treasurer
Summary of Cash Remittance From Tax Collector
For the month ending August 31, 2009

		<u>Total</u>
Property Taxes	2009	\$ 56,250.50
	2008	\$ 25,450.00
Tax Liens	2008	\$ 2,560.00
	2007	\$ 34,210.00
	2006	\$ 8,965.00
Yield Taxes	2009	\$ 2,500.00
Land Use Change Tax	2009	\$ 1,200.00
Interest & Penalties	2009	\$ -
	2008	\$ 3,540.00
	2008 Lien	\$ 25.50
	2007 Lien	\$ 1,490.00
	2006 Lien	\$ 450.00
	TOTAL REMITTANCE FROM TAX COLLECTOR	<u>\$ 136,641.00</u>

Respectfully submitted per request of the Board of
Selectmen,
Treasurer

TAX COLLECTOR'S REPORT

For the Municipality of West Georgetown Year Ending 12/31/2009

CREDITS

REMITTED TO TREASURER	Levy for Current Year 2009	PRIOR LEVIES (Please Specify Years)		
2008				
Property Taxes	\$ 56,250.50	\$ 25,450.00		
Resident Taxes				
Land Use Change	\$ 1,200.00			
Yield Taxes	\$ 2,500.00			
Interest(including lien conversion)		\$ 3,540.00		
Penalties				
Excavation Tax @\$\$.02/yd				
Utility Charges				
Conversion to Lien(principal only)				
DISCOUNTS ALLOWED				
ABATEMENTS MADE				
Property Taxes				
Resident Taxes				
Land Use Change				
Yield Taxes				
Excavation Tax @\$\$.02/yd				
Utility Charges				
CURRENT LEVY DEEDED				
UNCOLLECTED TAXES - END OF YEAR #1080				
Property Taxes				
Resident Taxes				
Land Use Change				
Yield Taxes				
Excavation Tax @\$\$.02/yd				
Utility Charges				
Property Tax Credit Balance*	< >			
TOTAL CREDITS	\$ 59,950.50	\$ 28,990.00		

*Enter as a negative. This is the amount of taxes pre-paid for next year as authorized by RSA 80:52-a. (Be sure to include a positive amount in the Property Taxes actually remitted to the Treasurer)

TAX COLLECTOR'S REPORT
For the Municipality of West Georgetown Year Ending 12/31/2009

DEBITS

	Last Years Levy			PRIOR LEVIES (Please Specify Years)	
	2008			2007	2006
	Unredeemed Lien Balances at Beg. of Fiscal Year				
Liens executed During Fiscal Year					
Interest & Costs collected					
TOTAL DEBITS					

CREDITS

		Last Years Levy			PRIOR LEVIES (Please Specify Years)	
Redemptions		\$	2,560.00	\$	34,210.00	\$ 8,965.00
Interest & Costs Collected (after lien execution)	#3190	\$	25.50	\$	1,490.00	\$ 450.00
Abatements of unredeemed taxes						
Liens Deeded to Municipality						
Unredeemed Lien Balances End of Year	#1110					
TOTAL CREDITS		\$	2,585.50	\$	35,700.00	\$ 9,415.00

UNCOLLECTIBLE OR BOUNCED CHECKS

RSA 80:52-b Checks Tendered in Payment of Taxes states that “If any person tenders a check for the payment of any taxes levied by the tax collector and the check is returned to the tax collector as uncollectible for any reason, such taxes shall be deemed not paid and the person tendering such check shall be subject to applicable tax delinquency penalties, protest and collection charges.”

RSA 80:56 Uncollectible Checks states that “Whenever any check issued to a city or town for the payment of taxes, permit fees, licenses, special assessments, water or sewer bills, for any combination of these or for any other municipal services is returned to the city or town officials as uncollectible, the city or town shall charge a fee of \$25 plus all protest, bank and legal fees in addition to the amount of said check to the person who issued such check to cover the cost of collecting the debt that the check was issued to pay. The \$25 together with any protest or legal fees collected shall be for the use of the city or town.”

To illustrate how to handle a bounced check, we have the following example:

Jane Wyatt paid her second half tax bill on October 10, 2009 totaling \$1,000.00. Then on October 13, 2009, the bank notified the town treasurer, who in turn notified the tax collector, that Jane's check had bounced and the bank has assessed the town a \$15.00 bounced check fee. The town treasurer has asked the tax collector to seek collection of the funds. When the original payment was received from Jane and the tax collector posted her payment to Jane's account it would have been reflected on the MS-61 as follows:

TAX COLLECTOR'S REPORT					
For the Municipality of <u>West Georgetown</u> Year Ending <u>12/31/2009</u>					
DEBITS					
UNCOLLECTED TAXES - BEG. OF YEAR*		Levy For 2009 of this report	PRIOR LEVIES (Please Specify Years)		
Property Taxes	#3110	XXXXXX			
Resident Tax	#3180	XXXXXX			
Land Use Change	#3120	XXXXXX			
Yield Taxes	#3185	XXXXXX			
Excavation Tax @ \$.02/yd	#3187	XXXXXX			
Utility Charges	#3189	XXXXXX			
Property Tax Credit Balance**		< >			
TAXES COMMITTED THIS YEAR					
Property Taxes	#3110	\$ 1,000.00			
Resident Tax	#3180				
Land Use Change	#3120				
Yeild Taxes	#3185				
Excavation Tax @ \$.02/yd	#3187				
Utility Charges	#3189				
OVERPAYMENT REFUNDS					
Property Taxes	#3110				
Resident Tax	#3180				
Land Use Change	#3120				
Yield Taxes	#3185				
Excavation Tax @ \$.02/yd	#3187				
Interest - Late Tax	#3190				
Resident Tax - Penalty	#3190				
TOTAL DEBITS		\$ 1,000.00			

*This amount should be the same as the last year's ending balance. If not, please explain. ** Enter as a negative. This is the amount of this year's taxes pre-paid last year as authorized by RSA 80:52-a. The amount is already included in the warrant & therefore in line #3110 as positive amount for this year's levy.

TAX COLLECTOR'S REPORT
 For the Municipality of West Georgetown Year Ending 12/31/2009

CREDITS

REMITTED TO TREASURER	Levy for this Year 2009	PRIOR LEVIES (Please Specify Years)		
		2008		
Property Taxes	\$1,000.00			
Resident Tax				
Land Use Change				
Yield Taxes				
Interest (include lien conversion)				
Penalties				
Excavation Tax @.02/yd				
Utility Charges				
Conversion to lien (principal only)				
DISCOUNTS ALLOWED				
ABATEMENTS MADE				
Property Taxes				
Resident Tax				
Land Use Change				
Yield Taxes				
Excavation Tax @.02/yd				
Utility Charges				
CURRENT LEVY DEEDED				
UNCOLLECTED TAXES - END OF YEAR #1080				
Property Taxes				
Property Tax Credit Balance*	< >			
Land Use Change				
Yield Taxes				
Excavation Tax @.02/yd				
Utility Charges				
TOTAL CREDITS	\$ \$1000.00 -			

*Enter as a negative. This is the amount of taxes pre-paid for next year as authorized by RSA 80:52-a. (Be sure to include a positive amount in the Property Taxes actually remitted to the treasurer).

Once notification of a bounced check from the town treasurer is obtained, the amount paid needs to be added back to the uncollected list and removed from the remittances to the treasurer totals. In addition, based on the 2 RSA's noted above, the tax collector will assess a \$25.00 fee plus the \$15.00 fee charged by the bank to Jane's account. Thus instead of her now owing \$1,000.00 she now owes \$1,040.00. These fees are not warranted amounts to the tax collector. Therefore, until collected, they are not reported on the MS-61.

Once Jane has made good on the check, the tax collector re-deposits the money. Then it is reentered on the MS-61 as if it were a first time deposit. It is also at this point that the fees collected are entered onto the MS-61 form. Once collected, the money is once again remitted to the treasurer and the fees are posted under the interest lines in the computer/books and on both the debit/credit sides of the MS-61 form.

Please note: If you do not remove the payment from your computer/books and from the remittance section of the MS-61 form, you will NOT list it as a remittance to the Treasurer again. In this case you would redeposit the money separately from other monies collected, clearly marking the deposit as a redeposit of the funds previously collected and remitted. Since you reported the original collection as a remittance to the treasurer and did not negate that remittance, you will not report it as an amount collected again. By depositing it separately and clearly marking it as a redeposit, you are simply replacing the money that was removed from the town's account by the bank. If you collected the \$40.00 protest fees, you will, however need to put the protest fees through your computer/books as interest/penalties and deposit /remit that amount with your next remittance.

The following illustrates the reporting on the MS-61 when the money that was removed from your collection/remittances is again collected together with bounced check fees totaling \$40.00:

TAX COLLECTOR'S REPORT
 For the Municipality of _____ Year Ending 12/31/2009

DEBITS

UNCOLLECTED TAXES - BEG. OF YEAR*		Levy For 2009 of this report	PRIOR LEVIES (Please Specify Years)		
Property Taxes	#3110	XXXXXX			
Resident Tax	#3180	XXXXXX			
Land Use Change	#3120	XXXXXX			
Yield Taxes	#3185	XXXXXX			
Excavation Tax @ \$.02/yd	#3187	XXXXXX			
Utility Charges	#3189	XXXXXX			
Property Tax Credit Balance**		< >			
TAXES COMMITTED THIS YEAR					
Property Taxes	#3110	\$ 1,000.00	FOR DRA USE ONLY		
Resident Tax	#3180				
Land Use Change	#3120				
Yield Taxes	#3185				
Excavation Tax @ \$.02/yd	#3187				
Utility Charges	#3189				
OVERPAYMENT REFUNDS					
Property Taxes	#3110				
Resident Tax	#3180				
Land Use Change	#3120				
Yield Taxes	#3185				
Excavation Tax @ \$.02/yd	#3187				
Interest - Late Tax	#3190	\$ 40.00			
Resident Tax - Penalty	#3190				
TOTAL DEBITS		\$ 1,040.00			

*This amount should be the same as the last year's ending balance. If not, please explain. ** Enter as a negative. This is the amount of this year's taxes pre-paid last year as authorized by RSA 80:52-a. The amount is already included in the warrant & therefore in line #3110 as positive amount for this year's levy.

TAX COLLECTOR'S REPORT

For the Municipality of West Georgetown Year Ending 12/31/2009

CREDITS

REMITTED TO TREASURER	Levy for Current Year 2009	PRIOR LEVIES (Please Specify Years)		
2008				
Property Taxes	\$1,000.00			
Resident Taxes				
Land Use Change				
Yield Taxes				
Interest(including lien conversion)				
Penalties	\$40.00			
Excavation Tax @\$.02/yd				
Utility Charges				
Conversion to Lien(principal only)				
DISCOUNTS ALLOWED				
ABATEMENTS MADE				
Property Taxes				
Resident Taxes				
Land Use Change				
Yield Taxes				
Excavation Tax @\$.02/yd				
Utility Charges				
CURRENT LEVY DEEDED				
UNCOLLECTED TAXES - END OF YEAR #1080				
Property Taxes				
Resident Taxes				
Land Use Change				
Yield Taxes				
Excavation Tax @\$.02/yd				
Utility Charges				
Property Tax Credit Balance*	< >			
TOTAL CREDITS	\$1040.00			

*Enter as a negative. This is the amount of taxes pre-paid for next year as authorized by RSA 80:52-a. (Be sure to include a positive amount in the Property Taxes actually remitted to the Treasurer).

ABATEMENTS vs. ABATEMENT REFUNDS

RSA 76:16 By Selectmen or Assessors states in part that “Selectmen or assessors, for good cause show, may abate any tax assessed by them or their predecessors, including any portion of interest accrued on such tax.”

RSA 76:17-d Abatement Refund states that “the Selectmen or assessors may apply all or a portion of the amount of any taxes abated, along with interest computed according to this chapter, to any outstanding taxes owed by the taxpayer to the municipality. Taxes shall be considered outstanding if they are subject to interest pursuant to RSA 76:13. The selectmen or assessors shall send notice to the taxpayer of the amount credited against outstanding taxes and the date the credit was recorded.”

In simpler terms, abatement is a reduction in a tax bill which has not yet been paid by the taxpayer. An abatement refund is a reduction in the tax obligation of a taxpayer who has already paid their tax bill.

Often times the abatement refunds are not recorded on the MS-61 form since the taxes have been cleared off the books once the initial payment was made. At this point, it is seen as an issue between the selectmen’s office and the taxpayer. The treasurer/bookkeeper would credit cash rather than the tax commitment. Some may argue that in order to show the complete history of the taxpayer’s account, the abatement refund should be posted to the account and subsequently to the MS-61 form. If the abatement is posted to the account it will result in a credit balance (overpayment) to the account that now requires the refund transaction to put the taxpayer’s account back to a zero balance left to collect. Whether or not to post these abatement refunds is a personal preference.

Let’s illustrate how to treat both situations on the MS-61form.

For an abatement, Jeff Kennerson, a property owner in town, applied for an abatement on an over-assessment of his property. Upon investigation of his claim, the town assessor agreed that, Mr. Kennerson was assessed for a 3 car detached garage when in fact it was a 2 car attached garage. Therefore he would be granted an abatement on his taxes in the amount of \$750.00. As of the date of the approval of the abatement by the Board of Selectmen, Jeff had not yet paid any of the taxes for the year. The total tax bill for the year was \$7,750.00. When the abatement is applied it will lower the uncollected property taxes to \$7,000.00 as follows:

TAX COLLECTOR'S REPORT
For the Municipality of West Georgetown Year Ending 12/31/2009

DEBITS

UNCOLLECTED TAXES - BEG. OF YEAR*		Levy for this Year 2009	PRIOR LEVIES (Please Specify Years)		
Property Taxes	#3110	XXXXXXXXXX			
Resident Tax	#3180	XXXXXXXXXX			
Land Use Change	#3120	XXXXXXXXXX			
Yield Taxes	#3185	XXXXXXXXXX			
Excavation Tax @.02/yd	#3187				
Utility Charges	#3189	XXXXXXXXXX			
Property Tax Credit Balance**		< >			
TAXES COMMITTED THIS YEAR					
Property Taxes	#3110	\$ 7,750.00	FOR DRA USE ONLY		
Resident Tax	#3180				
Land Use Change	#3120				
Yield Taxes	#3185				
Excavation Tax @.02/yd	#3187				
Utility Charges	#3189				
OVERPAYMENT REFUNDS					
Property Taxes	#3110				
Resident Tax	#3180				
Land Use Change	#3120				
Yield Taxes	#3185				
Excavation Tax @.02/yd	#3187				
Interest-Late Tax	#3190				
Resident Tax Penalty	#3190				
TOTA DEBITS		\$ 7,750.00			

*This amount should be the same as the last year's ending balance. If not, please explain. ** Enter as a negative. This is the amount of this year's taxes pre-paid last year as authorized by RSA 80:52-a. The amount is already included in the warrant & therefore in line #3110 as positive amount for this year's levy.

TAX COLLECTOR'S REPORT

For the Municipality of West Georgetown Year Ending 12/31/2009

CREDITS

REMITTED TO TREASURER	Levy for Current Year 2009	PRIOR LEVIES (Please Specify Years)		
2008				
Property Taxes				
Resident Taxes				
Land Use Change				
Yield Taxes				
Interest(including lien conversion)				
Penalties				
Excavation Tax @\$\$.02/yd				
Utility Charges				
Conversion to Lien(principal only)				
DISCOUNTS ALLOWED				
ABATEMENTS MADE				
Property Taxes	\$750.00			
Resident Taxes				
Land Use Change				
Yield Taxes				
Excavation Tax @\$\$.02/yd				
Utility Charges				
CURRENT LEVY DEEDED				
UNCOLLECTED TAXES - END OF YEAR #1080				
Property Taxes	\$7000.00			
Resident Taxes				
Land Use Change				
Yield Taxes				
Excavation Tax @\$\$.02/yd				
Utility Charges				
Property Tax Credit Balance*	< >			
TOTAL CREDITS	\$7750.00			

*Enter as a negative. This is the amount of taxes pre-paid for next year as authorized by RSA 80:52-a. (Be sure to include a positive amount in Property Taxes actually remitted to the Treasurer).

Now, Jeff Kennerson has been granted the abatement of \$750.00 on his taxes and as of the date of the approval of the abatement by the Board of Selectmen, Jeff has already paid in full the total tax bill of \$7,750.00. In this example the treasurer/bookkeeper would pay Jeff \$750.00 out of the overlay account established by **RSA 76:6** to answer any abatements made. There would be no postings to be made by the tax collector – UNLESS – personal preference has established that all abatements will be posted. In this case, the posting of the abatement will create a credit balance (overpayment) of \$750.00 which needs to be refunded in the tax collector's computer/books, a check written out of the appropriate property tax account and MS-61 entries as shown below:

TAX COLLECTOR'S REPORT					
For the Municipality of <u>West Georgetown</u> Year Ending <u>12/31/2009</u>					
DEBITS					
UNCOLLECTED TAXES - BEG. OF YEAR*		Levy for this Year 2009	PRIOR LEVIES (Please Specify Years)		
Property Taxes	#3110	XXXXXXXX			
Resident Tax	#3180	XXXXXXXX			
Land Use Change	#3120	XXXXXXXX			
Yield Taxes	#3185	XXXXXXXX			
Excavation Tax @.02/yd	#3187				
Utility Charges	#3189	XXXXXXXX			
Property Tax Credit Balance		< >			
TAXES COMMITTED THIS YEAR					
Property Taxes	#3110	\$ 7,750.00	FOR DRA USE ONLY		
Resident Tax	#3180				
Land Use Change	#3120				
Yield Taxes	#3185				
Excavation Tax @.02/yd	#3187				
Utility Charges	#3189				
OVERPAYMENT REFUNDS					
Property Taxes	#3110	\$ 750.00			
Resident Tax	#3180				
Land Use Change	#3120				
Yield Taxes	#3185				
Excavation Tax @.02/yd	#3187				
Interest-Late Tax	#3190				
Resident Tax Penalty	#3190				
TOTAL DEBITS		\$ 8,500.00			

*This amount should be the same as the last year's ending balance. If not, please explain. ** Enter as a negative. This is the amount of this year's taxes pre-paid last year as authorized by RSA 80:52-a. The amount is already included in the warrant & therefore in line #3110 as positive amount for this year's levy.

TAX COLLECTOR'S REPORT

For the Municipality of West Georgetown Year Ending 12/31/2009

CREDITS

REMITTED TO TREASURER	Levy for Current Year 2009	PRIOR LEVIES (Please Specify Years)		
2008				
Property Taxes	\$7,750.00			
Resident Taxes				
Land Use Change				
Yield Taxes				
Interest(including lien conversion)				
Penalties				
Excavation Tax @\$.02/yd				
Utility Charges				
Conversion to Lien(principal only)				
DISCOUNTS ALLOWED				
ABATEMENTS MADE				
Property Taxes	\$750.00			
Resident Taxes				
Land Use Change				
Yield Taxes				
Excavation Tax @\$.02/yd				
Utility Charges				
CURRENT LEVY DEEDED				
UNCOLLECTED TAXES - END OF YEAR #1080				
Property Taxes				
Resident Taxes				
Land Use Change				
Yield Taxes				
Excavation Tax @\$.02/yd				
Utility Charges				
Property Tax Credit Balance*	< >			
TOTAL CREDITS	\$8,500.00			

*Enter as a negative. This is the amount of taxes pre-paid for next year as authorized by RSA 80:52-a. (Be sure to include a positive amount in Property Taxes actually remitted to the Treasurer).

CLEARING THE TAX LIEN FROM THE PROPERTY TAX COLUMN

There are two ways to move the executed tax lien amounts from the first pages of the MS-61 to the last page. The first way would be when the tax collector obtains a check from the municipality for the total amount of the tax lien. When this check is issued, the tax collector deposits it into the treasurer's account giving the treasurer/bookkeeper a remittance slip clearly showing the types of taxes, interest and costs as posted to the property/yield/Land Use Change and excavation tax accounts. On the MS-61 form, this is reported on page 2 as a property tax remittance for the principal amount of the various taxes and the interest and costs are posted accordingly. There should be no balances remaining for the levy year that was taken to tax lien.

When a check is not issued to the tax collector, an entry is made on the MS-61 form after the necessary postings have been made on the tax collector's warrants. This posting is done in the same manner as when a check has been issued except that the principal of the lien is posted to the line entitled "Conversion to lien" instead of the property tax line. Then on both pages 1 and 2 the interest and costs associated with the tax lien are added to the interest lines as both a debit and a credit.

The purpose of these entries are to remove the remaining unpaid property taxes from page 2 for the MS-61 form as uncollected and move them, together with their associated interest and cost amounts, to page 3 of the MS-61 as "Liens Executed During Fiscal Year".

TAX COLLECTOR'S REPORT
For the Municipality of West Georgetown Year Ending 12/31/2009

DEBITS

UNCOLLECTED TAXES - BEG. OF YEAR*		Levy for this Year 2009	PRIOR LEVIES (Please Specify Years)		
			2008	2007	2006
Property Taxes	#3110	XXXXXXXXXX	\$55,000		
Resident Tax	#3180	XXXXXXXXXX			
Land Use Change	#3120	XXXXXXXXXX			
Yield Taxes	#3185	XXXXXXXXXX			
Excavation Tax @.02/yd	#3187				
Utility Charges	#3189	XXXXXXXXXX			
Property Tax Credit Balance		< >			
TAXES COMMITTED THIS YEAR					
Property Taxes	#3110		FOR DRA USE ONLY		
Resident Tax	#3180				
Land Use Change	#3120				
Yield Taxes	#3185				
Excavation Tax @.02/yd	#3187				
Utility Charges	#3189				
OVERPAYMENT REFUNDS					
Property Taxes	#3110				
Resident Tax	#3180				
Land Use Change	#3120				
Yield Taxes	#3185				
Excavation Tax @.02/yd	#3187				
Interest-Late Tax	#3190		\$3,300		
Resident Tax Penalty	#3190				
TOTAL DEBITS			\$58,300		

*This amount should be the same as the last year's ending balance. If not, please explain. ** Enter as a negative. This is the amount of this year's taxes pre-paid last year as authorized by RSA 80:52-a. The amount is already included in the warrant & therefore in line #3110 as positive amount for this year's levy.

TAX COLLECTOR'S REPORT

For the Municipality of West Georgetown Year Ending 12/31/2009

CREDITS

REMITTED TO TREASURER	Levy for Current Year 2009	PRIOR LEVIES (Please Specify Years)		
2008				
Property Taxes		\$55,000.00		
Resident Taxes				
Land Use Change				
Yield Taxes				
Interest(including lien conversion)		3,300.00		
Penalties				
Excavation Tax @\$.02/yd				
Utility Charges				
Conversion to Lien(principal only)				
DISCOUNTS ALLOWED				
ABATEMENTS MADE				
Property Taxes				
Resident Taxes				
Land Use Change				
Yield Taxes				
Excavation Tax @\$.02/yd				
Utility Charges				
CURRENT LEVY DEEDED				
UNCOLLECTED TAXES - END OF YEAR #1080				
Property Taxes				
Resident Taxes				
Land Use Change				
Yield Taxes				
Excavation Tax @\$.02/yd				
Utility Charges				
Property Tax Credit Balance*	<	>		
TOTAL CREDITS		\$58,300.00		

*Enter as a negative. This is the amount of taxes pre-paid for next year as authorized by RSA 80:52-a. (Be sure to include a positive amount in Property Taxes actually remitted to the Treasurer).

In the above illustration, the tax lien check is added to the payments received on property taxes to the date of the lien so it does not stand out on its own. The MS-61 form shows that those 2008 property taxes have been paid in full at end of the year.

TAX DEEDED PROPERTY

RSA 80:76 Tax Deed states in part that “I, the collector, after 2 years from the execution of the real estate tax lien, shall execute to the lien holder a deed of the land subject to the real estate tax lien and not redeemed.”

“Notwithstanding the provisions of paragraph I, the collector shall not execute a deed of the real estate to a municipality when the governing body of the municipality has notified the collector that it shall not accept the deed because acceptance would subject the municipality to potential liability...”

§ 80:76. Tax Deed.

- I. The collector, after 2 years from the execution of the real estate tax lien, shall execute to the lien holder a deed of the land subject to the real estate tax lien and not redeemed. The deed shall be substantially as follows:

Know all men by these presents, That I, _____, collector of taxes for the Town of _____, in the County of _____ and State of New Hampshire, for the year 20 _____, by the authority in me vested by the laws of the state, and in consideration of _____ to me paid by _____, do hereby sell and convey to _____, the said _____, (here describe the land sold), to have and to hold the said premises with the appurtenances to _____, forever. And I do hereby covenant with said _____, that in making this conveyance I have in all things complied with the law, and that I have a good right, so far as the right may depend upon the regularity of my own proceedings, to sell and convey the same in manner aforesaid. In witness whereof I have hereunto set my hand and seal the _____ day of _____, _____.

State of New Hampshire, County of _____, Date _____

Personally appearing (tax collector) above named acknowledged the foregoing instrument to be his/her voluntary act and deed before me

Notary Public/Justice of the Peace

When a tax deed has been taken and recorded at the registry of deeds, the corresponding property taxes and associated tax liens are removed from the tax collector’s records. This information for the property subject to resale by the town, should be given to the town accountant or bookkeeper so that it can be reported on the town’s financial statements and tracked until it is sold.

When removing the tax deeded property from the tax collector’s records, you must remember to remove all of the uncollected/unredeemed taxes for all tax levies. The tax deed was taken for

the whole property and not only on the individual tax levy that caused the property to go to tax deed. It is very important to note that when the tax deeded property is removed from the tax collector's records, an abatement slip is NOT obtained as a way of clearing the deeded property. Most computer software programs have a method for removing these properties. If doing this process manually, simply making a journal entry is all that is required. Be sure to share this information with your accountant/bookkeeper if they track balances left to collect!

The following information will be used to illustrate how to record the tax deeded amounts on the MS-61:

Robert & Carmen Baroody	
2009 Property Taxes	\$1,250.00
2008 Tax Lien	\$1,830.00
2007 Tax Lien	<u>\$1,900.00</u>
Total Deeded Taxes	\$4,980.00
Michael & Thelma Wilkins	
2009 Property Taxes	\$ 950.00
2008 Tax Lien	\$1,100.00
2007 Tax Lien	\$1,150.00
2006 Tax Lien	<u>\$ 700.00</u>
Total Deeded Taxes	\$3,900.00
Total Tax Deeded Property by Levy	
2009 Property Taxes	\$2,200.00
2008 Tax Lien	\$2,930.00
2007 Tax Lien	\$3,050.00
2006 Tax Lien	<u>\$ 700.00</u>
Total Deeded Taxes	\$8,880.00

Posting the tax deeded taxes to the "Current Levy Deeded" and "Liens Deeded to Municipality" will clear out those taxes that have been committed in the current year and balances that remain in the beginning unredeemed balances for the appropriate levy years as follows:

TAX COLLECTOR'S REPORT

For the Municipality of West Georgetown Year Ending 12/31/2009

CREDITS

REMITTED TO TREASURER	Levy for Current Year 2009	PRIOR LEVIES (Please Specify Years)		
2008				
Property Taxes				
Resident Taxes				
Land Use Change				
Yield Taxes				
Interest(including lien conversion)				
Penalties				
Excavation Tax @\$.02/yd				
Utility Charges				
Conversion to Lien(principal only)				
DISCOUNTS ALLOWED				
ABATEMENTS MADE				
Property Taxes				
Resident Taxes				
Land Use Change				
Yield Taxes				
Excavation Tax @\$.02/yd				
Utility Charges				
CURRENT LEVY DEEDED		\$2,200.00		
UNCOLLECTED TAXES - END OF YEAR #1080				
Property Taxes				
Resident Taxes				
Land Use Change				
Yield Taxes				
Excavation Tax @\$.02/yd				
Utility Charges				
Property Tax Credit Balance* < >				
TOTAL CREDITS		\$2,200.00		

*Enter as a negative. This is the amount of taxes pre-paid for next year as authorized by RSA 80:52-a. (Be sure to include a positive amount in Property Taxes actually remitted to the Treasurer).

TAX COLLECTOR'S REPORT

For the Municipality of West Georgetown Year Ending 12/31/2009

DEBITS

	LAST YEARS LEVY 2008	PRIOR LEVIES (Please Specify Years)		
		2007	2006-Prior	
Unredeemed liens balance at beg. of Fiscal Year	\$2,930.00	\$3,050.00	\$700.00	
Liens executed during Fiscal Year				
Interest & costs collected(AFTER LIEN EXECUTION)				
TOTAL DEBITS	\$2,930.00	\$3,050.00	\$700.00	

CREDITS

REMITTED TO TREASURER		LAST YEARS LEVY 2008	PRIOR LEVIES (Please Specify Years)		
			2007	2006-Prior	
REDEMPTIONS					
Interest & costs collected					
Interest & costs collected(AFTER LIEN EXECUTION)	#3190				
ABATEMENTS OF UNREDEEMED TAXES					
Liens Deeded to Municipality		\$2,930.00	\$3,050.00	\$700.00	
Unredeemed Lien balances	#1110				
End of Year					
TOTAL CREDITS		\$ 2,930.00	\$3,050.00	\$700.00	

Does your municipality commit taxes on a semi-annual basis(RSA 76:15-a)? _____

Under penalties of perjury, I declare that I have examined the information contained in this form and to the best of my belief it is true, correct and complete.

TAX COLLECTORS SIGNATURE _____ DATE _____

ADJUSTMENTS

Many of the software packages used today for tax collection have a function available to the tax collector for "Adjustments". This function should only be used to reclassify a posting from one property owner to another or from one levy to another, and, in some instances for handling bounced checks. When moving a posting from one levy to another, be sure to notify your treasurer/bookkeeper that money you have remitted to them as one levy is now being moved to another.

It is important that when this function is used, it is for the purpose for which it was intended. This means that, at year-end any transactions posted through this function should net to zero. Another way to say this is that for every debit adjustment there **MUST** be credit adjustments of the same amount. Do not adjust tax amounts warranted to you to collect because exemptions or tax credits were left off. This requires either an abatement or abatement refund as discussed earlier. Your tax warrant **IS** your obligation to collect. The only money you do not collect is the amounts that are abated by the assessors/selectmen.

EXHIBIT

BLANK SAMPLE MS-61 FORMS

TAX COLLECTOR'S REPORT
 For the Municipality of _____ Year Ending _____

DEBITS

UNCOLLECTED TAXES - BEG. OF YEAR*		Levy for this Year 2009	PRIOR LEVIES (Please Specify Years)		
Property Taxes	#3110	XXXXXXXXXX			
Resident Tax	#3180	XXXXXXXXXX			
Land Use Change	#3120	XXXXXXXXXX			
Yield Taxes	#3185	XXXXXXXXXX			
Excavation Tax @.02/yd	#3187				
Utility Charges	#3189	XXXXXXXXXX			
Property Tax Credit Balance		< >			
TAXES COMMITTED THIS YEAR					
Property Taxes	#3110		FOR DRA USE ONLY		
Resident Tax	#3180				
Land Use Change	#3120				
Yield Taxes	#3185				
Excavation Tax @.02/yd	#3187				
Utility Charges	#3189				
OVERPAYMENT REFUNDS					
Property Taxes	#3110				
Resident Tax	#3180				
Land Use Change	#3120				
Yield Taxes	#3185				
Excavation Tax @.02/yd	#3187				
Interest-Late Tax	#3190				
Resident Tax Penalty	#3190				
TOTAL DEBITS					

*This amount should be the same as the last year's ending balance. If not, please explain. ** Enter as a negative. This is the amount of this year's taxes pre-paid last year as authorized by RSA 80:52-a. The amount is already included in the warrant & therefore in line #3110 as positive amount for this year's levy.

TAX COLLECTOR'S REPORT
 For the Municipality of _____ Year Ending _____

CREDITS

REMITTED TO TREASURER	Levy for this Year 2009	PRIOR LEVIES (Please Specify Years)		
		2008		
Property Taxes				
Resident Tax				
Land Use Change				
Yield Taxes				
Interest (include lien conversion)				
Penalties				
Excavation Tax @.02/yd				
Utility Charges				
Conversion to lien (principal only)				
DISCOUNTS ALLOWED				
ABATEMENTS MADE				
Property Taxes				
Resident Tax				
Land Use Change				
Yield Taxes				
Excavation Tax @.02/yd				
Utility Charges				
CURRENT LEVY DEEDED				
UNCOLLECTED TAXES = END OF YEAR #1080				
Property Taxes				
Property Tax Credit Balance	< >			
Land Use Change				
Yield Taxes				
Excavation Tax @.02/yd				
Utility Charges				
TOTAL CREDITS	\$			

*Enter as a negative. This is the amount of taxes pre-paid for next year as authorized by RSA 80:52-a. (Be sure to include a positive amount in the Property Taxes actually remitted to the Treasurer).

TAX COLLECTOR'S REPORT
For the Municipality of _____ Year Ending _____

DEBITS

	LAST YEARS LEVY	PRIOR LEVIES (Please Specify Years)		
Unredeemed liens balance at beg. of Fiscal Year				
Liens executed during Fiscal Year				
Interest & costs collected(AFTER LIEN EXECUTION)				
TOTAL DEBITS				

CREDITS

REMITTED TO TREASURER		LAST YEARS LEVY	PRIOR LEVIES (Please Specify Years)		
REDEMPTIONS					
Interest & costs collected	#3190				
Interest & costs collected(AFTER LIEN EXECUTION)					
ABATEMENTS OF UNREDEEMED TAXES					
Liens Deeded to Municipality					
Unredeemed Lien balances	#1110				
End of Year					
TOTAL CREDITS		\$ -			

Does your municipality commit taxes on a semi-annual basis(RSA 76:15-a)? _____

Under penalties of perjury, I declare that I have examined the information contained in this form and to the best of my belief it is true, correct and complete.

TAX COLLECTORS SIGNATURE _____ DATE _____