



Bulletin

BUL-2025-06

TAX TITLE INTEREST RATE

TO: Local Officials

FROM: Kenneth Woodland, Chief, Municipal Finance Law Bureau

DATE: August 2025

SUBJECT: Recent Legislation: Section 87 of Chapter 14 of the Acts of 2025 - Tax Title Interest Rate

[Chapter 140 of the Acts of 2024](#) (hereinafter “Act”) made significant changes to the tax title foreclosure process. § 88 of the Act amended [G.L. c. 60, § 62](#) by reducing the tax title interest rate from 16% to 8%. Thereafter, DLS issued [BUL-2024-6](#), which interpreted this provision as applying prospectively, meaning that the reduced interest rate would only be applicable for tax titles entered into on or after the effective date of this section of the Act, which was November 1, 2024. To that end, DLS opined that property already in tax title before November 1, 2024 would continue to accrue interest at a rate of 16%.

[Chapter 14 of the Acts of 2025](#) just affirmed DLS’ interpretation. Section 87 of [Chapter 14 of the Acts of 2025](#), which went into effect on August 5, 2025, states that: “Notwithstanding any general or special law to the contrary, sections 88 and 94 of chapter 140 of the acts of 2024 and section 24 shall only apply to land purchased or taken under a tax title on or after November 1, 2024.” As such, the reduced tax title interest rate is only applicable for tax titles entered into on or after November 1, 2024 and property already in tax title before November 1, 2024 will continue to accrue interest at a rate of 16%.

In light of this recent legislation, DLS advises communities to only follow the guidance contained herein with respect to the application of the reduced tax title interest rate, including for redemption purposes.

Any questions concerning this issue can be sent to dslaw@dor.state.ma.us.