



# Informational Guideline Release

Bureau of Municipal Finance Law  
Informational Guideline Release (IGR) No. 21-13  
May 2021

**Supersedes IGR 90-205 and Inconsistent Prior Written Statements**

## **EXTRATERRITORIAL SEWER LIENS AND DURATION OF MUNICIPAL WATER, SEWER AND ELECTRIC LIGHT LIENS**

**[Chapter 218 of the Acts of 2016](#)**  
**(Amending [G.L. c. 83, § 16A](#))**

This Informational Guideline Release (IGR) informs local officials that they can impose liens for unpaid sewer charges (similar to light plant liens) on property located outside the borders of the municipality where the sewer plant is located. Liens for water, sewer and electric light charges, if promptly added to the ensuing fiscal year (FY) tax bills, in the community where the subject property is located, are coterminous with tax liens.

### Topical Index Key:

Accounting Policies and Procedures  
Collection Procedures  
Tax Bills

### Distribution:

Assessors  
Collectors  
Treasurers  
Clerks  
Accountants/Auditors  
Mayors/Selectmen  
Managers/Administrators/Exec. Secys.  
Finance Directors  
City Solicitors/Town Counsels

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**EXTRATERRITORIAL SEWER LIENS AND DURATION OF  
MUNICIPAL WATER, SEWER AND ELECTRIC LIGHT LIENS**

**Chapter 218 of the Acts of 2016**  
**(Amending G.L. c. 83, § 16A)**

**SUMMARY:**

This Informational Guideline Release (IGR) informs local officials that legislation has amended the local option statute authorizing municipalities and districts to impose liens for unpaid municipal charges for sewer service. Previously, only lighting plants could impose liens on property located outside the borders of the municipality where the plant is located. This legislation amends [G.L. c. 83, § 16A](#) to extend the lien provisions for sewer usage when customers located in neighboring communities do not pay their sewer charges.

As a general matter, if promptly added to the ensuing fiscal year real estate tax bill, in the community where the subject property is located, the liens for water, sewer and electric light charges are coterminous with the lien for the tax to which the charges are added. If a collector makes a tax taking in time to perfect the real estate tax lien, the taking will also perfect liens for any utility charges that become part of the bill.

**GUIDELINES:**

- I. If a municipality or sewer district has accepted [G.L. c. 83, §§ 16A-F](#), filed a certificate of such acceptance in the proper Registry of Deeds and filed a copy of the certificate with the collector of taxes of the city or town where the lien is to take effect (in the community where the subject property is located) then the unpaid sewer charge can be liened to a parcel in a neighboring community.
- II. If an unpaid utility charge is timely added to the ensuing fiscal year real estate tax bill, in the community where the subject property is located, then the lien for the unpaid charge will be coterminous with the real estate tax bill. Once payment has been received from the delinquent user, the treasurer pays it over, with applicable interest, to the collector in the community which provided the sewer service. It is important that officials in the community providing the sewer service consult with officials in the community adding the unpaid charges to its tax bill.
- III. There has been no change in the duration of liens for utility charges that do not get added to tax bills in a timely fashion. Those liens will still expire on October first of the third year after the charges became due.

**EXAMPLE:**

A town that has accepted the relevant statutes to create liens issues semi-annual utility bills on November 15, 2016 and May 15, 2017. The bills are due and payable on December 15, 2016 and June 14, 2017 respectively. The liens for any bills not paid by those dates will arise on December 16, 2016 and June 15, 2017.

Because the liens for both bills will arise in FY 2017, the charges, if they remain unpaid, must be added to the FY 2018 tax commitment, in the community where the subject property is located. If they are added to the FY 2018 tax bills, the liens will be valid for as long as the lien for the FY 2018 tax is valid, that is, until December 31, 2021 or until there is a recorded alienation of the property, whichever is later.

However, if they are not added to the FY 2018 tax bills, in the community where the subject property is located, the lien for the bills due in December 2016 will expire on October 1, 2019 and the lien for the bills due in June 2017 will expire on October 1, 2020.