



# Condo Conversion and Tax Bills

## Massachusetts Law Governs Tax Bill Ownership Recordings

Due to the property tax structure established by Massachusetts statute, there are occasions where property may change hands or uses and those changes are not immediately reflected on the tax bills sent out by the City.

The tax bills for any given Fiscal Year relate to the property's status and attributes as of the January 1<sup>st</sup> preceding that Fiscal Year. For example, for Fiscal Year 2010 (7/1/2009 – 6/30/2010) tax bills address the owner of record of the property as of 1/1/2009.

**Questions.  
Contact Tax Data  
Administration at  
(617) 635-3783**

## Condo conversion and tax bills

The timing of property ownership recordings can create confusion in many instances, especially when a property has been converted into a condominium. For every condominium created there will be a window of time when the condo unit owners are not each receiving their own *individualized bill*. **This DOES NOT mean that each condo unit owner is not responsible for property taxes.**

For the period of time before the condo unit owners get their own individualized bills, each unit owner is responsible for paying his share of the total property tax bill. A unit owner's share of the bill can be calculated by multiplying the unit owner's percentage interest in the common area of his condominium by the bill amount.

**EXAMPLE:** a five unit building converts to a condominium on August 30<sup>th</sup>, 2009 and the building gets a quarterly property tax bill in November 2009 for \$2,500. The condominiums Master Deed lists out the common area percentages . Tax Bill amount for each owner is show below :

UNIT	Common Area Percentage	Tax Bill Amount Owner Responsible for
1	25%	\$625
2	20%	\$500
3	20%	\$500
4	20%	\$500
5	15%	\$375

*NOTE: Keep track of any payments that you make on your taxes for your unit, if another unit owner does not pay their portion of the overall tax bill you want to have proof showing that you have paid your portion.*

Eventually, you will receive your own individualized bill for your unit. Most of the new condominiums created are issued 1<sup>st</sup> quarter tax bills on July 1<sup>st</sup> and are due August 1<sup>st</sup>. In cases where inaccurate plans or problems are encountered while reviewing recorded instruments, the Assessing Department will issue bills for those condominiums in the 3<sup>rd</sup> quarter. The bills are issued on January 1<sup>st</sup> and due February 1<sup>st</sup>. The timing of this will depend upon when the Master Deed for your condominium was recorded. Please refer to the timeline below for information about upcoming years.

<u>Calendar Year Converted</u>	<u>Conversion Reflected on 1<sup>st</sup> QTR Tax Bills for Fiscal Year</u>
2008	2010
2009	2011
2010	2012