



Article: 21

Warrant Article Title:

BYLAW AMENDMENT / HOME EQUITY THEFT BAN

Warrant Article Text:

To see if the Town will vote to amend the Town Bylaws to prohibit the sale of tax liens to private debt buyers in accordance with Massachusetts State Law; or take any action related thereto.

Requested By:

Guillermo Hamlin and ten registered voters

Report Excerpt:

Vote and comment to Town Meeting - No Action (5-0).

The Board voted unanimously to recommend that no action be taken on this warrant article that seeks to ban the Town of Arlington from selling tax liens to private debt buyers.

Home Equity Theft, where a city or town sells a home following a tax foreclosure and keeps any proceeds above and beyond the amount due to the municipality, is already illegal, both in Massachusetts and on the federal level. G.L. c. 60, §64A, enacted in 2024, outlines how excess equity must be returned to a property's original owner if the property has been foreclosed. In short, if a city or town forecloses on a home because of unpaid property taxes and sells it, whatever remains of the equity after the balance is paid off must be returned to the former homeowner. Town Counsel noted that G.L. c. 60, §2C details the right of all municipalities in the Commonwealth to assign or transfer these debts and therefore, the petitioner's proposed bylaw amendment is preempted by state law.

The Board expressed its appreciation of Mr. Hamlin's intent to protect the home equity of property owners.

Vote Language:

That no action be taken on Article 21.

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