



Avitar Associates of New England, Inc.

Municipal Services Company

The MS-61 Report

The MS-61 Report was created by the Department of Revenue in order to comply with RSA 41:35 which states, "...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..."

To assist in this process, Avitar Tax Collect generates an MS-61 Report in the format specified by the DRA. It's a summary of all the work processed in the Tax Collect system throughout the current fiscal year. The MS-61 is a cumulative report, meaning it starts capturing information at the beginning of the fiscal year and continues capturing activity up to the date you view the report. For the purposes of this document, we will use a calendar fiscal year (January to December). Therefore, all reports will be run from the beginning of January to the end of December.

The purpose of this document is to assist you in finding and printing the reports to verify the individual figures on the MS-61.

Supporting Reports

To balance the MS-61, you will need the following reports:

- MS-61
- Last year's MS-61 (you can find this in Archived Reports)
- Collections YTD
- Abatements
- Deeded Property List
- Receivables listed by Warrant for Only Unpaid Receivables
- Supplements
- Deposit report for the deposit created by your lien (1st page only)
- Transaction Report for each Resident Tax Levy (Only if you are collecting Resident Taxes)
- Discounts (Only if you apply discounts for early payments)
- Credit Reports:
 - All Credits | Filter Credits By Fiscal Year of Receipt and select your current year (ex: 2012)
 - Unassigned Credits
 - Credits Assigned to Payables by Assigned Date
 - Credits Assigned to Receivables For Prior FY Receipts
 - Credits Assigned to Interest and Penalties For Prior FY Receipts

Note, the following information was designed to follow the MS-61 format, which means each section listed corresponds with the order in which they are displayed on the MS-61.

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Uncollected Taxes At The Beginning Of The Year

The Uncollected Taxes At The Beginning Of The Year figures should match your *Uncollected Taxes—End Of Year* from last year's MS-61 (Page 2). It should also match the *Beginning Balance* column from the Collections YTD report. The DRA will require an explanation if the figures do not match.

Prior Years' Credits Balance

The Prior Years' Credits Balance represents the unassigned credits at the end of your last fiscal year. It should match the figure from last year's MS-61 report on Page 2 under Uncollected Taxes – End of Year | *Property Tax Credit Balance*.

To verify this figure, go to Reports | Archived | Credits. On the last page, add the Unassigned Prepayments and the Unassigned Overpayments.

This Year's New Credits

This Year's New Credits represents the new credits added to the system during the year that were not assigned to another receivable or to interest.

To verify this figure, go to Reports | Credits | All | By Fiscal Year of Receipt. Select your current fiscal year. As you are only looking for new credits that have not been assigned to another receivable or to interest, you will need to add the following figures:

- Assigned to Payables
- Unassigned Prepayments
- Unassigned Overpayments

Taxes Committed This Fiscal Year

The Taxes Committed This Fiscal Year columns list what was committed to you to collect. If you add up your signed warrants from the Selectmen (including any supplements) by categories, they should match these figures. They will also match the *Committed and Supplemented* column on the Collections YTD report. Keep in mind that, on the Collections YTD report, Property Tax is separated into P01 and P02 (if you bill twice a year) and the MS-61 combines them into one figure. The same applies to any supplement if you added them to the system separately as new warrants. For example, you had a warrant for a Timber Tax that you supplemented in July and then in August you received another Timber Tax warrant. When entering the second supplement, you can choose to add them to the existing 2013T01 Timber Tax from the Add Supplemental Bill screen (which is recommended), or you can add a new warrant creating a 2013T02 Timber Tax. If you decide to add a new warrant, 2013T02, it will be displayed on its own line on the Collections YTD report and it must be added together with any other like warrants to match the *Timber Yield Taxes* column on the MS-61.

Overpayment Refunds

Overpayment Refunds are the credits you have assigned to payables. As Avitar does not designate a warrant for an unassigned credit, the total amount refunded will be reflected under *Credits Refunded* on the MS-61.

To verify this figure, go to Reports | Credits | Assigned | Assigned To - Payables. Under the Filter Credits section, select By Assigned Date and select January 1st to December 31st. This figure should also be verified with what your finance office has for refunds.

Interest – Late Tax

Interest – Late Tax is the amount of interest and penalties you collected, as well as any credits that were assigned to Interest and Penalties during your current fiscal year. This figure is the same as the *Interest and Penalties* figure on Page 2 of the MS-61. The MS-61 does not distinguish interest by warrants; only by year. For example, if you collected interest and penalties for a 2013 Gravel, 2013 Property 1st and 2nd issue, and 2013 Timber, the *Interest – Late Tax* amount will be a total of all the 2013 *Collected - Interest and Penalties* on the Collection YTD report.

Resident Tax Penalty

The Resident Tax Penalty field is only used if you are billing and collecting Resident taxes. Resident taxes are not charged interest, but they do get a penalty added to their accounts if they do not pay by a certain date. To verify the amounts listed, go to Reports | Transactions. For the section labeled Include Transactions Based On, select Post Date, then select January 1st to December 31st. Under the Include Warrant section, select the Resident Tax warrant. Each year must be run separately. For example, selecting 2013R01-Resident Tax will give you a report of every transaction for January to December for the 2013 Resident Tax. If your MS-61 shows a 2012 Resident tax, you will need to run this report again, but select 2012R01-Resident Tax from the Include Warrant drop down box.

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Remitted To Treasurer

The Remitted To Treasurer figures are the amounts you collected in principal for each warrant. Keep in mind that the MS-61 does not include the principal amount that went to lien in the various warrants, where the Collections Summary YTD does. For example, when you created the lien, a deposit was generated to pay off all the unpaid receivables. The Collections Summary YTD sees this as payments and puts the totals in the payments column for each warrant type that went to lien. However, the MS-61 has a separate entry for the principal amount that went to lien, so it does not include them as amounts you actually collected. So, when you are balancing your Remitted to Treasurer on the MS-61, you need to know the principal amounts that went to lien for each warrant. You can get these figures by looking at your lien totals printed at the time of the lien, or print the deposit totals page for the deposit created by the lien.

Start by proving your current fiscal year collections (FY2013) column. From the Collections Summary YTD report, look at the *Collected -Principal* column and add that figure to the *Prior Yr Credits Assigned -Principal* column, if there are any. For example, to prove the *2013 Property Taxes Remitted to Treasurer* on the MS-61, using the Collections YTD report, add the Principal collected for 2013P01 and 2013P02. Then add the Principal from the Prior Yr Credits Assigned column for the same warrants.

The total should match the *Remitted To Treasurer for Property Taxes* on the MS-61. Continue with this process until all the Current Fiscal Year amounts are balanced.

To prove the MS-61 *Prior Levies Remitted to Treasurer* columns, you would start by following the same procedures above by adding the *Collected -Principal with the Prior Yr Credits Assigned* columns on the Collection YTD report; however, for the first column (2012), you need to subtract the principal amount that went to lien for the category you are balancing. For example, to prove the 2012 Property Taxes Remitted to Treasurer on the MS-61, add the *Collected -Principal* for the 2012P01 and 2012P02, plus any *Prior Yr Credits Assigned* for the same warrants. Then, using the Deposit report for the Lien (or the Lien Report), subtract the Principal amount for the 2012P01 and 2012P02. The total should match the *Remitted to Treasurer – Property Taxes* under the 2012 column on the MS-61.

Converted To Liens (Principal Only)

To prove the Converted To Liens (Principal Only) field, use the Deposit report for the deposit created by the lien (or the lien totals page from the lien report). Remember, this is the total of the principal only and does not include interest or cost.

Betterment Taxes

Betterment Taxes are handled just like any other tax (Property, Timber). Follow the same instructions under Remitted to Treasurer above.

Discounts Allowed

The Discounts Allowed fields will only apply if your municipality, by a vote at town meeting, gives a discount to people who pay their taxes early. The amount on this line is the amount you did not collect due to the discount. To prove the figures, go to Reports | Discounts.

Prior Year Overpayments Assigned

The Prior Year Overpayments Assigned figure represents the credits you carried over from last year and assigned in this fiscal year. To verify this figure you will need two reports:

- Report | Credits | Assigned to Receivables | By Fiscal Year Receipts. Filter Credits the drop down menu, select Before and your current fiscal year. (For example, if you are proving your 2013 MS-61, you would want to select Before 2013.)
- Report | Credits | Assigned to Interest and Penalties | By Fiscal Year Receipts. From the drop down menu, select Before and your current fiscal year. (For example, if you are proving your 2013 MS-61, you would want to select Before 2013.)

Add the two report totals and this should match the MS-61.

Abatements Made

The Abatements column on the MS-61 should match the figures under the *Abated* column on the Collections YTD report. They should also match the Abatements report and the signed abatement slips from the Selectmen.

Current Levy Deeded

The Current Levy Deeded figure consists of the principal amount owed as of the deed date for all current levy warrants. For example, to prove the *2013 Current Levy Deeded* amount on the MS-61, add all the Deeded amounts for every 2013 warrant on the Collections YTD report. The figures can be verified from the Deeded Property report.

Uncollected Taxes—End of Year #1080

The Uncollected Taxes-End of Year figures are what remain in outstanding receivables at the end of your fiscal year. The figures should match your Balance Due column on the Collections YTD report. As in all the above procedures, you will need to add the multiple warrants in a year together to match the MS-61. Details about unpaid invoices and the outstanding balances can be found on the *All Unpaid Receivables* report. To print this report, go to Reports | Receivables | Group of Invoices. The system will default to the selections you need, except that you will need to change the interest date to your yearend date.

Property Tax Credit Balance

The Property Tax Credit Balance figure represents the credits that are unassigned at the end of your fiscal year. To verify this figure, go to Reports | Credits | Unassigned.

Page 3 of the MS-61

Page 3 of the MS-61 is strictly the reporting of your lien(s) activity for the year. It is the same process you followed for the previous pages, but on a smaller scale. Note, if you processed two liens in one year, you will need to add the figures together from the Collection YTD report to match the figures on the MS-61.

Debits

Unredeemed and Executed Liens

Unredeemed Liens Beginning of FY

The *Unredeemed Liens Beginning of FY* and the *Unredeemed Elderly Liens Beg. of FY* should match the *Unredeemed Liens End of FY* and the *Unredeemed Elderly Liens End of FY* from last years MS-61 and the *Beginning Balance* on the Collection YTD report.

Liens Executed During FY

Liens Executed During FY are liens you created this year and should match the *Committed and Supplemented* column on the Collections YTD report. It should also match the total on the Deposit that was created at the time of the lien and the lien execution report.

Elderly Liens Executed During FY

Elderly Liens Executed During FY are Elderly Liens you created this year and should match the *Committed and Supplemented* column on the Collections YTD report. It should also match the total on the Supplements report. If you do not track your Elderly Deferral Liens in collect, you will have all zeros for this category.

Interest and Cost Collected

Interest and Costs Collected is the amount of interest and penalties you collected during the fiscal year. To verify this figure with the Collection YTD report, look under the *Collected -Interest and Penalties* column for the lien year you are balancing.

Credits**Remitted To Treasurer****Redemptions**

The Redemptions figure is the amount you have collected in principal this fiscal year and will match the *Collected -Principal* column on the Collections YTD report for each individual lien warrant.

Interest and Cost Collected

The Interest and Cost Collected is the same amount as the *Interest and Cost Collected* under the Debits section above.

Abatements of Unredeemed Liens

Abatements of Unredeemed Liens are any abatements you have received and posted during the fiscal year. This figure will match your Collections YTD report under the *Abated* column and the details will come from the Abatements report.

Liens Deeded to Municipality

Liens Deeded to Municipality are the principal amounts that were owed on the liens of the properties that went to deed. These figures will match your Collections YTD report under the *Deeded* column and the details will come from the Deeded Property report.

Unredeemed Liens End of FY

Unredeemed Liens End of FY and Unredeemed Elderly Liens End of FY are what is still outstanding in liens at the end of your fiscal year. They should match your *Balance Due* column on the Collections YTD report. The details of who is unpaid is on the All Unpaid Receivables report.

Remember to sign and date the report. Give a copy to your selectmen for the town report. Make a copy for your auditors, a copy for yourself, and mail the original to DRA by the following dates:

- **March 1st** for municipalities reporting on a fiscal year basis pursuant to RSA 31:94 (January-December).
- **September 1st** for municipalities reporting on an optional fiscal year basis pursuant to RSA 31:94-a (July-June)