

# City and Town

Navjeet K. Bal, Commissioner • Robert G. Nunes, Deputy Commissioner & Director of Municipal Affairs



A Publication of the Massachusetts Department of Revenue's Division of Local Services

## Third Annual Regionalization Conference

The Third Annual Regionalization Conference on September 1st at the College of the Holy Cross in Worcester will provide local officials with a first glimpse of the process that the Division of Local Services (DLS) plans to employ in the award of \$4 million in grants to promote regionalization.

Keynote Speaker Lieutenant Governor Timothy P. Murray is expected to discuss the process in his remarks the morning of the conference and DLS officials will be on hand to provide further explanation and related materials. Presented by the Division of Local Services, Franklin Regional Council of Governments and the Massachusetts Association of Regional Planning Agencies, this unique informational opportunity is yet another reason to mark your calendar.

The conference will open with remarks by Lieutenant Governor Murray, Department of Revenue Commissioner Navjeet Bal, Executive Office of Administration and Finance Policy Director Pam Kocher, Executive Director of the Pioneer Valley Planning Commission Tim Brennan, and myself. It will feature a series of morning workshops and afternoon roundtable discussions. The workshops will highlight a series of panelists sharing their insight and experiences on regionalizing municipal services and best practices. The roundtable discussions are designed to stimulate conversation among local officials on various topics of regionalization. Facilitated by a state official and including several invited subject matter experts, attendees will be encouraged to engage in an open dialogue to discuss specific questions or challenges surrounding regionalization. For additional information regarding the conference, including the brochure and a list of events, click [here](#) for more details.

On a related note, [the announcement](#) last week that construction is beginning on a project to bring broadband to more than 120 communities in western and north central Massachusetts is great news for many of the Commonwealth's smallest cities and towns. Regionalization efforts are hampered when communities lack communication infrastructure and this project will not only spur economic development, but immensely increase the efficiency of local governments that have had to make do without reliable and affordable high-speed internet access. As Governor Deval Patrick said, "the digital divide in Massachusetts is about to close."

Robert G. Nunes  
Deputy Commissioner & Director of Municipal Affairs

## New Bulletin and Veteran Exemption Applications

The Division of Local Services has issued [Bulletin 2011-10B, Exemption Applications](#). It announces revisions to the three forms, State Tax Forms [96](#), [96-4](#) and [96-5](#), used to apply for veteran exemptions. The revision reflects the 2010 Municipal Relief Act amendment of the Clause 22E exemption for veterans with 100% disability ratings. That amendment eliminates the additional requirement that veterans be incapable of working. It is effective for exemptions granted beginning in fiscal year 2012.

## Municipal health reform regulations released for public comment

Under the new municipal health care reform legislation (Chapter 69 of the Acts of 2011), the Executive Office of Administration and Finance (A&F) is responsible for adopting regulations as guidance to communities seeking to implement changes in health insurance plans under the process created by the new law. The regulations establish administrative procedures for the expedited negotiations that will occur between municipalities and public employee committees and for the process to be followed by a municipal health insurance review panel if the matter is not resolved during the expedited negotiations.

Because of the urgent need to provide guidance to communities choosing to take advantage of this new tool, A&F intends to file emergency regulations early next week. In the meantime, we are posting a draft of the regulations on the A&F website ([www.mass.gov/eoaf](http://www.mass.gov/eoaf)) and providing a limited opportunity for public comment before the regulations are filed.

Comments must be received electronically by 5:00 p.m. on Monday, August 8th, and should be addressed to: Pam Kocher, Director of Local Policy, at [Pam.Kocher@state.ma.us](mailto:Pam.Kocher@state.ma.us).

## **Municipal Calendar**

### **August 1: Taxpayer**

Quarterly Tax Bills — Deadline for Paying 1st Quarterly Tax Bill Without Interest

According to M.G.L. Ch. 59, Sec. 57C, this is the deadline for receipt of the 1<sup>st</sup> Quarter preliminary tax payment without interest, unless the preliminary bills were mailed after July 1. If mailed by August 1, the 1st Quarterly payment is due August 1, or 30 days after the bills were mailed, whichever is later, and the 2nd Quarterly payment is due November 1. If mailed after August 1, the preliminary tax is due as a single installment on November 1, or 30 days after the bills were mailed, whichever is later.

### **August 1: Taxpayer**

Annual Boat Excise Return Due

### **August 1: Accountant**

Notification of Total Receipts of Preceding Year

The total actual local receipts (e.g., motor vehicle excise, fines, fees, water/sewer charges) of the previous fiscal year must be included on Schedule A of the Tax Rate Recapitulation Sheet (Recap) which is submitted by the Assessors to DOR. On the Recap, the Accountant certifies the previous fiscal year's actual revenues, and the Assessors use this information to project the next fiscal year's revenues. Any estimates of local receipts on the Recap that differ significantly from the previous year's actual receipts must be accompanied by documentation justifying the change in order to be approved by the Commissioner of Revenue.

### **August 10: Assessors**

Deadline for Appealing EQVs to ATB (even numbered years only)

### **August 10: Assessors**

Deadline for Appealing SOL Valuations to ATB (every 4th year after 2005)

### **August 15: Assessors**

Deadline to Vote to Seek Approval for Authorization to Issue Optional Preliminary Tax Bills

For semi-annual communities issuing optional preliminary property tax bills, the Assessors must vote to seek authorization to issue the bills from DOR by this date. After receiving approval, Assessors must submit a Pro-forma Tax Rate Recap Sheet to DOR for review and issue the tax bills by October 1.

### **August 31: DOR/BOA**

Issue Instructions for Determining Local and District Tax Rates

A copy of the Tax Rate Recap Sheet and its instructions are forwarded to the town.

### **August 31: Assessors**

Begin Work on Tax Rate Recapitulation Sheet (to set tax rate for semi-annual bills)

Until the Tax Rate Recap Sheet is completed and certified by the Commissioner of Revenue, the community may not set a tax rate nor send out its property tax bills (unless it issues preliminary quarterly tax bills or requests from DOR the authority to send out preliminary tax notices if DOR requirements are met). Communities should begin gathering the information in enough time for the tax rate to be set and tax bills mailed by October 1. The Tax Rate Recap Sheet provides Mayors or Selectmen with a ready-made financial management tool because the town's most important financial management information is summarized on this form. The Mayor or Selectmen should review the Recap Sheet in preliminary form in order to understand the following financial information:

Page 1 (Tax Rate Summary) — The proposed tax levy should be compared to the levy limit. If a town does not levy to its limit, the remaining levy is referred to as excess levy capacity. Excess levy capacity is lost to the community for the current fiscal year although it will always remain in the levy limit calculation;

Page 2 (Amount To Be Raised) — This section includes appropriations and other local expenditures not appropriated. These include overlay deficits, revenue deficits, state and county charges, Cherry Sheet offset items, and the allowance for abatements and exemptions. By comparing this information to the prior year(s), any significant changes can be determined;

Page 2 (Estimated Receipts & Revenues From Other Sources) — In particular, Section C shows the amount appropriated from free cash and other available funds. By comparing the amounts appropriated to the balances in these accounts (available from the Accountant/Auditor), the Mayor or Selectmen can get a sense of how their non-property tax revenues are being used;

Page 3, Schedule A (Local Receipts Not Allocated) — By comparing these figures to prior year(s), the Mayor or Selectmen can determine any changes in these revenues;

Page 4, Schedule B (Certification of Appropriations and Source of Funding) — This section includes financial votes of City/Town Council or Town Meeting not previously reported on last year's recap.

**City & Town** is published by the Massachusetts Department of Revenue's Division of Local Services (DLS) and is designed to address matters of interest to local officials.

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