



Informational Guideline Release

Bureau of Municipal Finance Law
Informational Guideline Release (IGR) No. 15-204
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FISCAL YEAR 2016 TAX BILLS **QUARTERLY PAYMENT SYSTEM**

(G.L. c. 59, § 57C; G.L. c. 60, § 3; G.L. c. 60, § 3A)

This Informational Guideline Release (IGR) explains the requirements and procedures for implementing a quarterly tax payment system in Fiscal Year 2016 and provides “model” preliminary tax bills, actual tax bills and demands for use by cities, towns and districts that have adopted that system.

Section III-C-3-c, page 24, and the second paragraph of the Abatement/Exemption Application section in the reverse side of the FY2016 actual real estate bill (Model 3(Q)) have been revised to reflect 2014 legislation establishing a uniform deadline for applying for personal exemptions, including those exemptions adopted locally. St. 2014, c. 62, § 16. See Section III-C-3-b, page 24, for explanation of option to specify only those exemption clauses in effect in the community on the reverse side of the bill.

Questions on billing and collection procedures may be referred to the Bureau of Municipal Finance Law. Questions on "Pro Forma" Recaps should be referred to Bureau of Accounts field representatives. Balanced pro forma recaps are required for communities seeking approval from the Commissioner of Revenue to issue a third quarter preliminary tax bill, and in some cases, may be required for communities seeking approval to issue the first preliminary tax bill after October 1.

Topical Index Key:

Assessment Administration
Tax Bills

Distribution:

Assessors
Collectors

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Model Taxpayer Informational Enclosure
Model Preliminary Tax Bills, Tax Bills and Demands

FISCAL YEAR 2016 TAX BILLS
QUARTERLY PAYMENT SYSTEM

(G.L. c. 59, § 57C; G.L. c. 60, § 3; G.L. c. 60, § 3A)

Cities and towns that accept General Laws Chapter 59, Section 57C may implement a quarterly tax payment system.

The purpose of the quarterly tax payment system is to provide taxpayers with greater certainty about payment due dates and communities with a more evenly distributed level of income throughout the fiscal year. Under a quarterly tax payment system, a city or town substantially reduces if not eliminates costly short-term borrowing in anticipation of tax revenue and generally increases investment income.

These guidelines set forth requirements and procedures for implementing the quarterly tax payment system in Fiscal Year 2016 by communities that have adopted it and establish requirements for the form and content of tax bills in those communities.

Quarterly Tax Payment System Features

If a city or town accepts G.L. c. 59, § 57C, and adopts a quarterly tax billing system, property tax payments for that community, and that portion of a tax levying district within it, will ordinarily be made on this schedule: August 1, November 1, February 1 and May 1. Under the quarterly system:

- The assessors make a preliminary tax commitment each year in sufficient time for the collector to mail preliminary tax bills by July 1.
- The preliminary tax is based on the prior year's net tax on the property and may not exceed, with limited exceptions, 50 percent of that amount. The prior year's net tax may be adjusted, however, to reflect the annual 2.5 percent tax increase allowed under Proposition 2½ and any tax increase attributable to approved overrides or exclusions.
- The collector mails the preliminary tax bills each year by July 1.
- The preliminary tax is payable in two equal installments. The first installment is due on August 1. The second installment is due on November 1.

- Preliminary bills may be mailed after July 1, with the approval of the Commissioner of Revenue. The Commissioner may establish conditions for obtaining that approval, including the requirement that a pro forma recapitulation sheet be submitted.
- In the case of late billing, the preliminary tax is still payable in two equal installments if the bills are mailed on or before August 1. The first installment is due on August 1, or 30 days after the preliminary tax bills are mailed, whichever is later. The second installment is due on November 1.
- If the bills are mailed after August 1, however, the entire preliminary tax is due in a single installment on November 1, or 30 days after the bills are mailed, whichever is later. There is no payment due on August 1.
- After the city or town sets its tax rate, the assessors make the actual tax commitment and the collector mails actual tax bills for the year.
- If actual tax bills are mailed on or before December 31, the balance after the first and second preliminary tax installments are credited against the actual tax is payable in two equal installments. The first installment is due on February 1. The second installment is due on May 1.
- If actual tax bills cannot be mailed by December 31, a third quarter preliminary tax bill may be issued with the approval of the Commissioner of Revenue. The Commissioner may establish conditions for obtaining that approval, including the requirement that a pro forma recapitulation sheet be submitted. The third quarter preliminary installment cannot exceed the amount of the first quarter payment installment and is due February 1, or 30 days after the date the bills are mailed, whichever is later.
- Actual tax bills mailed after December 31 are payable May 1, or 30 days after the tax bills are mailed, whichever is later. If third quarter preliminary tax bills were issued, the amount due on that date is the balance after the first, second, and third quarter preliminary tax installments are credited to the actual tax. Otherwise, the entire balance after the first and second preliminary tax installments are credited to the actual tax is due on that date. No actual tax payment is due on February 1.
- The entire amount billed as an omitted or revised assessment is due on May 1, or 30 days after the bill is mailed, whichever is later.
- Interest on delinquent preliminary, actual, omitted and revised tax payments is charged from the due date, *i.e.*, only for the number of days the payment is actually unpaid and overdue.

GUIDELINES:

I. LOCAL ACCEPTANCE AND ADOPTION

A. Vote of Legislative Body

A quarterly tax payment system may only be used in cities and towns that have accepted G.L. c. 59, § 57C and specified that the acceptance is for the purpose of adopting or establishing a quarterly tax payment system. Acceptance and adoption requires a majority vote of town meeting, town council or city council.

The city or town clerk must notify the Municipal Databank if the statute is accepted. (See "[Notification of Acceptance](#)").

B. Effective Date

In cities and towns that accept the statute before July 1, 2015, the quarterly tax payment system must be implemented for FY16 unless another implementation date is specifically designated by the town meeting, town council or city council vote.

A city or town intending to implement the quarterly tax payment system for the first time in FY16 should vote to accept the statute and establish the system as soon as possible in order to allow sufficient time for the assessors and collector to prepare for a July 1 preliminary tax billing.

C. Districts

The decision of a community to use a quarterly tax payment system also governs the assessment and collection of property taxes for that portion of a tax levying district located within the community.

II. PRELIMINARY TAX COMMITMENT AND BILLING

The assessors in communities that use a quarterly tax payment system for FY16 are to make a preliminary tax commitment in sufficient time for the collector to prepare and mail preliminary tax bills by July 1, 2015.

A. Preparation of FY16 Assessment Roll

The assessors must prepare the legal file that will be used for FY16 tax commitment and billing. This file will be used for both the preliminary and actual tax commitment and billing. Therefore, it must identify all real property parcels and personal property accounts subject to taxation in FY16 and the person(s) to be assessed FY16 taxes on those parcels and accounts.

For the assessors to make the preliminary tax commitment in sufficient time for the collector to issue preliminary tax bills by July 1, it is essential that the assessors begin updating the legal file as soon as the information on the following becomes available:

1. Ownership changes as of January 1, 2015.
2. Lot splits, subdivisions and condominium conversions as of January 1, 2015.
3. Personal property accounts as of January 1, 2015.

B. Determination of Preliminary Tax

After completing the legal file, the assessors must determine the FY16 preliminary tax for each parcel and account in the file. The basis for determining the amount of the FY16 preliminary tax is the adjusted net tax due on the parcel or account in FY15. The FY16 preliminary tax does not represent an estimate of the actual taxes due in FY16. Under no circumstances is it to be based on FY16 valuation and tax rate projections.

1. Maximum Amount

The maximum amount of the FY16 preliminary tax may not exceed 50 percent of the net tax due on the parcel or account in FY15, as adjusted according to the instructions in Section II-B-3 and 4 below.

2. Net Tax Due in FY15

For each parcel or account, the assessors must determine the net tax due on the property in FY15. The net tax due is calculated by:

- a. Determining the amount of the tax assessed on the parcel or account in FY15.
- b. Adding the amount of betterments, special assessments, water and sewer liens and any other charges that were added to and became part of the FY15 tax.
- c. Subtracting the amount of taxes abated or exempted in FY15.

The assessors should exclude betterments, special assessments, water and sewer liens and other charges added in FY15 from the calculation of the net tax due if they decide to bill FY16 betterments, special assessments, water and sewer liens and other charges with the preliminary tax (See Section II-C-2 below). In other words, the net tax due in those communities should be based solely on the FY15 property tax, as abated or exempted.

In other communities, the net tax due may also be based solely on the FY15 property tax, as abated or exempted. If assessors include FY15 betterments, special assessments, water and sewer liens and other charges in the net due calculation, however, they should do so uniformly for all applicable parcels.

EXAMPLE
Determining Net Tax Due

	<u>Ex. 1</u>	<u>Ex. 2</u>	<u>Ex. 3</u>
FY15 Tax	\$1000	\$1000	\$1000
Betterments, Special Assessments, Water/Sewer Liens, Charges Added to FY15 Tax, <u>except</u> if Billing FY16 Charges with Preliminary Tax	+ 0	200	200
FY15 Tax Abated/Exempted	- <u>250</u>	<u>0</u>	<u>250</u>
FY15 Net Tax Due	\$ 750	\$1200	\$ 950

3. Individual Adjustments in Net Tax Due

The net tax due as determined according to the instructions in Section II-B-2 above may be adjusted by the assessors for some individual parcels or accounts. Adjustments may only be made in the following situations.

a. Property Destruction

There has been a change in the condition of the property that will result in a significant reduction in valuation and taxes in FY16.

For example, a property consisted of land and a single family home as of January 1, 2014, with the FY15 assessed valuation of and taxes on the house representing 75 percent of the total. A fire destroys the house and there has been no effort to rebuild. Therefore, FY16 taxes will be assessed on the land only. The assessors may reduce the net tax due accordingly. In this case, the assessors could base the preliminary tax on the net tax that would have been due on the property in FY15 if taxes had been assessed on the land only.

b. New Construction

There has been a change in the condition of the property that will result in a significant increase in valuation and taxes assessed in FY16.

For example, a property consisted of vacant land as of January 1, 2014 and FY15 taxes were assessed on that basis. A single family home is constructed on the lot. Therefore, FY16 taxes will be assessed on the land and new improvement. The assessors may increase the net tax due accordingly. In this case, the assessors could base the preliminary tax on the net tax that would have been due on the property in FY15 if taxes had been assessed on the improved property.

c. Loss of Personal Exemption

There has been a change in ownership or other factor that will result in loss of qualification for an exemption granted in FY15 and an increase in the taxes due on the property in FY16.

For example, an elderly person owned real property and qualified for an exemption under G.L. c. 59, § 5, Clause 41C in FY15. As a result, the net tax due in FY15 was \$500, rather than \$1,000. Before July 1, 2015, the property was sold. The assessors may increase the net tax due accordingly. In this case, the assessors could base the preliminary tax on the net tax that would have been due on the property in FY15 if the exemption had not been granted.

d. Parcel Returned to Tax Rolls/New Personal Property Account

There is property subject to taxation for the first time in FY16 due to the return of an exempt parcel of real property or the addition of a new account of personal property to the tax rolls.

For example, a charitable organization owned real property and qualified for an exemption under G.L. c. 59, § 5, Clause 3 in FY15. No tax was assessed. The property was sold and as of January 1, 2015 will be assessed to the new owner, a business corporation. Even though the net tax due would otherwise be \$0, the assessors may adjust it upwards. In this case, the assessors could base the preliminary tax on the net tax that would have been due on the property in FY15 if the exemption had not been granted.

e. Parcel Divisions

There has been a lot split, subdivision, condominium conversion or other parcel division between January 1, 2014 and January 1, 2015.

For example, a parcel consisted of 3 acres of vacant land on January 1, 2014 and was assessed as a single parcel in FY15. The net tax due in FY15 on that parcel was \$900. During 2014, the parcel was subdivided into 3 "new" parcels, each consisting of 1 acre of vacant land and for FY16, the 3 new parcels will be assessed separately for the first time. An apportionment of the net tax due in FY15 on the undivided parcel would ordinarily result in a net tax due of \$300 on each of the "new" resulting parcels. However, the assessors may increase the net tax due on each "new" parcel to reflect the parcel division. In this case, the assessors could base the preliminary tax on the net tax that would have been due if taxes had been assessed separately on the "new" parcels in FY15.

4. Tax Increase Adjustment in Net Tax Due

The net tax due as determined according to the instructions in Section II-B-2 and 3 above may also be adjusted by a tax increase factor.

That factor may not exceed 2.5 percent, plus the percentage any FY16 Proposition 2½ override or exclusion approved by the voters increases the FY15 tax levy. This adjustment is intended to spread any current year tax increases more evenly over the two installment payments, but it is not required. Any adjustment made, however, must be uniformly applied to all parcels and accounts.

5. Preliminary Tax Amount

Once the assessors have determined the net tax due for each parcel and account according to the instructions in Sections II-B-2, 3 and 4 above, the FY16 preliminary tax is then calculated by multiplying the net tax due by a percentage that may not exceed 50 percent. The percentage selected must be uniformly applied to all parcels and accounts within the municipality or district.

The number and amount of the preliminary tax installments is determined by when the preliminary tax bill is issued and mailed. If the preliminary tax bills are mailed on or before August 1, 2015, the preliminary tax is payable in two equal installments. However, if the bills are mailed after August 1, 2015, the balance is payable in one installment only.

EXAMPLE
Determining Preliminary Tax

		<u>Ex. 1</u>	<u>Ex. 2</u>	<u>Ex. 3</u>
FY15 Net Tax Due		\$ 750	\$1200	\$950
Tax Increase Adjustment (Optional) (2.5% + 0.5% for Override/Exclusion)	x	<u>1.03</u>	<u>1.03</u>	<u>1.03</u>
Adjusted Net Tax Due		772.50	1236.00	978.50
Selected Percentage (Not to Exceed 50%)	x	<u>50%</u>	<u>50%</u>	<u>50%</u>
FY16 Preliminary Tax		\$386.25	\$618	\$489.25
<u>Preliminary Bills Mailed by 8/1</u>				
First Installment Payment		\$193.13	\$309	\$244.63
Second Installment Payment		\$193.12	\$309	\$244.62
<u>Preliminary Bills Mailed After 8/1</u>				
Single Installment Payment		\$386.25	\$618	\$489.25

5. Preliminary Tax Calculation Examples

The following page illustrates how the preliminary tax is calculated in the various situations discussed in Section II-B-2, 3 and 4 above.

PRELIMINARY TAX CALCULATION EXAMPLES

	<u>Ex. 1</u>	<u>Ex. 2</u>	<u>Ex. 3</u>	<u>Ex. 4</u>	<u>Ex. 5</u>	<u>Ex. 6</u>
Type of Property Change FY15 to FY16 Assessment Roll	None	Condition (2014 fire destroys house)	Condition (house built in 2014)	Exempt Status (Sold to Non- Qualifying Person)	Exempt Status (Sold to Non-Exempt Organization)	Taxable Unit (3 Acre Parcel Divided into 3 1 Acre Lots)
FY15 Tax	\$1000	\$1000 (lot and house)	\$ 250 (lot only)	\$1000	\$ 0 (charitable exemption)	\$1000
Betterments, Special Assessments, Liens, Charges Added to FY15 Tax +	200	0	100	0	0	0
FY15 Tax Abated/Exempted -	250	0	0	500 (elderly exemption)	0	100
FY15 Net Tax Due	<u>950</u>	<u>1000</u>	<u>350</u>	<u>500</u>	<u>0</u>	<u>900</u> (undivided parcel)
Individual Adjustments in Net Tax Due		250 (Reduce tax to 250 - reflects tax if land only assessed in FY15)	1100 (Increase tax to 1000 - reflects tax if house also assessed in FY15)	1000 (Disregard exemption - reflects tax if exemption not granted in FY15)	1000 (Change tax to 1000 - reflects tax if exemption not granted in FY15)	500 each (Increase apportioned tax of \$300 each on new lots - reflects tax on each lot if taxed separately in FY15)
3% Tax Increase Adjustment in Net Tax Due (2.5% + 0.5% for Override/Exclusion)	978.50	257.50	1133	1030	1030	515
Selected Percentage (Not to Exceed 50%)	50%	50%	50%	50%	50%	50%
FY16 Preliminary Tax *	489.25	128.75	566.50	515	515	257.50 each
Installment Payments, Bills Mailed by 8/1	244.63/244.62	64.38/64.37	283.25	257.50	257.50	128.75

*** FY16 Preliminary Tax equals FY15 Net Tax Due (or Adjusted Net Tax Due) x Selected Percentage**

C. Preliminary Tax Commitment and Billing

1. General

The provisions of law regarding the procedures for issuing, mailing and collecting property tax and betterment assessments apply to the preliminary tax committed in communities using a quarterly tax payment system.

2. Preliminary Tax Commitment

Once the assessors have completed the legal file and have determined the amount of preliminary tax to be assessed on each parcel and account, they must commit the preliminary tax with a warrant to the collector.

The assessors may also commit with the preliminary tax any of the betterments, special assessments, liens or other charges that are to be added to the FY16 tax on the property for collection purposes. These special assessments and charges will then become due at the same time as the preliminary tax.

The assessors should make the FY16 preliminary tax commitment in sufficient time for the collector to prepare and mail preliminary tax bills by July 1, 2015.

a. Commitment List

The commitment list must contain, at a minimum, (1) the name(s) of the taxpayer(s), (2) an identification of the property, (3) the amount of the preliminary tax and (4) the amount of each installment payment. The property identification must be sufficient to allow the collector to properly credit the preliminary tax to the actual tax assessed and committed for FY16. For example, the map, block and lot number, the account number or other unique identifier may be used.

The commitment list must also show the (1) preliminary tax and (2) for real property parcels in communities billing betterments, special assessments, liens or other charges with the preliminary tax, the type, amount and committed interest for each assessment billed.

b. Warrant

Regular real estate and personal property warrants may be used if modified to indicate that they are for preliminary taxes under the provisions of G.L. c. 59, § 57C.

3. Bill Form and Content

Preliminary tax bills for communities using a quarterly tax payment system in FY16 must meet the requirements for form and content set forth in this guideline. Only bills that meet these requirements may state "This form approved by Commissioner of Revenue." The attached "model" preliminary tax bills 1(Q) (real estate) and 2(Q) (personal property) meet these requirements.

a. Content

Preliminary tax bills for FY16 must include:

- (1) Fiscal Year - The bills must be captioned "Fiscal Year 2016 Preliminary Real Estate Tax Bill" or "Fiscal Year 2016 Preliminary Personal Property Tax Bill."
- (2) Taxpayer Information - The names(s) and mailing address of the person(s) assessed the tax must be shown.

If the person assessed the tax is not the owner when the bills are mailed, the bill may be mailed in care of the current owner(s). In that case, the bill must show the name(s) of the person(s) assessed the tax and the name(s) and mailing address of the current owner(s).

- (3) Property Identification and Location - Sufficient information to identify the parcel of real property or personal property account must be shown.
 - (a) For real property parcels, this information must include the location by street and number, if any, and the map, block and lot number or other unique identifier used by the assessors to identify the property. Other identifying information, such as a deed reference, may be included but is not required.
 - (b) For personal property accounts, this information should include any unique identifier such as account number used by the assessors to identify the property.
- (4) Special Assessment Information - For real property parcels, the following information must be shown for any betterments, special assessments, liens or other charges being billed with the preliminary tax:

- Type of each assessment added - The type may be listed by code, provided the code is shown.
- Amount of each assessment added.
- Committed interest added for each assessment.
- Total special assessments and committed interest added to the tax.

(5) Tax Information - The following tax information must be shown:

- (a) For real property parcels, the total Preliminary Tax assessed must be shown.

In addition, the Total Preliminary Tax and Special Assessments Due must be shown. This represents the total preliminary tax and special assessments, including committed interest, being billed with the preliminary tax.

- (b) For personal property accounts, the total Preliminary Tax assessed must be shown.

(6) Payment Information - The following payment information must be provided:

- Amount of preliminary tax.
- Amount payable by August 1, 2015 (or 30 days after mailing of tax bill, whichever is later) and November 1, 2015, or if bill is mailed after August 1, 2015, amount payable by November 1, 2015 (or 30 days after mailing of tax bill, whichever is later).

(7) Payment Instructions - The bill must include instructions on making payments that should include at a minimum the following:

- Checks are payable to the city/town.
- The address to mail payments.
- The Collector's Office hours.

(8) Billing/Appeal Rights Information -

- The bill must include the following statement on interest computation: "Interest at the rate of 14% per annum will accrue on overdue payments from the due date until payment is made."

- The reverse side of the bill must provide the billing and appeal rights information shown in Models 1(Q) (real estate) and 2(Q) (personal property).

Preliminary tax bills may not contain any actual or proposed FY16 valuations or tax rates.

b. Form

Cities and towns may use the format shown in the models or may adapt the format to local specifications, provided that the format used presents the required content to the taxpayer in a clear and concise manner.

4. Mailing Deadline and Procedures

a. Timely Mailing/Authority for Late Mailing

There is no deadline for mailing the FY16 preliminary tax bills, although the collector must mail them by August 1, 2015 for the preliminary tax (including betterments, special assessments, liens and other charges billed with the preliminary tax) to be payable in two installments. See Section II-C-6 below.

Wherever possible, however, collectors should mail the FY16 preliminary tax bill on or before July 1, 2015 for the two installments to be due on the regular quarterly schedule. **Collectors are authorized by these guidelines to issue the bills after July 1, 2015, but not later than October 1, 2015. Upon written request, communities may also be given specific authorization by the Commissioner to issue the bills after October 1.** The Commissioner may require the submission of a balanced “Pro Forma” Recapitulation Sheet from those communities, depending on the individual circumstances.

b. Single/Multiple Mailing

Only one preliminary tax bill mailing is required even if the preliminary tax is payable in two installments. This means a single mailing that includes some means for making two remittances, such as a single bill with two payment stubs or two separate bill forms, is sufficient.

However, collectors may elect to mail a second bill to each taxpayer sometime after the due date of the first preliminary tax installment payment. The second bill must include the same information as the bill mailed before August 1. It may also include the following payment information for the purpose of providing the taxpayer with a current statement of the account:

- Amount of preliminary tax abated.
- Payments made.
- Amount of 1st preliminary tax installment payment overdue.
- Amount of interest on overdue payment to date bill issued.
- Amount payable by November 1, 2015.

5. Taxpayer Informational Enclosure

In communities implementing a quarterly tax payment system for the first time in FY16, a separate enclosure explaining the new payment system should be included with all preliminary tax bills mailed. The attached “model” informational release may be used for that purpose.

6. Payment Due Dates

If the FY16 preliminary tax bills are mailed on or before August 1, 2015, the preliminary tax (including betterments, special assessments, liens and other charges billed with the preliminary tax) is payable in two equal installments. The first FY16 preliminary tax installment payment is due on August 1, 2015, or 30 days after the bills are mailed, whichever is later. The second installment payment is due on November 1, 2015.

If, for any reason, the FY16 preliminary tax bills are mailed after August 1, 2015, the entire balance is payable in one installment due on November 1, 2015, or 30 days after the bills were mailed, whichever is later. There is no payment due on August 1, 2015 and no interest can be charged taxpayers until after November 1, 2015.

7. Interest

Interest accrues at the rate of 14 percent a year on delinquent preliminary tax installment balances. Interest is computed on the unpaid and overdue amount from the installment due date until payment is made.

Therefore, if FY16 preliminary tax bills are mailed on or before August 1, 2015, interest on delinquent first installment payments is computed from August 1, 2015, or the payment due date, whichever is later, and on delinquent second installment payments from November 1, 2015 until payment is made.

If FY16 preliminary tax bills are mailed after August 1, 2015, interest on delinquent tax payments is computed from November 1, 2015, or the payment due date, whichever is later, until payment is made.

D. Administrative Procedures and Remedies

1. Omitted Parcels and Accounts

If a parcel or account is omitted from the commitment of FY16 preliminary taxes, the assessors may commit a preliminary tax and issue a preliminary tax bill for that property under G.L. c. 59, § 75 regarding omitted assessments. See [Informational Guideline Release \(IGR\) No. 90-215 Omitted and Revised Assessments](#) for the specific procedures to use.

If mailed on or before August 1, 2015, the preliminary tax bill for the omitted parcel or account is payable in two equal installments due on August 1, 2015, or 30 days after the bill is mailed, whichever is later, and on November 1, 2015. If the bill is mailed after August 1, 2015, it is payable in a single installment due on November 1, 2015, or 30 days after the bill is mailed, whichever is later. Interest on delinquent payments for omitted preliminary taxes is computed from the due date until payment is made.

2. Incorrect Name

If a preliminary tax was committed and bill issued in the name(s) of the incorrect person(s) and the preliminary tax has not been paid in full, the assessors should reassess the preliminary tax and reissue the bill in the name(s) of the proper person(s) under G.L. c. 59, § 77 regarding reassessment.

The assessors may use State Tax Form 44 to make the reassessment if modified to indicate that it is for preliminary taxes under G.L. c. 59, § 57C. The collector should then send the proper person(s) a bill for the preliminary tax. The bill to be used should be modified to indicate that the bill is for a reassessed preliminary tax. Interest automatically accrues with the reassessment and is computed from the dates on which it would have been computed on the original bill.

3. Abatement of Incorrect or Excessive Preliminary Tax

If the assessors determine that the amount of preliminary tax committed for a parcel or account exceeds the amount that should have been assessed under the calculation method they used, they may adjust the amount by abating the excess that remains unpaid. See Section II-B above.

The assessors may abate preliminary taxes at any time before the commitment of the actual tax either on their own motion or upon a taxpayer's written application. The taxpayer's application need not be in any particular form. An abatement of preliminary taxes should be processed in the same manner as abatements of real estate and personal property taxes, except that any amounts abated are to be charged to preliminary tax receipts not to the FY16 overlay account. Any forms used in processing an abatement should be modified to indicate that they are for preliminary taxes under G.L. c. 59, § 57C.

Example No. 1. Taxpayer A's FY15 real estate tax was \$1000. Taxpayer A was granted an abatement of \$200. Thus, the FY15 tax was \$800, which after a tax increase adjustment of 2.5%, resulted in an adjusted FY15 net tax due on this property of \$820. Under G.L. c. 59, § 57C, Taxpayer A's FY16 preliminary tax cannot exceed \$410. However, the taxpayer received a preliminary tax bill of \$512.50 because the abatement was not included in the calculation of the FY15 net tax due. The assessors should abate all or as much of the \$102.50 overcharge that is unpaid.

Example No. 2. Taxpayer B's FY15 real estate tax was \$1000 to which \$2000 in delinquent water charges were added. Taxpayer B paid the tax and charges in full. Because of the delinquent charges, the FY15 tax was \$3000, which after a tax increase adjustment of 2.5%, resulted in an adjusted FY15 net tax due on this property of \$3075. Under G.L. c. 59, § 57C, Taxpayer B's FY16 preliminary tax cannot exceed \$1537.50 and a preliminary tax bill was issued in that amount.

However, in this case where the FY15 net tax due included charges of a substantial amount and non-recurring nature that have been paid, the assessors may abate the preliminary tax to an amount that would be more representative of the preliminary tax the taxpayer would typically be required to pay. Here, for example, the assessors may recalculate the preliminary tax based on the FY15 real estate tax only (50% of $(\$1000 \times 1.025) = \512.50) and abate all or any portion of the difference that remains unpaid ($\$1537.50 - \$512.50 = \$1025$).

4. Property Divided After January 1

If a parcel is divided by sale, mortgage, partition or otherwise after January 1 and the division has been recorded at the Registry of Deeds, the assessors may apportion the preliminary tax, including interest, assessed on that parcel among the divided parcels under G.L. c. 59, § 78A regarding apportionment if a written request is made by the owner of any of the divided parcels.

The assessors may use State Tax Form 175 to make the apportionment and State Tax Form 176 to notify all interested parties if the forms are modified as appropriate to indicate they are for preliminary taxes under G.L. c. 59, § 57C.

If the assessors apportion a preliminary tax, they should also apportion the actual tax as soon as possible after commitment. See [IGR No. 92-207 Apportionment of Taxes](#) for the specific procedures to use.

III. ACTUAL TAX COMMITMENT AND BILLING

A. Actual Tax Commitment

Once valuations as of January 1, 2015 are established for all taxable real property parcels and personal property accounts and the FY16 tax rate is set, the assessors will determine the total tax assessment on each parcel and account for FY16 and will commit those taxes with a warrant to the collector.

There is no deadline for making the actual tax commitment. However, the assessors must make the FY16 actual tax commitment in sufficient time for the collector to prepare and mail actual tax bills by December 31, 2015 if the balance of the FY16 tax is to be payable in two installments. See Sections III-B and E below.

B. Preliminary Tax Credit and Actual Tax Payments

Upon receipt of the commitment, the collector must credit the committed (not paid) preliminary tax (including betterments, special assessments, liens and charges billed with the preliminary tax) to the actual tax assessed (including all betterments, special assessments, liens and charges being added to the tax for FY16). However, if an abatement of the preliminary tax, or added special assessment, was made, the credit should only be for the amount of the preliminary tax or special assessments as abated, not as committed.

The collector will then issue FY16 tax bills which set forth (1) the total tax assessed for the fiscal year, (2) the special assessments added to the tax for the fiscal year, (3) the amount of the preliminary tax and special assessment credit, and (4) the balance of the FY16 tax and special assessments owed.

The number and amount of the actual tax installment payments is determined by when the actual tax bill is issued and mailed. If the FY16 tax bills are mailed on or before December 31, 2015, the balance of the FY16 tax is payable in two equal installments. However, if the bills are mailed after December 31, 2015, the balance is payable in one installment only.

EXAMPLE
Determining Actual Tax Installments

		<u>Ex. 1</u>	<u>Ex. 2</u>	<u>Ex. 3</u>	<u>Ex.4</u>
FY16 Tax		\$1000	\$1000	\$1000	\$1000
Betterments, Special Assessments, Water/Sewer Liens, Charges Added to FY16 Tax	+	0	200	200	0
FY16 Preliminary Tax	-	500	500	500	0
Betterments, Special Assessments, Water/Sewer Liens, Charges Billed with FY16 Preliminary Tax	-	<u>0</u>	<u>200</u>	<u>150</u>	<u>0</u>
FY16 Tax and Special Assessment Balance		\$ 500	\$500	\$550	\$1000
 <u>Actual Bills Mailed by 12/31</u>					
First Installment Payment		\$ 250	\$ 250	\$ 275	\$500
Second Installment Payment		\$ 250	\$ 250	\$ 275	\$500
 <u>Actual Bills Mailed After 12/31</u>					
Single Installment Payment		\$ 500	\$ 500	\$ 550	\$1000

C. Bill Form and Content

Actual tax bills for communities using a quarterly tax payment system in FY16 must meet the requirements for form and content set forth in this guideline. Only bills that meet these requirements may state "This form approved by Commissioner of Revenue." The attached "model" actual tax bills 3(Q) (real property) and 4(Q) (personal property) meet these requirements.

1. Content

Actual tax bills for FY16 must include:

- a. Assessment Date/Fiscal Year - The bills must be captioned "Fiscal Year 2016 Real Estate Tax Bill" or "Fiscal Year 2016 Personal Property Tax Bill" and must state the assessment date of January 1, 2015.
- b. Taxpayer Information - The name(s) and mailing address of the person(s) assessed the tax must be shown.

If the person assessed the tax is not the owner when the bills are mailed, the bill may be mailed in care of the current owner(s). In that case, the bill must show the name(s) of the person(s) assessed the tax and the name(s) and mailing address of the current owner(s).

- c. Property Identification and Location - Sufficient information to identify the parcel of real property or personal property account must be shown.
 - (1) For real property parcels, this information must include the location by street and number, if any, and the map, block and lot number or other unique identifier used by the assessors to describe the property. Other identifying information, such as a deed reference, may be included but is not required.
 - (2) For personal property accounts, this information should include any unique identifier such as account number used by the assessors to describe the property.

- d. Property Description - A description of the taxable parcel or account must be provided.
 - (1) For real property parcels, a separate description of the land and buildings or other improvements must be shown. The land description must include the land area of the parcel. General terms such as land, building, improvement, structure or residence are sufficient although more detailed descriptions should be used where practicable.
 - (2) For personal property accounts, a separate description of the types of personal property must be shown. General terms such as inventory or machinery are sufficient.

- e. Valuation Information - The following valuation information must be provided:
 - (1) For real property parcels, the Total Valuation of the parcel must be shown. This will be the total assessed valuation of all land, buildings and other improvements comprising the parcel. A separate value for land and for buildings and other improvements may but need not appear on the bill.

In addition, communities with classified tax systems (*i.e.*, those communities certified by the Commissioner as assessing property at full and fair cash value in FY14, FY15 and FY16) must include:

- Classification - The usage classification of the described land and buildings as Class 1 Residential, Class 2 Open Space, Class 3 Commercial or Class 4 Industrial.

If a parcel is a multiple class property, the allocation of the total valuation by usage class must also be shown.

- Residential/Small Commercial Exemption - If a residential or small commercial exemption has been adopted, the amount of the assessed valuation that has been exempted must be shown for applicable parcels.
- Total Taxable Valuation - The total taxable valuation must be shown. The taxable value will be the total valuation, except where a residential or small commercial exemption has been applied.

- (2) For personal property accounts, the assessed Value of each type of personal property shown in the description must be stated separately.

In addition, the Total Valuation of all personal property must be stated.

- f. Special Assessment Information - For real property parcels, the following information for any betterments, special assessments or other charges added to the tax for collection purposes must be shown, whether or not the charges were billed with the preliminary tax:

- Type of each assessment added.
- The type may be listed by code, provided the code is shown.
- Amount of each assessment added.
- Committed interest added for each assessment.
- Total special assessments and committed interest added to the tax.

- g. Tax Rate Information - The tax rate per \$1000 of assessed valuation must be stated.

In addition, communities with classified tax systems must show these rates for each class of real property: Class 1 Residential, Class 2 Open Space, Class 3 Commercial and Class 4 Industrial.

- h. Tax Information - The following tax information must be shown:

- (1) For real property parcels, the total Real Estate Tax assessed must be shown.

In addition, the Total Tax and Special Assessments Due must be shown. This represents the total real estate tax and special assessments, including committed interest, added to the tax.

(2) For personal property accounts, the total Personal Property Tax assessed must be shown.

i. Payment Information - The following payment information must be provided:

- Amount of preliminary tax and special assessments previously billed.
- Amounts paid or abated since preliminary tax bill issued.
- Amount of 1st/2nd preliminary tax installment payment overdue.
- Amount of interest on overdue preliminary tax installment payments to date bill issued.
- Balance of FY16 tax due.
- Amount payable by February 1, 2016 and May 1, 2016 or if bill is mailed after December 31, 2015, amount payable by May 1, 2016 (or 30 days after mailing of tax bill, whichever is later). **The exact due dates must appear on the bill.** Printing the statutory due dates (*i.e.*, February 1, 2016 and May 1, 2016) alone is not sufficient unless bills were mailed on or before December 31, 2015. Nor is simply printing the bill issuance date with a notice that payment is due in 30 days, if the bills were mailed after April 1, 2016.

j. Payment Instructions- The bill must include instructions on making payments that should include at a minimum the following:

- Checks are payable to the city/town or district.
- The address to mail payments.
- The Collector's Office hours.

k. Billing/Appeal Rights Information -

- The bill must include the following statement on interest computation "Interest at the rate of 14% per annum will accrue on overdue payments from the due date until payment is made."

- The bill must state the **last date abatement applications** may be filed with the assessors. **The exact due date must appear on the bill, and it must be the same due date given for the first installment payment.** The language used in the statement may vary depending on the availability of space, but the following are preferred:

ABATEMENT APPLICATIONS TO ASSESSORS DUE:
_____, 2016.

or

DEADLINE FOR FILING ABATEMENT APPLICATIONS
WITH ASSESSORS: _____, 2016.

or

ABATEMENT APPLICATIONS MUST BE FILED WITH
THE ASSESSORS BY _____, 2016.

- The reverse side of the bill must provide the billing and appeal rights information shown in Models 3(Q) (real estate) and 4(Q) (personal property).
1. **Overdue Taxes and Charges** – For real property parcels, the bill must include a general statement of delinquency **if**: (1) any real estate taxes assessed for any prior fiscal year, or (2) any other taxes, betterments, special assessments or charges not added to the current year's tax that constitute liens on the same parcel, are overdue.

A tax or charge is considered overdue if delinquent for more than 90 days before the date FY16 taxes are committed. Overdue charges for fire, water, sewer or electric service do not have to be included **if**: (1) the service is provided within the city or town by multiple independent public suppliers, *e.g.*, overdue water charges do not have to be included if two or more separate water districts or commissions supply water service in the city or town, or (2) the public supplier of the service has its principal location in another jurisdiction, *e.g.*, overdue electric charges do not have to be included if the service was provided by the municipal light plant of another city or town.

(1) **Form**

The statement should appear in a location that is separate from the special assessment and payment information displayed for the current fiscal year.

(2) Content

The language used in the statement may vary depending on the availability of space and system capabilities, but the following are **examples of the type of general language that may be used:**

OTHER TAXES OR CHARGES ARE PAST DUE. SEE (COLLECTOR/TREASURER).

or

PARCEL IN TAX TITLE FOR DELINQUENT TAXES OR CHARGES. SEE TREASURER.

or

OTHER TAXES OR CHARGES THAT ARE LIENS ON PARCEL ARE PAST DUE. CONTACT (COLLECTOR/TREASURER).

or

CONTACT (COLLECTOR/TREASURER) IMMEDIATELY TO ADDRESS OTHER OUTSTANDING TAXES OR CHARGES.

2. Form

Cities and towns may use the format shown in the models or may adapt the format to local specifications, provided that the format used presents the required content to the taxpayer in a clear and concise manner.

3. Local Options

Where practicable, certain local adaptations may be made in the models. The following options, which are identified in the models by enclosure in parentheses, may be used:

- a. Per Diem Interest Charge - The statement on interest computation may provide a per diem interest charge.

- b. Applicable Exemptions - The information provided on exemptions on the reverse side of the bill may be adapted to state the local option exemptions (seniors, surviving spouses and minors with deceased parents: 17, 17C, 17C½ or 17D); (blind persons: 37 or 37A); (seniors: 41, 41B, 41C or 41C½); (seniors/others in community with water/sewer debt shift: 52 and 53); (National guardsmen and reservists: 56); (seniors receiving state circuit breaker income tax credit: 57) specifically applicable in the city or town. If a community chooses not to so specify, then references to all available exemptions must be included and the parentheses removed.
- c. Personal Exemptions - The actual real estate tax bill may display the amount of any personal exemption granted under one of the clauses listed in the third paragraph of G.L. c. 59, § 59 (seniors, surviving spouses, minors with deceased parents, blind persons, veterans, seniors/others in community with water/sewer debt shift, national guardsmen and reservists and seniors receiving state circuit breaker income tax credit) and the amount of the tax net of the exemption.
- d. Local Funds Check-off - Cities and towns may designate a place on the property tax bill (or design a separate form to be mailed with the tax bills) for taxpayers to check off amounts to donate to the local acceptance scholarship and education funds authorized by G.L. c. 60, § 3C, and the local acceptance fund to assist low income elderly or disabled persons pay their property taxes authorized by G.L. c. 60, § 3D. They may also include check-offs for other donations when authorized by special act. The local funds check-off may also appear on or accompany the preliminary tax bill and demand notice.

All funds check-offs must conform to the format below, **with only those funds accepted by the municipality's legislative body or authorized by a special act** appearing in line 2.

VOLUNTARY CHECK-OFF FOR CONTRIBUTION TO LOCAL FUNDS

1.	Amount Now Due		\$_____
2.	Scholarship	Education	Seniors/Disabled
	\$ _____	\$ _____	\$ _____
	(Insert amount(s) you wish to contribute)		
	Total Contribution	+	\$_____
3.	Add items 1 and 2 and pay total amount		\$_____

If the check-off appears on a separate form, rather than the tax bill or demand, the form may also include instructions to taxpayers on how to contribute to the funds by completing and returning the form with their tax payments. No other information regarding the funds may be placed on a check-off form.

Only bills or forms that meet these requirements may state "Approved by the Commissioner of Revenue."

D. Mailing Deadline and Procedures

1. Timely/Late Mailing

There is no deadline for mailing the FY16 actual tax bills. Wherever possible, however, collectors should mail the FY16 actual tax bills on or before December 31, 2015 for the actual tax balance to be due and payable in two installments on the regular quarterly schedule.

2. Single/Multiple Mailing

As with the preliminary tax mailing, only one actual tax bill mailing is required even if the actual tax is payable in two installments. If a single mailing is used, some means for making two remittances, such as a single bill with two payment stubs or two separate bill forms, must be provided.

If collectors elect to mail a second bill to each taxpayer sometime after February 1, 2016, the second bill must include the same information as the bill mailed before December 31, 2015, except the statement of overdue municipal taxes and charges is not required. It may also include the following payment information for the purpose of providing the taxpayer with a current statement of the account:

- Amount of actual tax abated.
- Payments made.
- Amount of 1st actual tax installment payment overdue.
- Amount of interest on overdue payment to date bill issued.
- Amount payable by May 1, 2016.

E. Payment Due Dates

If the FY16 actual tax bills are mailed on or before December 31, 2015, the balance of the FY16 tax after the preliminary tax is credited against the tax is payable in two equal installments. The first FY16 actual tax installment payment is due on February 1, 2016. The second installment payment is due on May 1, 2016.

If, for any reason, the FY16 actual tax bills are mailed after December 31, 2015, the entire balance is payable in one installment due on May 1, 2016, or 30 days after the bills were mailed, whichever is later. There is no payment due on February 1, 2016 and no interest can be charged taxpayers until after May 1, 2016.

F. Interest

Interest accrues at the rate of 14 percent a year on delinquent actual tax installment balances. Interest is computed on the unpaid and overdue amount from the installment due date until payment is made.

Therefore, if FY16 actual tax bills are mailed on or before December 31, 2015, interest on delinquent first actual tax installment payments is computed from February 1, 2016 and on delinquent second installment payments from May 1, 2016 until payment is made.

If FY16 actual tax bills are mailed after December 31, 2015, interest on delinquent actual tax payments is computed from May 1, 2016, or the payment due date, whichever is later, until payment is made.

G. Abatement/Exemption Applications

A person's right to seek an abatement of or exemption from FY16 taxes is not prejudiced by the issuance of preliminary tax bills under the quarterly tax payment system. The deadline for filing abatement or exemption applications is measured from the date the actual tax bills are mailed, not the preliminary tax bills.

Applications for personal exemptions and the residential exemption must be filed within three months of the date the actual tax bill is mailed. Applications for abatement, and all other exemptions, must be filed on or before February 1, 2016 if the actual bills are mailed on or before December 31, 2015. If the actual bills are mailed after December 31, 2015, however, those applications must be filed on or before May 1, 2016, or the thirtieth day after the date actual bills are mailed, whichever is later.

H. Crediting Abatements/Exemptions Granted

The procedures for applying abatements and exemptions and computing the minimum payment required to avoid interest charges are not affected by using a quarterly tax payment system. Thus, if an abatement or exemption is granted by the assessors, the collector should apply the amount abated or exempted to reduce any balance that remains outstanding and no refund would be issued unless the taxpayer had already paid more than the entire year's tax, as abated. Preliminary tax payments are considered payments for the purpose of determining when the entire tax for the fiscal year has been paid. In addition, the tax, as abated or exempted, would continue to be the basis for determining the amount a taxpayer must pay by any particular due date to avoid being charged interest.

Example 1. Taxpayer C's FY16 real estate tax was \$1000. Taxpayer C's preliminary tax was \$700, payable in two equal installments of \$350 due on August 1 and November 1, which leaves an actual tax balance of \$300 for the year payable in two equal installments of \$150 due on February 1 and May 1. Taxpayer C paid all preliminary and actual tax installments timely and is granted an abatement of \$350 on May 15. The abatement reduces the FY16 tax to \$650, which was paid when Taxpayer C made the second quarter preliminary tax payment. A refund of \$350 must be issued with interest on \$50 from November 1, on \$150 from February 1 and on \$150 from May 1. (If the payments had been made late, the interest would run from the date the payment was made instead of the due date).

Example 2. Taxpayer C's FY16 real estate tax was \$2000. Taxpayer C's preliminary tax was \$800, which leaves an actual tax balance of \$1200 for the year payable in two equal installments of \$600 due on February 1 and May 1. Taxpayer C paid the preliminary tax and the third quarter actual tax installments timely and is granted an abatement of \$200 on March 15. The abatement is applied to reduce the outstanding balance of the FY16 tax, from \$600 to \$400 and no refund is issued.

Example 3. Taxpayer C's FY16 real estate tax was \$2000. Taxpayer C's preliminary tax was \$800, which leaves an actual tax balance of \$1200 for the year for the year payable in two equal installments of \$600 due on February 1 and May 1. Taxpayer C paid the preliminary tax timely and only \$500 of the third quarter actual tax installment by February 1. The taxpayer is granted an abatement of \$200 on April 15, which reduces the FY16 tax to \$1800. The abatement is applied to reduce the outstanding balance of \$700 to \$500. Taxpayer C is not delinquent and cannot be charged interest on the payment due February 1 because at least half the FY16 tax remaining, as abated, was paid by that date. (\$2000 FY16 tax - \$200 abatement results in an \$1800 tax due. After the \$800 preliminary tax credit, a balance of \$1000 remains, which is payable in equal installments of \$500 due on February 1 and May 1).

Example 4. Same facts as above, except Taxpayer C paid the full preliminary tax timely and only and only \$400 of the third quarter actual tax installment. Again, the taxpayer is granted an abatement of \$200 on April 15, which is applied to reduce the outstanding balance of \$800 to \$600. In this case, however, \$100 of the third quarter tax is overdue because Taxpayer C had to pay \$500 by February 1.

I. Omitted and Revised Assessments

If parcels or accounts are omitted from the actual FY16 tax commitment or are underassessed, the assessors may make an omitted or revised assessment on the parcel or account under G.L. c. 59, §§ 75 and 76. See [IGR No. 90-215 Omitted and Revised Assessments](#) for the specific procedures to use.

The entire amount billed for the omitted or revised assessment is due on May 1, 2016, or 30 days after the bill was mailed, whichever is later. Interest on delinquent payments for omitted and revised assessments is charged from May 1, 2016, or the date the bill for the omitted or revised assessment was mailed, whichever is later, until payment is made.

The deadline for filing an application for abatement of an omitted or revised assessment is three months after the date the tax bill for the omitted or revised assessment was mailed.

J. Demands

If the entire FY16 tax has not been paid by May 1, 2016 (or 30 days after the actual tax bill was mailed if mailed after April 1, 2016), the collector will make a demand for payment on the taxpayer and then proceed to collect the amount outstanding. Demand notices must be captioned "Demand for Payment Fiscal Year 2016 Real Estate Taxes" or "Demand for Payment Fiscal Year 2016 Personal Property Taxes" and must include:

1. The taxpayer, property identification and location, property description, valuation, special assessment (for real estate only), tax rate, tax and payment instruction information found in the actual tax bill as explained in Section III-C above. . The statement of overdue municipal taxes and charges is not required.
2. The following Payment Information:
 - Amounts abated or exempted since actual tax bill issued.
 - Payments made since actual tax bill issued.
 - Amount of 1st/2nd preliminary tax (and special assessments if billed with preliminary tax) installment payment overdue.
 - Amount of 1st/2nd actual tax installment payment overdue.
 - Amount of interest on overdue payment(s) to date notice issued.
 - Amount of demand charge (set locally).
 - Amount due.
3. The following statement on interest computation "Interest at the rate of 14% per annum (or at \$_____ per day) will accrue on overdue payments from the due date until payment is made."
4. The notice shown in Models 5(Q) (real estate) and 6(Q) (personal property) on the reverse side of the bill.

IV. THIRD QUARTER PRELIMINARY TAX BILLS

If actual FY16 tax bills cannot be mailed on or before December 31, 2015 because a reassessment or other reason has delayed the final determination of assessed valuations as of January 1, 2015, a city or town has the option of issuing a third quarter preliminary tax bill with the prior written approval of the Commissioner of Revenue. A district that levies property taxes may also be authorized to issue a third quarter preliminary tax bill if at least one of the cities or towns constituting the district cannot mail FY16 tax bills on or before December 31, 2015 because of a valuation related reason.

A. Authorization Procedure

In order to obtain authorization to issue third quarter preliminary tax bills, the assessors must submit:

1. An application letter to the Bureau of Local Assessment that requests authority to issue third quarter preliminary tax bills and explains the reasons for the valuation related delay in setting the FY16 tax rate. The letter must be signed by a majority of the assessors and by the mayor, a majority of the selectmen or a majority of the district committee members, as applicable.
2. A "Pro Forma" Recapitulation Sheet to the Bureau of Accounts completed in accordance with instructions issued by the Bureau. The "Pro Forma" Recapitulation Sheet submitted by the assessors must indicate a balanced budget within the limits of Proposition 2½ and must contain all information required to set the FY16 tax rate, except the assessed valuation. In addition, it must include the assessors' estimate of the allowable increase in the FY16 levy limit due to tax base growth.

- a. Establishment of FY16 Tax Levy

A city, town or district must fix its tax levy for FY16 in the same manner as if it were setting its FY16 tax rate. Once the levy is established and the Commissioner authorizes the issuance of third quarter preliminary tax bills, a city, town or district may not increase its FY16 tax levy, except to reflect adjustments allowed in its FY16 tax levy under Proposition 2½, as explained Sections IV-A-2-b below. Under no circumstances may the FY16 tax levy exceed the limits imposed by G.L. c. 59, § 21C, "Proposition 2½."

- b. Allowable Increase in FY16 Tax Levy

If authorized to issue third quarter preliminary tax bills, a city, town or district cannot set a FY16 tax rate with a levy greater than the amount reported on the "Pro Forma" Recapitulation Sheet, except where:

- (1) Tax base growth, as certified by the Commissioner, is greater than the estimate reported on the "Pro Forma" Recapitulation Sheet, and/or
- (2) An override or exclusion has passed since the "Pro Forma" Recapitulation Sheet was approved.

In that case, a city, town or district may increase its levy accordingly. The increase cannot be more than the difference between the actual levy capacity established as a result of the additional growth and/or approved Proposition 2½ referenda questions, and the estimated levy capacity. Any increase allowed in the levy must be reported on the FY16 Recapitulation Sheet as:

- (1) An increase in appropriations from the levy,
- (2) An increase in other amounts to be raised from the levy, and/or
- (3) A decrease in estimated receipts.

c. Required Decrease in FY16 Tax Levy

Where actual tax base growth is lower than estimated, or a Proposition 2½ underride has passed since the "Pro Forma" Recapitulation was approved, the tax levy must be decreased in order to set a FY16 tax rate.

The decrease must be at least the difference between the estimated and actual levy capacity. Any decrease required in the levy must be reported on the FY16 Recapitulation Sheet as:

- (1) A decrease in appropriations from the levy as a result of rescissions,
- (2) A decrease in appropriations from the levy as a result of changes in funding source from the levy to free cash or other available funds, and/or
- (3) An appropriation from free cash for the purpose of reducing the levy.

3. The Bureau of Accounts will notify the assessors if the city, town or district is authorized to issue third quarter preliminary tax bills. Under no circumstances may third quarter preliminary tax bills be issued before this approval is received.

B. Installment Amount

The third quarter preliminary tax installment cannot be more than the amount of the first quarter preliminary tax installment. The amount may be less so long as the percentage of reduction is uniform for all parcels and accounts.

C. Bill Form and Content

1. A specific form for the third quarter preliminary tax bill may be developed or the same pre-printed preliminary tax bill form used for the first and second quarter tax billing may be used.
 - a. Third Quarter Form - If a new third quarter form is developed, the front should conform to Models 1(Q) and 2(Q), with appropriate modifications in captions and due date. **However, the information shown in Model 7(Q) must appear on the reverse side of the bill instead.**
 - b. Pre-printed Form - If an existing pre-printed preliminary tax bill form is used, a computer generated identification of the third quarter preliminary installment, the amount and the due date should be placed in a blank line on the front of that bill form. **In addition, the information shown in Model 7(Q) must be included in a stuffer to be mailed with the bills. It may be supplemented by community specific billing information such as instructions on remitting payment.**

D. Mailing Deadline

Third quarter preliminary tax bills should be mailed as soon as practicable.

E. Payment Due Date

The third quarter preliminary tax installment is due February 1, 2016, or 30 days after the third quarter preliminary tax bills are mailed, whichever is later.

F. Interest

Interest accrues at the rate of 14 percent a year on the amount of the third quarter preliminary tax installment not paid by the payment due date, calculated from that date until the date payment is made.

G. Actual Tax Bills

Actual tax bills for FY16 must show the total tax assessed (including betterments, special assessments and charges added to the tax), the amount credited for all preliminary taxes billed and the balance of the FY16 tax.

The content and form of actual tax bills must conform with Models 3(Q) and 4(Q) and if practicable, should be printed with the changes noted below in the Payment Due Dates/Interest Charges section of the reverse side of the bills. **If that is not feasible because the bill forms were ordered before the decision to issue third quarter preliminary bills was made, that information must be provided in a stuffer enclosed with the bills instead.**

1. Payment Information - If possible, show separately overdue first, second and third preliminary tax payments. All preliminary tax (and any other) payments made can be shown in one line as "Payments Made".
2. Payment Due Dates/Interest Charges Information-

Substitute the following paragraph on due dates and interest charges on the reverse side of the bill:

PAYMENT DUE DATES/INTEREST CHARGES: If preliminary bills were mailed on or before August 1, 2015, your first preliminary tax payment was due on August 1, 2015, or 30 days after the bills were mailed, whichever was later, your second preliminary tax payment on November 1, 2015 and your third preliminary tax payment on February 1, 2016, or 30 days after the bills were mailed, whichever was later. However, if preliminary bills were mailed after August 1, 2015, your first and second preliminary payments were due as a single installment on November 1, 2015, or 30 days after the bills were mailed, whichever was later, and your third preliminary payment was due on February 1, 2016, or 30 days after the bills were mailed, whichever was later. Your preliminary taxes are shown on this bill as a credit against your fiscal year 2016 tax, including betterments, special assessments and other charges. The balance is due on May 1, 2016, or 30 days after the tax bills were mailed, whichever is later. If your payments are not made by their due dates, interest at the rate of 14% per annum will be charged on the unpaid and overdue amount. If preliminary bills were mailed on or before August 1, 2015, interest is computed on overdue first preliminary payments from August 1, 2015, or the date the payment was due, whichever was later, on overdue second preliminary payments from November 1, 2015, on overdue third preliminary payments from February 1, 2016, or the date the payment was due, whichever is later, and on overdue final payments from May 1, 2016, or the date the payment was due, whichever was later, to the date payment is made. However, if preliminary bills were mailed after August 1, 2015, interest is computed on overdue single first/second preliminary payments from November 1, 2015, on overdue third preliminary payments from February 1, 2016, and on overdue final payments from May 1, 2016, or the dates the payments were due, to the date payment is made. Payments are considered made when received by the Collector. You will also be required to pay charges and fees incurred for collection if payments are not made when due. To obtain a receipted bill, enclose a self-addressed stamped envelope and both copies of the bill with your payment.

(Note: On personal property tax bills, the third sentence should read: Your preliminary tax is shown on this bill as a credit against your fiscal year 2016 tax.)

H. Payment Due Date

The balance of the FY16 tax after all preliminary taxes are credited against the tax is payable in one installment due on May 1, 2016, or 30 days after the actual tax bills are mailed, whichever is later.

I. Interest

Interest accrues at the rate of 14 percent a year on the amount of the final installment not paid by the payment due date, calculated from that date until the date payment is made.

J. Abatement/Exemption Applications

The date the FY16 actual tax bills are mailed determines the deadlines for filing abatement and exemption applications. Applications for personal exemptions and the residential exemption must be filed within three months of the date the actual tax bills are mailed. Applications for abatement, and all other exemptions, must be filed on or before May 1, 2016, or the thirtieth day after the actual bills are mailed, whichever is later.

V. ISSUANCE OF BILLS

This section applies to preliminary and actual tax bills.

A. E-Billing

Property tax bills may be issued in an electronic form as set forth in this section. G.L. c. 60, § 3A(b).

1. Program Authorization – The collector’s use of e-billing must be approved by the mayor or board of selectmen. The scope and duration of that approval may be decided locally.
2. Taxpayer Participation – Taxpayers must agree to receive their property tax bills in an electronic form. Participation must be completely voluntary. No taxpayer may be required to receive an electronic bill.

Each taxpayer who wants to participate in the e-billing program must be informed and agree, in a written form, to the terms and conditions of the program. At a minimum, the program must require the taxpayer to:

- a. Provide the collector, in the manner and by the date prescribed by the collector, with an accurate e-mail address for e-billing purposes.

- b. Notify the collector, in the manner and by the date prescribed by the collector, of any change in e-mail address to be used for subsequent e-billing purposes.
 - c. Accept electronic billing as the sole means by which the collector is legally required to give notice of the taxpayer's property tax obligations.
 - d. Acknowledge any electronic bill issued to the e-mail address provided to the collector is a valid and properly issued property tax bill and failure to receive it does not alter the taxpayer's legal obligation to make payments, or file abatement or exemption applications, on time.
3. E-Bill Form and Content – The form and content of e-bills must be the same as the mailed bills and must meet all requirements set forth in these guidelines for property tax bills.
 4. E-Bill Issuance – The bill may be issued in the e-mail message, as an attachment to the e-mail, or a link in the e-mail that allows the taxpayer to obtain it.

B. Bill Inserts

Information may be inserted in the same envelope or e-mail as the property tax bills as set forth in this section.

1. Property Tax Billing Information – The collector may insert property tax billing information. Property tax billing inserts are those advising taxpayers of tax billing and payment information such as (a) a new location for the collector's office, (b) collector's office hours, (c) payment options such as electronic payments, (d) different due dates because of later issuance of the tax bills than usual or (e) changes in tax payment systems (semi-annual to quarterly for example).
2. Consolidated Bills and Billing Information – The collector may insert bills for utility charges or fees as authorized by a consolidated billing by-law or ordinance, and information explaining adopted consolidated billing procedures. See Section IV-C below.
3. Non-political Municipal Information – The collector may insert non-political municipal informational material **if the insert (a) is approved by the mayor or board of selectmen and (b) does not increase the postage required to send the property tax bill by mail.** G.L. c. 60, § 3A(d). Non-political means information that does not advocate for, or seek to advance or influence a particular policy position or candidate. Municipal informational material means information that originates with the municipality and relates directly to municipal operations, services and programs.

C. **Consolidated Billing**

Bills for utility charges and fees may be included in the same envelopes or e-mail as the property tax bills as set forth in this section. G.L. c. 60, § 3A(c).

1. **Program Authorization** - Consolidated billing must be authorized by by-law or ordinance.
 - a. **Municipal Utility** - The by-law or ordinance may allow one or more of the bills for the following municipal utility charges or fees to be included with property tax bills:
 - Water use.
 - Sewer use.
 - Solid waste disposal or collection.
 - Gas.
 - Electricity.
 - Other municipal utility.
 - b. **Independent Water and Sewer Commission** - If water and sewer service in the municipality is provided by an independent water and sewer commission established under G.L. c. 40N or a special act as a separate body politic and corporate from the municipality, the by-law or ordinance may also permit bills for water and sewer use charges assessed by the commission to be included with the property tax bills **if approved by vote of the commission.**
2. **Bill Identification** – The bill for each charge or fee must be separate and distinct from the property tax bills and from each other. Various means may be used, including but not limited to, making the bills different sizes or printing them on different color paper, distinctively captioning the bills or providing separate and distinctively identified attachments or links in e-mail.
3. **Collection** – Bills for charges or fees may be included with the property tax bills even if the customer is to remit payment for the particular charge or fee to the municipal board, officer or department assessing it, not the collector. The collector does not have to be a municipal collector charged with collecting all municipal bills for a municipality to use consolidated billing.
4. **Assessed Ratepayer** – The collector may only include bills for utility charges and fees assessed to and owed by the property owner being sent the property tax bill, *i.e.*, the assessed or current property owner shown on the property tax bill. See Section I-A-2 above. Bills for charges and fees assessed to tenants or others contracting for the service cannot be included in the property owner’s tax bill. They must be sent to the assessed ratepayers.

5. Consolidated Billing Information - In the first year consolidated billing is used or changed, the collector must include a separate insert with all property tax bills to explain the new billing procedure to taxpayers. The collector may elect to include consolidated billing information with tax bills in other years, and if so, may include it as a separate insert, or as part of a property tax billing insert. See Section IV-A-1 above.

Consolidated billing information advises taxpayers of (a) the utility bills being sent with their property tax bills and the means of distinguishing them, (b) the remittance and payment procedure for each bill, including, for example, whether payment for the charge or fee is to be sent to the collector or the municipal board, officer or department or independent commission that assessed the charge or fee, and (c) the changes, if any, made by the community in the billing schedule for a charge or fee in order to be able to send the bills with the property tax bills.

VI. APPROVAL OF BILLS

Cities, towns or districts may print bills for mailing or prepare bills for electronic billing without the prior written approval of the Bureau of Municipal Finance Law, provided all bills conform to the minimum requirements for form and content established in this guideline. Only bills that meet these requirements may state "This form approved by Commissioner of Revenue."

ATTACHMENTS

MODEL TAXPAYER INFORMATIONAL ENCLOSURE

Attached is a sample taxpayer informational release, which may be used as a tax bill stuffer or a newspaper release by communities implementing a quarterly tax payment system for the first time in FY16. The release can be supplemented with information about specific billing and payment procedures that the community will use. For example, if the community has decided to bill only twice a year, taxpayers should also be given instructions on remitting their installment payments.

MODEL PRELIMINARY TAX BILLS, TAX BILLS AND DEMANDS

Attached are the following "model" FY16 preliminary tax bills, tax bills and demands. These models meet the minimum requirements set forth in this guideline for FY16 bills in all communities using a quarterly tax payment system.

Model 1(Q)	Preliminary Tax Bill - Real Estate
Model 2(Q)	Preliminary Tax Bill - Personal Property
Model 3(Q)	Tax Bill - Real Estate
Model 4(Q)	Tax Bill - Personal Property
Model 5(Q)	Demand - Real Estate
Model 6(Q)	Demand - Personal Property
Model 7(Q)	Preliminary Tax Bill - 3rd Quarter Reverse Side/Stuffer

TAXPAYER INFORMATION ON QUARTERLY TAX PAYMENTS

Your community has recently adopted a new quarterly tax payment system, which will affect your property tax bills for Fiscal Year 2016 (July 1, 2015 to June 30, 2016). This enclosure explains how this new system will work.

BENEFITS FROM THE NEW SYSTEM

Under the old system, property tax payments were due twice a year, ideally November 1 and May 1. In practice, the majority of communities frequently issued their tax bills at different times during the year. As a result, taxpayers were often uncertain when their bills would be issued and had difficulty in planning their payments. Also, communities were forced to borrow money to have sufficient funds to meet their bills.

The new quarterly system has been shown in a number of other Massachusetts communities to provide the following advantages:

- Greater certainty in payment due dates for taxpayers.
- More even distribution of income for cities and towns.
- Significant reduction -- even elimination -- of costly municipal borrowing in anticipation of tax revenues.

HOW QUARTERLY PAYMENTS WILL WORK

Under the quarterly payment system, you will be sent a preliminary tax bill each year by July 1. Your preliminary tax will be based on the adjusted net tax owed (including any betterments, special assessments and other charges added to the tax) on your property for the prior fiscal year and as a general rule will be no more than half (50%) of that amount. Adjustments are made for any abatements or exemptions granted in the prior year, and any tax increases allowed under Proposition 2½ for the current fiscal year. Your preliminary tax will be payable in two equal installments. Your first payment will be due on August 1 and your second payment will be due on November 1.

Example: If your Fiscal Year 2015 tax was \$2000 (including any betterments, special assessments and other charges added to the tax), and you were granted an abatement of \$400, your FY15 net tax due was \$1600. After a tax increase adjustment of 2.5%, your adjusted FY15 net tax due would be \$1640 and your Fiscal Year 2016 preliminary tax would in most instances be no more than \$820. This \$820 would be payable in two installments of \$410 each. Your first \$410 payment would be due on August 1, 2015 and the second would be due on November 1, 2015.

If for some reason preliminary tax bills were not mailed until after July 1, your first payment will be due August 1, or 30 after the bills are mailed, whichever is later. The second payment will still be due November 1. If preliminary bills were mailed after August 1, however, you would have until November 1 (or 30 days after the bills are mailed, if later) to pay the entire balance of \$820.

Your actual tax bill will then be sent to you on or about December 31. This bill will show the assessed valuation of your property, the tax rate and the amount of property taxes you owe for the fiscal year, including any betterments, special assessments or other charges that are added to the tax. The tax bill will also show the amount of the preliminary tax billed earlier as a credit against your actual tax for the year.

The balance of your tax remaining after credit for the preliminary tax will also be payable in two equal installments. Your first payment will be due on February 1 and your second payment will be due on May 1.

Example: If your actual Fiscal Year 2016 tax bill is \$2100 and you had previously been billed \$820 in preliminary taxes for the year, you would have a remaining balance of \$1280. This \$1280 balance would be payable in two installments of \$640 each. The first \$640 payment would be due on February 1, 2016 and the second would be due on May 1, 2016.

If for some reason actual tax bills were not mailed until after December 31, you would have until May 1 (or 30 days after the bills are mailed, if later) to pay the entire balance of \$1280.

LATE PAYMENTS

Under the quarterly payment system, interest on late tax payments will be charged for the number of days that the payment is actually delinquent. For example, if a payment due on November 1 is not made timely, interest will be charged from that date until the date the payment is made.

ANSWERS TO COMMON QUESTIONS ABOUT QUARTERLY TAX PAYMENTS

Will the new system affect the amount of property taxes I pay for the year? No. The amount you pay is the same under either system. Either way, the amount is based on the valuation of your property and the tax rate. The tax rate reflects the level of taxes needed to fund local budget decisions and must still be within the limits of Proposition 2½.

Will the new system affect my right to seek an abatement or exemption? No, these rights are unchanged. Once the actual tax bills are mailed, you will still be able to file an abatement application with the assessors if you wish to contest your assessment. Applications for abatement must be filed on or before February 1, 2016 unless the actual bills are mailed after December 31, 2015. In that case, abatement applications must be filed on or before May 1, 2016, or the 30th day after the bills are mailed, whichever is later. Applications for personal exemptions and the residential exemption must be filed within three months of the date the actual tax bills were mailed. All other exemption applications are due the same date as abatement applications.

If you have additional questions, you should contact the Assessors' or Collector's Office in your community.

MODEL 1(Q)

THE COMMONWEALTH OF MASSACHUSETTS
(CITY/TOWN)
OFFICE OF COLLECTOR OF TAXES

FISCAL YEAR 2016 PRELIMINARY REAL ESTATE TAX BILL

YOUR PRELIMINARY TAX FOR THE FISCAL YEAR BEGINNING JULY 1, 2015 AND ENDING
JUNE 30, 2016 ON THE PARCEL OF REAL ESTATE DESCRIBED BELOW IS AS FOLLOWS:

PROPERTY IDENTIFICATION AND LOCATION (MAP/BLOCK/LOT – ACCOUNT – OTHER) (ADDRESS)	SPECIAL ASSESSMENTS			PRELIMINARY TAX
	Type	Amount	Comm. Int.	TOTAL TAX & SP. ASSESSMENTS DUE
(ASSESSED OWNER(S)) (ADDRESS)				1 ST PAYMENT DUE (AUGUST 1), 2015
				2 ND PAYMENT DUE NOVEMBER 1, 2015
	TOTAL SP. ASSESSMENTS			AMOUNT NOW DUE
Make Checks Payable to: The (City/Town) of () Mail Payments to: The Collector of Taxes (Address) Office Hours: () AM to () PM Mon. – Fri. See Reverse Side for Important Information				INTEREST AT THE RATE OF 14% PER ANNUM WILL ACCRUE ON OVERDUE PAYMENTS FROM THE DUE DATE UNTIL PAYMENT IS MADE
THIS FORM APPROVED BY THE COMMISSIONER OF REVENUE				

FISCAL YEAR 2016 PRELIMINARY TAX: This bill shows the amount of preliminary tax you owe for fiscal year 2016 (July 1, 2015 - June 30, 2016).

PRELIMINARY TAX AMOUNT: As a general rule, your preliminary tax will not exceed 50% of your adjusted fiscal year 2015 tax (including any betterments, special assessments and other charges added to the tax). Adjustments are made for abatements or exemptions granted for fiscal year 2015, and tax increases allowed under Proposition 2½ in fiscal year 2016. Under certain circumstances, your preliminary tax may exceed 50% of the adjusted amount.

PAYMENT DUE DATES/INTEREST CHARGES: If preliminary bills were mailed on or before August 1, 2015, your preliminary tax is payable in two equal installments. Your first payment is due August 1, 2015, or 30 days after the bills were mailed, whichever is later. Your second payment is due November 1, 2015. However, if preliminary bills were mailed after August 1, 2015, your preliminary tax is due as a single installment on November 1, 2015, or 30 days after the bills were mailed, whichever is later. If your payments are not made by their due dates, interest at the rate of 14% per annum will be charged on the unpaid and overdue amount. If preliminary bills were mailed on or before August 1, 2015, interest will be computed on overdue first payments from August 1, 2015, or the payment due date, whichever is later, and on overdue second payments from November 1, 2015, to the date payment is made. If preliminary bills were mailed after August 1, 2015, interest will be computed on overdue payments from November 1, 2015, or the payment due date, whichever is later, to the date payment is made. You will also be required to pay charges and fees incurred for collection if payments are not made when due. Payments are considered made when received by the Collector. To obtain a receipted bill, enclose a self-addressed stamped envelope and both copies of the bill with your payment.

FISCAL YEAR 2016 ACTUAL TAX BILLS: You will receive your actual fiscal year 2016 tax bill based on January 1, 2015 assessments after the tax rate is set. Any preliminary tax payments made will be credited toward payment of your fiscal year 2016 tax. Your actual tax bill will provide you with more detailed information on payment due dates.

ABATEMENT/EXEMPTION APPLICATIONS: Your right to seek an abatement of or exemption from your fiscal year 2016 tax is not prejudiced by the issuance of preliminary tax bills. Once the actual tax bills are issued, you will be able to apply for an abatement or exemption. The deadline for filing your abatement or exemption application will be measured from the date the actual tax bills are mailed, not the date preliminary tax bills were mailed. Your actual tax bill will provide you with more detailed information on application procedures and deadlines.

INQUIRIES: If you have questions on how your preliminary tax was determined, you should contact the Board of Assessors. If you have questions on payments, you should contact the Collector's Office.

MODEL 2(Q)

THE COMMONWEALTH OF MASSACHUSETTS
(CITY/TOWN)
OFFICE OF COLLECTOR OF TAXES

FISCAL YEAR 2016 PRELIMINARY PERSONAL PROPERTY TAX BILL

YOUR PRELIMINARY TAX FOR THE FISCAL YEAR BEGINNING JULY 1, 2015 AND ENDING JUNE 30, 2016 ON THE PERSONAL PROPERTY DESCRIBED BELOW IS AS FOLLOWS:	
PROPERTY IDENTIFICATION	PRELIMINARY TAX DUE
(ACCOUNT - OTHER)	1 ST PAYMENT DUE (AUGUST 1), 2015
(ASSESSED OWNER(S))	2 ND PAYMENT DUE NOVEMBER 1, 2015
(ADDRESS)	AMOUNT NOW DUE
Make Checks Payable to: The (City/Town) of () Mail Payments to: The Collector of Taxes (Address) Office Hours: () AM to () PM Mon. – Fri. See Reverse Side for Important Information	INTEREST AT THE RATE OF 14% PER ANNUM WILL ACCRUE ON OVERDUE PAYMENTS FROM THE DUE DATE UNTIL PAYMENT IS MADE.
THIS FORM APPROVED BY THE COMMISSIONER OF REVENUE	

FISCAL YEAR 2016 PRELIMINARY TAX: This bill shows the amount of preliminary tax you owe for fiscal year 2016 (July 1, 2015 - June 30, 2016).

PRELIMINARY TAX AMOUNT: As a general rule, your preliminary tax will not exceed 50% of your adjusted fiscal year 2015 tax. Adjustments are made for abatements or exemptions granted for fiscal year 2015, and tax increases allowed under Proposition 2½ in fiscal year 2016. Under certain circumstances, your preliminary tax may exceed 50% of the adjusted amount.

PAYMENT DUE DATES/INTEREST CHARGES: If preliminary bills were mailed on or before August 1, 2015, your preliminary tax is payable in two equal installments. Your first payment is due August 1, 2015, or 30 days after the bills were mailed, whichever is later. Your second payment is due November 1, 2015. However, if preliminary bills were mailed after August 1, 2015, your preliminary tax is due as a single installment on November 1, 2015, or 30 days after the bills were mailed, whichever is later. If your payments are not made by their due dates, interest at the rate of 14% per annum will be charged on the unpaid and overdue amount. If preliminary bills were mailed on or before August 1, 2015, interest will be computed on overdue first payments from August 1, 2015, or the payment due date, whichever is later, and on overdue second payments from November 1, 2015, to the date payment is made. If preliminary bills were mailed after August 1, 2015, interest will be computed on overdue payments from November 1, 2015, or the payment due date, whichever is later, to the date payment is made. You will also be required to pay charges and fees incurred for collection if payments are not made when due. Payments are considered made when received by the Collector. To obtain a receipted bill, enclose a self-addressed stamped envelope and both copies of the bill with your payment.

FISCAL YEAR 2016 ACTUAL TAX BILLS: You will receive your actual fiscal year 2016 tax bill based on January 1, 2015 assessments after the tax rate is set. Any preliminary tax payments made will be credited toward payment of your fiscal year 2016 tax. Your actual tax bill will provide you with more detailed information on payment due dates.

ABATEMENT/EXEMPTION APPLICATIONS: Your right to seek an abatement of or exemption from your fiscal year 2016 tax is not prejudiced by the issuance of preliminary tax bills. Once the actual tax bills are issued, you will be able to apply for an abatement or exemption. The deadline for filing your abatement or exemption application will be measured from the date the actual tax bills are mailed, not the date preliminary tax bills were mailed. Your actual tax bill will provide you with more detailed information on application procedures and deadlines.

INQUIRIES: If you have questions on how your preliminary tax was determined, you should contact the Board of Assessors. If you have questions on payments, you should contact the Collector's Office.

FISCAL YEAR 2016 TAX: This tax bill shows the amount of real estate taxes you owe for fiscal year 2016 (July 1, 2015 - June 30, 2016). The tax shown in this bill is based on assessments as of January 1, 2015. The bill also shows betterments, special assessments and other charges.

PAYMENT DUE DATES/INTEREST CHARGES: Your preliminary tax was payable in two equal installments if preliminary bills were mailed on or before August 1, 2015. The first payment was due on August 1, 2015, or 30 days after the bills were mailed, whichever was later, and the second payment was due on November 1, 2015. However, if preliminary bills were mailed after August 1, 2015, your preliminary tax was due as a single installment on November 1, 2015, or 30 days after the bills were mailed, whichever was later. Your preliminary tax is shown on this bill as a credit against your tax, including betterments, special assessments and other charges. If tax bills were mailed on or before December 31, 2015, the balance is payable in two equal installments. Your first payment is due on February 1, 2016. Your second payment is due on May 1, 2016. However, if tax bills were mailed after December 31, 2015, the balance is due as a single installment on May 1, 2016, or 30 days after the bills were mailed, whichever is later. If your payments are not made by their due dates, interest at the rate of 14% per annum will be charged on the unpaid and overdue amount. If tax bills were mailed on or before December 31, 2015, interest will be computed on overdue first payments from February 1, 2016 and on overdue second payments from May 1, 2016 to the date payment is made. If tax bills were mailed after December 31, 2015, interest will be computed on overdue final payments from May 1, 2016, or the payment due date, whichever is later, to the date payment is made. You will also be required to pay charges and fees incurred for collection if payments are not made when due. Payments are considered made when received by the Collector. To obtain a receipted bill, enclose a self-addressed stamped envelope and both copies of the bill with your payment.

ABATEMENT/EXEMPTION APPLICATIONS: You have a right to contest your assessment. To do so, you must file an application for an abatement in writing on an approved form with the Board of Assessors. You may apply for an abatement if you believe your property is valued at more than its fair cash value, is not assessed fairly in comparison with other properties, or if a classified tax system is used locally, is not properly classified. If tax bills were mailed on or before December 31, 2015, the filing deadline for an abatement application is February 1, 2016. However, if tax bills were mailed after December 31, 2015, the deadline is May 1, 2016, or 30 days after the date the bills were mailed, whichever is later.

You may be eligible for an exemption from or deferral of all or some of your tax. In order to obtain an exemption for which you are qualified, you must file an application in writing on an approved form with the assessors. The filing deadline for an exemption under Mass. G.L. Ch. 59, §5, Cl. (17, 17C, 17C½, 17D), 18, 22, 22A, 22B, 22C, 22D, 22E, 22F, (37, 37A), (41, 41B, 41C, 41C½), 42, 43, (or if locally adopted, 52, 53, 56 or 57) or a deferral under Cl. 18A or 41A is 3 months after the date tax bills were mailed. The filing deadline for all other exemptions under Ch. 59, §5 is February 1, 2016 if tax bills were mailed on or before December 31, 2015, or May 1, 2016, or 30 days after the date tax bills were mailed, whichever is later, if the bills were mailed after December 31, 2015. The filing deadline for a residential exemption under Ch. 59, §5C, or a small commercial exemption under Ch. 59 §5I, if locally adopted and not shown on your bill, is 3 months after the date tax bills were mailed.

Applications are timely filed when (1) received by the assessors on or before the filing deadline, or (2) mailed by United States mail, first class postage prepaid, to the proper address of the assessors, on or before the filing deadline, as shown by a postmark made by the United States Postal Service. If your application is not timely filed, the assessors cannot by law grant an abatement or exemption.

INQUIRIES: If you have questions on your valuation or assessment or on abatements or exemptions, you should contact the Board of Assessors. If you have questions on payments, you should contact the Collector's Office.

MODEL 4(Q)

THE COMMONWEALTH OF MASSACHUSETTS
(CITY/TOWN)
OFFICE OF THE COLLECTOR OF TAXES

FISCAL YEAR 2016 PERSONAL PROPERTY TAX BILL

TAX RATE PER \$1000

Based on assessments as of January 1, 2015, your Personal Property Tax for the fiscal year beginning July 1, 2015 and ending June 30, 2016 on the personal property described below is as follows:

Property Identification (Acct. No. / Other)	Page & Line	Bill No.	Personal Property Tax
			Preliminary Tax
PERSONAL PROPERTY VALUES			Abatement
Description	Value		
			Payments Made
			1 st Preliminary Tax Overdue
			2 nd Preliminary Tax Overdue
			Interest
			Balance Due
			1 st Payment Due (Feb. 1), 2016
			2 nd Payment Due May 1, 2016
TOTAL VALUATION			AMOUNT NOW DUE
Assessed Owner(s) Address	Make Checks Payable to: The (City/Town) of () Mail Payments to: The Collector of Taxes (Address) Office Hours: () AM to () PM Mon. – Fri	Interest at the rate of 14% per annum will accrue on overdue payments from the due date until payment is made. SEE REVERSE SIDE FOR IMPORTANT INFORMATION	
ABATEMENT APPLICATIONS TO ASSESSORS DUE: ()			

FISCAL YEAR 2016 TAX: This tax bill shows the amount of personal property taxes you owe for fiscal year 2016 (July 1, 2015 - June 30, 2016). The tax shown in this bill is based on assessments as of January 1, 2015.

PAYMENT DUE DATES/INTEREST CHARGES: Your preliminary tax was payable in two equal installments if preliminary bills were mailed on or before August 1, 2015. The first payment was due on August 1, 2015, or 30 days after the bills were mailed, whichever was later, and the second payment was due on November 1, 2015. However, if preliminary bills were mailed after August 1, 2015, your preliminary tax was due as a single installment on November 1, 2015, or 30 days after the bills were mailed, whichever was later. Your preliminary tax is shown on this bill as a credit against your tax. If tax bills were mailed on or before December 31, 2015, the balance is payable in two equal installments. Your first payment is due on February 1, 2016. Your second payment is due on May 1, 2016. However, if tax bills were mailed after December 31, 2015, the balance is due as a single installment on May 1, 2016, or 30 days after the bills were mailed, whichever is later. If your payments are not made by their due dates, interest at the rate of 14% per annum will be charged on the unpaid and overdue amount. If tax bills were mailed on or before December 31, 2015, interest will be computed on overdue first payments from February 1, 2016 and on overdue second payments from May 1, 2016 to the date payment is made. If tax bills were mailed after December 31, 2015, interest will be computed on overdue final payments from May 1, 2016, or the payment due date, whichever is later, to the date payment is made. You will also be required to pay charges and fees incurred for collection if payments are not made when due. Payments are considered made when received by the Collector. To obtain a receipted bill, enclose a self-addressed stamped envelope and both copies of the bill with your payment.

ABATEMENT APPLICATIONS: You have a right to contest your assessment. To do so, you must file an application for an abatement in writing on an approved form with the Board of Assessors. You may apply for an abatement if you believe your property is valued at more than its fair cash value or is not assessed fairly in comparison with other properties. If tax bills were mailed on or before December 31, 2015, the filing deadline for an abatement application is February 1, 2016. However, if tax bills were mailed after December 31, 2015, the deadline is May 1, 2016, or 30 days after the date the bills were mailed, whichever is later.

Applications are timely filed when (1) received by the assessors on or before the filing deadline, or (2) mailed by United States mail, first class postage prepaid, to the proper address of the assessors, on or before the filing deadline, as shown by a postmark made by the United States Postal Service. If your application is not timely filed, the assessors cannot by law grant an abatement.

INQUIRIES: If you have questions on your valuation or assessment or on abatements, you should contact the Board of Assessors. If you have questions on payments, you should contact the Collector's Office.

MODEL 5(Q)

THE COMMONWEALTH OF MASSACHUSETTS
 (CITY/TOWN)
 OFFICE OF THE COLLECTOR OF TAXES

DEMAND FOR PAYMENT
 FISCAL YEAR 2016 REAL ESTATE TAX BILL

TAX RATE PER \$1000			
Class 1 Residential	Class 2 Open Space	Class 3 Commercial	Class 4 Industrial

As required by law, demand is made upon you for payment of your fiscal year 2016 Real Estate Taxes as follows:

Property Identification (M-B-L/Other)	Property Location (Address)	Page & Line	Bill No.	Real Estate Tax
				Total Tax & Sp. Assessments Due
REAL ESTATE VALUES		SPECIAL ASSESSMENTS		Abatement/Exemption
Description		Type	Amount	Comm. Int.
Class	Valuation			
Total Valuation				
Residential/Commercial Exemption		TOTAL SP. ASSESSMENTS		Demand \$(insert locally set amount)
Total Taxable Valuation				AMOUNT NOW DUE
Assessed Owner(s) Address	Make Checks Payable to: The (City/Town) of () Mail Payments to: The Collector of Taxes (Address) Office Hours: () AM to () PM Mon. – Fri.			Interest at the rate of 14% per annum (at \$____ per day) will accrue on overdue payments from the due date until payment is made. SEE REVERSE SIDE FOR IMPORTANT INFORMATION

THIS FORM APPROVED BY COMMISSIONER OF REVENUE

DEMAND FOR PAYMENT OF FISCAL YEAR 2016 TAX

This notice shows the amount of your fiscal year 2016 real estate tax, including betterments, special assessments and other charges, that is unpaid and overdue.

In addition to the amount of overdue taxes shown in this notice, you also owe accrued interest and a demand charge. Interest will continue to accrue on overdue taxes until your payment is made. Your payment will be considered made when received by the Collector.

If the total amount you owe is not paid within 14 days of the date of this demand, the Collector will proceed to collect the amount owed in accordance with law.

MODEL 6(Q)

THE COMMONWEALTH OF MASSACHUSETTS
 (CITY/TOWN)
 OFFICE OF THE COLLECTOR OF TAXES

DEMAND FOR PAYMENT
 FISCAL YEAR 2016 PERSONAL PROPERTY TAX

TAX RATE PER \$1000

As required by law, demand is made upon your for payment of your fiscal year 2016 Personal Property Taxes as follows:

Property Identification (Acct. No. / Other)	Page & Line	Bill No.	Personal Property Tax
			Abatement
PERSONAL PROPERTY VALUES		Value	Payments Made
Description			1 st Preliminary Tax Overdue
			2 nd Preliminary Tax Overdue
			1 st Payment Overdue
			2 nd Payment Overdue
			Interest
			Demand \$ (insert locally set amount)
TOTAL VALUATION			AMOUNT NOW DUE
Assessed Owner(s)	Make Checks Payable to: The (City/Town) of ()		Interest at the rate of 14% per annum (at \$ ____ per day) will accrue on overdue payments from the due date until payment is made. SEE REVERSE SIDE FOR IMPORTANT INFORMATION
Address	Mail Payments to: The Collector of Taxes (Address)		
	Office Hours: () AM to () PM Mon. – Fri		

DEMAND FOR PAYMENT OF FISCAL YEAR 2016 TAX

This notice shows the amount of your fiscal year 2016 personal property tax that is unpaid and overdue.

In addition to the amount of overdue taxes shown in this notice, you also owe accrued interest and a demand charge. Interest will continue to accrue on overdue taxes until your payment is made. Your payment will be considered made when received by the Collector.

If the total amount you owe is not paid within 14 days of the date of this demand, the Collector will proceed to collect the amount owed in accordance with law.

MODEL 7(Q)

IMPORTANT INFORMATION ABOUT THIS TAX BILL

PLEASE DISREGARD INFORMATION PRINTED ON THE REVERSE SIDE OF YOUR BILL

FISCAL YEAR 2016 THIRD PRELIMINARY TAX: This bill shows the amount of the third preliminary tax installment you owe for fiscal year 2016 (July 1, 2015 - June 30, 2016).

You are receiving this third preliminary tax bill because actual tax bills for fiscal year 2016 cannot be issued at this time. You will receive your actual fiscal year 2016 tax bill based on January 1, 2015 assessments after the tax rate is set. Any first, second or third preliminary tax payments made will be credited toward the payment of your fiscal year 2016 tax.

THIRD PRELIMINARY TAX AMOUNT: The third preliminary tax payment shown in this bill will not be more than the first installment payment shown on your previously issued preliminary tax bill.

PAYMENT DUE DATES/INTEREST CHARGES: Your third preliminary tax payment is due on February 1, 2016, or 30 days after the date the bills were mailed, whichever is later. Your first preliminary payment was due on August 1, 2015, or 30 days after the bills were mailed, whichever was later, and the second payment was due on November 1, 2015 if preliminary bills were mailed on or before August 1, 2015. However, if preliminary bills were mailed after August 1, 2015, your first and second preliminary payments were due as a single installment on November 1, 2015, or 30 days after the bills were mailed, whichever was later. If your preliminary payments are not made by their due dates, interest at the rate of 14% per annum will be charged on the unpaid and overdue amount. If preliminary bills were mailed on or before August 1, 2015, interest is computed on overdue first preliminary payments from August 1, 2015, or the date the payment was due, whichever was later, on overdue second preliminary payments from November 1, 2015, and on overdue third preliminary payments from February 1, 2016, or the date the payment was due, whichever is later, until payment is made. However, if preliminary bills were mailed after August 1, 2015, interest is computed on overdue single first/second preliminary payments from November 1, 2015, or the date the payment was due, whichever was later, and on overdue third preliminary payments from February 1, 2016, or the date the payment was due, whichever is later, until payment is made. Payments are considered made when received by the Collector. To obtain a receipted bill, enclose a self-addressed stamped envelope and both copies of the bill with your payment.

ABATEMENT/EXEMPTION APPLICATIONS: Your right to seek an abatement of or exemption from your fiscal year 2016 tax is not prejudiced by the issuance of preliminary tax bills. Once the actual tax bills are issued, you will be able to apply for an abatement or exemption. The deadline for filing your abatement or exemption application will be measured from the date the actual bills are mailed, not the date preliminary tax bills were mailed. Your actual tax bill will provide you with more detailed information on application procedures and deadlines.

INQUIRIES: If you have questions on how your third preliminary tax installment was determined, you should contact the Board of Assessors. If you have questions on payments, you should contact the Collector's Office.