

Frederick A. Laskey, Commissioner Joseph J. Chessey, Jr., Deputy Commissioner

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FY2000 Automated Tax Rate Recapitulation

The Division of Local Services (DLS) has substantially updated its automated Tax Rate Recapitulation program for FY2000. In July, DLS mailed booklets of forms and instructions with the new diskette to every community. The new program is an Excel-based diskette, which makes the process of calculating the tax rate more efficient by reducing the amount of data entry required and allowing the user to move quickly between worksheets and data entry cells. More importantly, using the program can expedite the tax rate review process if a copy of the completed diskette is mailed to DLS along with the signed originals.

Completing the four page Tax Rate Recapitulation sheet manually is a laborious and time-consuming process, as there are numerous forms to provide supporting documentation. Since the forms tie together, changing a number in one place requires follow-through to prevent errors. DLS previously had provided an automated recap, but it was not as easy to use. The new program provides a more user-friendly method of accurately completing the recap.

The new Excel workbook allows the inclusion of many features previously unavailable in the DOS-based versions. In order to run the program, a community must have access to a personal computer running Microsoft Windows 3.1 or greater, Microsoft Excel version 5 or greater, a 3.5" diskette drive, a recommended minimum of 16MB RAM, approximately 1 MB of hard disk space and any Windows-compatible printer. The program performs best when transferred to a hard drive. Officials should use the special Print Menu to ensure proper formatting of the forms. The form worksheets appear in approximately the same order found in the printed booklet. The program transfers figures automatically between forms and performs all calculations. When a community's name is entered in the START worksheet, it automatically appears in all of the worksheets, and community specific information on the prior year's valuations is transferred to the LA-13/New Growth worksheet. Historical information automatically appears on the LEVY LIMIT worksheets as does

Using the new diskette expedites setting the tax rate.

total tax levy growth from the LA-13. DLS-generated utility values are also included. The new program includes six A-2 worksheets to accommodate communities with more than one enterprise fund. If a community has completed a Pro Forma, the program transfers information to the RECAP worksheets and adjusts the levy/overlay automatically.

A newly added OPTIONS TABLE worksheet has been designed specifically for development of "what if" scenarios. This worksheet is completely independent of the other data on the Recap diskette. The table allows local officials to see the resulting tax rates given different assessed values, tax levies, and classification options. The user is able to see the impact on the tax rates of shifts to the commercial/industrial and personal property classes ranging from 101 percent to 175 percent, at 1-percent increments. The advantage of this table is twofold. First, it allows local officials to estimate the impact of tax policy decisions throughout the budget process.

Second, assessors can use the data in preparation for the annual classification hearing where information on the impact of various options is presented to the selectmen/council and the public so that informed decisions can be made.

For local officials who do not have access to Excel, the Bureau of Accounts (BOA) field representative can provide assistance using BOA laptop computers, or officials may go to one of the regional offices. Contact your community's BOA representative with questions about the forms or the tax rate setting process. Questions about the Automated Recap workbook should be referred to Arnold Kanter at (617) 626-2303.

The Division is hoping that this enhanced recap program will eliminate many fax submissions since they are often unreadable. Submitting the recap on a diskette along with the signed paper copies will expedite the review process and ensure timely approval. The new automated recap will be a welcome improvement for DLS as well as for local officials. ■

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written by James Podolak

LEGAL

Fair Cash Value of Affordable Housing

In April 1999 the Appellate Tax Board (ATB) made an important ruling concerning the proper assessment of residential properties which are subject to state affordable housing restrictions. The case is *Truehart v. Board of Assessors of Montague*.¹

Three plaintiffs owned single family homes in the Town of Montague. The properties were under the Housing Opportunity Program (HOP) created by the Legislature in 1987 to promote homeownership opportunities for moderate income families. Under the program gualified first-time homebuyers can acquire a house at a discounted price and also receive a reduced rate mortgage from the Massachusetts Housing Finance Agency (MHFA). A qualified applicant's income must be sufficient to pay all costs associated with home ownership but not exceed 80 percent of the particular region's median income.

To increase the stock of affordable housing, officials at MHFA have negotiated agreements with developers to set aside a certain number of houses in new subdivisions as HOP units. By the mid-1990s, there were approximately 2,000 HOP units in 60 Massachusetts cities and towns. In this case, the developer had agreed to sell designated HOP units in Montague for no more than \$95,000, although other identical homes in the development were selling for \$125,000. The sale price and the actual appraised value are important factors. When a new owner acquires a HOP unit, a deed restriction is executed giving MHFA the right of first refusal, permitting MHFA to maintain the homes as HOP units for lower income homebuyers. The restriction establishes the maximum amount of the proceeds a HOP owner may realize upon selling a unit. When a HOP owner sells the property, his right to proceeds is limited by the same discount he received when he acquired the property. For example, if the HOP unit had an appraised value of \$125,000 but was sold to the HOP buyer for \$94,000, the owner received a discount of 24 percent. The same 24 percent discount must be applied to a future sale. Thus, although a home may appreciate to a fair market value of \$200,000, the owner can realize no more than \$152,000 from the sale.

In the ATB case, the new owners of the HOP properties in Montague received fiscal year 1992 tax bills which were the same as those received by owners of non-HOP homes. After their abatement applications were denied, the owners appealed to the ATB, claiming that their assessments should have been lower due to the existence of the resale restrictions.

In its opinion, the ATB recognized that actual arm's-length sales are the best evidence of full and fair cash value. In the Montague appeals, there had been sales of properties with HOP restrictions in 1990 and 1991 at sale prices significantly less than the assessors' fiscal year 1992 values. Although they clearly had an impact on the value of the HOP properties, the assessors had failed to consider the deed restrictions in valuing the parcels.

Courts in Massachusetts have held that the assessors should ignore impediments to value which are not permanent when they assess real property. The Supreme Judicial Court upheld an assessment which did not reflect an uneconomic lease. In *Donovan*, the court decided that assessors must assess the owner as if he were receiving market rent, even though the below market lease was for a long term, because the lease was not a permanent restriction.² On the other hand, how-

in Our Opinion

ever, the assessors must take into consideration an encumbrance that affects the use and enjoyment of a parcel permanently. In *Parkinson v. Board of Assessors of Medfield*, the Supreme Judicial Court ruled that a conservation restriction does affect a parcel's assessed value since it limits development of the land.³

In the ATB's view, the HOP resale restriction was a governmental restriction akin to a federal regulation that limits the income derived by the owner of a low-income housing project. The Supreme Judicial Court ruled that, unlike a disadvantageous lease which would have a temporary impact on the value of the property, such a restriction does affect the parcel's value because it is permanent.⁴ In another important case, the New Jersey court ruled that resale restrictions established by its State's affordable housing program must be considered by the assessors in valuing the residential property.5

Accordingly, a governmental restriction which restricts resale affects the parcel's market value and must be considered by assessors in Massachusetts when valuing the property. In its *Truehart* decision, the ATB took into account the governmental restrictions when granting abatements to the three property owners in Montague. The ATB did not decide what the value would be if MHFA had not regularly exercised its right of first refusal. In such a scenario, whether and to what extent, the restriction should be considered was not decided.

written by James Crowley

- 1. Docket ## 198055, 198056, 198057, 1999.
- 2. Donovan v. Haverhill, 247 Mass. 69,71 (1923).
- 3. 398 Mass. 112 (1986).

^{4.} Community Development Company of Gardner v. Board of Assessors of Gardner, 377 Mass. 351 (1979).

^{5.} *Prowitz v. Ridgefield Park Village*, 568 A.2d 114 (1984), affirmed 584 A.2d 782 (1991).



FY1999 Single Family Tax Bills and Property Values

One of the most requested articles to appear in City & Town is the annual review of average single family tax bills and average assessed values in each of Massachusetts' cities and towns. From FY1998 to FY1999, the average single family tax bill statewide went up 3.8 percent, less than the 4.4 percent change occurring between FY1997 and FY1998, but more than the Consumer Price Index which increased by only 1.7 percent during the same period. The average assessed value increased by 5.2 percent between FY1998 and FY1999, more than the 3.7 percent change in the previous year. The average statewide tax rate declined for the first time since FY1990, from \$14.92 in FY1998 to \$14.73 in FY1999.

Statewide Trends

Figure 1 looks at the trend in average single family tax bills for the whole state since FY1990. Looking at actual dollars, there is a constant increase from \$1.711 to \$2.557 (49.4 percent). When translated into constant dollars, however, there has been much less change (16.7 percent). Constant dollars have been calculated by taking FY1990 dollars and applying the Consumer Price Index for All Urban Consumers. Boston. Eleven cities and towns with residential exemptions have been excluded from this analysis because their data are not reported in sufficient detail to calculate an average single family tax bill accurately. The communities excluded are Boston, Brookline, Cambridge, Chelsea, Marlborough, Nantucket, Somerset, Somerville, Tisbury, Waltham and Watertown.

on Municipal Finance

Figure 2 shows that the statewide average assessed value in FY1999 is less than the average assessed value in FY1990 in both actual and constant dollars. In actual dollars, the average increased from \$174,817 in FY1990 to \$175,917 in FY1991, then decreased by 13 percent to \$153,133 in FY1994. Between FY1994 and FY1999, the average value increased to \$173,576 (13 percent), slightly less than the FY1990 average value. In adjusted dollars, the current average assessed value is \$135,591; it was \$174,817 in FY1990.

The actual tax rates increased steadily from \$9.79 in FY1990 to \$14.92 in FY1998, but declined by 1.3 percent for FY1999 to \$14.73. *Table 2* shows the average single family tax rate, the average assessed value and the average tax bill statewide, in actual and constant dollars, for FY1990 through FY1999.

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Figure 1

FY1999 Average Single Family Tax Bills

FY99 tax rate 6.76 17.35 17.35 17.35 17.35 17.35 17.35 17.35 17.35 16.20 13.29 11.70 13.62 11.70 13.62 16.54 11.70 13.62 16.54 11.70 13.62 11.70 13.62 11.70	14.74 16.20 19.39 18.17 17.08 17.08 17.86 15.86 18.22 14.59 15.90	14.33 19.03 15.46 14.29 16.94	12.48 14.38 16.96 19.50 14.90	15.85 13.60 17.03 20.97 12.79	16.29 11.89 14.89 19.94 18.41	16.32 17.80 17.73 12.70 16.85	11.40 16.41 11.60 13.50	15.16 13.60 15.94 18.55 16.14	15.49 18.47 15.72 13.99 14.86
		-1.8 6.2 5.8 12.1		1.6 2.0 1.4	-17.9 7.5 4.7 1.5 0.9	-1.2 2.3 4.2 3.1	0.5 14.2 3.2 9.6	6.1 8.1 8.0 8.0	3.5 5.4 -2.7 -1.2
	29 252 252 252 252 255 306 306 306 306 306 255 255 255 255 255 255 255 255 255						9 39 69		
FY99 avg. 3,599 3,599 3,599 3,599 1,831 1,831 1,831 1,851 1,586 1,586 1,586 1,684	4-00- 0-00-					1,864 2,411 1,976 3,603 2,186	5,316 3,185 3,671 3,671		2,586 3,304 3,103 2,383 2,385
FY98 avg. 745 745 745 745 745 745 745 745 745 741 1,276 1,933 1,778 1,778 1,574 1,779	4,030 1,498 2,288 2,317 1,692 1,692 3,321 1,653 3,450 3,450 3,450	2,252 2,511 1,539 2,825 2,307	1,758 1,996 1,821 1,547 1,702	1,635 2,249 1,918 2,979 4,541	2,491 6,627 2,636 3,870 1,975	1,886 2,357 1,958 3,459 2,121	5,290 2,789 3,557 2,808	2,462 2,126 2,573 2,573 2,715 4,249	2,498 3,135 3,035 2,448 2,394
Pct. chg. 0.9 0.4 17.4 17.4 0.3 0.1 0.1 0.7 0.7 0.7 0.7				3.5 5.4 0.2 6.4			1.1 18.4 6.8 0.6	7.1 6.9 0.3 1.1	0.9 7.2 9.4 1.2
FY 99 avg. value 119,338 119,338 119,338 114,531 113,036 308,833 308,833 308,833 308,833 165,770 1165,770 1133,704 105,770 92,851	281,103 99,304 114,657 114,657 143,471 103,131 103,131 103,131 103,131 103,131 103,131 112,467 152,467 152,467 110,191	154,320 140,132 98,290 209,232 152,623	146,207 146,055 109,928 78,995 78,995 113,199	104,781 168,018 114,922 146,063 359,954	125,553 599,420 185,300 196,942 108,283	114,186 135,443 111,459 283,737 129,739	466,310 194,079 316,450 228,011	172,388 158,331 174,454 152,819 284,474	166,945 178,868 197,400 170,327 159,133
FY 98 avg. value 197,230 143,947 113,414 263,014 165,243 146,581 115,732 104,959 87,114	256,700 99,242 113,548 139,892 102,280 194,427 94,523 144,430 240,068 240,068	152,978 128,169 98,073 206,661 146,929	139,823 142,982 110,745 78,836 114,233	101,237 159,481 110,499 145,800 338,146	137,298 549,023 183,316 196,446 102,988	114,993 129,776 98,712 242,571 129,469	461,206 163,883 296,430 226,619	160,907 148,141 173,954 151,661 281,414	165,535 166,844 183,818 155,724 157,289
Municipality Hancock Hancock Hanson Hanson Harwick Harvard Harwich Hatrield Hawley Heath	Hingham Hinsdale Holbrook Holden Holland Holyoke Hopkinton Hubbardston	Hudson Hull Huntington Kingston	Lakeville Lancaster Lanesborough Lawrence Lee	Leicester Lenox Leominster Leverett Lexington	Leyden Lincoln Littleton Longmeadow Lowell	Ludlow Lunenburg Lynn Lynnfield Malden	Manchester Mansfield Marblehead Marion *Marlborough	Marshfield Mashpee Mattapoisett Maynard Medfield	Medford Medway Meirose Mendon Merrimac
FY99 tax rate 20.89 16.22 14.33 16.22 14.95 14.95 17.96 117.96 117.96 117.96 117.35	18.15 15.55 15.55 11.60 14.05 8.85 8.85 16.32 10.68 10.68	10.80 15.72 16.25 17.51 9.40	19.43 11.65 16.63 16.84 7.52	9.58 9.40 14.10 12.82 14.52	10.45 11.10 17.96 13.89 15.65	17.82 13.92 13.87 18.30 15.03	15.20 15.09 17.69 2.43 15.53	15.80 16.32 17.14 20.47 17.53	14.83 12.47 16.00 15.95 18.63
Pct. bill 5 .9 -0.4 3.0 3.0 3.0 3.0		1.7 7.2 3.5 3.5	6.9 0.7 8.0 -1.2	6.4 16.1 3.4 8.1 5.7	4.0 6.6 6.2 4.6	1.4 2.9 2.9	12.6 7.7 8.2 4.1 0.7	3.2 7.1 3.6 8.1	0.0 4.5 5.8 7.2 7.2
	178 83 83 231 107 228 228 214 184 184 149						278 77 219 335 129	207 183 115 196 46	116 232 165 36 104
FY99 avg. 2,269 1,610 1,840 1,868 1,868 1,868 1,868 5,110 5,100 1,720 5,513 2,672 1,613	2,137 2,899 1,878 2,660 1,890 1,890 1,890 1,268 1,961 1,961 2,126 5,705 5,705	1,213 3,191 4,386 2,544 1,095	2,794 1,694 1,824 3,170 2,304	2,025 833 2,832 1,536 1,669	1,252 2,043 1,691 863 2,895	3,045 2,715 1,917 1,679 2,896	1,666 3,011 1,930 807 2,403	1,985 2,127 2,562 2,093 3,564	2,554 1,876 2,217 3,845 2,670
FY98 avg. 1,549 1,549 1,549 1,754 1,754 1,755 1,755 2,683 5,263 2,683 1,566	2,031 2,840 1,829 2,535 1,923 1,923 1,918 2,035 5,480 2,181	1,193 2,978 4,208 2,458 1,044	2,613 1,682 1,689 3,173 2,333	1,903 993 2,740 1,421 1,579	1,204 1,983 1,586 813 2,768	3,003 2,639 1,922 1,623 2,814	1,479 2,797 1,784 775 2,386	1,924 1,986 2,386 2,021 3,297	2,553 1,796 2,172 3,635 2,491
Pct. cig. 0.8 0.1 0.1 0.1 0.1 0.1 0.1 16.7 11.8	1.0 7.3 9.8 7.3 7.3 7.3 7.3 7.3	4.8 8.8 0.3 1.9	4.1 0.6 0.1 1.0 13.7	14.6 0.3 5.0 0.0	0.5 9.0 0.8 3.1	0.5 2.0 3.4 2.6	5.5 19.7 7.2 -0.6	0.5 1.0 3.7 12.4	1.1 5.3 6.2 0.8
FY99 avg. value 108,630 99,231 88,750 88,750 112,508 341,124 95,744 95,744 16,834 112,405	117,739 186,435 161,880 189,323 143,747 143,241 143,241 139,982 130,283 534,134 133,716	112,300 202,985 269,906 145,271 116,476	143,820 145,435 109,706 188,223 306,408	211,326 88,566 200,827 119,799 114,953	119,781 184,041 94,133 62,101 184,998	170,899 195,015 138,222 91,742 192,665	109,582 199,526 109,113 332,093 154,723	125,616 130,320 149,460 102,248 203,311	172,248 150,425 138,555 241,046 143,300
FY98 avg. value 107,762 98,154 572,622 98,154 112,389 322,305 322,305 322,305 322,305 326,924 114,257 114,242	116,610 185,847 151,051 181,472 133,990 132,424 138,920 118,632 155,023 155,023 156,629	107,155 186,616 253,522 144,824 114,310	138,108 144,511 109,572 186,417 269,440	184,423 88,332 202,477 114,134 114,911	119,197 168,769 93,430 61,579 179,403	170,129 191,268 136,597 88,712 187,699	103,828 166,659 108,788 309,909 155,620	125,037 129,036 147,679 98,574 180,934	170,308 134,936 131,629 227,068 142,164
Municipality Chesterfield Chlomark Chlimark Chlimark Charsburg Clinton Colrain Concord Conrord Conrord Conrord Conrord Conrord Conrord	Datton Danvers Dedham Deerfield Dennis Dighton Douglas Dover Dracut	Dudley Dunstable Duxbury E. Bridgewater E. Brookfield	E. Longmeadow Eastham Easthampton Easton Edgartown	Egremont Erving Essex Everett Fairhaven	Fall River Falmouth Fitchburg Florida Foxborough	Framingham Franklin Freetown Gardner Georgetown	Gill Gloucester Goshen Gosnold Grafton	Granby Granville Gt. Barrington Greenfield Groton	Groveland Hadley Halifax Hamilton Hampden
FY99 tax rat 18.13 18.52 18.52 18.52 13.86 17.32 15.89 7.44 17.45 19.98 15.17 15.17 5.87	17.17 17.79 18.12 16.87 18.32 18.32 14.93 13.32 13.32 11.64	12.31 16.96 11.50 11.97 17.84	14.76 13.76 12.49 14.65 18.10	15.22 15.11 15.47 13.46 17.11	13.04 17.66 14.94	13.34 13.20 15.34 19.43	17.29 18.88 10.90	13.63 15.62 19.09 20.53 12.81	9.48 18.11 11.50 16.04
Pct. bill bill 7.3 3.0 0.9 3.0 0.9 4.3 4.9 4.9 4.3 7.2 2.2 0.2 0.2	6.7 3.2 7.2 3.5 3.5 3.1 8.2 18.5	5.5 -7.9 10.5 6.4 2.2	0.6 4.4 6.0 10.8	5.8 5.1 1.7 4.4	2.1 -0.5 1.2	4.1 4.2 6.7 1.5	0.7 6.6 4.0	4.7 5.5 1.9 6.8 15.2	-1.4 3.2 -0.3 1.5
FY99 hi-lo 1 rank 98 15 272 305 272 305 272 305 272 102 1102 55 55 55 147	40 239 194 182 53 329 224 224 229 226 226 226 226 226 226 226 226 226		208 10 256 100 202	59 138 213 285 285 25	204 13 17 86	177 198 127 248 230	250 227 190	76 4 160 195 274	136 57 324 298
FY99 avg. 2,750 4,950 1,677 1,677 1,677 1,885 1,885 1,885 1,885 1,885 2,692 2,692 2,292 2,282 2,282			1,981 5,234 1,747 2,698 2,698 2,015	3,205 2,349 1,964 1,633 4,283	2,004 5,017 4,841 2,837	2,139 2,074 2,420 1,791 1,883	1,781 1,897 2,108	3,019 6,034 2,233 2,096 1,675	2,355 3,268 1,229 1,549
FY98 avy. 2,564 4,808 1,495 1,495 1,495 1,495 1,495 1,857 1,857 3,142 2,813 3,142 2,286	3,416 1,787 2,042 2,072 3,146 1,073 1,534 1,534 1,541 1,541	2,110 1,780 1,022 3,310 2,204	1,970 5,014 1,648 2,732 1,819	3,030 2,226 1,869 1,606 4,103	1,963 5,044 4,266 2,803	2,055 1,990 2,313 1,678 1,678	1,768 1,779 2,026	2,884 5,721 2,191 1,963 1,454	2,389 3,167 1,233 1,526
Pct. chg. 0.4 0.4 0.8 0.8 0.8 0.8 0.8 0.8 0.8 0.8 0.8 10.9	4.0 5.1 6.7 5.7 13.8 8.8		2.7 7.0 7.2 0.6 0.5	13.9 7.9 0.3 3.7	0.4 4.2 7.9 13.1	0.4 1.3 8.7 8.7	0.0 9.8	0.9 3.3 0.5 8.5	0.1 8.1 0.7 0.8
FY99 avg. value 151,668 1267,266 121,013 87,122 118,659 154,242 154,244,242 154,244,242 154,244,244,244,244,244,244,244,244,244,2	212,280 103,710 115,710 126,110 183,992 75,088 128,360 115,854 143,328 137,871	180,775 96,657 98,163 98,163 294,154 126,235	134,228 380,389 139,869 184,157 111,338	210,610 155,469 126,951 121,300 250,316	153,654 284,068 321,863 189,861	160,317 157,093 157,762 115,630 96,917	103,014 100,485 193,423	221,487 386,310 116,989 102,088 130,746	248,439 180,434 106,898 96,542
FY98 avg. 151,020 151,020 265,609 113,949 86,760 117,763 150,328 153,658 153,658 153,658 153,0548 350,646	204,191 102,754 110,076 125,208 175,667 74,885 74,885 121,446 114,992 125,992 125,992	179,416 96,319 97,364 244,284 125,523	130,748 355,352 139,092 171,736 110,785	184,885 144,058 126,556 122,060 241,492	153,034 272,646 298,323 167,849	159,656 155,012 155,851 113,825 89,160	103,037 99,604 176,177	219,463 374,146 116,394 92,222 120,485	248,106 166,860 106,153 95,822
Municipality Abington Acton Acushnet Adams Agawam Athord Amherst Andover Aquinnah	Arlington Ashburnham Ashburnham Ashfield Ashland Atheloro Avon Avon Avon	Barnstable Barre Becket Bedford Belchertown	Bellingham Belmont Berkley Berlin Bernardston	Beverly Billerica Blackstone Blandford Bolton	*Boston Bourne Boxborough Boxford Boylston	Braintree Brewster Bridgewater Brimfield Brockton	Brookfield *Brookline Buckland Burlington *Cambridge	Canton Carlisle Carver Charlemont Charlton	Chatham Chelmsford *Chelsea Cheshire Chester

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140,703 265,241 123,605 233,418
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91,843 111,581 1 150,513 1 109,587 1 153,268 1
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Single Family Tax Bills & Property Values → continued from page three



Figure 2

Community trends

Table 1 shows the average single family assessed value and tax bill for FY1998 and FY1999, ranks communities from high to low for the FY1999 average tax bill, and shows percent change in average value and in the average tax bill. Generally, communities with higher assessed values have higher average tax bills. The five communities with the highest average tax bills are Weston (\$7,753), Lincoln (\$7,127), Sherborn (\$6,587), Carlisle (\$6,034) and Wayland (\$5,800). When ranked on average assessed value, Weston and Lincoln rank 1st and 2nd respectively, Sherborn ranks 8th, Carlisle ranks 11th and Wayland ranks 20th. There also appears to be a strong correlation between high average tax bills and per capita income. Weston (1), Sherborn (2), Carlisle (4), Lincoln (5) and Wayland (6) are at the top of the list when arrayed by per capita income.¹ Communities on the Cape and Islands tend to have high assessed values but lower tax bills due to a large number of seasonal properties whose residents have a lower demand for services. Four of the communities in the top 25 for average assessed value are located on Martha's Vineyard and the Elizabeth Islands. Chilmark has the 3rd highest average assessed value, but ranks 240th for average tax bill. Aquinnah is 10th in value, but 147th for tax bill. West Tisbury is 17th for value but 101st for tax bills and Gosnold is 12th for value but 335th for average tax bill. The relationship between average tax bills and average assessed value is not as strong at the other end of the spectrum. The communities with the lowest average tax bills are Rowe (\$580), Tolland (\$667), New Ashford (\$725), Monroe (\$750), and Hancock (\$807). These communities, all small towns in western Massachusetts, rank 235th, 192nd,

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Table 2. FY90-FY99 Average 1	Tax Rates and Tax Bills
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	A	Actual dollars		Constant FY90 dollars			
Fiscal year	Average single family tax rate	Average assessed value	Average tax bill	Average assessed value	Average tax bill		
1990	9.79	174,817	1,711	174,817	1,711		
1991	10.41	175,917	1,831	166,375	1,732		
1992	11.68	162,451	1,897	151,014	1,763		
1993	12.89	154,589	1,993	138,408	1,784		
1994	13.59	153,133	2,081	135,587	1,843		
1995	14.21	153,571	2,182	132,188	1,878		
1996	14.59	156,159	2,272	130,935	1,905		
1997	14.83	159,117	2,360	129,039	1,914		
1998	14.92	165,050	2,463	131,114	1,957		
1999	14.73	173,576	2,557	135,591	1,997		

Note: Constant FY90 dollars calculated using the Consumer Price Index for All Urban Consumers, Boston.

DLS UPDATE

Y2K Outreach Project

During FY1999, the Division of Local Services (DLS) has provided a special service to local communities, in conjunction with the Governor's task force on Y2K. DLS has offered assistance to small towns with less than 20,000 population, by preparing an inventory of their computer equipment and programs, identifying potential Y2K problems and assisting in contingency planning. To date 176 communities have requested assistance. In addition, DLS has a website for local officials to query about which vendors are Y2K compliant and for the public to determine their community's Year 2000 readiness. The DLS website is constantly being updated, as new information becomes available. The address is www.dls.state.ma.us/y2kinfo.htm.

One-Day Tax Seminar

The Department of Revenue (DOR) will sponsor a one-day informational seminar on Massachusetts' state sales, property and corporate taxes at the Boston Marriott in Newton on October 21, 1999. The seminar will be cohosted by DOR and the Institute of Professionals in Taxation. The seminar is geared toward practitioners, attorneys, business owners and other professionals in the sales and use, property and corporate tax fields. DOR is finalizing the agenda and selecting speakers. Sample topics include an overview of the audit process, Departmental initiatives, and recent court decisions. Commissioner of Revenue Frederick A. Laskey and other key personnel from DOR will be making presentations.

Contact DOR's Office of the Taxpayer Advocate at (617) 626-2201, or visit DOR's website at www.state.ma.us/dor for further details and registration information. The projected cost for the seminar is \$125 and continuing education credits are available to attendees.

Purchasing Course Update

Participation in the Inspector General's Massachusetts Certified Public Purchasing Program (MCPPO) has been outstanding. Authorized by the legislature in 1996 to establish a training program to promote professionalism in public contracting, the office of the Inspector General has awarded over 1100 course completion certificates and over 100 MCPPO Designations have been approved for award.

Seminars currently being offered include: Public Contracting Overview; Suppliers and Services; and Design and Construction Contracting. Each three-day seminar provides a comprehensive overview of purchasing principles and legal requirements for public contracting, as well as workshops that apply contracting knowledge to practical problems faced by procurement officials. Anyone with responsibility for procurements, contract management or oversight, or auditing will benefit from these seminars. Participants can earn continuing education credits, professional development points, or work toward an undergraduate or graduate college degree by completing MCPPO seminars.

For more information, please contact Anne Tierney or Genesi Dorsey at (617) 523-1205 or visit the web site at www.state.ma.us/ig/ighome. ■

Single Family Tax Bills → continued from page six

274th, 340th and 248th on average assessed value. The relationship between average tax bill and per capita income is not as strong either. Tolland, which has the second lowest tax bill, ranks 67th for per capita income. Hancock is also above the median income, ranking 153rd. Rowe, New Ashford and Monroe rank 231st, 314th and 336th respectively.

From FY1998 to FY1999 the average tax bill decreased in 41 communities. The percentage decrease ranged from as little as -0.1 percent in Easton, Peru, Richmond and Sandisfield, to 17.9 percent in Leyden. The largest increases occurred in Topsfield (18.7 percent), Aver (18.5 percent), Webster (17.1 percent), Southborough (14.9 percent), and Williamstown (14.5 percent). The average assessed value declined in 19 communities. The decline was less than one percent in most communities, but Levden experienced a decline in the average assessed value of 8.6 percent. On the other hand, 42 communities had increases of more than 10 percent in average assessed value. The top five increases were West Tisbury (24.2 percent), Provincetown (20.9 percent), Bedford (20.4 percent), Revere (20.4 percent) and Gloucester (19.7 percent).

Tax bill, assessed value and tax rate data come from the FY1999 property tax information that local assessors. submit to the Division of Local Services. The average tax bill for each community is calculated by dividing the total tax levy for all single family parcels by the total number of single family parcels. The same is done with state totals to get the statewide average. Average assessed value is calculated by dividing the total assessed value by the total number of parcels. The statewide average tax rate is calculated by dividing the statewide total tax levy by the total assessed value.

written by Jean McCarthy

data provided by Debbie DePerri & Stanley Nyberg

1. US Census, 1989.

Municipal Fiscal Calendar

October 1

Collector: Mail first semi-annual tax bills.

Taxpayer: Last date to file application to have land valued and taxed as agricultural/ horticultural land or recreational land, M.G.L. ch. 61A and ch. 61B.

October 15

DOE: Notify communities of any prior-year school spending deficiencies.

Superintendent: Submit school foundation enrollment report to DOE.

October 31

Accountant: Submit Schedule A for prior fiscal year.

Selectmen: Begin establishing next fiscal year budget guidelines and request department budgets.

Assessors: Begin work on tax rate recapitulation sheet (to set tax rate for semi-annual bills).

Opportunities for Training

Assessment Administration: Law, Procedures, Valuation will be offered at the Massachusetts Maritime Academy in Bourne on eight Wednesday evenings from 7:00 p.m. to 10:00 p.m. beginning September 22.

Classification Training Workshop at the Massachusetts Maritime Academy in Bourne on Wednesday, October 20, at 7:00 p.m.

"What's New in Municipal Law" will be offered at the Sheraton Framingham Hotel in Framingham on Friday, October 15, 1999; and at the Best Western Sovereign Hotel in West Springfield on Friday, October 22, 1999, from 9:00 a.m. to 3:00 p.m.

For more information, contact Barbara LaVertue, Coordinator of Training, at (617) 626-2340. ■





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