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City and Town

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The New England Council's 2003 Agenda by Susan Asci, Vice President, Communications, The New England Council

Health care, financial services, energy, research and development funding, transportation, the workforce and the creative economy are among the top issues of the New England Council's 2003 agenda.

The New England Council is an alliance of large and small companies, educational institutions, nonprofit and other agencies dedicated to promoting federal public policies and regional initiatives that support economic development and a high quality of life in the six-state region.

"We work closely with the New England congressional delegation to articulate the voice of New England's business community on Capitol Hill," said James T. Brett, President and CEO of the New England Council.

On the health care issue, the Council will continue its advocacy work on such areas as Medicare reimbursements and long-term reform as well as the Medicaid crisis and the shortage of nurses.

Federal research and development funding is an important resource for the region's research community. This funding helps to fuel the leading sectors of health care, biotechnology, and higher education. The Council's efforts on Capitol Hill in recent years have helped secure a five-year-high level of federal research and development funding for New England institutions.

Financial services is another important sector. New England is considered the center of retirement savings, managing in excess of one trillion dollars in assets

for tens of millions of retirement customers worldwide. In recent years, the Council was a strong advocate in favor of legislation that increased 401(k) and IRA contribution limits and simplified complex pension plan regulations that made it difficult for small businesses to offer plans.

Energy and environment issues have long been part of the Council's issues agenda. New England's economic health, future growth and well-being are directly linked to the availability of reliable, reasonably priced energy and environmentally sound energy policies. To that end, the Council's goals promote fuel diversity and the expansion and improvement of the region's energy infrastructure.

The 108th session of Congress will be a crucial year for transportation funding with such programs as the Highway and Transit Funding (TEA-3) and Airport Funding (AIR-21) up for reauthorization. The nation's commitment to these bills will make a difference in the future of highway and airport improvements and development in New England.

Other bills slated for reauthorization this year include the Higher Education Bill and the Workforce Investment Act. The Higher Education Act (HEA) administers the federal government's student aid and loan program. In addition to deliberating whether HEA's programs have made post-secondary education more accessible, Congress will also consider the rising costs of college, federal tax benefits, standards and accountability.

The goal of the Workforce Investment Act is to improve the delivery of federal job training programs. This year's reauthorization presents the opportunity to make program changes to better prepare workers to meet employers' needs in the region.

The New England Council also has focused on regional economic development initiatives, such as the creative economy.

The Creative Economy Initiative began as a partnership between the Council, New England Foundation for the Arts, the six state arts agencies and the Boston Symphony Orchestra. The initiative conducted an economic impact study of the creative sector in the region. Earlier this year, a Creative Economy Council was formed that is comprised of more than 70 leaders from throughout the region representing business,

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From the Acting Deputy Commissioner

In tight financial times, cities and towns may consider imposing charges or "user fees" for various services.

In some communities, the validity of certain user fees has been challenged. Some of these challenges were based on the contention that the fees were actually taxes for which there was no prior legislative authorization as required by the state constitution. However, there are three important characteristics that distinguish valid user fees from taxes as established by the court in *Emerson College v. Boston*, 391 Mass. 415 (1984).

First, the user fee must be in return for a particular governmental service that benefits, in a special way, the party paying the fee. In other words, the users must receive a particular benefit from the governmental service that is not shared by the general public. A second characteristic of a user fee is voluntary payment. The governmental service user has the choice of not using the service and thereby avoiding the charge. The third characteristic is that the fee should not generate revenue above and beyond what is reasonably anticipated as the cost of providing the service.

When considering imposing or increasing user fees, municipalities should seek to adhere to this three-stage *Emerson* test to ensure their validity. Refer to this issue's Focus article for more information on fees.

Gerard D. Perry
Acting Deputy Commissioner

Legal

in Our Opinion

The Nashoba Case and Personal Property

by James Crowley

The Nashoba case illustrates that the form of property ownership is important for local personal property tax purposes.

Nashoba Communications Limited Partnership (Nashoba) owned and operated a cable television service in the Town of Danvers. The firm, organized as a limited partnership, had its principal place of business in the Town of Westford. For fiscal year 1990 Danvers assessed Nashoba on its personal property, which was valued in excess of \$2.2 million. Nashoba filed an abatement application claiming that certain of its personal property was exempt. The assessors disagreed, and the taxpayer appealed to the Appellate Tax Board (ATB) which upheld the assessors' decision. There was a further appeal to the Supreme Judicial Court (SJC), which made its ruling in *Nashoba Communications Limited Partnership v. Assessors of Danvers*, 429 Mass. 126 (1999).

Nashoba's personal property in Danvers included its aerial distribution plant, consisting of cables and wires on telephone and utility poles, together with the amplifiers, taps and other devices attached to the cables and the underground distribution plant; its head-end equipment; converter boxes in subscribers' homes, and office equipment. Nashoba alleged in its complaint that its cable and other electronic equipment located over public ways was exempt from local taxation.

As a general matter, all real estate and personal property is subject to local tax unless there is some exemption (M.G.L. Ch. 59 Sec. 2). It is also a well-established principle in Massachusetts that a taxing statute must set forth the place where and the person to whom a tax is to be assessed. At issue was M.G.L.

Ch. 59 Sec. 18, which provides the general rule for the assessment of all taxable personal property and then lists seven exceptions to that rule. The fifth and sixth clauses were the subject of the SJC's interpretation.

Clause Sixth states in pertinent part that "partners, whether residing in the same or different towns, shall be jointly taxed under the firm name, for *all* tangible property belonging to the partnership ..." (emphasis added). By its terms, this statute provided for the assessment of *any* personal property owned by a partnership. Nashoba contended, however, that Clause Fifth was also meant to apply to partnership property. Clause Fifth pertained to the assessment of "underground conduits, wires and pipes laid in public ways...and poles, underground conduits and pipes, together with the wires thereon or therein, laid in or erected upon private property ... by *any* corporation ..." (emphasis added). Nashoba pointed to a prior SJC decision, which held that Clause Fifth did not provide for the taxation of poles with the wires thereon erected on public ways. That decision was *Warner Amex Cable Communications, Inc. v. Assessors of Everett*, 396 Mass. 239 (1985).

In the case at hand, however, the SJC narrowed the scope of the *Warner Amex* ruling by noting that Clause Fifth specifically applied to corporations. Clause Sixth, on the other hand, applied to personal property owned by a partnership. In the court's view, it would be a strained interpretation to hold that Clause Fifth was also meant to apply to partnerships. The SJC affirmed the ATB decision that Nashoba's cable and electronic equipment over public ways was taxable.

The SJC concluded that different tax treatment for partnerships versus corporations was constitutionally permissi-

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Focus

on Municipal Finance

Municipal Fees and Charges

by Melinda J. Ordway

Since the passage of Proposition 2½, municipal budgeting in Massachusetts has been revenue driven. Annually, a community must review its four major revenue sources — tax levy, state aid, local estimated receipts and available funds — before entertaining proposed spending requests. The ability to maintain or increase a community's level and/or quality of services is dependent on its revenues and careful planning. Currently, we are faced with hard economic times. State aid is proposed to decrease, the levy is capped by Proposition 2½ unless overrides or debt exclusions are approved by the voters, and reserves are non-recurring sources of revenue. Consequently, communities are reporting that they are closely reviewing local receipts.

In FY02, local receipts represented almost 17 percent of the total municipal budgets (Table 1). Among communities, the percentages ranged from a low of 2.37 percent for the town of Rowe to a high of 43.3 percent of the town of Norwood. Local receipts include a variety of taxes, excise, user fees, charges, and other revenues. Some local receipts (i.e., motor vehicle excise, hunting license and firearms permits) may be dictated by statute while others may be by negotiation or contract (i.e., investment income and in-lieu-of-tax payments). Still other local receipts are established through the adoption of an ordinance or bylaw.

A fee is the practice of charging an amount for a service to individuals who use or benefit from them. A fee may be charged when a local government provides a particular service or benefit (i.e., police detail, a recreational program or

copying a public document) or covers the cost of permitting or licensing a private activity under regulatory functions enacted to protect the public health, welfare and safety (i.e., building permit or business license). A fee may be charged when the use of a service is by choice and service can be withheld from individuals who refuse to pay. A fee may not be charged for general services that are mandatory or supplied to the public at large such as schools and public safety. Moreover, a fee may be charged to recover the cost of providing the service or benefit (*Emerson College v. Boston*, 391 Mass. 415 (1984)) not just to enhance revenues.

Local officials are faced with many issues when deciding whether or not to implement fees. These include but are not limited to the legal authority (e.g., general laws, special legislation and home rule powers) to charge a fee, the attitudes of citizens and political leaders towards fees, and the cost. Therefore, before proposing new local charges or increases in its current local receipts, a community should review its current licenses, permits and fees.

The Government Finance Officers Association (GFOA) has issued recommended practices on charges and fees. GFOA recommends that communities adopt written policies for charges and fees. A policy should identify what factors are to be taken into account when pricing services or benefit. The policy should also state whether the community intends to recover the full cost of providing the service or benefit and under what circumstances a charge or fee is set at less than full recovery (e.g., debt exclusion or other subsidy). The policy should be reviewed periodically to ensure it is current and it should be communicated with the public clearly and openly.

When pricing a service or benefit, it is recommended that a community conduct a costing study. A costing study identifies and measures the direct, indirect, capital and debt service costs of providing a service or benefit over a given period. A costing study is best done by a team of municipal officials so that all possible aspects of costing data are accounted for as well as different perspectives are entertained. The process and results should be documented for public disclosure and may be replicated easily when annually reviewed. With the costing information, a community can analyze the efficiency of a service, make budgetary decisions, set fees or charges, and/or consider alternative methods of providing a service (e.g., smaller scale, out source and privatization). For more information on costing services, see the Department of Revenue's workbook, "Costing Municipal Services: Workbook and Case Study" on our website at www.mass.gov/dls under "Publications and Forms." Developed a number of years ago, this workbook is used widely throughout the Commonwealth when performing a costing study.

GFOA also recommends that municipalities maintain a revenue manual. This manual should document a community's revenue sources and factors relevant to measure current and future levels of those revenues. This would include a title or brief description for each revenue source; legal authorization and/or limitation; and formula or costing information. It should include accounting information such as account and fund numbers (e.g., general, special or enterprise funds) so it is clearly understood if a revenue source is unrestricted or earmarked for a specific purpose. It is also advisable to include a history of the revenue source;

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FY02 Local Receipts

	Local receipts FY02 total budget	Local receipts as percent of total budget	Local receipts FY02 total budget	Local receipts as percent of total budget	Local receipts FY02 total budget	Local receipts as percent of total budget
Abington	31,814,842	16.05	Chesterfield	2,145,963	Hancock	1,178,549
Acton	8,738,457	15.8	Chicopee	17,970,947	Hanover	5,183,250
Acushnet	3,938,078	19.74	Chimark	5,177,889	Hanson	2,071,970
Adams	1,082,532	10.05	Clarksburg	243,280	Hardwick	548,999
Agawam	8,927,190	14.9	Clinton	3,815,084	Harvard	1,316,780
Afford	73,175	7.7	Cohasset	4,731,934	Harwich	6,967,480
Amesbury	43,888,730	14.53	Colrain	193,000	Hatfield	1,238,932
Amherst	55,508,140	24.29	Concord	4,495,088	Haverhill	34,362,968
Andover	103,338,507	18.17	Conway	210,539	Hawley	35,200
Aquinnah	2,085,082	15.32	Cummington	180,000	Heath	99,955
Arlington	99,100,870	16.22	Dalton	1,244,575	Hingham	7,724,933
Ashburnham	1,797,866	19.55	Danvers	69,726,451	Hinsdale	3,422,297
Ashby	335,700	7.01	Dartmouth	9,938,692	Holbrook	3,236,514
Ashfield	396,680	12.79	Dedham	61,356,673	Holden	5,921,433
Ashland	8,339,379	22.21	Deerfield	1,963,636	Holland	280,100
Athol	13,194,931	25.72	Dennis	7,616,400	Holliston	42,559,500
Attleboro	19,077,334	21.17	Dighton	1,140,939	Holyoke	10,067,750
Auburn	31,597,147	16.6	Douglas	2,110,600	Hopedale	2,013,224
Avon	1,667,246	12.68	Dover	1,597,400	Hopkinton	6,672,238
Ayer	3,544,057	17.16	Dracut	8,313,124	Hubbardston	790,440
Barnstable	29,153,818	23.56	Dudley	3,258,412	Hudson	6,763,966
Barre	1,795,403	24.34	Dunstable	265,500	Hull	30,373,412
Becket	339,200	9.57	Duxbury	8,697,372	Huntington	3,076,095
Bedford	7,507,360	14.74	E. Bridgewater	3,140,718	Ipswich	5,732,970
Belchertown	3,125,290	10.65	E. Brookfield	449,249	Kingston	4,194,796
Bellingham	5,028,212	11.68	E. Longmeadow	4,167,541	Lakeville	1,789,421
Belmont	15,522,983	21.72	Eastham	2,100,000	Lancaster	1,860,207
Belkley	12,017,257	8.74	Easthampton	5,578,991	Lanesborough	7,300,426
Berlin	6,879,858	8.32	Easton	7,013,938	Lawrence	24,125,471
Bernardston	327,000	9.23	Edgartown	4,357,700	Lee	15,358,443
Beverly	90,025,146	21.48	Egremont	540,965	Leicester	21,497,187
Billerica	13,567,500	12.72	Erving	536,132	Lenox	5,105,362
Blackstone	13,261,849	16.41	Essex	1,396,000	Leominster	10,978,000
Blandford	401,479	19.2	Everett	15,620,959	Leverett	256,000
Bolton	716,200	6.06	Fairhaven	6,668,011	Lexington	26,913,152
Boston	277,967,724	15.02	Fall River	32,389,387	Leyden	64,650
Bourne	13,594,600	27.9	Falmouth	13,142,012	Lincoln	2,070,000
Boxborough	1,259,885	9.37	Fitchburg	18,120,725	Littleton	4,237,980
Boxford	1,972,814	9.37	Florida	103,398	Longmeadow	5,433,415
Boylston	1,352,500	15.28	Foxborough	7,858,835	Lowell	43,376,923
Braintree	89,441,958	23.36	Frammingham	32,970,158	Ludlow	6,647,524
Brewster	28,365,494	22.56	Franklin	13,737,460	Lunenburg	44,749,724
Bridgewater	8,653,588	23.32	Freetown	1,825,791	Lynn	20,220,043
Brimfield	758,511	10.45	Gardner	8,218,308	Lynnfield	3,348,052
Brockton	44,647,086	16.2	Georgetown	2,549,805	Malden	24,221,003
Brookfield	562,750	8.53	Gill	154,000	Manchester	3,402,770
Brookline	37,173,542	21.23	Gloucester	16,559,708	Mansfield	10,844,580
Buckland	506,187	16.06	Goshen	153,300	Marblehead	51,413,388
Burlington	12,390,746	16.24	Gosnold	350,357	Marion	2,487,887
Cambridge	356,895,723	23.81	Grafton	27,873,265	Marlborough	16,764,511
Canton	10,597,191	18.74	Granby	1,684,050	Marshfield	14,754,318
Carlisle	1,149,700	6.61	Granville	3,636,277	Mashpee	3,685,322
Carver	27,099,859	6.92	Grt. Barrington	2,348,016	Mattapoisett	1,989,770
Charlmont	2,110,437	8.21	Greenfield	6,015,200	Maynard	3,502,412
Charlton	2,555,863	15.9	Groton	3,750,481	Medfield	4,756,363
Chatham	5,663,077	19.37	Groveland	9,304,239	Medford	25,167,903
Chelmsford	7,801,148	9.76	Hadley	2,219,815	Medway	4,123,804
Chelsea	19,878,111	17.59	Halifax	1,986,240	Melrose	11,680,753
Cheshire	714,236	20.42	Hamilton	2,824,131	Mendon	1,367,000
Chester	245,772	11.73	Hampden	707,715	Merrimac	2,562,257

Local receipts as percent of total budget			FY02 total budget			Local receipts			FY02 total budget			Local receipts as percent of total budget			FY02 total budget			Local receipts as percent of total budget					
Methuen	16,526,938	97,513,061	16.95	Princeton	727,258	6,786,962	10.72	Tyngsborough	2,208,748	29,249,751	7.55	Warren	1,208,166	5,553,679	21.75	W. Boylston	1,891,967	15,658,849	12.08	W. Stockbridge	356,636	3,305,388	10.79
Middleborough	6,202,590	49,717,184	12.48	Provincetown	7,395,262	67,866,127	35.8	Tyringham	89,800	1,081,855	8.3	Walpole	9,440,906	54,660,459	17.27	W. Bridgewater	2,340,790	17,103,907	13.69	W. Taubert	617,550	9,418,605	6.56
Middlefield	67,077	1,068,375	6.28	Quincy	38,942,436	209,746,629	18.57	Upton	1,911,281	10,324,723	18.51	Waltham	34,571,184	161,444,163	21.41	W. Brookfield	700,000	4,847,510	14.44	Weston	6,434,500	49,794,904	12.92
Middletown	1,710,000	17,524,945	9.76	Randolph	11,763,931	63,764,502	18.45	Uxbridge	3,121,383	27,896,076	11.19	Ware	1,955,772	21,900,699	8.93	W. Newbury	1,205,429	8,866,542	13.61	Westport	3,173,821	23,654,355	13.42
Milford	7,721,188	59,532,711	12.97	Raynham	3,575,392	23,008,869	15.54	Wakefield	14,035,538	64,131,811	21.89	Wareham	7,948,469	46,633,329	17.04	W. Springfield	10,224,314	67,014,917	15.26	Westwood	7,118,610	47,458,195	15
Milbury	1,812,304	24,615,804	7.36	Reading	12,972,979	58,546,390	22.16	Wales	247,220	3,733,870	6.62	Warren	1,208,166	5,553,679	21.75	Westhampton	208,000	3,126,519	6.65	Weymouth	28,765,099	116,134,368	24.77
Millis	2,766,980	18,521,237	14.94	Rehoboth	1,728,532	13,556,128	12.75	Walpole	9,440,906	54,660,459	17.27	Wellesley	9,120,995	76,196,553	11.97	Whately	380,600	3,886,216	9.79				
Millville	336,950	3,876,084	8.69	Revere	17,070,492	97,894,486	17.44	Waltham	34,571,184	161,444,163	21.41	Wellfleet	1,277,211	11,168,916	11.44	Whitman	5,637,970	26,127,956	21.58				
Milton	13,171,380	62,503,950	21.07	Richmond	377,975	4,617,281	8.19	Ware	1,955,772	21,900,699	8.93	Wendell	1,921,210	12,310,000	12.31	Wilbraham	4,475,539	25,561,263	17.51				
Monroe	40,750	476,215	8.56	Rochester	3,213,060	12,112,949	26.53	Wareham	7,948,469	46,633,329	17.04	Wenham	1,572,812	9,704,607	16.21	Williamsburg	728,667	4,588,215	15.88				
Monson	2,477,923	19,682,211	12.59	Rockland	7,273,866	40,102,074	18.14	Wareham	7,948,469	46,633,329	17.04	W. Boylston	1,891,967	15,658,849	12.08	Williamstown	4,059,458	16,108,187	25.2				
Montague	2,444,600	13,084,030	18.68	Rockport	4,561,294	22,483,230	20.29	Wareham	7,948,469	46,633,329	17.04	W. Bridgewater	2,340,790	17,103,907	13.69	Wilmington	6,918,776	56,672,123	12.21				
Montevideo	216,400	2,169,005	9.98	Rowe	65,650	2,774,525	2.37	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44	Winchendon	2,315,589	23,763,866	9.74				
Montgomery	119,600	1,273,957	9.39	Rowley	1,896,156	10,869,027	17.45	Wareham	7,948,469	46,633,329	17.04	W. Newbury	1,205,429	8,866,542	13.61	Winchester	9,671,822	59,310,311	16.31				
Mt. Washington	33,195	554,133	5.99	Royalston	168,622	1,503,654	11.21	Wareham	7,948,469	46,633,329	17.04	W. Springfield	10,224,314	67,014,917	15.26	Windsor	132,300	1,432,896	9.23				
Nahant	2,518,015	8,799,890	28.61	Russell	1,024,158	3,062,985	33.44	Wareham	7,948,469	46,633,329	17.04	W. Boylston	1,891,967	15,658,849	12.08	Winthrop	7,242,135	36,110,404	20.06				
Nantucket	27,093,970	64,132,987	42.23	Rutland	2,142,012	10,350,596	20.69	Wareham	7,948,469	46,633,329	17.04	W. Bridgewater	2,340,790	17,103,907	13.69	Woburn	21,844,081	94,883,218	23.02				
Natick	17,721,470	92,884,723	19.09	Salem	21,364,920	100,383,266	21.28	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44	Worcester	71,845,879	436,886,229	16.44				
Needham	17,797,404	84,706,770	21.01	Salisbury	5,104,058	16,557,581	30.83	Wareham	7,948,469	46,633,329	17.04	W. Newbury	1,205,429	8,866,542	13.61	Worthington	166,200	2,146,207	7.74				
New Ashford	42,648	372,471	11.45	Sandisfield	90,000	1,988,267	4.53	Wareham	7,948,469	46,633,329	17.04	W. Springfield	10,224,314	67,014,917	15.26	Wrentham	1,893,500	24,317,188	7.79				
New Bedford	44,536,201	243,524,344	18.29	Saugus	4,613,869	50,925,744	9.06	Wareham	7,948,469	46,633,329	17.04	W. Boylston	1,891,967	15,658,849	12.08	Yarmouth	20,138,185	59,082,160	34.09				
New Braintree	100,300	1,445,067	6.94	Saugus	10,729,780	58,514,483	18.34	Wareham	7,948,469	46,633,329	17.04	W. Bridgewater	2,340,790	17,103,907	13.69	State totals	2,750,571,761	16,206,740,405	16.97				
New Marlborough	259,367	2,739,732	9.47	Savoy	59,000	1,468,222	4.02	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
New Marlborough	422,869	1,593,299	26.54	Scituate	8,676,285	47,179,045	18.39	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Newbury	1,860,449	12,404,444	13.6	Seekonk	3,634,161	30,736,002	11.82	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Newburyport	8,538,450	45,404,087	18.81	Sharon	4,476,279	46,549,894	9.62	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Newton	48,905,283	245,812,303	19.9	Sheffield	582,500	6,108,439	9.54	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Norfolk	3,201,143	22,029,701	14.53	Shelburne	387,698	2,953,751	13.13	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
N. Adams	5,997,087	35,925,187	16.69	Sherborn	1,009,000	15,282,987	6.6	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
N. Andover	13,544,073	63,264,831	21.41	Shirley	1,264,141	12,873,712	9.82	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
N. Attleborough	10,495,888	62,089,449	16.9	Shrewsbury	9,693,984	64,960,954	14.92	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
N. Brookfield	1,760,310	10,087,299	17.45	Shutesbury	4,502,879	4,502,879	10.48	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
N. Reading	8,011,217	37,656,639	21.27	Somerset	6,398,737	42,000,414	15.23	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Northampton	19,755,545	67,057,959	29.46	Somerville	34,819,868	163,485,219	21.3	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Northborough	4,047,275	32,954,277	12.28	S. Hadley	6,488,940	34,293,946	18.92	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Northbridge	4,474,241	31,380,581	14.26	Southampton	1,371,720	10,063,969	13.63	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Northfield	570,500	5,361,744	10.64	Southborough	3,324,569	27,637,933	12.03	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Norton	4,617,108	39,504,921	11.69	Southbridge	7,204,071	37,391,340	19.27	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Norwell	3,534,269	29,479,870	11.99	Southwick	1,994,097	12,991,995	15.35	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Norwood	43,771,860	101,080,025	43.3	Spencer	2,568,927	12,433,725	20.66	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Oak Bluffs	3,003,039	16,559,710	18.13	Springfield	44,677,210	430,382,839	10.38	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Oakham	213,400	2,064,768	10.34	Sterling	3,120,122	14,909,053	20.93	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Orange	2,364,153	17,504,650	13.51	Stockbridge	1,063,000	5,719,062	18.59	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Orleans	4,213,165	19,333,829	21.79	Stoneham	12,253,833	53,184,483	23.04	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Oris	211,857	3,005,010	7.05	Stoughton	14,101,047	64,199,435	21.96	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Oxford	1,645,155	25,479,190	6.46	Stow	1,466,495	14,315,052	10.24	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Palmer	3,156,062	29,649,589	10.64	Sturbridge	3,813,944	18,816,831	20.27	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Paxton	1,067,584	7,478,150	14.28	Sudbury	4,966,351	60,924,766	8.15	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Peabody	29,018,083	121,649,306	23.85	Sunderland	716,500	6,673,483	10.74	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Pelham	386,000	2,912,246	13.25	Sutton	1,488,758	19,827,639	7.51	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Pembroke	4,872,605	36,337,486	13.41	Swampscott	6,360,101	38,316,044	16.6	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,510	14.44								
Pepperell	3,190,517	17,683,176	18.04	Swansea	2,900,000	29,199,336	7.53	Wareham	7,948,469	46,633,329	17.04	W. Brookfield	700,000	4,847,51									

USDA Rural Development

The United States Department of Agriculture (USDA) in southern New England offers a wealth of services and programs that are designed to enhance the quality of life and opportunities in rural communities. Rural Development funds projects that bring housing, community facilities, utilities and other services to rural areas. These programs also provide technical assistance and financial backing for rural businesses and cooperatives to create quality jobs in rural areas. The following is an overview of USDA Rural Development programs available to communities in Massachusetts, Connecticut and Rhode Island.

Business and Cooperative Development Programs

These programs provide financing and technical assistance through loans and grants to businesses and cooperatives in rural areas. Another goal is to establish public and private institutional alliances and partnerships that leverage financial resources to create jobs and stimulate rural economic activity.

Community Facilities Programs

These programs are designed to offer assistance to communities in developing essential facilities for public use, such as schools, libraries, hospitals, assisted living facilities, public safety stations and community centers. Community Programs utilize three flexible financial tools to achieve this goal: loan guarantees, available to commercial banks; a direct loan program, at reduced interest rates; and a grant program for communities that cannot finance a needed project. Eligible rural areas are communities of less than 20,000.

Water and Environmental Programs

The Rural Utilities Service offers financial assistance programs to assist in the development of essential public water, sewer and solid waste facilities. Eligible rural areas are communities with less than 10,000.

Housing Programs

The acquisition of safe and sanitary housing through purchase or construction is the major emphasis of Rural Development's housing programs. Assistance is available to residents of rural communities to purchase or build a single-family home, repair an existing home, and for the development of affordable rental housing. Assistance comes in the form of direct and guaranteed loans for home ownership; loans and grants for home improvement and repairs; direct and guaranteed loans for rural rental housing projects, grants to nonprofit organizations to administer housing repair programs and Self-Help Technical Assistance programs.

The Massachusetts USDA office located in Amherst, Massachusetts administers Rural Development programs for the southern New England region. USDA field offices are located strategically throughout southern New England with each site committed to serving those in search of information and assistance with Rural Development programs and initiatives. Contact:

USDA Rural Development
David H. Tuttle, State Director
451 West Street, Suite 2
Amherst, MA 01002
Phone: (413) 253-4302
Fax: (413) 253-4347
E-mail: david.tuttle@ma.usda.gov
Internet: www.rurdev.usda.gov/ma ■

Nashoba Case

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ble. There was no violation of the Equal Protection Clause of the 14th Amendment since there was a fair and rational basis for the distinction. The SJC observed that state and federal tax laws treated corporations and partnerships differently. The Commonwealth of Massachusetts imposed an excise on a corporation's tangible personal property pursuant to M.G.L. Ch. 63 Sec. 30. Yet, there was no comparable state tax provision for partnership personal property. According to the SJC, a taxpayer could avoid any perceived inequality by choosing to operate as a partnership or as a corporation. ■

Municipal Fees

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any trends and projections; and information pertaining to economic circumstances or other external factors that may influence the revenue. Currently, accountants or auditors may have some of this information in the revenue chart of accounts while other communities may have what is commonly referred to as a "schedule of fees." In either case, a community should use these existing documents to develop a comprehensive revenue manual. This revenue manual will serve as a useful budgeting and planning document under the current fiscal crisis and for years to come. ■

1. This includes local estimated receipts, enterprise fund receipts and offset receipts as reported on the tax recapitulation sheet.

DLS Update

Spring Course 101

The Department of Revenue's basic course for assessors, *Course 101 Assessment Administration: Law, Procedures, Valuation*, will be offered in the evening in May and June 2003 at the Worcester Public Library, 3 Salem Square, Worcester, MA. This program will be conducted from 6:00 p.m. to 9:00 p.m. for six consecutive Wednesdays (May 7, 14, 21, 28 and June 4 and 11, 2003).

Attendance at *Course 101* and successful completion of the examination satisfies minimum qualification requirements for assessors that were established by 830 Code of Massachusetts Regulation (CMR) 58.3.1. Assessors, and assistant assessors with valuation responsibilities, must fulfill minimum qualifications within two years of the date of their original election or appointment. All participants who successfully complete this course will receive a certificate.

A bulletin containing further information and a registration form was mailed to all communities in early March.

FY04 Telephone and Telegraph Valuation Changes

Beginning with FY04, the taxable property subject to central valuation of telephone and telegraph companies will vary, depending on the form of legal entity owning the property. The change is the result of an Appellate Tax Board Ruling in the case of *RCN-BecoCom LLC v. Commissioner of Revenue*. Municipalities should be aware that partnerships and LLCs that do not file federal tax returns as corporations will be valued by the commissioner on all poles, wires, underground conduits, wires and pipes and all machinery, including

switching equipment, used for telephone and telegraph purposes. *Additionally, these entities are subject to valuation and assessment locally on all other taxable personal property.* Therefore, a Form of List (State Tax Form 2) must be filed in all communities where such other personal property is located.

For more information, a memorandum sent by the Division of Local Services to previous telephone and telegraph filers is available on our website www.mass.gov/dls under "Local Assessment."

Use www.mass.gov/dls

Mass.Gov, the Commonwealth's portal to all state government information and services, has continued to expand since its launch last year. Services for each of the five core customer groups, (citizens, businesses, municipalities, state employees and visitors) are presented from a customer's perspective, so that they are quick and easy to find. Customers need only remember www.mass.gov to do business with the state electronically.

Customers who are already doing business with state agencies, or know which agency they need to contact, can find any agency through the www.mass.gov address. They can go to Mass.Gov and select an agency from a comprehensive list, or they can reach an agency directly by using the Mass.Gov URL, and appending the agency acronym. For example, to reach the Division of Local Services, a customer can go to www.mass.gov/dls. No longer is a customer forced to remember the different address variations previously used by state agencies. Now, all state agencies are using the naming convention, www.mass.gov/agency acronym.

Municipalities can use Mass.Gov as a resource to make their jobs easier, to

save time and to provide better service to residents in the community. There are a host of services that make the interaction between municipalities and the state easier, such as electronically submitting the Housing Certification Plan. Municipal staff can also use Mass.Gov to answer many of the questions citizens direct to municipal offices. They can also suggest citizens go to Mass.Gov directly to eliminate many of the phone calls. By using Mass.Gov repeatedly, all customers will become accustomed to knowing that Mass.Gov is synonymous with doing business with the government electronically, no matter their need or the agency they need to contact. Ultimately, this will save time and money for all government entities.

New Guidelines for Reassessment Program

In January 2003, the Bureau of Local Assessment updated the publication, *Guidelines for Development of a Minimum Reassessment Program*. These guidelines reflect significant changes with regard to interim year adjustments, state-owned land, multiple regression analysis and public disclosure. This booklet is available on our website (www.mass.gov/dls) under "Publications and Forms." ■

NEC

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government, media, the arts community, and academia.

"Numerous studies and surveys have been conducted that illustrate how the arts and cultural offerings serve to attract workers, companies and help anchor economic development initiatives," Brett said. ■

The New England Council has offices in Boston and Washington, D.C. and may be reached at (617) 723-4009 or at www.newenglandcouncil.com.

DLS Profile: BOA Field Representatives

Peter Zona and **Andrew Nelson** work in the Division of Local Services' (DLS) Worcester regional office. Similar to other Bureau of Accounts (BOA) field representatives, their main duties include assisting cities and towns in setting tax rates, certifying free cash, reviewing year-end audits and helping cities and towns achieve sound and efficient fiscal management.



Andrew Nelson and Peter Zona

Before coming to DLS in 2001, Peter worked in the Department of Revenue's (DOR) Child Support Enforcement Division. He works with 25 communities, most of which are located along Route 495. Peter is a graduate of Boston State College and has two graduate degrees, including an MBA from Anna Maria College in Paxton. Originally from Worcester, Peter now lives with his family in Grafton.

Before joining DLS in 1998, Andrew worked in DOR's Child Support Enforcement Division and also in DLS' Education Audit Bureau. He works with 25 communities located in the central part of the state. This area extends between the New Hampshire and Connecticut borders. Andrew has a bachelor's degree from Bentley College and also an MBA from Anna Maria College.

Peter and Andrew say they like the variety of work involved with the duties of a field representative. Peter says they not only have the opportunity to work in various communities, their work with tax rates, balance sheets, Schedule A reports and audits also provides a mix of job duties.

Joyce Sardagnola, principal assessor in Sutton, thinks that Andrew is "wonderful, and a delight to work with." "Being relatively new to this position, he has steered me in the right direction for each and every thing. He did a fabulous job guiding me through the tax rate approval process. He always returns my phone calls."

Peter Zona also received high marks from a town official. Jacquie Crimins, town appraiser in Concord, said that Peter is "pleasant, efficient and professional." She also credited Peter for making preparation of the town's FY03 recap sheet "the easiest it has ever been." ■

Farmland Values Set

On January 31, 2003, the Farmland Valuation Advisory Commission (FVAC) determined the recommended range of values for land classified under M.G.L. Ch. 61A as agricultural or horticultural for fiscal year 2004.

Overall, values decreased approximately 19 percent over last year. This drop is predominately the result of a decline in farm income. The FVAC uses a five-year net-farm income approach for valuing all classes of Massachusetts farmland.

When valuing these farmlands, assessors must only consider the value of the land for agricultural or horticultural use. The FVAC ranges of value are to be used along with assessors' appraisal knowledge, judgement and experience. Values adopted outside the ranges recommended by the FVAC must be supported by appraisal documentation. ■

City & Town

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

Joan E. Grouke, Editor

To obtain information or publications, contact the Division of Local Services via:

- website: www.mass.gov/dls
- telephone: (617) 626-2300
- mail: PO Box 55490, Boston, MA 02205-5490

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