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City and Town

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DOR Seeks Help in Recording Paternity Establishments

by Marilyn Ray Smith, Deputy Commissioner, Massachusetts Department of Revenue, Child Support Enforcement Division

City and Town Clerks Are a Vital Link

City and town clerks perform a vital link in the establishment of paternity by providing parents with the opportunity to acknowledge parentage and by ensuring that all paternity acknowledgments are recorded with the Registry of Vital Records and Statistics (RVRS). City and town clerks have been key to the success of the Massachusetts program that had been a national model for many years, and now the Child Support Enforcement Division of the Department of Revenue is again seeking your assistance to further improve this process.

Background

The Child Support Enforcement Division of the Massachusetts Department of Revenue is responsible for establishing paternity as well as for establishing and enforcing child support orders. DOR also works closely with the Massachusetts Department of Public Health, Registry of Vital Records and Statistics when paternity is established through the vital records registration and amendment process. In this way, the city or town clerk is critical to the success of the paternity establishment process.

When a child is born to an unmarried mother, establishment of paternity gives the child rights that he or she would not otherwise have. These rights include financial support to help meet the child's needs, access to the father's medical history in case of illness or disease, and access to the father's benefits such as Social Security, pension, health insurance, and inheritance. Because of the importance of two parents

to children's well-being, Congress has imposed high expectations on states to ensure that paternity is established for every child born out of wedlock. States must make steady improvement, until the rate attains and stays at 90 percent. States that do well receive incentives; states that do not continue to improve may be penalized.

Voluntary Acknowledgment of Parentage

To simplify the paternity establishment process, federal and state laws authorize the use of binding voluntary paternity acknowledgments when both parents of a child born out of wedlock are in agreement regarding parentage. Both parents may sign the voluntary acknowledgment of parentage form at the hospital when the child is born, as part of the birth registration process. Or after the child's birth, both parents may sign the acknowledgment form at the city or town clerk's office or at the Registry of Vital Records and Statistics in Boston.

Role of the City or Town Clerk

The city or town clerk may receive the acknowledgment form either directly from the parties or from the hospital where the child was born. Chapter 209C, section 2 of the Massachusetts General Laws requires the city or town clerk, upon receipt of an acknowledgment, to forward the original acknowledgment to the Registry of Vital Records and Statistics. Making sure that all vital records and acknowledgments are transmitted to RVRS in a timely manner allows us to calculate and submit accurate and up-to-date counts.

Federal Performance Standards

The federal government pays incentives to state child support enforcement programs to encourage improved collections through efficient establishment and enforcement techniques. Incentive payments are linked to performance in several areas, including paternity establishment. The federal government also imposes a penalty on states which do not improve performance as required. Recognizing that successful paternity establishment requires collaboration among many state agencies, the federal government assesses the penalty against the state's welfare grant.

Since 1990, paternity has been established for more than 240,000 children born out of wedlock in Massachusetts, the result of an outstanding collaboration between DOR's Child Support Enforcement Division, RVRS, the Department of Transitional Assistance, the courts, the birthing hospitals, and the city and town clerks. Nonetheless, we must do more. In Fiscal Year 2003,

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From the Deputy Commissioner

In Massachusetts, municipal employees may belong to either a county, regional or municipal retirement system.

If a community is participating in a county or regional system, pension reserve appropriations may be held by the town in a special fund and interest on the monies will accrue for the purpose of funding anticipated future pension costs. If a community is in a municipal pension reserve system, all appropriations for future retirement costs must be transferred to a separate pension reserve fund under the control of the local retirement board. See M.G.L. Ch. 40 Sec. 5D; M.G.L. Ch. 32 Sec. 22(6A).

Oftentimes, appropriations to these funds have been insufficient. This raises a significant concern for many communities that project large increases in pension costs to fully fund future pension entitlements. A trend of declining pension funding levels is likely to be viewed as a negative credit factor by bond rating agencies.

To help bolster funding levels, some communities invest in the Pension Reserves Investment Trust (PRIT) Fund, which is a professionally managed pooled investment fund consisting of the assets of the State Employees' and Teachers' Retirement Systems as well as the assets of local participating and purchasing retirement systems. The PRIT fund was created by the Legislature in December 1983 with a mandate in part to assist local participating retirement systems in meeting their future pension obligations.

To learn more about the PRIT Fund, visit www.mapension.com/prim/home.asp.

Gerard D. Perry
Deputy Commissioner

Legal

Assessment Ruled Invalid

by James Crowley

The Appellate Tax Board (ATB) recently held that an omitted assessment was illegal since the assessors failed to comply with the substantive and procedural requirements set forth in M.G.L. Ch. 59 Sec. 75. The decision is *United Orthodox Services, Inc. v. Board of Assessors of Brookline*, (docket #F267640, December 6, 2004).

As some local officials are aware, if the assessors discover after the commitment of taxes for the year that taxable property was mistakenly not assessed, then M.G.L. Ch. 59 Sec. 75 provides the mechanism whereby assessors may assess taxes on that property. The omission or error must be unintentional or inadvertent "due to clerical or data processing error or other good faith reason."

An omitted assessment should be distinguished from a revised assessment. An omitted assessment is made when an entire parcel or personal property account is not assessed for the fiscal year. A revised assessment is permitted under M.G.L. Ch. 59 Sec. 76 when a parcel or personal property account is "unintentionally valued or classified in an incorrect manner" for the fiscal year.

Prior to a 1989 amendment, these statutes required assessors to receive approval from the Commissioner of Revenue prior to issuing an omitted or revised assessment. Presently, assessors may make omitted or revised assessments without prior approval from the Commissioner. However, M.G.L. Ch. 59 Secs. 75 and 76 require assessors to comply with guidelines issued by the Commissioner, which state that an Omitted and Revised Assessment Re-

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port, signed by a majority of the assessors, must be submitted to the Department each year.

In the case at hand, United Orthodox Services, Inc. (United Orthodox) acquired a single-family house at 102 Salisbury Road in Brookline in October 2001. United Orthodox is a Chapter 180 nonprofit corporation formed primarily for educational purposes and assistance to travelers. A husband and wife, who were officers of the corporation, together with their children occupied the house. Seeking to obtain a charitable exemption for fiscal year 2003, the husband (as president of the corporation) timely submitted a form of list (Form 3ABC) to the assessors on March 1, 2002. An assessor accepted the form of list, and wrote on the document the word "Exempt" together with his initials. When the Brookline collector sent to the corporation a preliminary tax bill with a due date of August 1, 2002 for fiscal year 2003, the mortgage company for United Orthodox paid the tax bill. Shortly thereafter, upon learning of the payment, the husband again visited the assessors' office, and showed his copy of the Form 3ABC, which had been marked by the assessor. This visit resulted in an abatement of the tax and exempt classification for the property.

At the request of a neighbor, the Brookline board of assessors reconsidered its determination. Since the parcel was used as a residential property, rather than for some charitable purpose as the assessors had originally believed, the board of assessors issued an omitted tax bill for over \$9,000 based on the parcel's \$835,000 valuation. United Orthodox paid the tax, and filed a timely abatement application. When the assessors refused to abate the bill, the taxpayer promptly appealed to the ATB.

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Focus

on Municipal Finance

Community Preservation Act Update

by Lydia Hill

A program was created this past fall (Chapter 149 Sec. 298 and Chapter 352 Secs. 129–133 of the Acts of 2004), to allow towns in Barnstable County to change their membership from the Cape Cod Land Bank (CCLB) into a Modified version of the Community Preservation Act (CPA).

The Cape Cod Land Bank, created in 1999, allowed the towns in Barnstable County to take advantage of a one-time state appropriation of \$15 million for the acquisition of open land. To receive state funding, a town had to impose a

3 percent surcharge on all real estate tax bills. The state would then give the town a 50 percent match of the local contribution. The town could not withdraw from the program until 2020. All 15 Barnstable County towns adopted the program, and the \$15 million appropriation was fully disbursed within a few years.

The CPA (M.G.L. Ch. 44B), available to all cities and towns in the Commonwealth, is similar to the CCLB, but has a broader focus. Historic preservation and affordable housing development were added to the open space preservation program, hence attracting more densely populated communities. To become a member community, it must adopt a surcharge of any amount up to 3 percent on real estate tax bills. The

state will then match the local contribution with monies from a trust funded by a surcharge imposed on documents recorded at the Registry of Deeds.

In late 2004, with the passage of the Modified CPA, the towns in Barnstable County now have a way to convert their Land Bank fund balances into CPA funds without assessing additional local surcharges. By adopting the parallel program only available to Land Bank communities, the towns will be able to tap into the state matching funds while expanding the reach of their programs beyond open space preservation.

CPA vs. Modified CPA

Although there are some differences between the Modified CPA and the

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Status of Community Preservation Act Adoption

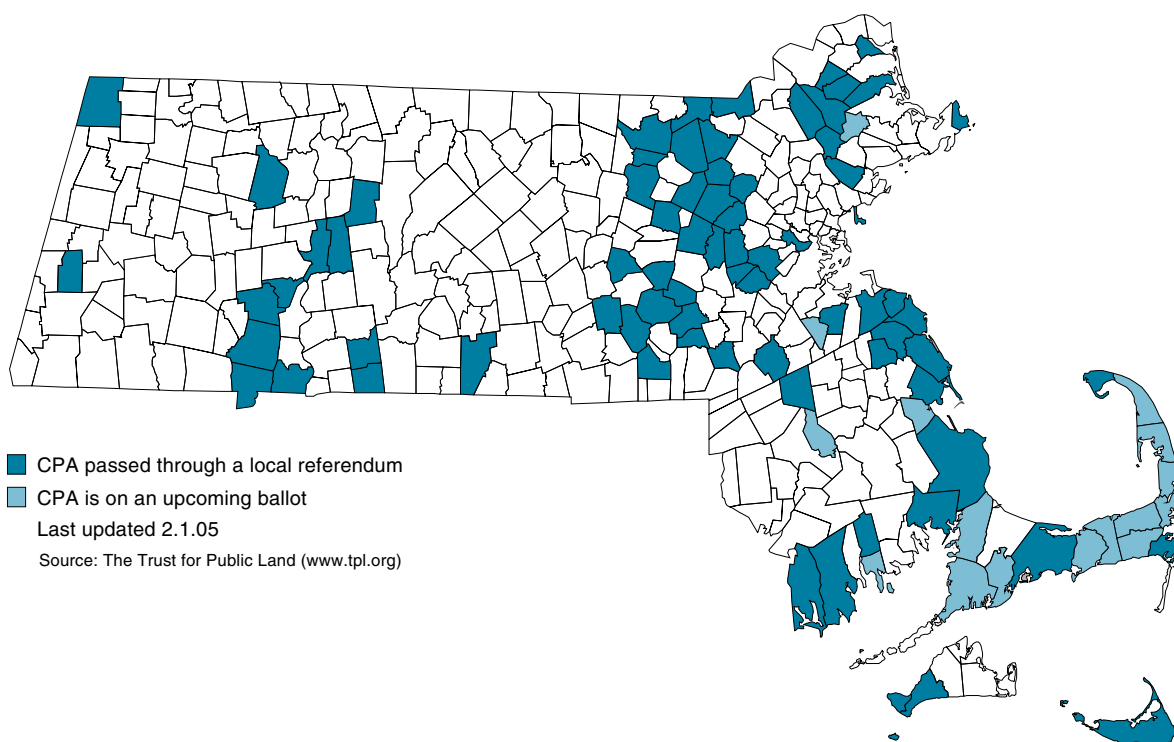


Figure 1

Community Preservation Act Acceptance

Municipality	Fiscal year adopted	Surcharge percent (3% max.)	Exemptions*	FY2005 payment	FY2004 payment	FY2003 payment
Amherst	2002	1.00	1,3	154,264	144,081	125,258
Acton	2003	1.50	1,3	534,467	473,465	—
Acushnet	2004	1.50	3	81,176	—	—
Agawam	2003	1.00	1	313,190	299,875	—
Aquinnah	2002	3.00	3	46,034	34,669	34,323
Ashland	2003	3.00	3	499,082	452,091	—
Ayer	2002	1.00	1	89,962	229,445	218,342
Barnstable	2005	3.00	none	—	—	—
Bedford	2002	3.00	1,3	870,283	801,952	769,218
Boxford	2002	3.00	1,3	403,714	375,808	351,294
Braintree	2003	1.00	1,3	406,556	382,802	—
Cambridge	2002	3.00	1,3	5,563,415	5,277,518	5,032,128
Carlisle	2002	2.00	1,3	262,655	238,618	214,533
Chatham	2003	3.00	1,3	503,006	441,932	—
Chelmsford	2002	0.50	3	189,483	168,775	149,004
Chilmark	2002	3.00	1,3	122,711	113,572	101,853
Cohasset	2002	1.50	1,3	254,690	233,566	215,525
Concord	2005	1.50	1,3	—	—	—
Conway	2005	1.50	1	—	—	—
Dartmouth	2003	1.50	3	342,981	277,769	—
Dracut	2002	2.00	1	502,489	478,059	449,547
Duxbury	2002	3.00	1	941,841	922,706	845,267
Easthampton	2003	3.00	3	174,773	116,232	—
Easton	2002	3.00	1,3	560,666	484,857	420,468
Georgetown	2002	3.00	1,3	205,817	171,074	164,241
Grafton	2003	1.50	1,3	173,731	118,427	—
Groton	2006	3.00	1,3	—	—	—
Groveland	2005	3.00	1,3	—	—	—
Hadley	2005	3.00	1,3	—	—	—
Hampden	2002	1.00	3	31,117	29,650	22,955
Hanover	2006	3.00	1,3	—	—	—
Harvard	2002	1.10	none	119,516	109,946	105,154
Hingham	2002	1.50	1,3	483,468	443,740	430,979
Holliston	2002	1.50	1,3	269,739	235,716	218,494
Hopkinton	2002	2.00	1,3	513,429	420,112	378,973
Leverett	2003	3.00	1,3	47,522	45,776	—
Lincoln**	2003	3.00	1,3	220,879	203,365	—
Marshfield	2002	3.00	1,3	705,842	621,322	545,152
Medway	2002	3.00	1,3	389,821	369,747	297,557
Mendon	2004	3.00	3	156,374	—	—
Middleton	2005	1.00	3	—	—	—
N. Andover	2002	3.00	1,3	1,021,824	886,192	802,719
Nahant	2005	3.00	1,3	—	—	—
Nantucket	2002	3.00	All	1,096,276	997,557	761,975
Needham	2005	2.00	1,3	—	—	—
Newburyport	2004	2.00	1,3	396,341	—	—
Newton	2002	1.00	none	1,830,295	1,758,952	1,585,478
Norfolk	2002	3.00	1,3	309,790	279,768	250,063
Northborough	2006	1.50	1,3	—	—	—
Norwell	2003	3.00	1,3	534,732	504,055	—
Peabody	2002	1.00	1,3	490,281	442,846	381,502
Plymouth	2003	1.50	none	1,081,593	962,918	—
Provincetown	2005	3.00	1,3	—	—	—
Rockport	2003	3.00	All	299,695	239,902	—
Rowley	2002	3.00	1	226,855	214,246	199,992
Scituate	2003	3.00	1,3	686,222	632,644	—
Sharon	2006	1.00	1,3	—	—	—
Southampton	2002	3.00	3	85,347	65,475	57,597
Southborough	2004	1.00	1,3	188,653	—	—
Southwick	2004	3.00	1,3	140,911	—	—

Municipality	Fiscal year adopted	Surcharge percent (3% max.)	Exemptions*	FY2005 payment	FY2004 payment	FY2003 payment
Stockbridge	2003	3.00	3	72,980	63,672	—
Stow	2002	3.00	1,3	302,236	270,419	241,692
Sturbridge	2002	3.00	3	213,239	188,282	167,720
Sudbury	2003	3.00	All	1,090,772	1,030,840	—
Tyngsborough	2002	3.00	1,3	310,487	260,994	225,019
Upton	2004	3.00	1,3	177,832	—	—
Wareham	2003	3.00	3	349,938	322,305	—
Wayland	2002	1.50	1,3	447,456	432,175	339,570
Wellesley	2003	1.00	1,3	559,717	511,283	—
Westfield	2004	1.00	3	224,236	—	—
Westford	2002	3.00	1,3	1,005,454	924,436	815,485
Weston	2002	3.00	1,3	1,122,336	1,051,629	935,343
Westport	2003	2.00	none	296,150	285,139	—
Wilbraham	2005	1.50	1,3	—	—	—
Williamstown	2003	2.00	3	125,877	118,946	—

Communities in **bold** have accepted the modified CPA.

*Surcharge exemptions:

1. An exemption for property owned and occupied as a domicile by a person who would qualify for low-income housing or low- or moderate-income senior housing.
2. An exemption for Class 3 (Commercial) and Class 4 (Industrial) property if the community annually adopts a higher tax rate for those classes.
3. An exemption for \$100,000 of the assessed valuation of Class 1 (Residential) parcels.

**Lincoln increased surcharge to 3 percent from 1.5 percent in FY05.

Source: www.communitypreservation.org and www.mass.gov/dls. Current as of February 1, 2005.

Table 1

Community Preservation Act Update

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Upcoming Community Preservation Act Votes

Municipality	Surcharge pct. (3% max)	Exemptions*
Bourne	3.00	none
Brewster	3.00	none
Dennis	3.00	none
Eastham	3.00	none
Fairhaven	2.00	1,3
Falmouth	3.00	none
Harwich	3.00	none
Kingston	3.00	1,3
Mashpee	3.00	none
Orleans	3.00	none
Randolph	2.00	1,3
Raynham	3.00	1,3
Topsfield	3.00	1,3
Truro	3.00	none
Wellfleet	3.00	none
Yarmouth	3.00	none

Communities in **bold** are those accepting the modified CPA, and thus would receive state funds in FY2006.

*Surcharge exemptions:

1. An exemption for property owned and occupied as a domicile by a person who would qualify for low-income housing or low- or moderate-income senior housing in the community.
2. An exemption for Class 3 (Commercial) and Class 4 (Industrial) property if the community annually adopts a higher tax rate for these classes.
3. An exemption for \$100,000 of the assessed valuation of Class 1 (Residential) parcels.

Source: Community Preservation Coalition

Table 2

CPA, the goals of both programs remain the same:

1. The acquisition, creation, and preservation of open space or land for recreational use.
2. The acquisition, preservation, rehabilitation and restoration of historic resources.
3. The creation, preservation and support of community housing.

The emphasis on new initiatives is paramount. Therefore, CPA funds may not be used to rehabilitate or restore existing community-owned open space, land or community housing, but they can be used to restore historic resources, like a town hall.

At least 10 percent of annual fund revenues must be spent on each of the three program goals. However, in the Modified CPA, if a Cape Cod town has existing debt service on Land Bank pur-

chases that exceeds 80 percent of its new CPA funds, it is allowed to infringe on the 10 percent reserved for both community housing and historic resources. The town must then reserve half of the remaining revenues after any operating appropriation made to the Community Preservation Committee for each of those purposes.

In the CPA, a community may impose a surcharge of not more than 3 percent of real estate tax bills for its local contribution, and may also allow the following exemptions from the surcharge:

1. Residential property of qualified low- and moderate-income owner-occupants.
2. Commercial and industrial properties in communities with classified tax rates.
3. \$100,000 of the value of each taxable residential parcel.

Barnstable County towns accepting the Modified CPA, though, must continue

the 3 percent surcharge imposed when they accepted the Land Bank legislation until FY2020, and are not allowed to grant any exemptions.

The state-matching fund is disbursed on October 15 each year. The amount distributed to a community is based upon the previous year's local contribution. Therefore, a community that has accepted the CPA must collect the local surcharge for a full fiscal year before receiving its first match money from the state. However, in the case of the Cape Cod towns, those accepting the Modified CPA will receive state funds in the year following the acceptance, and the match will be based upon the previous fiscal year's local Land Bank surcharge levy.

Finally, a Barnstable County town may not revoke its adoption of the Modified CPA until after FY2020, when the CCLB is scheduled to terminate. Ordinarily, a CPA community may revoke its acceptance after five years.

Once a Barnstable County town meeting or town council accepts Chapter 149 Sec. 298 of the Acts of 2004 by majority vote, the town must approve an adoption referendum at the next election. At the end of that fiscal year, the CCLB will terminate and the Modified CPA will take effect. The accountant will then sweep the Land Bank funds into a CPA account. In order to receive state matching funds, the clerk must notify the Municipal Data Bank at the Division of Local Services after an affirmative referendum result by no later than September 15 of the year the CPA goes into effect.

The Open Space Committee established under the CCLB program will also terminate upon adoption of the new statute. The town must then enact a bylaw establishing a Community Preservation Committee (CPC). No monies may be spent out of the CPA fund without the recommendation of the CPC and legislative acceptance.

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Community Preservation Act Update

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So far, the town of Barnstable is the only town that has accepted the Modified CPA. The towns of Bourne, Brewster, Dennis, Eastham, Falmouth, Harwich, Mashpee, Orleans, Truro, Wellfleet and Yarmouth have accepted the Modified CPA legislatively, and have scheduled a town-wide vote for the spring. If accepted by the voters, the towns would receive state funds in October of 2005. Provincetown and Chatham are not only in the Land Bank program, but have also accepted the regular CPA, in FY2005 and FY2003, respectively. If those towns choose to adopt the Modified CPA at some point in the future, both the CCLB and the independently adopted CPA would terminate, and all funds would roll into a Modified CPA account.

Current Status of the CPA

Since its creation in September 2000, 75 communities have adopted the CPA (see *Table 1*). Sixteen communities have received town meeting approval (or passed a 5 percent petition) and have a voter referendum scheduled for this coming spring (see *Table 2*).

Originally estimated at \$26 million per year, the state community preservation trust fund has far exceeded expectations. On average, the fund has collected approximately \$44 million per year since its creation halfway through FY01. As a result, there have been funds available to provide a 100 percent state match to all member communities. However, the law allows for communities to receive less than 100 percent if amounts in the state fund are insufficient for a complete match. In this case, the fund would be disbursed in three rounds. Round one is the so-called "match distribution," which allocates 80 percent of the state pool to participating communities. Each city or town would receive an identical percentage share of the amount raised locally. The distribution will be no less than 5 percent and no more than 100 percent of the amount raised by each respective city or town. Round two, the equity round, distributes most or all of the remaining 20 percent of the pool by a formula that incorporates Equalized Valuation (EQV) per capita, population, and assigned deciles. Any trust

fund balance is allocated as part of an optional round three surplus distribution, also based on an equity formula. However, in order to qualify for the second and third round distributions, a participating community must impose the maximum 3 percent local tax surcharge.

The state disbursed \$17.8 million in FY03, \$27.2 million in FY04, and \$30.8 million in FY05. The FY06 distribution is conservatively estimated at \$34.5 million without the Cape Cod towns. However, Barnstable County towns that are already collecting the local contribution are likely to accept the legislation in order to receive state matching funds. Once all Cape Cod communities that are voting in the spring accept the Modified CPA, the disbursement will increase by approximately \$10 million (to \$45 million) in FY06. Today, prospects are good that communities will receive 100 percent matches for at least a few years. Cities and towns need to be aware that as more communities join the CPA, and the trust income does not increase, the possibility does exist for the trust balance to be less than the total of local contributions. ■

Assessment Ruled Invalid

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The ATB ruled that the omitted assessment was void since the Brookline assessors failed to comply with the strict terms of the statute. According to the ATB, M.G.L. Ch. 59 Secs. 75 and 76 conferred a special right on assessors to correct inadvertent errors in the assessment process, and strictly adhere to the requirements of the statute. In its review of M.G.L. Ch. 59 Sec. 75, the ATB noted that the statute established substantive and procedural requirements for a valid omitted assessment. Substantively, M.G.L. Ch. 59 Sec. 75 required the assessors to show that the omission of a parcel or account from the

tax rolls was unintentional and due to a clerical or data processing or good faith reason. Under the facts presented, it appeared to the ATB that the assessors' actions were "intentional and considered, rather than unintentional or inadvertent." For this reason, the assessors did not satisfy the substantive requirement for a valid omitted assessment.

Procedurally, the ATB noted that the assessors were required to meet the statutory June 20, 2003, deadline date for an omitted assessment, submit the statement (Omitted and Revised Assessment Report) to DLS no later than

June 30, and deliver the tax list and warrant to the collector. In the case at hand, the assessors did not submit the statement to the Department on or before the June 30, 2003, deadline. The assessors argued that failure to submit the statement in a timely manner would not invalidate the tax. The ATB, however, held that this filing requirement was mandatory.

As a result, the ATB rendered its decision in favor of the taxpayer, and granted an abatement/refund for the full amount of the tax. ■

DLS Update

FY05 Temporary Tax Shift Communities

In January 2004, Chapter 3 of the Acts of 2004 was enacted to enable cities and towns to shift a higher percentage of the property tax burden from the residential class to the commercial and industrial (CIP) property classes. In recent years, rapidly increasing residential values, combined with flat or declining CIP values, resulted in a substantial potential increase in the residential property tax burden in some communities with classified tax rates.

In FY04, the 13 communities that adopted Chapter 3 could increase the

shift in the tax burden for commercial properties up to 200 percent and reduce the minimum burden for residential taxpayers to 45 percent. Prior to the enactment of this law, commercial taxpayers could pay no more than 175 percent of the taxes they would pay under a single rate and residential taxpayers could pay no less than 50 percent of what would have been due if a single rate had been used.

So far, in FY05, 21 cities and towns have elected to use this option (see *Table 1*). In accordance with Chapter 3, the maximum shift was reduced to 197 percent in FY05. The maximum shift will be further reduced in future years.

Summary of 2004 Laws

Recently, the Division of Local Services issued Bulletin 2005-05B entitled "2004 Legislation." This Bulletin includes any legislative changes affecting municipal finance and property taxation found in Chapters 1–508 of the Acts of 2004. Summaries of legislation enacted since the October 2004 edition was issued begin on page 15 with Chapter 491. Any changes in or additions to the previously issued material are underscored.

This Bulletin is available under the heading "Bulletins" in the Quick Links box on our website (www.mass.gov/dls), or by linking to www.mass.gov/dls/publ/bull/2005/2005_05B.pdf.

Copies of these new laws can be obtained from the website of the state legislature: www.mass.gov/legis, or the State Bookstore (617-727-2834) in Room 116 of the State House.

Overdue Taxes and Charges

The 2003 Municipal Relief Act included a requirement that real and personal property tax bills notify taxpayers of the amount of any municipal tax or charge not included in those bills that was more than 90 days overdue. Last year, this requirement was modified. The notice must now only appear on real estate tax bills and include a general statement that a delinquency exists. The overdue amounts no longer must be stated. The annual tax bill guidelines issued for FY06 reflect this change and include minimum standards for this general notice. Collectors may provide more detailed information along the lines of the previous requirement if they wish.

The FY06 tax bill guidelines, issued in February 2005, are available online at www.mass.gov/dls/PUBL/lgrindex.htm. ■

Temporary Tax Shift Communities

Community	Maximum possible shift for FY05	Selected FY05 shift	Selected FY04 shift
Boston	197	197	200
Braintree	191	191	—
Burlington	195	192	—
Chicopee	187	186	—
Dedham	197	197	200
Everett	197	197	193
Fall River	197	197	200
Framingham	194	193	—
Hudson	182	180	—
Lexington	—	—	180
Lynn	189	189	195
Malden	193	187	187
Medford	197	197	200
Milton	195	195	—
New Bedford	197	196	184
North Adams	180	180	—
Revere	197	197	—
Saugus	197	197	192
Somerville	197	197	200
Wakefield	197	197	—
Waltham	197	197	194
Wilmington	197	197	200

Note: All figures in percentages.

Table 1

DLS Update

FY04 EQVs Finalized

The Bureau of Local Assessment (BLA) has finalized the 2004 Equalized Valuations (EQVs), representing the full and fair cash value of all taxable property for each municipality as of January 1, 2004. There were no appeals of EQVs to the Appellate Tax Board.

These EQVs will be used as a basis of comparison among the 351 municipalities within the Commonwealth for certain state and local purposes beginning in FY06. Specifically, EQV is used in the allocation of local aid distributed through the lottery formula, aid to public libraries and reimbursement of school construction projects. Certain Cherry Sheet charges also use the EQV: County Tax,

Boston Metropolitan Transit District, Mosquito Control Projects and Air Pollution Control Districts. In addition, EQV is used in calculating a community's debt limit.

To complete the 2004 Equalized Valuations, the BLA depended on information provided by local boards of assessors. BLA also conducted appraisals of certain commercial and industrial properties. Specifically requested from municipalities were the calendar year 2002 sales reports reflecting assessed values as of January 1, 2003. (If your community's values were certified by BLA in FY04, the sales reports submitted for those purposes were used.) In addition,

BLA relied on the Form LA-4, Total Assessed Value as of January 1, 2003, submitted as part of the FY04 tax rate setting process.

Through a statistical analysis, the levels of assessment were determined for each of the major classes of property and then the estimated full and fair cash value was derived. To this was added a projected 2004 new construction value developed through a review of the past four years' new growth and the Urban Redevelopment Corporation numbers. The resulting final figures for your municipality appear on the Form LA-19, 2004 EQV Study (available online at www.mass.gov/dls/bla/bla_eav.htm). ■

Paternity Establishments

22,236 children were born out of wedlock in Massachusetts. To meet our federal performance standard, before June 30, 2005, the Commonwealth must establish paternity through either voluntary acknowledgment by the parents or through adjudication by the courts for at least 19,680 children born out of wedlock. We are not there yet.

Impact of Federal Penalties

If the Commonwealth fails to meet this target by June 2005, we run the risk of losing some \$4.5 million from our state's federal welfare grant. Such a loss will affect low-income citizens of the Commonwealth and their communities. These welfare funds are used not just for cash assistance to low-income families, but also for a wide variety of income support, such as subsidies for transportation, heating costs, child care, and job training.

We Need Your Help

The rate of paternity establishment is based upon numbers reported to the federal government by the Registry of Vital Records and Statistics and by DOR. Therefore, it is essential that birthing hospitals forward acknowledgments of parentage to the city and town clerks, and that the city and town clerks in turn forward the acknowledgments to RVRS as soon as possible after receipt. Because the RVRS must ensure that birth records are accurate, it is important to follow their requirements that the records are filled out and signed in black ink, that the correct acid-free paper is used, and that the notary seal is in the correct place on the form. If not, the records may be returned by RVRS to the city and town clerks offices, resulting in costly delays that may jeopardize reaching the target.

DOR stands ready to work with you and the birthing hospitals in your communities to improve this process. In the next few weeks, staff from DOR will be contacting the clerks in cities and towns where birthing hospitals are located. In the meantime, if you would like our assistance, please contact Susanne Bryant at 617-626-4105 or Janice LaReaux at 617-626-4021.

Together we can ensure Massachusetts maximizes its performance on the paternity establishment measure, and that low-income residents in each city and town in the Commonwealth continues to receive the assistance that they need. ■

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DLS Profile: Bureau of Local Assessment Staff

In October 2004, **Jack Lyons** joined the Division of Local Services' (DLS) staff in the Bureau of Local Assessment (BLA). His primary duties are associated with the bureau's state-owned land (SOL) valuation program. More specifically, Jack is currently working with local assessors to reconcile any discrepancies in our respective records in advance of the SOL valuation scheduled for later this year. According to Marilyn H. Browne, Chief of the Bureau of Local Assessment, "Jack has made significant progress in reconciling these discrepancies. BLA has successfully reconciled the records of most of the 289 communities with reimbursable state-owned land."

Jack comes to the Division with almost 30 years of experience in the appraisal field. He has worked for mass appraisal firms performing data collection as well as sales analyses, and prior to joining the Division, he had established his own business in mass appraisal. In addition to his background in the appraisal field, Jack has completed training in computer programming and accounting.

A lifelong resident of Millis, MA, Jack has been elected to three terms on the Millis Board of Assessors. He holds a bachelor of arts degree in speech communication from John Carroll University in Cleveland, Ohio, as well as a master's certificate in computer programming from Boston University. He also holds a designation as a Massachusetts Accredited Assessor.

Jack said he especially enjoys the "mathematics involved in performing various appraisal functions," as well as the "interaction with the assessors in trying to resolve SOL discrepancies." ■



Jack Lyons

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 April, May and June 2005 at the Morse Institute Library, 14 East Central Street, Natick, MA. This program will be conducted from 6:00 p.m. to 9:00 p.m. for five consecutive Tuesdays (April 26 and May 3, 10, 17, 24, 2005), with the sixth and final session scheduled for Thursday, June 2, 2005 (6:00 p.m. to 9:00 p.m.).

Attendance at Course 101 and successful completion of the examination satisfies the 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.

For more information, link to a registration bulletin online at www.mass.gov/dls under "Training and Seminars." ■

STAR 2005

The Commonwealth of Massachusetts' Operational Services Division (OSD) will present the STAR (Statewide Training and Resources) exposition on May 3–4, 2005, at the DCU Center (formerly Worcester's Centrum Centre) from 8:30 a.m. to 2:30 p.m. STAR is free to all employees from state agencies, cities, towns, schools, other political subdivisions and social service agencies.

For two days, STAR will bring together many of the Commonwealth's statewide contractors who provide commodities. Several exhibitors have already agreed to participate.

OSD establishes contracts for commodities and services on behalf of all state departments, which cities and towns and human service providers can also use. STAR offers attendees opportunities to learn more about these products and services while meeting the contractors in a hands-on environment.

STAR also offers education workshops, special training, and musical entertainment. STAR 2004 was a sellout with 304 exhibitors and more than 2,500 attendees. For more information on STAR 2005, please visit www.mass.gov/dls. ■

City & Town

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Joan E. Gourke, Editor

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