

Roles of Local Officials in the Tax Rate Process

The following describes the roles of certain local officials in the tax rate process.

In a town, the board of selectmen:

- Participates in the budget process
- Calls town meetings and elections
- Decides whether to seek voter approval of an override or exclusion to raise additional tax revenues for the budget
- Determines tax policy
- Coordinates the financial management team
- Provides a budget recommendation to town meeting

In a city, the mayor or city manager:

- Submits a budget to the city council
- Coordinates the financial management process

The city/town council:

- Makes budget appropriations which may reduce the Mayor's budget
- Authorizes debt
- Places Proposition 2½ questions on the ballot with the mayor's approval
- Allocates the tax levy under classification with the mayor's approval

Finance committees:

- Review departmental budgets
- Make budget recommendations to town meeting
- Estimate total revenues and project the levy limit

Assessor:

- Maintains a database of all real and personal property
- Determines the property values and classify them according to state regulations
- Determines New Growth
- Assembles data for the annual Tax Rate Recap
- Administers the motor vehicle, boat and farm excise taxes
- The Board of Assessors signs Page 1 of the recap and also the LA-5

Collector:

- Collects taxes and other receipts such as fees, licenses and permits in the community as authorized.

Treasurer

- Prepares the debt exclusion report (Form DE-1)
- Checks for any debt service for the current fiscal year that has not been appropriated at town/city council meeting and must be raised on the recap

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The accountant or auditor

- Maintains financial records and prepares financial reports
- Verifies town/city council meeting documentation for accuracy
- Reviews for other expenditures that must be funded (deficits, court judgments & final awards, etc.)
- Documents other available funds used in the budget (Form B-2) and prepares the free cash certification and appropriation (Form B-1)
- Records if necessary, offset receipts use and appropriations (Form A-1), enterprise fund receipts and appropriations (Form A-2) and community preservation fund receipts and appropriations (Form A-4)
- Certifies prior year actual receipts and all appropriations since the prior year's tax rate was set by signing page 3 of the recap

The clerk

- Notifies the Bureau of Accounts of the municipality's newly authorized debt
- Records and certifies that appropriations since the prior year's tax rate are correct by signing page 4 of the recap
- The clerk also signs the LA-5