



Completing BOA Tax Rate Recap Forms

New Look LA5 Form: The LA-5 was redesigned to simplify the data entry process into the form. The new LA-5 will consist of two tabs:

- 1) When you click on the LA-5 form link, it will open to the "Tax Rate Options" tab. The "Tax Rate Options" tab allows you to input data for the residential factor, classification hearing, and any options that your community has adopted such as an open space discount, residential exemption, senior means tested exemption, or a small commercial exemption.
- 2) The "Calculated Results" tab looks exactly like the old LA-5. Based on the information that is input into the "Tax Rate Options" tab, the "Calculated Results" tab computes the final LA-5.

LA5 exemption options: exemption options on the LA5 were expanded to include both the residential exemption and the senior means-tested exemption. Senior means-tested exemptions should be entered in the new section instead of the Residential Exemption section. Make sure to notify the DLS Databank when adopting an exemption for the first time or changing the residential exemption percent. The LA5 now includes the full calculation path for all exemption types to better explain the impact of each exemption.

The Options Table in the tax rate tab under tax rate reports has additional text explaining shift options. This section can test both the Residential Exemption and Senior Means-Tested Exemption options.

Shifting the Tax Rate report: This report is in DLS Gateway on the tax rate tab under tax rate reports. The report replaces the LA-7 and Chapter 200 reports. *Shifting the Tax Rate* provides all the background information and calculations relating to shifting the tax rate. If you are considering a classified rate instead of a single rate, run this report to fully understand your options (use the Options Table to analyze potential shifts).

Tax Rate Recap Page 2: On page 2, part IIB. Other *Amounts to be raised*, line 4 has been changed to Retained Earnings Deficit (previously Total Overlay Deficit). Please enter retained earning deficits on page 2, part IIB, line 4. An overlay deficit should be raised on tax rate recap page 2, part IIB, line 10.

General tips for completing tax rate forms

- **Recap Page 1:** The **Tax Rate Recap** is the last document to submit for the tax rate approval process. Once submitted, your field advisor receives a Gateway dashboard notification. **A majority of the Board of Assessors must electronically sign Page 1 of the Recap.** Members of the board signing page 1 must be qualified to classify property.
- **Recap Page 2:** Final Cherry Sheet receipts, offsets, and charges autofill to tax rate recap page 2 when the Commonwealth's budget becomes final. Please review Page 2 of your Recap or Pro Forma to determine the potential impact to your local budget.
- **Recap Page 3:** In order to submit the tax rate recap, your community must

complete the “tax rate page 3 support” form. Column A actual local receipts should not be input as a negative number.

- **Tax Rate Page 3 Support:** This form will autofill once the tax rate recap page 3 estimated and actual local receipts have been entered and saved. This form must be submitted prior to submitting the tax rate recap.
- **Recap Page 4:** The Bureau of Accounts recommends that you complete page 4 promptly after your communities annual town meeting.
- **LA-5: The LA-5 Options & Certification** form is the second to last form to be submitted. This form should not be submitted until after your community has held its tax classification hearing and clicked on the “Recap Adjustment” button on page 1 of the tax rate recap. A majority of the Board of Assessors must electronically sign the LA-5. Members of the board signing the LA-5 must be qualified to classify property. DLS updated the language associated with each signature on the LA-5. Therefore, the clerk no longer needs to upload a copy of the public hearing notice or clerk’s certification of the meeting. The mayor’s signature is required only in cities with a mayor; in all other communities, simply leave it blank.
- **A-2 Enterprise Funds:** The fund type and fund name of each A-2 submitted in the prior year will automatically roll forward in the current fiscal year forms. For example, if in last year’s A-2 (1) form the type was “Water” and the name was “Water Fund,” the current fiscal year A-2 (1) form will contain the same data. Keeping the funds in a consistent order from year to year will expedite the review process.
- **A-2 Enterprise Funds:** Make sure to complete the “Enterprise Fund user Charge Template” located on the tax rate landing page when current year estimated user charges or other departmental revenue exceeds prior year actual revenue.
- **B-1 Free Cash:** If your community votes free cash to reduce the tax rate, make sure to upload the town meeting vote to page 2 of the recap. Free cash voted to reduce the tax rate is reported on page 2, part IIId, line 1a or 1b. Do not report free cash appropriated to reduce the tax rate on page 4.
- **CP-2 Community Preservation Fund Report:** The CP-2 form is due on October 31st each fiscal year. The CP-2 form is located under the “Misc Forms” tab in Gateway. If your tax rate or balance sheet is submitted prior to October 31st, the CP-2 form should also be completed as well.
- **OL-1 Overlay Form:** The **OL-1 Overlay** form should be submitted after the “Recap Adjustment” button has been clicked and the community is ready to submit the tax rate recap. The “Recap Adjustment” button on page 1 of the tax rate impacts the recap page 2, part IId, allowance for abatements and exemptions (overlay) amount reported. This figure must tie to the amount reported on form OL-1 line 2 overlay from current FY (Tax Rate Recap page 2, part IId). Lines 1 (Overlay Balance as of June 30th), 9 (Real Estate Tax Receivables as of June 30th), and 10 (Personal property Tax Receivables as of June 30th) should tie to the amounts reported on the balance sheet.
- **Letter in Lieu of Balance Sheet:** Your community must complete this tax rate form if your community’s free cash has not been approved. If you have submitted your balance sheet and free cash has **not been approved**, you **must submit the letter in lieu of balance sheet form**.
- **Levy Limit instructions:** For detailed information on the Levy Limit and proposition 21/2, click here [Proposition 2.5 and Tax Rate Process](#). The **Levy Limit Sheet** must be submitted after the DE-1 Debt Exclusion sheet (if applicable) has been submitted. DE-1 column I current fiscal year net excluded debt service total amount autofill’s

the Levy Limit Sheet part III B, current fiscal year debt exclusion.

- Please note that if you are submitting a DE-1 Debt Exclusion form, ***you must submit the DE-1 before submitting the Levy Limit form***, which includes debt exclusion data in the calculations. DE-1 column I current fiscal year net excluded debt service total amount autofill's the Levy Limit Sheet part III B, current fiscal year debt exclusion.
- BOA forms include data validations on save and/or submit. Look for errors, warnings, and informational messages at the top of each form.
- Please review the **Recap Edit Report** under tax rate reports prior to submitting the tax rate for important edits relating to each form. All errors, warnings, and informational messages pertaining to each tax rate form can be viewed and printed using this report.
- The following forms can be submitted at any time prior to the tax rate recap once they have been completed, signed, and saved:
 - A-1 Offset Receipts form (if applicable)
 - A-2 Enterprise Fund form(s) (if applicable)
 - A-4 Community Preservation Fund form (if applicable)
 - B-1 Free Cash form
 - B-2 Other Available Funds form (if applicable)
 - Tax Title form (if applicable)
- ***The Tax Rate Recap must be the last form you submit.*** Wait until all supporting forms have been submitted before submitting the Recap. This will ensure that information flowing from the supporting forms to the Recap is complete and has passed the individual form validations.

Need assistance or guidance? Click here to find the name of your community's [BOA field advisor](#). Contact information (email and phone number) for your community's advisor is available on [DLS's Staff Directory webpage](#).

DLS Gateway Support: DLSGateway@dor.state.ma.us