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City & Town

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Understanding and Analyzing New Growth: Part 1

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Important Dates & Information

DLS Spring Update

Given the seasonal nature of certain reporting requirements, municipal responsibilities, billing processes and regulatory functions, we are utilizing seasonal pages on our website that provide helpful resources, tools and guidance you might find useful for the time of year. In Spring, local finance officials are continuing to prepare the FY2025 budget in addition to working on other important spring priorities highlighted below. Bookmark our Spring resources [here](#).

FY2025 Budget Issues and Other Related Matters

The Division of Local Services (DLS) Bureau of Accounts (BOA) has issued and posted Bulletin (BUL) 2024-2. This Bulletin addresses several topics that cities, towns, regional school and other districts should consider for FY2025 budgeting and other related matters.

[BUL-2024-2](#): FY2024 Budget Issues and Other Related Matters

To view the bulletin, [click here](#). To access IGRs, LFOs and Bulletins,

Understanding New Growth and the critical role it plays in the fiscal well-being of a municipality is an important tool to unlocking a broader appreciation for the interconnectivity of local finance in Massachusetts. Before we begin, we recommend reviewing the core aspects of Proposition 2 1/2, including [What is New Growth and how is it calculated?](#) and [What is the Levy Ceiling and how is it calculated?](#), please view the [Proposition 2 1/2 video playlist](#). For historical context, please feel free to revisit our two-part series on New Growth published in 2017 in the [February 2nd](#) and [May 4th](#) editions of *City & Town*. These articles provided the framework for the following review and analysis.

New Growth is the dollar increase in the annual levy limit that reflects the additional tax revenue generated by new construction, renovations, and other increases in the property tax base during a calendar year. [Proposition 2½](#) allows a municipality a 2½% annual increase to the levy limit restrictions imposed by [MGL Ch. 59 §21C](#), but the levy limit also increases each year with the addition of New Growth as a standard part of the levy limit calculation. This additional increase to the levy limit is permitted based upon the valuation of new construction and other increases to the tax base that are not attributed to market value changes. It does not include value increases caused by normal market forces or by revaluations.

New Growth always increases the tax levy – a building being

please visit this [webpage](#).

New Informational Guideline Releases (IGRs)

The Division of Local Services recently published four Informational Guideline Releases (IGRs).

IGR-2024-1 provides municipal officials with updated information on reimbursements for Chapter 59, Section 5 property tax exemptions and Chapter 60A motor vehicle excise exemptions.

IGR-2024-2 explains the reporting procedures communities with smart growth zoning districts must follow in order to receive an annual state reimbursement, which covers additional school costs resulting from an increased number of public school students living in developments within the zoning districts.

IGR-2024-3 informs local officials of the administrative foreclosure process following the receipt of a Commissioner of Revenue's affidavit pursuant to a Land of Low Value tax title foreclosure application and how communities may accept title from the owners of properties on which there are municipal liens as an alternative to tax taking and foreclosure proceedings.

Lastly, IGR 2024-4 informs local officials about a new local option affordable housing property tax exemption. It also explains local standards and procedures that may be adopted relative to the exemption.

[IGR-2024-1 REIMBURSEMENT OF PROPERTY TAX AND MOTOR VEHICLE EXCISE EXEMPTIONS](#)

[IGR-2024-2 SMART GROWTH SCHOOL COST REIMBURSEMENTS](#)

[IGR-2024-3 LAND OF LOW VALUE POST AFFIDAVIT PROCESS AND DEEDS IN LIEU OF FORECLOSURE](#)

[IGR-2024-4: AFFORDABLE HOUSING PROPERTY TAX EXEMPTION](#)

To access IGRs, LFOs and Bulletins, please visit this [webpage](#).

New Bulletin and Local Finance Opinions

The Division of Local Services recently published a new Bulletin and two new Local Finance Opinions (LFOs).

demolished causing it to lose value or a property that is no longer taxable does not result in a corresponding decrease. (For more information, see [IGR 2023-9, Fiscal Year 2024 Guidelines for Determining the Annual Levy Limit Increase for Tax Base Growth](#).) For example, when a property is subject to taxation for the first time or has an increase in assessed value from the prior year due to a physical change to the existing improvement, that additional value is considered New Growth. These annual increases are allowed so long as they do not result in a levy limit above the levy ceiling of 2 ½ percent of the full and fair cash value of the community. ([Chapter 59 Sections 21C\(b\) and \(f\)](#)). (For more information, see [Proposition 2½ and Tax Rate Process](#))

Assessors are responsible for identifying and reporting New Growth. This key part of the tax rate setting process requires the assessing office to track and record relevant growth activity on an ongoing basis. [State law](#) directs local inspectors to provide written notification to the assessor "for the construction of any building in such city or town or for any substantial alteration or addition thereto." Assessors should coordinate with the building department and receive permitting information as a way to monitor construction progress and maximize New Growth opportunities. Inspections based on building permits enable assessors to timely measure and update property records which provides the information needed for New Growth. Because New Growth expands the levy limit, it is also a key part of the budget process.

Assessors attempt to ensure all New Growth is captured accurately and completely. One recurring challenge that comes up every year is what does and does not qualify as growth. Routine maintenance such as new siding, a new roof, new windows or changes to grade and condition does not qualify. Just because a building permit is issued, it does not automatically result in New Growth. Assessors should carefully follow the guidelines established by the Bureau of Local Assessment and [contact their BLA advisor](#) if they have any questions.

Assessors should maintain detailed information on its New Growth utilizing the [LA13 New Growth template](#). Whether reporting growth

Bulletin 2024-1 discusses G.L. c. 44, § 53 Clause 4 special revenue fund treatment for Altria JUUL settlement receipts and monetized credits under the Federal Inflation Reduction Act (IRA) for certain green energy projects.

LFO-2024-1 addresses questions relating to (1) the accounting treatment of money received by a city, town or district under an insurance policy or as restitution for damage to its property and (2) the availability of the money for expenditure. LFO-2024-2 addresses questions about the municipal finance law and accounting treatment of (1) local option excises on the retail sales of marijuana for adult use and (2) impact fees or other payments under a community host or other agreement with a marijuana establishment or medical marijuana treatment center in connection with its siting and operation in the municipality.

[BUL-2024-1: G.L. c. 44, § 53 Clause 4: Inflation Reduction Act Monetized Credits for Local Governments for Certain Clean Energy Projects and Proceeds Received Pursuant to the Altria Settlement Regarding JUUL Products](#)

[LFO-2024-1: Insurance and Restitution Proceeds](#)

[LFO-2024-2: Money from Marijuana Establishments and Medical Marijuana Treatment Centers](#)

To access IGRs, LFOs and Bulletins, please visit this [webpage](#).

2024 Housing Choice Communities Designation Application

The [2024 Housing Choice Designation application](#) is now open! Submissions will be accepted until 5:00PM on Friday, April 26th, 2024.

The Housing Choice Initiative rewards municipalities that have produced certain rates or amounts of new housing units in the last five years and that have adopted housing best to sustain a 21st century workforce and increase access to opportunity for Massachusetts residents. Communities that achieve the designation have exclusive access to apply for the [Housing Choice Grant Program](#) and receive bonus points or other considerations to [other participating Housing Choice programs](#).

Details, application, and related

for real or personal property, it is essential that assessors provide a brief description of what the New Growth consists of in the comment section. The personal property account is an area where municipalities can typically see large increases in growth. As a result, we encourage assessors to review all personal property accounts, including the prior year's assessed values. It's important for assessors to distinguish between what is a new account and what is considered New Growth. For example, an established business is identified incorrectly as a new account and the value in the account is improperly identified as growth, thereby impacting the growth total. There may be instances when the entire value of an existing personal property account would qualify as growth, but only if the business replaced all its existing personal property.

Another item for assessors to review is a personal property account that has had a significant drop in value from the prior year, but also has a large amount of growth. Again, in certain instances, this may be considered New Growth, however, if the local House of Pizza changes its ownership and name to "Joe's Pizza Palace," the personal property does not qualify as growth unless it is replaced with new machinery/equipment and furnishings. A new account resulting from a change in ownership alone does not qualify as New Growth.

Real and personal property New Growth in and of itself is a good indication of the investment occurring in a community. Tax base growth under Proposition 2 ½ includes any parcel of real or personal property that falls under the following conditions:

- The property is subject to taxation for the first time, such as new articles of personal property or an exempt property that is no longer tax exempt.
- The property is being taxed as a separate parcel for the first time. This is usually subdivisions or condo conversions.
- The property has increased in assessed valuation over the prior year if it is not due to a [revaluation program](#), for

materials can be found at [Housing Choice Designation Application | Mass.gov](#).

Massachusetts Office on Disability Announcements

Disability Connections: A Networking Event for the Massachusetts Disability Community

Join the Massachusetts Office on Disability (MOD) on April 10th at 10 AM for [Disability Connections](#), a virtual networking event for the Massachusetts disability community. MOD will honor the named plaintiffs in the Daniels-Finegold Settlement Agreement for their work toward improving accessibility in public transportation. The event is free and open to the public and CART and ASL will be provided.

Job Posting: Access Specialist

The Massachusetts Office on Disability (MOD) is looking for an [Access Specialist](#) to support our Community Services Unit. The Access Specialist provides technical assistance to individuals seeking information on disability laws and architectural access codes and organizes and conducts training sessions on disability laws to increase awareness and understanding.

Funding available for municipal accessibility improvements

The FY25 Application for the [Municipal Americans with Disabilities Act \(ADA\) Improvement Grant](#) from the Massachusetts Office on Disability (MOD) will be open from May 1st, 2024 at 9 AM through June 15th, 2024 at 5 PM. Any Massachusetts city or town is eligible to apply. These grants support capital improvements specifically dedicated to improving programmatic access or removing barriers encountered by persons with disabilities in applicant facilities. Join the [ADA grant information session](#) on April 17th at 1 PM for more information.

Municipal Vulnerability Preparedness (MVP) Program FY25 Action Grant Funding Round Now Open

The Executive Office of Energy and Environmental Affairs is seeking proposals for MVP Action Grants, which provide eligible communities funding to implement priority climate adaptation actions. Projects are required to use climate data and projections. Projects that propose nature-based solutions, advance

example, when a new deck or an addition is added to an existing improvement.

The purpose of this provision is to recognize that new development will lead to more municipal costs. For example, new development may mean more wear and tear on the roads, more children in schools, or more calls to police and fire. Instead of reallocating a fixed levy limit to an expanded tax base, the provision increases the levy limit by an amount equal to the assessed value of new growth divided by 1000 and multiplied by the prior year's tax rate for the appropriate property class.

$$\frac{\text{NEW GROWTH VALUE}}{1,000} \times \text{Last year's tax rate} = \text{TAX LEVY GROWTH}$$

New Growth represents the amount that would have been generated if the value had been included in the previous tax year levy. It is calculated by multiplying the assessed value associated with applicable increases by the prior year's tax rate and then added to the current year's levy limit.

Please see below for a numeric representation of the New Growth calculation. The aggregate value of increases due to new construction and renovations for the year is \$4.8 million. We multiply that by the prior year's tax rate of ten dollars and fifty cents per \$1,000 of value to arrive at a new growth value of \$50,400.

Calculating New Growth			
Assessed value of applicable increases	x	Prior Year Tax Rate per \$1,000 of Value	= New Growth
\$4,800,000	x	\$10.50 / 1,000	= \$50,400

Capturing new growth can be a fluid process as construction and renovation projects do not fit neatly into the fiscal year schedule,

equity, and that have robust community engagement plans are preferred.

Applicants can request up to \$3 million in funding (regional proposals may request up to \$5 million), and a 10% match of the total project cost is required (see RFR for exceptions). Significant changes to the RFR from the last funding round are outlined on page 1. The link to the RFR and required forms can be accessed through the [MVP program website](#) or directly on [COMMBUYS](#). Action Grant proposals are due by 2:00 p.m. ET on Wednesday, April 24, 2024 (via online form, see RFR for details) for project proposals that complete by June 30, 2025, or June 30, 2026.

All questions regarding the FY25 Action Grant RFR must be submitted to your [regional coordinator](#) by Wednesday, March 27, 2024 and will be posted to COMMBUYS by April 3, 2024.

The MVP team hosted a recent webinar about this FY25 funding round. The recording can be accessed [here](#).

MA Dredging Program FY25 Annual Grant Round

The Executive Office of Economic Development (EOED) FY25 Annual Grant Round of the [Massachusetts Dredging Program](#) opened March 11th. Grants will be competitively awarded with a focus on shovel-ready projects that contribute to the economic vitality, vibrant waterfronts, maritime safety, or ecosystem health of Massachusetts's harbors. All coastal municipalities are eligible to apply. [Click here for more information](#).

Municipal Finance 101: Budgeting & Best Practices Webinar Now Available

The Division of Local Services recently partnered with the [Massachusetts Municipal Association](#) to offer *Municipal Finance 101: Budgeting & Best Practices* webinar to local officials. This webinar reviews the building blocks of municipal finance, including Proposition 2 ½, budgeting revenues and expenditures, and the importance of financial policies, forecasting, and capital planning. The [recording](#) of the webinar is now available along with the presentation [slides](#).

Additional [budgeting and long-range financial planning resources](#) are available at the DLS [Municipal](#)

and oversights can occur. Assessors must complete additional adjustments utilizing the [Omitted & Revised](#) form in order to capture additional growth that was overlooked in the initial assessment. This additional growth is added to the prior fiscal year's levy limit going forward.

Let's put this all together and calculate a levy limit.

TO CALCULATE THE FY 2024 LEVY LIMIT

A. FY 2023 Levy Limit	252,591,907
A1. Amended FY 2023 Growth	23,438
B. ADD (IIA = IIA1) *2.5%	6,315,384
C. ADD FY 2024 New Growth	6,181,288
C1. ADD FY 2024 New Growth Adjustment	0
D. ADD FY 2024 Override	0
E. ADD FY 2024 Subtotal (Levy Limit)	265,112,017
F. FY 2024 Levy Ceiling	
(total taxable value * 2.5%)	313,710,683

We hope you find this information useful. In an upcoming edition of *City & Town*, we'll build upon our understanding of New Growth to analyze data trends and geographic impacts of New Growth across the Commonwealth. If you'd like to review additional information related to New Growth, please see the DLS [Municipal Trend Dashboard - New Growth Analysis webpage](#). If there is a topic or area of assessing you'd like to learn more about, please email us at bladata@dor.state.ma.us.

Spring Training(s)

DLS Municipal Finance Training and Resource Center

The Division of Local Services (DLS) recently held two webinars and released the division's [Spring Update](#) that provides helpful resources, tools and guidance local officials might find useful for this time of year. DLS will also host webinars in April and May.

Webinar Recordings Available

In February, DLS partnered with [Massachusetts Municipal Association](#) to offer [Municipal Finance 101: Budgeting & Best](#)

[Finance Training and Resource Center.](#)

MassGIS' Statewide Geospatial Strategic Planning Initiative

MassGIS is undertaking an update of the state's geospatial strategy, last updated in 2007. MassGIS would like all geospatial data and technology users in municipal and regional government, state government, federal agencies, non-profit organizations, higher education, utilities, and the private sector to participate in the development of the strategy.

The strategy will lay out the strategic direction for all geospatial activities in the Commonwealth. MassGIS will lead the strategy development. Applied Geographics (AppGeo), a national company that has done such work for dozens of states, is under contract to assist with this update. The work will begin with distribution of a [survey](#) to capture initial input and feedback. The survey is intended for anyone who uses geospatial data or technology.

[Click here to take the survey](#)

Register Today for the Massachusetts Municipal Cybersecurity Summit

The MassCyberCenter's fourth annual [Massachusetts Municipal Cybersecurity Summit](#) is scheduled for Wednesday, May 8th. The summit will host municipal officials, local stakeholders, and cybersecurity experts who can learn how to combat emerging threats, bolster cyber defenses, and respond to cybersecurity incidents.

- Attendees will discover more about Security Operations Center (SOC) services in Massachusetts, which help communities defend against cyberattacks.
- [CyberTrust Massachusetts](#), a non-profit organization supported by the MassCyberCenter, is spearheading a SOC program across the state to deliver 24/7 Managed Detection and Response services, which involves monitoring networks and responding to security cases.
- The SOC program is supported by best-in-class cybersecurity vendors and

[Practices](#) webinar to local officials. This webinar reviews the building blocks of municipal finance, including Proposition 2 ½, budgeting revenues and expenditures, and the importance of financial policies, forecasting, and capital planning. The recording of the [webinar](#) is available along with the presentation [slides](#).

In March, the division held the [Meet DLS: Who we are and how we can help](#) webinar. During this webinar, DLS bureau chiefs shared our mission and what information and resources we offer to cities and towns across the Commonwealth. The recording of the [webinar](#) is now available along with the presentation [slides](#).

Register Now for Upcoming Webinars

In April, DLS is offering the [Community Preservation Act](#) webinar on Tuesday, April 23rd at 10am. This webinar will introduce the participants to the Community Preservation Fund and bring you through the acceptance process. The webinar will touch on the community preservation committee responsibilities, discuss eligible expenditures, and talk about the revocation process. The presentation will wrap up with an overview of the fund through the operation of a fiscal cycle and discuss the Community Preservation reporting requirements. To register for this webinar, please click [here](#).

In May, DLS is offering the [Role of the Accountant](#) webinar on May 14th at 10am. This webinar will provide an overview of the role and responsibilities of local accountants and highlight the key duties of the accountant, statutory requirements associated with the position, and how other members of the local financial management team must work together with the accountant while carrying out their own functions and to ensure thorough management of municipal finances. DLS staff from the Financial Management Resource Bureau and Bureau of Accounts will be available to answer questions following the presentation. To register for this webinar, please click [here](#).

Stay tuned for more training opportunities!

also provides students with hands-on training for a future career in cybersecurity.

- Summit attendees will hear from experts on how to reduce municipal cyber threats and vulnerabilities. There will also be an interactive tabletop exercise workshop to practice cyber incident response actions.

The Summit is free to attend and will take place at the DCU Center in Worcester from 9am - 3pm on Wednesday, May 8th, 2024. Learn more on the [MassCyberCenter's website](#) and [register for the event here](#).

New DLS Visualization Tool Highlights Trends in Municipal Debt

DLS is pleased to announce the release of our latest municipal finance visualization. Our new [Trends in Municipal Debt](#) tool provides an in-depth look at both general fund debt service and outstanding debt using data collected through the [DLS Gateway application](#). Individual charts show trends in debt service over time and sort the data by type and per capita. We've also included a glossary page to help explain many of the terms associated with [municipal debt](#). Each dashboard can be downloaded to a PDF file, and the source data can be accessed using the "351 Report" button.

Please email any feedback to the Data Analytics & Resources Bureau at DARB@dor.state.ma.us.

Informational Resource Page for City/Town Clerks

The Division of Local Services is pleased to announce the availability of materials on the Municipal Finance Training & Resource Center under [resources by position](#) to assist city or town clerks. A city or town clerk is an integral member of the municipal management team and a central information point for residents. While the job responsibilities may vary from community to community in Massachusetts, the clerk is a bonded official who is the municipality's record keeper and often the chief election officer. The new page is one stop shopping for the following topics important to clerks:

- Overview of responsibilities
- Adopting local option excise

Be sure to bookmark the [Municipal Finance Training and Resource Center](#) page and subscribe to our [YouTube channel](#) to stay updated on new items added. Is there something you would like to see added? Please email DLSTraining@dor.state.ma.us. We would love to hear from you!

Ask DLS: Fees and Charges

This month's Ask DLS features frequently asked questions concerning the authority of municipal boards and officials to set fees and charges for any permits, licenses, or certificates they issue and any services they provide and, if those fees and charges are currently established by state statute, to set them above the statutory level. Please let us know if you have other areas of interest or send a question to cityandtown@dor.state.ma.us. We would like to hear from you.

What gives cities and towns the power to impose fees or charges for municipal services?

In general, cities and towns have broad authority under their home rule powers to impose fees not otherwise inconsistent with state law. See *Silva v. Attleboro*, 354 Mass. 165 (2009); *Emerson College v. Boston*, 391 Mass. 415 (1984). However, those fees must meet the three-prong test established under *Emerson College* to determine whether it is an allowable fee or an unauthorized tax: (1) Is the charge for a particularized service?; (2) Is the charge designed to compensate the government for its costs in providing the service and not to raise revenue generally?; and (3) Is receipt of the service and payment of the charge voluntary?

Are there any limitations on the amount of fees or charges?

Under the *Emerson* analysis, statutory schedules of fees and charges, such as the charges for municipal lien certificates under [G.L. c. 60, § 23](#) are presumptively reasonable. Charges higher than those set out in a statute, or charges for which there is no statutory schedule, are generally reasonable if they reflect the full cost of

- Local elections and town meeting
- Local Officials Directory
- Municipal debt and borrowing
- Proposition 2 ½ votes
- Record legislative action
- Tax rate setting process

Be sure to bookmark the [Municipal Finance Training and Resource Center](#) page and subscribe to our [YouTube channel](#).

Latest Issue of *Buy the Way* Now Available

Don't miss [Issue #25 of Buy the Way](#), the official magazine of the Operational Services Division (OSD).

[Click here](#) to get news and updates from OSD delivered to your inbox.

DLS Links:

[COVID-19 Resources and Guidance for Municipal Officials](#)

[Events & Training Calendar](#)

[Municipal Finance Training and Resource Center](#)

[Local Officials Directory](#)

[Municipal Databank](#)

[Informational Guideline Releases \(IGRs\)](#)

[Bulletins](#)

[Tools and Financial Calculators](#)



providing the service, such as issuing the permit or license.

Conversely, charges are generally unreasonable if they regularly produce revenues substantially in excess of the full cost of providing the services. Excessive charges for a particular fee may be considered a tax. This distinction is of critical importance because, pursuant to [Article 89 Section 7 of the Articles of Amendment of the Massachusetts Constitution](#), a city or town does not possess the authority to assess or collect a tax unless the power to do so has been particularly granted by the Legislature.

The full cost of providing certain services or issuing licenses and permits may well include more than just amounts directly appropriated for the department that does the work involved. For more information on costing services, see the Division of Local Services workbook, [Costing Municipal Services: Workbook and Case Study](#).

Who is responsible for setting fees and charges in the municipality?

In the absence of a statute or charter provision, the power to set fees or charges would ordinarily lie with the town's legislative body, i.e. Town Meeting or City Council.

Can Town Meeting or the City Council delegate their fee or charge setting authority?

Yes. If the town accepts or has accepted [G.L. c. 40, § 22F](#), the power of the legislative body to set charges for "any services rendered or work performed" is delegated to the board or officer heading the relevant department. It should be noted that [G.L. c. 40, § 22F](#) may be utilized in addition to the local procedures for the establishment of fees and charges by bylaws and ordinances. Under this provision, municipal boards and officers may establish **reasonable** fees and charges for any permits, licenses, or certificates they issue or for any work or services they perform. Where a service is provided by the department generally, rather than by a designated officer, the fee will be established by the department head. If the board or officer is appointed by an elected board, the

fees are subject to review and approval by the elected board.

If no permit or license is being issued, charges may be imposed upon a person under [G.L. c. 40, § 22F](#) only to the extent that work is being done or services are being provided for the benefit of or at the request of that person. Where a charge, such as a collector's demand fee, is not imposed for the benefit of or at the request of the person who must pay, the officer or board imposing the charge has no power under [G.L. c. 40, § 22F](#) to vary the fee schedule established by statute, local bylaw, or ordinance.

How can municipalities adopt [G.L. c. 40, § 22F](#)?

Cities and towns wishing to take advantage of [G.L. c. 40, § 22F](#) must vote to accept the statute. Acceptance is by vote of the community's legislative body, subject to charter. [G.L. c. 4, § 4](#).

Once adopted, existing schedules of fees and charges, whether set by statute or local bylaw or ordinance, will remain in effect until new fees and charges are adopted.

Does [G.L. c. 40, § 22F](#) contain exceptions where certain fees and charges cannot be set under the statute?

Yes, [G.L. c. 40, § 22F](#) provides that certain fees and charges cannot be set in accordance with the statute, as follows:

- Liquor permits and license fees, pursuant to [G.L. c. 138](#);
- Fees not paid over entirely to the city or town. These fees would include those retained by the officer who receives them, where allowed (for example, certain clerk's fees) and those that are partly or wholly paid over to the Commonwealth (for example, wetlands protection fees) or to another governmental body, such as a county (for example, dog license fees);
- Sewer and betterment assessments, under [G.L. c. 80](#) and [G.L. c. 83](#);

- Firearms permit fees, under [G.L. c. 140, §§ 121 – 131N](#);
- Fees for fire department alarm inspections, per [G.L. c. 148, § 10A](#);
- Certificates, services or work required by [G.L. chapters 50 to 56](#), pertaining to elections; and
- Fees and charges pursuant to [G.L. c. 66](#), the State Public Records Law.

Although special assessments for water supply purposes under [G.L. c. 40, §§ 42G-42I](#) are not expressly excluded from the scope of [G.L. c. 40, § 22F](#), such assessments are considered taxes, rather than fees. They should, therefore, be imposed by bylaw, ordinance, or vote, in accordance with [G.L. c. 40, § 42G](#).

Additionally, [G.L. c. 60, § 15](#) was amended concerning demand fees. The statute now requires the amount of the demand fee to be set locally. The demand fee may not exceed \$30 and will have to be voted on by the legislative body unless statute or charter allows the collector or other officer to set the fee. The collector cannot set the demand fee under [G.L. c. 40, § 22F](#) if the community has accepted that local option statute since [G.L. c. 40, § 22F](#) applies to regulatory and user fees, not collection charges of this nature.

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Contact *City & Town* with questions, comments and feedback by emailing us at cityandtown@dor.state.ma.us. To view previous editions, please [click here](#).

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