

Assessors News

Submitted by Rick Williams

FY19 thru FY21 Utility and Power Co Valuations Appealed to Appellate Tax Board: Values increased in **FY19** for Bear Swamp Power Co., Great River Hydro, and New England Power Co. based on appraisals performed in 2018 for the Towns of Rowe, Florida, and Monroe by contracted appraisal consultant, GESansoucy. All three companies filed for abatements (which were denied by the BOA) and subsequently appealed their FY19 valuations to the MA Appellate Tax Board (ATB). Attorney David Klebanoff was retained to represent the Towns for these ATB cases. The COVID-19 pandemic caused postponement of all ATB activities early last year **which have yet to be rescheduled.**

Utility and Power Company values for **FY20** remained essentially unchanged and the same companies filed for abatements (which were denied) and subsequently appealed to the ATB. Utility and Power Company values for **FY21** remained essentially unchanged and two of the three companies filed for abatements (which were denied) and subsequently appealed to the ATB. Bear Swamp did not dispute the FY21 values. Utility and Power Company values for **FY22** have remained essentially unchanged.

The FY19 thru FY21 cases for the respective companies will be consolidated when the ATB is reconvened. The following outcomes, or some combination thereof, are possible for these cases: 1) settlement will be reached between the taxpayer(s) and the Towns prior to ATB hearing(s) taking place, 2) ATB finds in favor of the taxpayer(s), 3) ATB finds in favor of the Towns, or 4) ATB declines the appeal(s) for any number of reasons.

Assessors Overlay/Surplus: The Department of Revenue (DOR) requires that towns set aside sufficient funds in Assessors Overlay for tax abatements. In light of the above pending ATB appeals which have yet to be resolved, the Assessors have planned for potential abatements. From FY03 thru FY18 the annual amount set aside for Assessors Overlay averaged ~\$30K. For FY19, approximately **\$100K** was set aside. For FY20 and FY21, approximately **\$200K** was set aside each year. For FY22, approximately **\$100K** is proposed to be set aside. This will bring the total Overlay balance to just over **\$600K**. Once the ATB appeal cases are resolved and any resulting abatements paid out as applicable, any remaining Overlay funds can be declared “surplus” by the Assessors and turned back to the town as a revenue source for that same fiscal year. Any Overlay Surplus balance at year end closes out to the general fund to become part of the subsequent year’s Free Cash.

FY22 Property Values: FY22 is an interim update year (the next total town revaluation will be for FY23). The volatile real estate market over the past two years has had a significant impact on property values. Based on DOR-mandated real estate sales analysis, adjustments were made to the valuations of residential homes (**adjusted up 30%**) and yard items/outbuildings (**adjusted up 50%**). No valuation changes were made to land values (building lots and excess land). This has resulted in an overall average increase of ~**20%** for residential parcel (LUC 101) valuations. Total town valuation increased by ~**1.9%** (from \$516.129 million **to \$525.827 million**).

FY22 Tax Rates/Tax Bills: A Tax Classification Hearing was scheduled to be held with the Board of Selectmen on September 30. An MRF (Minimum Residential Factor) of **.6438** was recommended by the Board of Assessors representing the tax burden shift from Residential (R) to Commercial-Industrial-Personal (CIP). The proposed FY22 split tax rates are **R/\$5.33** and **CIP/\$8.69** compared to last year’s rates of R/\$5.33 and CIP/\$8.64. Following DOR approval of the tax rates, the Assessors expect to sign the FY22 real estate and personal property tax warrants

during the first week of October. The first half tax bills should be mailed out shortly thereafter. Payments are due within 30 days of tax bill postmark.

Applications for Property Tax Abatement: Applications for abatement for FY22 real estate and personal property taxes must also be submitted to the Assessor's Office within 30 days after the 1st half tax bills are mailed. The filing of an Abatement Application does not stay the collection of your taxes. The Assessors have three (3) months from the date an application is filed to act on it.

REAL ESTATE TAX RELIEF:

- **Tax Exemptions:** The following Mass General Laws (MGL) Chapter 59, Section 5 property tax exemptions are currently available to Rowe taxpayers who satisfy eligibility requirements:
 - **Clause 17D** – Surviving Spouse, Minor Child, Seniors (Exemption amount: \$175+)
 - **Clause 22, 22A-E, Paraplegic** – Qualifying Veterans (Exemption amount: varies)
 - **Clause 37A** – Blind Persons (Exemption amount: \$500)
 - **Clause 41C** – Seniors (Exemption amount: up to \$1000)
- **Tax Deferrals:**
 - **Clause 41A** - Seniors who meet certain ownership, age and domiciliary requirements and whose annual gross receipts are within certain limits may be eligible to defer payment of their taxes. The taxes, with interest, must be repaid when the property is sold or the taxpayer dies.

Notes on Exemptions/Deferrals:

- 1) Applications for exemption or deferral—and all supporting documentation—are not open to the public.
- 2) Clause 17D & Clause 41C exemption applications require the *full disclosure of personal financial information*.
- 3) Clause 17D eligibility age is 70.
- 4) Clause 41A eligibility age is 65.
- 5) Clause 41C eligibility as is 65.
- 6) Applications must be submitted to the Assessor's Office by April 1 or three (3) months after the 1st half tax bills are mailed, whichever is later.
- 7) The Assessors have three (3) months from the date an application is filed in which to act on it.
- 8) The filing of an application does not stay the collection of your taxes.

TAX BREAKS FOR ACTIVE MILITARY PERSONNEL: Certain tax breaks are also available for Rowe taxpayers who are active military personnel per the referenced MGLs, as described below:

- **MGL Chapter 59, Section 5L** provides a **deferral of property taxes** due by a member of the Massachusetts National Guard or reservist, or a dependent of a member of the Massachusetts National Guard or reservist, on active service outside the Commonwealth and for the next 180 days after that service.
- **MGL Chapter 60A, Section 1** provides an **exemption from motor vehicle excise** for Massachusetts residents who are on active military duty outside the country for at least 45 days of the excise calendar year, or if wounded or killed in an armed conflict, the exemption applies regardless of the number of days deployed.

- **MGL Chapter 60A, Section 9** provides a **deferral of motor vehicle excise** due by a member of the Massachusetts National Guard or reservist, or a dependent of a member of the Massachusetts National Guard or reservist, on active service outside the Commonwealth and for a period of up to 180 days after completion of that service.

PERSONAL PROPERTY EXEMPTION: The Town previously adopted provisions of MGL Chapter 59, Section 5, Clause 54 to establish an exemption from taxation on personal property valued less than or equal to **\$10,000**. This automatic exemption is only applicable to residents, businesses, or second homeowners whose personal property is valued at less than or equal to \$10,000. Those taxpayers with personal property assessed at greater than \$10,000 will receive a personal property tax bill based on the full assessed value of their personal property (i.e., there is no exemption for the first \$10,000 in value.)

CONTACT THE ASSESSORS: Assessor's Administrative Assistant Christine Bailey has posted office hours on **Wednesdays from 8A-1P**. She can be available other times by appointment. Regarding COVID considerations, the Town Hall is currently open to the public but facemasks are currently required. Christine can be reached at the Assessor's Office at **413-339-5520 x-104** or via email at assessor@rowe-ma.gov. Contact Christine with any questions, for further information, or to request Abatement/Exemption Applications. You may also check the following websites for more info and/or to download applications:

- **Town of Rowe website** – Board of Assessors (BOA) page
<https://rowe-ma.gov/g/39/Board-of-Assessors>
- **Department of Revenue (DOR) website**
<https://www.mass.gov/service-details/taxpayer-forms-and-guides>