

Upton Board of Assessors announce the Fiscal Year 2008 Tax rate to be \$10.63 and completion of the FY2008 Triennial revaluation

Submitted by Charles Marsden, Chairman Board of Assessors, Upton, Massachusetts

I. UPTON FISCAL YEAR 2008 TAX RATE APPROVED AT \$10.63, AVERAGE TAX BILL WILL INCREASE 6% PLUS CPA SURCHARGE

The Upton Board of Assessors received approval from the Department of Revenue for the fiscal year 2008 tax rate of \$10.63. This new rate reflects a decrease of \$0.23 below last year's rate of \$10.89. However the average tax bill will increase an average of 6% plus CPA surcharge. The average single family home assessment is \$451,275.

Upton town meeting attendees approved a financial budget and articles that require more monies to be raised through taxation in FY2008 than FY2007. In addition the town's local receipts were down more than \$147,000. This year the town will raise \$912,149 more through taxation than in fiscal 2007. The total amount of money to be raised through the tax levy as voted by the citizens of Upton during the annual and special town meetings plus debt exclusions for fiscal year 2008 is \$12,437,693.

The average single-family home tax bill in the Town of Upton for fiscal 2008 will rise to \$4,800. This represents a \$278 increase over the fiscal 2007 average tax bill, based on a property assessed at \$451,575 in FY2008. In addition there is a separate Community Preservation Act (CPA) surcharge on each tax bill.

This is an example of a single-family tax bill for fiscal 2008 with CPA surcharge, based on \$451,575 property valuation and rounded to nearest dollar:

Fiscal 2008 tax rate \$10.63 per \$1000 of valuation.	\$4800
CPA surcharge	<u>112</u>
Total Bill	\$4912

Upton tax bills are paid on a quarterly basis. The first two payments are preliminary based on the previous year's tax rate and value. The second two payments are based on the actual tax rate for fiscal year 2008 plus the CPA surcharge. For this reason the second two bills will not be equal to the first half of the year. The second two adjusted bills are mailed at the end December, 2007. These are due in two payments: February 2008 and May 2008.

The Upton fiscal 2008 tax rate includes six proposition 2½ debt exclusions. The debt exclusions account for \$1.33 per \$1,000 of property valuation within the tax rate.

Tax Breakdown

Tax rate within Proposition 2 ½	\$09.30
Debt Exclusions	
New School Bond (High School)	\$00.29
Memorial School	\$00.50
New Fire Station	\$00.25
Wastewater Treatment Plant	\$00.10

Stefans Property (open space)

\$00.19

Upton has a single tax rate for all property classes. The current total assessment of all property within the town of Upton is \$1,170,055,800. This reflects 95% residential, 2% commercial, 1% industrial and 2% personal property.

NOTE: The Treasurer/Collector has announced that Upton residents can pay their tax bills online as well as directly in the office. For more details about paying your tax bill online, please look at the following website:

<http://www.upton.ma.us/html/treasurer.html#PayOnline>

Or contact the Treasurer/Collector office by phone at 508-529-3737 for more details.

If you have any questions concerning property assessment, the tax rate, exemptions, and abatement applications please contact the assessor's office. The office is open Monday through Thursday from 7:30am to 4:30pm and Tuesday evening from 6:30pm to 8:30pm. If you cannot make it to the office during the regular office hours, the assessors will be happy to meet with you at your convenience by appointment. The Board of Assessor's phone number is 508-529-1002.

II. 2008 Triennial Revaluation Completed – Property valuations rose since the last Triennial revaluation completed in 2005

The Upton Board of Assessors received certification of new values from the Department of Revenue for the 2008 Triennial Revaluation in accordance with Massachusetts General Laws, Chapter 40, section 58 and Chapter 58, Sections 1, 1A and 3. Appraisal Resource Company conducted the revaluation for the Town of Upton. The entire process was monitored by the Massachusetts Department of Revenue and the Town of Upton's Board of Assessors.

The new valuations are based on Sales analysis performed for all property sales from July 2005 through June 2007. This analysis showed the former valuations to be below guidelines. As a result valuations for the town of Upton have increased since the last triennial revaluation which occurred in 2005. The assessors are mindful of the downward trend in the housing market during the second half of 2007 and will monitor property values. If necessary, valuations will be re-adjusted for FY 2009.

WHAT EXACTLY IS A REVALUATION?

A revaluation is the process of estimating new values on real estate based on specific rules and market data. The Upton FY2008 data is **based on sales during 2005, 2006 and first 6 months of 2007.** This process requires: A careful analysis of the selling prices is conducted to identify and quantify the features that have motivated buyers and sellers in the real estate market. This analysis results in the creation of schedules which are used to value all of the properties in city or town. These schedules are then statistically tested to verify their ability to accurately and uniformly predict estimates of market value. An analysis of income and expenses supplied by local commercial

property owners is utilized in the commercial valuation process. These value estimates are statistically tested and proven.

How are properties assessed?

These are carefully analyzed based on:

- Land sales
- Building costs
- Condominium sales
- Business Income & Expense statements
- Sales of land with buildings

Why can similar properties have different values?

The following are some, but not all of the variables that affect value:

- Location
- Desirability of the neighborhood
- External influences
- Traffic, schools, waterfront, view
- Buildings
- Size of the buildings
- Quality of construction
- Condition
- Amenities

What about Land values?

Land values can vary dramatically based on:

- Location
- Conformance to zoning
- Waterfront, View
- External or internal factors

How can I tell if my value is correct?

Compare your value to similar properties in your neighborhood.

HOW MUCH WILL MY TAXES BE FOLLOWING THIS REVALUATION?

The amount of your new tax bill is calculated by multiplying your new assessed value by the new tax rate. Be careful not to multiply a new assessment by an old tax rate. As

a direct result of the revaluation the tax rate in the town of Upton actually decreased from \$10.89 to \$10.63. This is very typical when property assessments increase consistently within a town. Be careful not to confuse tax rate with tax bill.

Will Taxes go up?

Not from the revaluation.

The tax rate is set as a direct result of Upton's town meeting process, so the voters decide if taxes go up. Individually - If the budget stays the same, some property owners will go up, some will go down, some will stay just about the same.

How are tax rates set?

The Town determines the amount of revenue (R) to be raised. The Town then totals all the assessments (A). The Town divides the revenue (R) by the Assessments (A) to get the actual tax rate: Tax Rate = R/A.

In the town of Upton even though the tax rate decreased for FY 2008 the amount of funds required to be raised through taxation has increased over FY2007. For this reason your tax bill will be more than last year's tax bill.

What if I disagree with my new property assessment?

All taxpayers have the right to contest their assessment. To do so you must file an application for abatement in writing on an approved form with the board of assessors. Tax abatement forms are available from your assessor's office. If tax bills were mailed on or before December 31st, 2007 then you must file for abatement by February 1st, 2008.

What should be included when completing an abatement form?

It is very important that you complete the application and include specific details. It is a good idea to visit the assessor's office and do a comparison of your property to similar properties within your neighborhood. To start request a printout of your property record card and verify that all the data is correct including land size, house style, size based on total square footage as measured using the outside dimensions of the structure, amenities such as fireplace, bathrooms, air conditioning, garages, attic and basement finished/unfinished, decks, porches, and etc. The more details you include with the application showing comparisons the better. With over three thousand property assessments it is possible for us to make mistakes. The key and most important factor is consistency throughout the town and more specifically within neighborhoods. **Please keep in mind the new assessments are based on sales analysis of property sold during 2005, 2006 and first half of 2007. The Assessors will monitor sales during the second half of 2007 and make necessary adjustments for 2009 should the new data validate a decrease or increase in property values within the town of Upton.**

What if I am not sure and have trouble completing the form?

The board of assessors is working for you. Do not hesitate to contact the board with any questions. Our office is open Monday through Thursday from 7:30am to 4:30pm and on Tuesday evening from 6:30pm to 8:30pm. In addition the assessors will be happy to make an appointment outside of office hours at mutually agreeable time. You may call our office at 508-529-1002 during office hours.