

# PROPERTY TAX ABATEMENTS

## Summary

It is the goal of the Board of Assessors to value every property in Lincoln fairly and equitably. When a taxpayer believes that the valuation of their property is incorrect and files an abatement application, the Board performs a full inspection and analysis of the property and its valuation in order to determine if an adjustment is warranted. If an agreement cannot be reached, the state's Appellate Tax Board (ATB) serves as the final decision-maker.

## Overview

Every year the Lincoln Board of Assessors assigns a "full and fair cash value" to each parcel of real estate in the town. If a taxpayer disagrees with their assessment, he or she has the right to file for an abatement as set out in M.G.L. Ch. 59, Sections 59-69.

The taxpayer must file an application with the Board of Assessors on a form approved by the Department of Revenue. The application is due November 1, or 30 days after the tax bills are mailed if that date is later. Taxes must be paid in full by the due date for an abatement application to be accepted.

## Reasons for Seeking an Abatement

The taxpayer may apply for an abatement for the following reasons:

**Overvaluation/Data Error** – The taxpayer should review the property record card for any errors with data. Errors will be investigated and if verified approved without question.

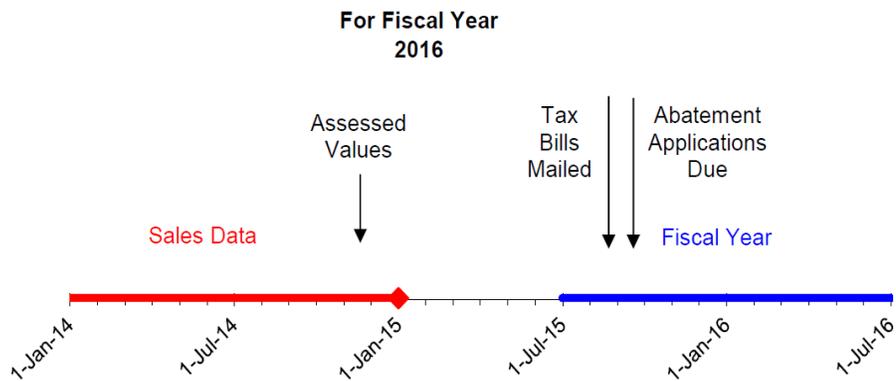
**Disproportionate assessment** – The taxpayer believes that the property is valued at a higher percentage of fair cash value than other properties.

**Misclassification of real property** – The taxpayer believes that the property is not properly classified; for example, that the property should be classified as residential, rather than commercial, and be taxed at the lower residential rate.

**Statutory exemption** – The taxpayer believes an exemption applies based on the ownership or use of the property.

## Understanding the Relevant Timeframes

The town operates on a Fiscal Year basis, which runs from July 1 to June 30. Assessments are estimates of what the value of each property was on January 1 prior to the Fiscal Year, and the data used to set those values is sales from the preceding calendar year. For example, FY2016 began on July 1, 2015, and the values were set as of January 1, 2015. The sales data used to set the values were from calendar year 2014.



Therefore, when the new Fiscal Year assessments appear on tax bills in October, the data (i.e., comparable sales) used to arrive at those values are about 9-21 months old. It is therefore important for taxpayers to keep in mind that current real estate market conditions are not necessarily reflected in the new assessments if the market has been changing. For example, the sale of or new listing of a property in the summer or fall of the current year is not relevant to the new assessments because it falls several months beyond the timeframe of setting the data used for those assessments.

### ***The Assessor's Role***

When an abatement application is received, the Associate Assessor will contact the taxpayer to make an appointment to visit and inspect the property. Regardless of the reason an abatement is being sought, it is the Board of Assessors policy to begin the review process with a full inspection of the property. It gives the Assessor and the taxpayer an opportunity to have a face-to-face meeting at the property for a full discussion of the issue(s), and it gives the Assessor the opportunity to review the department's records. Next, the Assessor will conduct an extensive review and analysis of relevant market data, a summary of which will be presented to the Board of Assessors.

### ***Expectations of the Taxpayer***

When an application is filed by a taxpayer, a brief explanation is all that is needed. If the taxpayer's claim is that there are factual errors related to the property, details related to the errors should be submitted with the application (e.g., incorrect square footage, age of home, etc.). If the claim is that the property's value is overstated relative to the real estate market, documentation substantiating the taxpayer's opinion of value should be provided. Sales data from the relevant time period is available in the Assessor's office, as is detailed information about those properties.

Please note that a disagreement with the tax level for a property is not relevant to this process. The annual budget for the town is approved at Town Meeting, and the Assessors are charged with valuing properties so that the tax burden is distributed fairly and equitably among all taxpayers. In essence, if the town's budget increases, property taxes will increase regardless of what a property's assessment is relative to the previous year because the tax rate will have to be increased to raise adequate funds to meet the budget.

### ***Taxpayer's Right to Appeal***

If, following the process above, a resolution is not reached, the taxpayer may appeal the decision to the Appellate Tax Board, a state administrative board that hears taxpayer appeals on tax matters. A taxpayer must file an appeal within three months of the Board of Assessors date of denial.