

## **PROPERTY TAX AND VALUATION INFORMATION**

### **What are property taxes?**

Property taxes are levied in cities and towns across the commonwealth of Massachusetts to help provide for various municipal and protective services.

The tax is based upon the valuation of the property otherwise known as *ad valorem taxation*. In Massachusetts, the property valuation is an estimation of market value which is your assessment. The valuation and tax is assessed on all real and personal property to the owner of record as of January 1 each year.

### **What is my property value and how is it figured?**

Your property value appears on your actual tax bill which is the bill that is due on or about February 1<sup>st</sup> of the calendar year. You can also access your property valuation via the link on the main assessing page.

In Massachusetts, each community is required to undergo a triennial certification of property values to arrive at an assessment as of January 1 that is reflective of the property's full and fair cash value. This review is conducted by staff from the State's Department of Revenue. During non-certification years, assessors are required to perform adjustment to valuations according to the prevailing market condition of the previous calendar year.

For example, all sales from calendar year 2008 will be reviewed to determine full and fair cash value as of January 1, 2009 for fiscal year 2010. Therefore, your assessment reflects market trends the year prior to the current year.

### **What are the fiscal year tax rates?**

The current tax rates for the Town of Wakefield are listed on the main assessing page of this site.

### **How is the tax rate determined?**

The tax rate is a mathematical calculation determined by dividing the total tax dollars to be raised by the total value of property. The Classification Amendment of 1978 allows communities to shift a

portion of the residential tax burden onto commercial, industrial and personal property taxpayers. This is why, like many other cities and a town in the Commonwealth of Massachusetts, Wakefield has a lower residential tax rate and a higher commercial tax rate.

**What is Proposition 2 ½ and how does it affect my taxes?**

This initiative was adopted by Massachusetts voters in 1980. It limits the amount of taxes to be raised by a community by 2 ½ percent of what it raised last year plus certain exceptions for new growth or overrides and exclusions as adopted by voters. This limitation does not apply to individual tax bills therefore increases can and may be greater than 2 ½ percent.

**What if I disagree with the valuation of my property?**

If you disagree with the valuation of your property, you may file an application for abatement with the Board of Assessors. An abatement is a reduction of property taxes based upon a reduction in the assessed value of taxable property.

Taxpayers can file on any reason including overvaluation, disproportionate assessment, improper classification or tax exemption based on use. Valuation will be determined by both an interior inspection of the property and market conditions as of January 1. For more details, please see the link on the assessing page entitled General Abatement Information.