

Sandwich Assessing Department
Frequently Asked Questions – Taxation Issues

Mailing Address: 100 Route 6a Sandwich, MA 02563

Phone: 508-888-0157 **Fax:** 508-833-8098

Business Hours: Monday-Friday 8:30 – 4:30

How is the Assessing Department involved regarding areas of taxation?

Real Estate, Personal Property, Motor Vehicle Excise, Boat Excise

The assessors are required by Massachusetts law to value all real and personal property within the town. The legal standard is that all property, from the smallest condominium to the largest commercial property, is assessed at its “full and fair market value”. This is done to ensure that all taxpayers only pay their fair share of the cost of local government.

Assessors also have the responsibility of issuing motor vehicle excise tax assessments, originated by the State Registry of Motor Vehicles, and boat excise assessments, generated at the local level. Assessors also administer water, street and sewer betterments generated by other municipal departments. Also assessors must review and process personal exemptions which is a form of tax credits for qualified tax payers.

Assessors have a major role in promoting effective financial management in the town. Real estate and motor vehicle excise tax levies account for a majority of the funds available to the municipality to provide necessary services. Efficient and effective assessment practices result in predictable tax levies which is essential to maintaining adequate and sufficient cash flow for the town. Assessors DO NOT determine the budget raised each Fiscal Year to fund town services and debt. That is done each year through the budget and town meeting processes.

What are the Fiscal 2023 Tax Rates?

Town – \$11.50 per 1,000

Sandwich Water District - \$.46 per 1,000

North Sagamore Water - \$.76 per 1,000

Community Preservation Act - 2% of the Town tax

Wastewater Infrastructure Investment Fund - 2% of the Town tax

How do Assessors Determine value?

The assessors are required by Massachusetts law to value all real and personal property at its “full and fair market value”, the amount a knowledgeable, willing buyer would pay a knowledgeable, willing seller on an open market (also called an “arms-length” sale). Usually, sales such as foreclosure sales, “short” sales, intra-family sales, and estate sales do not meet the above noted definition, although they are reviewed for potential acceptance as “arms-length”.

Assessors first inspect each property to record specific features of the land and buildings that contribute to the property’s overall value. Size, type, and quality of construction, number of rooms, baths, fireplaces, type of heating – all are examples of the data listed on individual property record cards. Each structure in town must be inspected at least once every nine years to verify the data on the record cards.

Finding the “full and fair market value” of a property involves discovering what similar properties are selling for on the open market. Assessors physically inspect all properties that sell to make sure the data used to assess the properties is correct. The assessed values are then compared to the sale prices of the properties. Adjustments are then made to the value tables. This process continues until the resulting assessed values approximate the sale prices. A statistical analysis is then conducted on the ratio of the new assessed values to the sales prices to ensure that the new values meet acceptable tolerance levels for all property types and sizes. Valuation techniques for commercial and industrial properties also include analysis from an investor’s point of view, since the purchase price a buyer is willing to pay depends to a large extent on the return (profit) they expect to receive. When the statistical analysis confirms that the revised values represent the fair market value of the properties that sold the new value tables are applied to all the properties in the town. The revised values then fairly and equitably reflect the market value for all the properties in the town.

Assessors do not create value. Their responsibility is to discover, analyze, and reflect the value changes that are occurring in the market place.

How can assessments go up or down when nothing has been done to the property?

The Massachusetts Department of Revenue (DOR) audits the assessors every fifth year. The purpose of the audit is to verify that the assessors are using correct mass appraisal methodology and its values reflect the “full and fair market value” of all property. When the DOR is satisfied that the assessor’s methodology is correct and its values reflect full and fair market value of all property it certifies the values as being accurate and the community is allowed to issue tax bills.

Although the DOR certifies assessment programs every five years, general law states that assessments should represent the fair market value of all property every year. Accordingly the assessors began a policy of making annual revisions of their assessments starting in FY 1991. The methodology and standards used to make these adjustments are the same as those used for the three year recertification audit.

Assessments must correctly reflect the value of property on January 1 of the **PRIOR** calendar year for each Fiscal year. For example, for **Fiscal Year 2023**, the valuation date, by law, would be **January 1, 2022**, and would entail a review of **calendar year 2021 sales**.

Rising or falling (or both, by area of town) market values of real estate in the town will be reflected by generally rising or falling (or both, by area of town) assessments. Real estate values are in a constant state of flux. The relative values of properties **do not** all change at the same rate. For instance waterfront properties generally react differently in the market than non-waterfront properties. This has been particularly true of real estate on Cape Cod the last several years. Changes of individual assessments reflect the changes in the real estate market.

How to decipher a tax bill?

The Town Tax Bill is broken into 4 quarterly payments. Q1 and Q2, which are due August 1st and November 1st, respectively; they are **Preliminary Taxes**; and Q3 and Q4, which are due February 1st and May 1st, respectively, are **Actual Taxes**. Tax billing is done following state laws. The chapter specifically covering tax bills is MGL 60:3, 3A.

Town Tax Rates and new Property Values are always set in December following state law and appear on the Q3 and Q4 Actual tax bill.

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One common error that is made is people receive their Q3 bill and multiply that amount by 4 and think their yearly bill has gone up more than it has, ***YOU CAN'T DO THAT***. You must remember that you have already paid the Q1 and Q2 tax bills. The Preliminary bills are an estimated bill based on last fiscal years tax rate and value and are typically lower. It's simply 50% of the total prior year bill. Example: If you had a total bill of \$5,000 for the prior fiscal year, your Q1 and Q2 tax bills will be \$1,250 per quarter.

Prior Year Total: \$5,000

50%: $\$5,000/2=\$2,500$

Q1 & Q2: $\$2,500/2= \$1,250$ per quarter.

The Actual taxes are based on the new value and the new tax rate for the current fiscal year.

Due to some abatements and/or exemptions that some people receive on their tax bills, their bills will be somewhat different than the explanation above. In even less occurrences, new construction, or recently divided properties, these bills can be different than the explanation above.

As a resident of Sandwich, do I qualify for any Real Estate tax relief?

As a resident of the Town of Sandwich, you may qualify for a ***tax exemption***. An exemption releases an individual from the requirement to pay all or a fraction of his/her property tax obligations. Exemptions may be available to those individuals that meet the various requirements in the following categories:

— **Elderly (Clause 41C)** - If you are Married, over 65, have assets below \$57,053 (excluding the value of your domicile), and your total income is less than \$31,120 (plus \$7,802 if you receive income from social security) or if you are Single, over 65, and have assets less than \$41,493 (excluding the value of your domicile) and income less than \$20,746 (plus \$5,201 if you receive income from social security), you may qualify for an elderly exemption. The amount of this exemption can be up to \$1,000.00 from your Town property tax, plus up to \$500.00 on your water district tax, if applicable. You should contact the Assessor's Office or Senior Center for more information.

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- **Blind (Clause 37)** -- If you are declared legally blind with the MA Commission for the Blind as of July 1st, you may qualify for a blind exemption.

- **Disabled Veteran/Surviving Spouse (Clauses 22 or 17D (various))**--If you are a disabled veteran with at least a 10 percent disablement or a surviving spouse of a disabled veteran, you may qualify for a veteran's exemption. You may also qualify based upon the awarding of certain Military awards (Purple Heart, Medal of Honor, Distinguished Service Cross, Air Force Cross, Navy Cross). You may wish to contact the Assessor's Office if you feel you qualify for this exemption.

- **Surviving Spouse/Minor Child(ren) of Police or Firefighter Killed in the Line of Duty (Clause 42 or 43)** -You may wish to contact the Assessor's Office if you feel you qualify for this exemption.

How do I change the mailing address on my tax bill(s)?

To change real estate or personal property mailing addresses: Submit changes or corrections **in writing** to the Assessor's Office via mail or email to assessing@sandwichmass.org, or in person during normal business hours.

To insure accuracy, please include the Parcel ID (map and lot), property location, current owner of record, and new mailing address. All requests must be signed and dated.

After a transfer of property, if you do NOT change your address with the Assessing department, we must use the address that is indicated on the transfer document.

To change your mailing address for your boat excise: Submit your request in writing,

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making sure to include your bill number, age, length & description of boat, and your new mailing address.

To change your mailing address for your auto excise: You must contact the Registry of Motor Vehicles, who maintains that information.

There has been a change of ownership. How do I correct the name(s) on my tax bill?

In order to change a name or trustee's name on a real estate tax bill, the Assessor's Office must receive a copy of a recorded deed or newly recorded trustee document filed at the Barnstable County Registry of Deeds or Land Court.

In order to remove a decedent's name from a real estate tax bill, the Assessor's Office requires a recorded copy of a Death Certificate or Inheritance Tax Release of Lien. The process of probating a will often times take years. The Assessor's Office will make the change once the probate has been finalized. If you feel a probate has been completed and the Assessor's Office has not changed the title, please contact the Assessor's Office.

In the event your name has changed, please provide the Assessor's Office with the appropriately recorded document(s) from the Registry of Deeds or Land Court.

Why is the former owner's name still on my Real Estate/Personal Property tax bill?

This often confuses new owners, but Chapter 59, Section 11, of the Massachusetts General Law reads, "Taxes on real estate shall be assessed, in the town where it lies, to the person who is the owner on January first....." ". For example, for ***Fiscal Year 2023***, the legal assessment and ownership date, by law, would be ***January 1, 2022***.

The tax bill will carry the January first owner(s) name throughout the entire subsequent fiscal year. The former owners' name will be replaced by the new owner(s) name once the fiscal year has run its cycle.

I don't have this vehicle anymore. Do I still have to pay this bill?

You may be entitled to receive motor vehicle abatement on your auto excise. In order to apply for a Motor Vehicle Excise Tax Abatement, first wait until you receive the bill, then contact our office. At that time the Assessors will require proof from you that you disposed of the motor vehicle (or trailer) **and** the registration plate.

Following is a list of various reasons that would entitle you to an abatement. In order for an abatement to be granted, you must provide the Assessor's Office with a copy of your Plate Return Receipt or new Registration from the Registry of Motor Vehicles AND...

You Traded or Sold the Vehicle: Provide a bill of transfer or sale, or the name and address of the party who purchased/received the vehicle.

The Vehicle was Junked or Repossessed: Provide a copy of the junk yard receipt or letter from the finance company stating when the vehicle was taken.

The Vehicle is a Total Loss: Provide a letter from your insurance company showing the date.

The Vehicle was Stolen: Provide a letter from your insurance company showing the date of settlement or a police report.

The Vehicle was Registered in Another State: Provide a copy of the Out of State Registration.

The Vehicle was Registered in Another Town in Massachusetts: Your excise tax is due in the city or town in which your vehicle is primarily garaged on January 1st. If you moved prior to January 1st, provide a copy of your current registration showing your new address as of January 1st. It is required that you provide the Assessors with a copy of the Plate Return Receipt from the Registry of Motor Vehicles; or if the plate was transferred to another vehicle, a copy of the new registration.

Please note, that:

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The minimum motor vehicle excise tax shall be \$5.00;

No abatement shall reduce the motor vehicle excise tax to less than \$5.00;

No abatement shall be issued on a motor vehicle excise tax bill for less than \$5.00;

No abatement shall be granted on a registration that is cancelled in the month of December;
and

Cancellation of license plate alone does not warrant an abatement of motor vehicle excise tax. If you are still in possession of the vehicle, you owe the tax through the end of the calendar year.

Some further notes:

All vehicles registered as of January 1st will receive a tax bill from the community in which your vehicle is garaged. You determine this at the time you register your vehicle.

If you move during the year to another city or town, **it is the taxpayer's responsibility** to change his/her **mailing address and vehicle's place of garaging with the Registry of Motor Vehicles prior to January 1st**, so that your future tax bills reach you at your new address.

To cancel the registration on any motor vehicle, the plates must be returned to the Registry of Motor Vehicles. If lost or stolen, you must contact the Registry of Motor Vehicles at (857) 368-8180.

Filing for abatement does not remove the taxpayer's obligation from paying the taxes. To avoid charges and penalties, you should pay your tax and then file for your abatement. A refund will follow, if granted.

I sold my boat. What shall I do about my boat excise bill?

When you sell your boat, you may be entitled to receive abatement. In order to apply for a Motor Vessel Excise Tax Abatement, the Assessors will require proof that you disposed of the boat. Also your boat registration MS# should be canceled with the MA Environmental Police Registration & Titling Bureau.

If any of the following apply:

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You Traded or Sold Your Boat: You'll want to provide the assessors with a copy of the dealer's invoice showing the trade-in; or if a private sale, a copy of the bill of sale.

You Registered your Boat in Another State: You'll want to provide the assessors with a copy of the Out of State Registration.

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