

## **You're Questioning your Property's Assessed Value:**

### **How do Assessors determine my value?**

The assessors are required by Massachusetts law to value all real and personal property at 100% of its "full and fair market value", the amount a knowledgeable and willing buyer would pay a knowledgeable and willing seller on an open market, as evidenced by completed sales that are recorded at the Barnstable Registry of Deeds. In other words, if you decided to sell your property, you would not normally accept less than what you believe it is worth nor would a buyer pay more than they think it is worth to them and each of you has the freedom to say no to the deal and buy or sell elsewhere. These are the types of verified market sales that the assessor's office uses to set values and they don't include bank sales, short sales, foreclosure sales or other distressed sales, although these sales do influence the market when they occur in large numbers. In establishing value, assessors first inspect each property to record all the features of the land and buildings that contribute to, or detract from, the property's overall value. Building style, livable area, quality of construction, number of rooms, baths, fireplaces, extra features like pools and detached garages – all are examples of the data collected. This data is combined with the costs of buying land and then calculated with the current costs to build all the features on the property to establish a replacement value. Finally, the costs of building are depreciated for age and condition to arrive at an initial mass appraisal value. In other words, we do our "homework" before establishing your value. We then adjust that "cost" value within a range of what completed valid local sales indicate each property should sell for.

### **I haven't done anything to my property so, why does it increase in value?**

Finding the "full and fair market value" of a property involves discovering what similar properties to yours are selling for on the open market. When home prices increase, just like gasoline or groceries, the taxable value increases. No improvement at all needs to be done to the property for this to happen, nor does your property need to deteriorate to see the value drop in a slumping real estate market.

### **Why do my taxes go up?**

The assessing office's responsibility is to discover and analyze the value changes that are occurring in the market place and then apply those changes to property values for taxation purposes. Your taxes are computed based upon the required funding for the town services in any one year that aren't funded from other sources and then that funding (the tax levy) is divided by the total taxable value of the town's property to establish the tax rate. A reduction in taxable value does not necessarily mean a reduction in taxes, just that there may be less total town value over which to spread the tax levy. When the town's taxable value goes down but the tax levy goes up, or even stays the same, the tax rate will always go up.

### **What do I need to submit to be considered for an abatement?**

Unless your property has data errors that have resulted in a higher value than it should have, the evidence must be in the form of sales of similar properties in a similar location; or, if you own an income-producing property, in the form of 3 complete years of your actual income and expense data showing a net operating income result each year, without subtracting depreciation, debt service or taxes. The sales must also come from the same time period that the assessing department had to use to establish the values.

For FY17, sales from 1/1/2015 through 12/31/2015 were used to set values for residential homes & condominiums. Commercial, industrial, mixed-use & vacant land sales were taken from 1/1/2014 through 12/31/2015 due to the low number of sales in 2015. Sales outside of those dates ARE NOT ALLOWED as abatement evidence since the assessor did not have those sales to use to set the FY17 values, especially sales in 2016. Sales from 2016 will be used to set tax values in FY2018, next year.

A minimum of 3 similar property sales is best. DO NOT single out the land value or any single improvement value for reduction alone. No developed property, including yours, is sold without all elements included and only the ENTIRE value of the property will be considered. Also, *land value cannot be compared on a per-square-foot basis*. The primary value in a lot is in whether it can be built upon or not. As a result, smaller, buildable lots will always be higher on a per-square-foot basis than larger lots will be, just like smaller houses will have higher per-square-foot costs to build than larger houses of the same style. Your chosen sales should support the total taxable value of your property. Once you have chosen your sales, you must also submit your opinion of value that you wish the Board of Assessors to consider. If no opinion of value is included, or is not supported by sales, it is almost certain you will receive a denial because once assessments are approved by the Department of Revenue each year, they are deemed legally correct and the burden of proof to establish otherwise is on the taxpayer.

#### **If I've filed an abatement, when will I find out the result?**

The Board of Assessors has 3 months from the date you submit your abatement application to make a determination. If you feel you have additional evidence that was not included with your original abatement filing for some reason, you may request in writing to attend the Board Meeting where your abatement is scheduled to be heard, however, a personal appearance before the Board to rehash evidence already submitted seldom results in a different decision. The Board will allow 10-15 minutes per taxpayer to present additional evidence but they will not render a decision to you at the meeting. Notice of the decision will be sent like all other abatement requests. Once they've decided, the assessing staff has 10 days from the date of the decision to mail a notice of their decision to the taxpayer.

#### **What if I'm not satisfied with the Board's decision?**

If you feel you have not gotten a fair review of your property's value by the Board of Assessors, you may further appeal the valuation to the Appellate Tax Board (ATB), which requires a filing fee. The instructions for filing such an appeal will be outlined on the certificate form mailed to you after the Board's decision is made. All hearings with the ATB take place at 100 Commonwealth Avenue in Boston and usually will take approximately a year to be scheduled from your application. The same type of evidence that the Board of Assessors requires will also be required for the ATB's consideration.

**Important Filing Information: All abatements must be postmarked or clocked into the Assessor's office by February 1, 2017 at 4:30 PM; otherwise, the Board of Assessors has no legal authority to consider your application. FedEx, UPS or other delivery service date stamps are not legal postmarks by state law. Abatements mailed in to the Collector's office with tax bill payments that do not reach the Assessor's office by the deadline date and time are also late and cannot be legally considered by**

**the Board of Assessors. The Board of Assessors has no discretion to consider an abatement that is not legally filed.**