

# **Real Estate and Personal Property Abatement Procedures**

**FILING DEADLINE – THURSDAY, FEBRUARY 1, 2024**

Link to [Abatement Application](#)

## **How to File For an Abatement**

### **Introduction**

The calendar year 2023 is drawing to a close and the Town will be mailing its actual tax bills (i.e. 3<sup>rd</sup> quarter) for the Fiscal Year 2024 property taxes. Questions may arise from concerned taxpayers that need to be addressed. At this time of the year, after the new values, new tax rates, and in anticipation of moderately increased tax bills, questions center on abatements and filing for relief. In any mass appraisal, errors can appear that affect value; such as an error in measuring the building, or the inclusion in the descriptive data of items which do not exist, or the misstatement of location or area attributes. Massachusetts General Laws provide the taxpayer an opportunity to contest an assessed value on a specific parcel. The following is a description of the abatement process, including when to file and what to do to increase the likelihood that abatement will be granted.

### **What if I disagree with the assessed value of my property?**

If you believe that your property is over-assessed based on calendar year **2022 sales**, not assessed fairly in comparison to other properties, or that it is not classified correctly, you have the right to file for an abatement of taxes. An application must be filed with the Assessors Office. Applications are available at the Assessors Office and on-line. In filing an abatement application, you will want to be specific about why you disagree with your assessment. Is there some misinformation on your property record card? Did you find values of comparable properties lower than your property? Please provide us with all the necessary information to support your position on valuation.

A taxpayer should file an abatement application only if they have a reason to file. Good reasons include: inaccurately measured improvements, data errors, additions that do not exist, detached structures such as sheds and pools which have been removed, lack of equitability in valuation. Some reasons for filing do not fall into the good category: not being pleased with the value estimate, being unhappy with value changes, whether up or down, or displeasure with the taxes.

### **When can I apply for abatement on my Real Estate or Personal Property?**

Once the ACTUAL TAX bills (3rd installment of Quarterly Billing) are MAILED, you will have until the due date of the 3rd installment (**February 1, 2024**) to file an abatement application with the Assessor's Office. Please note that the Board of Assessors may only consider an application for an abatement that has been filed with the Assessor's Office in a timely manner. (**2/1/24**).

## **THE BASICS**

### **1. VALUATION**

Most people think that it is the change in overall values that affects the tax bill. That is not the case. In actuality, values on all single-family dwellings could decrease or increase in value; but as long as the tax levy for the Town stays the same, the individual tax bills on each property would change based on the new tax rate per thousand. It is the Town's need to raise money to provide services to the taxpayers that establishes the tax burden on the entire Town, the estimated market values of individual dwellings and new tax rate allocates that burden to the individual taxpayer.

The assessed value of a property rests strongly on two principles, that of market value and equitability.

Market value is defined as the value that a property would most likely bring in an open market, with proper exposure, both buyer and seller being knowledgeable and operating in their own best interest, and that consideration is made in cash or its equivalent. Market value can be estimated by three approaches: sales comparison, cost, and income. The Sales Comparison Approach relies on sales of similar properties and relates best to the valuation of residential homes and single occupant commercial properties. The Income Approach relies on the conversion of market rent to an indication of value. It relates best to valuing multi-tenanted commercial and residential buildings. The Cost Approach relies on the anticipated cost to build new, less depreciation from all sources: physical, functional and economic obsolescence. It relates best to parcels with improvements that are new or nearly new, or to special-purpose properties such as utilities.

Equitability is also a strong component of municipal valuation or assessing. In order to be taxed fairly, similar homes must be valued in a similar fashion.

### **2. WHY SHOULD A TAXPAYER FILE AN ABATEMENT APPLICATION?**

A taxpayer should file an abatement application only if they have a reason to file. Good reasons include: inaccurately measured improvements, data errors, additions that do not exist, detached structures such as sheds and pools which have been removed, lack of equitability in valuation. Some reasons for filing do not fall into the good category: not being pleased with the value estimate, being unhappy with value changes, whether up or down, or displeasure with the tax rate.

### **3. INVESTIGATION IS AN IMPORTANT STEP**

If a person thinks that they are being unfairly assessed, then they should investigate.

- Research assessed values on similar dwellings in the area. Comparability is extremely important. If a lot is improved with a Cape-style dwelling, for example, the values of other similar Capes in the area should be investigated. Values of ranches would be inappropriate when valuing a Cape, for instance, because it is impossible to know how the value of a ranch relates to the value of a Cape.
- Ask for a copy of your Property Record Card and check the data on the card. If disparities exist, contact the assessing manager and set up an appointment to have the property inspected. There are over 10,000 parcels in the Town. As careful as researchers and data entry people try to be, mistakes can be made that can affect value. It is up to the taxpayer to check the accuracy of this information and file for abatement if it is appropriate. It should be noted that not all fields affect value and that if an error is found then the accuracy of the entire card will need to be rechecked by a member of the Assessor's office.
- Check the sales of comparable properties in the area. Again, it is extremely important to research only the sales of truly comparable homes during the period being considered. The Fiscal Year 2024 assessed values are based on sales that occurred during Calendar Year 2022.
- Often, the sale of the taxpayer's home can be used as support for a change in value, if it occurred during the appropriate time frame. It must be an arm's length transaction; i.e. not a sale between relatives, not a sale between divisions of the same corporation, not a sale under duress. It must reflect normal market conditions. The sale of the taxpayer's home can also be a double-edged sword when the recent sale of the property is higher than its assessed value. Abatements are denied every year when the person filing fails to recognize that they purchased the property for a price in excess of the assessed value or the owner's stated opinion of the assessed value.

If the reason an application for abatement is being filed is for OVERVALUATION, it should be based on one of two reasons:

1. Sales of properties with very similar characteristics such as location, lot size, structure size, type, age, and condition that have occurred reasonably close to January 1, the assessment date, indicate your property is incorrectly valued.
2. Assessed Values of properties with very similar characteristics (as listed above), that indicate that your property is incorrectly valued.

In order to substantiate your abatement request for OVERVALUATION, it is important to offer supporting data.

Comparable properties ("comps") should be identified. "Comps" can be listed in the explanation section of the abatement application and attachments may be included.

**IMPORTANT:** Be sure to use “comparable” properties that have very similar characteristics to your own.

All sales data and valuations of all property in town can be found at the Assessor's Office and on the Assessor page on the Walpole web site. In addition, the records of all the characteristics of your parcel, and all other properties, are available through the public information computer terminal in the Assessor's office. If you have any difficulties using this terminal, we will assist you in finding any property you are interested in.

## **FILING AN ABATEMENT APPLICATION**

### **1. FILING DATE**

For Fiscal Year 2024, the filing deadline for an abatement application is February 1, 2024, at 4:00 PM. This deadline cannot be extended or waived by the Board of Assessors for any reason. The Abatement Application must be filed timely for the Board to have the authority to act on it. Applications are filed timely when (1) received by the Board of Assessors on or before the filing deadline; or (2) mailed by U.S. Mail, first class postage prepaid, to the proper address of the Board of Assessors, on or before the filing deadline, as shown by a **postmark made by the United States Postal Service**. If an application is not filed timely, you lose all rights to abatement and the Board of Assessors cannot by law grant abatement.

### **2. FILING FORM**

The correct form is **STATE TAX FORM 128** titled: **APPLICATION FOR ABATEMENT OF REAL PROPERTY TAX/PERSONAL PROPERTY TAX**.

This form is available on the Walpole Assessors Department Web Site.

The Assessor's office also has copies of applications for abatement available upon request. Abatement forms can be mailed to taxpayers if the request is made in writing and accompanied by a self-addressed, stamped envelope.

It is self-explanatory. Always supply the reasons for the request, as well as your opinion of market value, with the data that supports your opinion. **The burden of proof for abatement is the responsibility of the taxpayer.** The more supporting data supplied to the Assessor's office with the application, the more likely that an application will be considered. Abatement applications that are filed without supporting data are often denied with little or no consideration.

### **3. TIME FRAMES**

All applications for abatement must be acted upon within three months (12 weeks) after the date that the application is filed, unless the Board of Assessors and the taxpayer agree to an extension in writing. All applications that are not acted upon within three months and are not extended, are “deemed denied”. Deemed denied is another way of saying assumed to be denied, or denied without comment. It is extremely important to note the time when the abatement application is filed and contact the Assessor’s office if notification of a decision is not received within ten weeks of filing.

If the Board of Assessors needs to inspect the property in question or need more information, they will make a request to the taxpayer, either by telephone or in writing. **The taxpayer must respond to such requests within thirty days.** If there is no response to a request within the allotted time period, it may jeopardize the application or any subsequent appeal.

### **4. THE RIGHT TO APPEAL**

If an abatement application is denied or if the Board of Assessors grants abatement with which the taxpayer disagrees, then the taxpayer may appeal the decision of the Board of Assessors to the Appellate Tax Board in Boston. All appeals must be filed with the Appellate Tax Board within three months of the date of decision of the Board of Assessors. The Appellate Tax Board operates like a court of law with a hearing officer and sworn testimony. The tax payer (the appellant) must present a convincing case before a hearing officer with support of value conclusions.

### **5. CONCLUSION**

Abatement applications afford the taxpayer the ability to voice their concerns regarding the value of their property. The application should be filed if taxpayers have a strong conviction that they are being unfairly burdened and can adequately prove their position. The abatement process is necessary to insure that properties are valued fairly and that no one is being unfairly taxed. It is the intention of the Board of Assessors to listen to and resolve all reasonable requests that are well documented.