## Average homeowner in Mass. to see taxes rise 4%



## **By Matt Rocheleau**

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Property taxes are on the rise in Massachusetts, with the average bill on a single-family home increasing by about \$206 this year, as home assessments and the cost of services by cities and towns continue to go up.

The average property tax bill for a single-family home this year is \$5,438, or 3.9 percent higher than last year's average of \$5,232, according to a Globe analysis of 328 of the state's 351 communities for which comparable data were available.

The average assessed value of a single-family home in those communities has risen a similar amount, about 3.8 percent, to \$383,606.

Forty-six of the 328 communities can expect bills to increase on average by 6 percent or more, the Globe review found.

Statewide, increases range from less than 1 percent in more than a dozen communities to as much as 17 percent in the city of Chelsea; or from as little as \$3 in Bridgewater to as much as \$825 in Brookline.

Boston homeowners will see a \$15 increase in their bills on average. Among other nearby communities, bills in Lexington will rise, on average, by \$764; in Newton by \$637; in Somerville by \$166; and in Cambridge by \$29.

The average bill is decreasing in just 16 municipalities. Ten other communities have not set their tax rates.

The widespread increases are part of a long-running trend.

Years of declining state aid coupled with rising costs have squeezed the budgets of communities across the state, said Geoff Beckwith, executive director of the Massachusetts Municipal Association, which represents cities and towns.

"How do they make up the difference? On the property tax," said Beckwith. He said communities have done their best to lessen the impact, but "without more local aid and a more robust economy, the pressure on the property tax will continue to grow."

Others offer a different prescription: cut spending.

How much is your property tax bill going up?

A look at changes in average single family tax bills between 2015 and 2016. Most municipalities are seeing increases. Statewide, the bills are rising by roughly \$200, on average.



"Our state government and local government doesn't have a revenue problem. It has a spending problem," said Paul D. Craney, executive director of the conservative advocacy group Massachusetts Fiscal Alliance. "I'm not surprised that the taxes are going up, and they're going to continue to increase until spending is reined in."

Since 2006, the increase in property taxes has far outpaced the increase in property values, with average bills rising 42 percent while property values have dropped 0.7 percent, according to the Globe's analysis of 328 towns and cities.

Massachusetts Division of Local Services, local assessors

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"Most communities raise taxes . . . despite the fact that property values may have gone down or inflation may have been nonexistent," said Eileen McAnneny, president of the business-backed Massachusetts Taxpayers Foundation.

The Globe's analysis excluded the 10 municipalities that have not set their tax rates and 13 other communities that aren't required to submit detailed figures to the state because they offer a special discount, known as a residential exemption, to people who live in homes they own.

Those 13 municipalities include Boston, Cambridge, Somerville, Waltham, Malden, Brookline, Everett, Chelsea, and Watertown.

However, the Globe collected figures for the average bill for residents who receive the exemption in each of those 13 communities. In all of them, property owners are seeing their bills rise, though the magnitude of the increases varied.

Mary-Lou Ireland, director of assessing in Chelsea, attributed the city's increase in tax bills to a rise in home values and new development in the city, which gives municipalities more leeway to increase property taxes. Single-family home assessments there rose by 16.8 percent this year after a 14.4 percent jump last year, according to figures provided by the city.

"The market in Chelsea went up last year and is continuing along that same path this year," she said. And, "there is a lot of development taking place here."

Recent projects include construction of several new hotels and large apartment complexes, she said.

In Bridgewater, the average bill increased by only \$3, or by less than 1/10th of 1 percent. Town manager Michael Dutton said the town recently paid off a large chunk of debt, leftover primarily from school projects, and has taken a conservative approach to spending. Those factors have offset a rise in new construction and property values, at least for now.

"We're certainly seeing a little bit of a bump in housing prices and I expect that to continue, so residents will see a little bit of a bump [in their bills] next year or maybe not until the year after, but it won't be major," said Dutton.

"Overall, I think nobody likes to pay taxes, but we try to keep residents up to speed on what their tax bills are going to look like, and we try to make sure people understand the service that the taxes are paying for in return," he added.

Beckwith, the municipal association president, said that "while property tax isn't increasing as fast as it was before the recession, communities' reliance on the property tax is still growing."

Cities and towns "are more reliant on the property tax than at any point since 1980," he said.

The state boosted local aid by \$34 million for the current budget year, which began in July.

"Governor Baker does not support tax increases on hard-working families and was pleased to sign a balanced budget last year with the largest local aid increase in nearly a decade," the governor's spokeswoman, Elizabeth Guyton, said in a statement.

Still, local aid is more than \$300 million lower than it was in 2008, Beckwith said.

Meanwhile, he said, municipal costs, particularly for health care and education, have risen.

Beckwith said the high costs of clearing snow during the winter of 2015 strained municipal budgets, but, under a new state rule, communities are allowed to spread those snow and ice removal overruns into future fiscal years. And local governments are also using stabilization funds and other one-time revenues to pay off their snow-removal debt.

"My sense is that the winter of 2015 was a negative event fiscally, but is not driving property tax increases," he said.

Property tax increases are limited under the Proposition  $2\frac{1}{2}$  tax-limiting law, which passed in a statewide referendum in 1980. The law features a limit on property tax increases to  $2\frac{1}{2}$  percent of the total property taxes collected in a given community, with some exceptions, including for new construction. Voters can also override the limit.



The town of Wayland is one of the rare communities that will buck the trend and is seeing its property tax bills drop this year.

Even though property values rose, the average single-family tax bill there is decreasing by \$319, or 2.7 percent, to \$11,730.

Wayland's finance director, Brian Keveny, said that at the end of the last fiscal year, the town found itself with several million dollars more than it expected and was thus able to lower the town's tax rate and homeowners' bills.

Marblehead homeowner and antitax activist Barbara Anderson, who led the fight for Proposition  $2\frac{1}{2}$ , said the law has taken on a personal meaning as she has gotten older.

"We were thinking a lot about senior citizens because they're on a fixed income and they were having a hard time keeping up with affording the taxes," she explained.

Now that she and other architects of the law are "senior citizens on a fixed income, we're laughing because we're sure glad we did this," said Anderson. "It really does help."

## Average single family tax bills in Massachusetts

	Search:					
Municipality	2016 bill	2015 bill	Change	% change	Residential exemption	

SOURCE: Massachusetts Division of Local Services, local assessors

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