

Supplemental Tax Assessment

What is a Supplemental Tax Assessment?

Massachusetts State law – MGL Chapter 59, Section 2D, requires that the Town assess and issue a supplemental tax bill on construction during the tax year whenever the following conditions are met:

1. A temporary or permanent certificate of occupancy is issued during the tax year

AND
2. The value of the construction increases the assessed value of the property by more than 50%.

How is the Supplemental Tax computed?

1. The Board of Assessors reviews and establishes a value for your property as of the date of the Certificate of Occupancy (“CO”). The value is arrived at using the same parameters as all other assessed values in Concord.
2. Your current assessed value is subtracted from your new assessed value leaving the difference. The difference is then used to calculate the additional tax due pro-rated for the time period from the date of the “CO” through the end of the Fiscal Year.

For Example:

Original Assessed Value a/o June 30, 2014:	\$ 296,500
New Total Assessed Value:	\$ 839,500
Difference in Value	\$ 543,000

Original Fy2015 Taxes:	\$ 4,236.99
New Fy2014 Taxes:	\$11,996.46

Date of “CO”:	March 5, 2015
Days from “CO” to June 30, 2015:	118

$\$543,000 \times \$14.29(\text{Fy15 Tax Rate}) = \$7,759.47/365 = \$21.26 \times 118 = \mathbf{\$2,508.54}$

$\$2,508.54 = \text{Supplemental Tax that would be due.}$

3. Your supplemental tax bill is then issued and is due and payable within 30 days of issuance.
4. You also have the right to appeal the new value by filing an abatement application no later than the due date of the tax.