



Town of Pepperell Select Board

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NOTICE OF HEARING

The Pepperell Select Board will hold a Public Hearing on the Classification of Taxable Real Property and the percentage of the local Property Tax Levy to be borne by each such class during the fiscal year ending June 30, 2023, on Monday, October 24, 2022 at 7:15 p.m. A comprehensive informational package regarding the Classification of Taxable Real Property may be reviewed at the town's website at <https://town.pepperell.ma.us/219/Assessments-Valuations>. The link for the meeting is <https://meet.goto.com/573660869> or you can dial in, +1 (571) 317-3122. The access code for the meeting is 573-660-869. All interested parties are invited to attend the public hearing in person or remotely and provide oral and/or written comments to the Select Board on or before October 14, 2022.

INFORMATION ON CLASSIFICATION OF TAXABLE REAL PROPERTY

The Pepperell Select Board will hold a Public Hearing on the Classification of Taxable Real Property and the percentage of the local Property Tax Levy to be borne by each such class of property in Pepperell on Monday, October 24, 2022 at 7:15 PM at the Pepperell Town Hall.

The Classification of Taxable Real Property is authorized by the so-called Classification amendment to the Massachusetts State Constitution. The Amendment was a direct response to a court decision in 1974 which ordered all 351 cities and towns in Massachusetts to value all of their taxable real property at 100% of its full and fair market value. Since many cities and towns, with a diverse mixture of properties, had established a practice of valuing Residential property at a lesser percentage of its full and fair market value than Industrial or Commercial property, the effect of this court decision was to shift the property tax burden away from Industrial and Commercial property and onto Residential properties. In larger cities in particular, the effect on Residential tax bills was dramatic and led to the passage of the Classification Amendment in 1980.

The history of assessment practices in Pepperell has been to maintain a uniform percentage of valuation of all properties, regardless of the type of use. Pepperell was one of the first communities in Massachusetts to comply with the court ordered revaluation program in 1976, moving the values of all its taxable real property to 100% valuation (full and fair market value).

As of 1993, the town re-valued taxable real property and will do so, beginning in 2017, every five (5) years to maintain the full and fair market values required by law as the starting point for equitable property tax policy in Massachusetts.

The same law requires that the Select Board hold a public hearing each year prior to the setting of the tax rate to allow residents the opportunity to present their views on whether and to what extent the Town should classify property and what percentage on the local property tax levy each should bear. In essence, the classification law allows a different tax rate for each of four classes of real property within specifically defined limits set by the Commonwealth of Massachusetts.

Tax law has important long-term consequences for a town and the local home rule option of the classification law reflects the fact that what may be appropriate for one community may not be appropriate for another, given different mixes of property uses, citizen attitudes and local land use policies.

The four different classes of property authorized by the classification law are:

Residential	Industrial
Commercial	Open Space

The Select Board encourages public participation in all matters of public interest and the Board welcomes both oral and written comments from residents and interested parties at the time of the hearing. At the hearing, a presentation will be made of all the data relevant to this

decision. For more information, contact the Select Board's or Assessor's offices during normal business hours.