

Massachusetts Department of Revenue *Division of Local Services*

Alan LeBovidge, Commissioner

Gerard D. Perry, Deputy Commissioner



Municipal Calendar

Monthly Guide for Local Officials

Introduction

The Division of Local Services has compiled this Municipal Calendar to help guide local officials through the fiscal year and to reinforce the financial team approach. The Calendar is a quick reference tool for new and experienced finance officials alike, providing information for key dates in the municipal fiscal cycle. The Calendar is intended to be used for several years. It will be reissued when date changes, additions or deletions necessitate a new publication. By highlighting the activities requiring interaction and coordination among different finance officials, this calendar is intended to assist the finance team in effective financial management.

We have also included the Cherry Sheet Payments Schedule at the end of the booklet. Please compare it with the annual publication of the Informational Guideline Release entitled "Payment Schedule for Cherry Sheet Programs" to note any changes that have occurred. This schedule describes the local action required, if any, to receive the various Cherry Sheet funds, along with information detailing when assessments will be deducted from local aid distributions.

We hope you find this Municipal Calendar useful and welcome your comments and suggestions.

For more information please call the Division of Local Services (DLS) at (617) 626-2300. Our Internet address is www.dls.state.ma.us

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Publication Notes

Exception to Due Dates

Massachusetts General Laws Chapter 4, Sec. 9 states that if the date for any statutory action or payment falls on a Sunday or legal holiday, that action may be performed or payment made on the next succeeding business day. This rule also applies to actions required by or payments due on a Saturday in those communities where public offices are permitted by city council or town meeting vote to remain closed on that date. M.G.L. Ch. 41, Sec. 110A.

Abbreviations

Below is a list of the abbreviations used in this Calendar and their corresponding definitions:

ATB	Appellate Tax Board
DOE	Department of Education
DOR	Department of Revenue
DOR/BLA	Bureau of Local Assessment
DOR/BOA	Bureau of Accounts
DOR/MDM-TAB	Municipal Data Management/Technical Assistance Bureau
EQV	Equalized Valuation Determined (even numbered years only)

Finally, please refer to the Appendix in the back of this Calendar for the following information:

- Cherry Sheet Programs Payment Schedule
- Cherry Sheet Assessments Schedule

Municipal Calendar

July

- 1 **Collector:** **Mail Preliminary Quarterly Tax Bill**
 - 15 **Accountant:** **Certification Date for Free Cash: Anytime after Books are Closed**
Two weeks after the close of a fiscal year, all accounts are closed out and the resulting balance sheet is submitted to DOR for certification. Free cash is certified any time after this date.
 - 15 **Assessors:** **Deadline for Appealing Commissioner's Pipeline Valuations to ATB**
 - 31 **Treasurer:** **File IRS Form 5500 (Report of Employee Benefit Plan)**
This is required if you provide a Fringe Benefit Plan giving Pre-Tax Insurance and/or Cafeteria Plan Benefits to employees and if that plan annually ends on December 31.
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Aug

- 1 **Taxpayer:** **Deadline for Paying 1st Quarterly Tax Payment**
M.G.L. Ch. 59, Sec. 57C; Deadline for Payment Without Interest
(if mailed before July 2)
- 1 **Taxpayer:** **Annual Boat Excise Return Due**
- 1 **Accountant:** **Notification of Total Receipts of Preceding Year**
The total actual local receipts (e.g., motor vehicle excise, fines, fees, water/sewer charges) of the previous fiscal year must be included on Schedule A of the Tax Rate Recapitulation Sheet (Recap) which is submitted by the Assessors to DOR. On the Recap, the Accountant certifies the previous fiscal year's actual revenues, and the Assessors use this information to project the next fiscal year's revenues. Any estimates of local receipts on the Recap that differ significantly from the previous year's actual receipts must be accompanied by documentation justifying the change in order to be approved by the Commissioner of Revenue.
- 15 **Assessors:** **Deadline to Vote to Seek Approval for Authorization to Issue Preliminary Tax Bills**
For communities issuing preliminary real and personal property tax bills on a twice-yearly (non-quarterly) basis, the Assessors must vote to seek tax notice authorization approval from DOR by this date. After receiving approval, Assessors must submit a Pro-forma Tax Rate Recap Sheet to DOR for review and issue the tax bills by October 1.
- 15 **Treasurer:** **4th Quarter Reconciliation of Cash for the Previous Fiscal Year (due 45 days after end of quarter)**
A reconciliation is the process of comparing the Treasurer's accounts to the Accountant's ledger balance to determine if they are consistent, and for the officials to make any necessary corrections. When the reconciliation is complete, the Accountant should indicate agreement with the Treasurer's balances. Reconciliations are required every quarter by DOR, but cities and towns should reconcile monthly for their own purposes. Municipalities may also use these reports to monitor cash practices of the Treasurer's office. If the Accountant and Treasurer are not consistently reconciling cash accounts, or if the reconciliations indicate variances, the Mayor or Selectmen should inquire as to the reasons.
- 31 **Taxpayer:** **Last Filing Day for Classified Forest Land, M.G.L. Ch. 61**
- 31 **DOR/BOA:** **Issue Instructions For Determining Local and District Tax Rates**
A copy of the Tax Rate Recap Sheet and its instructions are forwarded to the town.

31 Assessors: **Begin Work on Tax Rate Recapitulation Sheet (to set tax rate for semi-annual bills)**
 Until the Tax Rate Recap Sheet is completed and certified by the Commissioner of Revenue, the town may not set a tax rate nor send out its property tax bills (unless it issues quarterly tax bills or requests from DOR the authority to send out preliminary tax notices if DOR requirements are met). Towns should begin gathering the information in enough time for the tax rate to be set and tax bills mailed by October 1. The Tax Rate Recap Sheet provides Selectmen with a ready-made financial management tool because the town's most important financial management information is summarized on this form. The Selectmen should review the Recap Sheet in preliminary form in order to understand the following financial information:

Page 1 (Tax Rate Summary) — The proposed tax levy should be compared to the levy limit. If a town does not levy to its limit, the remaining levy is referred to as excess levy capacity. Excess levy capacity is lost to the town for the current fiscal year although it will always remain in the levy limit calculation.

Page 2 (Amount To Be Raised) — This section includes appropriations and other local expenditures not appropriated. These include overlay deficits, revenue deficits, state and county charges, Cherry Sheet offset items, and the allowance for abatements and exemptions. By comparing this information to the prior year(s), any significant changes can be determined.

Page 2 (Estimated Receipts & Revenues From Other Sources) — In particular, Section C shows the amount appropriated from free cash and other available funds. By comparing the amounts appropriated to the balances in these accounts (available from the Accountant), the Selectmen can get a sense of how their non-property tax revenues are being used.

Page 3, Schedule A (Local Receipts Not Allocated) — By comparing these figures to prior year(s), the Selectmen can determine any changes in these revenues.

Page 4, Schedule B (Certification of Appropriations and Source of Funding) — This section includes financial votes of Town Meeting not previously reported on last year's recap.

Sept

- 15 Treasurer/Collector:** **Compensating Balance Report**
 If compensating balance accounts were maintained during the prior fiscal year, a report and account analysis schedules are required.
- 15 Accountant/Superintendent/School Committee:** **Jointly Submit End of Year Report to the DOE**
 Schedule 1 — determines compliance with prior year Net School Spending requirement.
 Schedule 19 — determines compliance with current year Net School Spending requirement.
- 30 State Treasurer:** **Notification of Quarterly Local Aid Payments on or Before September 30**
 When local aid payments are transmitted to communities, the cover letter indicates what funds (e.g., Ch. 70, Lottery, Highway Fund) will be made available, less quarterly assessments (see Cherry Sheet attachment for details). The Town Treasurer should forward a copy of this letter to the Accountant for record keeping purposes.

Oct

- 1 **Collector:** **Mail First Semi-annual Tax Bills**
- 1 **Taxpayer:** **Last Date to File Application to Have Land Valued and Taxed as Agricultural/Horticultural Land or Recreational Land, M.G.L. Ch. 61A and Ch. 61B**
- 15 **DOE:** **Notify Communities of Any Prior Year School Spending Deficiencies**
- 15 **Superintendent:** **Submit School Foundation Enrollment Report to DOE**
- 31 **Accountant:** **Submit Schedule A for Prior Fiscal Year**
This report is a statement of the revenues received, expenditures made and all other transactions related to the town's finances during the previous fiscal year.

The Schedule A classifies revenues and expenditures into detailed categories that will provide information essential for an analysis of revenues and expenditures generated by various departments. This data, like other financial information reported to DOR, is entered into DOR's Municipal Data Bank; as such, the Department may provide time series, comparative and other types of analyses at the request of a city or town. This information is also sent to the US Census Bureau and eliminates a prior federal reporting requirement. Failure to file by October 31 may result in withholding major distributions of state aid until the Schedule A is accepted by BOA.
- 31 **Selectmen:** **Begin Establishing Next Fiscal Year Budget Guidelines and Request Department Budgets**
- 31 **Assessors:** **Begin Work on Tax Rate Recapitulation Sheet (to set tax rate for quarterly tax bill communities)**
The town should begin gathering tax recap information in order to have enough time for the tax rate to be set and tax bills mailed by December 31. See August's Complete Tax Rate Recapitulation Sheet.

Nov

- 1 **Taxpayer:** **Semi-annual Tax Bill — Deadline for First Payment**
According to M.G.L. Ch. 59, Sec. 57, this is the deadline for receipt of the first semi-annual tax bills or preliminary notices without interest, unless bills were mailed after October 1, in which case they are due 30 days after mailing.
- 1 **Taxpayer:** **Semi-annual Tax Bills — Application Deadline for Property Tax Abatement**
According to M.G.L. Ch. 59, Sec. 59, applications for abatements are due on Nov. 1 or 30 days after mailing, whichever is later, unless preliminary tax bills are issued. In that case, applications are due May 1, or 30 days after the actual tax bill mailing, whichever is later.
- 1 **Taxpayer:** **Quarterly Tax Bills — Deadline of 2nd Quarterly Tax Bill Without Interest**
- 1 **Treasurer:** **Deadline for Payment of First Half of County Tax**
- 15 **Treasurer:** **First Quarter Reconciliation of Cash (due 45 days after end of quarter)**
A reconciliation is the process of comparing the Treasurer's accounts to the Accountant's ledger balance to determine if they are consistent, and for the officials to make any necessary corrections. When the reconciliation is complete, the Accountant should indicate agreement with the Treasurer's balances. Reconciliations are required every quarter by DOR, but cities and towns should reconcile monthly for their own purposes. Municipalities may also use these reports to monitor cash practices of the Treasurer's office. If the

Accountant and Treasurer are not consistently reconciling cash accounts, or if the reconciliations indicate variances, the Mayor or Selectmen should inquire as to the reasons.

- 30 **Selectmen:** **Review Budgets Submitted by Department Heads**
This date will vary depending on dates of town meeting.

Dec

- 15 **Taxpayer:** **Deadline for Applying for Property Tax Exemptions for Persons**
If tax bills are mailed after September 15, taxpayers have 3 months from the mailing date to file applications for exemptions.
- 15 **Accountant/
Superintendent/
School
Committee:** **Submit Amendments to End of School Year Report to DOE**
Last filing date to impact next year's Chapter 70 State Aid.
- 31 **State Treasurer:** **Notification of Quarterly Local Aid Payments on or Before December 31**
- 31 **Taxpayer:** **Deadline for Filing Application for Abatement of Motor Vehicle Excise For Prior Calendar Year**
- 31 **Water/Sewer
Commissioners:** **Deadline for Betterments to be Included on Next Year's Tax Bill (M.G.L. Ch. 80, Sec. 13; Ch. 40, Sec. 42I and Ch. 83, Sec. 27)**
- 31 **Selectmen:** **Begin to Finalize Budget Recommendation for Review by Finance Committee**
- 31 **Assessors:** **Mail 3-ABC Forms to All Eligible Non-Profit Organizations**
- 31 **Collector:** **Deadline for Mailing Third Quarterly Tax Bill**

Jan

- 1 **Assessors:** **Property Tax Assessment Date**
This is the effective date (not for exemption purposes) for statewide assessed value for all property for the following fiscal year.
- 31 **Treasurer:** **File IRS Form 5500 (Report of Employee Benefit Plan)**
This is required if you provide a Fringe Benefit Plan giving Pre-Tax Insurance and/or Cafeteria Plan Benefits to employees and if that plan annually ends on June 30.

Feb

- 1 **Taxpayer:** **Deadline for Payment of 3rd Quarterly Tax Bill Without Interest**
(if mailed before January 1)
- 1 **Taxpayer:** **Quarterly Tax Bills — Application Deadline for Property Tax Abatement**
According to M.G.L. Ch. 59, Sec. 59, applications for abatements are due on Feb. 1 unless actual tax bills were mailed after December 31. In that case they are due May 1, or 30 days after mailing, whichever is later.
- 15 **Treasurer:** **2nd Quarter Reconciliation of Cash (due 45 days after end of quarter)**
- 28 **Finance
Committee:** **Continue Budget Review and Develop Recommendations.** This date will vary depending on dates of town meeting.

Mar**1 DOR/MDM-TAB: Notification of Cherry Sheet Estimates for the Following Year**

(pending action taken by the Legislature)

The Cherry Sheet is an estimate of: 1) Receipts — local reimbursement and assistance programs as authorized by law and appropriated by the General Court; and 2) Assessments — state and county assessments and charges to local governments. All amounts listed on the Cherry Sheet are *estimates*. Actual receipts and charges are determined based on detailed formulas or guidelines for each program. Copies are mailed to all financial officials. Municipalities that are also members of a regional school district receive a copy of the region's Cherry Sheet and analysis sheet.

1 DOE: Notify Communities of Estimated Net School Spending Requirement for the Next Year**1 Personal Property Owner: Submit Form of List**

This is a listing of all personal property filed by the owner with the Assessors each year for the purpose of determining taxes in the next fiscal year.

1 Non-Profit Organization: Final Filing Date for 3-ABC Forms

These must be filed on or before March 1 (this deadline may be extended by the Assessors). In no event should the forms be filed later than 30 days after the tax bill is mailed.

31 State Treasurer: Notification of Quarterly Local Aid Payment on or Before March 31

Apr**1 Collector: Mail 2nd Half Semi-annual Tax Bills**

May**1 Taxpayer: Deadline for Payment of Semi-annual and Quarterly Tax Bill Without Interest****1 Treasurer: Deadline for Payment of 2nd Half of County Tax****1 Accountant/Treasurer: Notification of Amount of Debt Due in Next Fiscal Year**

As required by M.G.L. Ch. 44, Sec. 28, the Accountant or Treasurer must notify the Assessors of all debt due in the next fiscal year because the town is required to pay its debts, appropriated or not.

Since all debt service must be paid, any debt service not covered by town meeting appropriations is added to the "Other Local Expenditures" category, found on page 2 of the Tax Recapitulation Sheet. It is important that the Assessors have this information in order to avoid setting a tax rate lower than required and raising insufficient revenue to cover the municipality's expenditures.

15 Treasurer: 3rd Quarterly Reconciliation of Cash (due 45 days after end of quarter)**15 DOR/BLA: Commissioner Determines and Certifies Telephone and Telegraph Company Valuations**

June**1 Clerk: Certification of Appropriations**

This is done after town meeting so the Accountant may set up accounts for each department in the municipality.

- 1 Assessors: Determine Valuation of Other Municipal or District Land**
In certain communities where land is owned by another community or district, the value of the land is determined by the Assessors in the year following a revaluation year, for in-lieu-of-tax payments.
- 1 DOR/BLA: Mail Proposed EQVs** (even numbered years only)
- 10 DOR/BLA: Public Hearing on Proposed EQVs** (even numbered years only)
- 15 DOR: Commissioner Determines and Certifies Pipeline Valuations**
- 15 Assessors: Deadline for Appealing Commissioner’s Telephone & Telegraph Valuations**
- 15 Assessors: Make Preliminary Quarterly Tax Commitment**
The preliminary tax commitment must be based on the prior year’s net tax on the property and may not exceed, with limited exceptions, 50% of that amount. This should be done early enough for the preliminary quarterly bills to be mailed by July 1.
- 20 Assessors: Final Date to Make Omitted or Revised Assessments**
As required by M.G.L. Ch. 59, Sections 75 and 76, if a property is inadvertently excluded or mistakenly under-assessed on the warrant for property taxes, it is the Assessors’ role to correct the mistake and assess the property correctly. Such an assessment may not be made later than June 20 of the taxable year or 90 days after the date the tax bills are mailed, whichever is later.
- 30 State Treasurer: Notification of Quarterly Local Aid Payments Before June 30**
- 30 Assessors: Overlay Surplus Closes to Surplus Revenue**
Each year, any balance in the overlay reserve accounts in excess of the remaining amount of the warrant to be collected or abated in that year, is certified by the Assessors. The transfer from overlay reserves to the overlay surplus is done on the Assessors’ initiative or within 10 days of a written request by the chief executive officer. Once in overlay surplus, these funds may be appropriated for any lawful purpose. Any balance in the overlay surplus at the end of the fiscal year shall be closed to surplus revenue and, eventually, free cash.
- 30 Assessors: Physical Inventory of all Parcels for Communities that Accepted M.G.L. Ch. 59, Sec. 2A(a)**
- 30 Assessors: Submit Annual Report of Omitted or Revised Assessments**
- 30 Assessors: Last Day to Submit Requests for Current Fiscal Year Reimbursements of Exemptions Granted Under The Various Clauses Of Ch. 59, Sec. 5**
If an exemption is granted to a residential property owner, the property tax is lowered, and the town collects fewer tax revenues than anticipated. These exemptions are partially reimbursed by the state as indicated under “Payment for Loss of Taxes,” section B of the Cherry Sheet.

It is the responsibility of the Assessors to submit all exemptions to DOR so that the town may be reimbursed for statutory exemptions. If the Assessors fail to submit a request, the town’s loss of tax revenues will not be offset by exemption reimbursements from the state. These reimbursements may not be filed retroactively for any year.

If tax bills are mailed late, assessors may submit requests for reimbursements until August 20. ■

Appendix

Cherry Sheet Programs Payment Schedule

This Calendar Appendix provides municipal officials with information about payment dates for Cherry Sheet Programs. Please compare this schedule of payments and assessments with the annual publication of the Informational Guideline Release entitled "Payment Schedule for Cherry Sheet Programs," because the format of the Cherry Sheet changes from year to year as programs are added, deleted or combined.

Program	Timing of Payments
Chapter 70	Quarterly
School Transportation	Semiannually, December & June
School Construction	Annually
Retired Teachers' Pension	Annually, September
Racial Imbalance	Quarterly, on request
School Lunch	Monthly
Lottery	Quarterly
Additional Assistance	Quarterly
Local Share of Racing Taxes	Quarterly
Regional Public Libraries	Monthly or Quarterly
Police Career Incentive	Annually, January
Non-Federally Aided Urban Renewal	Semiannually, December & June
Urban Revitalization	Semiannually, December & June
Veterans' Benefits	Quarterly
Exemptions: Veterans, Blind Persons & Surviving Spouses	Annually, after filing
Elderly Exemptions	Annually, December
State-Owned Land	Annually, November
Public Libraries	Annually or Semiannually

Cherry Sheet Assessments Schedule

For cities and towns, cherry sheet assessments (Form C.S. 1-EC) will automatically be deducted from quarterly local aid distributions. One quarter ($\frac{1}{4}$) of the State Assessments and Charges, and Transportation Authorities programs (Lines B-1 through C-3) will be deducted from a community's quarterly local aid distribution.

In addition, one item from Annual Charges Against Receipts will be deducted from a community's quarterly local aid distributions as follows:

- 1st quarter:** Multi-Year Repayment Programs (Line D-1)
- 3rd quarter:** STRAP Repayments (Line D-3)
- 4th quarter:** Special Education (Line D-2)

County Assessments (Line A) are paid directly to the county by the city or town. However, communities in the former Middlesex, Hampden and Worcester counties will have their assessments deducted from their quarterly local aid distributions.

For regional school districts, cherry sheet charges (Form C.S. 2-ER, Lines 9A and 10A) will be deducted from quarterly local aid distributions as follows:

- 1st quarter:** Multi-Year Repayment Program (Line 8A)
- 4th quarter:** Special Education (Line 9A)

Note: In addition to the deductions made for the Cherry Sheet assessments (described above), certain municipalities will have their quarterly local aid distributions reduced for school choice, charter school and Essex County Agricultural and Technical School tuition costs.