

# TOWN OF DENNIS – QUARTERLY TAX BILLING – INFORMATION

At the Special Town Meeting held on November 18, 2008, the Town of Dennis voted to adopt a quarterly tax billing system. This information sheet is an overview to the changes that this adoption brings.

**BENEFITS** - The quarterly method of billing holds several benefits. First, it allows for a more consistent cash flow for the town. Now, instead of having two large amounts arriving twice per year, smaller amounts arrive four times during the year. This creates a more even distribution of revenue for the town. Secondly, since the monies are flowing more evenly, the town will not be forced to borrow money while waiting for the next tax bill to be issued. By avoiding costly municipal borrowing, the town saves the interest and charges that would normally be incurred for such borrowing. And finally, quarterly billing increases the likelihood of timely tax bills. In the old system, tax billing was at the mercy of several deadlines, including state approvals and town meetings. Now, the timeline is more favorable to smooth billings.

**BILLING AND PAYMENT GUIDELINES** – There will be two mailings each year. Each mailing will include two bills.

- The first tax bill (a ‘preliminary’ bill) is sent to taxpayers each fiscal year by July 1.
  - ◆ This bill is payable in two equal payments, for Fiscal Year 2010.
    - The first payment is due August 3, 2009
    - The second payment is due November 2, 2009
- The second tax bill (an ‘actual’ bill) is sent to taxpayers each fiscal year by December 31.
  - ◆ This bill is also payable in two equal payments.
    - The first payment is due February 1, 2010
    - The second payment is due May 3, 2010

The ‘preliminary’ bill and the ‘actual’ bill will usually be for two different amounts.

**THE ‘PRELIMINARY’ BILL** – The first tax bill (sent by July 1) is a ‘preliminary’ bill for the fiscal year. The town would not yet have set the tax rate and your home’s assessment at this point, so the first bill would be ‘preliminary’. This bill is based on:

- The adjusted net tax owed for the prior fiscal year;
- Including any abatements or exemptions;
- Including any other charges, i.e. CPA, etc.

**THE ‘ACTUAL’ BILL** – The second tax bill (sent by December 31) is the ‘actual’ bill for the fiscal year. This bill shows:

- The assessed valuation of the property;
- The tax rate;
- The amount of property taxes owed for the fiscal year in its entirety;
- The paid amount of the preliminary tax billed earlier as a credit; and
- The balance due after the credit

**WHAT IF THE BILLS ARE LATE?** With the new billing system, they shouldn't be. However, if, for some reason, 'preliminary' tax bills were not mailed until after July 1, your first payment will be due August 1 or 30 days after the bills are mailed, whichever is later. The second payment will still be due November 1. If the 'preliminary' bills were mailed after August 1 however, you would have until November 1 (or 30 days after the bills are mailed, if later) to pay the entire balance of your 'preliminary' bills. If for some reason, the 'actual' tax bills were not mailed until after December 31, you would have until May 1 (or 30 days after the bills are mailed, if later) to pay the entire balance of the 'actual' bill.

**WHAT IF I PAY LATE?** Under the quarterly payment system, interest on late tax payments will be charged for the number of days that the payment is actually delinquent. So, for example, if a payment due on November 1 is not made timely, interest will be charged from that date until the date the payment is made.

### **ANY QUESTIONS?**

- ◆ Why did the billing system get changed? The Townspeople of Dennis voted the change at Town Meeting to allow the Town more efficiency in bill payment and to save the Town money in borrowing fees and interest.
- ◆ Does the new billing system change how much I owe? No, the amount you pay is the same under either billing system.
- ◆ What are the dates for filing exemptions or abatements under the new system? Applications for abatement and exemption applications other than personal and residential must be filed on or before February 1. Applications for personal exemptions and the residential exemption must be filed within three months of the date that the actual tax bills were mailed.
- ◆ Will the new billing system effect my right to seek an exemption or abatement? No, these rights remain unchanged.
- ◆ I have a question not addressed here. If you have additional questions, you should contact the Collector's Office or the Assessor's Office at 508-394-8300.