



Preserving Your Community with Point Software



Ten more Massachusetts municipalities adopted the Community Preservation Act (CPA) through the state elections on November 7, 2006, including Point customers Hatfield and Hubbardston. These communities bring the CPA community count up to 119, representing over a third of all cities and towns in the commonwealth.

That figure illustrates that a growing number of Massachusetts municipalities are recognizing the benefits of the December 2000 act. Point realized early on that the administration of the act would be complex, but would result in key advantages to adopting communities. Point met the challenge and enabled clients

to produce CPA-compliant tax files by mid-June 2001 through a software extension option.

We accomplished this through closely examining the CPA requirements then developing a comprehensive solution. Below, Point explains how CPA administration is handled through our collection system.

CPA Surcharge

The CPA surcharge set by the municipality (1-3%) is applied to real estate accounts as a special assessment. This surcharge operates much like a betterment or lien for posting and control.

Exemptions

The CPA provides for exemptions, which the municipality

can implement at its discretion. Hardship exemptions are based on exclusions filed with the assessors and are not generally available at the time of billing; therefore, a hardship exemption is handled as an abatement.

A residential exemption of \$100,000 in valuation can be adopted as part of the CPA program. If adopted, this exemption applies to all residential value and can result in no CPA tax being applied for residential only properties with values less than this amount.

Split Tax Rates

Split tax rates require legal files with distributions between residential/open space and commercial and industrial classifications. CPA calculations depend on this level of detail.

Quarterly Billing Credits

In quarterly billing models where CPA amounts are issued on all four payments it is possible to overbill CPA within the preliminary bills, thereby requiring special handling. Point identifies these amounts to the collector for their administration during the actual

tax conversion process.

Interest

Interest accrued on CPA amounts must be reported separately. Point's system runs a separate interest calculation for the principal and CPA tax amounts, so the CPA interest can be reflected in the reports appropriately.

Warrants

Refunds, abatements and adjustments need to be distributed to their respective categories to keep the warrants in alignment.

Form CP-1 Data

CPA communities are required to submit a Community Preservation Surcharge Report (Form CP-1) on an annual basis. A betterment and lien report provides the CPA totals needed for that report.

For More Information

You can find the details of the Community Preservation Act in [IGR No. 00-209](#), available through the Division of Local Services' web page. You can also contact us if you have any questions about implementing this option in your system.

Tax Billing Conversion Package Reminder: Deadline is December 20

Point Software wants to remind customers that we must receive all tax billing conversion items no later than **December 20, 2006**. The contents of a complete tax billing conversion package are detailed in the October 2006 issue of the newsletter:

<http://www.pointsw.com/news/ThePointVol04Iss10.pdf>



Calendar of Events

Date(s)	Event	Location
Dec. 13, 2006	MCTA Holiday Meeting	Holy Cross College 1 College Street Worcester, MA
Jan. 18, 2007	MAAO Winter Meeting	Lombardo's 6 Billings Street Randolph, MA

Tips for Dealing with the Tax Billing Crunch

It's that time of year again! Quarterly tax billing season is upon us, which means that many of the municipalities we serve are feeling the pressure of meeting the deadlines mandated by Massachusetts General Law.

While we hope all goes smoothly for our customers, we know from experience that does not always happen. Here are a few things to keep in mind, just in case:

1. You can issue a third payment after December 31, but the due date then becomes May 1.
2. You can request the issuance of a third preliminary bill to the DOR. This is not automatically granted and would incur some special handling costs to implement this option. It would also affect the use of forms, as forms with abate-

- ment verbiage could not be used.
3. Calendar year 2006 ends on a weekend and bulk mail is normally accepted Monday-Friday. This eliminates two potential mailing days for post office presentment.
 4. Make sure everyone understands your production timetable and build in some time for error correction. Not all legal files balance on the first try. Make sure the assessors are available to explain or correct any issues.

December tends to be Point's busiest month and we do our best to process tax billing data in a timely manner. Please help us to accomplish this by being realistic about scheduling needs.

MAAO COURSE 5: Mass Appraisal of Real Property

Location

Mirant's Canal Power Plant
Sandwich, MA 02563

Class Dates

Jan. 11, 12, 18, 19 & 26, 2007

Recertification Credits

34 Hours

Registration Deadline

December 29, 2006

Registration Form*/Directions

<http://www.maa.org/barnstable.htm>
(*Adobe Reader Required)

Course Cost

MAAO Member: \$225.00
Non-Member: \$275.00



Q: How do I import tax service payments?

A: The tax service company will provide you with a payment file. Use the instructions below to import the payments from that file to your database.

1. If the tax service company sent the payment file on floppy, insert the disk in the Point server. If they sent it on CD-ROM, insert the CD-ROM in the Point server then copy the file to the C:\POINTTMP folder.
2. Select **PAYMENT POSTING** from the main menu.
3. Select **BATCH POSTING**.
4. Select **TAX SERVICE IMPORT**.
5. Respond to the prompts. For the filename, enter **A:\filename** if the payment file was sent on floppy and **C:\POINTTMP\filename** if the payment file was sent on CD-ROM, where "filename" is the name of the payment file including the three-character extension (e.g. BUC07N.RE1).
6. Enter **R** for report. If there are errors, print the error report. You will need to go back and manually post using the same deposit date and batch number for any bills listed. If there were no errors, the amount will match the check from the tax service company.
7. Enter **P** for post.
8. Print a Posted Payment Distribution Report (Payment Posting > Reports > Payment Balancing) for the deposit date and batch number. Verify the totals match the check from the tax service company.

TIP: If you import but do not post the batch, you can reimport and post later.

From the Help Desk to Your Desk