

HOUSE No. 5860

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, June 2, 1986.

The committee on Bills in the Third Reading, to whom was referred the Bill clarifying the definition and utilization of local surplus overlay accounts (House, No. 5715), reports recommending that the same be amended by the substitution of the accompanying bill (House, No. 5860).

For the committee,

DAVID B. COHEN.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-Six.

AN ACT FURTHER REGULATING LOCAL SURPLUS OVERLAY ACCOUNTS IN MUNICIPALITIES.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Chapter 59 of the General Laws is hereby amended by striking
2 out section 25, as amended by chapter 156 of the acts of 1985, and
3 inserting in place thereof the following section: —

4 Section 25. The assessors in any city or town, except Boston,
5 may add to the amount to be assessed not more than five per cent
6 thereof, or such larger amount as the commissioner may approve,
7 although the limit of taxation as fixed in any city may by such
8 overlay be exceeded, such amount to be used only for avoiding
9 fractional divisions of the amount to be assessed in the apportion-
10 ment thereof and for abatements granted on account of property
11 assessed for the fiscal year for which the overlay is made or of taxes
12 in the warrant of which the overlay is a part, but any balance in the
13 overlay account, in excess of the amount of the warrant remaining
14 to be collected or abated, as certified by the board of assessors,
15 shall be transferred by the board of assessors, with written notice of
16 the transfer to the chief executive officer, to a reserve fund to be
17 used for extraordinary or unforeseen expenses or the Pension
18 Reserve Fund, established pursuant to section five D of chapter
19 forty. This section shall apply to fire, water and improvement
20 districts.