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The Commonwealth of Massachusetts

ANNUAL REPORT

OF THE

Mass. APPELLATE TAX BOARD

FOR THE

YEAR ENDING NOVEMBER 30, 1940

DEPARTMENT OF CORPORATIONS AND TAXATION



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APPELLATE TAX BOARD
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The Commonwealth of Massachusetts

APPELLATE TAX BOARD

To the Honorable Senate and House of Representatives:

The Appellate Tax Board submits herewith its Annual Report for the year ending November 30, 1940. This is the tenth report since the predecessor Board was organized on December 1, 1930.

There were during the year a total of 8,298 appeals entered. During the same period there were disposed of 7,128 real estate appeals and 74 appeals against the Commissioner of Corporations and Taxation. There were pending at the end of the year a total of 11,976 real estate appeals. The number of appeals entered from the City of Boston during the year was 5,101, and during the same period there was a total of 4,227 disposed of. From the cities and towns outside of Boston the total number of appeals entered during the year was 3,109, and the total number of appeals in this group disposed of was 2,901.

The total amount of business disposed of during the past fiscal year shows a marked increase over that disposed of in 1939. There is some reason to believe that the peak of business was reached in 1940, and that there may be a lesser number of appeals, especially from the City of Boston, filed during the year 1941. As an indication of the marked increase in the amount of business disposed of, it may be well to call attention to the fact that in 1936 a total of 2,630 real estate cases were disposed of compared to the total of 7,128 real estate appeals disposed of during the present fiscal year. Notwithstanding the constantly mounting volume of business, the Board has shown an ability to dispose of substantially more business each year. As an indication of this, the Board disposed of 171% more business in 1940 than in 1936.

It should be pointed out that the volume of business pending before the Board is not quite as formidable as it first appears, when it is taken into consideration that one parcel of real estate may be the subject of two, three or more appeals involving assessments for different years. Recently an analysis was made to determine actually how many parcels of real estate were involved in the appeals filed in Boston, and it showed that out of a total of 9,566 there were 7,427 parcels involved.

The problem of handling appeals entered from the cities and towns outside of Boston is not a serious one and the Board has not at any time experienced difficulty in keeping up with this type of business. For example, during the year 1940 a total of 3,009 appeals were entered, and during the same period the Board disposed of 2,901.

A complete revision of the Rules of Practice and Procedure before the Board was published during the fiscal year. The revised rules contain changes which have resulted in improving the procedure and expediting the business of the Board.

During the year hearings were held outside of Boston in Lowell, Springfield and Worcester.

During the last few years there has been a steady drop in the total net cost to the Commonwealth of administering the Board. This is due largely to the receipts from entry fees and other sources. During the fiscal year 1939 the net cost of administration amounted to \$33,321.72, and during the year 1940 the net cost of administration had been reduced to \$12,870.41. The receipts of the Board during the same period amounted to \$89,580.49.

The Board recommends that G. L. (Ter. Ed.) c. 58A, §6, be amended, so as to give the Board authority to classify certain corporations in the list furnished to towns and cities by the Commissioner of Corporations and Taxation. No right of appeal to this Board is specifically given from action under G. L. (Ter. Ed.) c. 59, §5, cl. 16. Annu-

ally the Commissioner of Corporations and Taxation, under the provisions of G. L. (Ter. Ed.) c. 58, §2, furnishes a classification of corporations to the local assessors which they are bound to follow in the assessment of machinery used in the conduct of the business. The provisions of the statute appear to be mandatory. In the event that a domestic manufacturing corporation is improperly listed or omitted from the Commissioner's classification there is no statutory remedy giving this Board jurisdiction. Under the present practice it is possible for a corporation to be subjected to double taxation, and, in the opinion of the Board, the proposed amendment would grant the necessary relief.

Tables of statistics of the work of the Board which in our opinion may be of public interest have been appended to this report.

Respectfully submitted,

JOHN D. WRIGHT, *Chairman*

JOHN E. WELCH

THOMAS F. FINIGAN

JOHN L. HURLEY

GEORGE H. NELSON

APPELLATE TAX BOARD.

Financial statement verified.

Approved: WALTER S. MORGAN, *Comptroller*.

COMBINED FORMAL AND INFORMAL PROCEDURES (REAL ESTATE APPEALS)

The State (taken as a whole)	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940
Appeals pending at beginning of year.....	0	145	834	2,396	3,246	4,233	6,078	7,746	9,702	10,894
Appeals entered (net) during year.....	235	1,067	2,763	3,366	4,456	4,459	5,775	6,400	7,134	8,210
Total number before Board during year.....	235	1,212	3,597	5,762	7,702	8,692	11,853	14,146	16,836	19,104
Less:										
Settled or withdrawn during year.....	59	250	839	1,939	3,003	1,941	3,433	3,520	4,749	5,667
Net total to be decided by Board.....	176	962	2,758	3,823	4,699	6,751	8,420	10,626	12,087	13,437
Appeals decided by Board during year.....	31	128	362	577	466	673	674	924	1,193	1,461
Appeals pending at end of year.....	145	834	2,396	3,246	4,233	6,078	7,746	9,702	10,894	11,976
Boston										
Appeals pending at beginning of year.....	0	86	682	1,692	2,578	3,148	4,372	5,307	7,055	8,191
Appeals entered (net) during year.....	112	848	1,744	2,240	2,541	2,646	3,697	4,177	4,675	5,101
Total number before Board during year.....	112	934	2,426	3,932	5,119	5,794	8,069	9,484	11,730	13,292
Less:										
Settled or withdrawn during year.....	20	176	492	1,157	1,864	1,207	2,460	2,048	2,891	3,330
Net total to be decided by Board.....	92	758	1,934	2,775	3,255	4,587	5,609	7,436	8,839	9,962
Appeals decided by Board during year.....	6	76	242	197	107	215	302	381	648	897
Appeals pending at end of year.....	86	682	1,692	2,578	3,148	4,372	5,307	7,055	8,191	9,065
Outside										
Appeals pending at beginning of year.....	0	59	152	704	668	1,085	1,706	2,439	2,647	2,703
Appeals entered (net) during year.....	123	219	1,019	1,126	1,915	1,813	2,078	2,223	2,459	3,109
Total number before Board during year.....	123	278	1,171	1,830	2,583	2,898	3,784	4,662	5,106	5,812
Less:										
Settled or withdrawn during year.....	39	74	347	782	1,139	734	973	1,472	1,858	2,337
Net total to be decided by Board.....	84	204	824	1,048	1,444	2,164	2,811	3,190	3,248	3,475
Appeals decided by Board during year.....	25	52	120	380	359	458	372	543	545	564
Appeals pending at end of year.....	59	152	704	668	1,085	1,706	2,439	2,647	2,703	2,911

FORMAL PROCEDURE (REAL ESTATE APPEALS)

December 1, 1939—November 30, 1940

The State (taken as a whole)

Appeals pending at beginning of year	2,990
Appeals entered (net) during year	1,318
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Total number before Board during year	4,317
Less:	
Settled or withdrawn during year	1,152
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Net total to be decided by Board	3,165
Appeals decided by Board during year	499
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Appeals pending at end of year	2,666

Boston

Appeals pending at beginning of year	2,545
Appeals entered (net) during year	898
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Total number before Board during year	3,443
Less:	
Settled or withdrawn during year	866
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Net total to be decided by Board	2,577
Appeals decided by Board during year	372
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Appeals pending at end of year	2,205

Outside

Appeals pending at beginning of year	454
Appeals entered (net) during year	420
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Total number before Board during year	874
Less:	
Settled or withdrawn during year	286
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Net total to be decided by Board	588
Appeals decided by Board during year	127
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Appeals pending at end of year	461

INFORMAL PROCEDURE (REAL ESTATE APPEALS)

December 1, 1939—November 30, 1940

The State (taken as a whole)

Appeals pending at beginning of year		7,895
Appeals entered under Informal Procedure	6,940	
Formal Procedure elected by city or town	48	6,892
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Total retained under Informal Procedure		14,787
Less:		
Settled or withdrawn during year		4,515
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Net total to be decided by Board		10,272
Appeals decided by Board during year		962
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Appeals pending at end of year		9,310

Boston

Appeals pending at beginning of year		5,646
Appeals entered under Informal Procedure	4,239	
Formal Procedure elected by city or town	36	4,203
Total retained under Informal Procedure		9,849
Less:		
Settled or withdrawn during year		2,464
Net total to be decided by Board		7,385
Appeals decided by Board during year		525
Appeals pending at end of year		6,860

Outside

Appeals pending at beginning of year		2,240
Appeals entered under Informal Procedure	2,701	
Formal Procedure elected by city or town	12	2,689
Total retained under Informal Procedure		4,938
Less:		
Settled or withdrawn during year		2,051
Net total to be decided by Board		2,887
Appeals decided by Board during year		437
Appeals pending at end of year		2,450

APPEALS vs. COMMISSIONER OF CORPORATIONS AND TAXATION

	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940
Pending at beginning of year	0	27	26	24	16	30	383	392	262	140
Entered during year.....	66	47	42	25	31	374	37	58	115	88
Total	66	74	68	49	47	404	420	450	377	228
Settled or withdrawn during year	9	14	17	15	8	14	12	161	202	34
Net	57	60	51	34	39	390	408	289	175	194
Decided	30	34	27	18	9	7	16	27	35	40
Pending at end of year	27	26	24	16	30	383	392	262	140	154

REAL ESTATE APPEALS FILED
December 1, 1939—November 30, 1940

Formal Procedure						
Total	Number	Assessed Valuation	Tax Assessed	Over-Valuation	Tax Abated	
Pending Nov. 30, 1939	2,999	\$756,872,905.27	\$28,667,767.80			
Filed (net) 1939-1940	1,318	402,838,377.00	15,496,479.40			
Decided	499	127,709,539.00	4,987,663.32	\$17,680,892.00	\$696,845.99	
Settled and withdrawn	1,152	178,047,823.00	6,847,404.45			
Disposed of	1,651	305,757,362.00	11,835,067.77			
Pending Nov. 30, 1940	2,666	853,953,920.27	32,329,179.43			
Boston						
Pending Nov. 30, 1939	2,545	692,834,001.00	26,222,139.87			
Filed (net) 1939-1940	898	291,074,348.00	11,677,436.84			
Decided	372	95,227,000.00	3,668,276.67	12,909,900.00	497,692.47	
Settled and withdrawn	866	162,542,800.00	6,258,745.00			
Disposed of	1,238	257,769,800.00	9,927,021.67			
Pending Nov. 30, 1940	2,205	726,138,549.00	27,972,555.04			
Outside						
Pending Nov. 30, 1939	454	64,038,904.27	2,445,627.93			
Filed (net) 1939-1940	420	111,764,029.00	3,819,042.56			
Decided	127	32,482,539.00	1,319,386.65	4,770,992.00	199,153.52	
Settled and withdrawn	286	15,505,023.00	588,659.45			
Disposed of	413	47,987,562.00	1,908,046.10			
Pending Nov. 30, 1940	461	127,815,371.27	4,356,624.39			
Informal Procedure						
Total						
Pending Nov. 30, 1939	7,895	\$339,283,181.00	\$13,631,407.87			
Filed (net) 1939-1940	6,892	256,443,148.66	10,152,386.97			
Decided	962	43,068,048.00	1,687,998.77	\$8,566,767.00	\$335,734.42	
Settled and withdrawn	4,515	126,687,032.84	4,998,741.62			
Disposed of	5,477	169,755,080.84	6,686,740.39			
Pending Nov. 30, 1940	9,310	425,971,248.82	17,097,054.45			
Boston						
Pending Nov. 30, 1939	5,646	293,978,770.10	11,769,743.26			
Filed (net) 1939-1940	4,203	203,681,450.00	8,116,250.28			
Decided	525	36,047,396.00	1,425,817.68	7,956,200.00	313,226.03	
Settled and withdrawn	2,464	89,605,150.00	3,574,330.26			
Disposed of	2,989	125,652,546.00	5,000,147.94			
Pending Nov. 30, 1940	6,860	372,007,674.10	14,885,845.60			
Settled and withdrawn	2,464	89,605,150.00	3,574,330.26			
Disposed of	2,989	125,652,546.00	5,000,147.94			
Pending Nov. 30, 1940	6,860	372,007,674.10	14,885,845.60			
Outside						
Pending Nov. 30, 1939	2,249	45,304,410.90	1,861,664.61			
Filed (net) 1939-1940	2,689	52,761,698.66	2,036,136.69			
Decided	437	7,020,652.00	262,181.09	610,567.00	22,508.39	
Settled and withdrawn	2,051	37,081,882.84	1,424,411.36			
Disposed of	2,488	44,102,534.84	1,686,592.45			
Pending Nov. 30, 1940	2,450	53,963,574.72	2,211,208.85			
Combined Formal and Informal Procedures						
Total						
Pending Nov. 30, 1939	10,894	\$1,096,156,086.27	\$42,299,175.67			
Filed (net) 1939-1940	8,210	659,281,525.66	25,648,866.37			
Decided	1,461	170,777,587.00	6,675,662.09	\$26,247,659.00	\$1,032,580.41	
Settled and withdrawn	5,667	304,734,855.84	11,846,146.07			
Disposed of	7,128	475,512,442.84	18,521,808.16			
Pending Nov. 30, 1940	11,976	1,279,925,169.09	49,426,233.88			
Boston						
Pending Nov. 30, 1939	8,191	986,812,771.10	37,991,883.13			
Filed (net) 1939-1940	5,101	494,755,798.00	19,793,687.12			
Decided	897	131,274,396.00	5,094,094.35	20,866,100.00	810,918.50	
Settled and withdrawn	3,330	252,147,950.00	9,833,075.26			
Disposed of	4,227	383,422,346.00	14,928,169.61			
Pending Nov. 30, 1940	9,065	1,098,146,223.10	42,858,400.64			
Outside						
Pending Nov. 30, 1939	2,703	109,343,315.17	4,307,292.54			
Filed (net) 1939-1940	3,109	164,525,727.66	5,855,179.25			
Decided	564	39,503,191.00	1,581,567.74	5,381,559.00	221,661.91	
Settled and withdrawn	2,337	52,586,905.84	2,013,070.81			
Disposed of	2,901	92,090,096.84	3,594,638.55			
Pending Nov. 30, 1940	2,911	181,778,945.99	6,567,833.24			

REAL ESTATE APPEALS FILED UNDER OR TRANSFERRED TO FORMAL PROCEDURE

December 1, 1939—November 30, 1940

Class	Per Cent of All Appeals	Number of Appeals	Total Assessed Value of Class
\$25,000 and under	30.88%	407	\$5,079,194.00
\$25,000—\$50,000	18.67%	246	9,239,570.00
\$50,000—\$100,000	15.40%	203	14,815,200.00
\$100,000—\$500,000	25.72%	339	78,048,796.00
\$500,000—\$1,000,000	4.55%	60	42,607,794.00
\$1,000,000 and over	4.78%	63	253,047,823.00
	100.00%	1,318	\$402,838,377.00

Average assessed value per appeal \$305,643.69

December 1, 1930—November 30, 1940

Class	Per Cent of All Appeals	Number of Appeals	Total Assessed Value of Class
\$25,000 and under	26.10%	4,209	\$53,831,494.72
\$25,000—\$50,000 }	40.22%	6,487	350,404,587.72
\$50,000—\$100,000 }			
\$100,000—\$500,000	26.00%	4,195	942,865,129.25
\$500,000—\$1,000,000	4.06%	655	452,039,527.00
\$1,000,000 and over	3.62%	584	1,603,794,078.11
	100.00%	16,130	\$3,402,934,816.80

Average assessed value per appeal \$210,969.30

REAL ESTATE APPEALS FILED UNDER INFORMAL PROCEDURE
AND NOT TRANSFERRED TO FORMAL PROCEDURE

December 1, 1939—November 30, 1940

Class	Per Cent of All Appeals	Number of Appeals	Total Assessed Value of Class
\$25,000 and under	73.19%	5,044	\$51,003,453.66
\$25,000—\$50,000	12.71%	876	31,793,174.00
\$50,000—\$100,000	6.96%	480	34,604,856.00
\$100,000—\$500,000	6.46%	445	92,609,765.00
\$500,000—\$1,000,000	00.49%	34	23,692,900.00
\$1,000,000 and over	00.19%	13	22,739,000.00
	100.00%	6,892	\$256,443,148.66

Average assessed value per appeal \$37,208.81

Average assessed value of appeals of \$25,000 and under.. \$10,111.71

July 12, 1933—November 30, 1940

Class	Per Cent of All Appeals	Number of Appeals	Total Assessed Value of Class
\$25,000 and under	71.87%	19,930	\$205,589,821.51
\$25,000—\$50,000 }	20.91%	5,799	277,372,151.98
\$50,000—\$100,000 }			
\$100,000—\$500,000	6.28%	1,744	359,424,045.11
\$500,000—\$1,000,000	00.68%	190	128,568,549.00
\$1,000,000 and over	00.26%	72	132,814,700.00
	100.00%	27,735	\$1,103,769,267.60

Average assessed value per appeal \$40,157.53

Average assessed value of appeals of \$25,000 and under... \$10,315.58

REAL ESTATE
APPEALS FILED WITH APPELLATE TAX BOARD
 December 1, 1939—November 30, 1940
 (Arranged by Counties)

Barnstable			
Bourne	6	Palmer	1
Dennis	2	Springfield	144
Falmouth	8	Westfield	4
Harwich	2	W. Springfield	1
Mashpee	1	Hampshire	
Provincetown	2	Chesterfield	1
Berkshire		Cumington	1
Adams	3	Easthampton	4
Florida	1	South Hadley	1
Lenox	1	Middlesex	
North Adams	4	Arlington	29
Pittsfield	6	Ashland	1
Bristol		Ayer	1
Attleboro	1	Bedford	2
Berkley	1	Belmont	8
Dartmouth	2	Billerica	4
Fairhaven	1	Burlington	2
Fall River	24	Cambridge	131
New Bedford	3	Chelmsford	1
Taunton	6	Everett	109
Dukes		Framingham	6
Oak Bluffs	1	Holliston	1
Tisbury	1	Hudson	1
Essex		Lexington	7
Beverly	5	Lowell	251
Danvers	1	Malden	102
Gloucester	46	Marlborough	5
Haverhill	11	Medford	101
Ipswich	1	Melrose	4
Lawrence	3	Natick	15
Lynn	43	Newton	27
Manchester	15	North Reading	2
Marblehead	1	Reading	28
Methuen	1	Sherborn	1
Middleton	4	Somerville	328
Nahant	24	Stoneham	13
Newburyport	7	Tewksbury	3
Peabody	14	Townsend	1
Rockport	2	Tyngsborough	1
Salem	8	Wakefield	9
Saugus	33	Waltham	9
Swampscott	8	Watertown	72
Topsfield	1	Wayland	4
Franklin		Weston	2
Greenfield	10	Winchester	9
Orange	1	Woburn	10
Wendell	3	Nantucket	
Hampden		Nantucket	1
Agawam	2	Norfolk	
Brimfield	2	Braintree	4
Chicopee	22	Brookline	200
Holyoke	30	Canton	4
Ludlow	1	Cohasset	9
		Dedham	4
		Medway	1
		Millis	1
		Milton	4
		Needham	11
		Norwood	1
		Quincy	44
		Randolph	8
		Sharon	1
		Walpole	6
		Wellesley	5
		Weymouth	6
		Plymouth	
		Abington	2
		Brockton	190
		Hanson	2
		Hingham	1
		Hull	61
		Kingston	2
		Marion	3
		Marshfield	1
		Mattapoisett	1
		Middleborough	1
		Norwell	1
		Pembroke	1
		Scituate	2
		Wareham	2
		W. Bridgewater	2
		Suffolk	
		Boston	5,101
		Chelsea	183
		Revere	148
		Winthrop	62
		Worcester	
		Auburn	1
		Bolton	1
		Boylston	2
		Clinton	9
		Fitchburg	2
		Gardner	7
		Grafton	1
		Lancaster	2
		Leicester	1
		Leominster	9
		Northborough	1
		Princeton	1
		Shrewsbury	1
		Southbridge	1
		Sterling	1
		Templeton	3
		Webster	1
		Westborough	1
		Westminster	1
		Winchendon	1
		Worcester	255
		Total	8,210

REAL ESTATE APPEALS PENDING

On November 30, 1940

(Arranged by Cities and Towns)

Boston	0,065	Lynn	92	Holyoke	30
Somerville	304	Medford	90	Fall River	27
Lowell	298	Watertown	87	Nahant	23
Quincy	272	Malden	82	Arlington	22
Springfield	181	Brookline	74	Newton	22
Chelsea	179	Winthrop	47	Peabody	17
Brockton	176	Gloucester	40	Chicopee	16
Revere	175	Saugus	39	Haverhill	14
Everett	113	Hull	35	Natick	13
Cambridge	111	Worcester	34	Salem	12
94 other cities and towns (1 to 10 appeals)					286
Total number of real estate appeals pending					11,976