



CITY OF CAMBRIDGE

CITY HALL, 795 MASSACHUSETTS AVE., CAMBRIDGE, MA 02139

Tel.: 617-349-4343 Fax: 617-349-4357

ASSESSING DEPARTMENT

Robert P. Reardon
Director of Assessment

Faith D. McDonald
*Deputy Director
of Assessment*

MEMORANDUM

TO: Robert W. Healy, City Manager

FROM: Robert P. Reardon 

SUBJECT: Supplemental Appropriation

DATE: June 1, 2009

CC: Louis DePasquale, Asst. City Manager for Fiscal Affairs
David Kale, Budget Director/Deputy Finance Director

The Board of Assessors is requesting an appropriation of \$210,000 from Free Cash to the Professional and Technical Services account in order to provide funds to complete the personal property audit program for the FY09 tax-billing year. There were twenty-eight personal property audits conducted during FY09 resulting in an additional \$967,641.00 in new personal property tax collections.

Personal property accounts include the furniture, fixtures and equipment used by businesses within the City of Cambridge. Personal property has become a major contributor to the City of Cambridge tax base increasing the tax collection from \$8,469,014 in FY04 to \$14,772,554 in FY09. Unlike the real estate valuation process which is determined typically by physical inspection, personal property valuation is done mostly on a self reporting basis, therefore making the audit function necessary to ensure full compliance. The City of Cambridge is one of the first municipalities in the Commonwealth to use personal property audits which has now been recommended as part of the Municipal Partnership Act filed by the Governor to allow a three year look back period. The Board of Assessors plan on auditing an additional seventy-five accounts for FY10. The audit program has also helped develop a better understanding by taxpayers of Massachusetts' complex personal property laws and has further increased reporting above and beyond the audits conducted which serves to further increase the city tax base.