State Tax Form CL-1(61B)
Revised 9/2008

The Commonwealth of Massachusetts

Name of City or Town

## Property Owner's Acknowledgement of Rights and Obligations under Classified Recreational Land Program

*This form must be submitted as part of your application for classification*

**QUALIFICATIONS.** I understand that property must consist of at least 5 contiguous acres of land under the same ownership and be used for certain recreational purposes and open to the public or members of a non-profit organization, or be maintained in a substantially natural, wild or open condition, a landscaped or pasture condition, or a managed forest condition under a forest management plan certified by the State Forester permitting the preservation of wildlife and natural resources, in order to qualify for and retain classification as recreational land under Massachusetts General Laws Chapter 61B. Recreational use includes land used primarily for one or more of the following outdoor activities, so long as they do not materially interfere with the environmental benefits of the land: hiking, camping, nature study and observation, boating, golfing, horseback riding, hunting, fishing, skiing, swimming, picnicking, private non-commercial flying, hang gliding, archery, target shooting, non-commercial youth soccer and commercial horseback riding and equine boarding. I understand that buildings and other structures located on the property, as well as the land on which a residence is located or regularly used for residential purposes, do not qualify for classification and will continue to be assessed a regular local property tax.

**APPLICATIONS.** I understand that for property to be classified as recreational land under Chapter 61B, I must submit a written application to the board of assessors of the city or town in which the land is located by October 1 of the year before the start of the fiscal year for which taxation as classified land is sought, unless the city or town is undergoing a revaluation for that fiscal year. (*The fiscal year of cities and towns begins July 1 and ends the following June 30.*) In that case, the application deadline is extended until 30 days after the date the actual tax bills for that year are mailed. The assessors must approve or disapprove my application for classification within 3 months of the date I filed it and, if they do not act within that time, the application will be considered disapproved. The assessors must notify me by certified mail whether my application has been approved or disapproved within 10 days of their decision. I understand that classification and taxation of the land as recreational land under Chapter 61B will begin the following July 1, which is the start of the next fiscal year.

I also understand that I will have to file a separate application by October 1 (or the extended deadline if applicable) each year for classification of the land to continue into the next fiscal year. I further understand that the land cannot be classified as recreational land for a fiscal year if I do not comply with all application deadlines and procedures.

**LIEN.** I understand that once my application for classification has been approved, the board of assessors will record a statement at the Registry of Deeds indicating that the land has been classified as recreational land under Chapter 61B. That statement will constitute a lien on the land for all taxes due under Chapter 61B. I understand that I must pay all fees charged by the Registry for recording or releasing the lien.

**ANNUAL TAXATION.** I understand that I must pay an annual property tax to the city or town in which the classified land is located. The tax will be assessed on the use value of the land for recreational purposes, rather than fair market value based on the land's highest and best use as would be the case if the land were not classified. The value of the land for recreational purposes cannot exceed 25% of the fair market value of the land. The commercial property tax rate for the fiscal year will be applied to that value, unless the city or town has accepted a local option to apply the open space property tax rate. The tax will be due in the same number of installments and at the same time as other local property tax payments are due in the city or town. Interest will be charged on any overdue taxes at the same rate applicable to overdue local property taxes.

THIS FORM APPROVED BY THE COMMISSIONER OF REVENUE

**MUNICIPAL OPTION TO PURCHASE.** I understand that the city or town has an option to purchase any classified land whenever I plan to sell or convert it to a residential, commercial or industrial use during a fiscal year it is classified, or within 1 full fiscal year after it is removed from classification. I must notify by certified mail or hand delivery, the mayor and city council or the selectmen, assessors, planning board and conservation commission of the city or town of my intention to sell or convert the land to those uses and provide certain information regarding the intended sale or conversion. If I plan to sell the land, the city or town has the right to match a bona fide offer to purchase it. If I plan to convert it, the city or town has the right to purchase it at its fair market value, which is to be determined by an impartial appraisal. The city or town may also assign its option to a non-profit, conservation organization, the Commonwealth or any of its political subdivisions. I understand that I may not sell or convert the land until at least 120 days after I provide a notice that fully complies with the requirements of Chapter 61B or until I have been notified in writing that the option will not be exercised and the notice is recorded at the Registry of Deeds, whichever is earlier.

This option is not available to the city or town and the notice requirement does not apply if the recreational use is simply discontinued, or I plan to build a residence for my use, or the use of my spouse or my parents, grandparents, child, grandchild, brother or sister, the surviving spouse of any of those relatives, or an employee working full time in the recreational use of the land.

**PENALTY TAX.** I understand that I must pay one of two alternative penalty taxes whenever any of the land is no longer used for, or maintained in, a use or condition that would qualify the land for classification as recreational land under Chapter 61B, forest land under Chapter 61 or agricultural or horticultural land under Chapter 61A. Payment of a penalty tax applies in that case whether or not the land is subject to the purchase option and notice requirement. I must pay a roll-back tax for a 5 year period if the use of the land changes to a non-qualifying use or condition. If the change in use or condition occurs when the land is classified, the tax will be imposed for the current fiscal year and the 4 prior years. If the land is not classified at that time, the tax will be imposed for the 5 prior years. In either case, the tax will be the difference between the amount I would have paid in annual property taxes on the land if it had been taxed at its fair market value and the amount of the taxes I paid on the land under Chapter 61B during the same time. The roll-back tax also includes interest at the rate of 5% per year on each year's tax savings.

However, I must pay the alternative conveyance tax instead if the land is sold for or converted to a non-qualifying use within 10 years of the beginning of the fiscal year it was first classified, and the conveyance tax is greater than the roll-back tax that would be due. The conveyance tax will be equal to the conveyance tax rate applied to the sales price of the land, or if converted, to the fair market value of the land as determined by the assessors. The conveyance tax will be equal to the conveyance tax rate applied to the sales price of the land, or if converted, to the fair market value of the land as determined by the assessors. The conveyance tax rate will be 10% if the land is sold or converted within the first 5 years of classification and 5% if sold or converted within the 6th through 10th year of classification. After this 10 year period has expired, I will not be liable for any conveyance taxes, but will remain liable for roll-back taxes if there is a change to a non-qualifying use or condition of the land.

**APPEALS AND ABATEMENTS.** I understand that I may contest decisions made by the board of assessors to disapprove all or part of my application for classification by applying for a modification of the decision. I may also contest my annual property tax or any penalty tax assessed under Chapter 61B by applying for an abatement. Applications to modify a decision or abate a tax must be made in writing and must be filed with the assessors within 60 days of the date I am notified of the decision or tax. If I disagree with the assessors' decision, or the assessors do not act on my application, I may appeal to the Appellate Tax Board within 30 days of the date I am notified of the assessors' decision, or 3 months from the date my abatement application was filed, whichever is later. If the appeal concerns my annual property tax, I must have paid it to maintain the appeal. I further understand that the assessors cannot modify any decision or grant any abatement if I do not comply with all application deadlines and procedures.

I certify that I have examined this general statement of the requirements and obligations of Chapter 61B and acknowledge that it is my responsibility as an applicant for classification to fully understand and satisfy all requirements of Chapter 61B. I also certify that I will notify the board of assessors immediately in writing of any circumstances developing after this date that may cause a change in the use of the property from that described in my application for classification.

| Owner(s) | Date |
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