City of Chelsea

Assessor's Office

Tax Assessment Overview

Fiscal Year 2025

Chelsea Assessor's Office Chief Assessor James P. Sullivan, MBA, MAA

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Mission Statement

The Assessor's Office provides the city with fiscal stability by ensuring that the City's personal and real property tax base is promptly, fairly, and equitably evaluated and classified. Assessing also administers motor vehicle excise tax, residential exemptions, and statutory exemptions according to Massachusetts Law. The department strives to be transparent in all its functions and provide clear, concise and timely correspondence in response to all inquiries.

The Assessor's Office performs a critical support role to the operation of the City:

- Management of Property Lots and Associated mapping
- Valuation of all Property Lots in the City
- Equitable Tax Administration and administration of the Residential Exemption
- Administration of Motor Vehicle Excise Taxes and Abatements

Assessor's Office info

The Assessor's Office is located in Room 211 in City Hall, 500 Broadway, Chelsea, MA 02150.

The office phone number is (617) 466-4010 and Fax (617) 466-4019. The office email is Assessing@ChelseaMA.gov

The Assessor's Office is open during City Hall's business hours of:

- Monday, Wednesday, and Thursday 8:00 am to 4:00 pm
- Tuesday 8:00 am to 7:00 pm
- Friday 8:00 am to 12:00 pm

Our webpage is available 24 hours a day and contains all the recent forms, updates, and FAQ's to assist you.

https://www.chelseama.gov/assessor

Approved Tax Rates for Fiscal Year 2025

$11.51 - Residential

$24.03 – Commercial / Industrial / Personal Property

Residential Exemption Percentage 35%

Residential Exemption Value $264,995

Tax Bill Decrease from Residential Exemption $3,050.10

Abatement Process

If you do not agree with your valuation, you have the right as a taxpayer to file an abatement. Your abatement is to appeal your valuation, not your tax dollar amount.

- Fill out an abatement application with the Assessor's office during the state mandated period. Typically, January 2 – February 1. The application must be time stamped by the office or postmarked by the US Post Office prior to the due date. Late applications are not accepted.
- Provide proof, showing that your property is over valued
- Have the City Data Collector walk through your property for a visual inspection to ensure the city records are accurate
- Income Producing properties must file an Income and Expense form
- Tax bill must be paid in full

Your abatement will be reviewed by the Board of Assessors who will make a decision regarding your claim. The Board of Assessors has 90 days from your date of application to render a decision.

If you are granted an abatement, then your amount will be credited towards your 4th quarter tax payment. If your abatement is granted after you make your 4th quarter payment, then you will receive a refund check.

Appellate Tax Board

If you disagree with the Board of Assessors decision, then you may file an appeal with Appellate Tax Board (ATB) within 90 days of the Board of Assessors decision. The ATB can be reached at:

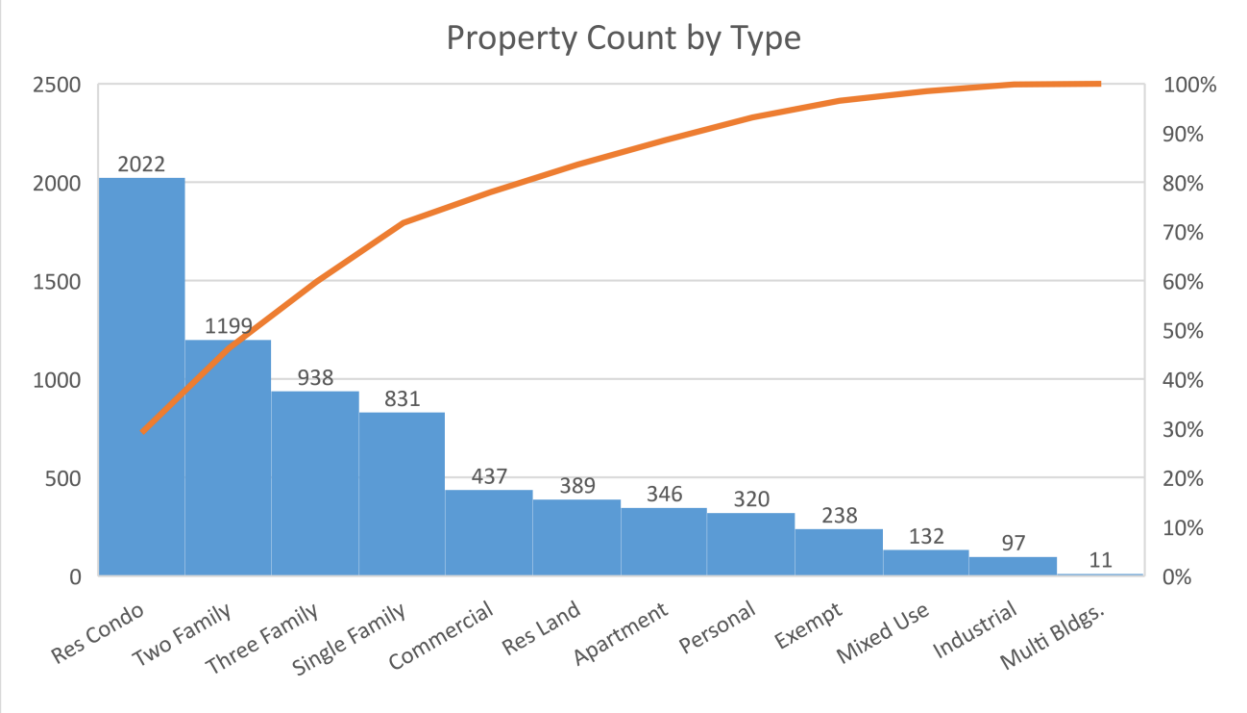
617-727-3100

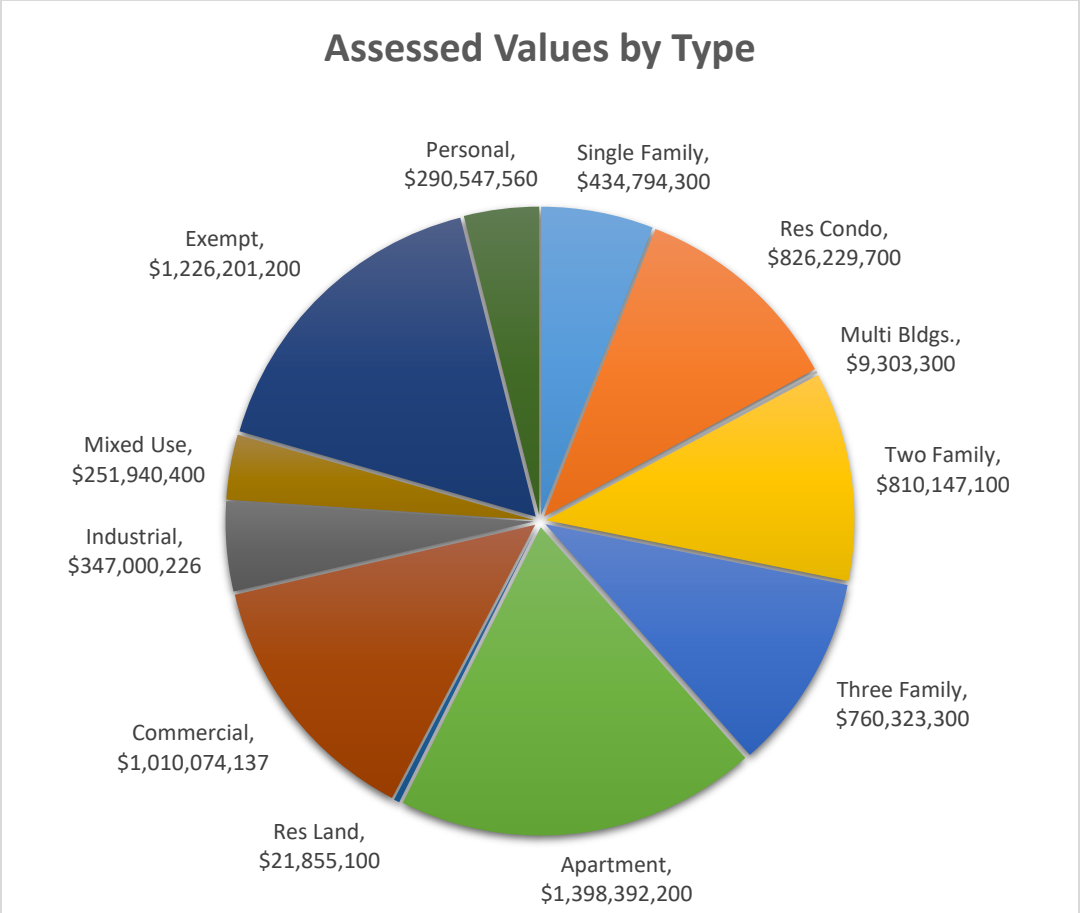
https://www.mass.gov/orgs/appellate-tax-board

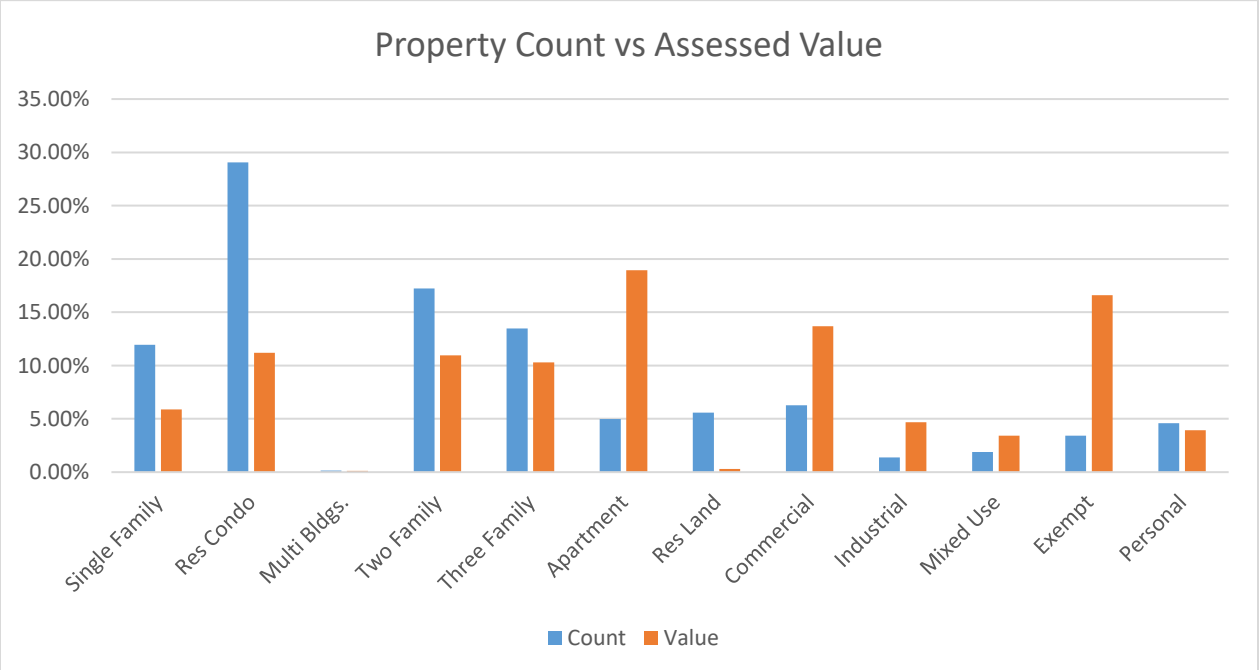
Property Classification

All properties are classified as Residential, Open Space, Commercial, Industrial, Mixed Use, or Personal Property.

Personal Property – Is anything that is not permanently affixed to the real property. Personal property is tangible and owned by the property owner, whether it is a person, business, or organization.




Assessed Values by Type
Personal, $290,547,560
Single Family, $434,794,300
Res Condo, $826,229,700
Multi Bldgs., $9,303,300
Two Family, $810,147,100
Three Family, $760,323,300
Apartment, $1,398,392,200
Res Land, $21,855,100
Commercial, $1,010,074,137
Industrial, $347,000,226
Mixed Use, $251,940,400
Exempt, $1,226,201,200


Property Count vs Assessed Value
35.00%
30.00%
25.00%
20.00%
15.00%
10.00%
5.00%
0.00%
Single Family
Res Condo
Multi Bldgs.
Two Family
Three Family
Apartment
Res Land
Commercial
Industrial
Mixed Use
Exempt
Personal
Count
Value

Valuation Process

Massachusetts General Laws defines full and fair cash value as:

"Fair market value, which is the price a willing buyer and a willing seller would settle upon in an open market transaction, i.e., they expended a reasonable effort to determine a price and there are no special circumstances involved."

All Assessors conform to Uniform Standards of Professional Appraisal Practice.

The Appraisal Process includes:

- Data Collection
- Data Analysis
- Market Analysis
- Valuation Analysis
- Reconciliation
- Reporting of Values

The Assessor's Office staff performs data collection year round. The data collected by our staff includes:

- Sales Data
- Rental Data
- Building Permits
- Building Cost Manuals
- Expense Data
- Vacancy Rates
- Property Inspections
- Interviews with Property Owners and Brokers
- LIDAR Mapping Technology

Sales and rental data from the valuation period determine trends in the real estate market. All sales are researched and only qualified sales transactions are included in the analysis. Qualified sales are true arm's length transactions, which reflect the marketplace.

All sales that are analyzed are from the Suffolk County Registry of Deeds in Boston and have been recorded with a Book and Page. The date of sale is the date recorded at the registry.

Property inspections are performed for a number of reasons, including:

- Sales Inspection
- Cyclical Inspection
- Building Permit Inspection
- Abatement Inspection
- Taxpayer Requested
- Under Construction Progress

Property inspections are an important part of the assessing process, and help the Assessors be fair and equitable to all owners. The process is voluntary but recommended. The inspection gives the owner the opportunity to have the data collector evaluate the property first hand. If the owner does not agree to an inspection, then assumptions must be made regarding the property.

If the property owner files an Abatement, then the owner MUST let the data collector into the home or the abatement will be denied.

The Massachusetts Department of Revenue requires that an interior inspection be done on each property once every 10 years. Exterior inspections and reviews are done throughout the year.

All three approaches to value are considered and applied to the properties for valuation. The three approaches are:

- Sales Comparison Approach
- Income Approach
- Cost Approach

The Sales Comparison is best used for residential properties such as condominiums, single families, and two to three family homes. There are many sales for these types of properties that are used to make a fair measure of comparison for valuation.

The Income Approach is primarily used for apartments and commercial & industrial buildings. These properties are purchased to generate revenue and their value is predicated on the income and expenses.

The Cost Approach is best suited for newer properties with little or no accumulated depreciation and for properties that are unique.

Sales Data

Fiscal Year 2025 has an Effective Date of Valuation of January 1, 2024, therefore Calendar Year 2023 arm's length sales are the transactions that are analyzed.

2023 Arm's Length Transactions

Property Type	# of Sales	Lowest Sale	Highest Sale	Avg Sales Price
Single Family	19	$334,000	$720,000	$542,316
Res Condo	72	$290,000	$745,000	$473,429
Two Family	15	$642,000	$1,245,000	$795,467
Three Family	12	$700,000	$1,110,000	$921,833
Apartment	1	$877,000	$877,000	$877,000
Mixed Use	0	$0	$0	N/A
Commercial	3	$375,000	$835,000	$545,000
Industrial	0	$0	$0	N/A
	122			

New Growth

New Growth is an increase in prior years assessed value not attributed to a market adjustment or routine maintenance. Growth is allowed under Proposition 2 ½ to cover additional costs for schools, public safety, etc.

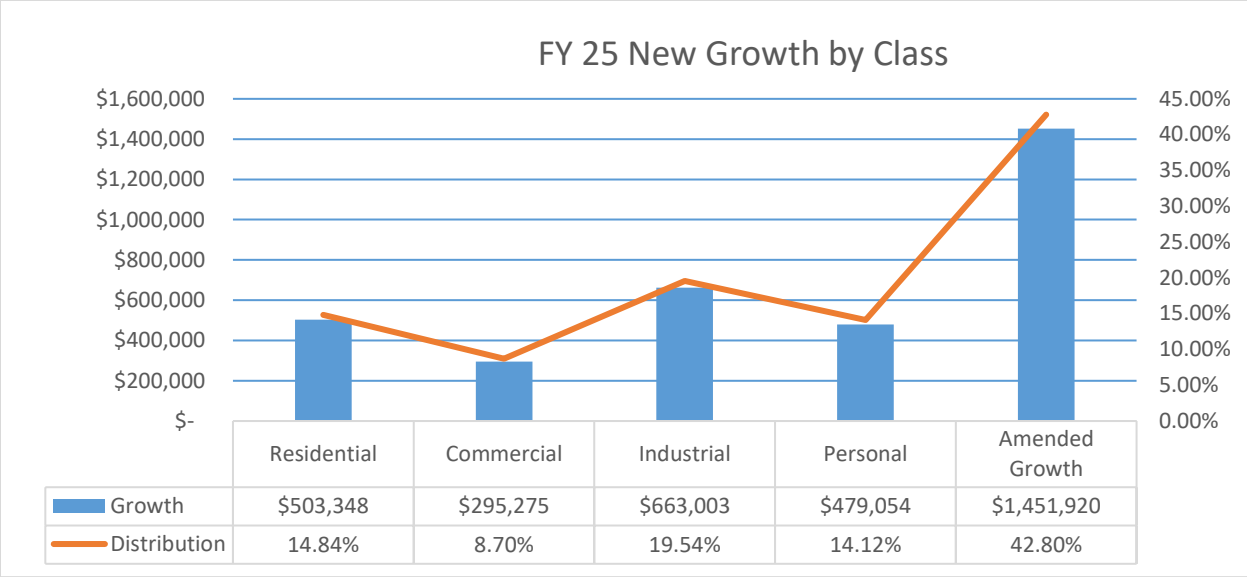
Sources of Growth include:

- New construction
- Additions to buildings
- Significant improvements to property
- Change status form Exempt to Taxable
- New machinery and equipment
- Condominiums
- Net new business accounts (not transfers of ownership)



MGL Chapter 59 :

Section 2A. (a) Real property for the purpose of taxation shall include all land within the commonwealth and all buildings and other things thereon or affixed thereto, unless otherwise exempted from taxation under other provisions of law. The assessors of each city and town shall determine the fair cash valuation of such real property for the purpose of taxation on the first day of January of each year. Notwithstanding the foregoing, in any city or town which accepts the provisions of this sentence, buildings and other things erected on or affixed to land during the period beginning on January second and ending on June thirtieth of the fiscal year preceding that to which the tax relates shall be deemed part of such real property as of January first.



What is New Growth?

From Mass. Department of Revenue

Types of New Growth:

Increase in Assessed Valuation over prior year due to construction activity

Subject to Taxation for the first time

New articles of personal property

Previously exempt property

Taxed as a Separate Parcel for the first time

Subdivisions

Condo Conversions

Illustrations: What's New Growth?

Grade and condition: ***With physical change.***

If there has been physical change to an improvement whether it be with or without permit, resulting in a grade and condition change in the CAMA system, the increase in value can be considered growth.

- Assessors do an inspection of a home and realize significant work has been done since they last visited the property. Does not appear there was any permit. Assessors change grade and/or condition. **GROWTH.**
- Assessors realize that the siding is not aluminum but vinyl. Vinyl siding is priced slightly higher in their CAMA system than aluminum which results in a slight increase in assessed value. **GROWTH.**

Permit value or change in value?

- A $10,000 permit is taken out to do a new bathroom. Assessors report $10,000 on LA13 with comment "BATHROOM REMODEL"

  The Permit amount should not be reported on the LA13. It should be the increase in value due to the remodeled bathroom.

Zoning Change

- A parcel would qualify as FY19 tax base growth if a zoning change or the construction of public improvements (roads, sewers, etc.) during the calendar year results in an increase in its assessed valuation over its valuation.

Chapter 653 of the Acts of 1989 (AKA Growth until June 30)

ALLOWABLE Time period July 1 to June 30

- New Buildings
- Additions
- Buildings Removed or Destroyed

Personal Property Growth

New accounts are Growth

- Not allowed if due to a change of ownership only

New Inventory is growth

- Note: Unless the assessors can provide a report listing new items, inventory growth will be the difference between the current year minus the prior year.

Machinery refurbished is growth (often see with EGP)

- A piece of machinery owned and used in conducting a business would qualify as new growth if it was refurbished or enhanced during the calendar year resulting in an **increase in its assessed valuation over its prior year.**

Utility Growth

- 504 Locally Assessed: Growth listed from utility letter or detailed FOL
- DOR Assessed Telephone and Pipelines – Growth posted on DOR website

Tax Exempt Organizations (Charitables)

Nonprofit organizations can apply and receive exempt status for real estate and personal property tax. After the initial application process, Form 3ABC must be field annually on or before March 1 to maintain the exempt status.

Determining the Tax Rate

Tax Classification Hearing

The Department of Revenue will certify the values and growth submitted by the Assessor's Office. The City Council then has to determine whether the City will use a split tax rate by adopting the Minimum Residential Factor and the percentage of the Residential Exemption. The split tax rate will shift some of the residential levy to the commercial tax levy.

The City Council once again has approved a 35% Residential Exemption Factor and a 1.75% Shift. The shift allows residential properties to be taxed at a lower rate than commercial properties under MGL Chapter 58 Subsection 1A.

Property taxes are calculated by the following mathematical formula:

(Assessed Value / 1000) x Tax Rate = Property Tax Amount

Community Preservation Act

The City Council approved the implementation of the Community Preservation Act (CPA). The CPA is a surcharge of 1.5% on the property tax bill. The CPA is calculated by taking the Assessed Value and deducting $100,000 from the Assessed Value. The reduced value is then divided by 1000 and multiplied by the tax rate, and then multiplied by 1.5% to calculate the CPA. Please see the examples below.

The math equation to calculate the CPA is as follows:

CPA = (((Assessed Value – Residential Exemption - $100,000) / 1000) x Tax Rate) x 1.5%

Residential Tax and CPA Example for a Single Family home in Chelsea using the Mean Assessed Value of single families for FY 2025.

Actual Tax Bill		
Residential Tax Rate		**$11.51**
Real Estate Tax Calculation		
Assessed Value	$	507,600
Less: Residential Exemption	$	264,995
Adjusted Taxable Amount	$	242,605
Total Real Estate Tax	$	2,792.38
CPA Calculation		
Assessed Value	$	507,600
Less: Residential Exemption	$	264,995
Less: :CPA deduction	$	100,000
Adj Tax Value	$	142,605
CPA Tax	$	24.62
Annual Tax Bill	**$**	**2,817.00**

Property Tax Relief for Residents

The three types of relief available for the residents of Chelsea are Deferrals, Exemptions, and Work Off Programs.

Property Tax Deferral

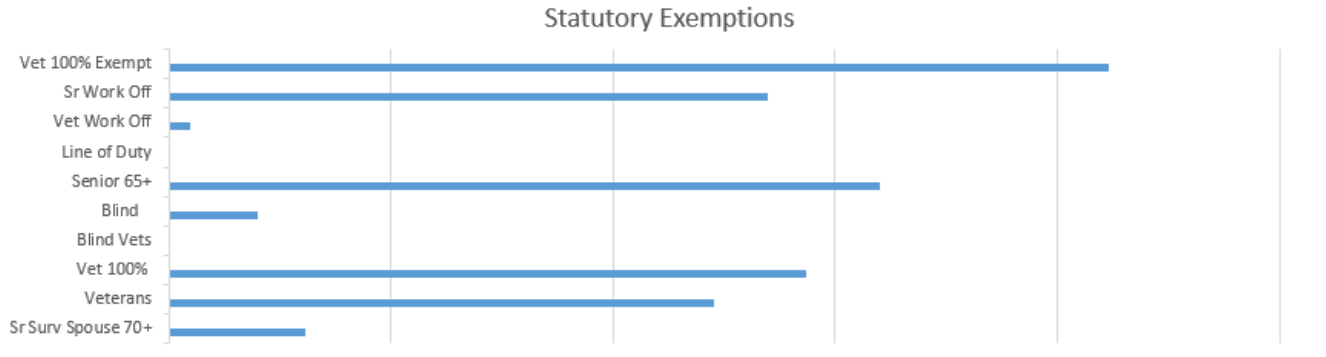
The City has Clause 41A Tax Deferral program for owners 65 years and older. The requirements and application process are in depth, so please contact the Assessor's Office for more information. Currently we do not have any residents in this program.

Under Clause 41A, seniors may also be able to delay payment of their property taxes. A property tax deferral does not discharge the tax obligation like an exemption. Instead, it defers payment until the senior sells the property or passes away. A deferral allows seniors to use resources that would go to pay taxes to defray living expenses instead. Taxpayers who qualify for personal exemptions under other clauses in M.G.L. c. 59, § 5 (for example, for seniors, disabled veterans, blind persons or surviving spouses) may defer all or part of the balance of their reduced taxes.

Statutory Exemptions

Statutory exemptions are for Veterans, Seniors, Blind, and Surviving Spouses of Military, Police, and Firefighters.

The City Council has previously approved to double the statutory exemptions (M.G.L. c. 59, Section 5C½).



	Sr Surv Spouse 70+	Veterans	Vet 100%	Blind Vets	Blind	Senior 65+	Line of Duty	Vet Work Off	Sr Work Off	Vet 100% Exempt
# of Exemptions	11	23	12	0	4	16	0	1	12	7
Exemption Total	$3,069.30	$12,286.21	$14,361.07	$-	$2,000.00	$16,000.00	$-	$484.64	$13,496.21	$21,164.94

- As of December 31, 2024

Residents	Clause	Basic Qualification	Maximum Income	Maximum Assets	Tax Exempt Amount
	ResX	Own and Occupy	None	None	$3,050
Seniors	**Clause**	**Basic Qualification**	**Maximum Income**	**Maximum Assets**	**Tax Exempt Amount**
	17	Age 70+ Single	None	$53,704	$236 - $472
	17	Age 70+ Married	None	$73,845	$236 - $472
	41	Age 65+ Single	$26,853	$53,704	$1000 - $2000
	41	Age 65 & Married	$40,279	$73,845	$1000 - $2000
	Sr Wk Off	Over 60	None	None	Up to $1,500
Veterans	**Clause**	**Basic Qualification**	**Maximum Income**	**Maximum Assets**	**Tax Exempt Amount**
	22	Veteran 10-90%	None	None	$400 - $800
	24 (22E)	Veteran 100%	None	None	$1000 - $2000
	22 D	Vet Widow 100%	None	None	100% Exempt
	25 (22B)	Blind Veteran	None	None	$1,250
	Vet Wk Off	Veteran	None	None	Up to $1,500
Others	**Clause**	**Basic Qualification**	**Maximum Income**	**Maximum Assets**	**Tax Exempt Amount**
	37	Legally Blind	None	None	$500
	42	Killed in Line of Duty	None	None	100% Exempt

Application for Statutory Exemptions must be filed annually. Applications are available in the month of August and are posted on our website and mailed directly to the previous year's recipients.

Residential Exemption

The City of Chelsea offers the Residential Exemption for all owner occupied Class One residential properties in accordance with Massachusetts General Laws Chapter 59 Section 5C.

To qualify, the homeowner must own and occupy their property as their principal residence **as of January 1 of the prior calendar year**. Homeowners must fill out the application and provide proof of residency. The applications are reviewed by the Board of Assessors, who will determine if the exemption is granted.

In Fiscal Year 2025, the maximum limit of 35% was accepted by the City Council. The Average Residential Value is $757,125 with a Break Even Point of $1,732,100.

Property Type	No. of Properties	ResX Recipients	% of Owners w/ ResX
SINGLE FAMILY	831	548	65.94%
RES CONDO	2,022	1,008	49.85%
TWO FAMILY	1,199	678	56.55%
THREE FAMILY	938	297	31.66%
FOUR FAMILY	123	23	18.70%
5-8 UNIT APT	125	1	0.80%
9+ UNIT APT	93	0	0.00%
MIXED USE	132	5	3.79%
MULTI BLDG	11	5	45.45%
OTHER RES	394	0	0.00%
TOTAL	5,868	2,565	

The Residential Exemption applications are typically posted on the Assessor's web page in May of each year. The application and proof of residency must be returned to the Assessor's office for the Board of Assessors approval. Homeowners DO NOT automatically receive the exemption; they must apply.

The application process is renewed once every five years. It does not mean the homeowners will receive the exemption for five years. The exemption will be removed if the Assessor's Office finds evidence that the property owner no longer occupies the home.

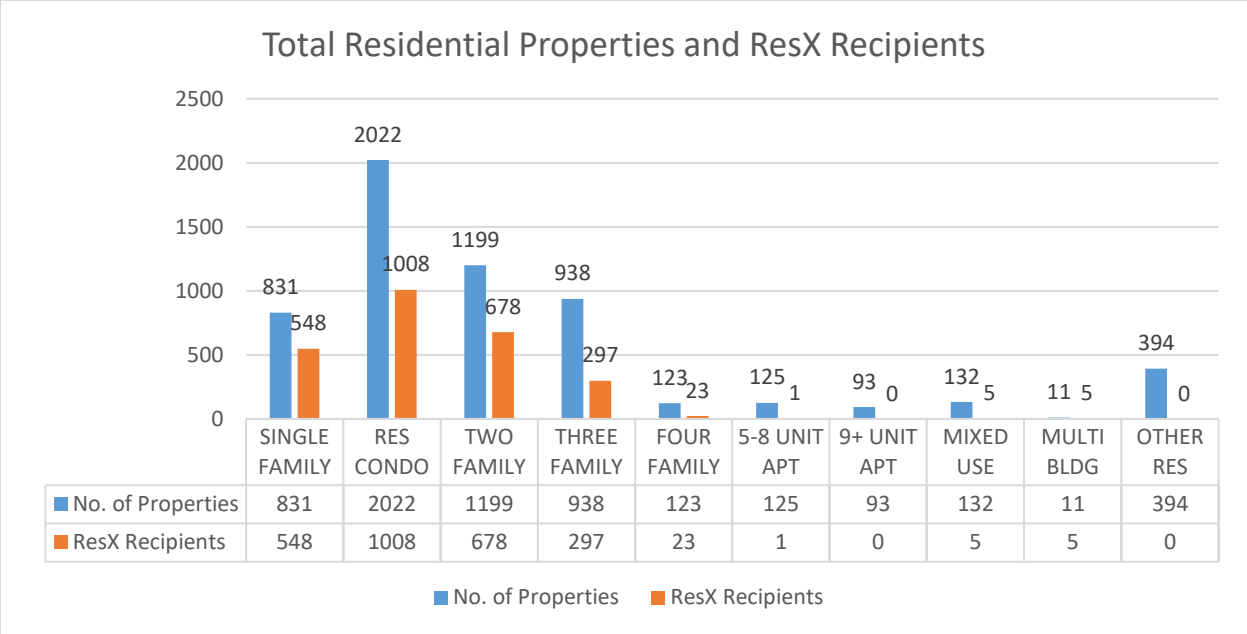
The Residential Exemption is a tremendous benefit for residential homeowners in Chelsea. Like all property taxes, it must be progressive and benefit the people with the lower assessed values the most.

The Residential Tax Rate is for Fiscal Year is 2025 is $11.51 per thousand, or 1.151% of the assessed value. The Residential Exemption lowers the taxes and creates an Effective Tax Rate, which can be seen in the chart below.

Recipients all receive the same dollar amount exemption, but the lower valued property owners will benefit more by having a lower effective tax rate.

	Assessed Value	Rate per $1000	Gross Tax	Eff Tax Rate	Res X Amt	Net Tax	Adj Eff Tax Rate	Reduction in Tax
	$ 300,000	$ 11.51	$ 3,453.00	1.151%	$3,050.10	$ 402.90	0.13%	88%
Avg Condo	$ 392,100	$ 11.51	$ 4,513.07	1.151%	$3,050.10	$ 1,462.97	0.37%	68%
Avg Sing Fam	$ 507,600	$ 11.51	$ 5,842.48	1.151%	$3,050.10	$ 2,792.38	0.55%	52%
	$ 600,000	$ 11.51	$ 6,906.00	1.151%	$3,050.10	$ 3,855.90	0.64%	44%
Avg 2 Fam	$ 668,600	$ 11.51	$ 7,695.59	1.151%	$3,050.10	$ 4,645.49	0.69%	40%
	$ 700,000	$ 11.51	$ 8,057.00	1.151%	$3,050.10	$ 5,006.90	0.72%	38%
Avg 3 Fam	$ 802,200	$ 11.51	$ 9,233.32	1.151%	$3,050.10	$ 6,183.22	0.77%	33%
	$ 900,000	$ 11.51	$ 10,359.00	1.151%	$3,050.10	$ 7,308.90	0.81%	29%
	$ 1,000,000	$ 11.51	$ 11,510.00	1.151%	$3,050.10	$ 8,459.90	0.85%	26%





Work Off Programs

The Senior Tax Work Off and Veterans Work Off programs are handled by Human Resources.

Circuit Breaker Tax Credit

Certain seniors who own or rent residential property in Massachusetts, as their principal residence, are eligible for a refundable tax credit. Find out if you qualify and how to apply.

https://www.mass.gov/info-details/massachusetts-senior-circuit-breaker-tax-credit

Property owners can only receive one Statutory Exemption. However, they can also receive the Residential Exemption and participate in a Work Off program. Taxpayers will have to pay a 10% minimum property tax regardless of the total value of exemptions.

Personal Property

The tangible assets of a business are taxed and report through the Form of List. The Form of List is due to the Assessor by March 1.

If you have less than $10,000 in personal property in the business then there is no tax due. The City Council adopted Mass General Law Chapter 59, Section 5, Clause 54

The owner must still file an annual return so that the Board of Assessors can determine the value of the property and whether the exemption applies in that year. However, if a person or entity owns no taxable personal property as of January 1, no return is required for the year.

Massachusetts General Law Chapter 59, Section 5, Clause 54:

"Personal property, if less than an amount established by the city or town, but not in excess of $10,000 of value. This clause shall take effect upon its acceptance by a city or town, which shall establish a minimum value of personal property subject to taxation and may modify the minimum value by vote of its legislative body."

Motor Vehicle Excise

All residents who own a vehicle must pay an annual excise tax. The tax is paid to the city where the vehicle is principally garaged.

Please refer to our web page for more detailed information, Frequently Asked Questions, and forms dealing with Excise Tax.

https://www.chelseama.gov/assessor

Addenda

Important Dates

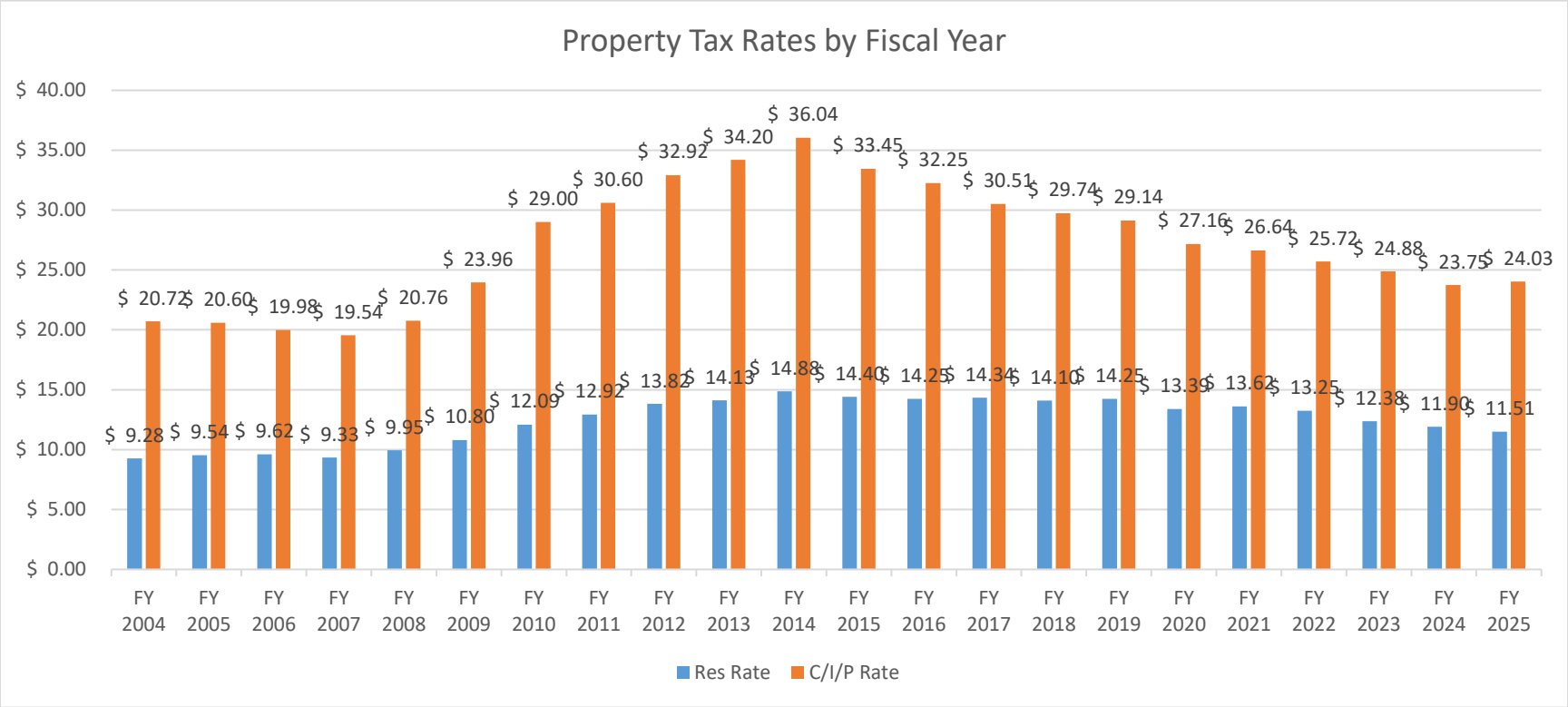
	January
1st	New Valuation Period Begins
2nd	Q3 Actual Tax Bills are Issued
2nd	Tax Abatement Period Begins
	February
1st	Q3 Actual Tax Bills are Due
1st	Tax Abatement Period Ends
	March
1st	Form 3ABC are due from Charitable Organizations
1st	Forms of List are due from Business Accounts
1st	First Mailing of 38D Income & Expense forms
	April
1st	Q4 Actual Tax Bills are Issued
1st	Last Day to Submit ResX and Statutories (from Overlay)
	May
1st	Q4 Actual Tax Bills are Due
	June
30th	New Growth Reporting Ends
30th	Fiscal Year Ends

	July
1st	New Fiscal Year Begins
1st	Q1 Estimated Tax Bills are Issued
	August
1st	Q1 Estimated Tax Bills are Due
	September
1st-30th	Submit Valuations to Dept. of Revenue
	October
1st	Q2 Estimated Tax Bill Issued
1st	Last Days to Submit ResX, Resx Renewal, Staturories (from Tax Rate)
	November
1st	Q2 Estimated Tax Bills Due
1st-30th	Tax Classification for City Council
1st-30th	Council Votes on Shift and ResX Percent
	December
1st	Begin Actual Tax Billing Process

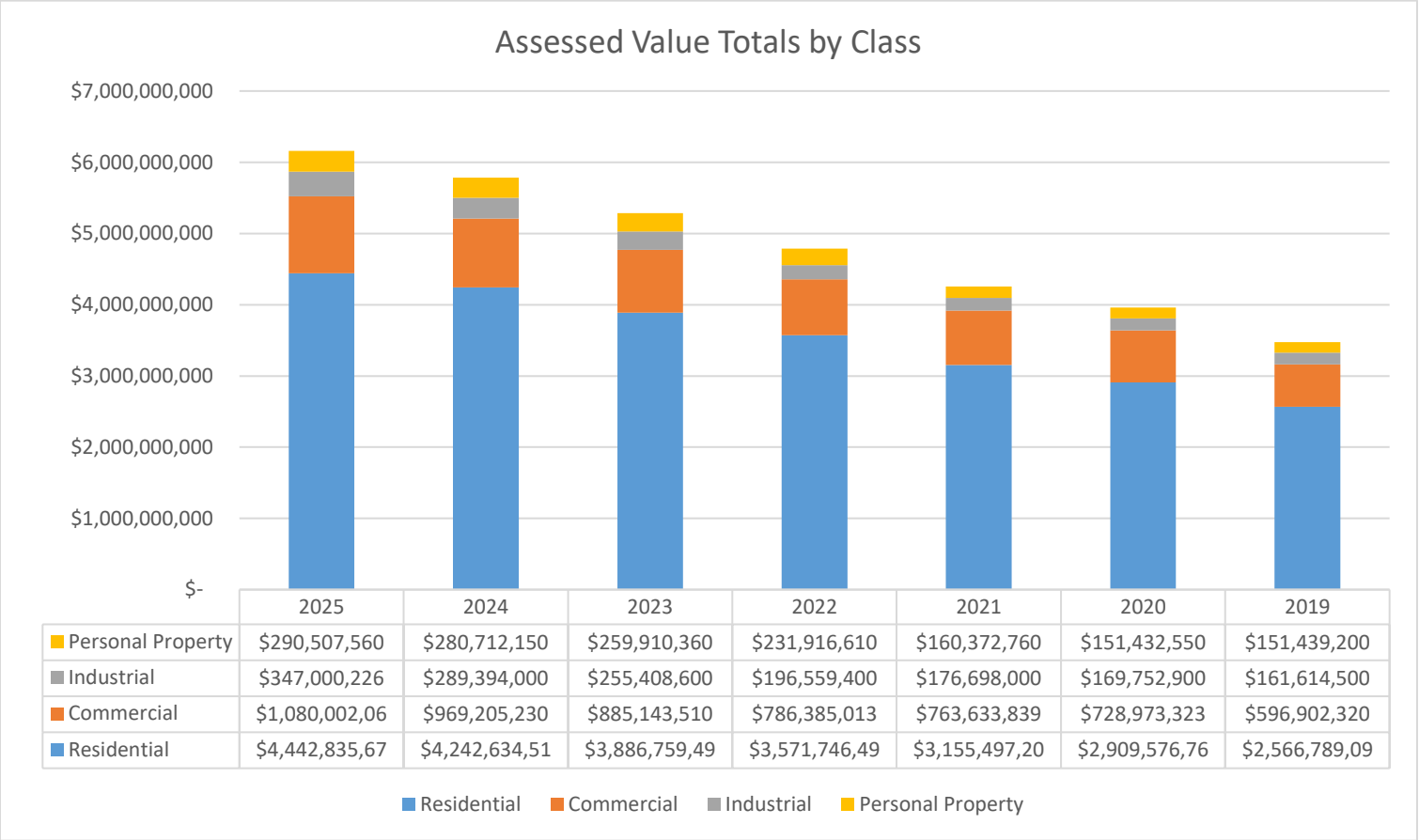
Tax Rate and Residential Exemption History

	Residential Tax Rate	Commercial & Industrial, and Personal Property Tax Rate	Residential Exemption Tax Amount	Residential Exemption Assessed Value Equivalent
FY 2025	$ 11.51	$ 24.03	$ 3,050.10	$264,995
FY 2024	$ 11.90	$ 23.75	$ 3,018.03	$253,616
FY 2023	$ 12.38	$ 24.88	$ 2,885.77	$233,099
FY 2022	$ 13.25	$ 25.72	$ 2,868.22	$216,469
FY 2021	$ 13.62	$ 26.64	$ 2,608.79	$191,541
FY 2020	$ 13.39	$ 27.16	$ 2,144.79	$160,179
FY 2019	$ 14.25	$ 29.14	$ 1,897.13	$133,132
FY 2018	$ 14.10	$ 29.74	$ 1,584.68	$112,389
FY 2017	$ 14.34	$ 30.51	$ 1,373.69	$95,794
FY 2016	$ 14.25	$ 32.25	$ 938.94	$65,891
FY 2015	$ 14.40	$ 33.45	$ 853.79	$59,291
FY 2014	$ 14.88	$ 36.04	$ 758.57	$50,979
FY 2013	$ 14.13	$ 34.20	$ 717.61	$50,786
FY 2012	$ 13.82	$ 32.92	$ 685.20	$49,580
FY 2011	$ 12.92	$ 30.60	$ 660.59	$51,129
FY 2010	$ 12.09	$ 29.00	$ 606.69	$50,181
FY 2009	$ 10.80	$ 23.96	$ 662.80	$61,370
FY 2008	$ 9.95	$ 20.76	$ 708.81	$71,237
FY 2007	$ 9.33	$ 19.54	$ 680.16	$72,900
FY 2006	$ 9.62	$ 19.98	$ 661.62	$68,775
FY 2005	$ 9.54	$ 20.60	$ 608.44	$63,778

Tax Rate History



7 Year Assessed Value History



	2025	2024	2023	2022	2021	2020	2019
Personal Property	$290,507,560	$280,712,150	$259,910,360	$231,916,610	$160,372,760	$151,432,550	$151,439,200
Industrial	$347,000,226	$289,394,000	$255,408,600	$196,559,400	$176,698,000	$169,752,900	$161,614,500
Commercial	$1,080,002,06	$969,205,230	$885,143,510	$786,385,013	$763,633,839	$728,973,323	$596,902,320
Residential	$4,442,835,67	$4,242,634,51	$3,886,759,49	$3,571,746,49	$3,155,497,20	$2,909,576,76	$2,566,789,09