



Greater Boston Real Estate Board

24 School Street, Boston, Massachusetts 02108 617—1

President, WILLIAM F. McCALL, JR.

Vice Presidents, DAVID H. BRADLEY

Clerk, MYRON C. ROBERTS

Treasurer, SHEPARD BROWN

Executive Vice President, ANDREW F. HICKEY

February 28, 1973

Mayor Barbara Ackerman
City Hall
795 Massachusetts Ave.
Cambridge, Mass. 02139

Dear Mayor Ackerman:

In view of the fact that we cannot expect any relief from the state in the form of comprehensive tax reform, I am writing to urge you and your administration to take an uncompromising hard line on municipal spending to prevent any further rise in our property taxes. Figures from the State Tax Commission show that Cambridge's tax rate has jumped by 83 per cent. This is not a mere statistic, but represents a considerable outlay in terms of cold cash by beleaguered home-owners.

For five years we have been promised a tax reform package with substantial relief for property taxpayers. But, reports from Beacon Hill indicate that while the state's Master Tax Plan Commission may issue a report later this year, it will not be submitting a specific plan for tax reform to the legislature. Statements by Gov. Sargent that he does not plan to push for property tax relief this year reinforce the viewpoint that it will be at least 1974 before a serious effort is made in this direction.

In the face of this bleak outlook, it becomes evident that the only way our property tax rate can be checked is by implementing severe austerity measures in municipal programs and by applying all federal revenue sharing funds to ease pressures on the tax rate. The crushing, distortionate tax burden being borne by property and home owners is approaching oppressive levels and to add to this burden would be unjustly cruel. To some families, property taxes have become economically catastrophic.

Because of the critical nature of the property tax dilemma, myself and other Realtor members of the Greater Boston Real Estate Board have embarked on a coordinated campaign to hold the line on local property tax rates. This is our first line of defense, so to speak. Later, we hope to undertake a second campaign to mount public opinion behind the need for a major overhaul of the tax structure with heavy de-emphasis on the property tax as a revenue-producing source. Our initial efforts will be to assume the role of taxpayer "watchdogs" in our respective communities by speaking out and gathering support for stringent economies in municipal spending programs.

- continued -

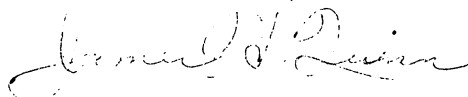
We believe a number of specific steps of action can be taken to hold the line on taxes. First, municipal agency heads should postpone for one year all capital outlays and equipment replacements, except those that are imperative to the health and safety of the community. All budget increases should be strictly held to a percentage rise equal to that of the cost of living index. Lastly, municipal fiscal officers should be instructed to adopt a "zero line" approach to agency budgets and eliminate any part of a program that cannot be literally classified as an "essential need."

These recommendations obviously are little more than emergency, stop-gap measures and do not constitute a lasting solution to the problem. But, they must be instituted until we can convince state government leaders of the urgent need for comprehensive tax reform.

Belt-tightening is not a pleasant prospect to contemplate, but neither are the harsh consequences of an unjust system of taxation. There is already ample evidence that soaring property taxes are forcing the elderly to sell their homes and are excluding young families from the home-ownership market. In short, home-ownership as a way of life in many Massachusetts communities is being acutely undermined. Although the property tax cannot be indicted as the sole villain, it is the largest single contributing factor to what is known as the "cost crisis conspiracy" against home-ownership.

I'm certain that you are just as deeply disturbed about the property tax dilemma as we are. If you feel that I and my fellow Realtors can be of some help in rallying public support behind an austerity program, by all means contact me.

Sincerely yours,



James H. Quinn, Cambridge
President, Council E

JHQ:m

112
From James H. Quinn, Cambridge Pres.
of Council E relative to rise in
property taxes.

In City Council

February 28, 1973

File