CITY OF CAMBRIDGE

Yi-An Huang, City Manager | Kathy Watkins, Deputy City Manager | Claire Spinner, Assistant City Manager for Fiscal Affairs | Gayle Willett, Director of Assessment

FY27 Property Tax Update

October 2026

Dear Cambridge Residents and Taxpayers:

On September 28, 2026, the City Council took votes that resulted in the following FY27 tax rates:

FY27 Residential Tax Rate: $6.95 per thousand dollars of value – an increase of $0.28, or 4% from last year.

FY27 Commercial Tax Rate: $16.99 per thousand dollars of value – an increase of $2.92, or 21% from last year.

These rates have been approved by the Massachusetts Department of Revenue (DOR).

This newsletter explains your property tax bill in detail and provides answers to some frequently asked questions. This newsletter also contains information about property tax exemptions and tax deferrals that may help you reduce or defer real estate taxes.

The City continues to offer one of the most generous tax exemption programs in the Commonwealth. The FY27 residential exemption is $520,253, which results in a tax bill reduction of $3,616 for owners who reside in their property and file a Massachusetts income tax return using that address.

Please read this information carefully. If you believe you are eligible for an exemption or tax deferral program, contact the City of Cambridge Assessing Department at 617–349–4343 to request an application form or discuss your particular situation. Information is also available on the City's Assessing Department web page: **www.cambridgema.gov/assessor.**

The Assessing Department will be offering virtual taxpayer assistance meetings. Please see page 5 for dates.

FY27 property tax bill for the first half of the fiscal year will be mailed on October 16, 2026, with a due date on November 16, 2026. Please note that if you did not receive a FY27 property tax bill, you should contact the Finance Department immediately (617-349-4220 or treasurer@cambridgema.gov) to receive a copy. Under State law, you are still responsible for paying your property tax bill on time, even if you did not receive the actual bill.

I encourage you to read this publication and seek out City staff from the Departments listed on the back cover with any questions.

Sincerely,

Yi-An Huang, City Manager

Important Dates:

Please note that payments are considered made when received by the Finance Department. The City does not accept postmarked or mailing dates. Please plan accordingly if mailing payment. You can also use the payment drop box located behind City Hall (795 Massachusetts Avenue, Cambridge, MA 02139) or make your payments online at **cambridgema.gov/finance**

- If you did not receive your tax bill, please contact the Finance Department at **617-349-4220** or **treasurer@cambridgema.gov**
- **First Half Tax Bills Due:** November 16, 2026
- **Abatement Applications Due:** November 16, 2026
- **Exemption Applications Due:** April 1, 2027

Property Tax Highlights:

The Property Tax Levy of **$725.4 million** a **6.9% increase** from FY26.

The FY27 Adopted Budget of **$1.033 billion** increased by **4.1%** over the FY26 Adopted Budget.

Commercial property owners will pay **66%** of the Property Tax Levy, while residential owners will pay **34%.**

The **30% residential exemption** reduces your assessed value by **$520,253**, resulting in tax savings of **$3,616**.

Assessment Update

FY27 assessed values are established as of January 1, 2026, based upon market activity that occurred during calendar year 2025, which is the basis for the property assessment calculation. Overall, the total assessed value of taxable property in the City equals $70.4 billion:

Residential Property Values -- **$42.1 billion**

Commercial Property Values -- **$25.8 billion**

Personal Property Values -- **$2.5 billion**

Tax classification allows municipalities to tax commercial taxpayers at a higher rate than residential taxpayers. For this year, commercial property owners will pay approximately 66% of the property tax levy, and residential property owners will pay 34% of the FY27 tax levy.

For calendar year 2026, changes in values between the classes indicated the continued softening of the commercial and industrial markets and a relatively sluggish residential market with low inventory.

Property taxes are the most significant source of revenue for the City of Cambridge, as they are for many other Massachusetts municipalities. Three major factors are responsible for calculating your tax bill:

The City's Budget:

As a result of recommendations adopted by the City Council, there is a 6.9% increase in the property tax levy required to balance the FY27 Budget. The property tax levy for FY27 is $725.4 million.

Property Values (Assessment):

FY27 values are established as of January 1, 2026, based on market activity during calendar year 2025.

Commercial and Residential Property Tax Classifications:

The share of FY27 property taxes paid by the commercial taxpayers is 66.199% and the share of FY27 property taxes paid by the residential taxpayers is 33.801%.

Changes in the Median Values and Tax Bills by Property Class*

	FY26 Value	FY26 Tax Bill	FY27 Value	FY27 Tax Bill	Dollar Change
Single Family	$1,841,000	$8,876	$1,917,600	$9,712	$836
Condominium	$798,900	$1,926	$800,900	$1,950	$24
Two Family	$1,648,750	$7,594	$1,735,400	$8,445	$851
Three Family	$1,918,700	$9,395	$1,982,200	$10,161	$766

*Includes Residential Exemption

How to Read Your Tax Bills

This page provides an overview of how to read your tax bill. If you would like more information, or to pay your tax bill online, please visit **www.cambridgema.gov/finance.**

If you have questions regarding your property valuation, please contact the Assessing Department at **617-349-4343** or **assessors@cambridgema.gov.**

For information on billing or payments, contact the City of Cambridge Finance Department at **617-349-4220.**

City of Cambridge
795 Massachusetts Avenue
Cambridge, MA 02139

Fiscal Year 2027

Collector of Taxes: Claire Spinner

Based on Assessments as of January 1, 2026, your REAL ESTATE tax for the Fiscal Year beginning July 1, 2026 and ending June 30, 2027 on the parcel of real estate described below is as follows:

Tax Rate	Residential	Commercial	Industrial
Per $1000	$ 6.95	$ 16.99	$ 16.99

Property Description and Location			
Parcel ID 40-84		Book Page 14998/502	
Area	3250 sq. ft	Class	101
Location	123 MAIN ST		

Fiscal Year 2027 Real Estate Tax Bill			
Assessed Owner		Bill #	
Smith, Jane		21845031	
		Real Estate Taxes and Changes	
Residential	$ 1,917,600	RES TAX	$ 13,327.32
Commercial		COMM TAX	
Total Taxable Value	$ 1,917,600	CPA	$ 378.97
Residential Exemption	$ 520,253	Betterment/Liens	$ 0.00
Special Assessments		Exemptions/Deferrals/Abatements	($ 3,724.23)
		Total Due FY2027	**$ 9,982.06**
		1st Payment Due 11/16/2026	$ 4,991.03
		2nd Payment Due 5/01/2027	$ 4,991.03
		Amount Due 11/16/2026	**$ 4,991.03**

① Property Description and Location

- **Parcel ID:** This identifies your property on the Assessor's map. When making a payment, please reference the parcel ID on your check.
- **Book/Page:** South Middlesex Registry of Deeds' recording reference.
- **Location:** The legal address of the assessed property.
- **Class:** The state code that identifies the type of property.
- **Area:** Square footage of the parcel.

② Real Estate Values

- **Residential/Commercial:** The value of your property as of January 1, 2026.
- **Total Taxable Value:** The sum of residential and commercial value.
- **Residential Exemption:** An exemption granted to property owners who occupy their property as their primary residence. The FY27 exemption is $520,253.

③ Assessed Owner

- Person who owned the property as of January 1, 2026.

④ Real Estate Taxes and Charges

- **RES TAX:** Taxes due on residential property. It is calculated by dividing the Total Taxable Value by 1,000 and then multiplying by the residential tax rate. In the example above, the calculation would be:
  - ($1,917,600 / 1,000) x $6.95 = $13,327.32
- **COMM TAX:** Taxes due on commercial property.
- **CPA:** Community Preservation Act Surcharge.

  The City's surcharge is 3%, with a $100,000 exemption for residential property. In the example above, the calculation would be:
  - $1,917,600 - $100,000 = $1,817,600
  - ($1,817,600 / 1,000) x $6.95 x 3% = $378.97
- **Betterment/Liens:** Water and sewer charges more than 90 days overdue are added to your tax bill.

  Full amount is due with first half payment.
- **Exemptions/Abatements:** Exemptions and abatements in the example above are calculated as:
  - **Residential Exemption:** $520,253 x $6.95 = $3,615.76
  - **CPA surcharge with Residential Exemption:** $520,253 x $6.95 x 3% = $108.47
  - **Full Exemption** = $3,615.76 + $108.47 = $3,724.23

  Abatement applications are due November 16, 2026.

Download application at:
www.cambridgema.gov/services/realestatepropertytaxabatement

Frequently Asked Questions

About Your Assessment

How does the City determine the value of my house?

The State requires that the City establish the full and fair cash value of all real estate as of January 1 of each year. To determine FY27 values, the Assessing Department reviewed all valid sales that occurred between January 1, 2025, and December 31, 2025. A computer model is used to calculate property values based on this market activity, as well as certain property specific attributes such as location, size, type, and condition. This is known as the "mass appraisal method."

Real Estate Valuations Timeframes for Fiscal Year		
Fiscal Year	Lien Date	Calendar Year Property Sales
FY2025	1/1/2024	2023
FY2026	1/1/2025	2024
FY2027	**1/1/2026**	**2025**
FY2028	1/1/2027	2026

What if I own a two or three-family house and it has some vacant units? Does that impact my property assessment?

Two and three-family homes are traditionally purchased as primary residences not as investment real estate; therefore, the comparable sales approach is the most appropriate method to value the property. The sales comparison approach uses similar sales to determine the market values as of January 1 and does not use the income the property generates to determine the assessed value.

Who verifies that the assessing model used by the City and the resulting property values are accurate?

Each year, the City of Cambridge must meet Massachusetts Department of Revenue (DOR) requirements to certify that property values represent full and fair market value. The DOR performs a statistical validation of the City's property values annually, as well as a comprehensive review every five years.

Why can't the City just lower property values to reduce tax bills?

State law requires the city to assess property at full and fair cash value as of January 1 each year. However, lower property values do not necessarily result in lower tax bills. Since a fixed amount of revenue must be raised each year through property taxes to fund the budget, lower overall property values would result in a higher tax rate.

What if I disagree with my assessment?

You may file an application for abatement with the Assessing Department. Abatement applications are due on or before the first bill due date. You may obtain an application by calling the Assessing Department or downloading the form from the City's website. Download the application at:

www.cambridgema.gov/services/realestatepropertytaxabatement

About the City Budget

What are property taxes used for?

Property taxes are used to fund the City's Operating and Capital Budgets. Approximately 70% of the City's FY27 budget is funded through property taxes.

What is Excess Levy Capacity?

Excess levy capacity is the difference between what the City actually levies and what it could levy under Proposition 2 ½. The City's excess levy capacity in FY27 is $160.4 million.

About Your Bill

When should I expect to receive my real estate tax bill?

Real estate tax bills are issued semi-annually. Bills are typically issued and mailed to taxpayers during the months of October and April of each year. Payment of these bills is due 30 days from the date of issue, generally in November and May. First half FY27 bills will be dated October 16, 2026. If you do not receive a tax bill by mid-November and early April, contact the Finance Department.

What will happen if I do not pay my bill by the due date?

If your real estate tax bill is not paid by the due date, interest will immediately begin accruing on your real estate tax bill at a rate of 14% as of the due date, according to Massachusetts State Law.

I live on a limited income, what options are available to reduce my taxes?

Unfortunately, regardless of age or income, all property owners must pay taxes. If you or your spouse is aged 65 or older and meet income requirements, you may qualify for a tax exemption of up to $2,000. Exemptions are also available for disabled veterans, persons who are legally blind, and for active-duty Massachusetts military members. In cases of extreme hardship, the City may grant a full or partial exemptions of taxes. Hardship exemptions are granted on a case-by-case basis and are usually a one-time exemption. Deferring taxes may also be an option, depending on your age and income.

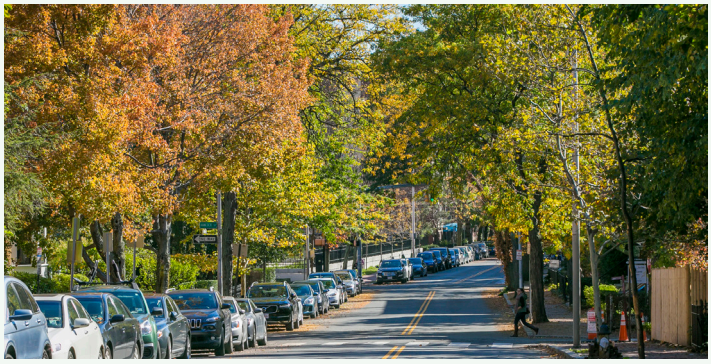
I am a new owner, will the tax bill be sent to me?

Not necessarily. The assessment date is January 1, 2026. The property is legally assessed and billed to the owner as of January 1. The City makes every effort to get new owner address changes into its system. However, sometimes it is several months before the City receives a copy of the new deed. If you do not receive a bill by early November, please contact the Finance Department to request a duplicate bill. You are responsible for paying the bill whether you receive it or not.

Am I eligible for a residential exemption?

You are eligible for a residential exemption if you owned and occupied your property as your principal residence as of January 1, 2026. An individual owner may qualify for a residential exemption on only one parcel. If you do not see this exemption on your bill, an application form must be submitted by April 1, 2027.

You may obtain the form by calling the Assessing Department or completing the form online at **cambridgema.gov/services/residentialexemption**. You do not need to reapply each year. The FY27 residential exemption of 30% equates to $520,253 and will reduce the tax bill for owner occupied homes by $3,616.



My mailing address has changed. How do I notify the City so that my tax bill is sent to the correct address?

The City's Assessing Department requires a mailing address change form. You may obtain the form by calling the Assessing Department or by emailing an address change request to **addresschangerequest@cambridgema.gov.**

What is the CPA Surcharge? What is this money used for?

Cambridge residents voted to adopt the Community Preservation Act (CPA) in 2001, which resulted in a property tax surcharge of 3%. The adoption of the CPA enabled the city to qualify for matching funds from the state. Money raised through the CPA must be used to acquire and improve open space, historic preservation, and create and maintain affordable housing. The state provides matching funds to communities that have enacted the CPA legislation.

Is tax bill and payment information available online?

Yes, you may view your real estate tax, personal property tax, motor vehicle excise tax, and water bills online at **www.cambridgema.gov/finance**. The City also accepts online payments via credit card, debit card, or electronic check (ACH), subject to a convenience fee. You may also use the City Payment Drop Box at the rear entrance of City Hall to submit payment.

I recently bought a new condominium. The FY27 tax bill is for the entire property. How do I pay only my share?

Your portion of the tax bill is based on your share of the common interest, which can be found on your unit deed. Speak with the developers to see if they intend to pay the first half and will be collecting payments from the individual unit owners. If not, and your mortgage company is collecting an escrow payment for real estate taxes, contact your escrow department to review the percentage of your common interest. Otherwise, you may request an apportionment letter from the Board of Assessors to determine your portion of real estate taxes owed.

Motor Vehicle Excise Tax

I sold my car. Can I have any excise tax refunded?

You may file for a motor vehicle excise abatement for the following reasons.

1. If your vehicle was traded, stolen, or sold during the year it was taxed and you canceled your registration.
2. If you moved to another state and canceled your Massachusetts registration.
3. If you canceled your registration the year you were taxed.

The Assessing Department hosts an online portal for excise tax abatements: **taxpayer.just.appraised.com/cambridgema**

Taxpayer Assistance Schedule

The Assessing Department is offering virtual taxpayer assistance meetings in addition to its normal office hours. If you have any questions or concerns regarding your FY27 property taxes, please see the taxpayer assistance schedule below or the Assessing Department website **www.cambridgema.gov/assessor** for more information.

Taxpayer Assistance Schedule		
Day	Time	Location
Oct. 22, 2026	2 p.m. - 4 p.m.	Zoom
Oct. 29, 2026	10 a.m. - 12 p.m.	Zoom
Nov. 10, 2026	10 a.m. - 12 p.m.	Zoom
Nov. 12, 2026	2 p.m. - 4 p.m.	Zoom

Elderly, Veteran, and Other Statutory Exemptions

A variety of statutory exemptions are available to reduce property tax obligations for certain qualifying taxpayers: low-income elderly persons, blind persons, disabled veterans, surviving spouses or orphaned minor children, and extreme hardship. There is also an exemption for active-duty Massachusetts military service members.

Applications for FY27 statutory exemptions are due no later than April 1, 2027 (MGL Ch.59, S.5 effective 11/7/2016)

General Qualifications for Exemptions: Applicants must meet age, income, and residency qualifications as of July 1, 2026. In most cases, the applicant must have owned and occupied real estate property in Massachusetts for five years (and owned and occupied the current property on July 1 in the year of applications). In certain cases, there is also a requirement that the applicant has lived in Massachusetts for the past ten (10) years.

In some circumstances, if two or more persons jointly own a property, each may qualify for a different exemption. More than one exemption may be applied to a single property tax bill.

For Owners of Property in Trust: Trust ownership structures may affect qualification for statutory exemption. Consult your attorney if these requirements pertain to you.

As a general rule, an applicant must be a trustee and a beneficiary and submit:

- A copy of **recorded trust instrument**, including **amendments**
- A copy of the **schedule of beneficiaries**

The following table provides a general idea of the exemptions available. For more information, please contact the Assessing Department at **617-349-4343**.

Clause	Basic Qualifications as of July 1, 2026	Maximum Income*	Maximum Assets**	Exemption Amount
		Elderly		
17D	Age 70 surviving spouse	No maximum	$85,076	$430 - $860
41C	Age 65 - Single	$35,178	$70,352	$1,000 - $2,000
41C	Age 65 – Married	$52,767	$96,734	$1,000 - $2,000
		Veteran		
22	10% disability or Purple Heart	No Maximum	No Maximum	$400 - $800
22A	Loss or permanent loss of use of one hand, foot, or eye	No Maximum	No Maximum	$750 - $1,500
22B	Loss or permanent loss of use of both hands, feet, or eyes	No Maximum	No Maximum	$1,250 - $2,500
22C	Specially adapted housing	No Maximum	No Maximum	$1,500 - $3,000
22D	Surviving spouse of service member or guardsman	No Maximum	No Maximum	Full
22E	100% disability, incapable of working	No Maximum	No Maximum	$1,000 - $2,000
58/8A (22P)	Paraplegic veteran & surviving spouse	No Maximum	No Maximum	Full
		Other		
18	Extreme hardship	No Maximum	No Maximum	Varies
37A	Legally Blind	No Maximum	No Maximum	$500 - $1,000
42/43	Surviving spouse or minor children of police officer or firefighter killed in the line of duty	No Maximum	No Maximum	Full

*Income: salary, wages, dividends, rental income, IRA distributions, pensions

**Assets: stocks, bonds, IRAs, bank account balances, real estate holdings other than primary residence

Other Exemptions

Residential Exemption

You are eligible for a residential exemption if you owned and occupied your property as your primary residence as of January 1, 2026. Check your bill to make sure that you received the residential exemption. If you do not see this on your bill, and you qualify, an application form must be submitted no later than April 1, 2027.

Senior Tax Deferral Program

Homeowners who are 65 or older and who meet certain income and asset guidelines are eligible to defer up to 100% of annual property taxes. As required by State law, deferred taxes accumulate with simple interest at 4% as a lien on the property until it is sold or the owner is deceased.

Massachusetts Military Service Tax Payment

Another form of tax relief available to Massachusetts National Guardsmen and Reservists deployed outside of the State, is the Massachusetts Military Service Tax Payment Deferment. National Guardsmen and Reservists deployed outside Massachusetts, and their dependents, are granted up to 180 days after that service to pay their property taxes without interest or penalties. This local option statute is patterned after the provisions of the Federal Service Members Civil Relief Act, which allows similar benefits for federal, state, or local income taxes. The deferment applies to all outstanding property taxes of qualifying Guardsmen or Reservists and their dependents, regardless of when the taxes are due.

Community Preservation Act (CPA) Residential Exemption

The first $100,000 of residential property value is automatically exempt from the CPA surcharge. The CPA surcharge on your property tax bill accounts for the $100,000 exemption.

CPA Low/Moderate Income Exemption

Qualifying lower income owners and low to moderate income seniors may be eligible for a full CPA surcharge exemption, based on income guidelines established by the Commonwealth each year. The form is available on the City's Assessing Department webpage.

Senior Circuit Breaker Tax Credit

Eligible seniors are able to reduce their property taxes even further through this State Tax Credit program. A tax credit is available to assist low to moderate income seniors in paying property taxes and utility charges. Under this program, eligible homeowners and renters receive a refundable credit on their state income taxes, if they file annual income tax return (for the previous taxable year). This is a State program. For more information, please contact the **Massachusetts Department of Revenue Customer Service** at **617-887-6367**.

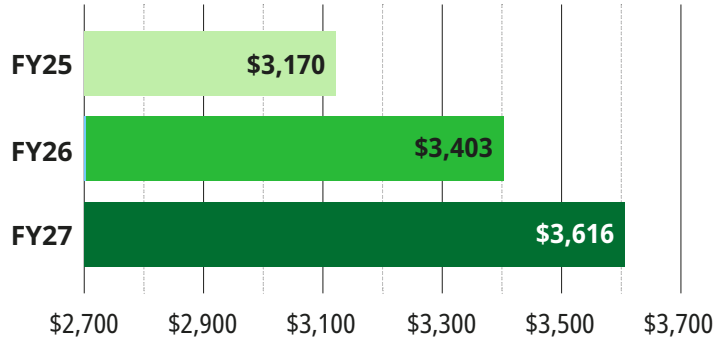
Abatement Applications

You may file an application for abatement with the Assessing Department after the 1st tax bill issue date. Abatement applications are due no later than the first bill due date. For FY27, this is November 16, 2026. You may obtain an application by calling the Assessing Department or downloading the form from the City's website. Download an application at **www.cambridgema.gov/services/realestatepropertytaxabatement.**

Reasons to file for an abatement include:

- Overvalued, based on an assessment date of January 1, 2026
- Disproportionately assessed in comparison with other properties
- Classified incorrectly as residential, open space, commercial or industrial real property
- Partially or fully exempt

Residential Exemptions: Tax Savings



Important Dates

October 16, 2026: Tax Bills Mailed

November 16, 2026: Tax Bills & Abatement Applications Due (If paying by mail, allow sufficient time for payment to be received.)

April 1, 2027: Exemption Applications Due

FY27 Property Tax Update

A publication of the Office of the City Manager

City of Cambridge, 795 Massachusetts Avenue,
Cambridge, MA 02139 • 617-349-4300

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Tax Related Questions or Need More Information?

Property Value Information: Assessing Department, 617-349-4343

Tax Bill Information:

Finance Department, 617-349-4220

Fiscal Year 2027 Adopted Budget:
Budget Office, 617-349-4270

General Information:
City Manager's Office, 617-349-4300

City of Cambridge Awards $261,000 in City Scholarships

This year, the City awarded 87 scholarships of $3,000 each for a total of $261,000 to Cambridge high school seniors and others pursuing higher education. Since the program's inception in 1993, the City has awarded over 1,600 scholarships totaling nearly $4.1 million. The City of Cambridge Scholarship is funded entirely through the generosity of Cambridge residents and local businesses.

Taxpayers receive a separate envelope with their property tax bill to make a donation to the Scholarship Fund. In addition, individuals can make an online scholarship donation by going to **www.cambridgema.gov/paybill or mail a donation to the City of Cambridge, P.O Box 2005, Cambridge, MA 02139**.

City Manager:
Yi-An Huang

Cambridge City Council:
Mayor Sumbul Siddiqui
Vice Mayor Burhan Azeem
Councillor Marc C. McGovern
Councillor Jivan Sobrinho-Wheeler
Councillor Ayah A. Al-Zubi
Councillor Tim Flaherty
Councillor Patricia M. Nolan
Councillor E. Denise Simmons
Councillor Catherine Zusy