



FISCAL YEAR 2021

CLASSIFICATION AND TAXATION HEARING

This booklet has been prepared by the Board of Assessors. It contains information and analysis regarding the impact of tax classification for the City of Leominster for:

Fiscal Year 2021

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TAX CLASSIFICATION

In 1978, the citizens of the Commonwealth of Massachusetts adopted a Constitutional amendment authorizing the General Court to classify real property into as many as four classes and to allow the taxation of such classes at different rates. In 1979, the general Court adopted an act that addressed the desires of the citizens. The Act was supported as a means to prevent the shifting of taxes for business property onto residential property as a result of court ordered revaluation.

Classification does not raise additional dollars from the property tax.

The Commissioner of Revenue supervises the implementation of property tax classification. After the Commissioner has determined that a city or town's assessed values represent full and fair cash value; the assessors classify all property according to use. Local elected officials are then permitted to determine, within limits calculated by the Commissioner, what percentage of the tax burden is to be borne by each property class.

The determination whether to allocate the tax burden by class is made annually.

Massachusetts law provides for three phases. *First*, every city and town must value all taxable property at full and fair cash value. *Second*, each city and town must classify every parcel according to use. Assessors must assign all real property in their jurisdiction according to use: residential, commercial, industrial, and open space. *Third*, each city and town that has revalued and classified may allocate its tax levy among classes of property. The first and second steps are mandatory; the third is an option.

Proposition 2 ½ affects the total amount of taxes that can be raised.

Classification affects that class of taxpayers that will pay a specific share of the total amount of tax.

PROPOSITION 2 ½

Proposition 2 ½ is the title given to an initiative petition adopted by the voters of the Commonwealth of Massachusetts in 1980.

Relative to real estate property taxes, the initiatives principal feature relates to the total amount of property taxes a city or town can raise each year.

HOW DOES PROPOSITION 2 ½ LIMIT PROPERTY TAXES?

Proposition 2 ½ contains two limitations on the amount of property taxes a city or town can raise:

1. The property tax ceiling (the amount raised) can never exceed 2 ½% of the full and fair cash value of all taxable property.
2. The property tax levy cannot increase from year to year by more than 2 1/2 %, with certain exceptions for new growth, overrides, or debt exclusions, as adopted by the voters.

HOW DOES PROPOSITION 2 ½ AFFECT MY INDIVIDUAL TAX BILL?

The levy limit affects the total amount of taxes to be raised by a city or town. It does not apply to an individual tax bill.

1. The levy limit can be increased by 2 ½% each year as long as the levy does not exceed 2 ½% of the full cash value of all property.
2. The levy can be increased by the value of new construction and newly taxable parcels. This provision ensures the recovery of the cost of additional services resulting from new taxable projects.
3. The levy can be increased by the adoption of an override or a debt exclusion. An override provision allows the voters to raise additional revenues by a specific amount. The override question is placed on a ballot in a general or special election and is approved by a simple majority of voters. The increase approved by the voters becomes part of the base for calculating future years' levy limits. An override of the limit does not allow the levy to exceed the levy ceiling. The debt exclusion allows voters to exclude bonds or debt issued for capital improvements.

FAIR MARKET VALUATION

The effective property tax assessment date for assessed value of all taxable property for the following fiscal year is January 1st. The Assessing Department is statutorily obligated to assess all property at its full and fair cash value as of January 1st, of each year (Massachusetts General Laws, Chapter 59, Section 38). The assessed value for the Fiscal Year tax bill represents the fair cash value of the property as of January 1st of the calendar year. Full and fair cash value is defined as the price an owner willing, but not under compulsion to sell, ought to receive from a buyer, but not under compulsion, to purchase.

Assessments are determined using three methods:

1. **Cost Approach** – the value is based on the estimated cost to replace or reproduce the buildings and improvements of a property, less any depreciation, plus the value of the land.
2. **Income Approach** – the value is based on the income producing capabilities of the property.
3. **Market Approach** – the value is based on recent sales of comparable properties.

Constitutional and statutory provisions prohibit the assessment of property above or below its full and fair cash value. “Full and fair cash value” represents the applied constitutional and statutory standard protecting the property owner’s right to pay only his or her fair share of the tax burden. The valuations are used to allocate the taxes needed to fund each year’s budget among the city’s taxpayers.

Chapter 40, Sections 56 of the Massachusetts General Laws requires that all cities and towns complete a revaluation of all property and undergo a full certification by the Department of Revenue every five years. An analysis of market trends and current economic conditions, along with assessment level and uniformity must be done annually whether for an interim year adjustment or for quinquennial certification. A quinquennial revaluation program requires parcel specific data collection over a specific period of time as well as detailed market related economic research and market related sales analysis.

ASSESSMENT DATE AND FISCAL YEAR

In Massachusetts the assessment date is January 1st.

In accordance with the Massachusetts General Laws, Chapter 59, Section 2A, “the Assessors of each city and town shall determine the fair cash valuation of such real property for the purposes of taxation on the first day of January of each year”.

Chapter 59, Section 11 states that “taxes on real estate shall be assessed, in the town where it lies, to the person who is the owner of record on January 1st.”

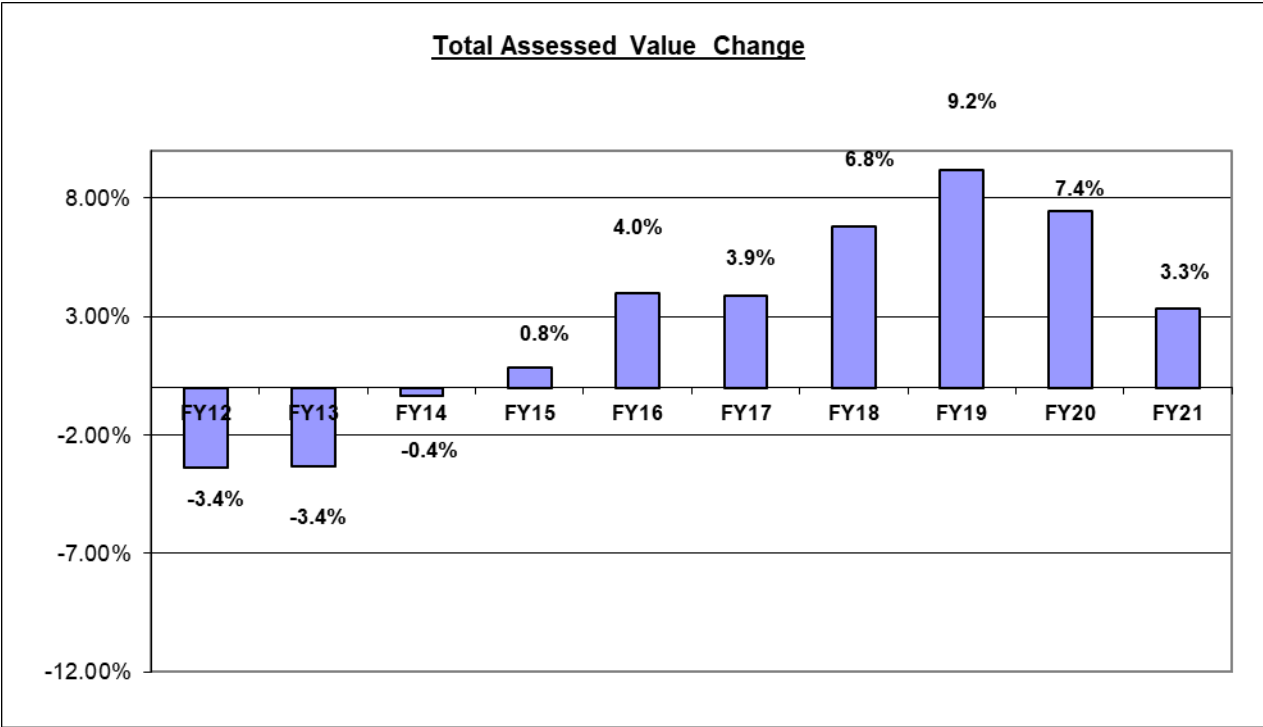
It is the ownership, condition and value of the property on January 1st that determines an assessment and to whom the tax bill is assessed.

The City of Leominster accepted Chapter 653, Section 40, a provision that allowed cities and towns to assess new buildings, additions, demolitions, improvements and alterations that occur between January 2nd and June 30th for the fiscal year beginning on July 1st. However, the taxable unit, ownership and value of real estate parcels will still be determined as of January 1st.

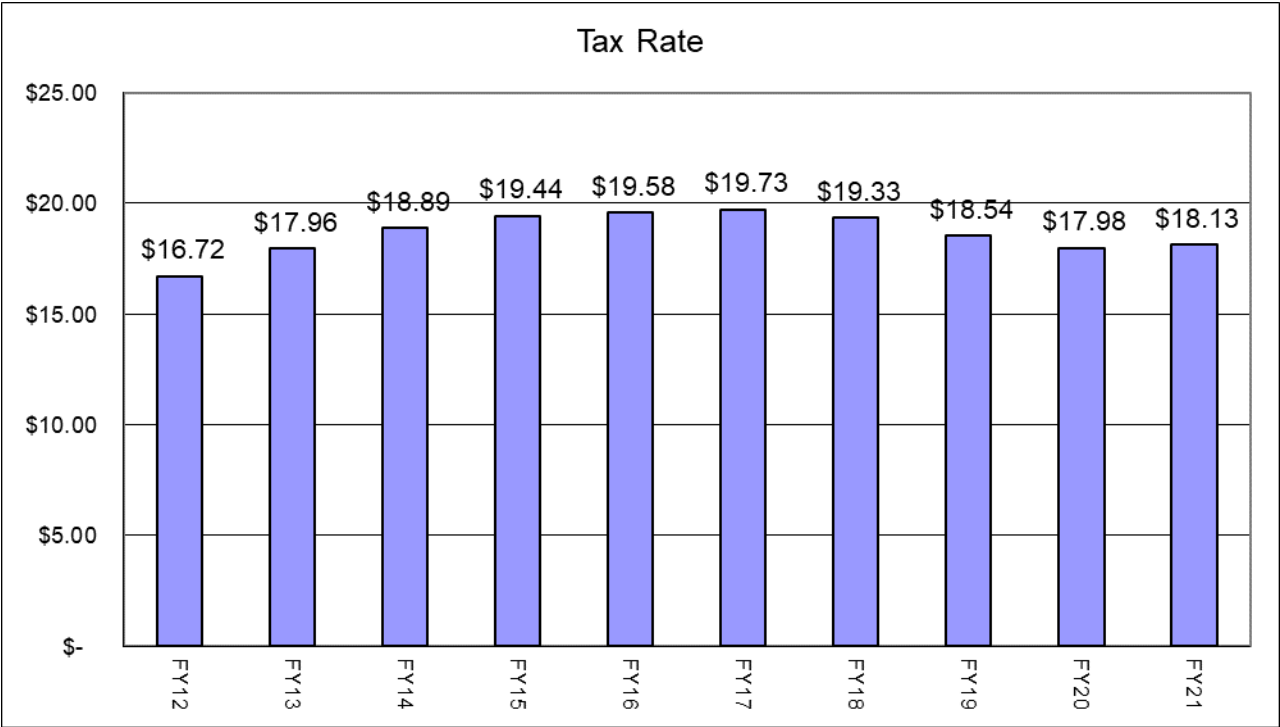
In Massachusetts, the fiscal year begins on July 1st and ends the following June 30th.

Property taxes are assessed for the fiscal year (July 1 – June 30) based on the value of the property as of the previous January 1st.

Total Assessed Value Change

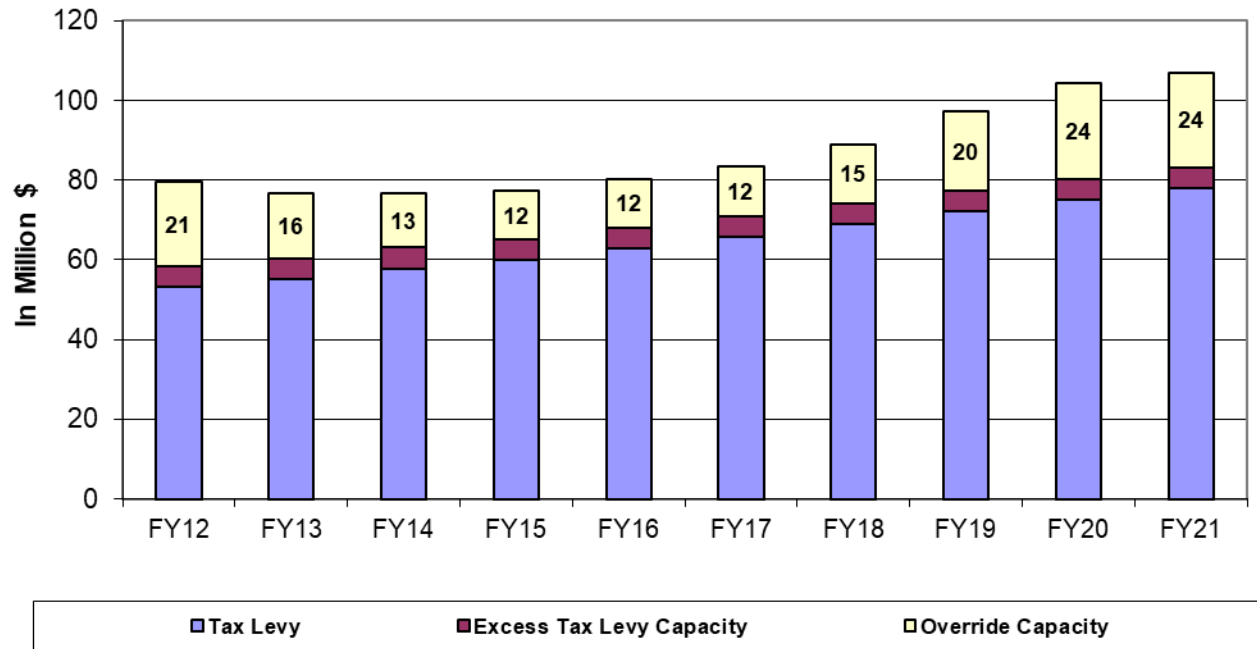


Total Assessed Valuation Changes 10 Years



Tax Rate History 10 Years

Tax Levy Ceiling



VALUATIONS

**MASSACHUSETTS DEPARTMENT OF REVENUE
DIVISION OF LOCAL SERVICES**

**ASSESSMENT/CLASSIFICATION REPORT as of January 1, 2020
Fiscal Year 2021**

Property Type	Parcel Count	Class 1 Residential	Class 2 Open Space	Class 3 Commercial	Class 4 Industrial	Class 5 Personal Property
101	8,271	2,438,021,800				
102	1,915	290,759,500				
MISC 103, 109	44	17,293,500				
104	826	217,592,800				
105	333	101,697,600				
111-125	321	290,311,260				
130-32, 106	935	26,100,800				
200-231	18		374,900			
300-393	547			466,217,900		
400-442	339				232,610,245	
450-452	2				732,800	
CH 61 LAND	30			76,122		
CH 61A LAND	50			255,828		
CH 61B LAND	12			1,328,600		
012-043	126	35,722,604		23,634,283	1,787,350	
501	568					42,985,100
502	591					32,446,000
503	0					0
504	4					72,959,900
505	2					15,827,100
506	1					479,200
508	4					3,054,500
550-552	2					3,126,200
TOTALS	14,941	3,417,499,864	374,900	491,512,733	235,130,395	170,878,000
Real and Personal Property Total Value						4,315,395,892
Exempt Parcel Count & Value					722	458,491,400

Assessment/Classification Report for Fiscal Year 2021

Property Type	Description	FY 2020 Mix Use Parcel Count	FY 2020 Parcel Count	FY 2020 Assessed Value	FY 2021 Mix Use Parcel Count	FY 2021 Parcel Count	FY 2021 Assessed Value	Parcel Diff	Parcel % Diff	Assessed Value Diff	Assessed Value % Diff
101	Single Family		8,257	2,335,777,100		8,271	2,438,021,800	14	0.2%	102,244,700	4.4%
102	Condominiums		1,912	276,433,400		1,915	290,759,500	3	0.2%	14,326,100	5.2%
MISC 103,109	Miscellaneous Residential		44	16,830,900		44	17,293,500	0	0.0%	462,600	2.7%
104	Two - Family		832	218,940,000		826	217,592,800	-6	-0.7%	-26,240,300	-0.6%
105	Three - Family		332	89,593,500		333	101,697,600	1	0.3%	12,104,100	13.5%
111-125	Apartment		318	268,060,160		321	290,311,260	3	0.9%	22,251,100	8.3%
130-32,106	Vacant / Accessory Land		938	25,998,500		935	26,100,800	17	-0.3%	845,900	0.4%
200-231	Open Space		18	374,900		18	374,900	0	0.0%	0	0.0%
300-393	Commercial		550	498,870,200		547	466,217,900	-3	-0.5%	-32,652,300	-6.5%
400-442	Industrial		340	229,423,200		339	232,610,245	-1	-0.3%	3,187,045	1.4%
450-452	Industrial Power Plant		2	732,800		2	732,800	0	0.0%	0	0.0%
CH 61 LAND	Forest	7	23	76,122	7	23	76,122	0	3.4%	0	0.0%
CH 61A LAND	Agriculture	22	28	255,828	22	28	255,828	0	2.0%	600	0.2%
CH 61B LAND	Recreational	7	5	1,328,600	7	5	1,328,600	0	0.0%	0	0.0%
012-043	Multi-use - Residential		127	34,472,155		126	35,722,604	-1	-0.8%	1,250,449	3.6%
012-043	Multi-use - Open Space		0	0		0	0	0	0.0%	0	0.0%
012-043	Multi-use - Commercial		0	23,741,843		0	23,634,283	0	0.0%	-107,560	-0.5%
012-043	Multi-use - Industrial		0	1,805,050		0	1,787,350	0	0.0%	-17,700	-1.0%
501	Individuals / Partnerships / Associations / Trusts / LLC		584	43,583,700		568	42,985,100	-16	-2.7%	-598,600	-1.4%
502	Corporations		610	34,905,100		591	32,446,000	-19	-3.1%	-2,459,100	-7.0%
503	Manufacturing		0	0		0	0	0	0.0%	0	0.0%
504	Public Utilities		4	52,919,100		4	72,959,900	0	0.0%	20,040,800	37.9%
505	Centrally Valued Telephone		2	15,146,800		2	15,827,100	0	0.0%	680,300	4.5%
506	Centrally Valued Pipelines		1	489,400		1	479,200	0	0.0%	-10,200	-2.1%
508	Wireless Telephone		4	2,697,700		4	3,054,500	0	0.0%	356,800	13.2%
550-552	Electric Generating Plant		2	3,126,200		2	3,126,200	0	0.0%	0	0.0%
EXEMPT VALUE	Exempt Property		720	457,778,100		722	458,491,400	2	0.3%	29,614,300	0.2%
Total Class 1	TOTAL RESIDENTIAL		12,760	3,266,105,715		12,771	3,417,499,864	24	0.1%	151,394,149	4.6%
Total Class 2	TOTAL OPEN SPACE		18	374,900		18	374,900	0	0.0%	0	0.0%
Total Class 3	TOTAL COMMERCIAL		642	524,271,993		639	491,512,733	-3	-0.5%	-32,759,260	-6.2%
Total Class 4	TOTAL INDUSTRIAL		342	231,961,050		341	235,130,395	-1	-0.3%	3,169,345	1.4%
Total Class 5	TOTAL PERSONAL PROPERTY		1,207	152,868,000		1,172	170,878,000	-35	-2.9%	18,010,000	11.8%
Total Taxable	TOTAL REAL & PERSONAL		14,969	4,175,580,058		14,941	4,315,395,892	20	-0.2%	289,075,306	3.3%

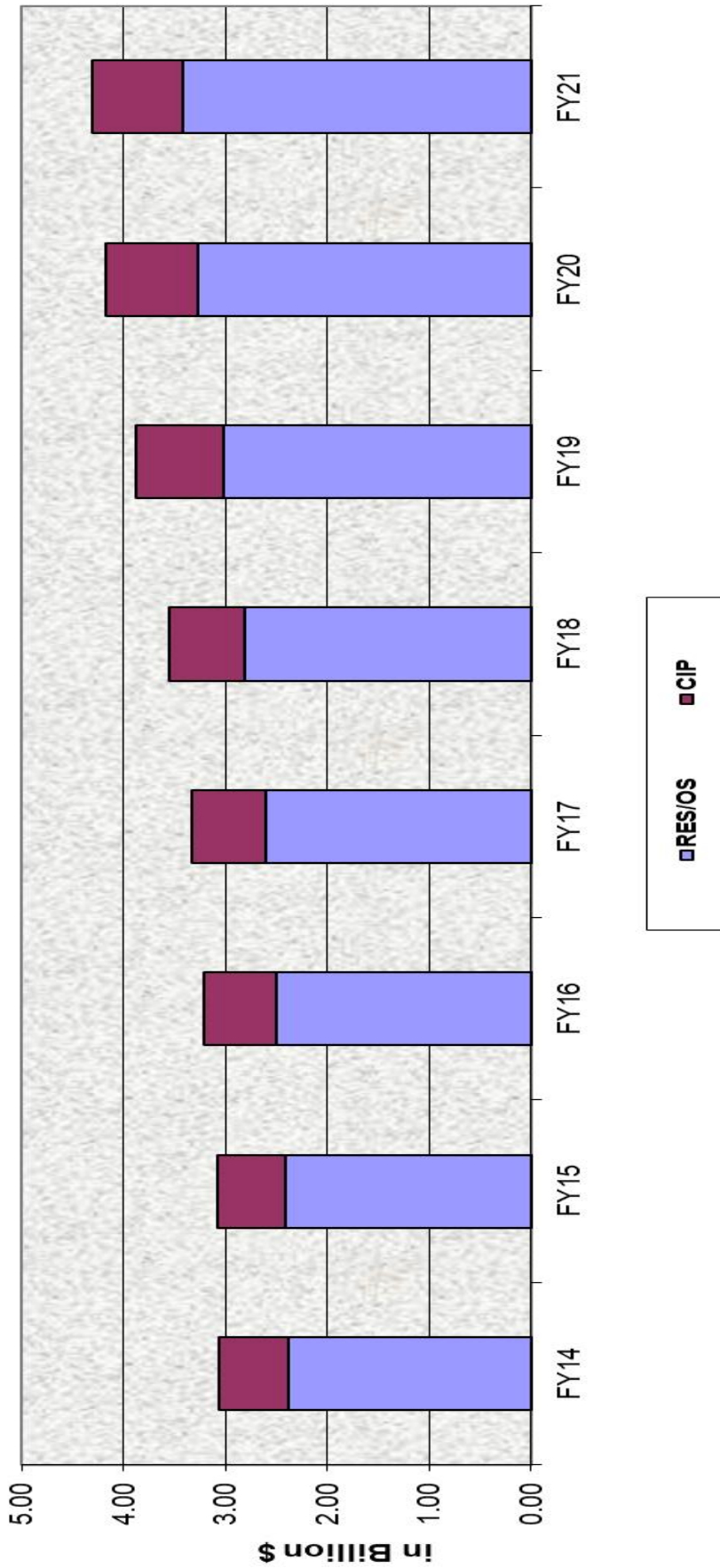
Fiscal Year	Residential Assessed Value	Open Space Assessed Value	Commercial Assessed Value	Industrial Assessed Value	Personal Property Assessed Value	Real and Personal Property Total Value	% Increase (Decrease)
2007	\$ 3,166,011,120	\$ 795,000	\$ 423,923,080	\$ 241,885,100	\$ 68,566,360	\$ 3,901,180,660	3.86%
2008	\$ 3,177,300,575	\$ 726,600	\$ 445,949,975	\$ 240,948,150	\$ 78,951,700	\$ 3,943,877,000	1.09%
2009	\$ 3,069,036,195	\$ 503,700	\$ 479,316,109	\$ 247,835,160	\$ 84,320,200	\$ 3,881,011,364	-1.59%
2010	\$ 2,747,259,075	\$ 450,700	\$ 440,218,038	\$ 227,963,690	\$ 94,438,200	\$ 3,510,329,703	-9.55%
2011	\$ 2,563,849,475	\$ 423,100	\$ 403,825,222	\$ 200,890,800	\$ 120,506,400	\$ 3,289,494,997	-6.29%
2012	\$ 2,464,398,235	\$ 373,100	\$ 387,664,486	\$ 193,510,150	\$ 133,041,700	\$ 3,178,987,671	-3.36%
2013	\$ 2,397,729,645	\$ 373,100	\$ 384,022,926	\$ 189,263,900	\$ 101,155,900	\$ 3,072,545,471	-3.35%
2014	\$ 2,383,887,645	\$ 386,000	\$ 382,711,304	\$ 174,243,400	\$ 120,336,000	\$ 3,061,564,349	-0.36%
2015	\$ 2,417,174,200	\$ 352,800	\$ 387,094,493	\$ 175,677,875	\$ 106,444,600	\$ 3,086,743,968	0.82%
2016	\$ 2,509,476,405	\$ 352,800	\$ 389,609,820	\$ 178,677,761	\$ 131,431,000	\$ 3,209,547,786	3.98%
2017	\$ 2,611,716,215	\$ 338,400	\$ 389,632,070	\$ 182,265,120	\$ 149,574,850	\$ 3,333,526,655	3.86%
2018	\$ 2,816,459,859	\$ 344,400	\$ 400,308,603	\$ 188,074,078	\$ 154,723,100	\$ 3,559,910,040	6.79%
2019	\$ 3,026,215,030	\$ 370,400	\$ 491,783,242	\$ 215,838,880	\$ 152,298,800	\$ 3,886,506,352	9.17%
2020	\$ 3,266,105,715	\$ 374,900	\$ 524,271,993	\$ 231,961,050	\$ 152,868,000	\$ 4,175,581,658	7.44%
2021	\$ 3,417,499,864	\$ 374,900	\$ 491,512,733	\$ 235,130,395	\$ 170,878,000	\$ 4,315,395,892	3.35%

Assessed Values by Tax Levy Class - 15 Yrs.

Fiscal Year	Single Family	Condo's	Commercial	Industrial
2005	7843	1764	539	381
2006	7872	1837	544	375
2007	7907	1861	546	375
2008	7930	1868	550	369
2009	7967	1872	548	357
2010	7981	1872	550	350
2011	7996	1875	551	349
2012	8024	1875	556	364
2013	8065	1875	560	359
2014	8092	1873	562	357
2015	8109	1873	539	356
2016	8152	1870	544	359
2017	8180	1874	548	361
2018	8215	1892	550	362
2019	8252	1906	555	347
2020	8257	1912	550	342
2021	8271	1915	547	341

Parcel Counts - 15 Yrs.

Class Valuations



TAX LEVY

THE COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF REVENUE

FISCAL 2021 TAX LEVY LIMITATION FOR

LEOMINSTER

FOR BUDGET PLANNING PURPOSES

I. TO CALCULATE THE FY 2019 LEVY LIMIT			
A. FY 2019 Levy Limit from I.		77,287,086	
A1. ADD Amended FY 2019 Growth		0	
B. ADD (IA + IA1) * 2.5%		1,932,177	
C. ADD FY 2020 New Growth		1,079,593	
C1. ADD FY 2020 New Growth Adjustment		0	
D. ADD FY 2020 Override		0	
E. FY 2020 Subtotal		80,298,856	II. \$80,298,856
F. FY 2020 Levy Ceiling		104,389,541	FY 2019 Levy Limit
II. TO CALCULATE THE FY 2020 LEVY LIMIT			
A. FY 2020 Levy Limit from I.		80,298,856	
A1. ADD Amended FY 2020 Growth		0	
B. ADD (IA + IA1) * 2.5%		2,007,471	
C. ADD FY 2021 New Growth		1,139,963	
C1. ADD FY 2021 New Growth Adjustment		0	
D. ADD FY 2021 Override		0	
E. FY 2020 Subtotal		83,446,290	II. \$83,446,290
F. FY 2020 Levy Ceiling		107,884,897	FY 2020 Levy Limit
III. TO CALCULATE THE FY 2019 MAXIMUM ALLOWABLE LEVY			
A. FY 2021 Levy Limit from II.		83,446,290	
B. FY 2021 Debt Exclusion(s)		0	
C. FY 2021 Capital Expenditure Exclusion(s)		0	
D. FY 2021 Stabilization Fund Override		0	
E. FY 2021 Other Adjustment		0	
F. FY 2021 Water / Sewer		0	
G. FY 2021 Maximum Allowable Levy		\$83,446,290	
Note: The information is preliminary and is subject to change.			
Fiscal Year 2021 Tax Levy Limitation			

Fiscal Year	Real and Personal Property Total Value	Proposition 2 1/2 Primary Levy Ceiling	Previous Year		Current Year		Current Year Certified New Growth	Current Year Actual Levy Limit	Actual Tax Levy	Annual Unused	
			Year End Actual Prop 2 1/2 Tax Levy Limit	Allowed Prop 2 1/2 Levy Increase	Year Allowed Prop 2 1/2 Levy Increase	Primary				Capacity	
2012	\$ 3,178,987,671	\$ 79,474,692	\$ 55,913,854	\$ 1,397,846	\$ 1,060,043	\$ 58,371,743	\$ 53,152,674	\$ 26,322,018	\$ 5,219,069	\$ 21,630,720	\$ 5,234,643
2013	\$ 3,072,545,471	\$ 76,813,637	\$ 58,371,743	\$ 1,459,294	\$ 586,523	\$ 60,417,560	\$ 55,182,917	\$ 18,706,158	\$ 5,230,894	\$ 17,162,296	\$ 5,225,471
2014	\$ 3,061,564,349	\$ 76,539,109	\$ 60,417,560	\$ 1,517,019	\$ 591,333	\$ 65,231,774	\$ 60,006,303	\$ 17,395,749	\$ 5,244,381	\$ 17,567,685	\$ 5,306,092
2015	\$ 3,086,743,968	\$ 77,168,599	\$ 63,063,845	\$ 1,576,596	\$ 1,224,759	\$ 68,087,327	\$ 65,770,481	\$ 20,184,690	\$ 5,231,258	\$ 25,106,832	\$ 5,221,898
2016	\$ 3,209,547,786	\$ 80,238,695	\$ 65,231,774	\$ 1,630,794	\$ 1,218,232	\$ 71,007,742	\$ 68,813,061	\$ 29,312,583	\$ 5,208,162	\$ 29,646,769	\$ 5,208,162
2017	\$ 3,333,526,655	\$ 83,338,166	\$ 68,087,327	\$ 1,702,183	\$ 1,266,217	\$ 74,119,153	\$ 72,055,827	\$ 29,312,583	\$ 5,208,162	\$ 29,646,769	\$ 5,208,162
2018	\$ 3,559,910,040	\$ 88,997,751	\$ 71,077,742	\$ 1,775,194	\$ 1,375,155	\$ 77,287,086	\$ 75,076,958	\$ 29,312,583	\$ 5,208,162	\$ 29,646,769	\$ 5,208,162
2019	\$ 3,886,506,352	\$ 97,162,659	\$ 74,049,153	\$ 1,851,511	\$ 1,079,593	\$ 80,298,856	\$ 78,238,128	\$ 29,646,769	\$ 5,208,162	\$ 29,646,769	\$ 5,208,162
2020	\$ 4,175,581,658	\$ 104,389,541	\$ 97,162,659	\$ 1,932,177	\$ 1,139,963	\$ 83,446,290	\$ 78,238,128	\$ 29,646,769	\$ 5,208,162	\$ 29,646,769	\$ 5,208,162
2021	\$ 4,315,395,892	\$ 107,884,897	\$ 104,389,541	\$ 2,007,471	\$ 1,139,963	\$ 83,446,290	\$ 78,238,128	\$ 29,646,769	\$ 5,208,162	\$ 29,646,769	\$ 5,208,162

10 Year Tax Levy Increase	\$ 21,924,284	100.00%
10 Year Certified New Growth	\$ 10,671,084	48.67%
10 Year Actual Prop 2 1/2 Increase	\$ 11,253,200	51.33%
10 Year Total of Unused Tax Levy Capacity	\$ 52,359,129	

Growth of Tax Levy Limits

TAX BASE LEVY GROWTH FY2021 - LA13

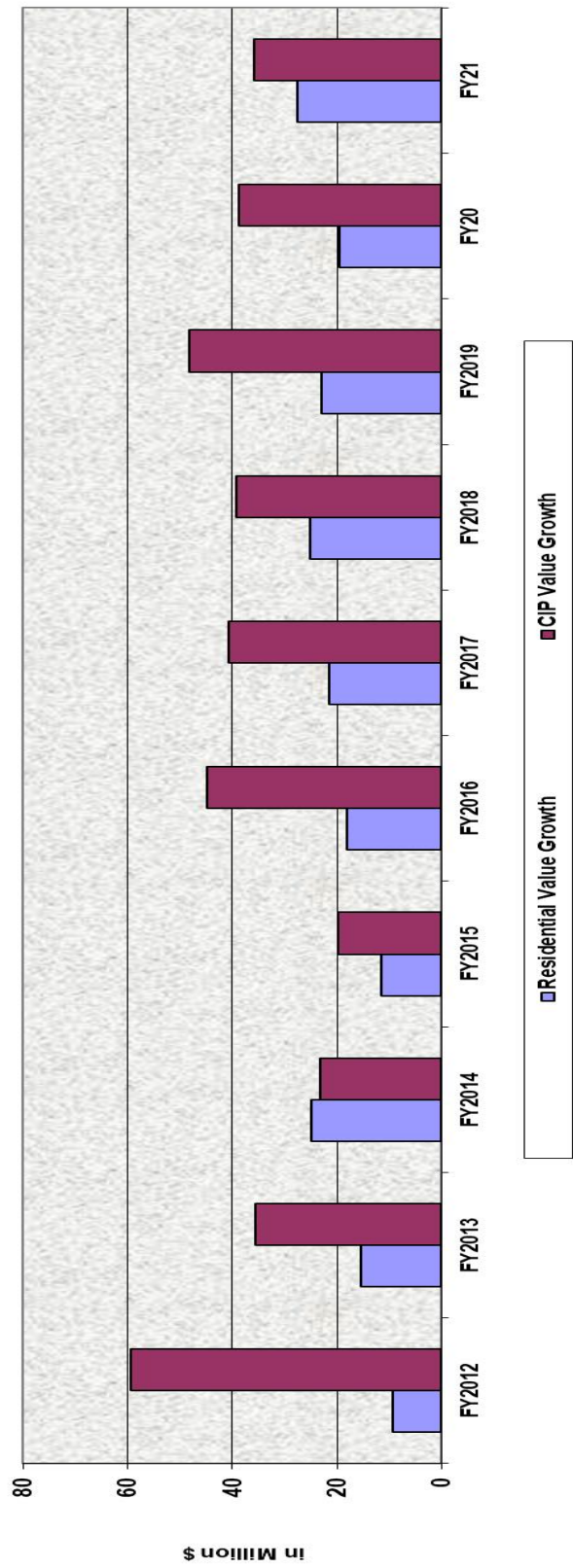
Retain documentation for 5 years in the event of DOR audit

Property Class	(A) All Prior Year Abatement No.	(B) All Prior Year Abatement Values	(C) New Growth Valuation	(D) PY Tax Rate	(F) Tax Levy Growth
RESIDENTIAL					
SINGLE FAMILY (101)	18	\$577,413	\$11,109,900		
CONDOMINIUM (102)	1	\$7,600	\$1,435,600		
TWO & THREE FAMILY (104 & 105)	3	\$183,800	\$562,600		
MULTI-FAMILY (111-125)	3	\$158,773	\$14,109,700		
VACANT LAND (130-132 & 106)	1	\$52,600	\$416,600		
ALL OTHERS (103, 109, 012-018)	0	\$0	\$0		
TOTAL RESIDENTIAL	26	\$980,186	\$27,634,400	\$17.98	\$496,867
OPEN SPACE	0	\$0	\$0		
OPEN SPACE - CHAPTER 61, 61A, 61B	0	\$0	\$0		
TOTAL OPEN SPACE	0	\$0	\$0	\$17.98	\$0
COMMERCIAL	9	\$6,298,300	\$1,182,300		
COMMERCIAL - CHAPTER 61, 61A, 61B	1	\$21,200	\$0		
TOTAL COMMERCIAL	10	\$6,319,500	\$1,182,300	\$17.98	\$21,258
INDUSTRIAL	2	\$743,175	\$4,449,095		
PERSONAL PROPERTY	14	\$344,200	\$30,135,860		
TOTAL REAL & PERSONAL PROPERTY	52	\$8,387,061	\$63,401,655	\$17.98	\$1,139,963

Fiscal Year	Residential Tax Levy Growth	Commercial Tax Levy Growth	Industrial Tax Levy Growth	Personal Property Tax Levy Growth	Total (CIP) Tax Levy Growth	Total Tax Levy Growth
2012	\$ 144,978	\$ 122,803	\$ 42,580	\$ 749,682	\$ 915,065	\$ 1,060,043
2013	\$ 255,557	\$ 93,604	\$ 23,657	\$ 476,905	\$ 594,166	\$ 849,723
2014	\$ 448,291	\$ 125,848	\$ 25,767	\$ 266,160	\$ 417,775	\$ 866,066
2015	\$ 218,892	\$ 68,061	\$ 44,764	\$ 259,616	\$ 372,441	\$ 591,333
2016	\$ 352,422	\$ 46,827	\$ 46,375	\$ 779,135	\$ 872,337	\$ 1,224,759
2017	\$ 421,196	\$ 61,536	\$ 26,702	\$ 708,798	\$ 797,036	\$ 1,218,232
2018	\$ 494,572	\$ 86,593	\$ 129,996	\$ 555,056	\$ 771,645	\$ 1,266,217
2019	\$ 442,191	\$ 388,628	\$ 22,118	\$ 522,218	\$ 932,964	\$ 1,375,155
2020	\$ 360,284	\$ 127,935	\$ 22,984	\$ 568,390	\$ 719,309	\$ 1,079,593
2021	\$ 496,867	\$ 21,258	\$ 79,995	\$ 541,843	\$ 643,096	\$ 1,139,963
Totals	\$ 3,138,383	\$ 1,121,835	\$ 384,943	\$ 4,885,960	\$ 6,392,738	\$ 9,531,121

10 Yrs Certified
New Growth

New Growth

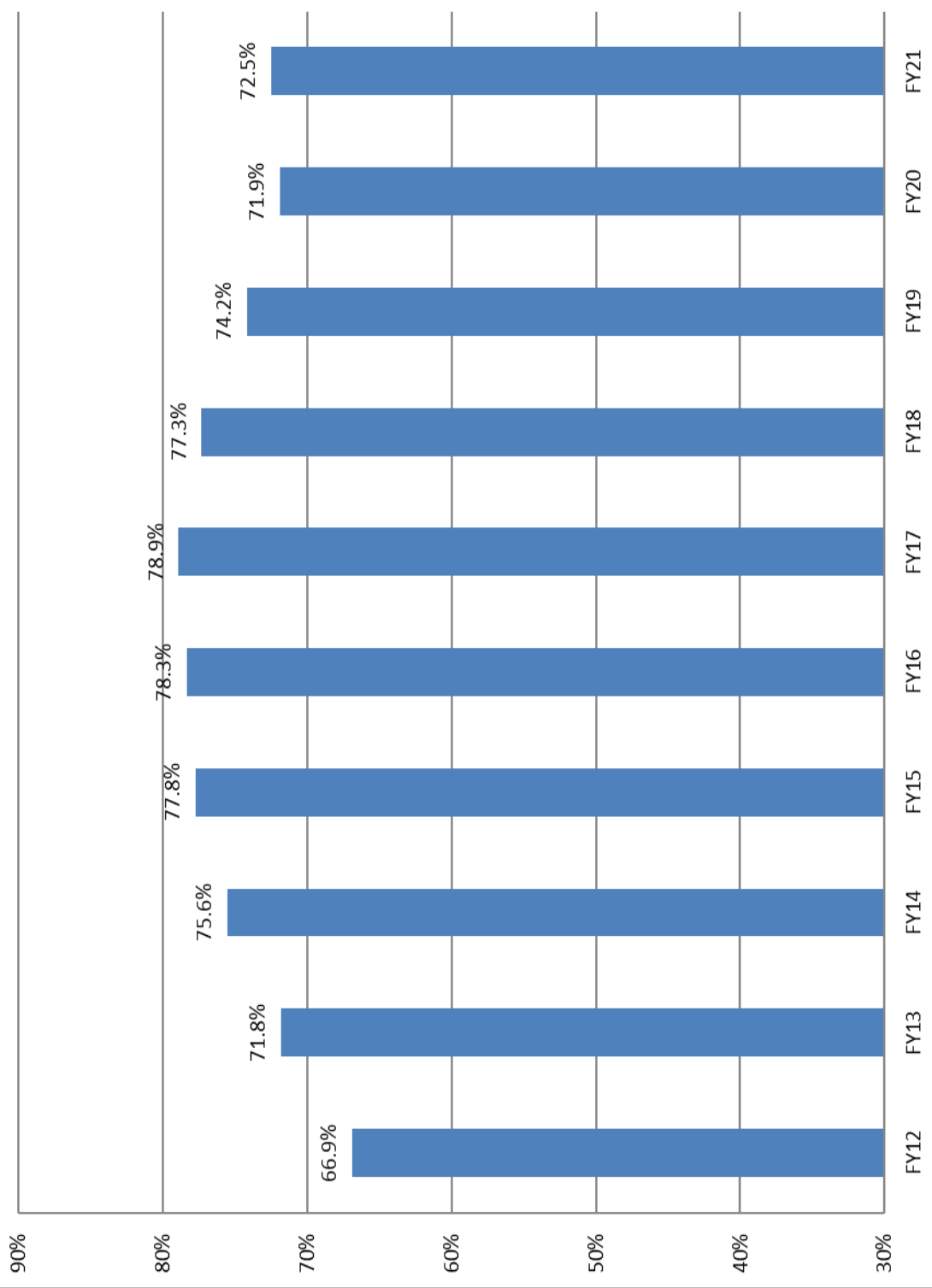


**THE AMOUNT OF LEVY ACTUALLY RAISED
VERSUS**

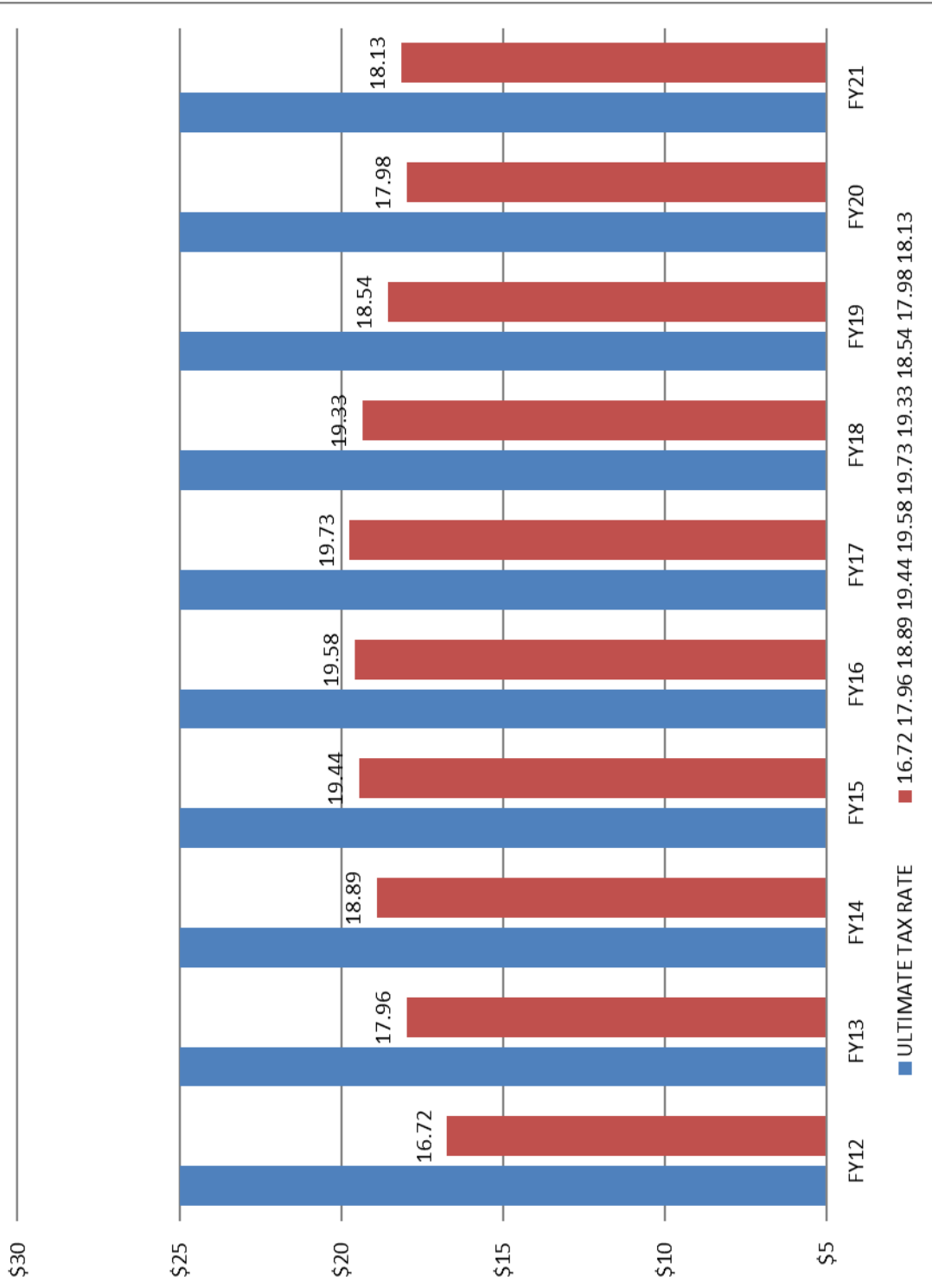
THE AMOUNT OF LEVY ALLOWABLE UNDER PROP 2 1/2

<u>FISCAL YEAR</u>	<u>PROP 2 1/2 TAX LIMIT</u>	<u>ACTUAL TAXES RAISED</u>	<u>TAX \$'S NOT RAISED</u>	<u>PROP 2 1/2 INCREASE ALLOWED</u>
2012	\$58,371,743.00	\$53,152,674.00	\$5,219,069.00	2.5%
2013	\$60,417,560.00	\$55,182,917.00	\$5,234,643.00	2.5%
2014	\$63,063,845.00	\$57,832,951.00	\$5,230,894.00	2.5%
2015	\$65,231,774.00	\$60,006,303.00	\$5,225,471.00	2.5%
2016	\$68,087,327.00	\$62,842,946.00	\$5,244,381.00	2.5%
2017	\$71,007,742.00	\$65,770,481.00	\$5,237,261.00	2.5%
2018	\$74,049,153.00	\$68,813,061.00	\$5,236,092.00	2.5%
2019	\$77,287,086.00	\$72,055,827.00	\$5,231,259.00	2.5%
2020	\$80,298,856.00	\$75,076,958.21	\$5,221,898.00	2.5%
2021	\$83,446,290.00	\$78,238,128.00	\$5,208,162.00	2.5%
			\$52,289,130.00	

PERCENTAGE OF ULTIMATE LEVY RAISED



ULTIMATE TAX RATE vs ACTUAL TAX RATE



TAX CLASSIFICATIONS

CIP Shift	Res Factor	Levy Amounts						Estimated Tax Rates				
		Res	O S	Com	Ind	PP	Total	Res	O S	Com	Ind	PP
1.00	1.0000	61,959,277	6,807	8,911,166	4,262,883	3,097,995	78,238,128	18.13	18.16	18.13	18.13	18.13
1.01	0.9974	61,796,574	6,789	9,000,278	4,305,511	3,128,975	78,238,128	18.08	18.11	18.31	18.31	18.31
1.02	0.9947	61,633,872	6,771	9,089,390	4,348,140	3,159,955	78,238,128	18.03	18.06	18.49	18.49	18.49
1.03	0.9921	61,471,169	6,753	9,178,501	4,390,769	3,190,935	78,238,127	17.99	18.01	18.67	18.67	18.67
1.04	0.9895	61,308,466	6,735	9,267,613	4,433,398	3,221,915	78,238,127	17.94	17.97	18.86	18.86	18.86
1.05	0.9869	61,145,763	6,717	9,356,725	4,476,027	3,252,895	78,238,127	17.89	17.92	19.04	19.04	19.04
1.06	0.9842	60,983,061	6,699	9,445,836	4,518,656	3,283,875	78,238,127	17.84	17.87	19.22	19.22	19.22
1.07	0.9816	60,820,358	6,682	9,534,948	4,561,284	3,314,855	78,238,127	17.80	17.82	19.40	19.40	19.40
1.08	0.9790	60,657,655	6,664	9,624,060	4,603,913	3,345,835	78,238,127	17.75	17.77	19.58	19.58	19.58
1.09	0.9764	60,494,952	6,646	9,713,171	4,646,542	3,376,815	78,238,126	17.70	17.73	19.76	19.76	19.76
1.10	0.9737	60,332,250	6,628	9,802,283	4,689,171	3,407,795	78,238,126	17.65	17.68	19.94	19.94	19.94
1.11	0.9711	60,169,547	6,610	9,891,395	4,731,800	3,438,775	78,238,126	17.61	17.63	20.12	20.12	20.12
1.12	0.9685	60,006,844	6,592	9,980,506	4,774,429	3,469,755	78,238,126	17.56	17.58	20.31	20.31	20.31
1.13	0.9659	59,844,142	6,574	10,069,618	4,817,057	3,500,735	78,238,126	17.51	17.54	20.49	20.49	20.49
1.14	0.9632	59,681,439	6,556	10,158,730	4,859,686	3,531,714	78,238,126	17.46	17.49	20.67	20.67	20.67
1.15	0.9606	59,518,736	6,539	10,247,841	4,902,315	3,562,694	78,238,125	17.42	17.44	20.85	20.85	20.85
1.16	0.9580	59,356,033	6,521	10,336,953	4,944,944	3,593,674	78,238,125	17.37	17.39	21.03	21.03	21.03
1.17	0.9554	59,193,331	6,503	10,426,065	4,987,573	3,624,654	78,238,125	17.32	17.35	21.21	21.21	21.21
1.18	0.9527	59,030,628	6,485	10,515,176	5,030,202	3,655,634	78,238,125	17.27	17.30	21.39	21.39	21.39
1.19	0.9501	58,867,925	6,467	10,604,288	5,072,830	3,686,614	78,238,125	17.23	17.25	21.57	21.57	21.57
1.20	0.9475	58,705,222	6,449	10,693,400	5,115,459	3,717,594	78,238,124	17.18	17.20	21.76	21.76	21.76
1.21	0.9449	58,542,520	6,431	10,782,511	5,158,088	3,748,574	78,238,124	17.13	17.15	21.94	21.94	21.94
1.22	0.9422	58,379,817	6,413	10,871,623	5,200,717	3,779,554	78,238,124	17.08	17.11	22.12	22.12	22.12
1.23	0.9396	58,217,114	6,396	10,960,735	5,243,346	3,810,534	78,238,124	17.04	17.06	22.30	22.30	22.30
1.24	0.9370	58,054,411	6,378	11,049,846	5,285,974	3,841,514	78,238,124	16.99	17.01	22.48	22.48	22.48

**Tax Rate Shifts
Part One**

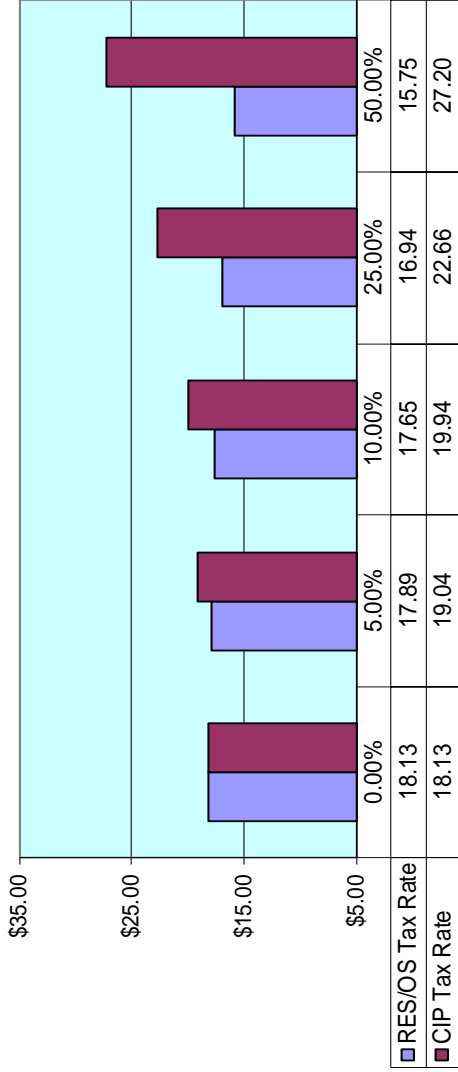
CIP Shift	Res Factor	Levy Amounts						Estimated Tax Rates				
		Res	O S	Com	Ind	PP	Total	Res	O S	Com	Ind	PP
1.25	0.9344	57,891,709	6,360	11,138,958	5,328,603	3,872,494	78,238,124	16.94	16.96	22.66	22.66	22.66
1.26	0.9317	57,729,006	6,342	11,228,070	5,371,232	3,903,474	78,238,123	16.89	16.92	22.84	22.84	22.84
1.27	0.9291	57,566,303	6,324	11,317,181	5,413,861	3,934,454	78,238,123	16.84	16.87	23.03	23.02	23.02
1.28	0.9265	57,403,600	6,306	11,406,293	5,456,490	3,965,434	78,238,123	16.80	16.82	23.21	23.21	23.21
1.29	0.9238	57,240,898	6,288	11,495,405	5,499,119	3,996,414	78,238,123	16.75	16.77	23.39	23.39	23.39
1.30	0.9212	57,078,195	6,270	11,584,516	5,541,747	4,027,394	78,238,123	16.70	16.73	23.57	23.57	23.57
1.31	0.9186	56,915,492	6,253	11,673,628	5,584,376	4,058,374	78,238,123	16.65	16.68	23.75	23.75	23.75
1.32	0.9160	56,752,789	6,235	11,762,740	5,627,005	4,089,354	78,238,122	16.61	16.63	23.93	23.93	23.93
1.33	0.9133	56,590,087	6,217	11,851,851	5,669,634	4,120,334	78,238,122	16.56	16.58	24.11	24.11	24.11
1.34	0.9107	56,427,384	6,199	11,940,963	5,712,263	4,151,314	78,238,122	16.51	16.54	24.29	24.29	24.29
1.35	0.9081	56,264,681	6,181	12,030,075	5,754,892	4,182,293	78,238,122	16.46	16.49	24.48	24.48	24.48
1.36	0.9055	56,101,978	6,163	12,119,186	5,797,520	4,213,273	78,238,122	16.42	16.44	24.66	24.66	24.66
1.37	0.9028	55,939,276	6,145	12,208,298	5,840,149	4,244,253	78,238,121	16.37	16.39	24.84	24.84	24.84
1.38	0.9002	55,776,573	6,127	12,297,409	5,882,778	4,275,233	78,238,121	16.32	16.34	25.02	25.02	25.02
1.39	0.8976	55,613,870	6,110	12,386,521	5,925,407	4,306,213	78,238,121	16.27	16.30	25.20	25.20	25.20
1.40	0.8950	55,451,167	6,092	12,475,633	5,968,036	4,337,193	78,238,121	16.23	16.25	25.38	25.38	25.38
1.41	0.8923	55,288,465	6,074	12,564,744	6,010,665	4,368,173	78,238,121	16.18	16.20	25.56	25.56	25.56
1.42	0.8897	55,125,762	6,056	12,653,856	6,053,293	4,399,153	78,238,121	16.13	16.15	25.74	25.74	25.74
1.43	0.8871	54,963,059	6,038	12,742,968	6,095,922	4,430,133	78,238,120	16.08	16.11	25.93	25.93	25.93
1.44	0.8845	54,800,356	6,020	12,832,079	6,138,551	4,461,113	78,238,120	16.04	16.06	26.11	26.11	26.11
1.45	0.8818	54,637,654	6,002	12,921,191	6,181,180	4,492,093	78,238,120	15.99	16.01	26.29	26.29	26.29
1.46	0.8792	54,474,951	5,985	13,010,303	6,223,809	4,523,073	78,238,120	15.94	15.96	26.47	26.47	26.47
1.47	0.8766	54,312,248	5,967	13,099,414	6,266,437	4,554,053	78,238,120	15.89	15.92	26.65	26.65	26.65
1.48	0.8740	54,149,545	5,949	13,188,526	6,309,066	4,585,033	78,238,119	15.84	15.87	26.83	26.83	26.83
1.49	0.8713	53,986,843	5,931	13,277,638	6,351,695	4,616,013	78,238,119	15.80	15.82	27.01	27.01	27.01
1.50	0.8687	53,824,140	5,913	13,366,749	6,394,324	4,646,993	78,238,119	15.75	15.77	27.20	27.19	27.19

**Tax Rate Shifts
Part Two**

**Split Ratio
FY 2021**

Formula:

Split Rates for FY21



Factor Shift Out of RESIDENTIAL

	0.00%	5.00%	10.00%	25.00%	50.00%
RES/OS Tax Rate	\$18.13	\$17.89	\$17.65	\$16.94	\$15.75
CIP Tax Rate	\$18.13	\$19.04	\$19.94	\$22.66	\$27.20
% Difference In Tax Rate	0.00%	6.43%	12.97%	33.77%	72.70%

For a \$1.00 reduction in the Residential Rate, \$3.81 is added to the CIP Rate

<u>Fiscal Year</u>	<u>Tax Rate</u>	<u># Communities with Split Rates</u>
2006	\$ 10.79	110
2007	\$ 10.88	111
2008	\$ 11.25	111
2009	\$ 12.03	110
2010	\$ 13.82	109
2011	\$ 15.41	110
2012	\$ 16.72	112
2013	\$ 17.96	114
2014	\$ 18.89	114
2015	\$ 19.44	114
2016	\$ 19.58	114
2017	\$ 19.73	115
2018	\$ 19.33	113
2019	\$ 18.54	110
2020	\$ 17.98	115
2021	\$ 18.13	TBD

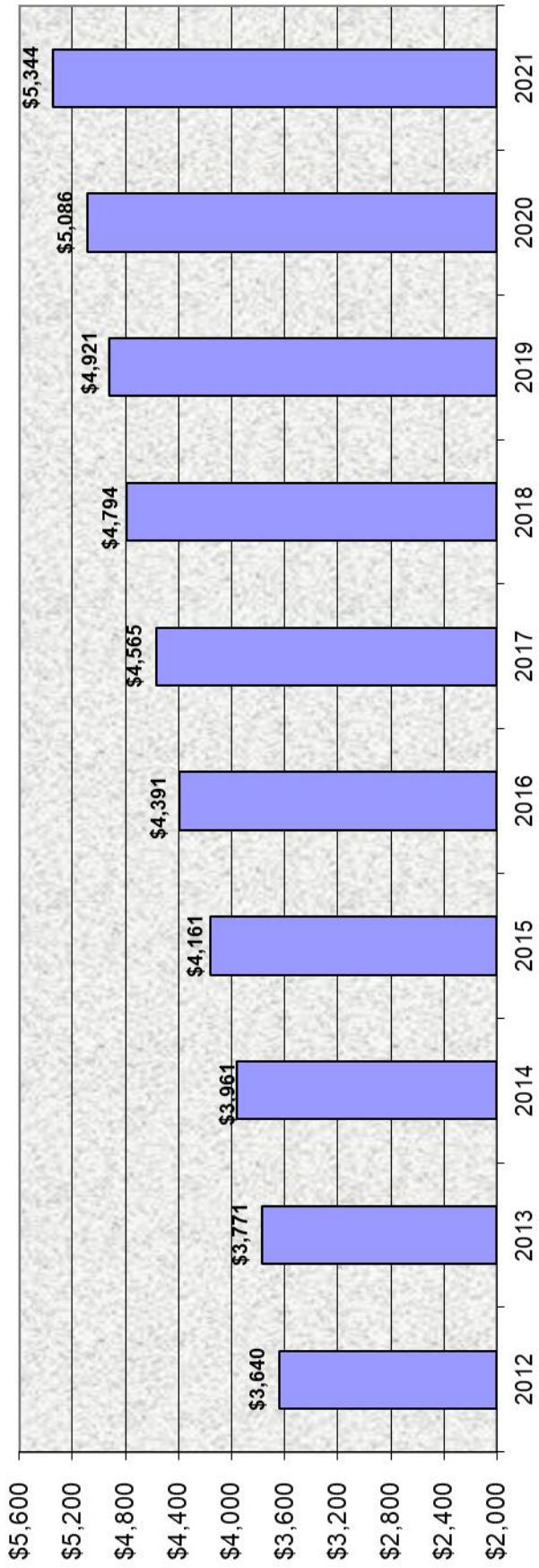
<u>Tax Rate History</u>	<u># of Communities with split tax rates</u>

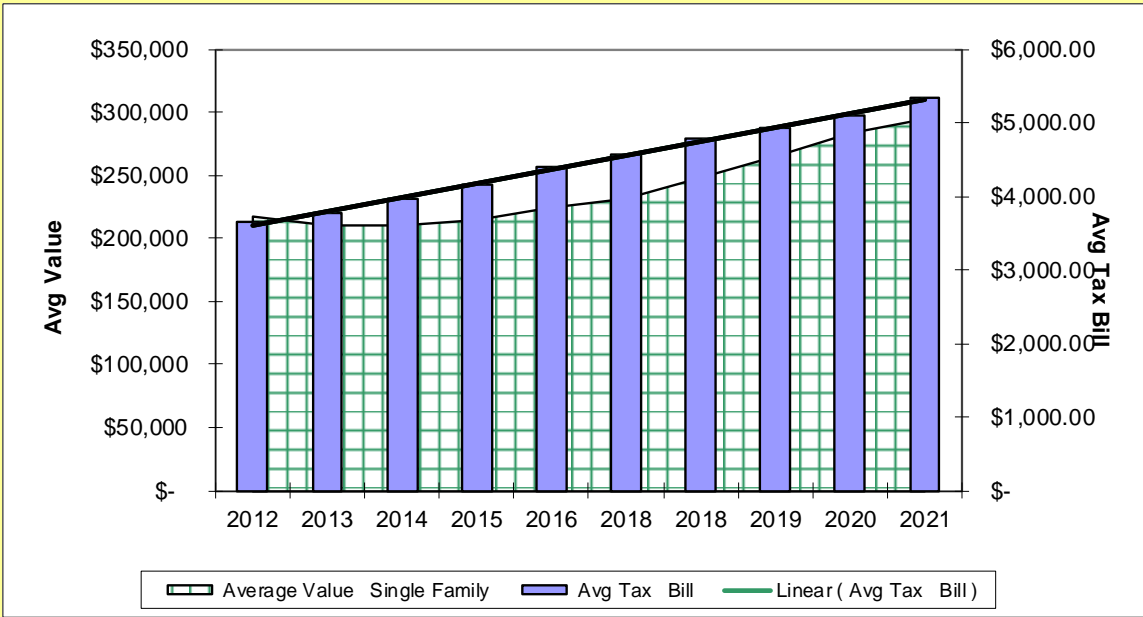
AVERAGE TAX BILLS

Fiscal Year	Total Single Family Assessed Valuation	Parcel Count	Average Single Family Value	Tax Rate	Average Single Family Tax Bill
2006	\$ 2,102,163,050	7,872	\$267,043	\$ 10.79	\$ 2,881
2007	\$ 2,182,485,800	7,907	\$276,019	\$ 10.88	\$ 3,003
2008	\$ 2,187,682,100	7,930	\$275,874	\$ 11.25	\$ 3,104
2009	\$ 2,123,015,400	7,967	\$266,476	\$ 12.03	\$ 3,206
2010	\$ 1,903,236,400	7,981	\$238,471	\$ 13.82	\$ 3,296
2011	\$ 1,804,155,700	7,996	\$225,632	\$ 15.41	\$ 3,477
2012	\$ 1,747,017,100	8,024	\$217,724	\$ 16.72	\$ 3,640
2013	\$ 1,693,391,400	8,065	\$209,968	\$ 17.96	\$ 3,771
2014	\$ 1,696,961,500	8,092	\$209,709	\$ 18.89	\$ 3,961
2015	\$ 1,735,884,900	8,109	\$214,069	\$ 19.44	\$ 4,161
2016	\$ 1,828,256,100	8,152	\$224,271	\$ 19.58	\$ 4,391
2017	\$ 1,892,524,000	8,180	\$231,360	\$ 19.73	\$ 4,565
2018	\$ 2,037,517,100	8,215	\$248,024	\$ 19.33	\$ 4,794
2019	\$ 2,190,155,900	8,252	\$265,409	\$ 18.54	\$ 4,921
2020	\$ 2,335,777,100	8,257	\$282,884	\$ 17.98	\$ 5,086
2021	\$ 2,438,021,800	8,271	\$294,767	\$ 18.13	\$ 5,344

Average Single Family Tax Bill

Average Single Family Tax Bill





A Comparison of :

	<u>Fiscal Year</u>	<u>Avg Single Family Value</u>	<u>Avg Tax Bill</u>
	2021	\$ 294,767	\$ 5,344
	2020	\$ 282,884	\$ 5,086
	2019	\$ 265,409	\$ 4,921
	2018	\$ 248,024	\$ 4,794
	2017	\$ 231,360	\$ 4,565
	2016	\$ 224,271	\$ 4,391
	2015	\$ 214,069	\$ 4,161
	2014	\$ 209,709	\$ 3,961
	2013	\$ 209,968	\$ 3,771
	2012	\$ 217,724	\$ 3,640

AVERAGE SINGLE FAMILY VALUES-LAST 10 YEARS.

FISCAL YEAR	# OF UNITS	TOTAL ASSESSED		AVG ASSESSED		AVG TAX		INCREASE FROM PREV YR
		VALUE	VALUE	VALUE	TAX RATE	BILL		
2012	8,024	\$1,747,017,100	\$217,724	\$16.72	\$3,640	\$163.35		
2013	8,065	\$1,693,391,400	\$209,968	\$17.96	\$3,771	\$130.68		
2014	8,092	\$1,696,961,500	\$209,709	\$18.89	\$3,961	\$190.37		
2015	8,109	\$1,735,884,900	\$214,069	\$19.44	\$4,161	\$200.11		
2016	8,152	\$1,828,256,100	\$224,271	\$19.58	\$4,391	\$229.72		
2017	8,180	\$1,892,524,000	\$231,360	\$19.73	\$4,565	\$173.51		
2018	8,215	\$2,037,517,100	\$248,024	\$19.33	\$4,794	\$229.57		
2019	8,252	\$2,190,155,900	\$265,409	\$18.54	\$4,921	\$126.38		
2020	8,257	\$2,335,777,100	\$282,884	\$17.98	\$5,086	\$165.58		
2021	8,271	\$2,438,021,800	\$294,767	\$18.13	\$5,344	\$257.74		
10 YEAR AVERAGE INCREASE								\$186.70

Fiscal Years	Fiscal Year Tax Rates	Total Commercial Assessed Property			Total Commercial Property			Total Industrial Assessed Property			Total Industrial Property			Total Single Family Assessed Property			Total Single Family Property				
		Valuations	Tax Levy	Parcel Counts	Value	Average Commercial Property Tax Bills	Valuations	Tax Levy	Parcel Counts	Value	Average Industrial Property Tax Bills	Valuations	Tax Levy	Parcel Counts	Value	Average Single Family Property Tax Bills	Valuations	Tax Levy	Parcel Counts	Value	Average Single Family Property Tax Bills
2010	\$13.82	\$440,218,038	\$6,083,813	550	\$800,396	\$11,061	\$227,963,690	\$3,150,458	350	\$657,325	\$9,001	\$1,903,236,400	7,981	\$238,471	\$3,296	\$1,804,155,700	\$8,870	7,996	\$225,632	\$3,477	
2011	\$15.41	\$403,825,222	\$6,222,947	551	\$732,895	\$11,294	\$200,890,800	\$3,095,727	349	\$575,618	\$8,870	\$1,804,155,700	7,996	\$225,632	\$3,477	\$1,747,017,100	\$8,889	8,024	\$217,724	\$3,640	
2012	\$16.72	\$387,664,486	\$6,481,750	556	\$697,238	\$11,658	\$193,510,150	\$3,235,490	364	\$531,621	\$8,889	\$1,693,391,400	8,065	\$209,968	\$3,771	\$1,696,961,500	\$9,246	8,092	\$209,709	\$3,961	
2013	\$17.96	\$384,022,926	\$6,897,052	560	\$685,755	\$12,316	\$189,263,900	\$3,399,180	359	\$527,197	\$9,468	\$1,735,884,900	8,109	\$214,069	\$4,162	\$1,828,256,100	\$9,745	8,152	\$224,271	\$4,391	
2014	\$18.89	\$382,711,304	\$7,229,417	562	\$680,981	\$12,864	\$174,243,400	\$3,291,458	356	\$489,448	\$9,246	\$1,892,524,000	8,180	\$231,360	\$4,565	\$2,037,517,100	\$10,043	8,215	\$248,024	\$4,794	
2015	\$19.44	\$387,094,493	\$7,525,117	539	\$718,172	\$13,961	\$175,677,875	\$3,415,178	356	\$493,477	\$9,593	\$2,190,155,900	8,252	\$265,409	\$4,921	\$2,335,777,100	\$12,267	8,257	\$282,884	\$5,086	
2016	\$19.58	\$400,306,603	\$7,838,042	544	\$735,861	\$14,408	\$178,677,761	\$3,498,511	359	\$497,710	\$9,745	\$2,438,021,800	8,271	\$294,767	\$5,344						
2017	\$19.73	\$491,783,242	\$9,702,883	548	\$897,415	\$17,706	\$182,265,120	\$3,596,091	360	\$506,292	\$9,989										
2018	\$19.33	\$400,306,603	\$7,737,965	550	\$727,834	\$14,069	\$186,074,078	\$3,635,472	362	\$519,542	\$10,043										
2019	\$18.54	\$491,783,242	\$9,117,661	555	\$886,096	\$16,428	\$215,838,880	\$4,001,653	347	\$622,014	\$11,532										
2020	\$17.98	\$524,271,993	\$9,426,410	550	\$953,222	\$17,139	\$231,961,050	\$4,170,680	340	\$682,238	\$12,267										
2021	\$18.13	\$498,870,200	\$8,911,126	547	\$912,011	\$16,535	\$235,130,395	\$4,262,914	339	\$693,600	\$12,575										

Average Tax Bills CIR

MISCELLANEOUS

RESIDENTIAL EXEMPTION CALCULATION OF TAX RATE			
AVERAGE RESIDENTIAL VALUE			270,264.92
MAXIMUM 10% EXEMPTION			27,026
AMOUNT OF EXEMPTION IN TAX \$'S			489.99
NUMBER OF PARCELS IN RESIDENTIAL CLASS			12,645
NUMBER OF POTENTIALLY ELIGIBLE PARCELS			9,484
NUMBER OF OWNER OCCUPIED DWELLINGS			9,396
TOTAL REDUCTION IN RESIDENTIAL VALUATION			256,312,490
RESIDENTIAL TAX RATE WITH 10% EXEMPTION			19.60
OPEN SPACE RATE			18.13
CIP TAX RATE			18.13
RESEXEM1.WK1			

IMPACT OF 10 % RESIDENTIAL EXEMPTION

ASSESSED VALUATION	TAX WITHOUT 10% EXEMPTION	TAX WITH 10 % EXEMPTION	DOLLAR DIFFERENCE	PERCENTAGE CHANGE
\$100,000	\$1,813.00	\$1,430.44	(\$382.56)	-21.10%
\$125,000	\$2,266.25	\$1,920.49	(\$345.76)	-15.26%
\$135,000	\$2,447.55	\$2,116.51	(\$331.04)	-13.53%
\$150,000	\$2,719.50	\$2,410.55	(\$308.95)	-11.36%
\$155,000	\$2,810.15	\$2,508.56	(\$301.59)	-10.73%
\$160,000	\$2,900.80	\$2,606.57	(\$294.23)	-10.14%
\$175,000	\$3,172.75	\$2,900.60	(\$272.15)	-8.58%
\$190,000	\$3,444.70	\$3,194.63	(\$250.07)	-7.26%
\$200,000	\$3,626.00	\$3,390.65	(\$235.35)	-6.49%
\$294,767 *	\$5,344.13	\$5,248.29	(\$95.84)	-1.79%
\$300,000	\$5,439.00	\$5,350.87	(\$88.13)	-1.62%
\$350,000	\$6,345.50	\$6,330.98	(\$14.52)	-0.23%
\$359,863 **	\$6,524.32	\$6,524.31	(\$0.00)	0.00%
\$400,000	\$7,252.00	\$7,311.08	\$59.08	0.81%
\$500,000	\$9,065.00	\$9,271.30	\$206.30	2.28%
* AVERAGE VALUE OF A SINGLE FAMILY HOME FOR FY 2021				
** BREAK EVEN POINT				
THERE ARE	5178 SINGLE FAMILY HOMES VALUED BELOW \$ 294,767			
THERE ARE	3089 SINGLE FAMILY HOMES VALUED ABOVE \$ 294,767			
VALUE DEDUCTION W/ 10% EXEMPTION		\$27,026		
TAX RATE WITH 10% EXEMPTION		\$19.60		
TAX RATE WITHOUT 10% EXEMPTION		\$18.13		
<p>THE \$19.60 RATE IS USED FOR ALL RESIDENTIAL PARCELS. THE REMAINING 3,283 SINGLE FAMILY HOMES IN THE RESIDENTIAL CLASS WILL RECEIVE AN 8 % INCREASE IN THEIR TAX RATE. THE COMMERCIAL/INDUSTRIAL/PERSONAL PROPERTY TAX RATE, HOWEVER, REMAINS AT \$18.13.</p>				
RESEXEM2.WK1				

**SMALL BUSINESS EXEMPTION
CALCULATION OF TAX RATE**

**APPLIES ONLY TO BUSINESSES CERTIFIED WITH LESS THAN
TEN EMPLOYEES BY THE STATE D.E.T
10 % MAXIMUM EXEMPTION**

NUMBER OF PARCELS IN COMMERCIAL & INDUSTRIAL CLASS	964	
ESTIMATED NUMBER OF ELIGIBLE PARCELS	182	
TOTAL REDUCTION IN COMERCIAL VALUATION	\$8,567,330	
COMMERCIAL/INDUSTRIAL TAX RATE	\$18.35	C & I RATE
RESIDENTIAL RATE	\$18.13	
OPEN SPACE RATE	\$18.13	
PERSONAL PROPERTY RATE	\$18.13	

IMPACT OF 10 % COMMERCIAL EXEMPTION

ASSESSED VALUATION	ALL COMMERCIAL PARCELS IF NOT ADOPTED	NON-ELIGIBLE PARCELS IF ADOPTED	ELIGIBLE PARCELS IF ADOPTED	%DIFFERENCE IF EXEMPTION PASSED
\$100,000	\$1,813.00	\$1,835.00	\$1,651.50	-8.91%
\$200,000	\$3,626.00	\$3,670.00	\$3,303.00	-8.91%
\$300,000	\$5,439.00	\$5,505.00	\$4,954.50	-8.91%
\$400,000	\$7,252.00	\$7,340.00	\$6,606.00	-8.91%
\$500,000	\$9,065.00	\$9,175.00	\$8,257.50	-8.91%
\$600,000	\$10,878.00	\$11,010.00	\$9,909.00	-8.91%
\$700,000	\$12,691.00	\$12,845.00	\$11,560.50	-8.91%
\$800,000	\$14,504.00	\$14,680.00	\$13,212.00	-8.91%
\$999,999	\$18,129.98	\$18,349.98	\$16,514.98	-8.91%
<p>AMOUNT OF EXEMPTION MAY NOT EXCEED 10% OF ASSESSED VALUE DOES NOT AFFECT THE TAX RATES FOR RESIDENTIAL ,OPEN SPACE, OR PERSONAL PROPERTY NO COMMERCIAL PARCEL VALUED OVER \$1,000,000 AND/OR IS NOT CERTIFIED BY DET IS ELIGIBLE. OF THE 505 COMMERCIAL PARCELS ASSESSED UNDER \$1,000,000, 174 +/- ARE ELIGIBLE.</p>				
COMEXEM2.WK1				

Glossary of Relevant Assessment Terms

Assessment Date - The date tax liability is fixed. In Massachusetts, property taxes are assessed as of the January first prior to the fiscal year. Assessors determine the physical status of taxable real and personal property, its ownership, and fair cash value and usage classification as of that date.

Assessment Sale Ratio (ASR) - Expresses the relationship between the assessed value of a sold property and the sales price of the property.

Assessed Valuation - A value set on real estate or other property by a government as the basis for levying taxes. In Massachusetts, assessed valuation is based on the amount a willing buyer would pay a willing seller on the open market (FFCV).

Certification - Verification of authenticity refers to the certification by the Bureau of Local Assessment (BLA) that a community's assessed values represent full and fair value.

Classification of Real Property - Assessors are required to classify all real property according to use into one of four classes: Residential, Open Space, Commercial, and Industrial. Local officials determine within guidelines established by statute, what percentage of the tax burden is to be borne by each class of property.

Classification of Tax Rate - In accordance with MGL CH.40 SEC.56, the City Council vote to determine the tax rate options.

Coefficient of Dispersion - The measurement used to determine assessment uniformity. It measures the average difference between individual assessments to sales price ratios and a standard such as the median assessment to sales price ratio.

Full and Fair Cash Value (FFCV) - Defined by the Supreme Court as "Fair market value which is the price an owner willing but not under compulsion to sell ought to receive from one willing but not under compulsion to buy. A valuation limited to what the

property is worth to the purchaser is not market value. The fair cash value is the value the property would have on January first of any taxable year in the hands of any owner.

Excess Levy Capacity - The difference between the Levy Limit and the amount of Real and Personal property taxes levied in a given year.

Tax Levy - The revenue a community raises through the property tax. The total amount a community's levy is limited to 2.5% of the total assessed value (levy ceiling). Annual increases in the levy are limited to no more than 2.5 % of the prior year's levy limit.

Levy Ceiling - The maximum levy assessed on Real and Personal property may not exceed 2.5 % of the total full and fair cash value of all taxable property.

Levy Limit - The maximum amount a community can levy in a given year. The limit can grow by 2.5% of the prior year's levy limit plus new growth and any overages and any overrides.

Local Aid - Revenue allocated by the Commonwealth to cities, towns, and school districts transmitted to cities and towns by the "Cherry Sheet".

New Growth - The taxing capacity added by new construction and other increases in the property tax base. New growth is calculated by multiplying all increase in value which is not the result of revaluation by the prior year's tax rate.

Overlay - An account established annually to fund anticipated property tax abatements, exemptions and uncollected taxes in that fiscal year.

Residential Factor - Adopted by a community annually, this governs the percentage of the tax levy to be paid by property owners. A residential factor of "1" will result in the taxation of all property at the same rate (single rate).

Revaluation - Every five years, assessors must submit property tax values to the DOR for certification. Assessors must also maintain current values in the years between certifications so that each taxpayer in the community pays his fair share of the cost of local government in proportion to the value of his property.

