

# CLASSIFICATION HEARING



**FY2023**

# **PURPOSE OF THE CLASSIFICATION HEARING**

- ⌚ Report on final values for Fiscal 2023
- ⌚ Adoption of a residential factor  
MGL Ch. 40 § 56 - allows a shift in the tax burden  
between property classes.

*Reminder:* This does not change the total tax levy for the community; it simply determines the share to be borne by each class.

# WHY ANOTHER HEARING?

Though the historical content during the last classification remains the same, there is a slight difference in the actual numbers.

The Computer Assisted Mass Appraisal system did not do a full recalculation the first time and those files did recalculate the second time.

Though the Res vs CIP % remain the same, the Department of Revenue (DOR) requires that a new Hearing takes place to announce the value total changes. It is also required the Selectboard takes another vote.

Assessor's recommendation has not changed and recommends keeping with a single tax rate.

# ASSESSMENT VALUES/CLASSIFICATION (LA4)

|               | Residential          | Open Space | Commercial        | Industrial         | Personal Property | Exempt | Totals               |
|---------------|----------------------|------------|-------------------|--------------------|-------------------|--------|----------------------|
| <b>BEFORE</b> | 1,208,466,785        | 0          | 73,995,921        | 151,528,640        | 47,822,070        |        | 1,481,813,416        |
| <b>AFTER</b>  | <b>1,208,842,085</b> | 0          | <b>74,040,926</b> | <b>144,864,140</b> | 47,822,070        |        | <b>1,475,569,221</b> |

Achieving the Tax Value by Individual Class  
Multiply each class above by the est. tax rate and divide by 1,000

**Assessed Value x 15.79 (est. Tax Rate) = Result ÷ 1,000**

|                           | Residential       | Open Space | Commercial       | Industrial       | Personal Property | Exempt | Totals            |
|---------------------------|-------------------|------------|------------------|------------------|-------------------|--------|-------------------|
| <b>BEFORE<br/>@ 15.72</b> | 18,997,098        | 0          | 1,163,216        | 2,382,030        | 751,763           |        | 23,294,107        |
| <b>AFTER<br/>@ 15.79</b>  | <b>19,087,616</b> | 0          | <b>1,169,106</b> | <b>2,287,404</b> | <b>755,110</b>    |        | <b>23,299,238</b> |

# THE RATE

The tax rate is derived from a simple mathematical equation involving the total value in the community, as certified by the Department of Revenue, and the total amount of the levy, as required through the vote of the community at Town Meeting.

| *Total Levy |   | Taxable Value   |   | Result |   |       | Tax Rate |
|-------------|---|-----------------|---|--------|---|-------|----------|
| 23,300,000  | ÷ | \$1,481,813,416 | = | .01572 | x | 1,000 | \$15.72  |

| *Total Levy |   | Taxable Value   |   | Result |   |       | Tax Rate |
|-------------|---|-----------------|---|--------|---|-------|----------|
| 23,300,000  | ÷ | \$1,475,569,221 | = | .01579 | x | 1,000 | \$15.79  |

**\*Disclaimer: The Total Levy is an estimate only  
and may change after FTM.**

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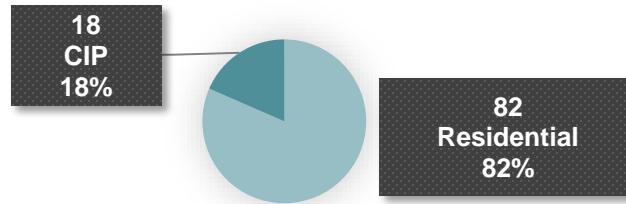
| *Total Levy |   | Taxable Value   |   | Result |   |       | Tax Rate |
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| 23,300,000  | ÷ | \$1,481,813,416 | = | .01572 | x | 1,000 | \$15.72  |

| *Total Levy |   | Taxable Value   |   | Result |   |       | Tax Rate |
|-------------|---|-----------------|---|--------|---|-------|----------|
| 23,300,000  | ÷ | \$1,475,569,221 | = | .01579 | x | 1,000 | \$15.79  |

**\*Disclaimer: The Total Levy is an estimate only  
and subject to Department of Revenue approval.**

| *Total Levy |   | Taxable Value   |   | Result |   |       | Tax Rate |
|-------------|---|-----------------|---|--------|---|-------|----------|
| 22,301,381  | ÷ | \$1,475,569,221 | = | .01511 | x | 1,000 | \$15.11  |

# Valuations by Class Before Tax Shift



| Major Property Class | Valuation            | Percent          | Res vs CIP%     |
|----------------------|----------------------|------------------|-----------------|
| Residential          | 1,208,466,785        | 81.5532          | R & O%<br>81.55 |
| Commercial           | 73,995,921           | 4.9936           |                 |
| Industrial           | 151,528,640          | 10.2259          |                 |
| Personal Property    | 47,822,070           | 3.2273           | CIP %<br>18.45  |
| <b>TOTAL</b>         | <b>1,481,813,416</b> | <b>100.0000%</b> |                 |

| Major Property Class | Valuation            | Percent          | Res vs CIP%     |
|----------------------|----------------------|------------------|-----------------|
| Residential          | 1,208,842,085        | 81.9238          | R & O%<br>81.92 |
| Commercial           | 74,040,926           | 5.0178           |                 |
| Industrial           | 144,864,140          | 9.8175           |                 |
| Personal Property    | 47,822,070           | 3.2273           | CIP %<br>18.07  |
| <b>TOTAL</b>         | <b>1,481,813,416</b> | <b>100.0000%</b> |                 |

# AVERAGE SINGLE FAMILY TAX BILL

| Fiscal Year | Single Family Values | Single Family Parcels | Average Single Family Value | Single Family Tax Bill* |
|-------------|----------------------|-----------------------|-----------------------------|-------------------------|
| 2023        | 929,489,500          | 1,216                 | 764,383                     | 12,016                  |
| 2023        | 929,864,800          | 1,216                 | 764,691                     | 12,074                  |

# Assessor's Recommendation

- 1) Vote to adopt a Single Tax Rate
- 2) Vote take no action on the following:
  - Open Space Discount
  - Residential Exemption
  - Small Commercial Exemption

# VOTING A TAX SHIFT FACTOR

(PROPOSED MOTION)

The Boxborough Select-Board votes in accordance with M.G.L., Ch. 40, Sec. 56, as amended, the percentage of local tax levy which will be borne by each class of real estate and personal property, relative to the setting the Fiscal Year 2023 tax rates, and set the Residential Factor at 1.0, with a corresponding CIP of 1.0, pending approval of the town's annual tax recap by the Massachusetts Department of Revenue.