

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Though the historical content during the last classification remains the same, there is a slight difference in the actual numbers.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
BEFORE	1,208,466,785	0	73,995,921	151,528,640	47,822,070		1,481,813,416
AFTER	1,208,842,085	0	74,040,926	144,864,140	47,822,070		1,475,569,221

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
BEFORE @ 15.72	18,997,098	0	1,163,216	2,382,030	751,763		23,294,107
AFTER @ 15.79	19,087,616	0	1,169,106	2,287,404	755,110		23,299,238

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.**

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.

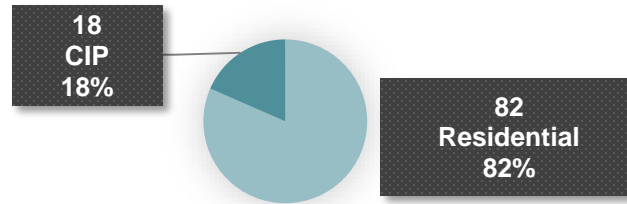
*Total Levy		Taxable Value		Result			Tax Rate
23,300,000	÷	\$1,481,813,416	=	.01572	x	1,000	\$15.72

*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 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% 81.55
Commercial	73,995,921	4.9936	
Industrial	151,528,640	10.2259	
Personal Property	47,822,070	3.2273	CIP % 18.45
TOTAL	1,481,813,416	100.0000%	

BEFORE

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

AFTER

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.