

TOWN OF SUDBURY



**FISCAL 2013
CLASSIFICATION HEARING**

December 6, 2012

Board of Selectmen

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INTRODUCTION

Each year, prior to the mailing of the actual tax bills, the Board of Selectmen holds a public hearing to discuss and decide on the distribution of the tax burden among the various classes of property. This Classification Hearing booklet provides information concerning the Levy amount, the assessment classifications, and the tax rate setting options.

The actions needed to complete the process, and the responsible party, are summarized below:

- Step 1: Determination of the Levy (Assessors)
- Step 2: Determination of Valuation by Class (Assessors)
- Step 3: Classification Hearing and Presentation (Assessors/Selectmen)
- Step 4: Evaluation of Exemption Options (Selectmen)
- Step 5: Evaluation of Tax Shift Options (Selectmen)
- Step 6: Voting a Tax Shift Option (Selectmen)

Step 1: DETERMINATION OF THE TAX LEVY

The first step in the process is the determination of the levy. The levy is calculated as follows:

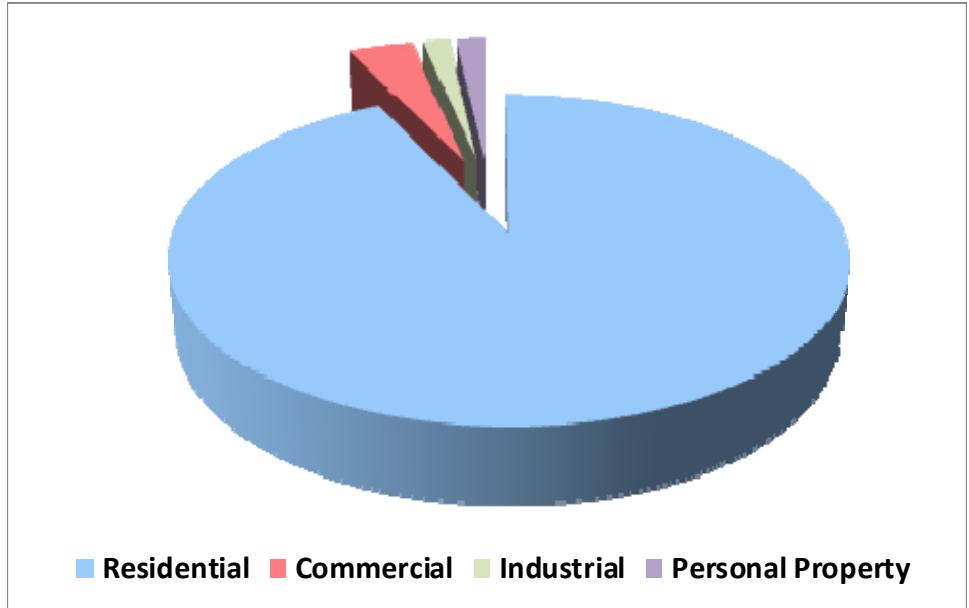
	FY2012	FY2013
Town Meeting Appropriations	83,406,343	89,624,450
Plus: Other Amounts to be Raised	737,485	1,060,427
Equals: Total Budget	84,143,828	90,684,877
Less: Local Receipts and Other Funding	(15,136,296)	(19,506,289)
Equals: Amount to be Raised Through Taxation		
The Levy	69,007,532	71,178,588

Source: Tax Recap Data on Massachusetts Department of Local Services Website

Step 2: DETERMINATION OF VALUATION BY CLASS

The Assessors finalize all assessments and group them into the classes. The data will then be used to determine the allocation of the tax burden among the four real property classes and the personal property class.

The chart and table below show the assessed valuations for FY13.



Class	Value	Percent	Percent
Residential	3,590,745,895	92.9234%	92.9234%
Open Space	-	0.0000%	
Commercial	147,113,202	3.8071%	7.0766%
Industrial	59,403,300	1.5373%	
Personal Property	66,938,910	1.7323%	
Total	3,864,201,307	100.0000%	100.0000%

Source: Massachusetts Department of Revenue Form LA-4

Step 3: HOLDING A CLASSIFICATION HEARING

In conjunction with the Board of Assessors, the Board of Selectmen holds a Public Hearing regarding FY13 Tax Classification to discuss the distribution of the tax burden among the various classes of property. This Classification Hearing document provides information relevant to that discussion.

Step 4: EVALUATION OF EXEMPTION OPTIONS

In addition to deciding the share of the levy to be borne by the residential, commercial, industrial and personal property classes, the Classification Hearing allows the Board of Selectmen to consider alternatives with respect to certain property tax exemptions. The Board's decision must be submitted to the Department of Revenue (LA5). The alternatives which they may vote are:

- Residential Exemption
- Small Commercial Exemption
- Open Space Discount

Information concerning each alternative, as well as a list of communities which have implemented them, follows.

RESIDENTIAL EXEMPTION

Adopting the Residential Exemption would allow the Selectmen to exempt from qualified Class I properties a percentage of the average assessed value of all Class I properties. The exemption can be as high as twenty (20%) percent of the average assessed value of all Class I properties. To compensate for the reduction in valuations of Class I properties receiving the exemption, the tax rate for the residential class must increase. That is because the total taxes to be levied on Class I properties must remain within that class, and cannot be shifted onto properties classified as Commercial, Industrial or Personal. Since the residential exemption redistributes the burden *within* the residential class, the CIP rate is not affected.

Currently, thirteen Massachusetts cities and towns have adopted the Residential Exemption. Historically, the exemption has been adopted in those communities with a high percentage of apartments and other investment property or seasonal homes. In general terms, the exemption shifts real estate taxes onto Class I properties that are not occupied by the property owner as the owner's principal residence or are held for investment. Assuming the maximum exemption allowance, the FY13 exemption value would be \$116,639 for qualifying properties. It would apply to owner occupied residential properties. A study documented in the November 2011 Residential Exemption Report indicated that about 83% of Sudbury's residential property owners would meet the statutory requirements to qualify for the exemption. A small percent of homeowners and all residential land owners would not receive the benefit.

Although some owner occupied properties would receive an exemption of up to 20%, the tax rate for the entire residential class would increase. As a result, while some properties would receive a tax reduction under the Residential Exemption option, we estimate the FY13 tax bill would rise even for qualified properties with assessments above a breakeven assessment of about \$704K (including primary residences, apartments and other vacant land). In addition, the tax bill for all non-qualified properties (about 17% of residential properties) would see an increase.

The following table assumes a CIP factor of **1.28** with a residential rate of **17.96** for illustrative purposes only.

Residential Exemption Example			
Average FY13 SFR Assessment	Rate	Tax	Exemption Amount
\$622,862	\$18.03	\$11,230	\$0
Average FY13 SFR Assessment with 20% Exemption	Rate	Tax	Exemption Amount
\$506,222	\$21.62	\$10,945	\$116,639

The companion *Residential Exemption Report* contains further details on the potential impacts of adopting this exemption, and can be found on the Town website: www.town.sudbury.ma.us.

SMALL COMMERCIAL EXEMPTION

An exemption of up to **10%** of the property valuation can be granted to *commercial (not industrial)* property, which meets the requirements of the law. To qualify, eligible businesses must have occupied the property as of January 1, must have had no more than 10 employees during the previous calendar year and the building must have a valuation of less than \$1,000,000. While the eligible business does not have to own the building, all occupants of the commercial portion of the building must qualify. Again, this exemption is borne *within* the commercial and industrial classes thus increasing the tax rate for this class by the amount of the exemption but does not affect the residential class.

OPEN SPACE EXEMPTION

Massachusetts General Law Chapter 59 Sec. 2A defines Class 2 Open Space as:

"Land which is not otherwise classified and which is not taxable under provisions of chapters sixty-one, sixty-one A or sixty-one B, or taxable under a permanent conservation restriction, and which land is not held for the production of income but is maintained in an open or natural condition and which contributes significantly to the benefit and enjoyment of the public."

A maximum exemption of 25% may be adopted for all property that is classified as Open Space as determined by the Board of Assessors.

SUMMARY OF EXEMPTION TYPES

Residential Exemption	Small Commercial Exemption	Open Space Exemption
Principally domiciled residential home owners whose assessment is at or under the break even valuation will benefit from the adoption.	Class 3 (commercial) property with fewer than 10 employees <\$1,000,000, and employing fewer than 10 <i>employees</i> will benefit from the adoption.	Residential Properties, in an open and natural state as determined by the Assessors, not including Chapter Land Program participants, or properties with a perpetual deed restriction will benefit from the adoption.
The voted % is removed from the taxable valuation.	The voted % is removed from the taxable valuation.	The voted % is removed from the taxable valuation.
The allowable exemption range is up to 20% of the average of residential property types assessment	up to 10% of the assessed value of the qualifying property	up to 25% of value may be exempt under this provision
Residential Class I properties pay for the Program	Commercial and Industrial Classes III +IV pay for the Program	Residential Class I pays for the Program
13 Municipalities* adopted the exemption for FY 2012	10 Municipalities* adopted the exemption for FY 2012	1 Municipality* adopted the exemption for FY 2012

*See table on next page for list.

MUNICIPALITIES WITH PROPERTY TAX EXEMPTIONS IN FY12

Count	Municipality	Percent Granted
OPEN SPACE EXEMPTIONS		
1	BEDFORD	25%
RESIDENTIAL EXEMPTIONS		
1	BARNSTABLE	20%
2	BOSTON	30%
3	BROOKLINE	20%
4	CAMBRIDGE	30%
5	CHELSEA	20%
6	EVERETT	20%
7	MALDEN	20%
8	NANTUCKET	20%
9	SOMERSET	10%
10	SOMERVILLE	30%
11	TISBURY	20%
12	WALTHAM	20%
13	WATERTOWN	20%
SMALL COMMERCIAL EXEMPTIONS		
1	Auburn	10%
2	Avon	10%
3	Bellingham	10%
4	Braintree	10%
5	Dartmouth	10%
6	New Ashford	10%
7	Seekonk	10%
8	Somerset	10%
9	Westford	10%
10	Wrentham	10%

Source: Data Bank Reports on Massachusetts Department of Local Services Website

VOTING THE EXEMPTIONS

The Selectmen cannot consider an **Open Space Exemption** as the Town does not utilize the Class 2 Open Space Option, therefore the Open Space Exemption cannot be considered and a vote is not is not justified.

Example Vote(s) on Residential and/or Small Commercial Exemption Options:

1. This language combines negative votes on the both the Residential and Small Commercial Exemption into one motion:

Motion: [Not] to adopt the Residential Exemption or the Small Commercial Exemption for Fiscal Year 2013.

2. This language including negative and affirmative options speaks to the Residential Exemption only:

Motion: [Not] to adopt a Residential Exemption for Fiscal Year 2013, or

Motion: [To] adopt a Residential Exemption for Fiscal Year 2013 of ____% of the **Average of all Residential Value** for those eligible residential properties, this will shift the burden within the Residential Class.

3. This language including negative and affirmative options speaks to the Small Commercial only:

Motion: [Not] adopt the Small Commercial Exemption for Fiscal Year 2013, or

Motion: [To] adopt the Small Commercial Exemption for Fiscal Year 2013 of ____% of the **Assessed Value of the eligible properties occupied by business (as) on the DET list** valued at less than \$1 million, which will shift the burden within the Commercial & Industrial Classes.

Step 5: EVALUATION OF TAX SHIFT OPTIONS

In order to consider a tax rate shift, the residential factor must first be calculated. Following this calculation are data on Sudbury's and other communities tax shift history, tax rate examples and rates which would result from various possible shifts from the Residential class to CIP class.

THE TAX FACTORS

The residential factor adopted sets the percentage of tax levy paid by residential owners. A residential factor of 1.00 results in all property types being taxed at the same rate. A residential factor less than 1.00 permits the residential class to pay a lower share of the tax burden than the (CIP) class. This is accomplished by increasing the CIP tax rate and lowering the residential tax rate. Refer to the option tables later in this report for examples of this shift.

The RESIDENTIAL FACTOR is simply the number that calculates the percentage of tax burden the residential class will bear.

The MINIMUM RESIDENTIAL FACTOR is the lowest factor allowed to be used in determining the residential share of the tax.

The MAXIMUM SHIFT (150%) is the maximum factor allowed for shifting taxes to the Commercial Industrial and Personal Property classes under the regular classification law.

CHAPTER 200 allows certain communities to tax commercial properties up to a MAXIMUM SHIFT OF 175%. Based on its distribution of values **Sudbury does not qualify** for a maximum of 175% this year.

The table below shows the Minimum Residential Factor calculation:

Minimum Residential Factor Calculation				
Maximum Share of Levy for CIP	150%	X	7.0766%	= 10.6150%
Minimum Share of Levy for Res/OS	100%	-	10.6150%	= 89.3850%
Minimum Residential Factor	89.3850%	/	92.9234%	= 96.1922%

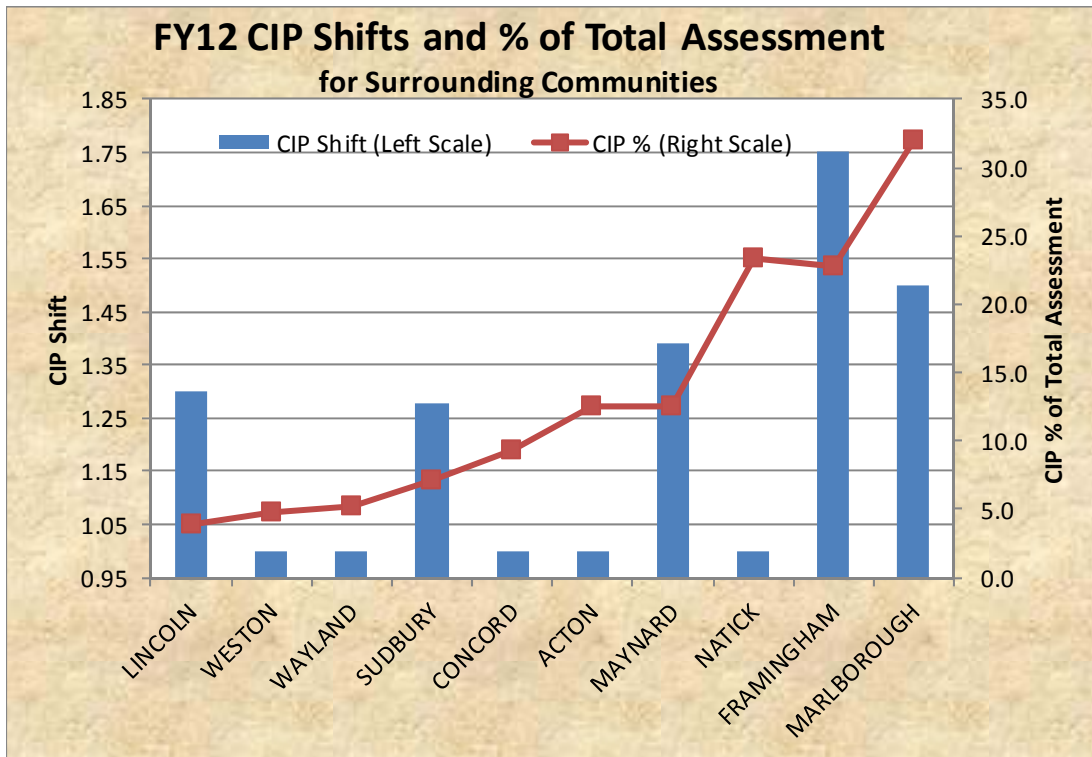
Source: Massachusetts Department of Revenue Form LA-7

COMPARATIVE TAX SHIFTS

Community	CIP Shift								FY12 Tax Rate		FY12 CIP% of Total
	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	CIP	RES	
LINCOLN	1.150	1.250	1.300	1.300	1.300	1.300	1.300	1.300	18.17	13.81	3.8493
WESTON	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	12.11	12.11	4.8264
WAYLAND	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	19.01	19.01	5.1502
SUDBURY	1.480	1.550	1.500	1.270	1.240	1.230	1.280	1.277	22.95	17.60	7.0748
CONCORD	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	13.58	13.58	9.3242
ACTON	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	18.55	18.55	12.5323
MAYNARD	1.750	1.750	1.570	1.570	1.500	1.468	1.438	1.390	27.17	18.45	12.5549
NATICK	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	13.91	13.91	23.3664
FRAMINGHAM	1.940	1.900	1.830	1.750	1.750	1.750	1.750	1.750	38.05	16.94	22.7550

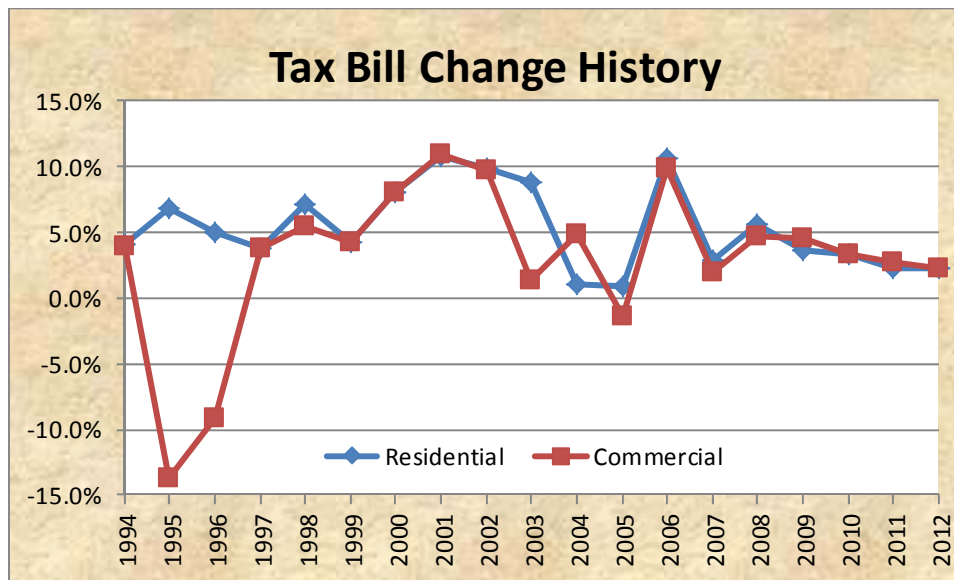
Source: Data Bank Reports on Massachusetts Department of Local Services Website

Note: 108 municipalities in the Commonwealth had split tax rates in FY12.



SUDBURY'S TAX SHIFT HISTORY

Fiscal Year	Percent Shift	Average Residential Tax Bill Change	Average Commercial Tax Bill Change
1994	155	4.10%	4.00%
1995	150	6.90%	-13.70%
1996	140	5.00%	-9.10%
1997	140	3.80%	3.80%
1998	140	7.20%	5.40%
1999	140	4.30%	4.20%
2000	139	8.10%	8.10%
2001	132	10.80%	11.00%
2002	132	9.81%	9.72%
2003	130	8.76%	1.41%
2004	150	1.00%	4.92%
2005	148	0.94%	-1.35%
2006	155	10.57%	9.94%
2007	150	2.90%	1.90%
2008	127	5.65%	4.67%
2009	124	3.70%	4.50%
2010	123	3.30%	3.30%
2011	128	2.30%	2.70%
2012	128	2.26%	2.25%



TAX RATE EXAMPLES

Fiscal Year 2012

Using as an example the Fiscal Year 2012 tax rates of \$17.60 (Residential) and \$22.95 (CIP), actual taxes for an average residential dwelling assessed at \$621,410 and an average Commercial/Industrial property assessed at \$949,266 would have been the following:

Class	Assessment	Rate	Tax
RESIDENTIAL	\$621,410	\$17.60	\$10,937
COMM/IND	\$949,266	\$22.95	\$21,786

Fiscal Year 2013

Tax rates calculated at the same commercial shift as Fiscal Year 2012 (127.66% CIP) would result in the following:

Class	Assessment	Rate	Tax	Tax Bill % Change
RESIDENTIAL	\$622,862	\$18.03	\$11,230	2.68%
COMM/IND	\$949,043	\$23.50	\$22,303	2.37%

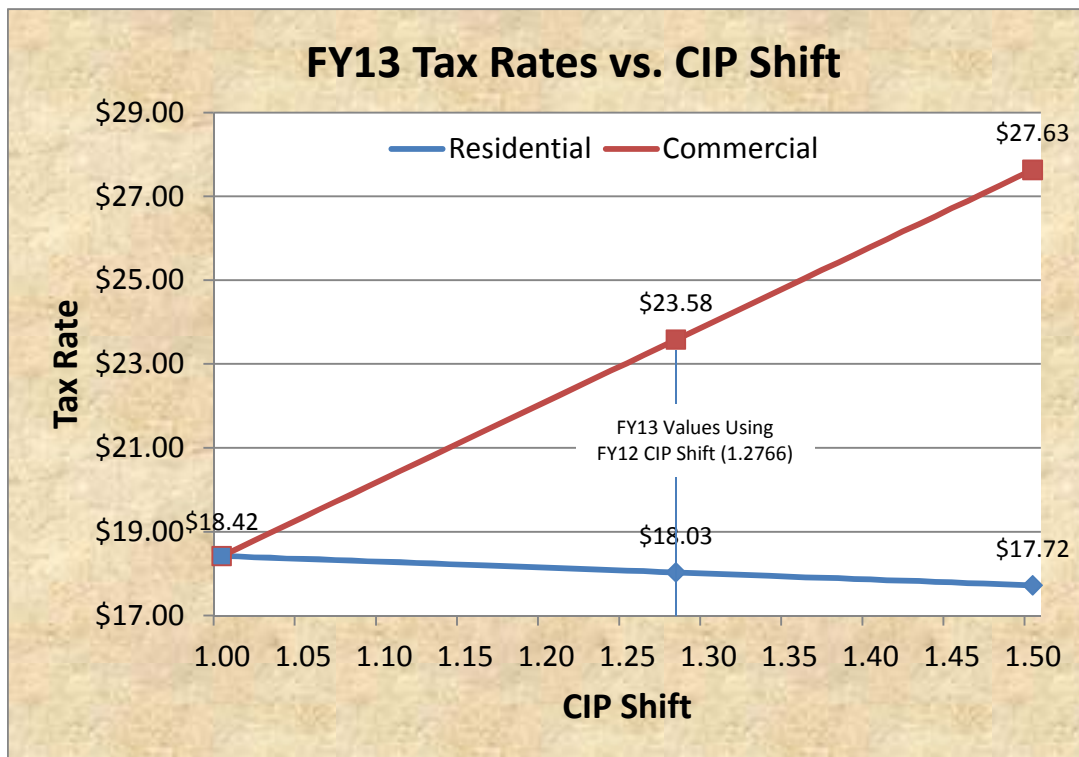
CLASSIFICATION ASSUMPTIONS

Residential Exemption	0
Small Commercial Exemption	0
Estimated Levy	71,178,588
Single Tax Rate	18.42

LEVY SHIFT INCREMENTS

For each 1% increase in CIP Shift, the levy will decrease for residential properties and increase for CIP properties by the amounts highlighted below. So for FY13, for each 1% increase in CIP Shift, the residential tax rate will decrease by 1 cent and the CIP tax rate will increase by 18 cents.

CIP Shift	Res Factor	Share Percentages			Levy Amount			Est. Tax Rate	
		Res	CIP	Tot.	Res	CIP	Tot.	Res	CIP
1.00	100.0000	92.9234	7.0766	100.0	66,141,539	5,037,049	71,178,588	18.42	18.42
0.01		(0.0708)	0.0708		(50,370)	50,370		(0.01)	0.18
1.01	99.9238	92.8526	7.1474	100.0	66,091,169	5,087,419	71,178,588	18.41	18.60



Note: Max 1.50 CIP Shift would result in a \$9.91 difference in tax rates.

FY2013 FACTORS AND RATE OPTIONS

Factors		Share %			Est. Tax Rates	
CIP Shift	Res Factor	Res	CIP	Total	Res	CIP
1.00	100.0000	92.923	7.0766	100.0	18.42	18.42
1.01	99.9238	92.853	7.1474	100.0	18.41	18.60
1.02	99.8477	92.782	7.2182	100.0	18.39	18.79
1.03	99.7715	92.711	7.2889	100.0	18.38	18.97
1.04	99.6954	92.640	7.3597	100.0	18.36	19.16
1.05	99.6192	92.570	7.4305	100.0	18.35	19.34
1.06	99.5431	92.499	7.5012	100.0	18.34	19.53
1.07	99.4669	92.428	7.5720	100.0	18.32	19.71
1.08	99.3908	92.357	7.6428	100.0	18.31	19.89
1.09	99.3146	92.286	7.7135	100.0	18.29	20.08
1.10	99.2384	92.216	7.7843	100.0	18.28	20.26
1.11	99.1623	92.145	7.8551	100.0	18.27	20.45
1.12	99.0861	92.074	7.9258	100.0	18.25	20.63
1.13	99.0100	92.003	7.9966	100.0	18.24	20.81
1.14	98.9338	91.933	8.0674	100.0	18.22	21.00
1.15	98.8577	91.862	8.1381	100.0	18.21	21.18
1.16	98.7815	91.791	8.2089	100.0	18.20	21.37
1.17	98.7054	91.720	8.2797	100.0	18.18	21.55
1.18	98.6292	91.650	8.3504	100.0	18.17	21.74
1.19	98.5530	91.579	8.4212	100.0	18.15	21.92
1.20	98.4769	91.508	8.4920	100.0	18.14	22.10
1.21	98.4007	91.437	8.5627	100.0	18.13	22.29
1.22	98.3246	91.367	8.6335	100.0	18.11	22.47
1.23	98.2484	91.296	8.7043	100.0	18.10	22.66
1.24	98.1723	91.225	8.7750	100.0	18.08	22.84
1.25	98.0961	91.154	8.8458	100.0	18.07	23.02
1.26	98.0200	91.083	8.9166	100.0	18.06	23.21
1.27	97.9438	91.013	8.9873	100.0	18.04	23.39
1.28	97.8676	90.942	9.0581	100.0	18.03	23.58
1.29	97.7915	90.871	9.1289	100.0	18.01	23.76
1.30	97.7153	90.800	9.1996	100.0	18.00	23.95
1.31	97.6392	90.730	9.2704	100.0	17.99	24.13
1.32	97.5630	90.659	9.3412	100.0	17.97	24.31
1.33	97.4869	90.588	9.4119	100.0	17.96	24.50
1.34	97.4107	90.517	9.4827	100.0	17.94	24.68
1.35	97.3346	90.447	9.5535	100.0	17.93	24.87
1.36	97.2584	90.376	9.6242	100.0	17.91	25.05
1.37	97.1822	90.305	9.6950	100.0	17.90	25.24
1.38	97.1061	90.234	9.7658	100.0	17.89	25.42
1.39	97.0299	90.163	9.8365	100.0	17.87	25.60
1.40	96.9538	90.093	9.9073	100.0	17.86	25.79
1.41	96.8776	90.022	9.9781	100.0	17.84	25.97
1.42	96.8015	89.951	10.0488	100.0	17.83	26.16
1.43	96.7253	89.880	10.1196	100.0	17.82	26.34
1.44	96.6492	89.810	10.1904	100.0	17.80	26.52
1.45	96.5730	89.739	10.2611	100.0	17.79	26.71
1.46	96.4968	89.668	10.3319	100.0	17.77	26.89
1.47	96.4207	89.597	10.4027	100.0	17.76	27.08
1.48	96.3445	89.527	10.4734	100.0	17.75	27.26
1.49	96.2684	89.456	10.5442	100.0	17.73	27.45
1.50	96.1922	89.385	10.6150	100.0	17.72	27.63

EQUALIZING THE TAX IMPACT

Although there is a continuous range of possible values between 1.0 and 1.5, in recent years the Board of Selectmen has focused on determining that value of CIP shift (and corresponding Residential Factor) that would equalize the year-to-year percentage change in the average single family residential tax bill and the average commercial/industrial tax bill. It can be shown* that this equalization occurs at a CIP shift value of

$$C = (AV_r \times A_t) / (A_r \times AV_c \times R_t + AV_r \times A_c)$$

where:

Symbol	Description	Current Value
AV _r	Current Year Average Single Family Residential Assessed Valuation	622,862
A _t	Current Year Total Assessed Valuation (All Properties)	3,864,201,307
A _r	Current Year Total Assessed Valuation of all Residential Properties	3,590,745,895
AV _c	Current Year Average Assessed Valuation of CI Properties	949,043
R _t	Ratio of prior year's average SFR tax bill to average CI tax bill	0.502019
A _c	Current Year Total Assessed Valuation of all CIP Properties	273,455,412

With a corresponding Residential Factor value of

$$RF = L_t \times (1 - C \times A_c / A_t) / L_r$$

where:

Symbol	Description	Current Value
L _t	Current Year Total Levy	71,178,588
C	Current Year CIP Shift	Calculated Above
A _c	Current Year Total Assessed Valuation of all CIP Properties	273,455,412
A _t	Current Year Total Assessed Valuation (All Properties)	3,864,201,307
L _r	Current Year Total Residential Levy Without a CIP Shift	66,141,539

Using the current values in this report, the above equations yield the following results:

<p>C = 1.2795</p> <p>RF = 0.978714 (aka 97.8714%)</p>

*Left as an exercise for the reader.

FY2013 RES TAX RATE OPTIONS

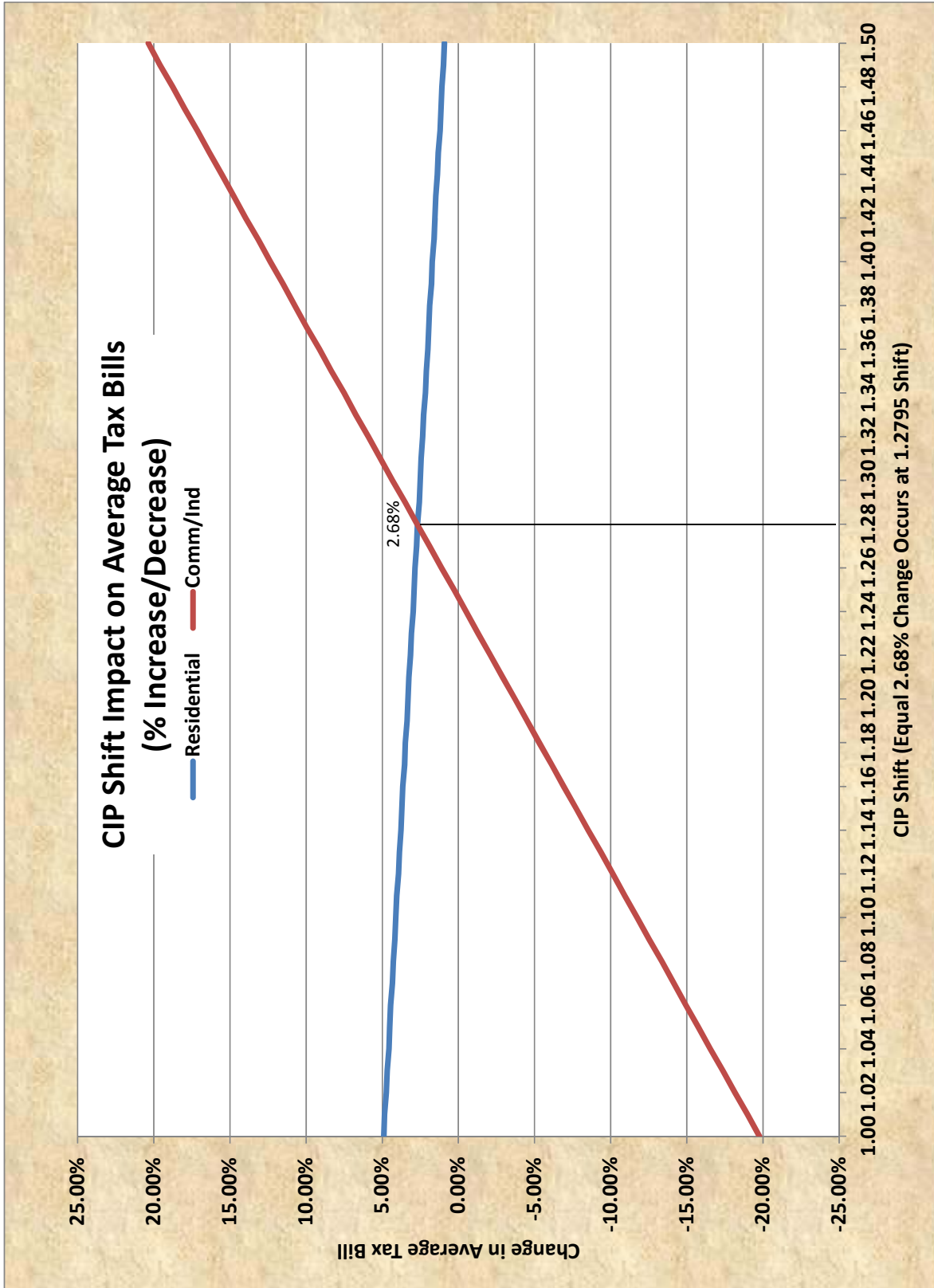
FY2013 RES Tax Rate Options														
	Residential Assessment FY12	\$300,000	\$400,000	\$500,000	\$600,000	\$800,000	\$900,000	\$1,000,000	\$1,500,000	\$2,000,000				
	Residential Assessment FY13	\$300,701	\$400,935	\$501,168	\$601,402	\$801,869	\$902,103	\$1,002,336	\$1,503,504	\$2,004,673				
FY12 Rate	17.60	\$5,280	\$7,040	\$8,800	\$10,560	\$14,080	\$15,840	\$17,600	\$26,400	\$35,200				
Factor of 1, FY13	18.42	\$5,539	\$7,385	\$9,232	\$11,078	\$14,770	\$16,617	\$18,463	\$27,695	\$36,926				
\$Dif		\$259	\$345	\$432	\$518	\$690	\$777	\$863	\$1,295	\$1,726				
%Dif		4.9%	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%				
1.10	18.28	\$5,497	\$7,329	\$9,161	\$10,994	\$14,658	\$16,490	\$18,323	\$27,484	\$36,645				
\$Dif		\$217	\$289	\$361	\$434	\$578	\$650	\$723	\$1,084	\$1,445				
%Dif		4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%				
1.20	18.14	\$5,455	\$7,273	\$9,091	\$10,909	\$14,546	\$16,364	\$18,182	\$27,274	\$36,365				
\$Dif		\$175	\$233	\$291	\$349	\$466	\$524	\$582	\$874	\$1,165				
%Dif		3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%				
1.30	18.00	\$5,413	\$7,217	\$9,021	\$10,825	\$14,434	\$16,238	\$18,042	\$27,063	\$36,084				
\$Dif		\$133	\$177	\$221	\$265	\$354	\$398	\$442	\$663	\$884				
%Dif		2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%				
1.40	17.86	\$5,371	\$7,161	\$8,951	\$10,741	\$14,321	\$16,112	\$17,902	\$26,853	\$35,803				
\$Dif		\$91	\$121	\$151	\$181	\$241	\$272	\$302	\$453	\$603				
%Dif		1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%				
1.50	17.72	\$5,328	\$7,105	\$8,881	\$10,657	\$14,209	\$15,985	\$17,761	\$26,642	\$35,523				
\$Dif		\$48	\$65	\$81	\$97	\$129	\$145	\$161	\$242	\$323				
%Dif		0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%				
FY12 Shift	18.03	\$5,422	\$7,229	\$9,036	\$10,843	\$14,458	\$16,265	\$18,072	\$27,108	\$36,144				
\$Dif		\$142	\$189	\$236	\$283	\$378	\$425	\$472	\$708	\$944				
%Dif		2.68%	2.68%	2.68%	2.68%	2.68%	2.68%	2.68%	2.68%	2.68%				
Equal % Increase	18.03	\$5,422	\$7,229	\$9,036	\$10,843	\$14,458	\$16,265	\$18,072	\$27,108	\$36,144				
\$Dif		\$142	\$189	\$236	\$283	\$378	\$425	\$472	\$708	\$944				
%Dif		2.68%	2.68%	2.68%	2.68%	2.68%	2.68%	2.68%	2.68%	2.68%				

FY2013 CIP TAX RATE OPTIONS

FY2013 CIP Tax Rate Options

CIP Assessment FY12	\$400,000	\$600,000	\$949,266	\$1,500,000	\$1,900,000	\$3,800,000	\$8,800,000	\$12,500,000
CIP Assessment FY13	\$399,906	\$599,859	\$949,043	\$1,499,648	\$1,899,554	\$3,799,108	\$8,797,933	\$12,497,064
FY12 Rate	22.95	\$13,770	\$21,786	\$34,425	\$43,605	\$87,210	\$201,960	\$286,875
Factor of 1, FY13	18.42	\$11,049	\$17,481	\$27,624	\$34,990	\$69,980	\$162,058	\$230,196
\$Diff	(\$1,814)	(\$2,721)	(\$4,304)	(\$6,801)	(\$8,615)	(\$17,230)	(\$39,902)	(\$56,679)
%Dif	-19.8%	-19.8%	-19.8%	-19.8%	-19.8%	-19.8%	-19.8%	-19.8%
1.10	\$8,102	\$12,153	\$19,228	\$30,383	\$38,485	\$76,970	\$178,246	\$253,191
\$Diff	(\$1,078)	(\$1,617)	(\$2,558)	(\$4,042)	(\$5,120)	(\$10,240)	(\$23,714)	(\$33,684)
%Dif	-11.7%	-11.7%	-11.7%	-11.7%	-11.7%	-11.7%	-11.7%	-11.7%
1.20	\$8,838	\$13,257	\$20,974	\$33,142	\$41,980	\$83,960	\$194,434	\$276,185
\$Diff	(\$342)	(\$513)	(\$812)	(\$1,283)	(\$1,625)	(\$3,250)	(\$7,526)	(\$10,690)
%Dif	-3.7%	-3.7%	-3.7%	-3.7%	-3.7%	-3.7%	-3.7%	-3.7%
1.30	\$9,578	\$14,367	\$22,730	\$35,917	\$45,494	\$90,989	\$210,711	\$299,305
\$Diff	\$398	\$597	\$944	\$1,492	\$1,889	\$3,779	\$8,751	\$12,430
%Dif	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%
1.40	\$10,314	\$15,470	\$24,476	\$38,676	\$48,989	\$97,979	\$226,899	\$322,299
\$Diff	\$1,134	\$1,700	\$2,690	\$4,251	\$5,384	\$10,769	\$24,939	\$35,424
%Dif	12.3%	12.3%	12.3%	12.3%	12.3%	12.3%	12.3%	12.3%
1.50	\$11,049	\$16,574	\$26,222	\$41,435	\$52,485	\$104,969	\$243,087	\$345,294
\$Diff	\$1,869	\$2,804	\$4,436	\$7,010	\$8,880	\$17,759	\$41,127	\$58,419
%Dif	20.4%	20.4%	20.4%	20.4%	20.4%	20.4%	20.4%	20.4%
FY12	23.50	\$9,398	\$14,097	\$22,303	\$35,242	\$52,485	\$104,969	\$162,058
\$Diff	\$218	\$327	\$517	\$817	\$1,035	\$2,069	\$4,791	\$6,806
%Dif	2.37%	2.37%	2.37%	2.37%	2.37%	2.37%	2.37%	2.37%
Equal %	23.57	\$9,426	\$14,139	\$22,369	\$35,347	\$52,485	\$104,969	\$162,058
\$Diff	\$246	\$369	\$583	\$922	\$1,167	\$2,335	\$5,407	\$7,681
%Dif	2.68%	2.68%	2.68%	2.68%	2.68%	2.68%	2.68%	2.68%

CIP SHIFT IMPACTS ON AVERAGE TAX BILLS



OPTIONS SUMMARY

CLASS	VALUE	PERCENTAGE	
Residential	3,590,745,895	92.9234%	R & O % 92.9234%
Open Space	0	0.0000%	
Commercial	147,113,202	3.8071%	CIP % 7.0766%
Industrial	59,403,300	1.5373%	
Personal Prop	66,938,910	1.7323%	
Total	3,864,201,307	100.0000%	

CLASSIFICATION OPTIONS

0 Residential Exempt
0 Small Commercial Exemption

TAX RATE RESULTS

\$71,178,588 **Estimated Levy**
\$18.42 **Single Tax Rate**

CIP Shift	Res Factor	Share %		Estimated Tax Rates	
		Res	CIP	Res	CIP
1.0000	100.0000	92.92337	7.0766	\$18.42	\$18.42
1.1000	99.2384	92.2157	7.7843	\$18.28	\$20.26
1.2000	98.4769	91.50804	8.4920	\$18.14	\$22.10
1.3000	97.7153	90.80037	9.1996	\$18.00	\$23.95
1.4000	96.9538	90.09271	9.9073	\$17.86	\$25.79
1.5000	96.1922	89.38505	10.6150	\$17.72	\$27.63
1.2766	97.8935	90.96597	9.0340	\$18.03	\$23.50
1.2795	97.8715	90.94545	9.0546	\$18.03	\$23.57

Step 6: VOTING A TAX SHIFT OPTION

Vote in accordance with G.L. Ch. 40, sec. 56, as amended, the percentage of local tax levy which will be borne by each class of real and personal property, relative to setting the Fiscal Year 2013 tax rate and set the Residential Factor at _____ with a CIP shift of _____, pending certification by the State Dept. of Revenue.