

# Town of Uxbridge Tax Classification Hearing **Fiscal Year 2022**

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Principal Assessor  
11/22/2021

# Purpose of the Classification Hearing

**MGL Ch. 40 sec 56** – Allows a shift in the tax burden between property classes.

The Classification Hearing consists of **4** votes to be taken by the Select Board:

- 1. Selection of a Residential Factor**
- 2. Open Space Discount**
- 3. Residential Exemption**
- 4. Small Commercial Exemption**

# Four Votes

**Residential Factor:** Shifts the Tax **Rate** between  
Residential and Commercial Properties

**Open Space Discount:** Shifts Tax **Burden** to Residential  
from Open Space

**Residential Exemption:** Shifts the Tax **Burden** within  
the Residential Classes

**Small Commercial Exemption:** Shifts **Burden** within  
Commercial and Industrial classes to give a  
discount to qualifying Commercial Properties

# Establishing Tax Rate

How does the Town set the Tax Rate?

<u>Fiscal Year</u>	<u>Tax Rate</u>
FY12	\$15.10
FY13	\$16.28
FY14	\$17.31
FY15	\$17.40
FY16	\$17.57
FY17	\$16.96
FY18	\$17.17
FY19	\$17.35
FY20	\$16.74
FY21	\$15.82
<b>FY22</b>	<b>\$15.16</b>

# Tax Rate

**Total Tax Levy ÷ Total Assessed Value**

# Tax Levy

- Total taxes to be collected on real estate and personal property.
- This amount is determined by Town Meeting during the Spring and Fall Annual Town Meetings.

# Tax Levy

# Tax Levy

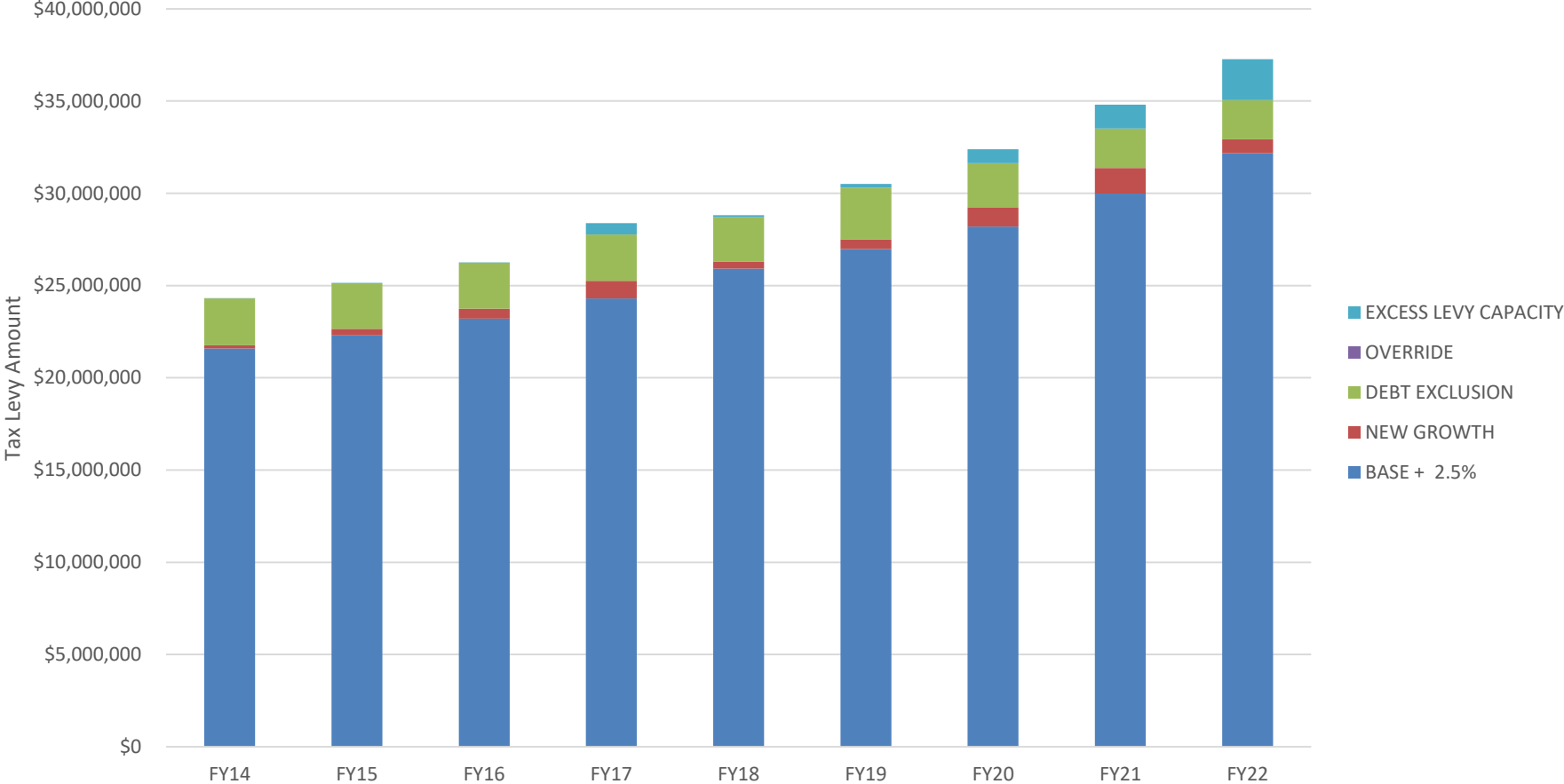
- FY22 Levy Limit \$ 32,924,433
- Debt Exclusion \$ 2,126,660
- **FY22 Maximum Levy \$ 35,051,093**



# Tax Levy

- FY22 Maximum Levy \$ 35,051,093
- Actual Tax Levy \$ 32,162,905
- Excess Levy Capacity \$ 2,888,188

# Historical Tax Levy



# New Growth by Class FY 2014-2022



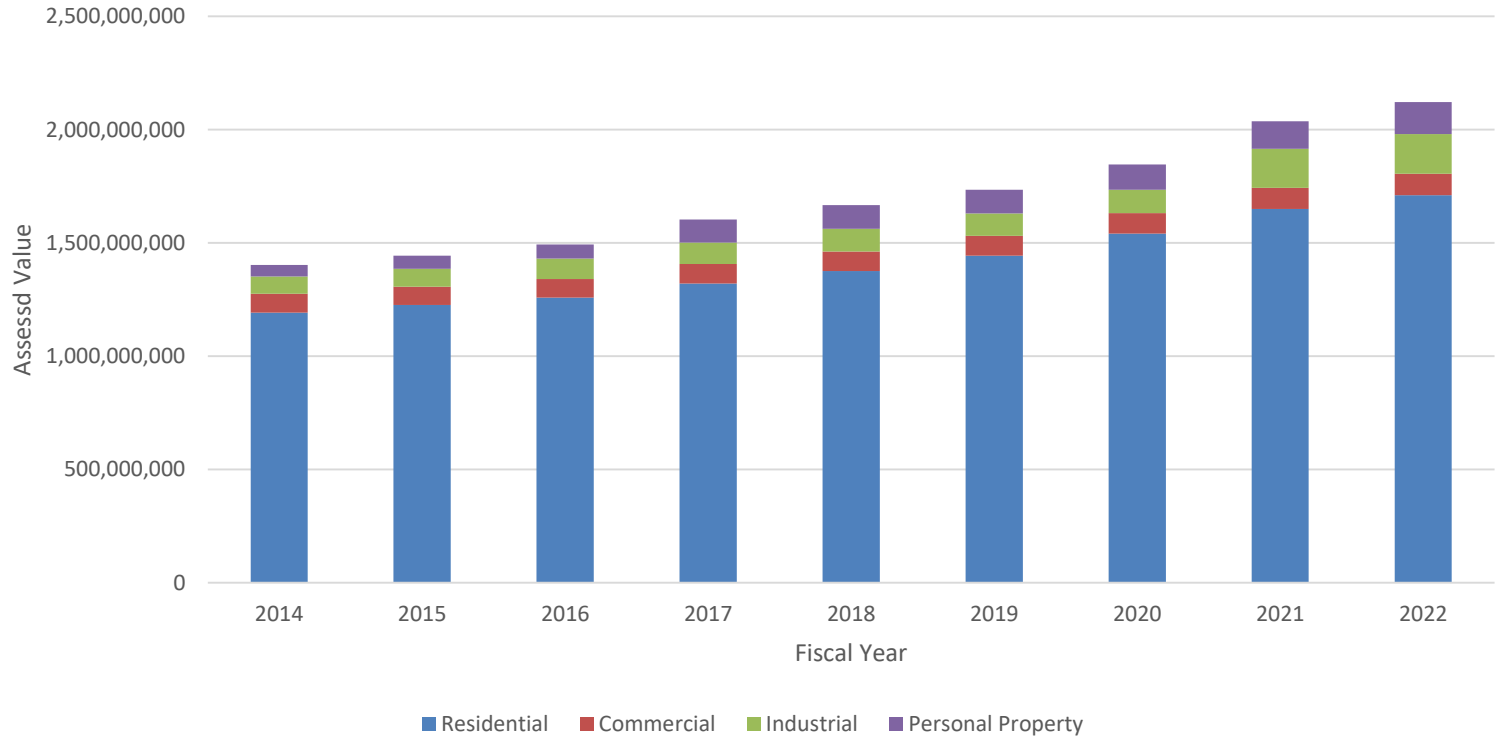
# Tax Rate

**\$ 32,162,905** ÷ Total Assessed Value  
(Budget Total)

# Assessed Values

- Value based on 2020 Sales
- Overall Assessed Value **\$2,121,563,660**
- Increase of **4.15%** from FY2021

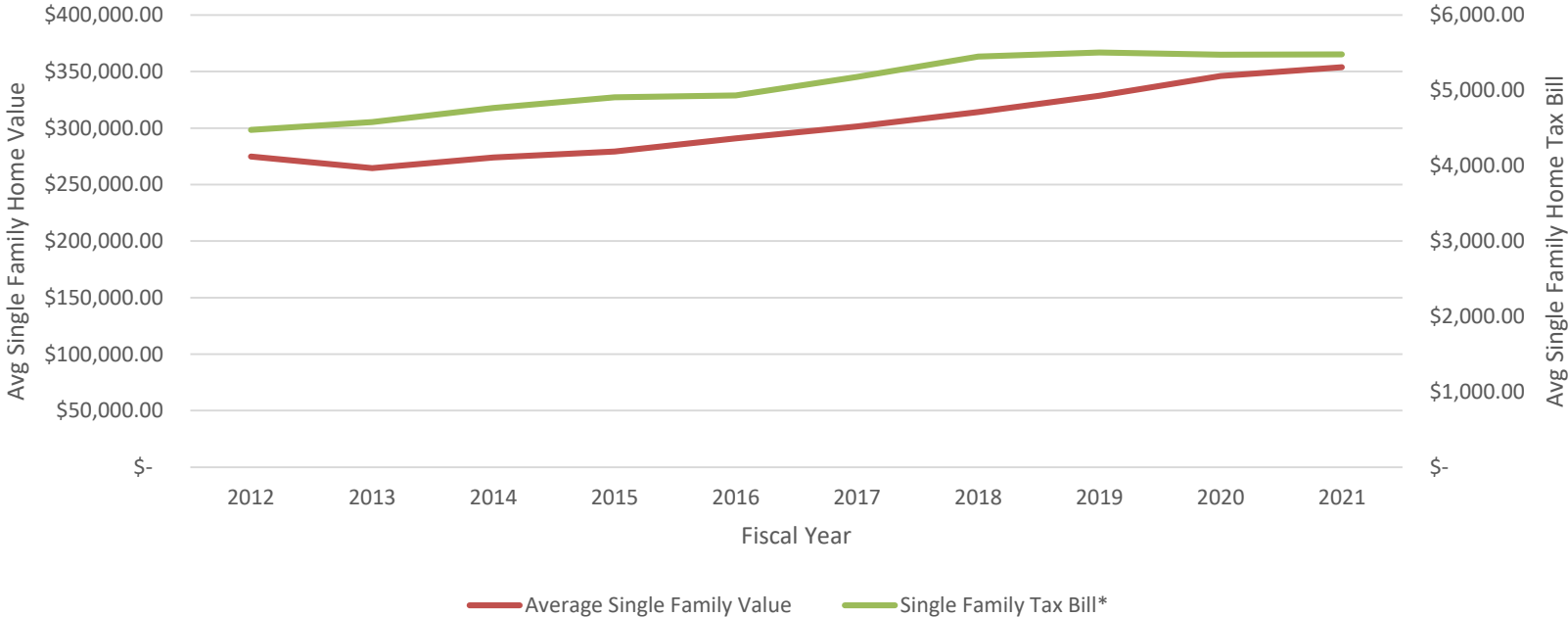
# Total Assessed Value by Class FY 2014-2022



# Assessed Values

- Avg. FY22 Single-Family value **\$353,901**
- Increase of **2.22%** from FY2021

# Average Single Family Home Value vs Tax Bill





# Tax Rate

$$\text{\$ } 32,162,905 \div \text{\$ } 2,121,563,660$$

# Tax Rate

**\$ 32,841,805 ÷ \$ 2,121,563,680**

**= \$15.16**

per thousand

# Single Tax Rate

**\$15.16**

- Avg. single-family tax bill  
**\$353,901 x \$15.16 = \$ 5,365**  
**\$353,901 x \$15.82 = \$ 5,598**
- Decrease of **\$ 233** or **4.16%** from FY21

# Purpose of the Classification Hearing

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The Classification Hearing consists of **4** votes to be taken by the Select Board:

- 1. Selection of a Residential Factor**
- 2. Open Space Discount**
- 3. Residential Exemption**
- 4. Small Commercial Exemption**

# Vote #1 Residential Factor

Shift the **Tax Rate** between  
Residential and Commercial

**Split the tax rate?**

Residential Factor	C/I/P Factor	% Residential Levy	% C/I/P Levy	Residential Tax Rate	C/I/P Tax Rate	Average Single-Fam Tax Bill (353,901)	Average Commercial Tax Bill (603,632)	Change to Average Single-Fam Tax Bill	Change to Average Commercial Tax Bill	% Change to Average Single-Fam Tax Bill	% Change to Average Commercial Tax Bill
1.0000	1.00	80.6240%	19.376%	15.16	15.16	\$5,365	\$9,151	\$0	\$0	0.00%	0.00%
0.9760	1.10	78.6864%	21.3136%	14.80	16.68	\$5,238	\$10,068	-\$127	\$917	-2.42%	10.02%
<b>0.9519</b>	<b>1.20</b>	<b>76.7488%</b>	<b>23.2512%</b>	<b>14.43</b>	<b>18.19</b>	<b>\$5,107</b>	<b>\$10,980</b>	<b>-\$258</b>	<b>\$1,829</b>	<b>-5.05%</b>	<b>19.98%</b>
0.9279	1.30	74.8112%	25.1888%	14.07	19.71	\$4,979	\$11,898	-\$386	\$2,747	-7.75%	30.01%
0.9039	1.40	72.8736%	27.1264%	13.70	21.22	\$4,848	\$12,809	-\$517	\$3,658	-10.66%	39.97%
0.8798	1.50	70.9360%	29.064%	13.34	22.74	\$4,721	\$13,727	-\$644	\$4,576	-13.64%	50.00%

Vote #2

**Open Space Discount?**

# Open Space Discount

- Up to 25% discount
- Increases residential tax rate
- No taxable Classified Open Space in Uxbridge



Vote # 3

**Residential Exemption?**

# RESIDENTIAL EXEMPTION

Gives up to a 20% Discount to **Owner Occupied** Residential Properties:

The impact is to the overall residential class, and shifts the burden from the “less expensive” properties onto the higher priced and non-resident homes. Benefits would be to communities with a high number of vacation homes, or non-owner occupied properties.

Vote # 4

**Small Commercial Exemption?**

# Small Commercial Exemption

- Up to 10% of value
- < \$ 1M assessment and < 10 employees
- Each individual parcel would need to be reviewed for qualification **before** the tax rate is set.
- Increases commercial/industrial tax rate and shifts tax burden onto larger commercial and **all** industrial properties.

# Historical Votes

- 1) Residential Factor of 1.00 (no split)
- 2) Open Space Discount: No
- 3) Residential Exemption: No
- 4) Small Commercial Exemption: No

# Motions required:

- 1) **Residential Factor** (1.\_\_\_\_)
- 2) **Open Space Discount** (Y/N)
- 3) **Residential Exemption** (Y/N)
- 4) **Small Commercial Exemption** (Y/N)

A motion to adopt a Residential Factor of 1.\_\_\_\_, \_\_\_\_ Open Space Discount, \_\_\_\_ Residential Exemption, \_\_\_\_ Small Commercial Exemption and give authorization to the Principle Assessor to electronically sign and submit the LA-5 to the DOR.

# Appendix

# Historical Growth & Excess Levy Capacity

Fiscal Year	RES	PP	Commercial	Industrial	TOTAL	Tax Rate	Growth	RES %	CIP%	Excess Levy
2012	\$ 9,103,598	\$ 2,546,250	\$ 600,220	\$ 186,096	\$ 12,436,164	15.10	\$ 170,624	73.20%	26.80%	\$ 89,418
2013	\$ 10,811,071	\$ 3,533,380	\$ 609,889	\$ 1,026,350	\$ 15,980,690	\$ 16.28	\$ 241,308	67.65%	32.35%	\$ 36,869
2014	\$ 6,139,617	\$ 2,467,440	\$ 1,351,097	\$ 437,284	\$ 10,395,438	\$ 17.31	\$ 169,238	59.06%	40.94%	\$ 10,981
2015	\$ 9,665,792	\$ 8,894,070	\$ 231,241	\$ 1,135,609	\$ 19,926,712	\$ 17.40	\$ 344,931	48.51%	51.49%	\$ 12,753
2016	\$ 14,643,200	\$ 6,954,490	\$ 387,300	\$ 8,822,400	\$ 30,807,390	\$ 17.57	\$ 536,049	47.53%	52.47%	\$ 1,238
2017	\$ 12,154,500	\$ 39,126,740	\$ 1,308,200	\$ 1,438,900	\$ 54,028,340	\$ 16.96	\$ 949,278	22.50%	77.50%	\$ 621,047
2018	\$ 13,588,700	\$ 9,395,930	-	-	\$ 22,984,630	\$ 17.17	\$ 389,819	59.12%	40.88%	\$ 107,727
2019	\$ 22,936,000	\$ 6,724,400	\$ 779,500	\$ 600,300	\$ 31,040,200	\$ 17.35	\$ 532,960	73.19%	21.11%	\$ 204,378
2020	\$ 43,313,900	\$ 11,225,950	\$ 1,912,100	\$ 4,121,440	\$ 60,573,390	\$ 16.74	\$ 1,050,948	71.51%	28.49%	\$ 741,654
2021	\$ 12,641,842	\$ 6,511,530	\$ 74,878	\$ 63,645,600	\$ 82,873,850	\$ 15.82	\$ 1,387,307	15.25%	84.75%	\$ 1,291,564
<b>2022</b>	<b>20,420,924</b>	<b>22,745,400</b>	<b>1,899,200</b>	<b>2,849,400</b>	<b>47,914,924</b>	\$ 15.16	<b>758,014</b>	<b>42.62</b>	<b>57.38</b>	<b>\$ 2,888,188</b>



# Historical Assessments

		FY16	FY17	FY18	FY19	FY20	FY21	FY22	
Residential Assessed Values		\$1,258,761,899	\$1,321,045,277	\$1,375,167,724	\$1,443,404,057	\$1,540,499,877	\$1,650,198,036	\$1,710,490,414	
C/I/P Assessed Values		FY16	FY17	FY18	FY 19	FY20	FY21	FY22	
Commercial		\$81,613,110	\$85,506,881	\$87,142,633	\$87,710,307	\$91,101,016	\$ 92,867,360	\$94,828,709	
Industrial		\$90,262,847	\$94,643,823	\$99,673,256	\$99,548,002	\$103,511,263	\$ 172,759,207	\$ 174,969,507	
Personal Property		\$62,830,890	\$101,397,730	\$104,380,990	\$104,572,400	\$110,634,540	\$ 121,176,780	\$ 141,275,030	
TOTAL		\$1,493,468,746	\$1,602,593,711	\$1,666,364,603	\$1,735,234,766	\$1,845,746,696	\$2,037,001,383	\$2,121,563,660	
<b>Percent</b>		<b>3.43%</b>	<b>7.31%</b>	<b>3.98%</b>	<b>4.13%</b>	<b>6.37%</b>	<b>10.36%</b>	<b>4.15%</b>	