

TOWN OF DUXBURY
FY 2009 TAX CLASSIFICATION HEARING
FACT SHEET

November 10, 2008

- 1) The total real and personal property assessed value for FY 2009 is \$3,734,744,800. This is a 2.3% increase over FY 2008.
- 2) The average single family home assessed value for FY 2009 is \$654,000. This is a 2.0% increase from FY 2008's average assessed value of \$641,300. The median single family home assessed value is \$539,800.
- 3) The total amount of revenue to be raised by both tax and non-tax sources for FY 2009 is \$65,109,541. This is a 10.4% increase over FY 2008. In FY 2008, the increase over the previous year was 2.2% and in FY 2007, the increase was 4.7%. This revenue was derived from a tax base that consists of 6,032 units of real property and 459 units of personal property.
- 4) The tax levy for FY 2009 is \$40,746,066. This is a 5.2% increase over FY 2008 as compared to FY 2008's 4.2% tax levy increase over FY 2007. The Community Preservation Act (CPA) will raise at the local level an additional 3% of the real property tax levy. Without considering abatements and exemptions or the State match, this CPA surcharge amounts to \$1,211,195.
- 5) The proposed single tax rate for FY 2009 is \$10.91 per one thousand of assessed valuation.
- 6) The average single family home tax bill for FY 2009 is projected to be \$7,135. This is an increase of 4.9% over FY 2008 as opposed to the 3.4% increase that we saw last year. The CPA adds 3% to this average tax bill, or \$214. The median single family tax bill is \$5,889.
- 7) The assessed value of the new construction and personal property new growth that took place during the twelve-month period from July 1, 2007 to June 30, 2008 is \$53,266,680. This new construction assessed value translates into \$565,159 of increased tax levy capacity over the basic limits of Proposition 2 ½. This is a 4.1% decrease from FY 2008's new growth figure. Recent court decisions that changed the taxable status of certain telephone company personal property accounted part of this year's new growth. Another factor contributing to it is the completion of a two year Department of Revenue mandated property inspection program.
- 8) The Tax Classification law allows the Selectmen to increase the combined commercial, industrial and personal property share of the Town's tax base up to a maximum of 50% of what it is at current market value. Since at market value these classes of property represent about only three percent of Duxbury's tax base, even the maximum allowable tax shift would produce a relatively negligible decrease in the tax burden of the residential property class.
- 9) To illustrate, if the maximum allowable tax burden shift were made from the residential property class to the commercial property class, its effect on the average residential assessed value of \$654,000 would reduce the tax bill by \$131. However, the tax bill for a similarly valued commercial property would be increased by \$3,571.
- 10) That is, the full implementation of the Tax Classification Law in Duxbury would have the effect for residential properties of lowering the current single tax rate of \$10.91 by twenty cents to \$10.71. At the same time it would increase the commercial tax rate by \$5.46, from \$10.91 to \$16.37.