



# **FISCAL YEAR 2024 TAX CLASSIFICATION HEARING**

## **Board of Assessors**

Eric Easterday, Chairman

Nancy Goulart, Clerk

William Moore, Member

**November 15, 2023**



## **Fiscal Year 2024 Tax Classification Hearing**

This is the process we will discuss this evening:

1. The Selectmen will be asked to vote on Classification, which is splitting the tax rate.
2. We will advise you of the Excess Levy Capacity and we will present additional information including:
  - a. Property Assessment Review
  - b. New Growth
  - c. Projected Taxes and Potential Impact of a Split Rate.

First, we would like to go over some **Commonly Used Terms:**

- **New Growth:** Additions to the tax base from new construction and property improvements.
- **Levy:** Revenue raised through property taxes.
- **Levy Limit:** Maximum dollar amount a Town can raise in a fiscal year.
  - (Prior years Levy \* 2 ½ % + New Growth + Debt Exclusion)
- **Excess Levy Capacity:** Difference between the levy and the levy limit.
- **Debt Exclusion:** A temporary increase to the levy to pay for capital projects as voted.
- **CIP:** Class that includes Commercial, Industrial & Personal Property.
- **MRF:** Minimum Residential Factor.
  - This factor represents the minimum percentage of the levy the Residential class must pay.



1. The purpose of the classification hearing is to determine the percentage share of the tax levy that each class of property will pay.
2. The minimum residential factor is determined by the make-up of the tax base.
3. This factor allows the Board of Selectmen to shift the burden towards Commercial, Industrial and Personal Property (CIP) taxpayers to a maximum of 175%.

### **The Board of Selectman Vote the Shift in the Tax Rate**

4. The adopted percentage is then used to determine the tax levy paid by each class of property and calculate the resulting tax rates.
5. Shifting taxes onto the **CIP** class does not increase the amount of revenue collected.



## **Residential Factor**

- \* The minimum residential factor is 88.313%
- \* This is a factor that would allow a split tax rate toward the CIP Class up to 175%
- \* A residential factor of 1.00 will maintain a single tax rate of \$15.28
- \* A residential factor below 1.00 will result in a split tax rate.
- \* A 167% shift would decrease the Residential tax rate by \$.01 per thousand of value.
- \* A 167% shift would decrease the Commercial tax rate by \$.12 per thousand of value.  
(167% was used FY2023 and 166% used for FY2022 & FY2021).
- \* The maximum allowable shift for Dighton is 175%.



# FULL PICTURE IN CONTEXT

## Dighton's average single family tax bill compared to other Bristol County

Municipality	County	2021 Population	FY 2023 Single Family Tax Bill	2020 DOR Income Per Capita	2022 EQV Per Capita
Fairhaven	BRISTOL	15,909	3,921	34,968	181,158
Westport	BRISTOL	16,359	4,442	49,149	264,436
Dartmouth	BRISTOL	34,005	4,609	41,898	199,939
Acushnet	BRISTOL	10,553	4,728	38,638	154,513
Swansea	BRISTOL	17,259	4,736	38,064	159,438
Somerset	BRISTOL	18,250	4,966	35,430	155,938
Freetown	BRISTOL	9,202	5,072	42,049	197,030
Attleboro	BRISTOL	46,580	5,506	36,760	127,721
Dighton	BRISTOL	8,150	5,809	39,879	161,332
Seekonk	BRISTOL	15,568	5,823	44,931	190,113
Berkley	BRISTOL	6,785	5,939	44,901	160,333
Rehoboth	BRISTOL	12,687	5,998	51,083	188,381
Norton	BRISTOL	19,278	6,255	42,227	164,165
North Attleborough	BRISTOL	30,854	6,359	45,856	155,075
Raynham	BRISTOL	15,230	6,568	44,685	179,602
Mansfield	BRISTOL	23,823	7,979	56,411	200,481
Easton	BRISTOL	25,247	8,317	57,176	174,777

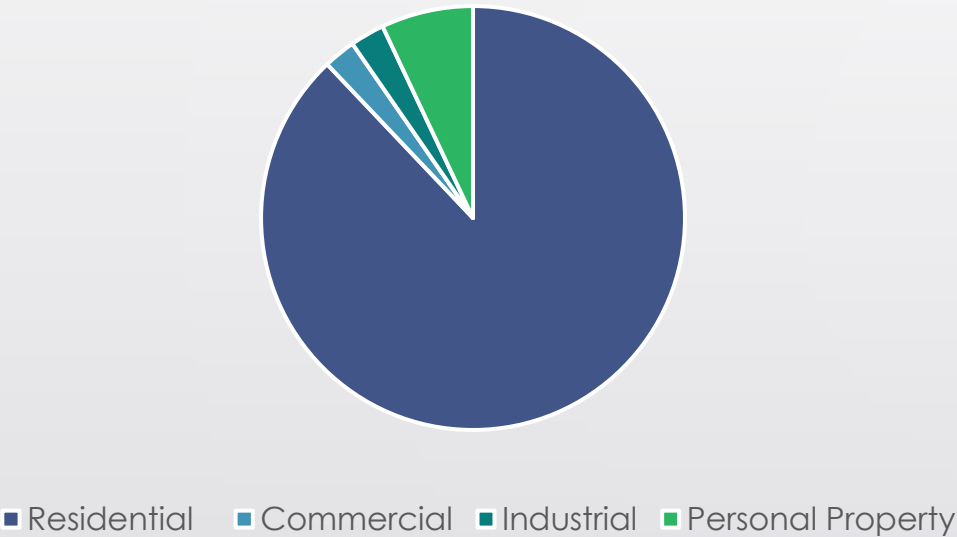
Dighton has one of the highest residential tax rates, but the comparison with full context shows that Dighton is right in the middle in terms of its average single family tax bill.

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# Levy Allocation

This chart illustrates what portion of the levy would be paid by the Residential Class vs the Commercial, Industrial, and Personal Property classes with a split tax rate.

Property Classes



Classes	Values	% of Class
Residential	1,290,654,478	88.31%
Commercial	34,611,100	2.37%
Industrial	34,562,822	2.37%
Pers Property	101,627,520	6.95%
Total	1,461,455,920	100%



## **Property Assessment Review**

### **Why do we change the assessed values?**

We are required to under the guidelines of the Department of Revenue and Massachusetts General Laws, Chapter 59, we are required to assess property at 100% full and fair cash valuation.

### **What does that mean?**

It means that our assessed values have to reflect the market, i.e., what properties are selling for. The Department of Revenue review and approves our values annually, completing a full audit or certification every 5 years. If our values are not “market value” they will not be approved.



## Maximum Allowable Levy

The maximum levy allowed for Fiscal Year 2024 is \$22,337,362  
(This includes the previously approved Debt Exclusions of \$611,644  
for new Police Station and D-R High School and Middle School roofs ).

## New Growth

Our New Growth Value was certified and approved by the  
Department of Revenue on November 10, 2023 at \$398,275

The Major Factors contributing to this Growth are:

CIP \$202,681 this growth is mainly due to  
upgraded inventory.

Real Estate \$195,594 this growth is mainly due to  
new homes, home improvements and new structures.

