

Allocation of the Fiscal Year 2025 Tax Levy

Town of Barnstable

Calculation of Fiscal 2025 Tax Rate

Tax Levy	\$ 151,135,942
÷ Total Assessed Value	<u>24,779,057,159</u>
=	0.0061
	<u>X 1,000</u>
Fiscal 2025 Tax Rate before adoption of any tax levy shifting options	\$ 6.10

Allocation of Fiscal 2025 Tax Levy by Class

Class	Value %	Tax Levy
Residential	89.5426	\$135,329,370
Commercial	7.6419	11,550,860
Industrial	0.4289	648,307
Personal	2.3866	3,607,405
Total	100.0000	\$151,135,942

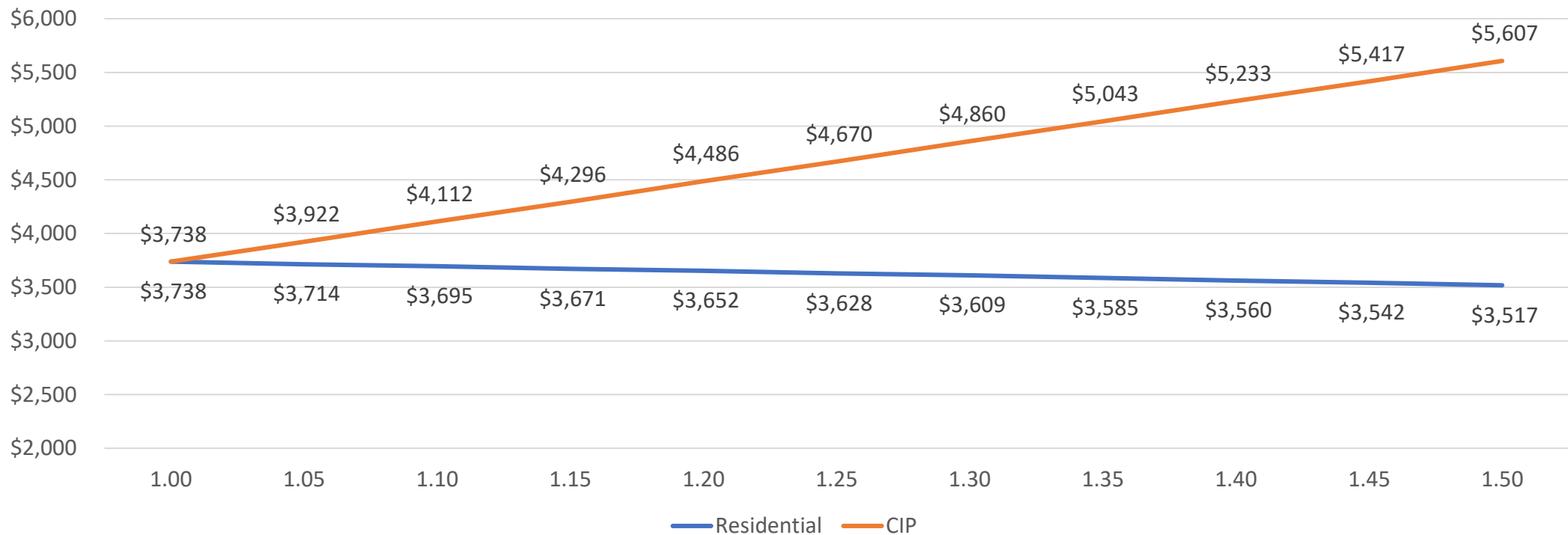
Town Council Order 2025-050 Split Tax Rate

As nearly 90% of taxable property is residential there is a very small monetary benefit to the residential class from any shift. The residential rate declines \$0.03 - \$0.04 at each shift illustrated, while the CIP rate increases \$0.30 - \$0.31 cents.

% Shift	Residential Levy	CIP Levy	Residential Rate	CIP Rate
1.00	135,331,052	15,804,890	6.10	6.10
1.05	134,540,809	16,595,134	6.06	6.40
1.10	133,750,566	17,385,378	6.03	6.71
1.15	132,960,322	18,175,623	5.99	7.01
1.20	132,170,079	18,965,867	5.96	7.32
1.25	131,379,836	19,756,113	5.92	7.62
1.30	130,589,593	20,546,358	5.89	7.93
1.35	129,799,350	21,336,602	5.85	8.23
1.40	129,009,106	22,126,847	5.81	8.54
1.45	128,218,863	22,917,090	5.78	8.84
1.50	127,428,620	23,707,335	5.74	9.15

Illustration of Split Tax Rate – Tax Bill Impact

Impact on Tax Bill Using Median Residential Assessed Value of \$612,800



Town Council Order 2024-051

Residential Exemption

- Town Council can authorize up to a 35% exemption for Barnstable "residents"
- The property must be the "primary residence" of the owner as used for income tax filing purposes and they must have owned the property on January 1, 2024
- This option shifts the taxes only **within** the residential class of taxpayers & does not change the levy amount itself or impact CIP property owners
- 18 communities out of 351 adopted the residential exemption in FY24
- Barnstable originally adopted the exemption in FY 2006
- This option reduces the taxable assessed value for each qualifying primary residence
- Barnstable has approximately 11,497 qualified properties
- The result of adoption would be a higher tax rate for all residential properties and a deduction from every qualified property's value before the tax is calculated at the higher tax rate

Community	FY24 Percentage
Boston	35
Chelsea	35
Somerville	35
Waltham	35
Provincetown	35
Truro	35
Watertown	33
Cambridge	30
Malden	30
Wellfleet	30
Everett	25
Nantucket	25
Barnstable	25
Tisbury	22
Brookline	20
Oak Bluffs	15
Concord	10
Mashpee	5

Residential Exemption Calculation

- The exemption may not exceed 35 percent of the average assessed value of all residential properties.
- To calculate the exemption the average assessed value of all residential parcels must first be determined.
- The adopted percentage is applied to average value. The assessed valuation of each residential parcel that is the domicile of the taxpayer is then reduced by that amount before the tax bill is calculated.

Total Residential Value	\$22,187,815,827
Total Residential Parcels	23,726
Average Residential Value	\$935,169

Average Residential Value	\$935,169
FY24 Exemption Percentage	25%
FY25 Exemption Value using same %	\$233,792
Eligible Parcels	11,497
Residential Value Exempted	\$2,687,906,624

Residential Exemption Impact on Residential Tax Rate (No Impact on CIP Rate)

	Maintain 25% Residential Exemption
Residential Value	\$ 22,187,815,827
Value Exempted	<u>\$ 2,687,906,624</u>
Net Value Taxed	\$ 19,499,909,203
Residential Tax Levy	\$ 135,329,370
Residential Tax Rate	\$ 6.94

As the residential exemption removes a portion of the property value subject to taxation it results in a higher tax rate for the residential class as the same amount of taxes are levied on this class of property.

Tax Bill Comparison

- The breakeven point where there is no tax advantage for a primary resident with a 25% residential exemption is **\$1,930,050**.
- Primary resident property owners valued above the breakeven point should still seek the exemption.
- The dollar value of a 25% exemption is **\$1,622**.

