

Allocation of the Fiscal Year 2026 Tax Levy

Town of Barnstable

Calculation of Fiscal 2026 Tax Rate

| | |
|---|-----------------------|
| Tax Levy | \$ 156,128,223 |
| ÷ Total Assessed Value | <u>26,275,760,176</u> |
| = | 0.00594 |
| | <u>X 1,000</u> |
| Fiscal 2026 Tax Rate before adoption of any tax levy shifting options | \$ 5.94 |

Allocation of Fiscal 2026 Tax Levy by Class

| Class | Value % | Tax Levy |
|-------------|-----------|---------------|
| Residential | 89.633992 | \$139,949,164 |
| Commercial | 7.603157 | 11,866,857 |
| Industrial | 0.419319 | 654,464 |
| Personal | 2.343532 | 3,657,738 |
| Total | 100.00000 | \$156,128,223 |

History of Tax Levy Allocation_(stated in millions)

Stronger growth in residential property values over the past 5 years have resulted in a natural shift of more of the tax levy to this class.

Example of what shift could accomplish:

In order for each class of property's percentage share of the tax levy to be equal to the percentage of the overall tax levy 5 years ago (87/13) approximately \$4 million would need to be shifted to the CIP class from the Residential class.

| FY | Total | Res. | CIP | Res. % | CIP % |
|------|-----------|----------|----------|--------|--------|
| FY02 | \$ 69.35 | \$ 60.06 | \$ 9.29 | 86.60% | 13.40% |
| FY03 | \$ 70.59 | \$ 61.07 | \$ 9.52 | 86.51% | 13.49% |
| FY04 | \$ 74.57 | \$ 66.25 | \$ 8.31 | 88.85% | 11.15% |
| FY05 | \$ 77.56 | \$ 68.86 | \$ 8.70 | 88.78% | 11.22% |
| FY06 | \$ 80.48 | \$ 70.40 | \$ 10.08 | 87.48% | 12.52% |
| FY07 | \$ 83.22 | \$ 74.85 | \$ 8.37 | 89.95% | 10.05% |
| FY08 | \$ 86.04 | \$ 77.28 | \$ 8.76 | 89.82% | 10.18% |
| FY09 | \$ 89.06 | \$ 79.51 | \$ 9.56 | 89.27% | 10.73% |
| FY10 | \$ 91.77 | \$ 81.21 | \$ 10.56 | 88.49% | 11.51% |
| FY11 | \$ 94.58 | \$ 83.57 | \$ 11.01 | 88.36% | 11.64% |
| FY12 | \$ 97.33 | \$ 86.08 | \$ 11.25 | 88.44% | 11.56% |
| FY13 | \$ 100.39 | \$ 88.55 | \$ 11.84 | 88.21% | 11.79% |
| FY14 | \$ 103.52 | \$ 91.36 | \$ 12.16 | 88.25% | 11.75% |

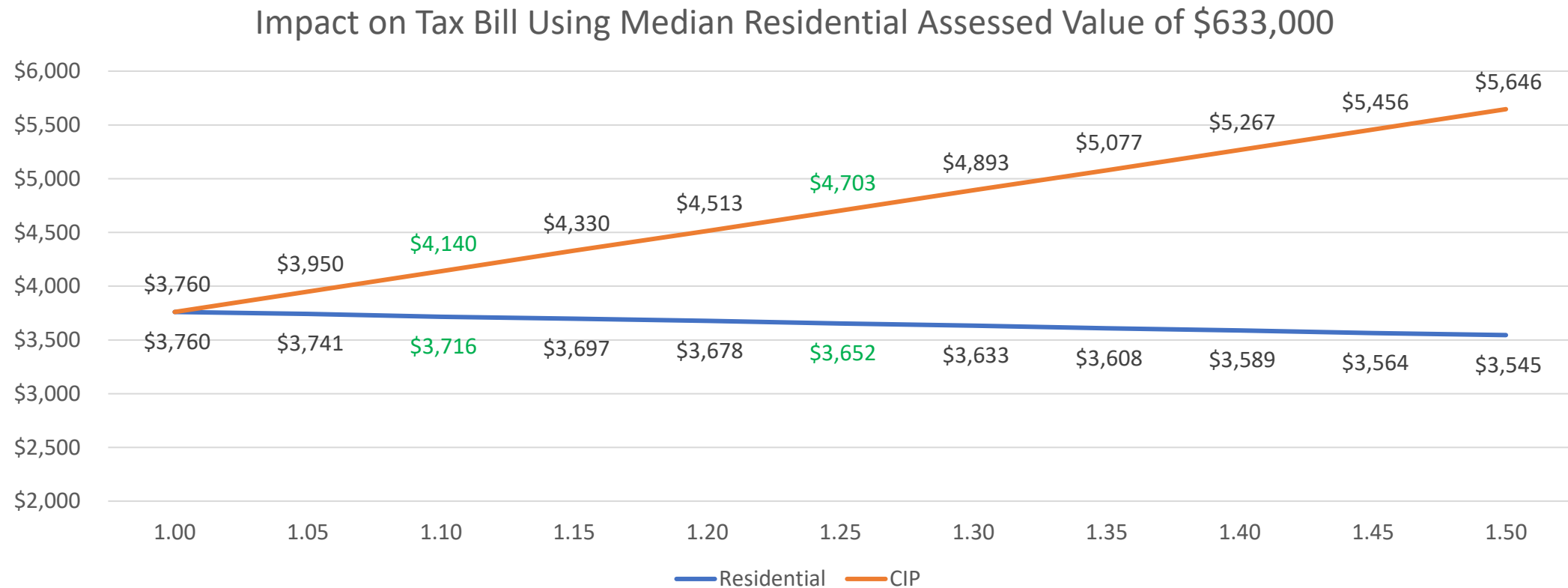
| FY | Total | Res. | CIP | Res % | CIP % |
|------|-----------|-----------|----------|--------|--------|
| FY15 | \$ 106.68 | \$ 94.11 | \$ 12.56 | 88.22% | 11.78% |
| FY16 | \$ 110.55 | \$ 97.23 | \$ 13.31 | 87.96% | 12.04% |
| FY17 | \$ 114.25 | \$ 100.25 | \$ 14.00 | 87.75% | 12.25% |
| FY18 | \$ 118.53 | \$ 104.20 | \$ 14.34 | 87.91% | 12.09% |
| FY19 | \$ 122.76 | \$ 108.16 | \$ 14.60 | 88.11% | 11.89% |
| FY20 | \$ 128.39 | \$ 113.77 | \$ 14.62 | 88.61% | 11.39% |
| FY21 | \$ 132.06 | \$ 114.91 | \$ 17.14 | 87.02% | 12.98% |
| FY22 | \$ 136.24 | \$ 119.86 | \$ 16.39 | 87.97% | 12.03% |
| FY23 | \$ 140.67 | \$ 125.30 | \$ 15.37 | 89.08% | 10.92% |
| FY24 | \$ 145.24 | \$ 130.51 | \$ 14.73 | 89.86% | 10.14% |
| FY25 | \$ 151.14 | \$ 135.33 | \$ 15.81 | 89.54% | 10.46% |
| FY26 | \$ 156.13 | \$ 139.94 | \$ 16.18 | 89.63% | 10.37% |

Town Council Order 2026-050 Split Tax Rate

As nearly 90% of taxable property is residential every 5% shift results in a reduction of \$0.03 - \$0.04 in the residential rate and an increase of \$0.30 - \$0.31 cents for the CIP rate. A shift of 1.25 would add approximately \$4 million to the CIP levy resulting in this class paying 13% of the total FY26 levy, or about the same percentage it paid 5 years ago. A shift of 1.10 would shift approximately \$1.6 million.

| % Shift | Residential Levy | CIP Levy | Residential Rate | CIP Rate |
|---------|------------------|------------|------------------|----------|
| 1.00 | 139,949,164 | 16,179,059 | 5.94 | 5.94 |
| 1.05 | 139,134,746 | 16,993,477 | 5.91 | 6.24 |
| 1.10 | 138,325,533 | 17,802,690 | 5.87 | 6.54 |
| 1.15 | 137,516,320 | 18,611,903 | 5.84 | 6.83 |
| 1.20 | 136,707,106 | 19,421,116 | 5.80 | 7.13 |
| 1.25 | 135,897,893 | 20,230,330 | 5.77 | 7.43 |
| 1.30 | 135,088,680 | 21,039,543 | 5.74 | 7.72 |
| 1.35 | 134,279,467 | 21,848,756 | 5.70 | 8.02 |
| 1.40 | 133,470,254 | 22,657,969 | 5.67 | 8.32 |
| 1.45 | 132,661,041 | 23,467,183 | 5.63 | 8.62 |
| 1.50 | 131,851,827 | 24,276,395 | 5.60 | 8.91 |

Illustration of Split Tax Rate – Tax Bill Impact



Town Council Order 2026-051

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, 2025
- This option shifts the taxes only **within** the residential class of taxpayers & does not change the levy amount itself or impact CIP property owners
- 20 communities out of 351 adopted the residential exemption in FY25
- Barnstable originally adopted the exemption in FY 2006
- This option reduces the taxable assessed value for each qualifying primary residence
- Barnstable has approximately 10,671 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 | FY25 Percentage |
|-------------------|-----------------|
| Boston | 35 |
| Chelsea | 35 |
| Somerville | 35 |
| Waltham | 35 |
| Provincetown | 35 |
| Truro | 35 |
| Watertown | 35 |
| Wellfleet | 33 |
| Cambridge | 30 |
| Malden | 30 |
| Everett | 25 |
| Nantucket | 25 |
| Barnstable | 25 |
| Tisbury | 22 |
| Brookline | 20 |
| Mashpee | 20 |
| Oak Bluffs | 15 |
| Concord | 10 |
| West Tisbury | 5 |
| Eastham | 3 |

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 | \$23,552,012,828 |
| Total Residential Parcels | 25,713 |
| Average Residential Value | \$915,957 |

| | |
|-----------------------------------|------------------|
| Average Residential Value | \$915,957 |
| Current Exemption Percentage | 25% |
| FY26 Exemption Value using same % | \$228,989 |
| Eligible Parcels | 10,671 |
| Residential Value Exempted | \$2,443,541,619 |

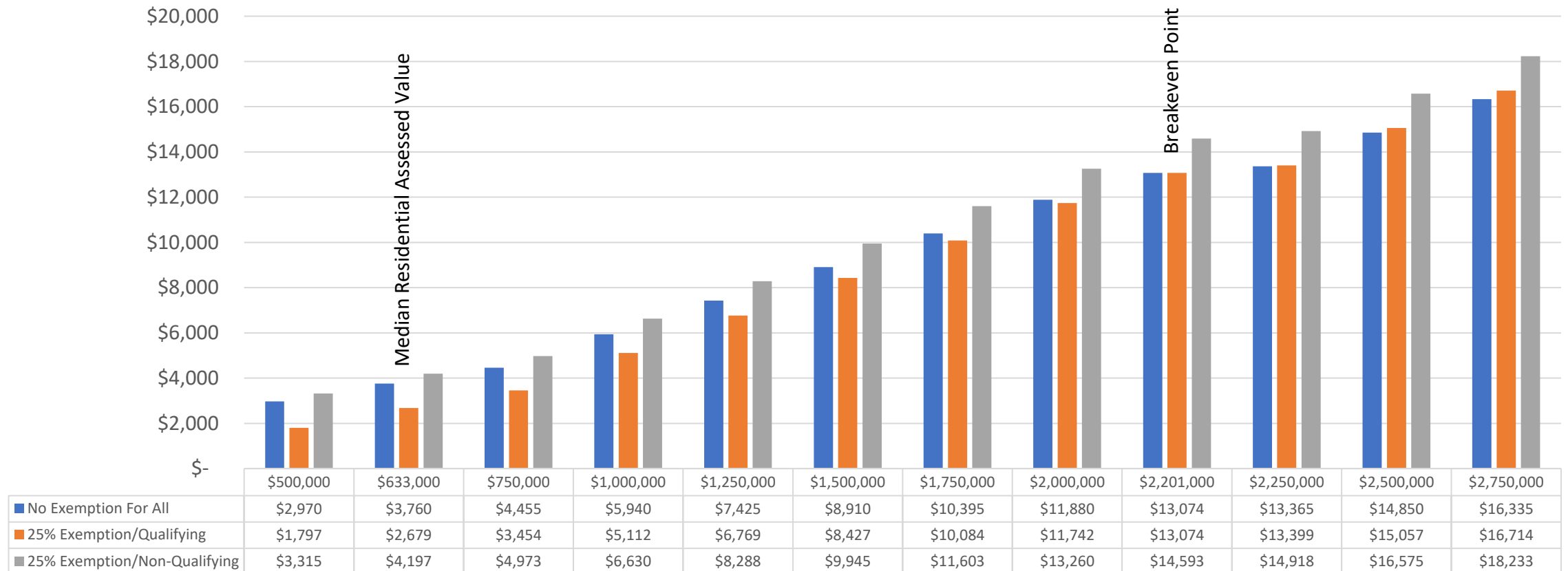
Residential Exemption Impact on Residential Tax Rate (No Impact on CIP Rate)

| Maintain 25% Residential Exemption | |
|------------------------------------|-------------------------|
| Residential Value | \$ 23,552,012,828 |
| Value Exempted | <u>\$ 2,443,541,619</u> |
| Net Value Taxed | \$ 21,108,471,209 |
| Residential Tax Levy | \$ 139,949,164 |
| Residential Tax Rate | \$ 6.63 |

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 **\$2,201,000**.
- Primary resident property owners valued above the breakeven point should still seek the exemption.
- The dollar value of a 25% exemption is **\$1,518**.



Tax Bill Comparison- 10% Shift & Exemption

| | | | | 10% Shift | | | | | |
|-------------|----------------|-----------------------|-----------|--------------|-----------|---------------|-----------|---------------|-----------|
| | Assessed Value | No Shift/No Exemption | | No Exemption | | 25% Exemption | | 30% Exemption | |
| | | R | CIP | R | CIP | R | CIP | R | CIP |
| Median → | \$ 500,000 | \$ 2,970 | \$ 2,970 | \$ 2,935 | \$ 3,270 | \$ 1,770 | \$ 3,270 | \$ 1,507 | \$ 3,270 |
| | \$ 633,000 | \$ 3,760 | \$ 3,760 | \$ 3,716 | \$ 4,140 | \$ 2,638 | \$ 4,140 | \$ 2,396 | \$ 4,140 |
| | \$ 750,000 | \$ 4,455 | \$ 4,455 | \$ 4,403 | \$ 4,905 | \$ 3,402 | \$ 4,905 | \$ 3,179 | \$ 4,905 |
| | \$ 1,000,000 | \$ 5,940 | \$ 5,940 | \$ 5,870 | \$ 6,540 | \$ 5,035 | \$ 6,540 | \$ 4,852 | \$ 6,540 |
| | \$ 1,250,000 | \$ 7,425 | \$ 7,425 | \$ 7,338 | \$ 8,175 | \$ 6,667 | \$ 8,175 | \$ 6,524 | \$ 8,175 |
| Breakeven → | \$ 1,500,000 | \$ 8,910 | \$ 8,910 | \$ 8,805 | \$ 9,810 | \$ 8,300 | \$ 9,810 | \$ 8,197 | \$ 9,810 |
| | \$ 2,000,000 | \$ 11,880 | \$ 11,880 | \$ 11,740 | \$ 13,080 | \$ 11,565 | \$ 11,445 | \$ 11,542 | \$ 11,445 |
| | \$ 2,450,000 | \$ 14,553 | \$ 14,553 | \$ 14,382 | \$ 16,023 | \$ 14,503 | \$ 13,080 | \$ 14,552 | \$ 13,080 |
| Breakeven → | \$ 2,500,000 | \$ 14,850 | \$ 14,850 | \$ 14,675 | \$ 16,350 | \$ 14,830 | \$ 13,081 | \$ 14,887 | \$ 13,081 |
| | \$ 2,525,000 | \$ 14,999 | \$ 14,999 | \$ 14,822 | \$ 16,514 | \$ 14,993 | \$ 16,350 | \$ 15,054 | \$ 16,350 |
| | \$ 2,750,000 | \$ 16,335 | \$ 16,335 | \$ 16,143 | \$ 17,985 | \$ 16,462 | \$ 15,301 | \$ 16,559 | \$ 15,301 |
| | \$ 3,000,000 | \$ 17,820 | \$ 17,820 | \$ 17,610 | \$ 19,620 | \$ 18,095 | \$ 17,985 | \$ 18,232 | \$ 17,985 |