

Town of Acton
Continuation of
Classification Hearing - FY 2005

November 29, 2004

Board of Assessors

James Kotanchik, Chairman

Susan Miller

David Brown, Associate Member

Selectmen's Decisions

requiring a vote

- Shift the tax burden between the “R” and the “CIP” classes.
- “Open Space Discount”
- “Residential Exemption”
- “Small Commercial Exemption”

Shifting the Tax Burden

- Determine percentages of levy to be paid by each property class.
- Acton may shift 50% additional taxes to the “CIP” class
- A Residential factor of 100% - all property is taxed at the same rate.
- A Residential factor $< 100\%$ results in increasing the “CIP” percentage of the levy

Effect of Shifting FY05 Tax Rate

Average Residential Valuation : \$ 412,142

	No Shift	5% Shift	10% Shift	20% Shift
Tax Rate	13.82	13.72	13.62	13.43
Tax Bill	5,695.80	5,654.59	5,613.37	5,535.07
Savings	~	41.21	82.43	160.73

Effect of Shifting FY05 Tax Rate

Average Commercial/Industrial Valuation: \$837,061

	No Shift	5% Shift	10% Shift	20% Shift
Tax Rate	13.82	14.51	15.20	16.58
Tax Bill	11,568.18	12,145.75	12,723.32	13,878.46
Added Tax	~	577.57	1,155.14	2,310.28

The “Open Space” discount

- Acton has no parcels classified as Open Space.

The “Residential Exemption”

- Reduces the taxable value of a taxpayer’s principal residence with certain exclusions.
- May be up to 20% of the average assessed value of all residential parcels. Exemption is recovered by increasing the tax levy on the balance of the residential parcels.

The “Small Commercial Exemption”

- Reduces the taxable value of eligible businesses by up to 10% .
- “Eligible businesses” are determined by the Department of Employment and Training.
- Commercial and Industrial classes given a separate rate of tax from Personal Property.
- Residential and Open Space discounts not affected.
- Exemption is recovered by increasing the tax levy upon the balance of commercial and industrial parcels.