



**City of Newton Fiscal Year 2019
Classification Hearing
November 19, 2018
Elizabeth Dromey, Director
Assessment Administration**

City of Newton
FY2019 Classification Hearing
November 19, 2018

**City of Newton
Fiscal Year 2019
Classification Hearing**

Table of Contents

Page 1	Opening Memorandum
Page 2	Councilor Questions and Answers
Page 6	Real Estate Value Changes: FY2018 to FY2019
Page 7	Property Values FY2019 by Land Use (Class)
Page 8	Historical Tax Base Analysis FY1990 to Present
Page 9	Tax Rates and Impact by Class: Average and Median Dollar Changes
Page 10	Tax Rates and Impact by Class: Average and Median Percent Changes
Page 11	Historical Levy Amounts and Increases FY1990 to Present
Page 12	Impact of Assessments on Tax Increases/Decreases
Page 13	Historical Tracking of Residential/Commercial Shifts Selected by the City Council (formerly Board of Aldermen)
Page 14	Historical Tax Rates: Fiscal Year 1980 to Present
Page 15	Shift and Tax Rate Table with Residential Factor
Page 16	Mean and Median Sales Prices by Neighborhood
Page 17	Assessing Neighborhood Map
Page 18	Summary of Residential Single and Multi Family Sales
Page 20	Largest Tax Levies Statewide (Top 20)
Page 21	Ten Year Single Family Median Sale Price (2008-2018)
Page 22	Tax Shift at 175% Visual Example
Page 23	Summary Sheet Including Residential Factor and Excess Levy Capacity
Page 24	Residential Factors with Tax Rates and Excess Levy Capacity
Supplement	Statewide Single Family Tax Bills and Tax Rates FY2018
Supplement	<u>Assessing Frequently Asked Questions</u>

City of Newton
FY2019 Classification Hearing
November 19, 2018

City of Newton



Ruthanne Fuller
Mayor

ASSESSMENT ADMINISTRATION

Elizabeth Dromey, Director

Telephone
(617) 796-1160
Telefax
(617) 796-1179
tdd-tty
(617) 796-1089
email
dromey@newtonma.gov

Date: November 16, 2018

To: The Honorable Ruthanne Fuller, Mayor
Leonard J. Gentile, Chairman, Finance Committee
City Council Members

From: Elizabeth Dromey, Director of Assessment Administration

Subject: Support Information Relative to the Fiscal Year 2019
Property Tax Rate Classification

In anticipation of the public hearing for the FY2019 Tax Rate Classification, scheduled for Monday, November 19, 2018, I offer the attached documents for your reference. These documents reflect preliminary figures and are subject to minor changes prior to the public hearing.

We provide you with this information to assist you in your decision to establish the proportion of the tax levy raised by the residential and commercial classes of property.

Please contact me at 617-796-1160 if you have any questions or if you would like a more detailed explanation of any information contained in this packet.

1000 Commonwealth Avenue, Newton, MA 02459-1449
www.newtonma.gov

**City of Newton
Fiscal Year 2019
Classification Hearing**

Questions and Answers

1. What is the purpose of this hearing?

The purpose of this hearing is to establish the proportion of the tax levy raised by the residential and commercial classes of property. This hearing is required under Massachusetts General Laws, Chapter 40, Section 56.

2. How do taxes increase or decrease?

Overall tax increases or decreases occur when the Mayor and the City Council change the amount of tax revenue devoted to the overall City budget.

Based on the Mayor's determination of the financial needs of the City, the Mayor presented a budget to the City Council in the spring of 2018. The City Council then conducted budget hearings. The Mayor and the City Council approved the budget based on the financial needs determined during the spring budget hearings. These budget hearings determined if the property tax collected for fiscal year 2019 would be higher or lower than property tax collected for fiscal year 2018.

For fiscal year 2018, the actual levy was \$331,872,472.22 (\$329,940,249 Levy Limit + Debt Exclusion Payment). For fiscal year 2019, by law, the City Council has the option (but are not required) to increase the fiscal year 2018 Levy Limit by 2.5%. This 2.5% increase is \$8,248,506. Finally, the Council has the option (but are not required) to increase the fiscal year 2018 tax levy by the amount of "new growth" in the City for calendar year 2017. This "new growth" is the additional tax revenue that will be created by either the construction of new properties or improvements to existing properties in the City. The new growth figure submitted to the Massachusetts Department of Revenue for fiscal year 2019 is \$5,762,382.

Special note: The voters were asked in the spring of 2013 if they wanted to increase their taxes by two debt exclusion questions. These debt exclusion questions were approved by the majority of voters who participated in this spring election.

Therefore, the maximum amount the fiscal year 2019 tax levy can be (with this debt exclusion debt service added) is:

Fiscal Year 2018 Tax Levy Limit:	\$329,940,249
2.5% Increase:	\$ 8,248,506
New Growth:	\$ 5,762,382
Debt Exclusion Debt Service:	\$ 3,000,495
Fiscal Year 2019 Tax Levy Limit:	\$346,951,632

**City of Newton
Fiscal Year 2019
Classification Hearing**

Therefore, when the City Council opted to increase the tax levy by the 2.5% maximum, apply all of the new growth as new revenue, and add the debt service to the tax levy, the City Council approved a tax increase of \$17,011,383 for fiscal year 2019. This is an increase of 5.16% from last year's actual tax levy limit. This means citywide, the average tax increase has to be 5.16%, because the City Council is asking for 5.16% more tax this year as compared to last year.

3. Can the City Council increase the tax levy more than this amount? How about less than this amount?

The City Council cannot increase this levy limit above \$346,951,632 without the approval of a majority of voters in the City of Newton. This can be accomplished by either override or debt exclusion.

The City Council always has the option to increase the tax levy less than the maximum amounts allowed by law. This decision would be based on the Council's determination of the financial needs of the City. The City Council could elect not to go to the maximum 2.5% increase and/or the City Council could elect to not increase the tax levy by the new growth amount. Again, this would be a decision based on the Council's determination of the financial needs of the City.

The City Council could also vote to decrease the amount of the tax levy, again based on a determination of the financial needs of the City.

4. What is the Assessors' role in the budget process?

The Assessors play no role in determining the amount of taxes raised each year. As explained above, this is done during the Council's budget hearings and subsequent approval of the City budget by the Mayor and the City Council that occurs each spring.

The Assessors determine the amount of new growth each year. This is done by inspecting all new construction projects and inspecting existing properties with renovations to determine the increase in the property value due to the construction/renovations. This new growth process will be approved by the Massachusetts Commissioner of Revenue.

The Assessors determine the value, based on use, of all taxable property in the City. These assessed values represent the value of the property as of January 1, 2018 for fiscal year 2019. These assessed values determine the proportion of the tax levy that each property owner will pay, which will ultimately be determined by the decision of the City Council on what proportion of the levy to shift (or not) from residential property owners to commercial, industrial and personal property owners.

**City of Newton
Fiscal Year 2019
Classification Hearing**

5. What does it mean “adopt the residential factor”?

This is the purpose of the classification hearing. The City Council will decide how much of the tax levy the owners of residential properties will pay and how much of the tax levy the owners of commercial/industrial/personal property will pay. This is the decision that creates two tax rates (or split tax rates) in the City. The two tables below show the process with fiscal year 2019 numbers. If there was no “shift”, there would be a single tax rate and the following table would apply:

<u>Class</u>	<u>FY2019 Value</u>	<u>%Value</u>	<u>%Tax</u>
Residential	\$27,369,325,232	89.96%	89.96%
Commercial	\$2,394,486,368	7.87%	7.87%
Industrial	\$201,886,600	0.66%	0.66%
Personal	\$459,149,400	1.51%	1.51%
Total	\$30,424,847,600	100.00%	100.00%

This means the residential property makes up 89.96% of the overall value in the City and therefore would pay 89.96% of the overall tax levy. The commercial property makes up 7.87% of the overall value in the City and therefore would pay 7.87% of the overall tax levy and so on for industrial and personal property classes.

The classification hearing is when the City Council must decide whether or not to shift more of the tax levy onto the commercial/industrial/personal property owners and less onto the residential property owners. By law, the maximum allowable shift for Newton is 175%. (The City Council shifted 175% last fiscal year). If the Council decides to shift 175% again this year, the process would be to multiply the (%Value) of the commercial, industrial, and personal property classes by 175% (1.75) to determine the increased percentage of the tax levy that those various classes will pay. By increasing those percentages, the residential percentage is lowered by 7.53%. The table below illustrates this (percentages rounded to two digits).

<u>Class</u>	<u>FY2019 Value</u>	<u>%Value</u>	<u>Shift</u>	<u>%Tax</u>
Residential	\$27,369,325,232	89.96%	-	82.43%
Commercial	\$2,394,486,368	7.87%	175%	13.77%
Industrial	\$201,886,600	0.66%	175%	1.16%
Personal	\$459,149,400	1.51%	175%	2.64%
Total	\$30,424,847,600	100.00%		100.00%

**City of Newton
Fiscal Year 2019
Classification Hearing**

Put another way, once the factor of 175% (1.75) is applied to commercial, industrial and personal property, those classes then become responsible for 17.57 % of the tax levy. That number then is subtracted from 100% to arrive at the residential proportion of 82.43% of the tax levy.

So, if the City Council decides to shift 175%, the owners of commercial, industrial and personal property, which represent 10.04% of the taxable value, become responsible for 17.57% of the property tax levy. The result of this vote is that the residential property owners, whose property represents 89.96% of the taxable value, become responsible for 82.43% of the property tax levy.

The actual vote taken is on what residential factor to adopt. This residential factor results in the intended shift from the residential taxpayers onto the commercial, industrial and personal property taxpayers.

That is the ultimate purpose of the classification hearing.

6. Does the City Council have to sign something at the end of the classification hearing?

Yes. The City Council must sign the form LA5. This is the form sent to the Department of Revenue as part of the tax recapitulation (Tax Recap) sheet and approval of the tax rates established at the classification hearing. These tax rates estimated for your review may be adjusted via rounding and subject to change of typically not greater than one to two pennies.

7. What are the components of Proposition 2 ½?

Proposition 2 ½ has two basic components. First, you cannot increase the prior year levy limit by more than 2.5% (plus new growth) without voter approval and second, your levy limit cannot exceed 2.5% of your total taxable value. Another way of stating the second component is a community's tax rate cannot exceed \$25.00 per \$1,000 if the community has a single tax rate.

8. What is "personal property"?

Personal property is the inventory, furniture, machinery, and equipment used while conducting business. This is assessed to business owners. If the business is incorporated, it is exempt from certain personal property taxes (furniture and inventory are exempt for corporations).

City of Newton
 Fiscal Year 2019
 Classification Hearing
 Real Estate Value Changes FY2018 to FY2019

<u>Property Class</u>	<u>FY2018 Base Values</u>	<u>FY2019 Values</u>	<u>Percent Change</u>
<u>Residential Classes</u>			
Single Family	\$18,539,122,800	\$20,117,459,400	8.51%
Two and Three Family	\$2,483,439,100	\$2,552,755,700	2.79%
Condominium	\$3,146,591,500	\$3,480,759,600	10.62%
Apartments	\$680,247,600	\$765,459,800	12.53%
Vacant Land	\$130,874,100	\$127,480,200	-2.59%
<u>Commercial Classes</u>			
Commercial	\$2,112,877,600	\$2,268,032,300	7.34%
Industrial	\$183,394,800	\$201,886,600	10.08%
<u>Mixed Use Classes</u>			
Mixed Use	\$298,394,000	\$345,850,900	15.90%

Please note these valuation changes include increases due to new construction/renovations and/or additions (new growth) and properties changing classes.
 (For example: Properties leaving Two-family category and entering the Condominium category).

City of Newton
 Fiscal Year 2019
 Classification Hearing
 Property Values by Class

RESIDENTIAL PROPERTY CLASSES

<u>Property Type</u>	<u>Count</u>	<u>Value</u>	<u>Percent of Value</u>
Single Family	16,964	\$20,117,459,400	66.12%
Condominium	5,143	\$3,480,759,600	11.44%
Miscellaneous	171	\$83,148,300	0.27%
Two Family	2,726	\$2,299,009,600	7.56%
Three Family	270	\$253,746,100	0.83%
Apartments	152	\$765,459,800	2.52%
Vacant Land	813	\$127,480,200	0.42%
Mixed Use Residential	245	\$242,262,232	0.80%
Total Residential	26,484	\$27,369,325,232	89.96%

COMMERCIAL/INDUSTRIAL/PERSONAL PROPERTY CLASSES

<u>Property Type</u>	<u>Count</u>	<u>Value</u>	<u>Percent of Value</u>
Commercial	741	\$2,268,032,300	7.45%
Industrial	75	\$201,886,600	0.66%
Forest (Ch. 61)	0	\$0	0.00%
Golf Courses (Ch. 61B)	17	\$22,865,400	0.08%
Mixed Use Commercial	245	\$103,588,668	0.34%
Personal Property	1,102	\$84,065,400	0.28%
Personal Property	1,108	\$53,728,500	0.18%
Personal Property	2	\$260,839,100	0.86%
Personal Property	12	\$48,294,700	0.16%
Personal Property	1	\$2,460,200	0.01%
Personal Property	4	\$9,761,500	0.03%
Total CIP	3,307	\$3,055,522,368	10.04%
Total Value		\$30,424,847,600	100.00%
Exempt Property		\$4,443,151,600	

City of Newton
Fiscal Year 2019
Classification Hearing
Tax Base Analysis

	Prior Year	2.50%					
<u>FY</u>	<u>Levy Limit</u>	<u>Increase</u>	<u>New Growth</u>	<u>Debt Service</u>	<u>Levy Limit</u>	<u>Actual Levy</u>	<u>Reserve</u>
1990	\$100,745,902	\$2,518,648	\$2,148,683		\$105,413,233	\$105,205,222	\$208,011
1991	\$105,413,233	\$2,635,331	\$806,319		\$108,854,883	\$108,838,759	\$16,124
1992	\$108,854,883	\$2,721,372	\$1,179,709		\$112,755,964	\$112,689,184	\$66,780
1993	\$112,755,964	\$2,818,899	\$1,417,235		\$116,992,098	\$116,941,920	\$50,178
1994	\$116,992,098	\$2,924,802	\$1,280,054		\$121,198,833	\$121,079,222	\$119,611
1995	\$121,198,833	\$3,030,062	\$1,109,665		\$125,342,219	\$125,293,531	\$48,688
1996	\$125,338,470	\$3,133,462	\$1,227,029		\$129,698,961	\$129,682,983	\$15,978
1997	\$129,698,961	\$3,242,474	\$1,220,214		\$134,161,649	\$134,082,167	\$79,482
1998	\$134,161,649	\$3,354,041	\$1,493,092		\$139,008,782	\$138,934,388	\$74,394
1999	\$139,008,782	\$3,475,220	\$1,627,559		\$144,111,561	\$144,105,992	\$5,569
2000	\$144,111,561	\$3,602,789	\$1,761,734		\$149,476,084	\$149,411,520	\$64,564
2001	\$149,476,084	\$3,736,902	\$2,931,316		\$156,144,302	\$156,140,737	\$3,565
2002	\$156,144,302	\$3,903,608	\$2,335,800		\$162,383,709	\$162,278,416	\$105,293
2003	\$162,383,709	\$4,059,593	\$2,231,188		\$180,174,490	\$180,170,220	\$4,270
2004	\$180,174,491	\$4,504,362	\$2,720,067		\$187,398,920	\$187,384,724	\$14,196
2005	\$187,398,920	\$4,684,973	\$2,152,049		\$194,235,942	\$194,189,921	\$46,021
2006	\$194,235,942	\$4,855,899	\$2,150,663		\$201,242,504	\$201,238,041	\$4,462
2007	\$201,242,504	\$5,031,063	\$2,242,123		\$208,515,689	\$208,504,128	\$11,562
2008	\$208,515,689	\$5,212,892	\$2,100,302		\$215,828,884	\$215,772,425	\$56,459
2009	\$215,828,884	\$5,395,722	\$3,711,998		\$224,936,604	\$224,896,509	\$40,095
2010	\$224,936,604	\$5,623,415	\$2,828,806		\$233,388,825	\$233,300,284	\$88,541
2011	\$233,388,825	\$5,834,721	\$2,501,206		\$241,724,752	\$241,707,854	\$16,898
2012	\$241,724,752	\$6,043,119	\$3,030,583		\$250,798,454	\$250,781,839	\$16,615
2013	\$250,798,454	\$6,269,961	\$3,121,321		\$260,189,736	\$260,175,335	\$14,401
2014	\$260,189,736	\$6,504,743	\$4,147,309		\$279,241,788	\$279,224,275	\$17,513
2015	\$279,241,788	\$6,981,045	\$5,404,599	\$283,962	\$291,911,394	\$291,889,879	\$21,515
2016	\$291,627,432	\$7,290,686	\$5,136,645	\$1,296,583	\$305,351,346	\$305,327,821	\$23,525
2017	\$304,054,763	\$7,601,369	\$4,799,698	\$1,554,028	\$318,009,858	\$318,006,048	\$3,810
2018	\$316,455,830	\$7,911,396	\$5,573,023	\$1,960,280	\$331,900,529	\$331,872,472	\$28,057
2019	\$329,940,249	\$8,248,506	\$5,762,382	\$3,000,495	\$346,951,632	\$346,951,632	\$0

Estimated

FY2019 Construction Growth Has To Be Certified by the
Massachusetts Department of Revenue

Please note:

Fiscal Year 2003 had an \$11,500,000 voter-approved override.

Fiscal Year 2014 had an \$8,400,000 voter-approved override.

Fiscal Year 2019 had a \$3,000,495 voter-approved debt exclusion debt service.

This increased the levy limit beyond 2.5% plus construction growth in those fiscal years.

City of Newton
Fiscal Year 2019
Classification Hearing

Impact Calculations on Various Property Classes Using Average and Median Values

<u>AVERAGES</u>	<u>Single Family</u>	<u>Two Family</u>	<u>Commercial</u>	<u>Industrial</u>
FY2018 Value	\$1,093,367	\$810,966	\$2,772,805	\$2,351,215
FY2018 Tax Rate	\$10.82	\$10.82	\$20.62	\$20.62
FY2018 Tax Bill	\$11,830.23	\$8,774.65	\$57,175.24	\$48,482.06
FY2019 Value	\$1,185,891	\$843,364	\$3,060,772	\$2,691,821

<u>Shift Selected</u>	<u>Tax Dollars Single Family</u>	<u>Tax Dollars Two Family</u>	<u>Tax Dollars Commercial</u>	<u>Tax Dollars Industrial</u>	<u>Residential Tax Rate</u>	<u>Commercial Tax Rate</u>
160%	\$787.29	\$198.48	-\$1,329.05	\$632.34	\$10.64	\$18.25
161%	\$772.20	\$187.75	-\$980.01	\$939.30	\$10.63	\$18.36
162%	\$757.10	\$177.01	-\$630.97	\$1,246.27	\$10.61	\$18.47
163%	\$742.00	\$166.27	-\$281.93	\$1,553.23	\$10.60	\$18.59
164%	\$726.90	\$155.54	\$67.11	\$1,860.20	\$10.59	\$18.70
165%	\$711.81	\$144.80	\$416.15	\$2,167.16	\$10.58	\$18.82
166%	\$696.71	\$134.06	\$765.19	\$2,474.13	\$10.56	\$18.93
167%	\$681.61	\$123.32	\$1,114.23	\$2,781.09	\$10.55	\$19.04
168%	\$666.51	\$112.59	\$1,463.26	\$3,088.06	\$10.54	\$19.16
169%	\$651.41	\$101.85	\$1,812.30	\$3,395.02	\$10.53	\$19.27
170%	\$636.32	\$91.11	\$2,161.34	\$3,701.99	\$10.51	\$19.39
171%	\$621.22	\$80.38	\$2,510.38	\$4,008.95	\$10.50	\$19.50
172%	\$606.12	\$69.64	\$2,859.42	\$4,315.92	\$10.49	\$19.61
173%	\$591.02	\$58.90	\$3,208.46	\$4,622.88	\$10.47	\$19.73
174%	\$575.93	\$48.17	\$3,557.50	\$4,929.85	\$10.46	\$19.84
175%	\$560.83	\$37.43	\$3,906.54	\$5,236.81	\$10.45	\$19.96

<u>MEDIANS</u>	<u>Single Family</u>	<u>Two Family</u>	<u>Commercial</u>	<u>Industrial</u>
FY2018 Value	\$919,300	\$772,000	\$858,900	\$793,950
FY2018 Tax Rate	\$10.82	\$10.82	\$20.62	\$20.62
FY2018 Tax Bill	\$9,946.83	\$8,353.04	\$17,710.52	\$16,371.25
FY2019 Value	\$1,004,500	\$806,900	\$966,400	\$940,700

<u>Shift Selected</u>	<u>Tax Dollars Single Family</u>	<u>Tax Dollars Two Family</u>	<u>Tax Dollars Commercial</u>	<u>Tax Dollars Industrial</u>	<u>Residential Tax Rate</u>	<u>Commercial Tax Rate</u>
160%	\$740.75	\$232.13	-\$77.79	\$792.56	\$10.64	\$18.25
161%	\$727.96	\$221.86	\$32.41	\$899.84	\$10.63	\$18.36
162%	\$715.17	\$211.58	\$142.62	\$1,007.11	\$10.61	\$18.47
163%	\$702.38	\$201.31	\$252.82	\$1,114.38	\$10.60	\$18.59
164%	\$689.59	\$191.04	\$363.03	\$1,221.66	\$10.59	\$18.70
165%	\$676.80	\$180.77	\$473.23	\$1,328.93	\$10.58	\$18.82
166%	\$664.02	\$170.49	\$583.44	\$1,436.21	\$10.56	\$18.93
167%	\$651.23	\$160.22	\$693.64	\$1,543.48	\$10.55	\$19.04
168%	\$638.44	\$149.95	\$803.85	\$1,650.75	\$10.54	\$19.16
169%	\$625.65	\$139.67	\$914.05	\$1,758.03	\$10.53	\$19.27
170%	\$612.86	\$129.40	\$1,024.26	\$1,865.30	\$10.51	\$19.39
171%	\$600.07	\$119.13	\$1,134.46	\$1,972.57	\$10.50	\$19.50
172%	\$587.29	\$108.86	\$1,244.66	\$2,079.85	\$10.49	\$19.61
173%	\$574.50	\$98.58	\$1,354.87	\$2,187.12	\$10.47	\$19.73
174%	\$561.71	\$88.31	\$1,465.07	\$2,294.40	\$10.46	\$19.84
175%	\$548.92	\$78.04	\$1,575.28	\$2,401.67	\$10.45	\$19.96

City of Newton
Fiscal Year 2019
Classification Hearing

Impact Calculations on Various Property Classes Using Average and Median Values

<u>AVERAGES</u>	<u>Single Family</u>	<u>Two Family</u>	<u>Commercial</u>	<u>Industrial</u>
FY2018 Value	\$1,093,367	\$810,966	\$2,772,805	\$2,351,215
FY2018 Tax Rate	\$10.82	\$10.82	\$20.62	\$20.62
FY2018 Tax Bill	\$11,830.23	\$8,774.65	\$57,175.24	\$48,482.06
FY2019 Value	\$1,185,891	\$843,364	\$3,060,772	\$2,691,821

<u>Shift Selected</u>	<u>% Change Single Family</u>	<u>% Change Two Family</u>	<u>% Change Commercial</u>	<u>% Change Industrial</u>	<u>Residential Tax Rate</u>	<u>Commercial Tax Rate</u>
160%	6.65%	2.26%	-2.32%	1.30%	\$10.64	\$18.25
161%	6.53%	2.14%	-1.71%	1.94%	\$10.63	\$18.36
162%	6.40%	2.02%	-1.10%	2.57%	\$10.61	\$18.47
163%	6.27%	1.89%	-0.49%	3.20%	\$10.60	\$18.59
164%	6.14%	1.77%	0.12%	3.84%	\$10.59	\$18.70
165%	6.02%	1.65%	0.73%	4.47%	\$10.58	\$18.82
166%	5.89%	1.53%	1.34%	5.10%	\$10.56	\$18.93
167%	5.76%	1.41%	1.95%	5.74%	\$10.55	\$19.04
168%	5.63%	1.28%	2.56%	6.37%	\$10.54	\$19.16
169%	5.51%	1.16%	3.17%	7.00%	\$10.53	\$19.27
170%	5.38%	1.04%	3.78%	7.64%	\$10.51	\$19.39
171%	5.25%	0.92%	4.39%	8.27%	\$10.50	\$19.50
172%	5.12%	0.79%	5.00%	8.90%	\$10.49	\$19.61
173%	5.00%	0.67%	5.61%	9.54%	\$10.47	\$19.73
174%	4.87%	0.55%	6.22%	10.17%	\$10.46	\$19.84
175%	4.74%	0.43%	6.83%	10.80%	\$10.45	\$19.96

<u>MEDIANS</u>	<u>Single Family</u>	<u>Two Family</u>	<u>Commercial</u>	<u>Industrial</u>
FY2018 Value	\$919,300	\$772,000	\$858,900	\$793,950
FY2018 Tax Rate	\$10.82	\$10.82	\$20.62	\$20.62
FY2018 Tax Bill	\$9,946.83	\$8,353.04	\$17,710.52	\$16,371.25
FY2019 Value	\$1,004,500	\$806,900	\$966,400	\$940,700

<u>Shift Selected</u>	<u>% Change Single Family</u>	<u>% Change Two Family</u>	<u>% Change Commercial</u>	<u>% Change Industrial</u>	<u>Residential Tax Rate</u>	<u>Commercial Tax Rate</u>
160%	7.45%	2.78%	-0.44%	4.84%	\$10.64	\$18.25
161%	7.32%	2.66%	0.18%	5.50%	\$10.63	\$18.36
162%	7.19%	2.53%	0.81%	6.15%	\$10.61	\$18.47
163%	7.06%	2.41%	1.43%	6.81%	\$10.60	\$18.59
164%	6.93%	2.29%	2.05%	7.46%	\$10.59	\$18.70
165%	6.80%	2.16%	2.67%	8.12%	\$10.58	\$18.82
166%	6.68%	2.04%	3.29%	8.77%	\$10.56	\$18.93
167%	6.55%	1.92%	3.92%	9.43%	\$10.55	\$19.04
168%	6.42%	1.80%	4.54%	10.08%	\$10.54	\$19.16
169%	6.29%	1.67%	5.16%	10.74%	\$10.53	\$19.27
170%	6.16%	1.55%	5.78%	11.39%	\$10.51	\$19.39
171%	6.03%	1.43%	6.41%	12.05%	\$10.50	\$19.50
172%	5.90%	1.30%	7.03%	12.70%	\$10.49	\$19.61
173%	5.78%	1.18%	7.65%	13.36%	\$10.47	\$19.73
174%	5.65%	1.06%	8.27%	14.01%	\$10.46	\$19.84
175%	5.52%	0.93%	8.89%	14.67%	\$10.45	\$19.96

City of Newton
Fiscal Year 2019
Classification Hearing
Historical Levy Amounts and Levy Increases

<u>Fiscal Year</u>	<u>Actual Levy</u>	<u>Amount of Increase</u>	<u>Percent Increase</u>	<u>Residential Share</u>	<u>CIP Share</u>
1990	\$105,205,222	\$9,623,948	10.0689%	72.3140%	27.6860%
1991	\$108,838,759	\$3,633,537	3.4538%	72.5684%	27.4316%
1992	\$112,689,184	\$3,850,425	3.5377%	72.7117%	27.2883%
1993	\$116,941,920	\$4,252,736	3.7739%	74.9205%	25.0795%
1994	\$121,079,222	\$4,137,302	3.5379%	75.0179%	24.9821%
1995	\$125,293,531	\$4,214,309	3.4806%	75.6575%	24.3425%
1996	\$129,682,983	\$4,389,452	3.5033%	76.9124%	23.0876%
1997	\$134,082,167	\$4,399,184	3.3923%	77.7435%	22.2565%
1998	\$138,934,388	\$4,852,221	3.6188%	78.4214%	21.5786%
1999	\$144,105,992	\$5,171,604	3.7223%	78.8086%	21.1914%
2000	\$149,411,520	\$5,305,528	3.6817%	79.7915%	20.2085%
2001	\$156,140,737	\$6,729,217	4.5038%	80.4603%	19.5397%
2002	\$162,278,416	\$6,137,679	3.9309%	81.0536%	18.9464%
2003	\$180,174,491	\$17,896,075	11.0280%	80.9189%	19.0811%
2004	\$187,384,724	\$7,210,233	4.0018%	82.2193%	17.7807%
2005	\$194,189,921	\$6,805,197	3.6317%	83.2145%	16.7855%
2006	\$201,238,041	\$7,048,120	3.6295%	83.8966%	16.1034%
2007	\$208,504,128	\$7,266,087	3.6107%	84.0340%	15.9660%
2008	\$215,828,884	\$7,324,756	3.5130%	83.0740%	16.9260%
2009	\$224,896,509	\$9,067,625	4.2013%	82.6368%	17.3632%
2010	\$233,300,284	\$8,403,775	3.7367%	82.0356%	17.9644%
2011	\$241,707,854	\$8,407,570	3.6038%	81.6880%	18.3120%
2012	\$250,781,839	\$9,073,985	3.7541%	81.4038%	18.5962%
2013	\$260,175,335	\$9,393,496	3.7457%	81.4641%	18.5359%
2014	\$279,224,275	\$19,048,940	7.3216%	81.1152%	18.8848%
2015	\$291,627,432	\$12,403,157	4.4420%	79.5308%	20.4692%
2016	\$305,327,821	\$13,700,389	4.6979%	80.5768%	19.4232%
2017	\$318,006,048	\$12,678,227	4.1523%	82.0007%	17.9993%
2018	\$331,872,472	\$13,866,424	4.3604%	82.3859%	17.6141%
Estimate	2019	\$346,951,632	\$15,079,160	4.9387%	

Please note:

Fiscal Year 2003 had an \$11,500,000 voter-approved Proposition 2 1/2 Override.

Fiscal Year 2014 had an \$8,400,000 voter-approved Proposition 2 1/2 Override.

Fiscal Year 2019 had a \$3,000,495 voter-approved debt exclusion debt payment.

Fiscal Year 2018 Levy Limit was \$329,940,249 before voter approved debt exclusion payment of \$1,960,280.

**City of Newton
Fiscal Year 2019
Classification Hearing
Assessments Increases (Decreases)
And
Their Impact on Tax Increases (Decreases)**

The Massachusetts General Laws mandate assessed values represent “Full and Fair Cash Value” as of a particular date. For Fiscal Year 2019, the valuation date is January 1, 2018. The increase (or decrease) in assessed values from the previous fiscal year does not impact the tax increase (or decrease) that a typical property owner receives. The tax increase (or decrease) is strictly driven by the budgetary requirements of the City, as determined by the Mayor and the Newton City Council.

For example, in the current Fiscal Year 2019 proposed valuations, there is approximately a **8.51% increase** in residential single-family valuations. Assuming a 175% shift selected by the City Council, the result is a tax **increase** of \$560.83, or 4.74% on the average single-family property. To illustrate how the change in assessments does not impact the tax increase or decrease, please see the example below.

Change in Overall Assessed Values	Increase in Tax for Fiscal Year 2019	Increase in %Tax for Fiscal Year 2019
Increase of 1%	\$560.83	4.74%
Increase of 50%	\$560.83	4.74%
Increase of 100%	\$560.83	4.74%
Decrease of 50%	\$560.83	4.74%
Decrease of 99%	\$560.83	4.74%

The assessed values do not increase or decrease the overall amount of taxes raised by the City. The assessed values distribute the taxes raised by the City Council. If all assessed values remained the same, all increased the same percentage or all decreased the same percentage, the overall tax increase would still be the overall increase in the budget. Valuation shifts within classes may distribute the tax changes differently, but the overall result would remain the same.

As can be seen, rising (or falling) assessed values do not mean rising (or falling) tax bills. The increase (or decrease) in taxes seen by the property owner is a direct result of the increase (or decrease) in the budget. The budget increase (or decrease) determines the tax increase (or decrease). Regardless of any overall valuation increase (or decrease), the average single family home would have seen an increase in their tax bill of \$560.83 (assuming the shift of 175%) because of the budget approved by the Newton City Council.

City of Newton
 Fiscal Year 2019
 Classification Hearing
 Historical Tracking of Residential/Commercial Shift
 Selected by the Newton City Council (formerly Board of Aldermen)

Residential Single Family

<u>Fiscal Year</u>	<u>Shift Selected</u>	<u>Mean %%</u>	<u>Mean \$\$</u>	<u>Median %%</u>	<u>Median \$\$</u>
2005	175%	3.18%	\$217.44	1.68%	\$101.15
2006	175%	4.62%	\$325.92	4.42%	\$271.58
2007	175%	3.62%	\$267.07	3.56%	\$228.35
2008	175%	1.84%	\$140.95	0.97%	\$64.41
2009	175%	3.40%	\$264.80	3.38%	\$226.66
2010	175%	3.48%	\$280.12	3.13%	\$216.93
2011	175%	3.26%	\$271.14	2.98%	\$212.71
2012	174%	3.70%	\$317.91	3.36%	\$247.33
2013	174%	3.92%	\$348.90	3.69%	\$280.43
2014	174%	7.02%	\$649.56	6.72%	\$529.82
2015	174%	1.83%	\$181.33	1.39%	\$116.48
2016	175%	6.29%	\$635.10	5.91%	\$504.27
2017	175%	5.74%	\$615.48	5.88%	\$530.91
2018	175%	4.23%	\$479.99	3.92%	\$375.42

Last 5 Years	Increase		\$2,561.46		\$2,056.90
Last 10 Years	Increase		\$4,044.33		\$3,240.96

Commercial Property

<u>Fiscal Year</u>	<u>Shift Selected</u>	<u>Mean %%</u>	<u>Mean \$\$</u>	<u>Median %%</u>	<u>Median \$\$</u>
2005	175%	-0.61%	-\$206.55	0.96%	\$105.79
2006	175%	0.12%	\$40.62	3.94%	\$438.69
2007	175%	2.65%	\$889.46	3.01%	\$348.20
2008	175%	9.21%	\$3,170.24	12.34%	\$1,468.71
2009	175%	4.22%	\$1,586.70	3.50%	\$467.64
2010	175%	6.54%	\$2,561.06	4.92%	\$681.00
2011	175%	4.96%	\$2,069.54	4.65%	\$674.23
2012	174%	2.26%	\$987.66	6.90%	\$1,046.76
2013	174%	3.50%	\$1,566.49	2.00%	\$324.93
2014	174%	9.79%	\$4,530.85	6.31%	\$1,043.88
2015	174%	15.30%	\$7,776.39	3.31%	\$581.24
2016	175%	-1.01%	-\$589.64	-1.78%	-\$323.07
2017	175%	-2.70%	-\$1,563.98	-3.02%	-\$537.67
2018	175%	1.87%	\$1,053.97	2.95%	\$508.90

Last 5 Years	Increase		\$11,207.59		\$1,273.28
Last 10 Years	Increase		\$19,979.04		\$4,467.84

Please note for Fiscal Year 2014 there was a voter-approved \$8,400,000 override.
 Please note there was a debt exclusion override passed starting in Fiscal Year 2015.

City of Newton
Fiscal Year 2019
Classification Hearing

Historical Tax Rates Fiscal Year 1980 to Present

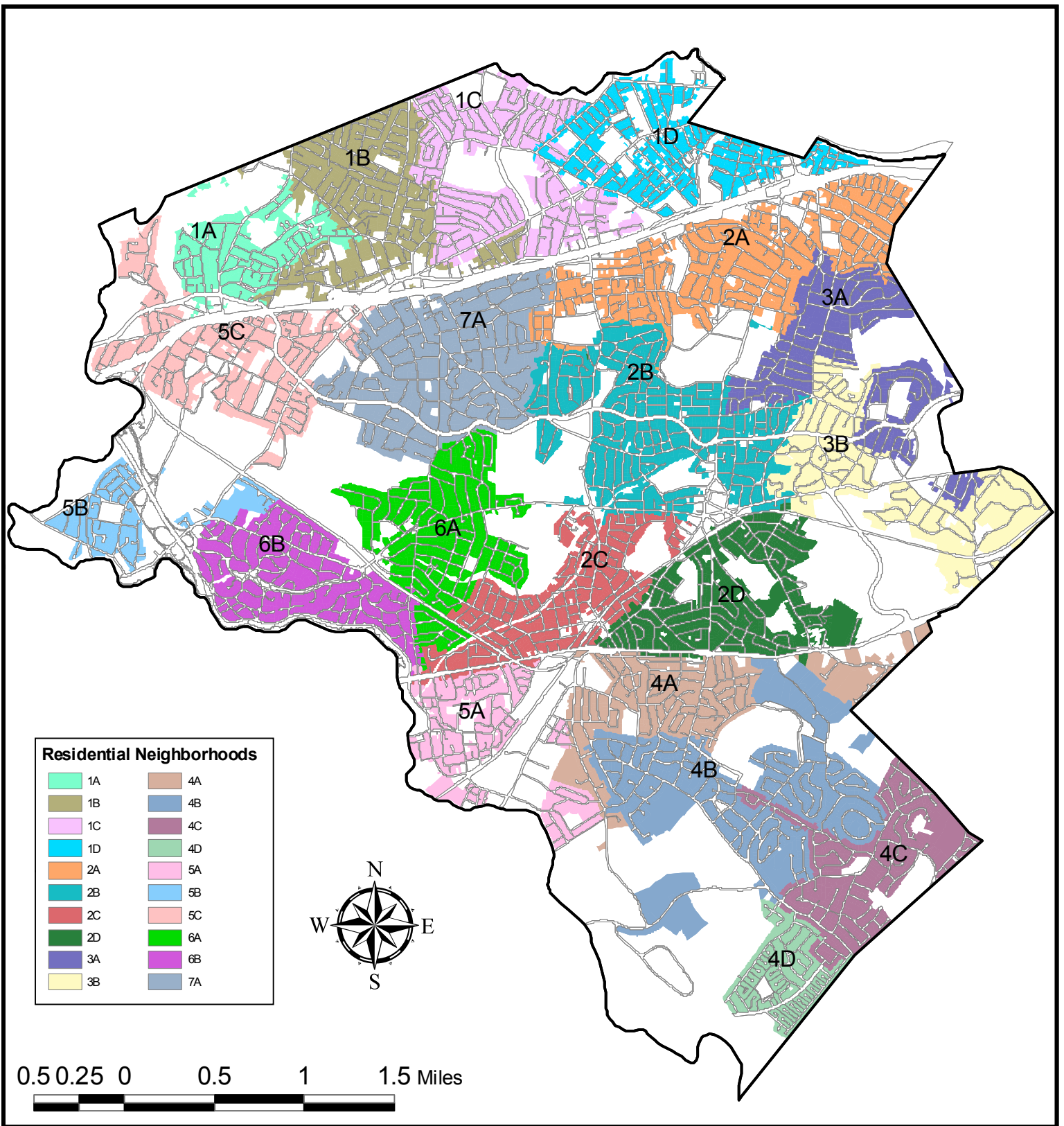
<u>Fiscal Year</u>	<u>Residential</u>	<u>Commercial</u>
1980	\$169.20	\$169.20
1981	\$177.00	\$177.00
1982	\$21.88	\$36.29
1983	\$21.84	\$35.90
1984	\$19.93	\$33.51
1985	\$20.34	\$34.12
1986	\$20.53	\$34.55
1987	\$11.49	\$19.31
1988	\$11.76	\$19.84
1989	\$12.35	\$20.90
1990	\$10.35	\$18.94
1991	\$10.79	\$19.72
1992	\$11.93	\$22.60
1993	\$13.49	\$26.09
1994	\$13.95	\$26.96
1995	\$14.18	\$27.29
1996	\$13.88	\$26.88
1997	\$13.85	\$26.68
1998	\$13.75	\$26.38
1999	\$12.65	\$24.20
2000	\$12.06	\$22.97
2001	\$11.57	\$21.93
2002	\$9.94	\$18.77
2003	\$10.92	\$20.63
2004	\$10.20	\$19.37
2005	\$9.48	\$18.02
2006	\$9.36	\$17.72
2007	\$9.33	\$17.64
2008	\$9.70	\$18.46
2009	\$9.96	\$19.00
2010	\$10.41	\$19.93
2011	\$10.90	\$20.89
2012	\$11.17	\$21.32
2013	\$11.49	\$21.93
2014	\$12.12	\$23.18
2015	\$11.61	\$22.38
2016	\$11.38	\$21.94
2017	\$11.12	\$21.27
2018	\$10.82	\$20.62

City of Newton
 Fiscal Year 2019
 Classification Hearing
 Shift/Tax Rate Table with Residential Factors

<u>C.I.P. %</u>	<u>RES. RATE</u>	<u>RES. % LEVY</u>	<u>COMM. RATE</u>	<u>COMM. % LEVY</u>	<u>RESIDENTIAL FACTOR</u>
100%	\$11.40	89.9571%	\$11.40	10.0429%	100.0000
105%	\$11.34	89.4550%	\$11.97	10.5450%	99.4418
110%	\$11.28	88.9528%	\$12.54	11.0472%	98.8836
115%	\$11.21	88.4507%	\$13.11	11.5493%	98.3254
120%	\$11.15	87.9485%	\$13.68	12.0515%	97.7672
125%	\$11.09	87.4464%	\$14.25	12.5536%	97.2090
130%	\$11.02	86.9442%	\$14.82	13.0558%	96.6508
135%	\$10.96	86.4421%	\$15.39	13.5579%	96.0926
140%	\$10.89	85.9399%	\$15.97	14.0601%	95.5344
145%	\$10.83	85.4378%	\$16.54	14.5622%	94.9762
150%	\$10.77	84.9357%	\$17.11	15.0644%	94.4180
155%	\$10.70	84.4335%	\$17.68	15.5665%	93.8598
160%	\$10.64	83.9314%	\$18.25	16.0686%	93.3016
165%	\$10.58	83.4292%	\$18.82	16.5708%	92.7434
166%	\$10.56	83.3288%	\$18.93	16.6712%	92.6317
167%	\$10.55	83.2284%	\$19.04	16.7716%	92.5201
168%	\$10.54	83.1279%	\$19.16	16.8721%	92.4085
169%	\$10.53	83.0275%	\$19.27	16.9725%	92.2968
170%	\$10.51	82.9271%	\$19.39	17.0729%	92.1852
171%	\$10.50	82.8266%	\$19.50	17.1734%	92.0735
172%	\$10.49	82.7262%	\$19.61	17.2738%	91.9619
173%	\$10.47	82.6258%	\$19.73	17.3742%	91.8503
174%	\$10.46	82.5254%	\$19.84	17.4746%	91.7386
175%	\$10.45	82.4249%	\$19.96	17.5751%	91.6270

City of Newton
 Fiscal Year 2019
 Classification Hearing
 Neighborhood Sales Analysis
 Mean and Median Sales Prices

	<u>Assessing District</u>	<u>Median Sale Price</u>	<u>Average Sale Price</u>
1A	Auburndale/West Newton (North of Mass. Pike)	\$780,000	\$795,318
1B	West Newton/Newtonville (North of Mass. Pike)	\$777,000	\$903,843
1C	Newtonville (North of Mass. Pike)	\$890,000	\$908,493
1D	Nonantum	\$840,000	\$768,238
2A	Newtonville (South of Mass. Pike)	\$1,051,000	\$1,348,023
2B	Newton Centre (North of Beacon Street)	\$1,280,000	\$1,400,719
2C	South of Beacon Street to Route 9	\$1,000,509	\$1,203,316
2D	Newton Highlands (North of Route 9)	\$1,156,250	\$1,261,586
3A	Farlow Hill/North Chestnut Hill	\$1,520,000	\$1,550,896
3B	Chestnut Hill	\$1,950,000	\$2,281,875
4A	South of Route 9	\$855,000	\$904,567
4B	Old Oak Hill	\$1,279,250	\$1,410,247
4C	South Side/Abutting West Roxbury and Brookline	\$1,205,000	\$1,541,494
4D	Oak Hill Park	\$875,000	\$1,045,524
5A	Upper Falls	\$698,000	\$719,824
5B	Lower Falls	\$1,053,750	\$1,051,361
5C	Auburndale (Islington and South of Commonwealth Avenue)	\$1,100,000	\$1,180,394
6A	Northeast Waban	\$1,300,000	\$1,485,733
6B	Southwest Waban	\$1,500,000	\$1,579,413
7A	West Newton Hill	\$1,855,000	\$1,931,319
	CITYWIDE CALENDAR YEAR 2017 SALES Single Family Homes	\$1,150,000	\$1,318,580



City of Newton - Assessor's Residential Neighborhoods

City of Newton, Massachusetts
 Assessing Department
 1000 Commonwealth Avenue
 Newton, MA 02459
 PHONE: (617) 796-1160

Property Boundaries from Newton Assessor's
 property maps. Neighborhood information from
 Assessor's CAMA database.
 Map projection & coordinate system:
 Mass. State Plane - NAD83



MAP DATE: November 20, 2007

**City of Newton
Fiscal Year 2019
Classification Hearing
Summary of Calendar Year 2017 Single Family Sales**

**Calendar Year 2017
Single Family Sales**

Number of Sales 682

Median Sale Price \$1,150,000
(Half the Single Family Homes sold for more than this median sale price)

Average Sale Price \$1,318,580

Summary of Sale Prices

<u>Less than</u> \$400,000	<u>Sales</u> 2	<u>Percent</u> 0.29%	<u>More than</u> \$600,000	<u>Sales</u> 661	<u>Percent</u> 96.92%
<u>Less than</u> \$600,000	<u>Sales</u> 21	<u>Percent</u> 3.08%	<u>More than</u> \$750,000	<u>Sales</u> 584	<u>Percent</u> 85.63%
			<u>More than</u> \$1,000,000	<u>Sales</u> 415	<u>Percent</u> 60.85%
			<u>More than</u> \$1,500,000	<u>Sales</u> 197	<u>Percent</u> 28.89%
			<u>More than</u> \$2,000,000	<u>Sales</u> 94	<u>Percent</u> 13.78%

2017 Single Family Sales



Median Sale Price: \$1,150,000

Average Sale Price: \$1,318,580



**> \$750,000-584 Sales
(85.63%)**



**> \$1,000,000-415 Sales
(60.85%)**



**> \$1,500,000-197 Sales
(28.89%)**

City of Newton
Fiscal Year 2019
Classification Hearing
Fiscal Year 2018 (Last Year)
Massachusetts Communities with Top 20 Highest Tax Levies Statewide

Community	Residential	CIP	Total	RES%	CIP%
Boston	\$854,666,857	\$1,361,823,871	\$2,216,490,728	38.56%	61.44%
Cambridge	\$134,449,503	\$254,630,857	\$389,080,360	34.56%	65.44%
Newton	\$273,422,446	\$58,450,027	\$331,872,473	82.39%	17.61%
Worcester	\$176,137,758	\$117,407,557	\$293,545,315	60.00%	40.00%
Quincy	\$164,998,654	\$60,933,049	\$225,931,703	73.03%	26.97%
Brookline	\$174,424,403	\$36,950,084	\$211,374,487	82.52%	17.48%
Springfield	\$113,757,823	\$84,565,073	\$198,322,896	57.36%	42.64%
Framingham	\$112,917,015	\$75,536,898	\$188,453,913	59.92%	40.08%
Waltham	\$70,692,144	\$108,642,623	\$179,334,767	39.42%	60.58%
Lexington	\$142,315,583	\$35,309,232	\$177,624,815	80.12%	19.88%
Plymouth	\$133,425,874	\$32,953,629	\$166,379,503	80.19%	19.81%
Somerville	\$107,722,622	\$35,768,576	\$143,491,198	75.07%	24.93%
Andover	\$99,280,909	\$40,071,651	\$139,352,560	71.24%	28.76%
Brockton	\$94,071,538	\$43,713,244	\$137,784,782	68.27%	31.73%
Wellesley	\$118,729,715	\$17,231,884	\$135,961,599	87.33%	12.67%
Needham	\$101,954,195	\$30,583,693	\$132,537,888	76.92%	23.08%
Lowell	\$92,750,251	\$35,757,700	\$128,507,951	72.17%	27.83%
Lynn	\$100,306,751	\$25,909,045	\$126,215,796	79.47%	20.53%
Billerica	\$67,087,591	\$55,550,603	\$122,638,194	54.70%	45.30%
New Bedford	\$78,670,004	\$41,285,140	\$119,955,144	65.58%	34.42%

The Tax Levy is the amount of money raised by a vote of the Aldermen, Selectmen or City Council. The City of Newton had the 3rd highest tax levy in the Commonwealth of Massachusetts as voted by the Newton City Council (formerly Board of Aldermen) for FY2018 (last fiscal year).

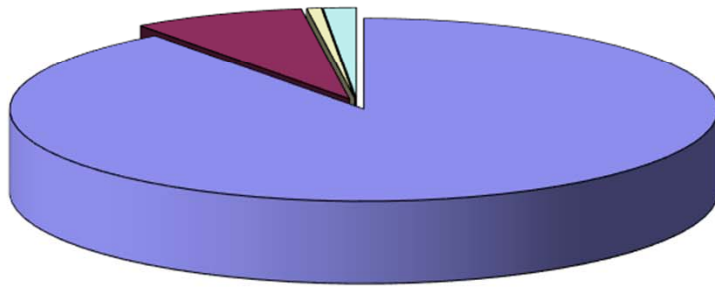
The breakdown between Residential and Commercial, Industrial, and Personal (CIP) classes is determined by the classification selected by the Aldermen, Selectmen or City Council.

City of Newton
Fiscal Year 2019
Classification Hearing
10 Year Median Sale Prices of Single Family Homes

<u>Calendar Year</u>	<u>Median Sale Price</u>
2009	\$705,750
2010	\$737,750
2011	\$752,000
2012	\$784,010
2013	\$899,000
2014	\$934,000
2015	\$1,017,500
2016	\$1,070,000
2017	\$1,150,000
2018	\$1,200,000

2018 is through August 2018

City of Newton FY2019 Property Valuation by Class



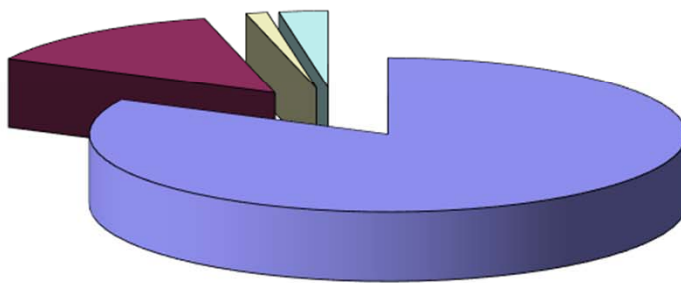
■ Residential (89.96%)

■ Commercial (7.87%)

□ Industrial (0.66%)

□ Personal (1.51%)

Property Taxation Assuming 175% SHIFT (Same shift as FY2018)



■ Residential (82.43%)

■ Commercial (13.77%)

□ Industrial (1.16%)

□ Personal (2.64%)

City of Newton Fiscal Year 2019 Classification Hearing Summary Sheet

FY2018 Levy Limit	\$329,940,249
2.5% Increase	\$8,248,506
New Growth	\$5,762,382
Voter Approved Debt Exclusion	\$3,000,495
FY2019 Levy Limit	\$346,951,632
FY2018 Levy Limit	\$329,940,249
Tax Increase Approved	\$17,011,383

5.16% Overall Tax Increase

Shift Selected	<u>175%</u>	<u>174%</u>	<u>173%</u>	<u>172%</u>	<u>171%</u>	<u>170%</u>
----------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------

Rounded Tax Rates (Estimated)

Residential Tax Rate	\$10.45	\$10.46	\$10.47	\$10.49	\$10.50	\$10.51
Commercial Tax Rate	\$19.96	\$19.84	\$19.73	\$19.61	\$19.50	\$19.39

Tax Dollar Increases

Median Single Family Tax Increase	\$548.92	\$561.71	\$574.50	\$587.29	\$600.07	\$612.86
Median Two Family Tax Increase	\$78.04	\$88.31	\$98.58	\$108.86	\$119.13	\$129.40
Median Commercial Tax Increase	\$1,575.28	\$1,465.07	\$1,354.87	\$1,244.66	\$1,134.46	\$1,024.26
Median Industrial Tax Increase	\$2,401.67	\$2,294.40	\$2,187.12	\$2,079.85	\$1,972.57	\$1,865.30

Tax Dollar % Increases

Median Single Family Tax Increase %	5.52%	5.65%	5.78%	5.90%	6.03%	6.16%
Median Two Family Tax Increase %	0.93%	1.06%	1.18%	1.30%	1.43%	1.55%
Median Commercial Tax Increase %	8.89%	8.27%	7.65%	7.03%	6.41%	5.78%
Median Industrial Tax Increase %	14.67%	14.01%	13.36%	12.70%	12.05%	11.39%

Shift Selected (ROUNDED)	<u>175%</u>	<u>174%</u>	<u>173%</u>	<u>172%</u>	<u>171%</u>	<u>170%</u>
Shift Selected (ACTUAL)	174.900%	174.000%	173.000%	171.740%	170.950%	170.000%
Residential Factor	0.916381	0.917386	0.918503	0.919909	0.920791	0.921852
Excess Levy Capacity	\$15,067.31	\$46,926.29	\$109,340.50	\$20,282.35	\$21,586.11	\$53,445.10

Tax Rates - Pending DOR Approval

Residential Tax Rate	\$10.45	\$10.46	\$10.47	\$10.49	\$10.50	\$10.51
Commercial Tax Rate	\$19.94	\$19.84	\$19.73	\$19.58	\$19.49	\$19.39

<u>Historical Shift Prior 5 Years</u>	<u>Shift</u>	<u>Median Single Family Change</u>	<u>Median Commercial Change</u>
2014	174%	\$529.82	\$1,043.88
2015	174%	\$116.48	\$581.24
2016	175%	\$504.27	-\$323.07
2017	175%	\$530.91	-\$537.67
2018	175%	\$375.42	\$508.90

City of Newton
 Fiscal Year 2019
 Classification Hearing
 Excess Levy Capacity and Corresponding Tax Rates

<u>Shift Selected (Rounded)</u>	<u>Shift Selected (Actual)</u>	<u>Residential Factor</u>	<u>Excess Levy Capacity</u>
170%	170.0000%	0.921852	\$53,445.10
171%	170.9500%	0.920791	\$21,586.11
172%	171.7400%	0.919909	\$20,282.35
173%	173.0000%	0.918503	\$109,340.50
174%	174.0000%	0.917386	\$46,926.29
175%	174.9000%	0.916381	\$15,067.31

<u>Shift Selected (Rounded)</u>	<u>Shift Selected (Actual)</u>	<u>Residential Tax Rate</u>	<u>Commercial Tax Rate</u>
170%	170.0000%	\$10.51	\$19.39
171%	170.9500%	\$10.50	\$19.49
172%	171.7400%	\$10.49	\$19.58
173%	173.0000%	\$10.47	\$19.73
174%	174.0000%	\$10.46	\$19.84
175%	174.9000%	\$10.45	\$19.94

City of Newton
Fiscal Year 2019
Classification Hearing
November 19, 2018

Supplement 1

Statewide Average Single Family Tax Bills

And

Statewide Residential Tax Rates

(Information from Massachusetts Department of
Revenue Division of Local Services)

FY2018 (Last Year) Average Single Family Tax Bills STATEWIDE
(Information from Massachusetts DOR)

<u>Community</u>	<u>Value</u>	<u>Parcels</u>	<u>Average</u>	<u>Rate</u>	<u>Taxes</u>	<u>Rank</u>
Weston	\$5,275,385,800	3,358	\$1,570,990	\$12.51	\$19,653.00	1
Lincoln	\$1,749,035,400	1,522	\$1,149,169	\$13.60	\$15,629.00	2
Sherborn	\$1,062,204,700	1,323	\$802,876	\$19.30	\$15,496.00	3
Wellesley	\$9,061,107,000	7,297	\$1,241,758	\$11.95	\$14,839.00	4
Carlisle	\$1,381,123,700	1,707	\$809,094	\$18.17	\$14,701.00	5
Dover	\$2,075,982,800	1,817	\$1,142,533	\$12.84	\$14,670.00	6
Concord	\$4,656,510,200	4,591	\$1,014,269	\$14.29	\$14,494.00	7
Lexington	\$8,938,050,000	9,021	\$990,805	\$14.30	\$14,169.00	8
Sudbury	\$3,945,643,816	5,428	\$726,906	\$17.93	\$13,033.00	9
Wayland	\$2,907,678,800	4,062	\$715,824	\$18.03	\$12,906.00	10
Winchester	\$5,839,715,700	5,654	\$1,032,847	\$12.19	\$12,590.00	11
Manchester By The Sea	\$1,796,879,600	1,594	\$1,127,277	\$11.03	\$12,434.00	12
Cohasset	\$2,277,441,600	2,373	\$959,731	\$12.79	\$12,275.00	13
Belmont	\$4,541,968,000	4,525	\$1,003,750	\$12.15	\$12,196.00	14
<u>Newton</u>	<u>\$18,539,122,800</u>	<u>16,956</u>	<u>\$1,093,367</u>	<u>\$10.82</u>	<u>\$11,830.00</u>	<u>15</u>
Wenham	\$671,021,900	1,106	\$606,711	\$18.79	\$11,400.00	16
Westwood	\$3,298,241,650	4,514	\$730,669	\$15.09	\$11,026.00	17
Acton	\$2,808,177,000	4,959	\$566,279	\$19.38	\$10,974.00	18
Medfield	\$2,236,789,600	3,524	\$634,730	\$17.03	\$10,809.00	19
Harvard	\$1,063,271,380	1,690	\$629,155	\$17.15	\$10,790.00	20
Needham	\$7,596,935,800	8,396	\$904,828	\$11.88	\$10,749.00	21
Bolton	\$861,783,300	1,676	\$514,191	\$20.66	\$10,623.00	22
Sharon	\$2,908,196,000	5,328	\$545,833	\$19.37	\$10,573.00	23
Duxbury	\$3,320,253,050	4,881	\$680,240	\$15.16	\$10,312.00	24
Norwell	\$2,130,246,100	3,415	\$623,791	\$16.34	\$10,193.00	25
Topsfield	\$1,093,863,600	1,876	\$583,083	\$17.36	\$10,122.00	26
Boxford	\$1,642,199,900	2,636	\$622,989	\$16.20	\$10,092.00	27
Hopkinton	\$2,519,128,600	4,408	\$571,490	\$16.90	\$9,658.00	28
Stow	\$962,046,800	2,090	\$460,309	\$20.98	\$9,657.00	29
Southborough	\$1,701,960,200	2,852	\$596,760	\$16.14	\$9,632.00	30
Andover	\$5,281,400,200	8,612	\$613,261	\$15.64	\$9,591.00	31
Hingham	\$5,019,280,800	6,226	\$806,181	\$11.77	\$9,489.00	32
Boxborough	\$688,981,900	1,195	\$576,554	\$16.44	\$9,479.00	33
Bedford	\$2,320,856,334	3,442	\$674,276	\$13.74	\$9,265.00	34

FY2018 (Last Year) Average Single Family Tax Bills STATEWIDE
(Information from Massachusetts DOR)

<u>Community</u>	<u>Value</u>	<u>Parcels</u>	<u>Average</u>	<u>Rate</u>	<u>Taxes</u>	<u>Rank</u>
Hamilton	\$1,341,266,300	2,368	\$566,413	\$16.22	\$9,187.00	35
Milton	\$4,725,654,300	7,169	\$659,179	\$13.81	\$9,103.00	36
Swampscott	\$1,958,006,900	3,453	\$567,045	\$16.00	\$9,073.00	37
North Reading	\$2,292,833,800	4,266	\$537,467	\$16.34	\$8,782.00	38
Westborough	\$1,831,573,600	3,871	\$473,153	\$18.46	\$8,734.00	39
Lynnfield	\$2,430,831,250	3,856	\$630,402	\$13.76	\$8,674.00	40
Marblehead	\$4,859,399,203	6,222	\$781,003	\$11.02	\$8,607.00	41
Longmeadow	\$1,898,599,500	5,449	\$348,431	\$24.34	\$8,481.00	42
Norfolk	\$1,392,550,550	3,075	\$452,862	\$18.62	\$8,432.00	43
Essex	\$533,993,390	994	\$537,217	\$15.68	\$8,424.00	44
Westford	\$3,334,158,900	6,407	\$520,393	\$16.18	\$8,420.00	45
Holliston	\$1,991,591,700	4,429	\$449,671	\$18.67	\$8,395.00	46
Middleton	\$1,199,490,000	2,072	\$578,904	\$13.96	\$8,082.00	47
Groton	\$1,370,311,350	3,197	\$428,624	\$18.67	\$8,002.00	48
Hanover	\$2,059,566,300	4,190	\$491,543	\$16.28	\$8,002.00	49
Arlington	\$5,243,940,900	7,994	\$655,985	\$12.13	\$7,957.00	50
West Newbury	\$738,617,100	1,370	\$539,137	\$14.56	\$7,850.00	51
Reading	\$3,666,153,000	6,549	\$559,803	\$13.87	\$7,764.00	52
Scituate	\$3,748,327,800	6,777	\$553,095	\$13.95	\$7,716.00	53
Littleton	\$1,231,673,800	2,942	\$418,652	\$18.14	\$7,594.00	54
North Andover	\$3,275,939,400	6,305	\$519,578	\$14.53	\$7,549.00	55
Dunstable	\$450,671,300	1,059	\$425,563	\$17.54	\$7,464.00	56
Amherst	\$1,445,097,200	4,094	\$352,979	\$21.14	\$7,462.00	57
Natick	\$4,864,923,700	8,524	\$570,732	\$13.05	\$7,448.00	58
Maynard	\$878,774,700	2,674	\$328,637	\$22.64	\$7,440.00	59
Walpole	\$3,187,499,500	6,548	\$486,790	\$15.27	\$7,433.00	60
Newburyport	\$2,438,414,600	4,352	\$560,297	\$13.26	\$7,430.00	61
Northborough	\$1,706,883,000	4,044	\$422,078	\$17.39	\$7,340.00	62
Ipswich	\$1,861,404,000	3,615	\$514,911	\$14.24	\$7,332.00	63
Ashland	\$1,645,900,900	3,788	\$434,504	\$16.61	\$7,217.00	64
Gloucester	\$4,008,549,800	7,204	\$556,434	\$12.93	\$7,195.00	65
Chelmsford	\$3,611,638,377	9,040	\$399,518	\$17.96	\$7,175.00	66
Upton	\$946,530,800	2,273	\$416,424	\$17.23	\$7,175.00	67
Medway	\$1,491,849,400	3,673	\$406,166	\$17.66	\$7,173.00	68

FY2018 (Last Year) Average Single Family Tax Bills STATEWIDE
(Information from Massachusetts DOR)

<u>Community</u>	<u>Value</u>	<u>Parcels</u>	<u>Average</u>	<u>Rate</u>	<u>Taxes</u>	<u>Rank</u>
Aquinnah	\$516,193,272	397	\$1,300,235	\$5.48	\$7,125.00	69
Easton	\$2,428,088,200	5,651	\$429,674	\$16.21	\$6,965.00	70
Millis	\$835,913,400	2,183	\$382,920	\$18.02	\$6,900.00	71
Dedham	\$3,131,988,200	6,610	\$473,826	\$14.55	\$6,894.00	72
Georgetown	\$1,053,598,160	2,478	\$425,181	\$15.88	\$6,752.00	73
Amesbury	\$1,233,957,000	3,477	\$354,891	\$18.99	\$6,739.00	74
Mansfield	\$2,312,158,700	5,400	\$428,178	\$15.57	\$6,667.00	75
Marion	\$1,259,740,900	2,212	\$569,503	\$11.45	\$6,521.00	76
Beverly	\$4,062,457,400	8,490	\$478,499	\$13.60	\$6,508.00	77
Mendon	\$720,420,900	1,880	\$383,203	\$16.96	\$6,499.00	78
Pelham	\$146,340,000	470	\$311,362	\$20.87	\$6,498.00	79
Boylston	\$557,451,300	1,438	\$387,657	\$16.73	\$6,486.00	80
Wakefield	\$3,111,349,800	6,242	\$498,454	\$12.95	\$6,455.00	81
Canton	\$2,810,967,700	5,414	\$519,203	\$12.42	\$6,449.00	82
Foxborough	\$1,908,885,800	4,324	\$441,463	\$14.57	\$6,432.00	83
Nahant	\$706,469,700	1,128	\$626,303	\$10.25	\$6,420.00	84
Williamstown	\$662,757,900	1,863	\$355,748	\$17.94	\$6,382.00	85
Leverett	\$196,958,200	651	\$302,547	\$21.05	\$6,369.00	86
Lancaster	\$654,688,100	2,060	\$317,810	\$19.98	\$6,350.00	87
Wilmington	\$3,093,544,070	7,036	\$439,674	\$14.41	\$6,336.00	88
Rockport	\$1,499,845,600	2,396	\$625,979	\$10.11	\$6,329.00	89
West Tisbury	\$1,537,012,641	1,472	\$1,044,166	\$6.06	\$6,328.00	90
Wilbraham	\$1,291,508,500	4,622	\$279,426	\$22.64	\$6,326.00	91
Wrentham	\$1,533,643,500	3,461	\$443,121	\$14.24	\$6,310.00	92
Mattapoissett	\$1,408,035,100	2,907	\$484,360	\$13.02	\$6,306.00	93
Framingham	\$5,206,444,500	13,478	\$386,292	\$16.32	\$6,304.00	94
Plympton	\$327,905,600	913	\$359,152	\$17.52	\$6,292.00	95
Kingston	\$1,527,902,980	4,003	\$381,689	\$16.45	\$6,279.00	96
Rowley	\$712,094,200	1,657	\$429,749	\$14.58	\$6,266.00	97
Grafton	\$1,678,691,200	4,447	\$377,488	\$16.59	\$6,263.00	98
Franklin	\$3,248,659,900	7,702	\$421,794	\$14.65	\$6,179.00	99
Tyngsborough	\$1,145,254,440	3,178	\$360,370	\$17.11	\$6,166.00	100
Hudson	\$1,544,315,300	4,420	\$349,393	\$17.50	\$6,114.00	101
Abington	\$1,293,608,500	3,771	\$343,041	\$17.82	\$6,113.00	102

FY2018 (Last Year) Average Single Family Tax Bills STATEWIDE
(Information from Massachusetts DOR)

<u>Community</u>	<u>Value</u>	<u>Parcels</u>	<u>Average</u>	<u>Rate</u>	<u>Taxes</u>	<u>Rank</u>
Paxton	\$453,382,100	1,519	\$298,474	\$20.43	\$6,098.00	103
Melrose	\$3,419,746,680	6,356	\$538,034	\$11.33	\$6,096.00	104
Tewksbury	\$2,935,281,200	7,820	\$375,356	\$16.13	\$6,054.00	105
Danvers	\$2,725,847,700	6,126	\$444,964	\$13.54	\$6,025.00	106
Winthrop	\$966,681,500	2,302	\$419,931	\$14.16	\$5,946.00	107
Princeton	\$417,529,400	1,219	\$342,518	\$17.28	\$5,919.00	108
Groveland	\$758,568,500	1,887	\$401,997	\$14.69	\$5,905.00	109
Merrimac	\$609,803,100	1,637	\$372,513	\$15.76	\$5,871.00	110
East Bridgewater	\$1,236,085,400	3,799	\$325,371	\$17.96	\$5,844.00	111
Holbrook	\$899,553,900	3,182	\$282,701	\$20.67	\$5,843.00	112
Stoneham	\$2,559,240,200	5,131	\$498,780	\$11.71	\$5,841.00	113
Hopedale	\$491,128,500	1,480	\$331,844	\$17.58	\$5,834.00	114
Marshfield	\$3,955,628,700	9,120	\$433,731	\$13.37	\$5,799.00	115
Berlin	\$311,033,869	787	\$395,215	\$14.60	\$5,770.00	116
Great Barrington	\$814,793,700	2,127	\$383,072	\$14.98	\$5,738.00	117
Quincy	\$5,883,235,100	13,684	\$429,935	\$13.34	\$5,735.00	118
Sutton	\$1,011,057,200	2,926	\$345,542	\$16.55	\$5,719.00	119
Sterling	\$816,676,600	2,524	\$323,564	\$17.54	\$5,675.00	120
Plymouth	\$6,349,381,700	18,595	\$341,456	\$16.46	\$5,620.00	121
Avon	\$389,364,600	1,286	\$302,772	\$18.55	\$5,616.00	122
Salem	\$1,797,598,500	4,928	\$364,772	\$15.38	\$5,610.00	123
Hull	\$1,577,352,000	3,776	\$417,731	\$13.42	\$5,606.00	124
Sandwich	\$3,318,589,600	8,466	\$391,990	\$14.29	\$5,602.00	125
Shutesbury	\$180,424,600	743	\$242,833	\$23.06	\$5,600.00	126
West Bridgewater	\$678,753,700	2,080	\$326,324	\$17.10	\$5,580.00	127
Lunenburg	\$994,446,700	3,514	\$282,996	\$19.70	\$5,575.00	128
Westhampton	\$180,664,500	630	\$286,769	\$19.43	\$5,572.00	129
Pembroke	\$1,956,194,000	5,235	\$373,676	\$14.89	\$5,564.00	130
Shrewsbury	\$4,094,807,258	9,323	\$439,216	\$12.66	\$5,560.00	131
Halifax	\$691,644,300	2,203	\$313,956	\$17.65	\$5,541.00	132
Bridgewater	\$1,955,963,500	5,394	\$362,618	\$15.19	\$5,508.00	133
East Longmeadow	\$1,428,012,400	5,453	\$261,876	\$20.94	\$5,484.00	134
Edgartown	\$4,878,357,750	3,464	\$1,408,302	\$3.87	\$5,450.00	135
Rockland	\$1,135,808,200	3,803	\$298,661	\$18.22	\$5,442.00	136

FY2018 (Last Year) Average Single Family Tax Bills STATEWIDE
(Information from Massachusetts DOR)

<u>Community</u>	<u>Value</u>	<u>Parcels</u>	<u>Average</u>	<u>Rate</u>	<u>Taxes</u>	<u>Rank</u>
Sturbridge	\$842,309,350	3,016	\$279,280	\$19.44	\$5,429.00	137
West Boylston	\$570,052,257	1,966	\$289,955	\$18.72	\$5,428.00	138
Holden	\$1,829,610,800	5,938	\$308,119	\$17.61	\$5,426.00	139
Plainville	\$708,684,800	1,967	\$360,287	\$15.06	\$5,426.00	140
Newbury	\$1,167,515,900	2,366	\$493,456	\$10.90	\$5,379.00	141
Williamsburg	\$194,469,100	732	\$265,668	\$20.18	\$5,361.00	142
Raynham	\$1,340,622,200	3,736	\$358,839	\$14.90	\$5,347.00	143
Oak Bluffs	\$2,276,947,000	3,357	\$678,268	\$7.83	\$5,311.00	144
Chilmark	\$2,073,396,400	1,084	\$1,912,727	\$2.75	\$5,260.00	145
Conway	\$173,226,300	612	\$283,050	\$18.50	\$5,236.00	146
Northampton	\$1,740,474,460	5,671	\$306,908	\$17.04	\$5,230.00	147
Hampden	\$457,046,300	1,751	\$261,020	\$20.00	\$5,220.00	148
Carver	\$919,565,300	3,114	\$295,300	\$17.63	\$5,206.00	149
Medford	\$4,000,845,800	7,872	\$508,238	\$10.24	\$5,204.00	150
Orleans	\$2,979,453,900	3,799	\$784,273	\$6.63	\$5,200.00	151
Uxbridge	\$1,020,435,700	3,384	\$301,547	\$17.17	\$5,178.00	152
Rochester	\$644,388,800	1,757	\$366,755	\$14.11	\$5,175.00	153
Blackstone	\$558,979,500	2,118	\$263,919	\$19.49	\$5,144.00	154
Norton	\$1,500,346,000	4,432	\$338,526	\$15.16	\$5,132.00	155
Pepperell	\$978,302,640	3,138	\$311,760	\$16.39	\$5,110.00	156
Stoughton	\$2,275,281,400	6,615	\$343,958	\$14.81	\$5,094.00	157
Billerica	\$3,891,979,900	10,857	\$358,477	\$14.19	\$5,087.00	158
Marlborough	\$2,443,219,500	7,043	\$346,900	\$14.63	\$5,075.00	159
Burlington	\$3,142,930,800	6,582	\$477,504	\$10.62	\$5,071.00	160
Stockbridge	\$567,696,800	1,094	\$518,918	\$9.76	\$5,065.00	161
Milford	\$1,779,556,600	5,830	\$305,241	\$16.56	\$5,055.00	162
West Stockbridge	\$290,281,900	700	\$414,688	\$12.13	\$5,030.00	163
Hanson	\$1,000,881,000	3,157	\$317,035	\$15.83	\$5,019.00	164
Townsend	\$707,552,300	2,876	\$246,020	\$20.26	\$4,984.00	165
Ashburnham	\$513,589,154	2,437	\$210,746	\$23.40	\$4,931.00	166
North Attleborough	\$2,523,010,000	6,845	\$368,592	\$13.34	\$4,917.00	167
Granby	\$499,233,875	2,026	\$246,414	\$19.93	\$4,911.00	168
Rutland	\$704,216,850	2,609	\$269,918	\$18.13	\$4,894.00	169
Lenox	\$641,836,800	1,601	\$400,897	\$12.14	\$4,867.00	170

FY2018 (Last Year) Average Single Family Tax Bills STATEWIDE
(Information from Massachusetts DOR)

<u>Community</u>	<u>Value</u>	<u>Parcels</u>	<u>Average</u>	<u>Rate</u>	<u>Taxes</u>	<u>Rank</u>
Randolph	\$2,195,992,150	7,194	\$305,253	\$15.88	\$4,847.00	171
Berkley	\$714,846,400	2,070	\$345,336	\$14.02	\$4,842.00	172
Norwood	\$2,544,344,150	5,845	\$435,303	\$11.09	\$4,828.00	173
Shirley	\$447,761,800	1,530	\$292,655	\$16.42	\$4,805.00	174
Leominster	\$2,037,517,100	8,215	\$248,024	\$19.33	\$4,794.00	175
Richmond	\$306,931,900	753	\$407,612	\$11.75	\$4,789.00	176
Belchertown	\$1,152,207,100	4,395	\$262,163	\$18.19	\$4,769.00	177
Westminster	\$686,287,800	2,671	\$256,940	\$18.55	\$4,766.00	178
Douglas	\$797,618,300	2,694	\$296,072	\$16.07	\$4,758.00	179
Lanesborough	\$268,996,300	1,212	\$221,944	\$21.40	\$4,750.00	180
Saugus	\$2,943,370,100	7,204	\$408,574	\$11.58	\$4,731.00	181
Braintree	\$4,039,833,100	9,059	\$445,947	\$10.54	\$4,700.00	182
Whitman	\$980,109,900	3,348	\$292,745	\$16.01	\$4,687.00	183
Lakeville	\$1,314,029,800	3,825	\$343,537	\$13.59	\$4,669.00	184
Whately	\$164,341,892	542	\$303,214	\$15.34	\$4,651.00	185
Auburn	\$1,271,399,700	5,055	\$251,513	\$18.44	\$4,638.00	186
Middleborough	\$1,623,016,300	5,477	\$296,333	\$15.60	\$4,623.00	187
Southwick	\$806,866,400	3,066	\$263,166	\$17.50	\$4,605.00	188
Rehoboth	\$1,458,082,500	3,792	\$384,515	\$11.97	\$4,603.00	189
Dighton	\$723,417,800	2,345	\$308,494	\$14.87	\$4,587.00	190
Dracut	\$2,495,743,400	7,694	\$324,375	\$14.14	\$4,587.00	191
Southampton	\$594,280,200	2,170	\$273,862	\$16.72	\$4,579.00	192
Mashpee	\$3,543,287,800	6,961	\$509,020	\$8.92	\$4,540.00	193
Millville	\$227,404,300	830	\$273,981	\$16.56	\$4,537.00	194
Lynn	\$3,467,498,900	11,590	\$299,180	\$15.15	\$4,533.00	195
Westfield	\$2,188,574,000	9,379	\$233,348	\$19.36	\$4,518.00	196
Ashby	\$244,069,600	1,090	\$223,917	\$20.17	\$4,516.00	197
Ayer	\$500,506,400	1,600	\$312,817	\$14.43	\$4,514.00	198
New Braintree	\$75,763,600	295	\$256,826	\$17.56	\$4,510.00	199
Chesterfield	\$119,132,800	521	\$228,662	\$19.64	\$4,491.00	200
Chatham	\$5,357,527,000	5,847	\$916,286	\$4.87	\$4,462.00	201
Harwich	\$4,324,173,800	8,539	\$506,403	\$8.80	\$4,456.00	202
Bourne	\$3,286,533,350	7,775	\$422,705	\$10.54	\$4,455.00	203
Revere	\$1,553,668,400	4,523	\$343,504	\$12.96	\$4,452.00	204

FY2018 (Last Year) Average Single Family Tax Bills STATEWIDE
(Information from Massachusetts DOR)

<u>Community</u>	<u>Value</u>	<u>Parcels</u>	<u>Average</u>	<u>Rate</u>	<u>Taxes</u>	<u>Rank</u>
Sheffield	\$400,356,300	1,327	\$301,700	\$14.74	\$4,447.00	205
Weymouth	\$4,728,075,050	13,307	\$355,307	\$12.50	\$4,441.00	206
Russell	\$102,050,120	519	\$196,628	\$22.58	\$4,440.00	207
Deerfield	\$395,168,100	1,420	\$278,287	\$15.95	\$4,439.00	208
Methuen	\$3,344,493,890	10,782	\$310,192	\$14.27	\$4,426.00	209
Wellfleet	\$1,888,666,130	3,083	\$612,607	\$7.18	\$4,399.00	210
Falmouth	\$9,377,076,800	18,339	\$511,319	\$8.60	\$4,397.00	211
Millbury	\$945,703,500	3,516	\$268,971	\$16.34	\$4,395.00	212
Haverhill	\$3,212,698,400	10,434	\$307,907	\$14.26	\$4,391.00	213
Peabody	\$4,177,511,000	10,928	\$382,276	\$11.46	\$4,381.00	214
South Hadley	\$1,076,396,600	4,354	\$247,220	\$17.64	\$4,361.00	215
Salisbury	\$765,850,000	2,070	\$369,976	\$11.78	\$4,358.00	216
Seekonk	\$1,599,040,900	4,905	\$326,002	\$13.35	\$4,352.00	217
Woburn	\$3,533,159,800	8,085	\$437,002	\$9.89	\$4,322.00	218
Ashfield	\$152,094,300	608	\$250,155	\$17.18	\$4,298.00	219
Clinton	\$605,207,870	2,402	\$251,960	\$16.98	\$4,278.00	220
Attleboro	\$2,765,818,400	9,642	\$286,851	\$14.82	\$4,251.00	221
Bellingham	\$1,379,294,320	4,688	\$294,218	\$14.41	\$4,240.00	222
Brewster	\$2,838,908,040	5,558	\$510,779	\$8.26	\$4,219.00	223
Ludlow	\$1,326,642,600	5,990	\$221,476	\$19.01	\$4,210.00	224
Sunderland	\$214,990,200	771	\$278,846	\$15.00	\$4,183.00	225
Bernardston	\$150,477,100	738	\$203,899	\$20.47	\$4,174.00	226
Brookfield	\$199,836,900	917	\$217,925	\$19.14	\$4,171.00	227
Hatfield	\$305,768,600	1,004	\$304,550	\$13.58	\$4,136.00	228
Freetown	\$928,723,400	3,005	\$309,059	\$13.31	\$4,114.00	229
Greenfield	\$708,160,057	3,868	\$183,082	\$22.43	\$4,107.00	230
Charlemont	\$81,230,900	404	\$201,067	\$20.42	\$4,106.00	231
New Marlborough	\$337,104,100	863	\$390,619	\$10.45	\$4,082.00	232
Dalton	\$404,370,100	1,974	\$204,848	\$19.91	\$4,079.00	233
New Salem	\$92,108,100	412	\$223,563	\$18.13	\$4,053.00	234
Acushnet	\$925,884,500	3,314	\$279,386	\$14.42	\$4,029.00	235
Worcester	\$5,370,691,920	25,210	\$213,038	\$18.91	\$4,029.00	236
Brimfield	\$300,855,700	1,283	\$234,494	\$17.10	\$4,010.00	237
Monterey	\$392,491,700	723	\$542,865	\$7.38	\$4,006.00	238

FY2018 (Last Year) Average Single Family Tax Bills STATEWIDE
(Information from Massachusetts DOR)

<u>Community</u>	<u>Value</u>	<u>Parcels</u>	<u>Average</u>	<u>Rate</u>	<u>Taxes</u>	<u>Rank</u>
Eastham	\$2,447,845,700	5,125	\$477,628	\$8.35	\$3,988.00	239
Lowell	\$3,259,642,880	11,873	\$274,542	\$14.39	\$3,951.00	240
Taunton	\$2,667,446,099	10,628	\$250,983	\$15.72	\$3,945.00	241
West Springfield	\$1,501,635,500	6,497	\$231,128	\$17.05	\$3,941.00	242
Monson	\$588,033,155	2,636	\$223,078	\$17.60	\$3,926.00	243
Brockton	\$4,060,768,500	16,635	\$244,110	\$16.06	\$3,920.00	244
Petersham	\$103,924,200	434	\$239,457	\$16.37	\$3,920.00	245
Buckland	\$121,294,500	586	\$206,987	\$18.85	\$3,902.00	246
Worthington	\$119,012,900	483	\$246,404	\$15.82	\$3,898.00	247
Northbridge	\$1,054,246,600	3,501	\$301,127	\$12.94	\$3,897.00	248
Leyden	\$56,971,100	249	\$228,800	\$16.99	\$3,887.00	249
Hadley	\$531,192,800	1,653	\$321,351	\$12.09	\$3,885.00	250
Heath	\$58,793,600	331	\$177,624	\$21.81	\$3,874.00	251
Shelburne	\$120,798,300	492	\$245,525	\$15.76	\$3,869.00	252
Swansea	\$1,647,265,700	5,881	\$280,100	\$13.81	\$3,868.00	253
Webster	\$958,985,300	3,837	\$249,931	\$15.39	\$3,846.00	254
Dartmouth	\$3,934,184,400	9,950	\$395,395	\$9.72	\$3,843.00	255
Easthampton	\$965,826,797	4,035	\$239,362	\$16.00	\$3,830.00	256
Charlton	\$1,140,799,000	4,084	\$279,334	\$13.50	\$3,771.00	257
Fitchburg	\$1,170,542,000	6,545	\$178,845	\$21.01	\$3,758.00	258
Blandford	\$109,326,700	512	\$213,529	\$17.57	\$3,752.00	259
Alford	\$220,899,200	303	\$729,040	\$5.14	\$3,747.00	260
Agawam	\$1,739,177,700	7,724	\$225,165	\$16.61	\$3,740.00	261
Hubbardston	\$345,610,300	1,404	\$246,161	\$15.13	\$3,724.00	262
Lee	\$461,119,400	1,819	\$253,502	\$14.63	\$3,709.00	263
Ware	\$459,233,500	2,565	\$179,038	\$20.71	\$3,708.00	264
Oxford	\$792,006,400	3,692	\$214,520	\$17.27	\$3,705.00	265
Egremont	\$296,117,300	770	\$384,568	\$9.62	\$3,700.00	266
Northfield	\$221,389,100	1,070	\$206,906	\$17.86	\$3,695.00	267
Barre	\$293,463,200	1,503	\$195,252	\$18.80	\$3,671.00	268
Huntington	\$144,080,600	749	\$192,364	\$19.08	\$3,670.00	269
Granville	\$136,782,000	557	\$245,569	\$14.94	\$3,669.00	270
Oakham	\$157,040,500	651	\$241,230	\$15.20	\$3,667.00	271
Palmer	\$563,785,700	3,181	\$177,235	\$20.64	\$3,658.00	272

FY2018 (Last Year) Average Single Family Tax Bills STATEWIDE
(Information from Massachusetts DOR)

<u>Community</u>	<u>Value</u>	<u>Parcels</u>	<u>Average</u>	<u>Rate</u>	<u>Taxes</u>	<u>Rank</u>
Pittsfield	\$2,057,572,100	11,332	\$181,572	\$20.01	\$3,633.00	273
Gardner	\$713,318,700	3,985	\$179,001	\$20.27	\$3,628.00	274
Warwick	\$55,557,800	333	\$166,840	\$21.64	\$3,610.00	275
Southbridge	\$466,323,700	2,707	\$172,266	\$20.75	\$3,575.00	276
Colrain	\$104,377,300	593	\$176,016	\$20.24	\$3,563.00	277
Montgomery	\$86,786,900	327	\$265,403	\$13.38	\$3,551.00	278
Middlefield	\$36,921,400	187	\$197,441	\$17.98	\$3,550.00	279
Plainfield	\$47,575,000	256	\$185,840	\$19.08	\$3,546.00	280
East Brookfield	\$183,877,700	802	\$229,274	\$15.46	\$3,545.00	281
Peru	\$65,296,700	345	\$189,266	\$18.70	\$3,539.00	282
Hawley	\$33,222,700	146	\$227,553	\$15.50	\$3,527.00	283
New Bedford	\$2,640,426,800	12,469	\$211,759	\$16.63	\$3,522.00	284
Leicester	\$691,037,300	3,161	\$218,614	\$16.09	\$3,517.00	285
Tyringham	\$125,884,500	250	\$503,538	\$6.96	\$3,505.00	286
Holyoke	\$973,594,624	5,326	\$182,800	\$19.13	\$3,497.00	287
Yarmouth	\$4,356,718,215	12,829	\$339,599	\$10.29	\$3,494.00	288
Wendell	\$52,993,200	320	\$165,604	\$20.96	\$3,471.00	289
West Brookfield	\$276,499,300	1,281	\$215,846	\$16.07	\$3,469.00	290
North Brookfield	\$272,813,700	1,319	\$206,834	\$16.67	\$3,448.00	291
Gill	\$88,223,950	440	\$200,509	\$17.18	\$3,445.00	292
Goshen	\$108,983,410	495	\$220,169	\$15.62	\$3,439.00	293
Holland	\$273,871,400	1,354	\$202,268	\$17.00	\$3,439.00	294
Hardwick	\$138,379,900	676	\$204,704	\$16.74	\$3,427.00	295
Phillipston	\$153,339,500	742	\$206,657	\$16.48	\$3,406.00	296
Washington	\$55,243,100	242	\$228,277	\$14.83	\$3,385.00	297
Sandisfield	\$150,480,900	592	\$254,191	\$13.29	\$3,378.00	298
Montague	\$405,361,200	2,076	\$195,261	\$17.09	\$3,337.00	299
Cumington	\$78,034,900	334	\$233,637	\$14.25	\$3,329.00	300
Westport	\$2,386,865,500	5,902	\$404,416	\$8.17	\$3,304.00	301
Templeton	\$473,422,500	2,411	\$196,359	\$16.72	\$3,283.00	302
Hinsdale	\$197,487,700	842	\$234,546	\$13.95	\$3,272.00	303
Adams	\$318,142,300	2,178	\$146,071	\$22.21	\$3,244.00	304
Orange	\$305,110,400	2,081	\$146,617	\$21.94	\$3,217.00	305
Fairhaven	\$1,477,700,300	5,418	\$272,739	\$11.75	\$3,205.00	306

FY2018 (Last Year) Average Single Family Tax Bills STATEWIDE
(Information from Massachusetts DOR)

<u>Community</u>	<u>Value</u>	<u>Parcels</u>	<u>Average</u>	<u>Rate</u>	<u>Taxes</u>	<u>Rank</u>
Chicopee	\$1,934,902,300	11,099	\$174,331	\$18.31	\$3,192.00	307
Fall River	\$1,959,346,900	9,027	\$217,054	\$14.62	\$3,173.00	308
Wales	\$125,488,600	717	\$175,019	\$17.84	\$3,122.00	309
Warren	\$230,795,700	1,281	\$180,168	\$17.32	\$3,121.00	310
Chester	\$78,078,600	490	\$159,344	\$19.40	\$3,091.00	311
Winchendon	\$504,310,690	2,835	\$177,887	\$17.35	\$3,086.00	312
Lawrence	\$910,805,720	4,277	\$212,954	\$14.32	\$3,050.00	313
Spencer	\$700,549,600	3,091	\$226,642	\$13.42	\$3,042.00	314
Wareham	\$2,421,894,451	9,382	\$258,143	\$11.28	\$2,912.00	315
Springfield	\$3,866,015,400	26,237	\$147,350	\$19.68	\$2,900.00	316
New Ashford	\$23,763,500	88	\$270,040	\$10.71	\$2,892.00	317
Athol	\$495,174,600	3,361	\$147,330	\$19.57	\$2,883.00	318
Dudley	\$770,209,500	3,153	\$244,278	\$11.73	\$2,865.00	319
Dennis	\$5,155,164,890	11,632	\$443,188	\$6.34	\$2,810.00	320
Mount Washington	\$66,052,100	146	\$452,412	\$6.11	\$2,764.00	321
Cheshire	\$233,167,200	1,127	\$206,892	\$13.06	\$2,702.00	322
Otis	\$487,247,300	1,532	\$318,047	\$8.28	\$2,633.00	323
Clarksburg	\$103,871,600	612	\$169,725	\$15.31	\$2,598.00	324
Windsor	\$86,440,300	449	\$192,517	\$13.46	\$2,591.00	325
Becket	\$398,434,196	1,699	\$234,511	\$10.87	\$2,549.00	326
North Adams	\$365,197,400	2,641	\$138,280	\$18.38	\$2,542.00	327
Savoy	\$48,226,825	296	\$162,928	\$15.49	\$2,524.00	328
Tolland	\$144,015,900	493	\$292,122	\$8.56	\$2,501.00	329
Royalston	\$86,911,000	513	\$169,417	\$14.44	\$2,446.00	330
Gosnold	\$119,928,370	137	\$875,390	\$2.76	\$2,416.00	331
Florida	\$47,011,000	295	\$159,359	\$10.39	\$1,656.00	332
Rowe	\$44,508,900	210	\$211,947	\$6.86	\$1,454.00	333
Erving	\$96,207,900	519	\$185,372	\$7.15	\$1,325.00	334
Monroe	\$6,208,300	65	\$95,512	\$13.01	\$1,243.00	335
Hancock	\$73,543,300	311	\$236,474	\$4.48	\$1,059.00	336

FY2018 (Last Year) Average Single Family Tax Bills STATEWIDE
(Information from Massachusetts DOR)

<u>Community</u>	<u>Value</u>	<u>Parcels</u>	<u>Average</u>	<u>Rate</u>	<u>Taxes</u>	<u>Rank</u>
Barnstable	*			\$9.61		
Boston	*			\$10.48		
Brookline	*			\$9.46		
Cambridge	*			\$6.29		
Chelsea	*			\$14.10		
Everett	*			\$13.78		
Malden	*			\$14.09		
Nantucket	*			\$3.53		
Provincetown	*			\$7.45		
Somerset	*			\$16.96		
Somerville	*			\$11.31		
Tisbury	*			\$9.45		
Truro	*			\$7.37		
Waltham	*			\$12.61		
Watertown	*			\$13.47		
*Information unavailable from Massachusetts Department of Revenue						



Frequently Asked Questions

City of Newton
Department of Assessment Administration
Elizabeth Dromey, Director
James Shaughnessy, Residential Assessor
Allan Cohen, Commercial Assessor

City of Newton
FY2019 Classification Hearing
November 19, 2018

City of Newton
Department of Assessment Administration
Frequently Asked Questions

Page 1

1. What do the assessors look at when determining an assessment?
2. What does my assessment represent?
3. My tax bill has gone up more than 2.5%. Doesn't Proposition 2 ½ limit the tax increase?

Page 2

4. My assessment increased more than 2.5%. Doesn't Proposition 2 ½ limit the amount my assessment can increase?
5. I am elderly and cannot afford this tax bill. Can't the assessors lower this assessment because I am elderly?
6. I am a young person who grew up in Newton and cannot afford this tax bill. Can't the assessors lower this assessment because I can't afford to live in Newton?
7. My neighbor told me not to let a representative from the assessors' office into my house. Do I have to let the assessors into my house?
8. My neighbor does not allow the assessors in and I do. Am I being penalized?

Page 3

9. Why do the assessors want to see the interior and exterior of my property?
10. Why did my assessed value increase when I did not do anything to the property in 5 years and I am not selling the property?
11. Why could my assessment change every year?
12. The taxes are too high. Soon I will not be able to afford to live in Newton. Why are you raising my taxes every year?

Page 4

13. What percentage of market value are the assessed values?
14. Why did my assessment change a different percentage than the assessment on my neighbors' house?
15. My assessment increased 20%. Does that mean my taxes will increase 20%?
16. I think my assessment is out of line with my neighbors' property, whose property is assessed lower. I want my assessment to be as low as theirs.

Page 5

17. Do I have to apply for an abatement every year if I received one in the past?
18. What is the difference between an abatement and an elderly exemption?
19. My neighbors' house assessment used to be higher than mine, now my assessment is higher than theirs. Why?
20. My neighbors have a two-family property and I have a single-family property. Why is my single-family property assessed higher than their two-family property?

Page 6

21. A house three times larger than mine sold up the street from me for \$2,000,000. Will that make my assessment go up?
22. What will happen to my assessment if I put an addition on my property?
23. Why is the previous owner's name still appearing on the tax bill?
24. My assessment went up 25%, is that good news or bad news?

Page 7

25. There is an item on my tax bill called "CPA Charge". What is that?
26. What are the median assessed values of single families, two and three families, condominiums, and apartment buildings for Fiscal Year 2019?
27. My next door neighbors have done work on their house – a new kitchen, new bathroom and an addition. How come their assessment has not gone up?

Page 8

28. I have a new house and recently I received a supplemental tax bill for the same fiscal year. Why did I receive more than one tax bill for the same property for the same fiscal year?

City of Newton
Department of Assessment Administration
Frequently Asked Questions

1. What do the assessors look at when determining an assessment?

The assessors look at a property the same way a potential buyer looks at a property. The assessors consider the factors that a potential buyer considers. Examples of important factors are the following: location, interior condition, house size, kitchen quality, and bath quality. The assessors examine many qualities and conditions and then look for comparable properties that have sold in the neighborhood. Since no two houses are identical, adjustments are made for differing characteristics to determine the assessment. Thus the assessment is an estimate of market value.

2. What does my assessment represent?

The assessment is an estimate of market value. The definition of market value is the price a willing buyer would pay a willing seller in an open, competitive market, without any undue influences. The assessment represents the estimate of market value as of January 1, 2018 for Fiscal Year 2019. This estimate of market value is determined by examining sales of properties from late calendar year 2016, calendar year 2017, and early calendar year 2018 sales. Although the majority of properties are not for sale, Massachusetts General Laws requires an assessment, or an estimate of market value, on every property. Sales of similar or comparable properties within a neighborhood are the best indicator of market value.

3. My tax bill has gone up more than 2.5%. Doesn't Proposition 2 ½ limit the tax increase?

Proposition 2 ½ limits the City of Newton, and all other Massachusetts communities, the amount of citywide taxes that can be raised. Proposition 2 ½ limits a community to raising citywide taxes by 2.5% from the previous year's levy limit. Allowing for new growth can then increase this levy limit. New growth consists of property tax increases caused by new construction, renovations or land use changes. Proposition 2 ½ does not limit any individual property tax increase or decrease. For example, in Fiscal Year 2019, the Mayor and the City Council approved a budget that included a tax levy of \$346,951,632. The levy limit for Fiscal Year 2018 was \$329,940,249 (before debt exclusion payment). So, the maximum amount of taxes that can be budgeted by the Mayor and the City Council for Fiscal Year 2019 is $\$329,940,249 \times 102.5\% = \$338,188,755$ plus certified new growth plus a voter approved debt exclusion payment of \$3,000,495. (The 102.5% number is increasing the previous year's limit by 2.5%). The new growth, which was certified by the Massachusetts Department of Revenue, is \$5,762,382. Therefore, the maximum amount of taxes which can be levied for Fiscal Year 2019 is $\$338,188,755 + \$5,762,382 + \$3,000,495 = \$346,951,632$. This figure is the levy limit, which will be used to determine next year's maximum tax levy. A community may increase the property tax levy less than 2.5%, but that is a determination made by the budgetary requirements of the city as determined by the Mayor and the City Council. A community may not increase the tax levy greater than 2.5% without approval of the voters. The Mayor and the City Council increased the tax levy by \$17,011,383 from last year's tax levy limit of \$329,940,249. This is what causes a tax increase, not an increase or decrease in assessed values.

4. My assessment increased more than 2.5%. Doesn't Proposition 2 ½ limit the amount my assessment can increase?

Proposition 2 ½ limits the amount of taxes a community can raise from property tax. The assessment is an estimate of market value. Since the real estate market changes are based upon the buyers' and sellers' needs, there is no limit to the amount an assessment can increase or decrease. Assessment changes are always based on the real estate market. For example, if a property sells for \$500,000 in calendar year 2017, there is no limit or minimum price it would sell for in calendar year 2018 or beyond. It could sell for \$600,000, \$700,000, \$1,000,000 or \$400,000. The sale price would be based on the real estate market at that time. The assessments do not predict market value. The assessments reflect (or report) market value.

5. I am elderly and cannot afford this tax bill. Can't the assessors lower this assessment because I am elderly?

The assessment is an estimate of market value. The selling price of a property is not related to the age of the owner. The assessment cannot be lowered or raised based on the age of the owner. The assessments are a reflection of the real estate market. Elderly owners do not sell their properties for any lower or higher prices than the market will allow. If property owners throughout the city sell their homes for less, the assessments will decrease. If property owners sell their homes for more, the assessments will increase.

6. I am a young person who grew up in Newton and cannot afford this tax bill. Can't the assessors lower this assessment because I can't afford to live in Newton?

The assessment is an estimate of market value. The selling price of a property is not related to the age of the owner. The assessment cannot be lowered or raised based on the age of the owner. The assessments are a reflection of the real estate market. Young owners do not sell their properties for any lower or higher prices than the market will allow. If property owners throughout the city sell their homes for less, the assessments will decrease. If property owners sell their homes for more, the assessments will increase.

7. My neighbor told me not to let a representative from the assessors' office into my house. Do I have to let the assessors into my house?

You do not have to allow the assessors into your home. We only request the inspection in order to be as fair and accurate as possible. However, if an assessor is denied entrance, property owners give up their ability to challenge the assessed value. It is impossible to question an assessment if a property owner refuses to allow the assessors a view of the entire property. In instances where the assessors do not get into a property, estimates are made about the condition of the interior of the property, the kitchen and bath qualities, and whether there is finished attic space and finished basement space.

8. My neighbor does not allow the assessors in and I do. Am I being penalized?

As stated in Question 7, you do not have to allow the assessors into your home. We only request the inspection so we can be as fair and accurate as possible. Accurate assessments are based on accurate information. By allowing the assessors to view the interior and exterior of your property, your assessed value is based on accurate information. If a person does not allow the assessors to view the interior and exterior of a property, estimates are made about the condition of the interior of the property, the kitchen and bath qualities, and whether there is finished attic space and finished basement space. If the estimates are overstated, property owners may contact the assessor's office to arrange an interior and exterior inspection of their property.

9. Why do the assessors want to see the interior and exterior of my property?

Just as a potential buyer wants to see the interior and exterior of the property before determining a purchase price, the assessors want to see the interior and exterior of the property to make an accurate determination about the market value of the property. The interior information of a property is essential in determining the estimate of market value. Without the actual information, estimates of the interior information have to be made.

10. Why did my assessed value increase when I did not do anything to the property in 5 years and I am not selling the property?

The assessed value represents the estimate of market value of the property. The real estate market changes constantly. The assessment for Fiscal Year 2019 represents the estimate of market value as of January 1, 2018. This estimate of market value is determined by examining sales of properties from late calendar year 2016, calendar year 2017, and early calendar year 2018. Although there may not have been any physical changes to the property, buyers may be paying more or less for properties than they were in previous years. The assessment changes reflect the changes in the purchase prices of similar homes in the neighborhood. The assessments do not predict market value. The assessments reflect (or report) market value. The real estate market can change dramatically from year to year. It is not limited to 1, 5, 10 or 25-year intervals. The buyers and sellers determine the market value of properties. The assessments reflect what the buyers and sellers are doing as of the assessment date.

11. Why could my assessment change every year?

The assessed value represents the estimate of market value of the property. The real estate market changes constantly. The assessments change based upon these changes in the real estate market. The assessments do not automatically go up or down every year. The assessed values in the early 1990's went down because the buyers were paying less for properties than they were in previous years. In Newton, the assessed values went down from Fiscal Year 1992 to Fiscal Year 1993 because the sales prices went down during this period. The assessed values then remained relatively constant from Fiscal Year 1993 to Fiscal Year 1994 because the purchase prices remained constant in this period. The assessments have increased recently because of the increase in the real estate market. The assessed values decreased from Fiscal Year 2007 to Fiscal Year 2008 due to a small decrease in sale prices. The changes in the assessment reflect the real estate sales from the appropriate time period. For Fiscal Year 2019, it is the market value as of January 1, 2018. This Fiscal Year 2019 assessment is determined by examining sales of properties from late calendar year 2016, calendar year 2017, and early calendar year 2018.

12. The taxes are too high. Soon I will not be able to afford to live in Newton. Why are you raising my taxes every year?

The assessors do not raise or lower taxes. The assessors reflect (or report) market value. The tax increase or decrease is determined by the budgetary requirements of the Mayor and the City Council to run the city. Rising or falling assessed values do not mean rising or falling tax bills. The increase or decrease in taxes seen by the property owner is a direct result of the increase or decrease in the budget. The budget increase or decrease determines the tax increase or decrease. Individual property owners may see an increase in their assessments due to renovations, additions or improvements that would cause an increase in their tax liability. There may also be some shifting of tax liability among classes of property (residential, commercial, industrial, personal) based upon the overall increase or decrease in value of the particular class. The primary reason for a tax increase or decrease is based on the budget requirements of the Mayor and the City Council to fund city operations.

13. What percentage of market value are the assessed values?

Assessments represent 100% of market value as required by Massachusetts General Laws. The assessments for Fiscal Year 2019 represent the estimate of market value as of January 1, 2018.

14. Why did my assessment change a different percentage than the assessment on my neighbor's house?

Market value changes occur in many forms. Buyers have different requirements and these requirements sometimes change from year to year. Also, sometimes renovations have been performed on a property that would cause a change in assessed value different from a similar property that did not undergo renovations. A recent inspection by the assessor's office also may have contributed to a change in assessed value. Perhaps the property had not been inspected in several years and the property information has now been updated to more accurately reflect the condition of the property.

15. My assessment increased 20%. Does that mean my taxes will increase 20%?

No. The valuation change will not be indicative of the tax change. There are two components that help determine the tax rate. The first is the budgetary requirements of the Mayor and the City Council to run the city. The second is the overall value of the property within the city. For example, if the budget increases 5%, then the tax increase throughout the city would be approximately 5%, regardless of what happened to the overall assessed values. For example, if the budget increased 5% and all the assessments in the city went up 20%, the average tax increase would still be 5%. The tax rate, which is calculated simply by dividing the budget by the value of property, would decrease approximately 15%. In another example, if the budget increased 5% and all the assessments went down 20%, the average tax increase would still be 5%. The tax rate, which is calculated simply by dividing the budget by the value of property, would increase approximately 25%.

16. I think my assessment is out of line with my neighbors' property, whose property is assessed lower. I want my assessment to be as low as theirs.

The first step in comparing properties is to examine the factual components of each property. Many times properties that appear larger are in fact much smaller than people think. Quality characteristics should also be examined when making comparisons. For example, a property with a newer kitchen would sell for more than a property with a much older, unimproved kitchen with all other factors being comparable. Ultimately, the assessors have to determine if the assessment represents market value on the subject property and also if the assessed value on the neighbors' property represents market value. If a neighboring property is too low in relation to surrounding properties, the assessors cannot compound their low assessment by also lowering surrounding properties. The resolution may be that the assessors have to raise the neighboring property's assessed value to make it more in line with the surrounding properties. The most important criterion the assessors examine in an abatement request is the market value of the property of the person filing the abatement and the market value of any property that the person filing the abatement mentions on the application. For example, if there were 5 identical houses on a street and 4 were assessed for \$500,000 and one was assessed for \$100,000, and there were three sales on the street at \$500,000 each, then the assessors could not lower the 4 properties to \$100,000. Based upon the sales, the market value would be very close to \$500,000. The correct action for the assessors would be to raise the property assessed for \$100,000 to \$500,000.

17. Do I have to apply for an abatement every year if I received one in the past?

No. If there was a specific problem or circumstance about your property which warranted an abatement in the past, that information would remain on the property record until the issue was corrected. All subsequent assessments would be calculated based on the information that originally warranted the abatement. Many times people will file an abatement every year telling us they are located next to, for example, a gas station. We know the gas station is there every year and will take it into consideration when calculating new assessed values. You need not file every year.

18. What is the difference between an abatement and an elderly exemption?

An abatement is a reduction in a real estate valuation based on a correction to the assessed valuation. The assessed value has nothing to do with the age of the owner, the income of the owner or any other financial information about the owner. The assessment represents an estimate of market value. An elderly exemption is a reduction in a real estate tax due based on certain age and income requirements set forth by the Commonwealth of Massachusetts. An individual who files for an abatement of real estate valuation because of age and/or income has filed the wrong form. Instead, that individual should file for an elderly exemption. The only factor the assessors examine on an abatement application is the market value of the property. Age and/or income do not factor into assessment determination. (Please refer to Questions 5 and 6)

19. My neighbors' house assessment used to be higher than mine, now my assessment is higher than theirs. Why?

Market value changes occur in many forms. Buyers have different requirements and these requirements sometimes change from year to year. Also, sometimes renovations have been performed on a property that would cause a change in assessed value different from a similar property that did not have renovations. A recent inspection by the assessor's office also may have contributed to a change in assessed value. Perhaps the property had not been inspected in several years and the property information has now been updated to more accurately reflect the condition of the property. Historical trends are just historical information. Properties change over time, as do market values. Just because a property was assessed less than a neighboring property in 1973 does not mean the property will always be assessed less than the neighboring property. Renovations, additions, disrepair, fire and other factors can also change historical relationships.

20. My neighbors have a two-family property and I have a single-family property. Why is my single-family property assessed higher than their two-family property?

Assessments reflect what has occurred in the real estate market. In Newton, single-family properties in the past 5-10 years have sold for more than similarly sized two-family properties in the same neighborhood. Most buyers in Newton do not want to be landlords. The typical buyer in Newton prefers a single-family and the sales prices over the past 5-10 years bear out this fact. A single-family property cannot be compared to a two-family any more than it can be compared to a condominium. Comparisons should be made between similar uses of properties. The difference in selling prices between a single-family and a two-family property has closed significantly in the last 5 calendar years, with the sale price of two-family dwellings increasing at a much faster rate than the single-family property. Two-family properties have become more popular with new homebuyers because of the ability of a tenant to contribute to the owner's mortgage obligation. The two-family property is also priced slightly less than a comparable single-family property.

21. A house three times larger than mine sold up the street from me for \$2,000,000. Will that make my assessment go up?

No. If the property is three times larger than your property, it would not be considered comparable to yours. For example, if your property is a 1,500 square foot home, assessed for \$500,000 and up the street a 4,500 square foot home sold for \$2,000,000, it would not be considered comparable to your property and this sale would not impact your assessment. Assessments are based on comparable sales. Even if a 1,500 square foot home sold next door for \$2,000,000, one sale would not impact your assessment. However, for example, if a few sales of 1,500 square foot homes sold for \$2,000,000, then the market value of a 1,500 square foot home in that neighborhood would be close to \$2,000,000. You should expect a change in future assessments because of the apparent change in market value. In this example where there were multiple sales of 1,500 square foot homes for \$2,000,000, it appears the market value of the 1,500 square foot home is no longer \$500,000.

22. What will happen to my assessment if I put an addition on my property?

Typically, larger properties sell for more than smaller properties with all other factors being equal. If an addition is put on a home, the house becomes larger and generally the market value of the property increases. The assessors would then have to see what similarly sized properties were selling for in the neighborhood. Historical sales have indicated that larger homes sell for more than smaller homes with all other factors being equal. Since the assessed value is an estimate of market value, it is highly likely that the assessed value of your property will increase once the addition is put on the property.

23. Why is the previous owner's name still appearing on the tax bill?

Legally, the assessors must retain the owner of record as of January 1, 2018 for Fiscal Year 2019. If you purchased the property after January 1, 2018, by law we will carry both your name and the legal owner as of January 1, 2018. For Fiscal Year 2020, the legal owner as of January 1, 2019 will be maintained. This is when the prior owner would be removed and your name would be the only name appearing on the ownership record.

24. My assessment went up 25%, is that good news or bad news?

Typically, the home is the single largest investment most people make. The assessment reflects the market value of this asset. People often associate rising assessments with rising taxes. However, this is not the case. Rising budgets cause rising taxes. If the budget increases, typically taxes increase. If the budget decreases, typically taxes decrease. The assessed value represents the market value of the property. If all the assessments went down 25% and the budget increased, taxes would still increase. The budget is the driving force behind rising taxes. If the assessed value of a property increases, this generally increases the property owner's equity in the property. Although many property owners are not selling their homes, an increased asset value is usually received as welcome news. Most people understand tax increases are not caused by assessment increases. They understand that increased spending causes rising tax bills. The majority of property owners are glad to hear their home is increasing in value, even if they are not currently selling their property.

25. There is an item on my tax bill called “CPA Charge”. What is that?

The term “CPA Charge” refers to The Community Preservation Act surcharge approved by the voters of the City of Newton beginning in Fiscal Year 2002. This surcharge is 1% of the total property tax due for the parcel. This surcharge, approved by a majority of City of Newton voters, is for the acquisition and preservation of open space, recreational land, affordable housing, and historic properties. The Commonwealth of Massachusetts will match the amount collected by the City of Newton up to but not to exceed 100% of the total surcharge money collected. There is a committee set up to review requests for use of the Community Preservation Act money collected. The Committee name is the Community Preservation Committee. This committee then makes recommendations to the Newton City Council. The Newton City Council has the final say as to how the Community Preservation Act funds are distributed and utilized. For more information on the Community Preservation Act, please visit Newton’s Community Preservation Program website (www.newtonma.gov/cpa).

26. What are the median assessed values of single families, two and three families, condominiums, and apartment buildings for Fiscal Year 2019?

The median assessed values for Fiscal Year 2019 are as follows:

Single Family	\$1,004,550
Two-Family	\$806,900
Three-Family	\$891,150
Condominium	\$607,600
Apartments	\$1,242,200

27. My next door neighbors have done work on their house – a new kitchen, new bathroom and an addition. How come their assessment has not gone up?

Assessments reflect the property condition and market value of the property on January 1 of the prior year. If, for example, your neighbors took out a building permit in December, and the construction work was not started until after January 1, the change in the market value of the property would not be reflected in the assessment until the following fiscal year. Sometimes, when there is a large construction project, it can take several years for the entire project’s market value to be reflected in the assessment. Each year the assessors would determine how much the market value of your neighbor’s home increased, based on how far along the construction was on January 1.

28. I have a new house and recently I received a supplemental tax bill for the same fiscal year. Why did I receive more than one tax bill for the same property for the same fiscal year?

The Newton City Council (formerly Board of Aldermen) complied with a directive from the Commonwealth of Massachusetts to issue a supplemental tax bill to property owners whose property had construction resulting in an increase in the building value (assessment) of more than 50%. This provision is triggered by the issuance of an occupancy permit and an increase in the building value (assessment) of more than 50%. The assessors analyze all properties with occupancy permits to determine if the construction added more than 50% to the building value (assessment) of the property. If the construction added more than 50% to the building value (assessment) of the property, then a supplemental tax bill is issued. The supplemental tax is based on the difference between the original building value (assessment) and the new building value (assessment), multiplied by the tax rate and prorated from the date of the occupancy permit to the end of the fiscal year. In certain instances, a property owner could receive a supplemental tax bill for the prior fiscal year as well as the current fiscal year, depending on the date of the occupancy permit.