

Chilmark Classification Hearing FY 2023

The purpose of the Classification Hearing is to allow the Selectmen the option to shift the tax burden between property classes or keeping the tax burden equal. This doesn't change the total tax levy for the community; it simply determines the share to be borne by each class. The five classes of Real Estate are: Residential, Open Space, Commercial, Industrial, & Personal Property.

Along with the vote determining whether or not to split the tax rate; there are four other votes that should be made:

The first recommended vote by the Board of Assessors (BOA) is, not to adopt the Open Space Discount. (The Town of Chilmark does not classify vacant land as "open space" by the DOR standards, because the town has never considered splitting the tax rate.)

The second recommended vote by the BOA is, not to adopt the Residential Exemption. (Since the non-voting tax payers make up 80% of the total town's levy, it has always been recommended not to adopt the Residential Exemption).

The third recommended vote by the BOA is, not to adopt the Senior Means Tested Exemption. (The Town of Chilmark already has in place senior exemptions which work well. We have not voted this option at town meeting, therefore, this would not apply at this time).

The fourth recommended vote by the BOA is, not to adopt the Small Commercial Exemption. (The town has never considered splitting the tax rate, so this small commercial Exemption is not applicable.)

The fifth and final vote is whether or not to split the tax rate., Board of Assessors would like to recommend that the Board of Selectmen adopt a single tax rate, as well as, vote to accept the residential factor of 1.

Vote not to adopt the Open Space Discount.

Vote not to adopt the Residential Exemption.

Vote not to adopt the Senior Means Tested Exemption.

Vote not to adopt the Small Commercial Exemption.

Vote Yes to adopt a single tax rate and accept the residential factor of 1.

We received Final approval of our Real Estate and Personal Property values and certified our New Growth from the DOR and once the Accountants and Treasurer finish their parts of the tax rate process. We be able to submit the tax recap pkg. We continued this hearing in order to report the excess levy capacity, which is \$412,634.25 FY22's excess levy capacity was \$371,583.99

Even though I'm repeating a most of what I reported to you at the last hearing however, I would like to repeat the results from the fiscal year 2023 revaluation again. The town's total value for fiscal year 2023 is **\$ 4,258,074,890** last year, FY22 was \$3,689,739,010 that is a 15% increase in our town's value.

At this time the proposed FY23 tax rate is **\$2.68** per thousand of value. FY22 was \$2.82 a decrease of \$.14 cents to the tax rate, and it shouldn't vary too much once the recap has been completed.

The average assessment for FY23 is \$1,875,000. Average tax bill \$5,025.00 This represents an increase of \$513 annually to the bill based on the avg. assessment.

The new growth collected this year was \$110,000 in tax revenue this represents \$39,155,000 in value.