

Town of Dennis Classification Hearing

Fiscal Year 2010



November 24, 2009

Board of Assessors

COMPARISON OF FY 2009 AND 2010 VALUATION AND TAX RATE

FY 2009 Tax Rate	5.07	
FY 2010 Tax Rate	<u>5.27</u>	(Pending DOR cert.)
	.20 increase	or a increase of 3.9%

The increase in the tax rate is primarily due to the decrease in the total Town assessed valuation. Interim adjustments were completed per DOR requirements to reflect market conditions as of January 1, 2009.

The total Fiscal Year 2009 Town valuation was \$6,585,260,060

The total Fiscal Year 2010 Town valuation is \$6,311,438,960

This represents a total valuation decrease of 273,821,100 or -4.2 %

The average assessment for a single family home in Dennis for FY 2009 was \$440,771

The average assessment for a single family home in Dennis for FY 2010 is \$423,387

The median assessment for a single family home in Dennis for FY 2009 was \$326,800

The median assessment for a single family home in Dennis for FY 2010 is \$314,150

\$63,114 = 1 cent on the tax rate

For FY 2010, the average single family tax bill is proposed to be \$2,231.25 (423,387 /1000 X 5.27). This compares to \$2,234.71 for FY 2009.

Tax Classification Summary:

Under Chapter 40, Section 56, prior to establishing the tax rate, all communities are required to classify real and personal property into one of five different categories: Residential, Open Space, Commercial, Industrial and Personal Property. Communities then have the option of taxing these classes at different rates.

A classification hearing is held annually to determine whether to shift some of the property tax burden from one class of property to another. A public hearing is called by the selectmen, which must be held after the assessors have finalized assessments for the year and before the tax rate can be set.

Options presented include reallocating some of the tax obligation (1) from the Residential and Open Space classes to the Commercial, Industrial, and Personal Property classes; (2) from Open Space to Residential; (3) within the Residential class, to non-domiciled owners, and (4) within the Commercial and Industrial classes, to more expensive properties with larger commercial businesses. Electing one or more of these choices results in multiple tax rate(s) for the community.

(1) Taxing classes at different rates shifts the property tax burden among the major property classes within certain limits established by law. Under a single tax rate system, if residential and open space property assessments are 86% of total value, then 86% of the tax levy would come from R and O classes (and 14% from the CIP). By "splitting" the tax rate, the law allows a town to increase the levy share raised from the CIP as much as 50% in order to reduce the tax burden on R and O, as long as these don't go too low. In this example then $(1.50 \times .14)$, the maximum shift allowed would result in 21% of the taxes being paid by the CIP classes, and 79% by R and O.

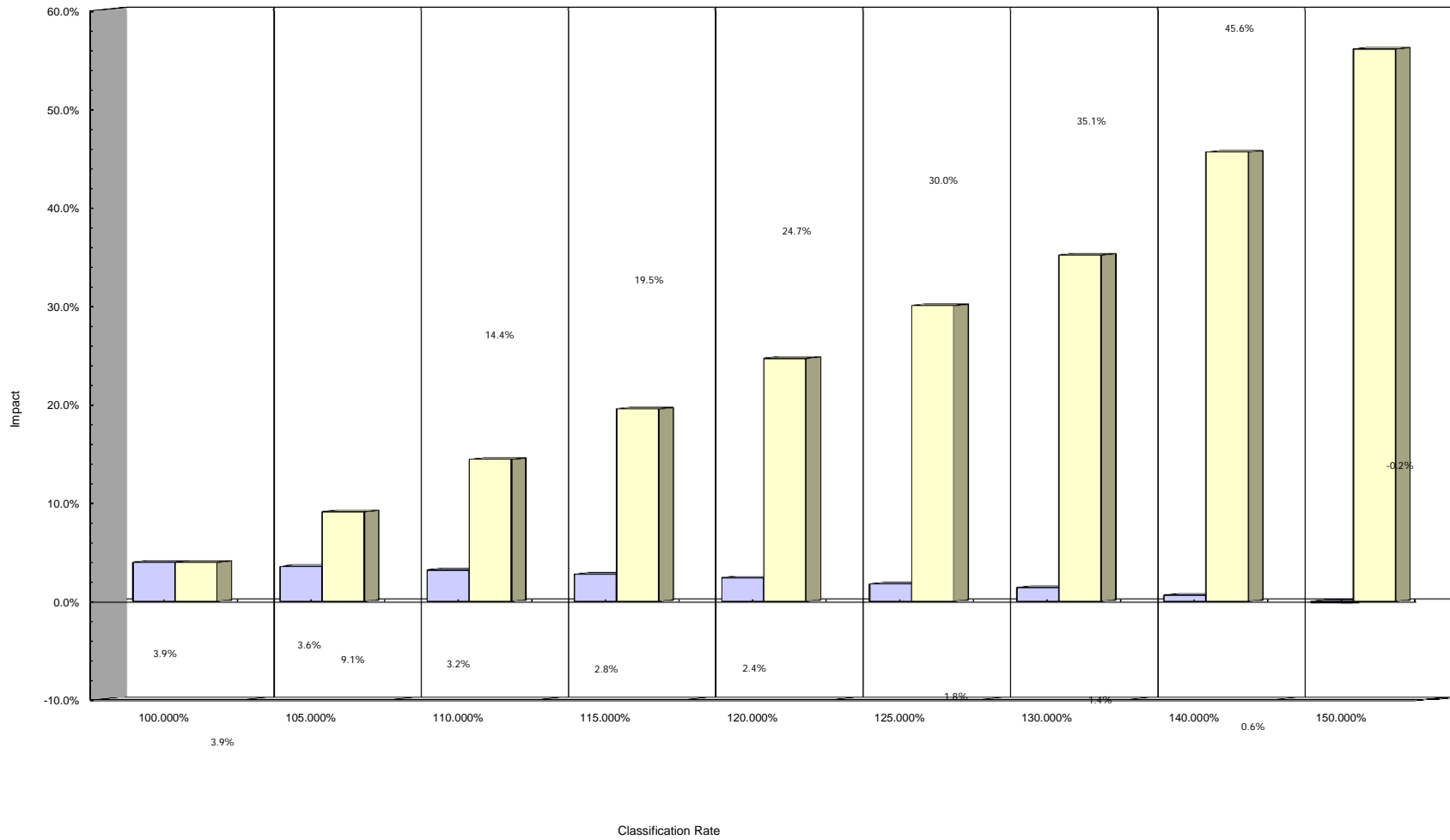
(2) Communities can also apply a discount to the Open Space class to alleviate the tax burden on that vacant land. The amount of the tax burden that is removed from the Open Space class is transferred to the Residential class and may not be shifted to any of the other property classes. The Open Space properties are those properties designated as Open Space, which are assessed at a reduced rate.

(3) Communities have the option of adopting a Residential Exemption applied to owner-occupied residences, which exempts from taxation a certain percentage of the average value of all Residential property. This exemption shifts the Residential tax burden onto housing that is not occupied by the owner as a principal residence, such as an apartment building or a vacation home. The Residential Exemption increases the overall Residential rate.

(4) A Small Commercial Exemption is also an option. This exemption allows the Selectmen to apply up to a 10% small commercial exemption to those properties assessed at less than a million dollars. The discount applies to those properties that qualify. To qualify a Commercial parcel must be occupied by a business with ten or less employees and as certified by the Department of Employment and Training, and have a valuation less than one million dollars. If adopted it has the effect of reducing property taxes on properties occupied by small businesses and shifting those taxes onto other commercial and industrial properties. The Small Commercial Exemption is based upon a % of an eligible parcel's valuation, rather than a fixed dollar amount.

Impact of Classification Town of Dennis Fiscal 2010

■ Res Rate Change □ CIP Rate Change



TOWN OF DENNIS FY2010: CLASSIFICATION TAX RATE SCHEDULE															
FISCAL 2010 TAX LEVY		\$ 33,261,283.32		CLASS		RES/OS		COMM		IND		PERSONAL		TOTAL	
FISCAL 2009 RES RATE		\$5.07		VALUATION		\$5,842,078,423		\$370,363,207		\$23,827,200		\$75,170,130		\$6,311,438,960	
FISCAL 2009 CIP RATE		\$5.07		PERCENT		92.5633%		5.8681%		0.3775%		1.1910%		100.0000%	
CLASSIFIED	RES	RES TAX	RES %	CIP	CIP %	LEVY %	LEVY %	LEVY %	LEVY %	LEVY %	LEVY %	LEVY %	LEVY %	LEVY %	TOTAL
RATE	FACTOR	RATE	CHANGE	RATE	CHANGE	LEVY %	LEVY %	LEVY %	LEVY %	LEVY %	LEVY %	LEVY %	LEVY %	LEVY %	TOTAL
100.000%	100.0000%	\$5.27	3.9%	\$5.27	3.9%	92.5633%	5.8681%	0.3775%	1.1910%	100.0000%					
101.000%	99.9197%	\$5.27	3.9%	\$5.32	4.9%	92.4890%	5.9268%	0.3813%	1.2029%	100.0000%					
102.000%	99.8393%	\$5.26	3.7%	\$5.38	6.1%	92.4146%	5.9855%	0.3851%	1.2148%	100.0000%					
103.000%	99.7590%	\$5.26	3.7%	\$5.43	7.1%	92.3402%	6.0442%	0.3888%	1.2267%	100.0000%					
104.000%	99.6786%	\$5.25	3.6%	\$5.48	8.1%	92.2659%	6.1029%	0.3926%	1.2387%	100.0000%					
105.000%	99.5983%	\$5.25	3.6%	\$5.53	9.1%	92.1915%	6.1615%	0.3964%	1.2506%	100.0000%					
106.000%	99.5180%	\$5.24	3.4%	\$5.59	10.3%	92.1171%	6.2202%	0.4002%	1.2625%	100.0000%					
107.000%	99.4376%	\$5.24	3.4%	\$5.64	11.2%	92.0428%	6.2789%	0.4040%	1.2744%	100.0000%					
108.000%	99.3573%	\$5.24	3.4%	\$5.69	12.2%	91.9684%	6.3376%	0.4077%	1.2863%	100.0000%					
109.000%	99.2769%	\$5.23	3.2%	\$5.74	13.2%	91.8940%	6.3963%	0.4115%	1.2982%	100.0000%					
110.000%	99.1966%	\$5.23	3.2%	\$5.80	14.4%	91.8197%	6.4549%	0.4153%	1.3101%	100.0000%					
111.000%	99.1162%	\$5.22	3.0%	\$5.85	15.4%	91.7453%	6.5136%	0.4191%	1.3220%	100.0000%					
112.000%	99.0359%	\$5.22	3.0%	\$5.90	16.4%	91.6709%	6.5723%	0.4228%	1.3339%	100.0000%					
113.000%	98.9556%	\$5.21	2.8%	\$5.96	17.6%	91.5966%	6.6310%	0.4266%	1.3458%	100.0000%					
114.000%	98.8752%	\$5.21	2.8%	\$6.01	18.5%	91.5222%	6.6897%	0.4304%	1.3578%	100.0000%					
115.000%	98.7949%	\$5.21	2.8%	\$6.06	19.5%	91.4478%	6.7483%	0.4342%	1.3697%	100.0000%					
116.000%	98.7145%	\$5.20	2.6%	\$6.11	20.5%	91.3735%	6.8070%	0.4379%	1.3816%	100.0000%					
117.000%	98.6342%	\$5.20	2.6%	\$6.17	21.7%	91.2991%	6.8657%	0.4417%	1.3935%	100.0000%					
118.000%	98.5539%	\$5.19	2.4%	\$6.22	22.7%	91.2247%	6.9244%	0.4455%	1.4054%	100.0000%					
119.000%	98.4735%	\$5.19	2.4%	\$6.27	23.7%	91.1504%	6.9831%	0.4493%	1.4173%	100.0000%					
120.000%	98.3932%	\$5.19	2.4%	\$6.32	24.7%	91.0760%	7.0418%	0.4530%	1.4292%	100.0000%					
121.000%	98.3128%	\$5.18	2.2%	\$6.38	25.8%	91.0016%	7.1004%	0.4568%	1.4411%	100.0000%					
122.000%	98.2325%	\$5.18	2.2%	\$6.43	26.8%	90.9273%	7.1591%	0.4606%	1.4530%	100.0000%					
123.000%	98.1521%	\$5.17	2.0%	\$6.48	27.8%	90.8529%	7.2178%	0.4644%	1.4649%	100.0000%					
124.000%	98.0718%	\$5.17	2.0%	\$6.53	28.8%	90.7785%	7.2765%	0.4681%	1.4769%	100.0000%					
125.000%	97.9915%	\$5.16	1.8%	\$6.59	30.0%	90.7042%	7.3352%	0.4719%	1.4888%	100.0000%					
126.000%	97.9111%	\$5.16	1.8%	\$6.64	31.0%	90.6298%	7.3938%	0.4757%	1.5007%	100.0000%					
127.000%	97.8308%	\$5.16	1.8%	\$6.69	32.0%	90.5554%	7.4525%	0.4795%	1.5126%	100.0000%					
128.000%	97.7504%	\$5.15	1.6%	\$6.75	33.1%	90.4811%	7.5112%	0.4832%	1.5245%	100.0000%					
129.000%	97.6701%	\$5.15	1.6%	\$6.80	34.1%	90.4067%	7.5699%	0.4870%	1.5364%	100.0000%					
130.000%	97.5898%	\$5.14	1.4%	\$6.85	35.1%	90.3323%	7.6286%	0.4908%	1.5483%	100.0000%					
131.000%	97.5094%	\$5.14	1.4%	\$6.90	36.1%	90.2580%	7.6872%	0.4946%	1.5602%	100.0000%					
132.000%	97.4291%	\$5.13	1.2%	\$6.96	37.3%	90.1836%	7.7459%	0.4983%	1.5721%	100.0000%					
133.000%	97.3487%	\$5.13	1.2%	\$7.01	38.3%	90.1092%	7.8046%	0.5021%	1.5840%	100.0000%					
134.000%	97.2684%	\$5.13	1.2%	\$7.06	39.3%	90.0349%	7.8633%	0.5059%	1.5960%	100.0000%					
135.000%	97.1881%	\$5.12	1.0%	\$7.11	40.2%	89.9605%	7.9220%	0.5097%	1.6079%	100.0000%					
136.000%	97.1077%	\$5.12	1.0%	\$7.17	41.4%	89.8861%	7.9807%	0.5134%	1.6198%	100.0000%					
137.000%	97.0274%	\$5.11	0.8%	\$7.22	42.4%	89.8118%	8.0393%	0.5172%	1.6317%	100.0000%					
138.000%	96.9470%	\$5.11	0.8%	\$7.27	43.4%	89.7374%	8.0980%	0.5210%	1.6436%	100.0000%					
139.000%	96.8667%	\$5.10	0.6%	\$7.33	44.6%	89.6630%	8.1567%	0.5248%	1.6555%	100.0000%					
140.000%	96.7863%	\$5.10	0.6%	\$7.38	45.6%	89.5887%	8.2154%	0.5285%	1.6674%	100.0000%					
141.000%	96.7060%	\$5.10	0.6%	\$7.43	46.5%	89.5143%	8.2741%	0.5323%	1.6793%	100.0000%					
142.000%	96.6257%	\$5.09	0.4%	\$7.48	47.5%	89.4399%	8.3327%	0.5361%	1.6912%	100.0000%					
143.000%	96.5453%	\$5.09	0.4%	\$7.54	48.7%	89.3656%	8.3914%	0.5399%	1.7032%	100.0000%					
144.000%	96.4650%	\$5.08	0.2%	\$7.59	49.7%	89.2912%	8.4501%	0.5436%	1.7151%	100.0000%					
145.000%	96.3846%	\$5.08	0.2%	\$7.64	50.7%	89.2168%	8.5088%	0.5474%	1.7270%	100.0000%					
146.000%	96.3043%	\$5.08	0.2%	\$7.69	51.7%	89.1425%	8.5675%	0.5512%	1.7389%	100.0000%					
147.000%	96.2240%	\$5.07	0.0%	\$7.75	52.9%	89.0681%	8.6261%	0.5550%	1.7508%	100.0000%					
148.000%	96.1436%	\$5.07	0.0%	\$7.80	53.8%	88.9937%	8.6848%	0.5587%	1.7627%	100.0000%					
149.000%	96.0633%	\$5.06	-0.2%	\$7.85	54.8%	88.9194%	8.7435%	0.5625%	1.7746%	100.0000%					
150.000%	95.9829%	\$5.06	-0.2%	\$7.91	56.0%	88.8450%	8.8022%	0.5663%	1.7865%	100.0000%					