

New Ashford Tax Classification Hearing
New Ashford Town Hall/Teleconference
October 4, 2021

Select Board Present: Jason Jayko (Chair), Ken McInerney, Mark Phelps
Others Present: Richard George, Susan Supranowicz, Lori Jayko
Call-In: Assessor Chris Lamarre
Hearing opened at 6:00

Assessor, Chris Lamarre, explained that the hearing was to determine the distribution of the FY22 tax levy. The Select Board decides between an open space discount, residential exemption, small commercial exemption, or a single or split tax rate. Historically, the town has had a single or split tax rate. The option chosen does not affect the tax levy raised. A residential factor of 1 affirms a single tax rate. A factor of less than 1 splits the tax rate between the residential to commercial, industrial, and personal property owners. There are ten parcels in town classified as open space. The open space discount is up to 25% of the selected residential factor and discounts the value attributable to open space, shifting the tax burden to the residential rate payers. A residential exemption grants up to a 35% exemption for all properties below a certain assessed value (of no more than \$220,642 for FY22), shifting the tax burden to higher valued properties. This model is used by 16 communities in the state. The small commercial exemption is applied to commercial properties with an assessment of no more than \$1,000,000 and with no more than an average of ten employees. This shifts the tax burden to non-qualifying commercial properties. A single or split tax rate has all classes of property pay only their share of the tax levy. FY 22 is an interim revaluation year, so adjustments in value are made based on property sales from FY20. The tax levy for FY22 is \$460,451, a decrease of \$6,454. The total taxable value of all real and personal property increased by 6.1% or \$2,419,607, from \$39,669,112 in FY21 to \$42,088,719 in FY22. The tax rate is determined by dividing the tax levy (\$460,451) by the total of all taxable property (\$42,088,719) times 1,000. The tax rate for FY22 is \$10.94, a decrease of \$0.83 from last year. The excess levy capacity is the difference between the maximum allowable levy and the amount levied. The max allowable for FY22 is \$627,507. The levy is \$460,451, making the excess levy capacity \$167,056. New growth value for FY22 is \$414,462, generating \$4,878 tax dollars. For FY22 the median single family home value is \$254,800, making that tax bill \$2,788, which is a reduction of \$178 from last year. For commercial properties the median value is \$364,500, with a tax of \$3,988, which is a decrease of \$266 from last year. Chris informed that Board that Open Space is land that is maintained in open or natural condition that contributes to the benefit and enjoyment of the public. It does not include land taxable under MGL chapters 61, 61A or 61B or conservation/agricultural land. Chris would like to reclassify the open space parcels as vacant land. The Board thanked Chris for his professional and thorough report.

Mark made a motion to not grant an open space discount for FY22, seconded by Ken. There was no discussion. The motion passed by unanimous vote.

Mark made a motion to not grant a residential exemption for FY22, seconded by Ken. There was no discussion. The motion passed by unanimous vote.

Mark made a motion to not grant a small commercial exemption for FY 22, seconded by Ken. There was no discussion. The motion passed by unanimous vote.

Mark made a motion to maintain a residential factor of one for a single tax rate for FY 22, seconded by Ken. The Board discussed the small number of struggling businesses in town. The motion passed by unanimous vote.

The Tax Classification Hearing was adjourned at 6:24