

January 2011

Boston's Tax Rate Set for FY11

Total property values declined for second year in a row but tax levy increased by 5.1%

The average FY11 tax bill for a single-family home in Boston is \$3,155, which represents an increase of \$220 this year but is still one of the lowest average tax bills out of 18 surrounding communities. Property values in Boston total \$86.8B in FY11, a drop of \$455.9M or 0.5% since FY10. New growth is expected to total \$37.8M in FY11 up from \$29.6M last year. The City's application of classification results in business property, which represents 34.8% of total taxable value, paying 61% of the property tax levy. Residential property represents 65.2% of taxable value and pays 39% of the tax levy.

Assessed Value - The business (commercial, industrial & personal) property value declined by

\$740.2M or 2.4% while residential property values increased slightly by \$284.2M or 0.5% for an overall value decline of 0.5%. The disparity of value growth resulted in a slight shift of the tax burden to residential property. Despite the value decline, Boston is able to increase its levy by 2.5% over the prior year's levy limit because the levy is below the levy ceiling of 2.5% of taxable value.

Tax Levy - Boston's overall tax levy will jump by \$74.6M or 5.1% this year for a total of \$1.5B.

Tax Rates - Both the business and residential tax rates grew this year as overall value dropped. The FY11 tax rate for residential property is \$12.79 and the business tax rate is \$31.04.

Boston Property Tax Summary

Figures in 000's

	FY09	FY10	FY11	Change FY10-FY11	%
Taxable Assessed Value					
C,I,P	\$32,921,997	\$30,977,507	\$30,237,352	-\$740,155	-2.4%
R	\$57,465,174	\$56,279,025	\$56,563,231	\$284,206	0.5%
Total	\$90,387,171	\$87,256,532	\$86,800,583	-\$455,949	-0.5%
Property Tax Levy					
C,I,P	\$892,515	\$910,119	\$938,567	\$28,448	3.1%
R	\$507,499	\$554,939	\$601,112	\$46,174	8.3%
Total	\$1,400,015	\$1,465,058	\$1,539,680	\$74,622	5.1%
Value As % of Total					
C,I,P	36.4%	35.5%	34.8%		
R	63.6%	64.5%	65.2%		
Levy as % of Total					
C,I,P	63.8%	62.1%	61.0%		
R	36.2%	37.9%	39.0%		
Tax Rate/ Thousand					
C,I,P	\$27.11	\$29.38	\$31.04	\$1.66	5.7%
R	\$10.63	\$11.88	\$12.79	\$0.91	7.7%
Average Tax Bill					
Single Family Home	\$2,762	\$2,935	\$3,155	\$220	7.5%
% change over prior year	-6.3%	6.3%	7.5%		