

Fiscal 2013 Tax Rates Set

Taxable value increases as the real estate market stabilizes

A slowly improving economy and a full parcel-specific revaluation combined to produce an increase in Boston's FY13 taxable value by 4.2%, more than twice the growth that occurred in the prior year. The average single family tax bill is \$3,480, a \$175 or 5.3% increase over FY12. These changes will be reflected in the City's third quarter tax bills that were mailed late in December and are due by February 1.

Tax Value - Boston's total taxable value for FY13 is \$92.2B, an increase of \$3.7B or 4.2% which compares to last year's growth of 2.0%. Residential value increased by \$2.6B or 4.6% while the business (commercial, industrial & personal) property value increased by \$1.1B or 3.5% when including new growth. The valuation date for FY13 was January 1, 2012 which captured the market activity of 2011.

Tax Levy - The City's property tax levy in FY13 totals \$1.7B, an increase of \$69.7M or 4.3%. The \$1.7B levy is at its maximum legal level except by a Proposition 2½ override vote. The normal 2.5% increase in the levy produced an increase of \$40.4M and new growth contributed \$28.3M or 40.6% of the total. As a consequence of the City's application of full classification, business property represents 34.8% of taxable value but pays 60.8% of the tax levy. Residential property represents 65.2% of value and pays 39.2% of the levy.

Tax Rates - The residential tax rate increased by 0.8% or \$0.10 per \$1,000 of value to \$13.14 in FY13, while the business tax rate increased by 0.1% or \$0.04 to \$31.96. The increase in residential value and tax rate combined to increase the average single family tax bill by \$175 to \$3,480 for taxpayers receiving the residential exemption which saves \$1,724 off their tax bill in FY13.

Boston's Property Tax Summary

Figures in 000's

	FY11	FY12	FY13	Change FY12-FY13	%
Taxable Value					
C,I,P	\$30,237,352	\$30,982,625	\$32,051,876	\$1,069,251	3.5%
R	\$56,563,231	\$57,517,785	\$60,147,396	\$2,629,611	4.6%
Total	\$86,800,583	\$88,500,410	\$92,199,272	\$3,698,861	4.2%
Tax Levy					
C,I,P	\$938,567	\$988,965	\$1,024,378	\$35,413	3.6%
R	\$601,112	\$625,063	\$659,303	\$34,240	5.5%
Total	\$1,539,680	\$1,614,029	\$1,683,681	\$69,652	4.3%
Value as % of Total					
C,I,P	34.8%	35.0%	34.8%		
R	65.2%	65.0%	65.2%		
Levy as % of Total					
C,I,P	61.0%	61.3%	60.8%		
R	39.0%	38.7%	39.2%		
Tax Rate/Thousand					
C,I,P	\$31.04	\$31.92	\$31.96	\$0.04	0.1%
R	\$12.79	\$13.04	\$13.14	\$0.10	0.8%