

## Fiscal 2015 Tax Rates Set

*Boston's taxable value surpasses \$100 billion for the first time*

The second consecutive year of strong growth, new building construction and full parcel-specific revaluation combined to propel Boston's taxable value beyond \$100B for the first time in FY15. Boston's FY15 taxable value increased by 10.9%, up from 8.3% in FY14. The average single family tax bill is \$3,520, a \$103 or 3.0% increase over FY14. These changes will be reflected in the City's third quarter tax bills that were mailed in late December and are due by February 1<sup>st</sup>.

**Tax Value** - Boston's total taxable value for FY15 is \$110.7B, an increase of \$10.9B or 10.9% which compares to last year's growth of \$7.6B or 8.3%. By class, the greater growth came from residential value which increased by \$7.8B or 12.1%, while the business (commercial, industrial & personal) property value increased by \$3.1B or 8.8% when including new growth. The valuation date for FY15 was January 1, 2014 which captured the market activity of 2013.

**Tax Levy** - The City's property tax levy in FY15 totals \$1.9B, an increase of \$89M or 5.0%. The \$1.9B 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 \$44.5M and new growth contributed \$44.5M or 50.0% of the total. As a result of the City's application of full classification, business property represents 34.7% of taxable value, but pays 60.7% of the tax levy. Residential property represents 65.3% of value and pays 39.3% of the levy.

**Tax Rates** – The FY15 residential tax rate of \$12.11 per \$1,000 of assessed value decreased by \$0.47 or 3.7%, while the business tax of rate \$29.52 decreased by \$1.66 or 5.3%. The residential exemption for qualified homeowners reduced the value by \$155,205 which translated into a tax bill reduction of \$1,879.

### Boston's Property Tax Summary

Figures in Billions

		FY12	FY13	FY14	FY15	Change FY14-FY15	%
<b>Taxable Value</b>	C,I,P	\$31.0	\$32.1	\$35.3	\$38.4	\$3.10	8.8%
	R	\$57.5	\$60.1	\$64.5	\$72.3	\$7.80	12.1%
	<b>Total</b>	<b>\$88.5</b>	<b>\$92.2</b>	<b>\$99.8</b>	<b>\$110.7</b>	<b>\$10.90</b>	<b>10.9%</b>
<b>Tax Levy</b>	C,I,P	\$1.0	\$1.0	\$1.1	\$1.1	\$0.03	3.0%
	R	\$0.6	\$0.7	\$0.7	\$0.7	\$0.06	8.3%
	<b>Total</b>	<b>\$1.6</b>	<b>\$1.7</b>	<b>\$1.8</b>	<b>\$1.9</b>	<b>\$0.09</b>	<b>5.0%</b>
<b>Value as % of Total</b>	C,I,P	35.0%	34.8%	35.4%	34.7%		
	R	65.0%	65.2%	64.6%	65.3%		
<b>Levy as % of Total</b>	C,I,P	61.3%	60.8%	61.9%	60.7%		
	R	38.7%	39.2%	38.1%	39.3%		
<b>Tax Rate/Thousand</b>	C,I,P	\$31.92	\$31.96	\$31.18	\$29.52	(\$1.66)	-5.3%
	R	\$13.04	\$13.14	\$12.58	\$12.11	(\$0.47)	-3.7%

C,I,P = Commercial, Industrial, Personal. R = Residential