



FY 2017 Recommended Budget Budget Question

Frequently Asked Question #: 9

BUDGET QUESTION: What is the impact of the reassessment on values? What is the impact to residential and commercial taxpayers at the equalized \$0.83 rate and at the recommended \$0.86 rate? What is the impact to the average (mean) residential taxpayer comparing \$0.83 and \$0.86?

RESPONSE:

Impact on Values

The 2016 reassessment and new construction occurring in 2015 result in an \$839.7 million increase in total assessed values – a \$793.8 million increase in residential property values and a \$45.9 million increase in commercial property values. The breakdown of the impact on assessed values is as follows:

Residential Values (58,474 parcels = 96% of parcels)

Decrease = 19%
No change = 11%
Increase = 70%

Commercial Values (2,570 parcels = 4% of parcels)

Decrease = 11%
No change = 12%
Increase = 77%

Overall Values (61,044 parcels = 100% parcels)

Decrease = 19%
No change = 11%
Increase = 70%

When the 2015 new construction value is pulled out of the new values, the change in values solely related to the reassessment is \$680.6 million (5.2%). By State law, the equalized rate is calculated excluding new construction values.

Impact to Taxpayers Bills at \$0.83 and \$0.86

The following table summarizes the changes in tax bills that would be received by residential and commercial taxpayers at the \$0.83 equalized rate and the \$0.86 recommended rate:

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Rate	Residential		Commerical	
	No Change/ Decrease	Increase	No Change/ Decrease	Increase
\$0.83	46.6%	53.4%	57.3%	42.7%
\$0.86	29.9%	70.1%	22.6%	77.4%

Residential: At the equalized real estate tax rate of \$0.83 per \$100 of assessed value, the majority of those in the no change or decrease group would see taxes decrease by as much as \$49. Of those in the increase group, the majority would see taxes increase by as much as \$100. At the recommended rate of \$0.86, the majority of those in the no change or decrease group would see taxes decrease by as much as \$49, whereas the majority of those in the increase group would see taxes increase by as much as \$200.

Commercial: At both the equalized rate of \$0.83 and the recommended rate of \$0.86, the majority of those in the no change or decrease group would see taxes decrease by as much as \$199. Of those in the increase group, the majority would see taxes increase by as much as \$150.

Additional statistics are included as Attachment A for the \$0.83 scenario and as Attachment B for the \$0.86 scenario.

Impact to Average Residential Taxpayer

The following table shows the difference between the \$0.83 equalized rate and the \$0.86 recommended rate for the average residential taxpayer. The “All residential properties” line includes raw land. The “Residential properties with home” line includes only those residential properties upon which a home is sited.

	Mean Value	Bill at \$0.83	Bill at \$0.86	Difference
All residential properties	\$193,553	\$1,606	\$1,665	\$58 ¹
Residential properties with home	\$244,500	\$2,029	\$2,103	\$73 ²

¹Each penny on the tax rate equates to an annual bill of \$19.36 to the average residential property including raw land.

²Each penny on the tax rate equates to an annual bill of \$24.45 to the average residential property on which a home is sited.

Overall Change in Preliminary AV: +6.4%

\$0.83

Residential Change: 7.5%

Commercial Change: 1.8%

Residential Summary	
VALUES	29.9% No change or decrease in assessed value
	Of this 29.9% ...
	35.4% No change
	30.7% Decrease of 0.1% - 9.9%
	8.8% Decrease of 10.0% - 19.9%
	24.3% Decrease of 20.0% - 24.9%
	0.2% Decrease of 25.0% - 29.9%
	0.2% Decrease of 30.0% - 39.9%
	<u>0.4%</u> Decrease of 40.0% +
	100.0%
70.1% Increase in assessed value	
Of this 70.1% ...	
36.1% Increase of 0.1% - 5%	
32.0% Increase of 5.1% - 10%	
23.7% Increase of 10.1% - 20%	
5.2% Increase of 20.1% - 30%	
<u>2.9%</u> Increase of 30.1% +	
100.0%	

Commercial Summary	
VALUES	22.6% No change or decrease in assessed value
	Of this 22.6% ...
	53.6% No change
	42.7% Decrease of 0.1% - 9.9%
	1.8% Decrease of 10.0% - 19.9%
	0.7% Decrease of 20.0% - 24.9%
	0.2% Decrease of 25.0% - 29.9%
	0.6% Decrease of 30.0% - 39.9%
	<u>0.4%</u> Decrease of 40.0% +
	100.0%
77.4% Increase in assessed value	
Of this 77.4% ...	
84.5% Increase of 0.1% - 5%	
11.3% Increase of 5.1% - 10%	
1.9% Increase of 10.1% - 20%	
0.4% Increase of 20.1% - 30%	
<u>1.8%</u> Increase of 30.1% +	
100.0%	

Residential Summary (\$0.83)*	
BILLS	46.6% of residential property taxpayers will see no change or decrease in bill at \$0.83 rate
	Of this 46.6% ...
	73.2% will see decrease of \$0 - \$49
	14.3% will see decrease of \$50 - \$99
	8.4% will see decrease of \$100 - \$149
	2.7% will see decrease of \$150 - \$249
	<u>1.4%</u> will see decrease of \$250 +
	100.0%
	53.4% of residential property taxpayers will see increases in their bills
	Of this 53.4% ...
4.9% will see increase of \$1 - \$5	
4.3% will see increase of \$6 - \$10	
7.2% will see increase of \$11 - \$20	
22.1% will see increase of \$21 - \$50	
23.0% will see increase of \$51 - \$100	
27.1% will see increase of \$101 - \$200	
9.1% will see increase of \$201 - \$500	
<u>2.4%</u> will see increase of \$501 +	
100.0%	

Commercial Summary (\$0.83)*	
BILLS	57.3% of commercial property taxpayers will see no change or decrease in bill at \$0.86 rate
	Of this 57.3% ...
	69.5% will see decrease of \$0 - \$199
	13.8% will see decrease of \$200 - \$499
	10.4% will see decrease of \$500 - \$1499
	<u>6.3%</u> will see decrease of \$1500 +
	100.0%
	42.7% of commercial property taxpayers will see increases in their bills
	Of this 42.7% ...
	78.0% will see increase of \$1 - \$150
7.9% will see increase of \$151 - \$300	
4.1% will see increase of \$301 - \$500	
4.6% will see increase of \$501 - \$1000	
1.5% will see increase of \$1001 - \$1500	
0.9% will see increase of \$1501 - \$2000	
<u>3.1%</u> will see increase of \$2001 +	
100.0%	

* The 2016 recommended rate is \$0.86. Based on preliminary assessed values, the equalized rate for 2016 is \$0.83.

Overall Change in Preliminary AV: +6.4%

\$0.86

Residential Change: 7.5%

Commercial Change: 1.8%

Residential Summary	
VALUES	29.9% No change or decrease in assessed value
	Of this 29.9% ...
	35.4% No change
	30.7% Decrease of 0.1% - 9.9%
	8.8% Decrease of 10.0% - 19.9%
	24.3% Decrease of 20.0% - 24.9%
	0.2% Decrease of 25.0% - 29.9%
	0.2% Decrease of 30.0% - 39.9%
	<u>0.4%</u> Decrease of 40.0% +
	100.0%
70.1% Increase in assessed value	
Of this 70.1% ...	
36.1% Increase of 0.1% - 5%	
32.0% Increase of 5.1% - 10%	
23.7% Increase of 10.1% - 20%	
5.2% Increase of 20.1% - 30%	
<u>2.9%</u> Increase of 30.1% +	
100.0%	

Commercial Summary	
VALUES	22.6% No change or decrease in assessed value
	Of this 22.6% ...
	53.6% No change
	42.7% Decrease of 0.1% - 9.9%
	1.8% Decrease of 10.0% - 19.9%
	0.7% Decrease of 20.0% - 24.9%
	0.2% Decrease of 25.0% - 29.9%
	0.6% Decrease of 30.0% - 39.9%
	<u>0.4%</u> Decrease of 40.0% +
	100.0%
77.4% Increase in assessed value	
Of this 77.4% ...	
84.5% Increase of 0.1% - 5%	
11.3% Increase of 5.1% - 10%	
1.9% Increase of 10.1% - 20%	
0.4% Increase of 20.1% - 30%	
<u>1.8%</u> Increase of 30.1% +	
100.0%	

Residential Summary (\$0.86)*	
BILLS	29.9% of residential property taxpayers will see no change or decrease in bill at \$0.86 rate
	Of this 29.9% ...
	91.2% will see decrease of \$0 - \$49
	5.0% will see decrease of \$50 - \$99
	1.4% will see decrease of \$100 - \$149
	1.2% will see decrease of \$150 - \$249
	<u>1.2%</u> will see decrease of \$250 +
	100.0%
	70.1% of residential property taxpayers will see increases in their bills
	Of this 70.1% ...
2.1% will see increase of \$1 - \$5	
2.1% will see increase of \$6 - \$10	
3.9% will see increase of \$11 - \$20	
14.1% will see increase of \$21 - \$50	
24.8% will see increase of \$51 - \$100	
33.0% will see increase of \$101 - \$200	
17.4% will see increase of \$201 - \$500	
<u>2.7%</u> will see increase of \$501 +	
100.0%	

Commercial Summary (\$0.86)*	
BILLS	22.6% of commercial property taxpayers will see no change or decrease in bill at \$0.86 rate
	Of this 22.6% ...
	80.3% will see decrease of \$0 - \$199
	3.5% will see decrease of \$200 - \$499
	6.8% will see decrease of \$500 - \$1499
	<u>9.4%</u> will see decrease of \$1500 +
	100.0%
	77.4% of commercial property taxpayers will see increases in their bills
	Of this 77.4% ...
	71.7% will see increase of \$1 - \$150
8.6% will see increase of \$151 - \$300	
6.4% will see increase of \$301 - \$500	
6.4% will see increase of \$501 - \$1000	
2.6% will see increase of \$1001 - \$1500	
1.4% will see increase of \$1501 - \$2000	
<u>2.9%</u> will see increase of \$2001 +	
100.0%	

* The 2016 recommended rate is \$0.86. Based on preliminary assessed values, the equalized rate for 2016 is \$0.83.