

TOWN OF SHARON

FY 2024 TAX CLASSIFICATION HEARING

FACT SHEET



November 14, 2023

- 1) The total real and personal property assessed value for FY 2024 is \$4,801,619,450. This is a 10% increase from FY 2023.
- 2) The average single-family home's assessed value for FY 2024 is \$750,000. This is a 10% increase over FY 2023 value of \$680,800.
- 3) The total amount of revenue to be raised by all sources for FY 2024 is \$118,694,004. This is a 10.4% increase from FY 2023. These sources of revenue not only include Real and Personal property tax but also include Enterprise and CPA funds to name a few.
- 4) The tax levy for FY 2024 is \$84,412,470. This is a 4% increase over FY 2023. This revenue was derived from a tax base that consists of 6,362 units of real property and 182 units of personal property. Under The Community Preservation Act (CPA) the Town will raise at the local level an additional 1% of the real property tax levy with \$100,000/Parcel of Residential property value being exempt from the surcharge. The CPA surcharge estimated revenue for FY 2024 is \$732,747 under authority of the CPC.
- 5) The proposed single tax rate for FY 2024 is \$17.58 per one thousand dollars of assessed valuation. This is a \$1.01 or 5.4% decrease from the FY 2023 tax rate of \$18.59.
- 6) The average single-family home tax bill for FY 2024 is projected to be \$13,185. This is an increase of 4% or \$529 over FY 2023. The CPA adds 1% to this average tax bill, or \$132.
- 7) The assessed value of the new construction and personal property new growth that took place during the twelve-month period from July 1, 2022 to June 30, 2023 is \$23,352,740. This translates into \$434,127 of increased tax levy capacity over the basic limits of Proposition 2 ½.
- 8) The Tax Classification law allows the Select Board to increase the combined Commercial, Industrial and Personal property (CIP) share of the Town's tax base up to a maximum of 150% of what it is at current market value. This has the effect of reducing the share of the tax burden that is borne by the residential property class. Since the CIP property classes represent only 7.37% of Sharon's tax base, even the maximum allowable tax shift to these classes produces a relatively negligible decrease in the tax burden of the residential property class.
- 9) The full implementation of the Tax Classification Law in Sharon would have the effect for residential properties of lowering the 2024 single tax rate of \$17.58 by 70 cents to \$16.88. At the same time, it would increase the commercial tax rate by \$8.79, from \$17.58 to \$26.37.
- 10) To illustrate, if the maximum allowable tax burden shift were made from the residential property class to the CIP classes, its effect on the average residential assessed value of \$750,000 would be to reduce the tax bill by \$525 to \$12,660. However, the tax bill for an average valued commercial property (\$1,745,000) would be increased by \$15,338 to \$46,015, which is a 50% increase.