

TOWN OF ARLINGTON



TAX CLASSIFICATION HEARING

NOVEMBER 21, 2022

FY 2023

**DANA MANN
DIRECTOR OF ASSESSMENTS**

HOW TO DETERMINE THE LEVY TOTAL TO BE RAISED AND THE TAX RATE FY 2023

I. CALCULATE THE FY 2023 LEVY LIMIT

A. FY 2022 LEVY LIMIT		\$130,879,853
B. ADD 2.5%		\$3,271,996
C. ADD FY 2023 NEW GROWTH	*	\$1,205,059
D. ADD FY 2023 OVERRIDE		\$0
E. FY 2023 LEVY LIMIT		\$135,356,908

II. CALCULATE THE FY 2023 TOTAL TO BE RAISED

A. FY 2023 LEVY LIMIT		\$135,356,908
B. ADD FY 2023 SCHOOL DEBT EXCLUSION		\$13,848,434
C. ADD FY 2023 WATER & SEWER DEBT		\$0
D. ADD FY 2023 SYMMES CAPITAL DEBT EXCLUSION		\$0
MAXIMUM TOTAL TO BE RAISED		\$149,205,342

III. CALCULATE THE FY2023 TAX RATE

TO BE RAISED	/	TOTAL TAXABLE ASSESSED VALUE	X	1000	
\$149,169,849		\$13,306,855,407	X	1000	\$11.21
EXCESS LEVY \$35,493					

*** GROWTH TAX DOLLARS AND THE TAX RATE ARE ESTIMATED PENDING
DEPARTMENT OF REVENUE APPROVAL**

SHIFTING THE TAX RATE
Fiscal Year 2023

I. CALCULATION OF THE MINIMUM RESIDENTIAL FACTOR - 150% Shift (formerly shown on the LA-7)

The Minimum Residential Factor is used to make sure the shift of the tax burden complies with the law ([M.G.L. c. 58, § 1A](#)). Residential and Open Space taxpayers must pay at least 65% of their full and fair cash value share of the levy. Commercial/Industrial/Personal Property taxpayers cannot pay more than 150% of their full and fair cash value share of the levy. If the calculated Minimum Residential Factor is less than 65%, a community cannot make the maximum shift and must use a Commercial/Industrial/Personal Property factor less than 150%.

A Class	B Full and Fair Cash Valuation	C Percentage Share	D Combined Res/OS, CIP
1. Residential	12,578,665,911	94.5277%	94.5277%
2. Open Space	0	0.0000%	
3. Commercial	511,501,086	3.8439%	5.4723%
4. Industrial	25,403,300	0.1909%	
5. Personal Property	191,285,110	1.4375%	
TOTALS	13,306,855,407	100.0000%	

The "Percentage Share" is based on the "Full and Fair Cash Valuation" of each class, which is affected by the level of assessment for each class. The level of assessment can range between 90% and 110%. This alone can cause a shift if the level of assessment for Residential and Open Space is different than the level of assessment for Commercial, Industrial and Personal Property.

Maximum Share of Levy for Commercial/Industrial/Personal Property: $150\% * 5.4723\%$ (Lines 3C + 4C + 5C) = 8.2085% (Max % Share)

This calculation shows the maximum % share of the levy allowed for the full and fair cash value of the combined Commercial, Industrial and Personal Property classes (150% of the combined shares.) NOTE: Shift impact is reduced as the Max % Share decreases.

Minimum Share of Levy for Residential and Open Space: $100\% - 8.2085\%$ (Max % Share) = 91.7915% (Min % Share)

This calculation shows the minimum % share of the levy allowed for the full and fair cash value of the combined Residential and Open Space Property classes. This is computed by subtracting the Maximum Share for Industrial/Commercial/Personal Property from 100%.

Minimum Residential Factor (MRF): 91.7915% (Min % Share) / 94.5277% (Lines 1C + 2C) = 97.1054% (Minimum Residential Factor)

This calculates the Minimum Residential Factor: divide the minimum % share for Residential and Open Space by the actual % share for Residential and Open Space.

MINIMUM RESIDENTIAL FACTOR: 97.1054% Chapter 58, Section 1A mandates a minimum residential factor of not less than 65 percent

When the Minimum Residential Factor is multiplied by % share of the Residential and Open space full and fair cash value, it reduces the Residential and Open Space share to its Minimum % Share of the Levy as calculated above.

SHIFTING THE TAX RATE

Fiscal Year 2023

II. CALCULATION OF THE LOWEST POSSIBLE RESIDENTIAL FACTOR - 175% Shift (Chapter 200)

Chapter 200 of the Acts of 1988 amended M.G.L. c. 58, § 1A to allow cities and towns to give Residential property taxpayers greater tax relief by adopting a shift of the property tax burden from Residential taxpayers to the Commercial, Industrial and Personal Property taxpayers, provided certain parameters are not exceeded. Chapter 200 allows a shift of up to 75% (also known as a 175% shift) and lowers the percentage that Residential and Open Space taxpayers must raise to 50%. By expanding the shift, the tax levy on Commercial, Industrial and Personal Property taxpayers increases and the tax Levy on Residential and Open Space taxpayers decreases.

The first Section (Steps 1, 2 & 3) determines whether Residential taxpayers would raise a greater percentage of the property tax levy this fiscal year than they raised last fiscal year, if the town voted the existing law's maximum shift of 150% onto Commercial/Industrial/Personal Property taxpayers.

1. Last year's chosen RESIDENTIAL percentage* (Residential only, does not include Open Space)	94.3154%
This is last year's chosen residential percentage (RES%), not including Open Space, from form LA-5 (under the "SHIFT PERCENTS" section). (Note: The residential share in the fiscal year prior to a community's first property value certification may be used if the assessors can document that it was lower than the prior year's LA5 RES%.)	
2. This year's Minimum Residential Factor using a 150% shift to CIP (from LA-7).	97.1054%
This is the "Minimum Residential Factor (MRF)" calculation in Section I above.	
3. Minimum residential share (R) in current year using 150% Shift to CIP.	91.7915%
This is the "Minimum Share of Levy for Residential" calculation in Section I above.	

If #1 is greater than #3, STOP!

You may shift only up to 150% to Commercial/Industrial/Personal Property, and line #2 remains your Minimum Residential Factor. You must stop here, because continuing would cause the Residential taxpayers to pay more this year than they did last year.

If #3 is greater than #1, go on., continue the shift calculations. Steps 7, 8 and 9 determine whether or not Residential & Open Space taxpayers would raise a smaller percentage of the property tax levy this fiscal year than they have ever raised since the community's first certification of values, assuming the town voted a 175% shift onto Commercial/Industrial/Personal Property taxpayers as allowed by Chapter 200.

4. Calculate a Residential Factor using a 175% shift to CIP.	_____
This Residential Factor is the result of repeating the calculations in Steps 1 through 3 above using a shift of 175% instead of 150%. Residential and Open Space taxpayers must raise a minimum of 50%	
5. Multiply this new Residential Factor by this year's residential percentage.	_____
This calculation multiplies the factor in step 4 above by the combined Residential/Open Space % Share from the grid at the top.	
6. What is the Lowest Historical Residential Percentage since the first certification.	_____
This is the "Historic Low %" shown on the LA-5 Options & Certification form.	

If #5 is greater than #6, STOP!

You may shift up to 175% to the Commercial/Industrial/Personal Property taxpayers and step 4 is the Lowest Residential Factor.

If #6 is greater than #5, go on.

This section determines the maximum shift allowed by law, and the lowest residential factor allowable to achieve the maximum shift. These calculations will not appear if the 175% shift is not allowed according to the calculations above (If #5 is greater than #6).

7A. Take the lowest historical residential percentage (6 above).	_____
The residential share in the year before first certification may be used if assessors document it was lower.	
7B. Divide 7A by the current combined residential/open space percentage share (Residential & Open Space % from the grid above).	_____
7C. The result is the lowest residential factor allowable (it may not be less than 50%).	_____

TOWN OF ARLINGTON
CLASSIFICATION OF REAL ESTATE
SELECT BOARD
 November 21, 2022
FISCAL YEAR 2023

I.	OPTION OF THE SELECT BOARD (CHAPTER 797 OF MASSACHUSETTS GENERAL LAW)	
II.	ALLOWS THE BOARD OF SELECTMEN TO INCREASE THE COMMERCIAL, INDUSTRIAL, PERSONAL PROPERTY (CIP) CLASSES OF PROPERTY UP TO 150% OF THE LEVY.	
III.	ARLINGTON'S MINIMAL RESIDENTIAL FACTOR (MRF) FOR FISCAL 2022	97.1054%
IV.	CIP SHARE OF THE FY 2022 LEVY IS	5.4723%
VI.	CIP'S MAXIMUM SHARE THEREFORE MAY BE RAISED TO	8.2085%

**TOWN OF ARLINGTON
ASSESSORS' OFFICE
CLASSIFICATION
FISCAL YEAR 2023**

Note: All rates are estimated subject to DOR certification

At	CIP%	RO%	RATE PER \$1000 AV		CIP	RO
	SHARE	SHARE	CIP	RO	TAX INC. PER 500K	TAX DEC. PER 500K
100.00%	5.4723	94.5277	\$11.21	\$11.21	\$0	\$0
105.00%	5.7459	94.2541	\$11.77	\$11.18	\$280	(\$16.22)
110.00%	6.0195	93.9805	\$12.33	\$11.15	\$561	(\$32.45)
115.00%	6.2931	93.7069	\$12.89	\$11.11	\$841	(\$48.67)
120.00%	6.5668	93.4332	\$13.45	\$11.08	\$1,121	(\$64.90)
125.00%	6.8404	93.1596	\$14.01	\$11.05	\$1,401	(\$81.12)
130.00%	7.1140	92.8860	\$14.57	\$11.02	\$1,682	(\$97.34)
135.00%	7.3876	92.6124	\$15.13	\$10.98	\$1,962	(\$113.57)
140.00%	7.6612	92.3388	\$15.69	\$10.95	\$2,242	(\$129.79)
145.00%	7.9348	92.0652	\$16.25	\$10.92	\$2,522	(\$146.02)
150.00%	8.2085	91.7916	\$16.82	\$10.89	\$2,803	(\$162.24)

CIP SHARE OF LEVY IS	\$8,163,004
CIP MAXIMUM LEVY IS	\$12,244,506

*CIP-COMMERCIAL, INDUSTRIAL, PERSONAL PROPERTY

*RO- RESIDENTIAL, OPEN SPACE

RESIDENTIAL EXEMPTION

Residential Average Assessment	Total Accounts	Total Eligible Accounts	Exemption Voted	Exemption Amount	Total Value Exempted	New Residential Assessment Total	Total Residential Levy	Tax Rate
849,335	14,810	0	0%	0	0	12,578,665,911	141,006,845	\$11.21
		13,047	20%	169,867	2,216,254,749	10,362,411,162	141,006,845	\$13.61
		13,047	15%	127,400	1,662,191,062	10,916,474,849	141,006,845	\$12.92
		13,047	10%	84,934	1,108,127,375	11,470,538,537	141,006,845	\$12.29
		13,047	5%	42,467	554,063,687	12,024,602,224	141,006,845	\$11.73

- **Residential Exemption up to 35% of average residential value: Only adopted in a handful of communities including Boston, Cambridge, Chelsea and Brookline.**
- **Tax Rate would go from \$11.21 to \$13.61 before discount.**
- **The Breakeven point is \$963,287**
- **Approximately 17% of homes shouldering the burden.**
- **Most homes in Arlington are owner occupied.**

**ASSESSORS' OFFICE
TOWN OF ARLINGTON
TAX RATE PER \$ 1000 OF
ASSESSED VALUE**

YEAR	RATE	YEAR	RATE	YEAR	RATE	YEAR	RATE
1929	\$30.00	1954	\$54.50	FY 1978	\$78.00	FY 2003	\$13.64
1930	\$30.40	1955	\$59.20	FY 1979	\$84.60	FY 2004	\$10.61
1931	\$31.40	1956	\$69.20	FY 1980	\$81.00	FY 2005	\$10.94
1932	\$30.40	1957	\$70.40	FY 1981	\$87.00	FY 2006	\$11.34
1933	\$30.40	1958	\$71.20	FY 1982	\$73.50	FY 2007	\$10.95
1934	\$33.00	1959	\$74.00	FY 1983	\$22.70	FY 2008	\$11.45
1935	\$33.00	1960	\$78.20	FY 1984	\$23.43	FY 2009	\$11.92
1936	\$34.00	1961	\$82.60	FY 1985	\$23.96	FY 2010	\$12.11
1937	\$35.60	1962	\$85.00	FY 1986	\$16.49	FY 2011	\$12.41
1938	\$35.20	1963	\$84.60	FY 1987	\$17.24	FY 2012	\$13.66
1939	\$36.80	1964	\$92.60	FY 1988	\$17.66	FY 2013	\$13.61
1940	\$35.80	1965	\$97.60	FY 1989	\$10.86	FY 2014	\$13.79
1941	\$34.80	1966	\$97.60	FY 1990	\$11.25	FY 2015	\$13.55
1942	\$35.60	1967	\$106.00	FY 1991	\$12.47	FY 2016	\$12.80
1943	\$32.00	1968	\$124.00	FY 1992	\$13.84	FY 2017	\$12.56
1944	\$32.00	1969	\$41.00	FY 1993	\$14.52	FY 2018	\$12.13
1945	\$34.40	1970	\$48.20	FY 1994	\$15.55	FY 2019	\$11.26
1946	\$38.00	1971	\$51.80	FY 1995	\$16.06	FY 2020	\$11.06
1947	\$42.80	1972	\$56.80	FY 1996	\$16.54	FY 2021	\$11.34
1948	\$44.20	1973	\$56.80	FY 1997	\$17.08	FY 2022	\$11.42
1949	\$46.20	1973	\$28.20	FY 1998	\$16.73	FY 2023	\$11.21
1950	\$50.40	1974	\$74.00	FY 1999	\$17.17		
1951	\$54.20	FY 1975	\$67.20	FY 2000	\$17.66		
1952	\$56.40	FY 1976	\$67.20	FY 2001	\$13.17		
1953	\$57.60	FY 1977	\$74.80	FY 2002	\$13.85		

ASSESSMENT/CLASSIFICATION REPORT as of January 1, 2022

Fiscal Year 2023

Property Type	Parcel Count	Class1 Residential	Class2 Open Space	Class3 Commercial	Class4 Industrial	Class5 Pers Prop
101	8,008	7,306,385,400				
102	4,039	2,258,514,600				
MISC 103,109	10	13,464,900				
104	2,055	2,081,554,760				
105	176	191,625,900				
111-125	156	622,161,500				
130-32,106	288	36,506,900				
200-231	0		0			
300-393	370			448,290,630		
400-442	21				25,403,300	
450-452	0				0	
CH 61 LAND	0	0	0	0		
CH 61A LAND	0	0	0	0		
CH 61B LAND	1	3	0	1,742,317		
012-043	78	68,451,951	0	61,468,139	0	
501	155					7,362,340
502	131					3,291,630
503	0					0
504	2					144,061,510
505	6					21,076,400
506	2					13,933,000
508	3					1,560,230
550-552	0					0
TOTALS	15,504	12,578,665,911	0	511,501,086	25,403,300	191,285,110
Real and Personal Property Total Value						13,306,855,407
Exempt Parcel Count & Value					361	829,142,800

For CH 61, 61A and 61B Land: enter the mixed use parcel count in the left-hand box, and enter the 100% Chapter land parcel count in the right-hand box.

LA13 Tax Base Levy Growth

Retain documentation for 5 years in case of DOR audit - Fiscal Year 2023

Property Class	(A) All Prior Year Abatement No.	(B) All Prior Year Abatement Values	(C) New Growth Valuation	(D) PY Tax Rate	(E) Tax Levy Growth
RESIDENTIAL					
SINGLE FAMILY (101)	0	0	48,429,800		
CONDOMINIUM (102)	2	118,800	30,554,900		
TWO & THREE FAMILY (104 & 105)	1	53,200	8,630,400		
MULTI - FAMILY (111-125)	1	7,486,800	3,047,500		
VACANT LAND (130-132 & 106)	0	0	983,000		
ALL OTHERS (103, 109, 012-018)	0	0	374,100		
TOTAL RESIDENTIAL	4	7,658,800	92,019,700	11.42	1,050,865
OPEN SPACE	0	0	0		
OPEN SPACE - CHAPTER 61, 61A, 61B	0	0	0		
TOTAL OPEN SPACE	0	0	0	0.00	0
COMMERCIAL	7	7,001,672	1,756,100		
COMMERCIAL - CHAPTER 61, 61A, 61B	0	0	0		
TOTAL COMMERCIAL	7	7,001,672	1,756,100	11.42	20,055
INDUSTRIAL	0	0	0	11.42	0
PERSONAL PROPERTY	0	0	11,745,970	11.42	134,139
TOTAL REAL & PERSONAL	11	14,660,472	105,521,770		1,205,059

						23 VS 22					
Code	Type	Count	FY 2023 Assessed Value	Ave. AV	Count Inc/Dec	% Inc/Dec	Ave AV Inc/Dec	Count	FY 2022 Assessed Value	Ave. AV	
101	Single Family	8,008	7,306,385,400	912,386	-1	8.00%	67,728	8,009	6,764,864,600	844,658	
102	Condominium	4,039	2,258,514,600	559,177	67	6.41%	24,797	3,972	2,122,555,900	534,380	
Misc 103,109	Misc	10	13,464,900	1,346,490	0	6.04%	76,650	10	12,698,400	1,269,840	
104	2 Family	2,055	2,081,554,760	1,012,922	-26	1.65%	28,906	2,081	2,047,736,860	984,016	
105	3 Family	176	191,625,900	1,088,784	-1	1.96%	26,927	177	187,948,600	1,061,856	
111-125	Apartments	156	622,161,500	3,988,215	1	9.38%	318,368	155	568,826,200	3,669,846	
130-132, 106	Res Land	288	36,506,900	126,760	-3	3.87%	5,986	291	35,145,300	120,774	
200-231	Open Space	0			0			0			
300-393	Commercial	370	448,290,630	1,211,596	-8	-0.68%	17,506	378	451,366,130	1,194,090	
400-452	Industrial	22	25,403,300	1,154,695	0	-0.21%	-2,377	22	25,455,600	1,157,073	
CH 61 Land	Ch Land	0			0			0			
CH 61A Land	Ch Land	0			0			0			
CH 61B Land	Ch Land	3	1,742,317	580,772	0	2.29%	13,002	3	1,703,311	567,770	
012-043(Res)	Mixed Use(Res)	53	68,451,951	1,291,546	0	3.67%	45,774	53	66,025,928	1,245,772	
012-043(Com)	Mixed Use(Com)	25	61,468,139	1,610,041	0	1.45%	0	25	60,588,862	1,610,041	
501	Per Prop	155	7,362,340	47,499	-20	-14.75%	-1,851	175	8,636,280	49,350	
502	Per Prop	131	3,291,630	25,127	-13	13.42%	4,973	144	2,902,150	20,154	
503	Per Prop	0	0		0			0	0		
504,550-552	Per Prop	2	144,061,510	72,030,755	0	13.33%	8,471,915	2	127,117,680	63,558,840	
505	Per Prop	6	21,076,400	3,512,733	0	11.70%	367,850	6	18,869,300	3,144,883	
506	Per Prop	2	13,933,000	6,966,500	0	1.31%	90,400	2	13,752,200	6,876,100	
508	Per Prop	3	1,560,230	520,077	0	33.98%	131,900	3	1,164,530	388,177	
TOTAL		15,504	13,306,855,407			6.31%		15,508	12,517,357,831		
Residential			12,578,665,911			6.55%			11,805,801,788		
Open Space			0.00						0.00		
Commercial			511,501,086			-0.42%			513,658,303		
Industrial			25,403,300			-0.21%			25,455,600		
Total Real Est		15,205	13,115,570,297			6.24%		15,176	12,344,915,691		
Personal Prop		299	191,285,110			10.93%		332	172,442,140		
Total Real & PP		15,504	13,306,855,407			6.31%		15,508	12,517,357,831		
Exempt		361	829,142,800					357	803,644,000		
Grand Total		15,865	14,135,998,207					15,865	13,321,001,831		

TAX RATE COMPONENTS FY 2019 - FY 2023

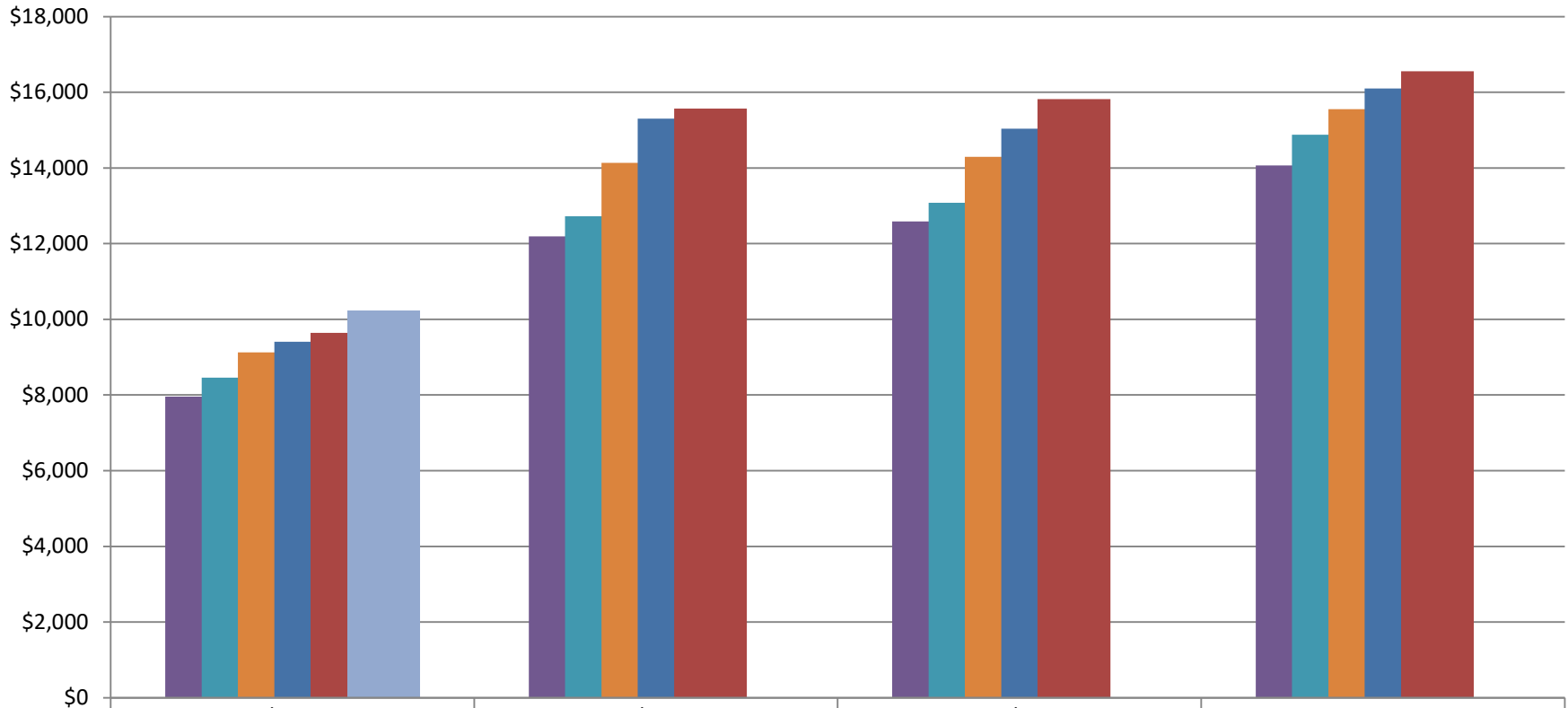
	2019	2020	2021	2022	2023
LEVY BASE	\$9.98	\$9.42	\$10.08	\$10.13	\$9.83
2 1/2%	\$0.25	\$0.24	\$0.25	\$0.25	\$0.25
GROWTH	\$0.09	\$0.07	\$0.07	\$0.07	\$0.09
OVERRIDE	\$0.00	\$0.46	\$0.00	\$0.00	\$0.00
WAT & SEW DEBT EXCL	\$0.58	\$0.46	\$0.30	\$0.15	\$0.00
SCHOOL DEBT EXCLU	\$0.43	\$0.41	\$0.64	\$0.82	\$1.04
SYMMES DEBT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TAX RATE *	\$11.26	\$11.06	\$11.34	\$11.42	\$11.21

*Tax Rate =((Amount To Be Raised)/(Total Taxable Assessed Value))*1000

	2019	2020	2021	2022	2023	
MAX LEVY PRIOR FY	\$109,965,991	\$113,696,347	\$122,855,373	\$126,776,920	\$130,879,853	
2.50%	\$2,749,150	\$2,842,409	\$3,071,384	\$3,169,423	\$3,271,996	
GROWTH	\$981,206	\$816,616	\$850,163	\$933,510	\$1,205,059	
OVERRIDE	\$0	\$5,500,000	\$0	\$0	\$0	
MAXIMUM LEVY	\$113,696,347	\$122,855,372	\$126,776,920	\$130,879,853	\$135,356,908	
	LEVY INC %	3.28%	7.46%	3.09%	3.13%	3.31%
	LEVY INC \$	\$3,730,356	\$9,159,025	\$3,921,549	\$4,102,933	\$4,477,055
W/S DEBT SERVICE	\$5,593,112	\$5,593,112	\$3,691,454	\$1,845,727	\$0	
SCHOOL DEBT EXCLU	\$4,772,602	\$4,928,109	\$7,744,595	\$10,276,792	\$13,848,434	
SYMMES DEBT EXCLU	\$0	\$0	\$0	\$0	\$0	
MAX TO BE RAISED	\$124,062,061	\$133,376,594	\$138,212,969	\$143,002,372	\$149,205,342	
ACTUAL RAISED	\$124,010,976	\$133,350,155	\$138,199,499	\$142,948,226	\$149,169,849	
EXCESS LEVY	\$51,085	\$26,439	\$13,470	\$54,146	\$35,493	
TOTAL TAXABLE ASSESSED VALUE	\$11,013,408,219	\$12,056,976,079	\$12,186,904,721	\$12,517,357,831	\$13,306,855,407	
TOTAL AV % INCREASE	13.93%	9.48%	1.08%	2.71%	6.31%	
TAX RATE	\$11.26	\$11.06	\$11.34	\$11.42	\$11.21	
PENNY ON TAX RATE	\$110,134	\$120,570	\$121,869	\$125,174	\$133,069	
AVE ASSED VAL SINGLE FAMILY	\$752,184	\$825,144	\$829,339	\$844,658	\$912,385	
AVE TAXES SINGLE FAMILY	\$8,470	\$9,126	\$9,405	\$9,646	\$10,228	

* ALL NUMBERS SUBJECT TO ROUNDING AND FINAL DOR CERTIFICATION

Average Taxes FY2018-FY2023 Single Family Homes



	Arlington	Belmont	Winchester	Lexington
2018	\$7,957	\$12,195	\$12,590	\$14,069
2019	\$8,462	\$12,720	\$13,082	\$14,876
2020	\$9,126	\$14,135	\$14,297	\$15,557
2021	\$9,405	\$15,305	\$15,034	\$16,097
2022	\$9,646	\$15,568	\$15,818	\$16,553
2023	\$10,228	\$0	\$0	\$0