



OLD NORTH BRIDGE

TOWN OF CONCORD

TOWN HOUSE - P.O. BOX 535
CONCORD, MASSACHUSETTS 01742

Residential Tax Exemption Forum

Monday, September 30, 2024, at 6:00 PM
Town House, Hearing Room, 22 Monument Square

Join Zoom Meeting

<https://us02web.zoom.us/j/84935058751?pwd=44gmOI1bucIbGB9bcJGnL5jAn0QS8U.1>

Meeting ID: 849 3505 8751

Passcode: 654399

833 928 4608 US Toll-free

#	Time*	Agenda Item
I.	6:00 PM	Open Select Board Residential Tax Exemption Forum Introduction Presenter: Mary Hartman, Select Board Chair
II.	6:05 PM	Residential Tax Exemption Presentation Presenter: Meredith Stone, Town Assessor
III.	6:40 PM	Public Comment: Public Comment may be made with no more than 3 minutes allocated to any one speaker.
IV.	7:55 PM	Closing Remarks Presenter: Mary Hartman, Select Board Chair
IV.	8:00 PM	Adjournment

**Times are approximate and subject to change*

Upcoming Select Board Meetings:

Monday, October 7, 2024

Monday, October 21, 2024

Monday, November 4, 2024



The Town of Concord endeavors to make public meetings accessible to all members of the community. To request a meeting accommodation or modification, please contact our ADA Coordinator Jessica Porter at jporter@concordma.gov or at 978-318-3028. Please make any requests for accommodation modifications at least two (2) business days prior to the scheduled meeting.

Residential Tax Exemption Presentation

**Meredith Stone, MAA
Town Assessor**

9/30/2024



What is it?

Enacted in 1979, the **Residential Tax Exemption** is an option under property tax classification MGL c. 59, sec. 5C that shifts the tax burden within the residential class from owners of moderately valued residential properties to the owners of higher valued homes, second homes, and residential properties not occupied by the owner, including apartments and vacant land.

- In FY24 the Select Board voted, at the Tax Classification Hearing, to adopt a Residential Exemption with a 10% shift. This was a valuation credit of \$142,971 which equated to \$1,877.21 off your Real Estate Tax Bill.

HISTORY OF TAX FAIRNESS

STATUTORY EXEMPTIONS

- **2001-2014-** Town voted in favor of increasing the amount the state allocates for Statutory Exemptions by 100%. Until it was made permanent the Town had to vote on it yearly.
- **2015-** The State Legislature informs Town's that they can make this permanent with a favorable vote at Town Meeting. The Town voted in favor of making the 100% increase permanent according to the state legislature.

COMMUNITY PRESERVATION ACT EXEMPTION

- **2004-** Town voted in favor of implementing a Community Preservation Act Surcharge. Along with this is an Exemption that any homeowner, regardless of age, can apply for this if they meet the income limits set by the state.

TAX DEFFERAL

- **2006-**Town voted in favor of lowering the interest rate for Tax Deferral from 8% to 4%.
- **2009-** Town voted in favor of setting the Tax Deferral Income Limits based on the Circuit Breaker Income Limits.
- Town voted in favor of adding a yearly cost of living adjustment to the Income limits for Statutory Exemptions Clause 17D and 41C which helps Seniors with Tax Relief.

SENIOR MEANS TESTED EXEMPTION

- **2016** – Town forms a committee to write a Home Rule Petition to give Tax Relief to Seniors.
- **2018** – Home Rule Petition is approved by the State Legislature
- **2019** - Senior Means Tested Exemption is implemented for FY2019. This exemption will expire in 3 years.
- **2020** – Town petitions State Legislature to make this Exemption Permanent
- **2024** – Town votes to make the Senior Means Tested Exemption permanent.

VALUE RANGE FY24	TOTAL PARCEL COUNT FY24	# RES EX GRANTED FY24
\$100,000.00	2	1
\$200,000.00	46	31
\$300,000.00	40	17
\$400,000.00	180	97
\$500,000.00	153	77
\$600,000.00	176	91
\$700,000.00	261	153
\$800,000.00	463	310
\$900,000.00	525	359
\$1,000,000.00	478	331
\$1,100,000.00	428	320
\$1,200,000.00	422	294
\$1,300,000.00	361	249
\$1,400,000.00	303	212
\$1,500,000.00	222	158
\$1,600,000.00	179	123
\$1,700,000.00	139	96
\$1,800,000.00	139	105
\$1,900,000.00	145	103
\$2,000,000.00	104	66

\$2,100,000.00	104	70
\$2,200,000.00	95	55
\$2,300,000.00	66	32
\$2,400,000.00	71	36
\$2,500,000.00	48	36
\$2,600,000.00	39	24
\$2,700,000.00	59	39
\$2,800,000.00	36	24
\$2,900,000.00	31	19
\$3,000,000.00	33	21
\$3,100,000.00	29	14
\$3,200,000.00	27	19
\$3,300,000.00	19	7
\$3,400,000.00	18	13
\$3,500,000.00	19	14
\$3,600,000.00	11	6
\$3,700,000.00	12	8
\$3,800,000.00	12	9
\$3,900,000.00	16	11
\$4,000,000.00	11	4
\$4,100,000.00	16	5
\$4,200,000.00	5	3
\$4,300,000.00	9	5
\$4,400,000.00	3	3
\$4,500,000.00	3	1
\$4,600,000.00	6	4
\$4,700,000.00	9	6
\$4,800,000.00	2	1
\$4,900,000.00	4	2
Over 5,000,000	37	18
	5616	3702

Total Parcel count potentially eligible - 5,616

Total exemptions granted - 3,702

Total Granted Below Break-Even-3,263

Total Granted Above Break-Even- 439



Who Benefits?

For Owner-Occupied Properties:

Eligible Properties-WITHOUT Residential Exemption Program						
	Property #1	Property #2	Property #3	Property #4	Property #5	Property #6
Assessed Value	\$ 400,000.00	\$ 1,303,250.00	\$ 1,554,227.00	\$ 2,145,997.00	\$ 2,500,000.00	\$ 5,500,000.00
Tax Bill with No Program - Tax Rate \$12.24	\$ 4,896.00	\$ 15,951.78	\$ 19,023.74	\$ 26,267.00	\$ 30,600.00	\$ 67,320.00
Eligible Properties-WITH Residential Exemption Program						
	Property #1	Property #2	Property #3	Property #4	Property #5	Property #6
	Below Break Even	Median Value	Average Value	Break Even Point	Above Break Even	Well Above Break Even
Assessed Value	\$ 400,000.00	\$ 1,303,250.00	\$ 1,554,227.00	\$ 2,145,997.00	\$ 2,500,000.00	\$ 5,500,000.00
Exemption	\$ 142,971.00	\$ 142,971.00	\$ 142,971.00	\$ 142,971.00	\$ 142,971.00	\$ 142,971.00
Net Value	\$ 257,029.00	\$ 1,160,279.00	\$ 1,411,256.00	\$ 2,003,026.00	\$ 2,357,029.00	\$ 5,357,029.00
Tax Bill with 10% Exemption Tax Rate \$13.13	\$ 3,374.79	\$ 15,234.46	\$ 18,529.79	\$ 26,299.73	\$ 30,947.79	\$ 70,337.79
Actual Savings with Exemption	\$ 1,521.21	\$ 717.32	\$ 493.95	\$ (32.73)		
Extra Cost of Exemption				\$ -	\$ (347.79)	\$ (3,017.79)

Below Break-Even Point Value With Budget Impacts

	FY24 w. Residential Exemption	FY24 w/o Residential Exemption	FY24, No Residential Exemption approved	FY23	FY22
Original Assessed Value	\$ 807,100	\$ 807,100	\$ 807,100	\$ 733,600	\$ 629,400
Residential Exemption	\$ (142,971)	\$ -	\$ -	\$ -	\$ -
Adjusted Assessed Value	\$ 664,129	\$ 807,100	\$ 807,100	\$ 733,600	\$ 629,400
Increase in AV, this property	-9%	10%	10%	17%	
Increase in AV, town average	15%	15%	15%	18%	
Tax Rate	\$ 13.13	\$ 13.13	\$ 12.24	\$ 12.96	\$ 14.76
Tax Bill	\$ 8,720	\$ 10,597	\$ 9,879	\$ 9,507	\$ 9,290
Annual increase attributable to Residential Exemption	\$ (1,159)	\$ 718			

Increase in Tax Bill	\$ (787)	\$ 1,090	\$ 371	\$ 218
Percent Increase	-8.28%	11.46%	3.91%	2.34%

Impact of:	FY24
Middle School Debt	\$ 291.00
Increased Assessed Value %	\$ (447.00)
Residential Exemption	\$ (1,158.89)
All Other, Budget	\$ 527.45
	\$ (787.44)

Near Average Assessed Value With Budget Impacts

	FY24 w. Residential Exemption	FY24 w/o Residential Exemption	FY24, No Residential Exemption approved	FY23	FY22
Original Assessed Value	\$ 1,506,900	\$ 1,506,900	\$ 1,506,900	\$ 1,424,300	\$ 1,067,300
Residential Exemption	\$ (142,971)	\$ -	\$ -	\$ -	\$ -
Adjusted Assessed Value	\$ 1,363,929	\$ 1,506,900	\$ 1,506,900	\$ 1,424,300	\$ 1,067,300
Increase in AV, this property	-4%	6%	6%	33%	
Increase in AV, town average	15%	15%	15%	18%	
Tax Rate	\$ 13.13	\$ 13.13	\$ 12.24	\$ 12.96	\$ 14.76
Tax Bill	\$ 17,908	\$ 19,786	\$ 18,444	\$ 18,459	\$ 15,753
Annual increase attributable to Residential Exemption	\$ (536)	\$ 1,341			

Increase in Tax Bill	\$ (551)	\$ 1,327	\$ (14)	\$ 2,706
Percent Increase	-2.98%	7.19%	-0.08%	17.17%

Impact of:	FY24
Middle School Debt	\$ 543
Increased Assessed Value %	\$ (1,663)
Residential Exemption	\$ (536)
All Other, Budget	\$ 1,106
	\$ (551)

Above Break-Even Point Value With Budget Impacts

	FY24 w. Residential Exemption	FY24 w/o Residential Exemption	FY24, No Residential Exemption approved	FY23	FY22
Original Assessed Value	\$ 3,409,700	\$ 3,409,700	\$ 3,409,700	\$ 2,840,900	\$ 2,432,000
Residential Exemption	\$ (142,971)	\$ -	\$ -	\$ -	\$ -
Adjusted Assessed Value	\$ 3,266,729	\$ 3,409,700	\$ 3,409,700	\$ 2,840,900	\$ 2,432,000
Increase in AV, this property	15%	20%	20%	17%	
Increase in AV, town average	15%	15%	15%	18%	
Tax Rate	\$ 13.13	\$ 13.13	\$ 12.24	\$ 12.96	\$ 14.76
Tax Bill	\$ 42,892	\$ 44,769	\$ 41,735	\$ 36,818	\$ 35,896
Annual increase attributable to Residential Exemption	\$ 1,157	\$ 3,035			

Increase in Tax Bill	\$ 6,074	\$ 7,951	\$ 4,917	\$ 922
Percent Increase	16.50%	21.60%	13.35%	2.57%

Impact of:	FY24
Middle School Debt	\$ 1,228
Increased Assessed Value %	\$ 1,746
Residential Exemption	\$ 1,157
All Other, Budget	\$ 1,942
	\$ 6,074



- Many parcels saw a tax increase because the tax rate increased. Whether you were above or below the break-even point would determine if you would benefit or not from the Residential Exemption.
- **Total Number of Potential Qualifying Residential Parcels = 5,616**
- 86% of parcel values were below the break-even point of \$2,145,997
- 14% of parcel values were above the break-even point of \$2,145,997
- **Total Number of Parcels that were granted the Residential Exemption = 3,702**
- 88% of parcel values were below the break-even point of \$2,145,997
- 12% of parcel values were above the break-even point of \$2,145,997

Tax Rate History

The following is a history of tax rates in the Town of Concord currently and for the preceding 5 years.

Example: FY2021 Sales generated FY2023 values. After COVID the values increased, and the Tax Rate decreased to \$12.96

Fiscal Year Tax Rates

Fiscal Year	Tax Rate
2024	\$13.13 (Residential) \$12.24 (Commercial)
2023	\$12.96
2022	\$14.76
2021	\$14.72
2020	\$14.23
2019	\$14.19