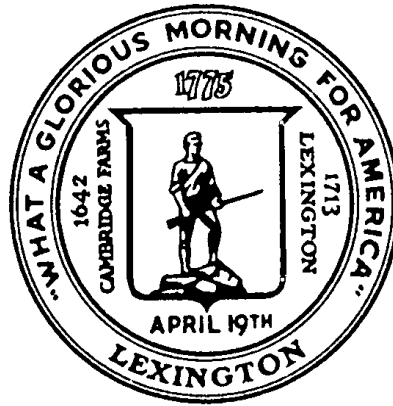


# Town of Lexington Fiscal Year 2021

## Tax Classification Packet



Prepared for: Lexington Select Board  
Prepared by: Lexington Assessors Office

Chairman, Gregory A. Johnson  
Member, Edmund C. Grant  
Member, Cas Groblewski

Robert F. Lent, Director of Assessing

November 30, 2020

# MEMO

**To: Lexington Select Board**  
**From: Lexington Board of Assessors**  
**Subject: FY 2021 PRELIMINARY Classification Meeting**

**Date: November 30, 2020**

This memo is intended to provide the Select Board with the necessary information to conduct a Public Hearing and Informational Session on the tax classification options available under Massachusetts General Laws. The classification amendment requires the Select Board to consider four (4) selections with respect to the setting the FY2021 Lexington tax rate. The decision of the Board for each alternative must be submitted to the DOR on MA State form LA-5. The four (4) selections are:

1. Selection of a residential factor
2. Selection of a discount for Open Space
3. Residential exemption
4. Small commercial property exemption

## 1. Selection of a residential factor.

(Class 1: Residential; Class 2: Open Space; Class 3: Commercial; Class 4: Industrial, etc.)

The Select Board may choose to adopt a **residential factor**, which will increase the tax rate applied to the commercial, industrial, and personal property (C-I-P) classes, factor (multiplier) of up to a maximum of: 1.750. Adopting such a factor will shift a larger portion of the overall Lexington tax levy to the commercial, industrial, personal property classes (CIP), thereby reducing the portion of the tax levy borne by the owners of residential property.

Attached Exhibit A, Exhibit B and Exhibit D-1 demonstrate the effect that several possible "factor" choices will have by identifying the tax levy percentage borne by each class of properties, and the resulting tax rates. Some 108 of the 351 communities in Massachusetts adopt this process of tax classification.

## 2. Selection of a discount for Open Space.

Massachusetts General Law Chapter 59 Sec. 2A defines Class 2 Open Space as:

"..land which is not otherwise classified and which is not taxable under provisions of chapters 61, 61A or 61B, or taxable under a permanent conservation restriction, and which land is not held for the production of income but is maintained in an open or natural condition and which contributes significantly to the benefit and enjoyment of the public."

The Select Board may choose to adopt an exemption, discounting the assessed value of Open Space to a maximum of 25% for any property that is classified as Open Space. The Board of Assessors has not identified any property in Lexington that meets the definition of Open Space according to the statute. To our knowledge, Bedford is the only community in the Commonwealth of Massachusetts to adopt this exemption.

**To: Lexington Select Board**  
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### **3. Residential exemption.**

The Select Board may choose to adopt a maximum exemption of up to 35% on residential properties. If adopted, this **tax relief would apply only to the principal residence of taxpayers (owner-occupied and primary domicile).**

If this exemption were adopted, the residential properties that are assessed at a value below the “break-even valuation” point would realize a reduction in taxes while the residential properties assessed at a value above the “break-even valuation” point must pay additional taxes to compensate. See attached Exhibit G for a hypothetical application of the residential exemption.

The funding for this exemption/tax relief for qualified applicants would be borne among the other properties of the within the same Residential classification. In particular, non-owner-occupied properties (apartment buildings and vacant land) would experience a substantial increase in taxes. [Note: “Residential classification” includes the following: single family dwellings, two & three family dwellings, vacant land, multi-dwelling parcels, residential condos, and apartment buildings.]

The Select Board previously formed an Ad-hoc Residential Exemption Policy Study Committee to evaluate the impacts of applying a residential exemption in Lexington. The final report of the committee was presented to the Select Board in April 2019.

In 2020, sixteen (16) communities in Commonwealth of MA, typically those with a substantial base of rental units, decided to offer the residential exemption including Barnstable, Boston, Brookline, Cambridge, Chelsea, Everett, Malden, Nantucket, Provincetown, Somerset, Somerville, Tisbury, Truro, Waltham, Watertown, and Wellfleet.

### **4. Small commercial exemption.**

The Select Board may choose to adopt a **small commercial exemption** of up to 10% of the property valuation for commercial (*not industrial*) property that meets the requirements of the law.

To qualify, eligible businesses must have occupied the property as of January 1st, and must have had no more than ten (10) employees during the previous calendar year, and the property must have an assessed valuation of less than \$1,000,000. While the applicant does not have to be the owner of the property to be eligible, all occupants of the commercial portion of the property must qualify. The funding for this exemption/tax relief for qualified applicants would be borne among the other properties of the same Commercial-Industrial-Personal Property (C-I-P) classification.

Over the last several months Town staff evaluated the applicability of the small commercial exemption to Lexington businesses. The starting point was to compile a list of commercial properties with an assessed value of under \$1,000,000. Per the Town’s Vision database there are approximately 80 commercial properties that meet this criteria. Second, the Board of Assessors received a list of registered commercial

businesses in Lexington that would meet the criteria of having under 10 employees from the Commonwealth of Massachusetts Department of Unemployment (note this list is only provided one time annually and is not a public record). There are approximately 450 businesses in Lexington that may meet the criteria of 10 or less employees.

These two lists were manually cross-checked by Town staff and it appears that only five properties/businesses in Lexington could meet both criteria.

In 2020, fifteen (15) communities in the Commonwealth of MA decided to offer the small commercial exemption including Auburn, Avon, Bellingham, Berlin, Braintree, Chelmsford, Dartmouth, Erving, New Ashford, North Attleboro, Seekonk, Somerset, Swampscott, Westford, and Wrentham.

### EXHIBIT A: ALTERNATIVE TAX RATE SCENARIOS FOR FY2021

FY2020 to FY2021 Change in Levy Limit and Values			
	FY2020	FY2021	% CHANGE
Maximum Allowable Levy Limit	\$ 196,066,558	\$ 207,100,143	5.63%
Tax Levy (FY20 as actual, and FY21 as Levy Limit (TBD))	\$ 195,949,768	\$ 207,100,143	5.69%
Residential Valuation	\$ 11,160,005,132	\$ 11,434,037,932	2.46%
Comm + Indl* + PP Valuation	\$ 1,438,342,965	\$ 1,518,730,905	5.59%
Total Valuation	\$ 12,598,348,097	\$ 12,952,768,837	2.81%
Residential Tax Rate	\$ 14.05	T.B.D.	T.B.D.
Comm / Indl / PP Tax Rate	\$ 27.22	T.B.D.	T.B.D.

\*Industrial valutaion is adjusted for TIF agreements

FY 2020 Levy Limit (A)	\$ 184,938,303	N/A
FY 2020 Excluded Debt (B)	\$ 11,128,255	N/A
FY 2020 Maximum Allowable Levy Limit (A) + (B)	\$ 196,066,558	N/A
Plus: Amended New Growth		0.00%
Plus: Prop 2 1/2 Increment (FY 20 Levy Limit (A) x 2.5%)	\$ 4,623,458	2.36%
Plus: New Growth Increment	\$ 4,853,553	2.48%
Plus: Override	\$ -	0.00%
Plus: Debt Exclusion Increment (Increases vs. FY 2020)	\$ 1,556,574	0.79%
FY2021 Maximum Allowable Levy Limit	\$ 207,100,143	5.63%

FACTOR		% SHARE OF LEVY		TAX LEVY		TAX RATE		% LEVY CHANGE: FY2019 v. FY2020		COMMENTS
C-I-P	RESID	C-I-P	RES	C-I-P	RESID	C-I-P	RESID	C-I-P	RESID	
1.000	1.000	11.7%	88.3%	\$ 24,282,792	\$ 182,817,351	\$15.99	\$15.99	-38.0%	16.6%	SINGLE TAX RATE
1.050	0.993	12.3%	87.7%	\$ 25,496,931	\$ 181,603,212	\$16.79	\$15.88	-34.9%	15.8%	
1.100	0.987	12.9%	87.1%	\$ 26,711,071	\$ 180,389,072	\$17.59	\$15.78	-31.8%	15.0%	
1.150	0.980	13.5%	86.5%	\$ 27,925,210	\$ 179,174,933	\$18.39	\$15.67	-28.7%	14.3%	
1.200	0.973	14.1%	85.9%	\$ 29,139,350	\$ 177,960,793	\$19.19	\$15.56	-25.6%	13.5%	
1.250	0.967	14.7%	85.3%	\$ 30,353,490	\$ 176,746,653	\$19.99	\$15.46	-22.5%	12.7%	
1.300	0.960	15.2%	84.8%	\$ 31,567,629	\$ 175,532,514	\$20.79	\$15.35	-19.4%	11.9%	
1.350	0.954	15.8%	84.2%	\$ 32,781,769	\$ 174,318,374	\$21.58	\$15.25	-16.3%	11.2%	
1.400	0.947	16.4%	83.6%	\$ 33,995,908	\$ 173,104,235	\$22.38	\$15.14	-13.2%	10.4%	
1.450	0.940	17.0%	83.0%	\$ 35,210,048	\$ 171,890,095	\$23.18	\$15.03	-10.1%	9.6%	
1.500	0.934	17.6%	82.4%	\$ 36,424,188	\$ 170,675,955	\$23.98	\$14.93	-7.0%	8.8%	
1.550	0.927	18.2%	81.8%	\$ 37,638,327	\$ 169,461,816	\$24.78	\$14.82	-3.9%	8.1%	
1.560	0.926	18.3%	81.7%	\$ 37,881,155	\$ 169,218,988	\$24.94	\$14.80	-3.2%	7.9%	
1.570	0.924	18.4%	81.6%	\$ 38,123,983	\$ 168,976,160	\$25.10	\$14.78	-2.6%	7.8%	
1.580	0.923	18.5%	81.5%	\$ 38,366,811	\$ 168,733,332	\$25.26	\$14.76	-2.0%	7.6%	
1.590	0.922	18.6%	81.4%	\$ 38,609,639	\$ 168,490,504	\$25.42	\$14.74	-1.4%	7.5%	
1.600	0.920	18.8%	81.2%	\$ 38,852,467	\$ 168,247,676	\$25.58	\$14.71	-0.8%	7.3%	
1.610	0.919	18.9%	81.1%	\$ 39,095,295	\$ 168,004,848	\$25.74	\$14.69	-0.1%	7.1%	
1.620	0.918	19.0%	81.0%	\$ 39,338,123	\$ 167,762,020	\$25.90	\$14.67	0.5%	7.0%	
1.630	0.916	19.1%	80.9%	\$ 39,580,950	\$ 167,519,193	\$26.06	\$14.65	1.1%	6.8%	
1.640	0.915	19.2%	80.8%	\$ 39,823,778	\$ 167,276,365	\$26.22	\$14.63	1.7%	6.7%	
1.650	0.914	19.3%	80.7%	\$ 40,066,606	\$ 167,033,537	\$26.38	\$14.61	2.3%	6.5%	
1.660	0.912	19.5%	80.5%	\$ 40,309,434	\$ 166,790,709	\$26.54	\$14.59	3.0%	6.4%	
1.670	0.911	19.6%	80.4%	\$ 40,552,262	\$ 166,547,881	\$26.70	\$14.57	3.6%	6.2%	
1.680	0.910	19.7%	80.3%	\$ 40,795,090	\$ 166,305,053	\$26.86	\$14.54	4.2%	6.1%	
1.690	0.908	19.8%	80.2%	\$ 41,037,918	\$ 166,062,225	\$27.02	\$14.52	4.8%	5.9%	
1.700	0.907	19.9%	80.1%	\$ 41,280,746	\$ 165,819,397	\$27.18	\$14.50	5.4%	5.8%	
1.710	0.906	20.0%	80.0%	\$ 41,523,574	\$ 165,576,569	\$27.34	\$14.48	6.1%	5.6%	
1.720	0.904	20.2%	79.8%	\$ 41,766,402	\$ 165,333,741	\$27.50	\$14.46	6.7%	5.4%	
1.730	0.903	20.3%	79.7%	\$ 42,009,230	\$ 165,090,913	\$27.66	\$14.44	7.3%	5.3%	
1.740	0.902	20.4%	79.6%	\$ 42,252,058	\$ 164,848,085	\$27.82	\$14.42	7.9%	5.1%	
1.750	0.90038	20.5%	79.5%	\$ 42,494,885	\$ 164,605,258	<b>\$27.98</b>	<b>\$14.40</b>	8.5%	5.0%	FY 21 MAX SHIFT
						FY 2020 >>	\$27.22	\$14.05		

\*Proposition 2.5 potential increment is calculated from the previous year's levy limit before adding excluded debt. The 2.36% increase (shown above) [in cell L11] represents the increase related to "Proposition 2.5", from last year's maximum allowable levy limit.

## EXHIBIT B: HISTORICAL LEVY SUMMARY (Most Recent 25 Years)

FY	MAXIMUM LEVY	RESID VALUE	C/I/P VALUE	TOTAL VALUE	RESIDENTIAL		C/I/P		C/I/P FACTOR
					% VALUE	%LEVY	% VALUE	%LEVY	
1997	\$54,713,901	\$3,099,278,410	\$445,558,740	\$3,544,837,150	87.4%	78.6%	12.6%	21.4%	1.70
1998	\$56,940,636	\$3,300,687,100	\$494,410,360	\$3,795,097,460	87.0%	77.9%	13.0%	22.2%	1.70
1999	\$58,891,464	\$3,523,737,000	\$565,977,160	\$4,089,714,160	86.2%	76.5%	13.8%	23.5%	1.70
2000	\$61,263,839	\$3,761,567,000	\$744,710,290	\$4,506,277,290	83.5%	75.2%	16.5%	24.8%	1.50
2001	\$68,753,066	\$4,200,706,000	\$814,607,290	\$5,015,313,290	83.8%	74.0%	16.2%	26.0%	1.60
2002	\$72,024,765	\$4,706,431,500	\$911,710,050	\$5,618,141,550	83.8%	73.7%	16.2%	26.3%	1.62
2003	\$75,793,067	\$5,186,133,750	\$897,438,810	\$6,083,572,560	85.2%	74.9%	14.8%	25.1%	1.70
2004	\$82,109,040	\$6,018,408,000	\$892,768,060	\$6,911,176,060	87.1%	76.7%	12.9%	23.3%	1.80
2005	\$91,165,834	\$6,275,351,000	\$870,816,360	\$7,146,167,360	87.8%	78.1%	12.2%	21.9%	1.80
2006	\$94,751,711	\$6,823,275,250	\$862,993,280	\$7,686,268,530	88.8%	80.0%	11.2%	20.0%	1.78
2007	\$101,074,790	\$7,135,277,500	\$923,957,080	\$8,059,234,580	88.5%	80.1%	11.5%	20.0%	1.74
2008	\$110,222,125	\$6,945,049,000	\$984,115,350	\$7,929,164,350	87.6%	78.9%	12.4%	21.1%	1.70
2009	\$116,411,032	\$6,991,353,500	\$1,042,254,630	\$8,033,608,130	87.0%	78.0%	13.0%	22.1%	1.70
2010	\$121,765,514	\$6,896,447,750	\$995,142,860	\$7,891,590,610	87.4%	78.6%	12.6%	21.4%	1.70
2011	\$127,955,723	\$6,953,985,750	\$1,019,733,440	\$7,973,719,190	87.2%	77.6%	12.8%	22.4%	1.70
2012	\$134,337,548	\$6,974,904,000	\$1,051,783,320	\$8,026,687,320	86.9%	77.7%	13.1%	22.3%	1.70
2013	\$141,639,397	\$7,196,488,310	\$1,111,468,450	\$8,307,956,760	86.6%	77.3%	13.4%	22.7%	1.70
2014	\$148,770,138	\$7,411,620,000	\$1,143,975,350	\$8,555,595,350	86.6%	77.3%	13.4%	22.7%	1.70
2015	\$155,635,871	\$8,197,256,180	\$1,162,358,910	\$9,359,615,090	87.6%	78.3%	12.4%	21.7%	1.75
2016	\$163,074,847	\$8,862,601,990	\$1,185,945,695	\$10,048,547,685	88.2%	79.3%	11.8%	20.7%	1.75
2017	\$170,196,002	\$9,361,100,630	\$1,228,355,980	\$10,589,456,610	88.4%	79.7%	11.6%	20.3%	1.75
2018	\$177,624,815	\$9,952,138,700	\$1,275,161,860	\$11,227,300,560	88.6%	80.1%	11.4%	19.9%	1.75
2019	\$186,201,054	\$10,570,638,820	\$1,351,761,195	\$11,922,400,015	88.7%	80.2%	11.3%	19.8%	1.75
2020	\$195,949,768	\$11,160,005,132	\$1,438,342,965	\$12,598,348,097	88.6%	80.0%	11.4%	20.0%	1.75
<b>2021</b>	<b>\$207,100,143</b>	<b>\$11,434,037,932</b>	<b>\$1,518,730,905</b>	<b>\$12,952,768,837</b>	<b>88.3%</b>	<b>TBD</b>	<b>11.7%</b>	<b>TBD</b>	<b>TBD</b>

**Note: C - I - P value has been reduced by the portion of assessed value that is not taxable due to TIF agreements.**

## EXHIBIT C: HISTORY OF AVERAGE SINGLE FAMILY ASSESSED VALUE AND PROPERTY TAX - Most Recent 25 Years

Fiscal Year (*)	SINGLE FAMILY DWELLING VALUATION	NUMBER OF SINGLE FAMILY DWELLINGS (SFD)	SFD VALUE (AVERAGE) [w/o Growth]	PERCENT INCREASE OF ASSESSED VALUE	TAX RATE	AVERAGE ANNUAL TAX BILL	PERCENT INCREASE TAXES	C - I - P FACTOR	LEXINGTON TOWNWIDE TAXABLE TOTAL
1995	\$2,535,745,000	8,752	\$289,733	6.0%	\$14.00	\$4,056.26	4.8%	1.70	\$ 3,217,037,200
1996	\$2,681,040,000	8,758	\$306,125	5.7%	\$14.01	\$4,288.81	5.7%	1.70	\$ 3,408,865,800
1997	\$2,791,978,000	8,775	\$318,174	3.9%	\$13.88	\$4,416.26	3.0%	1.70	\$ 3,544,837,150
1998	\$2,975,012,000	8,798	\$338,146	6.3%	\$13.43	\$4,541.31	2.8%	1.70	\$ 3,795,097,460
1999	\$3,171,199,000	8,810	\$359,954	6.4%	\$12.79	\$4,603.82	1.4%	1.70	\$ 4,089,714,160
2000	\$3,376,143,000	8,821	\$382,739	6.3%	\$12.25	\$4,688.56	1.8%	1.50	\$ 4,506,277,290
2001	\$3,777,857,000	8,840	\$427,359	11.7%	\$12.11	\$5,175.32	10.4%	1.60	\$ 5,015,313,290
2002	\$4,225,339,000	8,845	\$477,709	11.8%	\$11.28	\$5,388.56	4.1%	1.62	\$ 5,618,141,550
2003	\$4,693,071,000	8,898	\$527,430	10.4%	\$10.95	\$5,775.36	7.2%	1.70	\$ 6,083,572,560
2004	\$5,456,206,000	8,887	\$613,954	16.4%	\$10.47	\$6,428.09	11.3%	1.80	\$ 6,911,176,060
2005	\$5,687,532,000	8,899	\$639,120	4.1%	\$11.34	\$7,247.62	12.7%	1.80	\$ 7,146,167,360
2006	\$6,206,172,000	8,910	\$696,540	9.0%	\$11.11	\$7,738.56	6.8%	1.78	\$ 7,686,268,530
2007	\$6,499,630,000	8,917	\$728,903	4.6%	\$11.34	\$8,265.76	6.8%	1.74	\$ 8,059,234,580
2008	\$6,262,572,000	8,922	\$701,925	-3.7%	\$12.52	\$8,788.10	6.3%	1.70	\$ 7,929,164,350
2009	\$6,274,760,000	8,934	\$702,346	0.1%	\$12.97	\$9,109.43	3.7%	1.70	\$ 8,033,608,130
2010	\$6,184,505,000	8,944	\$691,470	-1.5%	\$13.86	\$9,583.77	5.2%	1.70	\$ 7,891,590,610
2011	\$6,234,563,000	8,949	\$696,677	0.8%	\$14.40	\$10,032.15	4.7%	1.70	\$ 7,973,719,190
2012	\$6,251,243,000	8,963	\$697,450	0.1%	\$14.97	\$10,440.82	4.1%	1.70	\$ 8,026,687,330
2013	\$6,441,950,000	8,978	\$717,526	2.9%	\$15.20	\$10,906.40	4.5%	1.70	\$ 8,307,656,760
2014	\$6,658,875,000	8,996	\$740,204	3.2%	\$15.51	\$11,480.56	5.3%	1.70	\$ 8,555,595,350
2015	\$7,385,759,000	9,003	\$820,366	10.8%	\$14.86	\$12,190.65	6.2%	1.75	\$ 9,359,615,090
2016	\$8,008,381,000	9,025	\$887,355	8.2%	\$14.60	\$12,955.39	6.3%	1.75	\$ 10,048,547,685
2017	\$8,415,787,000	9,029	\$932,084	5.0%	\$14.49	\$13,505.90	4.2%	1.75	\$ 10,589,456,610
2018	\$8,938,050,000	9,021	\$990,805	6.3%	\$14.30	\$14,168.51	4.9%	1.75	\$ 11,227,300,560
2019	\$9,486,786,000	9,030	\$1,050,585	6.0%	\$14.12	\$14,834.27	4.7%	1.75	\$ 11,922,400,015
2020	\$10,011,844,000	9,048	\$1,106,526	5.3%	\$14.05	\$15,546.69	4.8%	1.75	\$ 12,608,769,452
<b>2021</b>	<b>\$10,221,948,000</b>	<b>9,057</b>	<b>\$1,128,624</b>	<b>2.0%</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>\$ 12,952,768,837</b>
* All values above <b>include</b> new growth value.									
				5 yr total:	24.7%	(most recent 5 years, including FY 2021)			
				5 yr average:	4.9%				

**EXHIBIT D: DOR APPROVED VALUES BY CLASS: FY2020 TO FY2021 <sup>1</sup>**

	Residential ( R )	Commercial ( C )	Industrial ( I ) <sup>2</sup>	Commercial + Industrial Combined ( C + I )	[Business Assets] Personal Property ( P ) <sup>3</sup>	Subtotal C + I + P	Total Assessed R + C + I + P
FY 20 Assessed Value	\$11,160,005,132	\$785,040,180	\$436,413,405	\$1,221,453,585	\$216,889,380	\$1,438,342,965	\$12,598,348,097
<b>FY 21 Assessed Value</b>	<b>\$11,434,037,932</b>	<b>\$785,242,180</b>	<b>\$500,808,405</b>	<b>\$1,286,050,585</b>	<b>\$232,680,320</b>	<b>\$1,518,730,905</b>	<b>\$12,952,768,837</b>
\$ increase	\$274,032,800	\$202,000	\$64,395,000	\$64,597,000	\$15,790,940	\$80,387,940	\$354,420,740
% increase	2.46%	0.03%	14.76%	5.29%	7.28%	5.59%	2.81%
<b>FY 21 New Growth</b>	<b>\$140,429,447</b>	<b>\$5,024,800</b>	<b>\$54,334,000</b>	<b>\$59,358,800</b>	<b>\$45,605,840</b>	<b>\$104,964,640</b>	<b>\$245,394,087</b>
<b>FY 21 Assessed Value less New Growth</b>	<b>\$11,293,608,485</b>	<b>\$780,217,380</b>	<b>\$446,474,405</b>	<b>\$1,226,691,785</b>	<b>\$187,074,480</b>	<b>\$1,413,766,265</b>	<b>\$12,707,374,750</b>
Incr./Decr. vs. FY 20 (\$)	\$133,603,353	(\$4,822,800)	\$10,061,000	\$5,238,200	(\$29,814,900)	(\$24,576,700)	\$109,026,653
Incr./Decr. vs. FY 20 (%)	1.20%	-0.61%	2.31%	0.43%	-13.75%	-1.71%	0.87%
FY 20 share of total value	88.58%	6.23%	3.46%	9.70%	1.72%	11.42%	100.00%
<b>FY 21 share of total value WITHOUT growth</b>	<b>88.87%</b>	<b>6.14%</b>	<b>3.51%</b>	<b>9.65%</b>	<b>1.47%</b>	<b>11.13%</b>	<b>100.00%</b>
Change	<b>0.29%</b>	<b>-0.09%</b>	<b>0.05%</b>	<b>-0.04%</b>	<b>-0.25%</b>	<b>-0.29%</b>	

<sup>1</sup> As of October 19, 2020, the assessed values for this DOR "INTERIM" Year in this Exhibit have BEEN APPROVED; per MA State DOR/DLS .

<sup>2</sup> Industrial Assessed Value above is a **net assessed value** and does not include the portion of assessed value that is not taxable due to TIF agreements.

<sup>3</sup> The year on year change in the value of each item of Personal Property is attributable to State of MA depreciation schedule for this class of property, plus Growth.





## EXHIBIT E: TAX FACTORS AND TAX RATES - AMONG COMMUNITIES w/ COMPARABLE C/I/P VOLUME in MA, AND vs. CONTIGUOUS COMMUNITIES

COMPARABLE COMMERCIAL COMMUNITIES								
		FY2020	FY2019			FY2020		
State Rank	MUNICIPALITY	Comm - Indl - Pers ASS'D VALUE	RESIDENTIAL RATE/K	C - I - P RATE/K	C - I - P SHIFT	RESIDENTIAL RATE/K	C - I - P RATE/K	C - I - P SHIFT
1	Boston	\$60,380,797,922	\$10.54	\$25.00	1.750	\$10.56	\$24.92	1.750
2	Cambridge	\$22,613,015,021	\$5.94	\$13.71	1.639	\$5.75	\$12.68	1.510
3	Waltham	\$4,610,693,323	\$12.66	\$26.45	1.750	\$11.95	\$24.36	1.750
4	Worcester	\$3,697,194,890	\$18.00	\$34.90	1.557	\$17.00	\$35.16	1.557
5	Newton	\$3,174,491,580	\$10.45	\$19.94	1.749	\$10.44	\$19.92	1.749
State Rank	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
22	Peabody	\$1,630,095,219	\$11.95	\$11.95	1.750	\$10.74	\$22.89	1.750
23	Wellesley	\$1,625,656,400	\$11.57	\$11.57	1.000	\$11.56	\$11.56	1.000
24	Andover	\$1,623,682,294	\$15.27	\$27.51	1.572	\$15.01	\$27.14	1.572
25	Norwood	\$1,511,599,784	\$10.89	\$22.82	1.610	\$11.15	\$24.82	1.610
26	<b>Lexington</b>	<b>\$1,438,342,965</b>	<b>\$14.12</b>	<b>\$27.33</b>	<b>1.750</b>	<b>\$14.05</b>	<b>\$27.22</b>	<b>1.750</b>
27	Brockton	\$1,395,974,106	\$15.54	\$31.67	1.730	\$15.15	\$30.41	1.730
28	Needham	\$1,377,340,876	\$12.39	\$24.42	1.750	\$12.49	\$24.55	1.750
29	Lowell	\$1,305,953,889	\$14.04	\$14.04	1.750	\$13.36	\$26.77	1.750
30	Westborough	\$1,304,395,930	\$18.33	\$18.33	1.000	\$18.32	\$18.32	1.000

The EIGHT (8) CONTIGUOUS COMMUNITIES to LEXINGTON								
		FY2020	FY2019			FY2020		
State Rank	MUNICIPALITY	C - I - P ASS'D VALUE	RESIDENTIAL RATE	C - I - P RATE	C - I - P SHIFT	RESIDENTIAL RATE	C - I - P RATE	C - I - P SHIFT
3	Waltham	\$4,610,693,323	\$12.66	\$26.45	1.750	\$11.95	\$24.36	1.750
6	Burlington	\$2,862,853,020	\$10.48	\$27.22	1.605	\$9.64	\$25.54	1.605
10	Woburn	\$2,418,312,761	\$9.50	\$23.72	1.750	\$9.32	\$23.20	1.750
26	<b>Lexington</b>	<b>\$1,438,342,965</b>	<b>\$14.12</b>	<b>\$27.33</b>	<b>1.750</b>	<b>\$14.05</b>	<b>\$27.33</b>	<b>1.750</b>
58	Bedford	\$866,554,084	\$12.96	\$28.42	1.750	\$13.18	\$28.95	1.750
79	Arlington	\$656,780,829	\$11.26	\$11.26	1.000	\$11.06	\$11.06	1.000
103	Belmont	\$469,331,705	\$11.67	\$11.67	1.000	\$11.00	\$11.00	1.000
131	Winchester	\$355,626,939	\$12.11	\$11.45	1.000	\$12.39	\$11.80	1.000
255	Lincoln	\$74,389,711	\$14.03	\$18.44	1.300	\$15.36	\$20.18	1.301

**EXHIBIT F: TOP 25 MASS. COMMUNITIES BY TOTAL ASSESSED VALUE**

MA DOR - Division of Local Services  
 MA Municipal Databank / Local Aid Section  
 Fiscal Year 2020 Assessed Values by Class

	Municipality	Most Recent DOR-Approved Fiscal Year	Residential	Open Space	Commerical Property Values	Industrial Property Values	Personal Property for Commercial Use	Comm + Indl + Pers Prop (C - I - P)	Total Assessed Values	Resid & Open as % Total Value	C - I - P as % of Total Value
1	Boston	2020	\$115,818,106,832	0	\$51,958,596,980	\$1,153,868,704	\$7,268,332,238	\$60,380,797,922	<b>\$176,198,904,754</b>	65.73	34.27
2	Cambridge	2020	\$32,334,894,202	0	\$12,170,766,561	\$8,763,279,110	\$1,678,969,350	\$22,613,015,021	<b>\$54,947,909,223</b>	58.85	41.15
3	Newton	2020	\$28,565,605,020	0	\$2,499,190,780	\$203,293,600	\$472,007,200	\$3,174,491,580	<b>\$31,740,096,600</b>	90.00	10.00
4	Brookline	2020	\$23,776,456,515	0	\$2,431,481,197	\$21,037,700	\$262,571,723	\$2,715,090,620	<b>\$26,491,547,135</b>	89.75	10.25
5	Nantucket	2020	\$22,760,163,953	\$ 2,128,000	\$1,319,694,097	\$59,023,800	\$305,592,179	\$1,684,310,076	<b>\$24,446,602,029</b>	93.11	6.89
6	Somerville	2020	\$15,506,235,043	0	\$1,788,763,853	\$374,474,600	\$326,987,090	\$2,490,225,543	<b>\$17,996,460,586</b>	86.16	13.84
7	Quincy	2020	\$14,617,308,817	0	\$1,877,310,365	\$132,753,005	\$415,762,680	\$2,425,826,050	<b>\$17,043,134,867</b>	85.77	14.23
8	Barnstable	2020	\$13,367,563,829	0	\$1,357,588,104	\$80,314,500	\$280,109,380	\$1,718,011,984	<b>\$15,085,575,813</b>	88.61	11.39
9	Worcester	2020	\$10,948,970,167	0	\$2,284,361,858	\$536,610,232	\$876,222,800	\$3,697,194,890	<b>\$14,646,165,057</b>	74.76	25.24
10	Waltham	2020	\$9,151,568,461	0	\$3,436,933,873	\$617,118,550	\$556,640,900	\$4,610,693,323	<b>\$13,762,261,784</b>	66.50	33.50
11	Lexington	2020	\$11,160,005,132	0	\$785,040,180	\$436,413,405	\$216,889,380	\$1,438,342,965	<b>\$12,598,348,097</b>	88.58	11.42
12	Wellesley	2020	\$10,908,678,000	0	\$1,490,134,000	\$6,543,000	\$128,979,400	\$1,625,656,400	<b>\$12,534,334,400</b>	87.03	12.97
13	Falmouth	2020	\$11,418,879,547	\$ 3,776,900	\$662,261,694	\$94,223,900	\$243,506,810	\$999,992,404	<b>\$12,422,648,851</b>	91.95	8.05
14	Arlington	2020	\$11,400,195,250	0	\$502,941,029	\$25,167,400	\$128,672,400	\$656,780,829	<b>\$12,056,976,079</b>	94.55	5.45
15	Medford	2020	\$10,541,615,485	0	\$905,169,415	\$118,175,100	\$187,406,590	\$1,210,751,105	<b>\$11,752,366,590</b>	89.70	10.30
16	Plymouth	2020	\$9,193,242,480	0	\$1,001,671,096	\$653,344,255	\$372,738,986	\$2,027,754,337	<b>\$11,220,996,817</b>	81.93	18.07
17	Needham	2020	\$9,426,422,597	0	\$960,182,252	\$127,270,944	\$289,887,680	\$1,377,340,876	<b>\$10,803,763,473</b>	87.25	12.75
18	Framingham	2020	\$8,152,699,384	0	\$1,620,756,141	\$344,244,880	\$326,816,545	\$2,291,817,566	<b>\$10,444,516,950</b>	78.06	21.94
19	Edgartown	2020	\$8,820,307,781	0	\$393,677,987	\$6,853,000	\$179,140,984	\$579,671,971	<b>\$9,399,979,752</b>	93.83	6.17
20	Lynn	2020	\$8,202,934,872	0	\$602,322,428	\$164,013,000	\$257,249,380	\$1,023,584,808	<b>\$9,226,519,680</b>	88.91	11.09
21	Belmont	2020	\$8,740,522,800	0	\$357,864,045	\$24,014,500	\$87,453,160	\$469,331,705	<b>\$9,209,854,505</b>	94.90	5.10
22	Watertown	2020	\$7,209,091,371	0	\$1,184,540,887	\$520,430,600	\$184,541,650	\$1,889,513,137	<b>\$9,098,604,508</b>	79.23	20.77
23	Lowell	2020	\$7,737,369,585	0	\$630,332,311	\$360,365,225	\$315,256,353	\$1,305,953,889	<b>\$9,043,323,474</b>	85.56	14.44
24	Natick	2020	\$7,080,272,200	0	\$1,646,910,400	\$45,271,000	\$159,404,260	\$1,851,585,660	<b>\$8,931,857,860</b>	79.27	20.73
25	Andover	2020	\$7,175,327,051	0	\$629,857,515	\$674,985,400	\$318,839,379	\$1,623,682,294	<b>\$8,799,009,345</b>	81.55	18.45

# EXHIBIT G: IMPACT ANALYSIS of residential property tax: the possible adoption of a **20%** RESIDENTIAL EXEMPTION

RESIDENTIAL EXEMPTION WORKSHEET	
FISCAL YEAR 2021 INFORMATION	
TOTAL RESIDENTIAL (ASS'D) OVERALL VALUE	\$11,434,037,932
TOTAL # RESID. PARCELS	10,887 (Includes over 500 unbuildable (mostly small) parcels of land.)
AVG. RESIDENTIAL PARCEL	\$1,050,247
<b>EXEMPTION Percentage &gt;&gt;</b>	<b>20%</b> 35% is Max. Resid Exemption allowed by MGL.
EXEMPTION \$ AMOUNT	\$210,049
<b>EST. # OF EXEMPT (Principal Resid.) PARCELS</b>	<b>9,265</b> Estimated # of non-owner occupied parcels >>>>> <span style="border: 1px solid black; padding: 2px;">1,622</span>
TOTAL VALUE MADE EXEMPT by this clause	\$1,946,107,494
RESID. RATE (Calc'd, but not yet voted upon)	\$14.40 (Note: This Rate is from Exhibit A.)
TOTAL RESID. REVENUE (tax dollars)	\$164,605,258
NEW RESID. OVERALL ASSESSED VALUE	\$9,487,930,438
NEW (Derived by formula) RESID. RATE	<b>\$17.35</b>

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
EXAMPLES OF ASSESSED VALUE	PRELIMINARY TAX RATE @ 1.75 SHIFT	ANNUAL PROPERTY TAX BILL	EXEMPTED ASSESSED VALUE @ 20% EXEMPTION	NET ASSESSED VALUE <sup>1</sup>	DERIVED TAX RATE	NET TAX BILL	\$ Change (g-c)	% Change (h/c)
\$400,000	\$14.40	\$5,758	\$210,049	\$189,951	\$17.35	\$3,295	-\$2,463	-42.77%
\$500,000	\$14.40	\$7,198	\$210,049	\$289,951	\$17.35	\$5,030	-\$2,168	-30.12%
\$600,000	\$14.40	\$8,638	\$210,049	\$389,951	\$17.35	\$6,765	-\$1,872	-21.68%
\$700,000	\$14.40	\$10,077	\$210,049	\$489,951	\$17.35	\$8,500	-\$1,577	-15.65%
\$800,000	\$14.40	\$11,517	\$210,049	\$589,951	\$17.35	\$10,235	-\$1,282	-11.13%
\$900,000	\$14.40	\$12,956	\$210,049	\$689,951	\$17.35	\$11,970	-\$987	-7.61%
\$1,000,000	\$14.40	\$14,396	\$210,049	\$789,951	\$17.35	\$13,705	-\$691	-4.80%
\$1,100,000	\$14.40	\$15,836	\$210,049	\$889,951	\$17.35	\$15,440	-\$396	-2.50%
<b>\$1,234,111</b>	<b>\$14.40</b>	<b>\$17,766</b>	<b>\$210,049</b>	<b>\$1,024,062</b>	<b>\$17.35</b>	<b>\$17,766</b>	<b>\$0</b>	<b>0.00%</b>
\$1,250,000	\$14.40	\$17,995	\$210,049	\$1,039,951	\$17.35	\$18,042	\$47	0.26%
\$1,500,000	\$14.40	\$21,594	\$210,049	\$1,289,951	\$17.35	\$22,379	\$785	3.64%
\$1,750,000	\$14.40	\$25,193	\$210,049	\$1,539,951	\$17.35	\$26,716	\$1,523	6.05%
\$2,000,000	\$14.40	\$28,792	\$210,049	\$1,789,951	\$17.35	\$31,054	\$2,262	7.85%
\$2,500,000	\$14.40	\$35,990	\$210,049	\$2,289,951	\$17.35	\$39,728	\$3,738	10.39%
\$3,000,000	\$14.40	\$43,188	\$210,049	\$2,789,951	\$17.35	\$48,403	\$5,214	12.07%
\$5,000,000	\$14.40	\$71,980	\$210,049	\$4,789,951	\$17.35	\$83,100	\$11,120	15.45%

<sup>1</sup> Resid. Exemption, per MGL, may not reduce taxable value of property to less than 10 percent of its full and fair cash value.

**\*\*BREAK EVEN ASSESSED VALUE, NO TAX IMPACT. \$1,234,111**