

Information about your Fiscal Year 2012 Real Estate Tax Bill

This insert is intended to provide you with some information about your enclosed tax bill. The following questions are most commonly asked by residents about their tax bills.

Did most property values in Westwood change from FY11 to FY12?

Yes. FY12 is a full revaluation year. Approximately 22% of the residential homes in Town had no change in value in FY12 and an additional 23% had less than a +1/-1% change. All remaining homes experienced a greater change in value. Values are required to be updated to reflect market conditions and sales activity. As always, values also change due to home renovation or improvements. The value of all real estate in Town increased .05%, with residential value increasing .18% and commercial value declining .8%.

A report listing all home values for FY11 and FY12 can be found on the Town's web site at www.townhall.westwood.ma.us (left side of home page under "Important Links") or in printed form at Town Hall. For more detail, you may also access the Assessors' on-line database, which is also located on the Town's web site under "Important Links". It is important to remember that state tax law dictates that your FY12 tax bill is based on assessed home value as of **January 1, 2011** and home sales during calendar year **2010**.

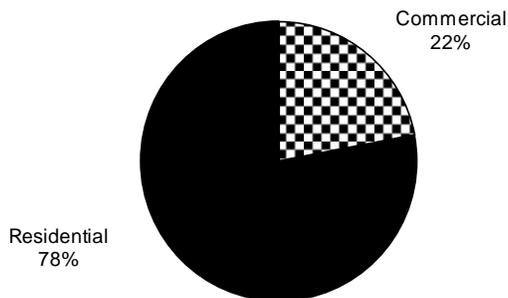
If you notice any data errors when viewing the on-line Assessors' database, please contact the Assessors' Office. The Board of Assessors is committed to making sure that each property is fairly and accurately assessed.

Was there any significant change or shifting in tax burden between residential and commercial properties?

No. There was only a slight shifting of the tax burden. The tax shift has been set so that the residential and commercial classes will pay approximately the same percentage of total taxes as they did in the prior year. In FY12, commercial property will be 13.33% of the total Town value. This is a slight, but continuing decline in the commercial as a percentage of total value. The historical commercial as % of value is shown on the line chart below.

The Town of Westwood has a split tax rate, taxing commercial and industrial property at a higher rate than residential property. The Board of Selectmen, in consultation with the Board of Assessors, voted to set the FY12 shift factor at the current 1.65 rate. This means that in FY12, commercial property, while only representing 13.3% of the Town's value, will pay 22% of the total taxes. Without this split rate, the average tax bill would increase an additional 11% or \$857.

FY12 Percentage of Total Taxes Paid



Commercial Value as % of Total Value



Commercial property, while only representing 13.3% of the Town's value, will pay 22% of the total taxes.

What is the change in real estate tax rates for FY12?

While overall value only slightly increased, the FY12 tax rates must increase to meet the budgets as approved by Town Meeting per the Proposition 2 ½ levy.

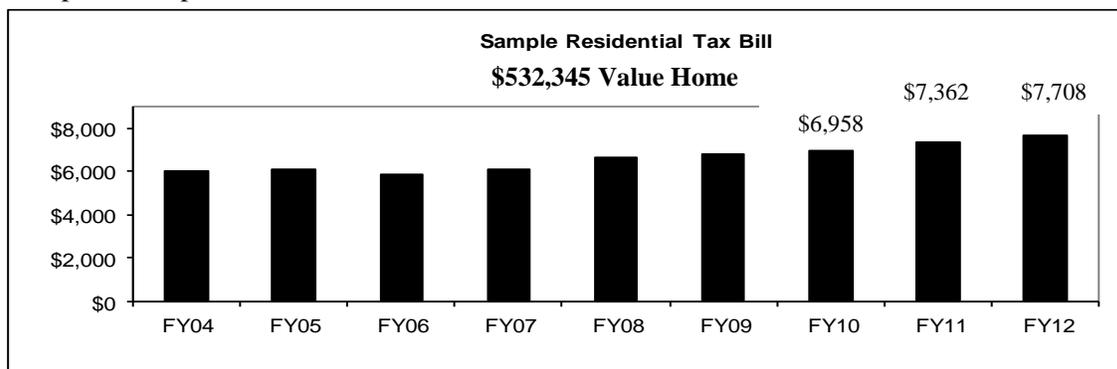
The FY12 tax rates per \$1,000 of valuation are as follows:

Tax Rate	FY11	FY12	Rate Increase FY11 to FY12	% Increase in Rate FY11 to FY12
Residential	\$13.83	\$14.48	\$.65	4.7%
Commercial	\$25.38	\$26.55	\$1.17	4.6%

What happened to my individual tax bill?

The tax rate on your bill is based upon the value of the residential and commercial property in the Town and the amount of money that was voted to be spent at the Town Meeting last May. It also includes debt outside of Proposition 2 ½ described below. This tax rate is then multiplied by the value of your house to arrive at your new tax amount.

Proposition 2 ½ places limits on the total amount of taxes that can be raised by a city or town. It does not apply to an individual tax bill. While the total taxes collected by the Town, without new growth, increased by 3.8%, each individual tax bill is determined by the change in the tax rate and the change in valuation for that particular parcel.



This sample home has a tax increase of \$346, or 4.7% from FY11 to FY12 and has no change in assessed value from FY11 to FY12.

What debt outside Proposition 2 ½ is included in this bill?

There are two components to the total taxes collected by the Town: 1) the general tax levy, and 2) the exempt debt, which is the principal and interest costs for the debt approved outside the limits of Proposition 2 ½.

The FY12 tax levy includes principal and interest payments that the Town will be making for the Proposition 2½ debt exclusion projects listed below. All other debt projects approved outside of Proposition 2 ½ have been completed, meaning the bond has been fully repaid and the cost removed from the tax levy. The FY12 levy includes the first year payment for the library construction bond issued at a favorable interest rate in March, 2011.

Project/Bond Issued	Fiscal Year Debt Will Be Completed	FY12 Debt Payments	Net Amount of Debt in FY12 Levy
Downey School Construction - \$6,500,000	2012	10 th of 10	\$37,395
Martha Jones School Construction - \$7,200,000	2012	10 th of 10	\$134,320
High School Construction - \$39,262,300	2023	9 th of 20	\$1,531,979
Library Construction - \$9,300,000	2031	1 st of 20	\$793,697

The Town is now receiving state payments for all the school projects. This money directly reduces the taxes that must be raised for the debt. Only the net amount is paid by the residents.