

## ***Information about your Fiscal Year 2008 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 all property values in Westwood change from FY07 to FY08?***

No. Overall, most home values did not change in FY08. However, values did change for some homes due to home renovations, market conditions, and/or home sales activity.

The full listing of home values for FY08 can be found on the Town's web site at [www.townhall.westwood.ma.us](http://www.townhall.westwood.ma.us) or in printed form at Town Hall.

### ***Why didn't my assessed value decline since the news reports that homes are selling for less?***

News reports are based on state wide averages and do not necessarily reflect the Town's market value. While news reports are also reflecting current conditions, state tax law dictates that your FY08 tax bill is based on assessed home value as of **January 1, 2007** and home sales during calendar year 2006. Home values and sales in Westwood did not decline during that period and therefore values did not change.

### ***Does the proposed Westwood Station development impact this tax bill?***

No. Although the proposed Westwood Station project is moving along in the approval process, there is no change in FY08 value due to Westwood Station. Therefore, there is no impact on the FY08 taxes.

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

No. The tax rate 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.

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 FY08 shift factor at 1.65. This means that in FY08, commercial property, while only representing 14% of the Town's value, will pay 23% of the total taxes. This split rate provides a \$789 or 12% savings to the average home.

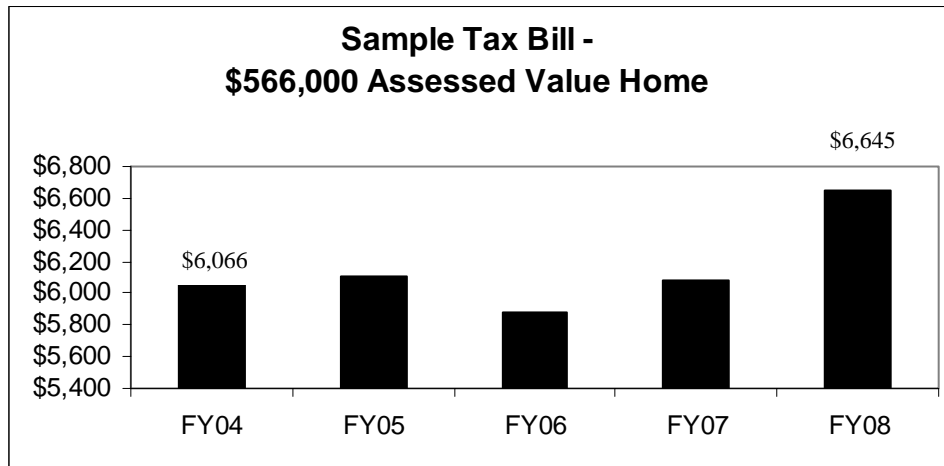
### ***What is the change in real estate tax rates for FY08?***

The residential and commercial property tax rates will increase for FY08. The FY08 tax rates per \$1,000 of valuation are as follows:

<b>Tax Rate</b>	<b>FY07</b>	<b>FY08</b>	<b>Rate Increase FY07 to FY08</b>	<b>% Increase in Rate FY07 to FY08</b>
Residential	\$10.73	\$11.74	\$1.01	9.4%
Commercial	\$19.81	\$21.67	\$1.86	9.4%

***What happened to my individual tax bill?***

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 increased, each individual tax bill is determined by the change in the tax rate and the change in valuation for that particular parcel.



***Why is the tax increase more than 2.5% from FY07?***

The FY08 taxes include increases allowed by Proposition 2 ½ and Town Meeting vote, as well as the school general override of \$2,777,387 which voters approved at the April, 2007 election.

***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 FY08 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.

Project/Bond Issued	Fiscal Year Debt Will Be Completed	FY08 Debt Payments
Middle School Construction - \$2,923,000	2009	9 <sup>th</sup> of 10
Downey School Construction - \$6,500,000	2012	6 <sup>th</sup> of 10
Martha Jones School Construction - \$7,200,000	2012	6 <sup>th</sup> of 10
High School Construction - \$39,262,300	2023	5 <sup>th</sup> of 20

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.