

**2017 Tax Increase Explanation
(Rev. C 12/31/17)**

How did your tax bill go up even though the tax rate went down?

Rye town-wide taxation (excludes districts)

Because the town-wide assessed valuation went up more than the tax rate went down, total taxation increased.

Town-wide impact of change in tax rate and assessed values

	2016	2017	Increase (decrease)	Pct. Change
Town-wide assessed value (\$000s)	\$1,884,140	\$2,134,062	\$249,921	13%
Tax rate per \$1000 assesment	\$10.68	\$10.11	(\$0.57)	-5%
Taxes raised (Rate x value)	\$20,131,922	\$21,579,424	\$1,447,502	7%

***On average, each property's assessment increased in line with the town-wide increase
Thus, the average taxpayer is paying substantially more, even though the tax rate went down***

Taxes on hypothetical \$500,000 house whose assessment increased in line with the town average

	2016	2017	Increase (decrease)	Pct. Change
Assessment (\$000s)	\$500	\$566	\$66	13%
Tax rate	\$10.68	\$10.11	(\$0.57)	-5%
Taxes owed (rate x value)	\$5,342	\$5,727	\$384	7%

Only if your assessment went up much less than the average 13% did you save on taxes in 2017 compared to 2016.

***The town-wide revaluation should have lowered the tax rate much more than it did.
The reason it didn't is that taxes raised (budgets) increased substantially because spending was way up and revenues down.***

What would have happened if taxes raised had been the same in 2017 as in 2016?

	2016	2017	Increase (decrease)	Pct. Change
Taxes raised	\$20,131,922	\$20,131,922	\$0	0%
Town-wide assessed Value (\$000s)	\$1,884,140	\$2,134,062	\$249,921	13%
Tax rate (taxes raised / asses. Value)	\$10.68	\$9.43	(\$1.25)	-12%
Assessment (\$000s)	\$500	\$566	\$66	13%
Tax rate	\$10.68	\$9.43	(\$1.25)	-12%
Taxes owed (rate x value)	\$5,342	\$5,342	\$0	0%