

# TOWN OF MAHONE BAY

## UNCAPPING THE CAP

Mayor David Devenne

JANUARY 30, 2020

# THE ISSUE

- Assessment value variations in homes of seemingly equivalent value
- Unfairly shifts the value of the CAP to properties which are not CAP registered
- Similar deferment to commercial/industrial properties which are not CAP eligible
- Loss of CAP after sale deters local residents from changing to accommodate housing needs – limits community maximizing housing opportunities
- Home buyer shock at assessment value when uncapped after purchase

## MAHONE BAY SCORECARD

	<u>2019</u>	<u>2020</u>	<u>2020/2019</u>
• Residential	121,732,000	125,642,000	103.21%
• Commercial	20,198,400	20,631,000	102.14%
• Resource	1,391,300	1,438,700	103.41%

## MAHONE BAY CAP IMPACT

	Actual Assessment	Capped at	Variance
• Resi 2019	129,175,000	121,775,000	7,400,000
• Resi 2020	133,512,000	125,642,000	7,870,400
• Lost Tax Revenue:		\$ 98,380.00	
• Impact on Residential Tax Rate:		\$ .06/100.00	

# TAX REDUCTION OPTION

- Low Income Residential Property Tax Reduction Grant (by request of applicant)

• 0 – 18,000	\$600.00
• 14,001 – 16,000	\$500.00
• 18,001 – 24,000	\$400.00
• 24,001 – 27,000	\$300.00
• 20,001 – 23,000	\$250.00
• 27,001 – 30,000	\$200.00
• 30001 – 32,000	\$100.00

- In FY 2019/20, total applied to Low Income Grant was \$10,000
- Further reduction considered equivalent to change in tax net post-CAP elimination

THANK YOU



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