

*Town of Groton Selectmen's Office*  
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November 29, 2017

Dear Groton Tax Payer,

We are anticipating many questions regarding the recent increase in the town's tax rate for 2017. Therefore, we would like to take this opportunity to explain how the tax rate is set and where the increase has come from.

The tax rate is calculated by the New Hampshire Department of Revenue Administration in October or November of each year. Basically, the total appropriations for the town, school, and county minus revenues are divided by the total property assessments to come up with the tax rate. The rate consists of 4 portions:

1. **TOWN RATE:** This is what covers town services. The total appropriated is the operating budget and special warrant articles less any revenue from grants, capital reserve or surplus funds, yield taxes, land use change taxes, motor vehicle payments, etc.
2. **LOCAL SCHOOL RATE:** This is the Newfound SAU appropriations raised through the school district's budget process less state education grants and state education taxes.
3. **STATEWIDE EDUCATION TAXES:** This is the statewide property tax and the rate is set by the state.
4. **COUNTY RATE:** This is the amount appropriated by the County for services such as the Sheriff's Department, County nursing home, and corrections facility.

The total of all four categories is the final tax rate on the fall tax bill. The tax rate is multiplied by your property's assessed value to calculate your tax due. The first billing of each year is based upon the previous year's tax rate and appropriations.

The 2017 tax rate breakdown (compared to 2016) is as follows:

1. Town portion went from \$0.40 to \$0.93, an **increase** of \$0.53.
2. Local school went from \$5.06 to \$7.46, an **increase** of \$2.40.
3. State education tax went from \$3.43 to \$4.11, an **increase** of \$0.68.
4. County tax went from \$2.81 to \$3.14, an **increase** of \$0.33.

5. The overall tax rate went from \$11.70 to \$15.64, an **increase** of \$3.94. The majority of this increase is from education costs.

The Town cannot manipulate the local, state or county portions of the tax rate. These three totaled \$14.71 of the \$15.64 tax rate.

We encourage all Groton residents to become more active in the local school budgeting process and encourage the residents to contact the Superintendent's office with any questions or concerns related to the school at (603)744-5555.

Please contact the Select Board's Office at (603)744-9190 with any questions or concerns about your property assessment, local spending, etc. Office hours are Monday – Thursday, 8:00 am – 4:00 pm.

Sincerely,

Groton Select Board

<b>2017 Taxes</b>	
Town Rate	0.93
Local School Rate	7.46
State School Rate	4.11
County Rate	3.14
<b>Total</b>	<b>15.64</b>

