

## Property Taxes and Mill Rate

### General information about Mill Rate:

A property tax assessment is expressed as a mill rate. It is called the mill rate because it is expressed in mills (one-tenth of one cent per dollar).

The mill rate is the number of mills per dollar of a property's value.

A mill is equal to \$1.00 of tax for each \$1,000 of assessment. For example, a property with an assessed value of \$50,000 located in a municipality with a mill rate of 20 mills would have a property tax bill of \$1,000 per year.

### Eastford's mill rate:

The mill rate is set each year and it is dependent on the net grand list and the taxes that need to be raised. In Eastford, the **2018-19** mill rate, set at town meeting is

**26.11. This is calculated from these numbers:**

**Taxes To Be Raised divided by the value of the Net Grand List**

$$\$3,811,162 / \$145,965,644 = .02611$$

**This rate, when multiplied by 1000 translates to a 26.11 mill rate.**

$$\text{One Mill} = \$145,965$$

To determine the taxes that are paid on property (houses and cars), divide the assessed value by 1,000 and times by mill rate to get the taxes

Assessed value	Divide by 1,000	Multiply by mill rate	Taxes per year
50,000	50	26.11	\$1,305.50
100,000	100	26.11	\$2,611.00
150,000	150	26.11	\$3,916.50
200,000	200	26.11	\$5,222.00

So, in the current year, for each approximate \$146,000 added to the budget, the mill rate would increase by one. So, instead of multiplying by 26.11 on the above chart, the assessed values would be multiplied by 27.11. Therefore a homeowner with house assessed at \$200,000 would pay \$5,422 instead of \$5,222

Examples:

Adding a bus to the education budget is about one-half a mill increase in taxes. Adding an additional teacher at EES (salary and benefits) is one-half to three-quarters of a mill increase.

**With a \$3,818,151 budget, a 1% increase is a \$38, 181 increase (approximately one-quarter of mill increase)**