

Fiscal Year 2026 Town of Truro Tax Rate Classification Hearing

A Review of the Fiscal Year 2026
Property Tax Levy and Classification Options



September 9, 2025

Assessed Values	Class	FY2026 Value	FY2025 Value	Change	% Increase
Truro realized a growth in overall property value of 4.3% for Fiscal Year 2026.	Residential	3,816,235,547	3,656,301,350	159,934,197	4.4%
Recent Town Values YOY% Increases:	Commercial	122,213,733	119,108,300	3,105,433	2.6%
FY25=5%	Industrial	2,117,900	2,053,700	64,200	3.1%
FY24=19%	Personal Property	51,902,290	51,799,530	102,760	0.2%
FY23=25%.	Total	3,992,469,470	3,829,262,880	163,206,590	4.3%
The FY2026 property values are based on the sales in calendar years 2023 & 2024.					

Fiscal 2026 Tax Levy		Description	Amount
<p>The levy limit is increased by any voter approved capital and/or debt exclusions and other special assessments.</p> <p>Town Meeting 2025 had No Overrides presented.</p> <p>Net New Growth for FY26 is \$254,320 or ~\$41M in value, an increase of 25% (or \$51,658) over FY25</p> <p>Please Note: This Presentation Estimates Taxing at the Maximum Allowable Levy for FY26 ~\$22.8M (~4% higher than FY25 Tax Levy)</p>		Fiscal Year 2025 (Prior Year) Levy Limit	\$20,958,843
		Prior Year Levy Limit \times 2.5%	\$523,936
		FY26 Net New Growth	\$254,320
		Approved Overrides-Town Mtg May 2025	\$0
		Levy Limit Subtotal	\$21,737,099
		Town Meeting Approved Debt Exclusions	\$975,914
		Fiscal 2026 Capital Expenditure Exclusions	\$0
		Fiscal 2026 Cape Cod Commission Assessment-Environ. Fund Protect. Tax	\$110,526
Recent FY Tax Levy & Levy Capacity:		Fiscal 2026 Maximum Allowable Levy	\$22,823,539*
Fiscal Year	Tax Levy / YOY%	Excess Levy Capacity	
2026	\$22.8M / 3.9%*	\$0*	
2025	\$21.9M / 6.6%	\$20k	
2024	\$20.6M / 7.4%	\$668k	
2023	\$19.2 / 5.2%	\$0.5k	
		Fiscal Year 2026 Levy Ceiling	\$99,811,737
		* Preliminary as not yet approved by the DOR	

Tax Levy Options

The Tax Rate can be impacted by the Select Board decisions regarding classification and the Residential Exemption options.

1. Adopting a Split Tax Rate

2. Open Space Discount

1. Classifying the Tax rate or The “Split Tax Rate” allows for a shift of the tax burden from the residential class of property to the commercial, industrial and personal property classes (CIP).

With our limited Commercial/Industrial base in Truro, splitting the Tax rate is NOT recommended by the Board of Assessors.

2. Open Space Discount. Truro does not have any properties classified as open space by the DOR.

The Board of Assessors recommend to NOT vote to grant an Open Space Discount

Tax Levy Options

3. Small Business Commercial Exemption

3. The Small Business Commercial Exemption. Would reallocate the tax within the Commercial/Industrial Class from smaller companies to larger ones.

With our limited Commercial/Industrial base in Truro, Board of Assessors recommend NOT to grant a Small Business Commercial Exemption.

4. Adopting a Residential Exemption

4. The Residential Exemption allows for the exemption of a portion of the residential value for residents who demonstrate that Truro is their primary domicile. It provides a decrease in the taxable value of qualified residences. The amount of the tax levy paid by the Residential Class remains the same, however, due to the exempted valuation, it is distributed over less assessed value, resulting in the entire residential class paying a higher tax rate.

The Board of Assessors recommend TO grant a Residential Tax Exemption.

Residential Exemption

This option reduces the taxable assessed value for each qualified primary residence. Truro has **715** (as of 8/26/25) qualified properties for FY26 and the result of the adoption would be a higher tax rate for all residential properties.

In FY26 there are 3342 Residential Parcels

Approximately 21% of the Residential parcels receive the Residential Exemption

NOTE: Not all residents who make Truro their primary domicile elect to apply and receive the exemption.

- The Select Board can authorize up to a 50% Residential Exemption to Truro residents (May 2025 acceptance of the Seasonal Community Designation at TM increased the eligible % from a maximum 35% to 50%)
- The exemption applied is up to 50% of the total **average** residential parcel value
- The property must be the "primary domicile" of the owner as used for income tax purposes
- This option exempts value **only within** the residential class of taxpayers & does not significantly change the levy amount itself or impact Commercial Industrial or Personal (CIP) property owners
- If continued, Truro would be one of **19** communities out of 351 in MA to adopt in FY25-FY26.

Community	Percentage
Barnstable	25^
Boston	35
Brookline	20
Cambridge	30
Chelsea	35
Concord	10
Everett	25
Malden	30
Mashpee	20^
Nantucket	25
Oak Bluffs	15^
Provincetown	35
Somerville	35
Tisbury	22
Truro	35^
Waltham	35
Watertown	35^
Wellfleet	33^
West Tisbury	5^

NOTE: ^ indicates increase since last meeting

EXPANDED RENTAL RESIDENTIAL EXEMPTION

Passed At Town Meeting
in 2019

Approved by the MA
Legislature and signed into
law Feb 2021

Promotes Year-Round
Housing Options rather
than Short Term Leasing.

This option reduces the
taxable assessed value for
each qualified primary
residence.

Number of Expanded RTE Granted:

FY2025=8

FY2024=7

FY2023=5

FY2022=5

- The Expanded Rental Residential Exemption follows the Residential Exemption and will be implemented at the same rate should the Select Board approve the Residential Exemption program annually. If the Select Board does not approve the Residential Program, this Exemption will not exist.
- Owners are eligible if they rent their home on a year-round basis to **tenants** who as of the Jan 1 prior to the Fiscal Year have established the parcel as their “Primary Domicile” by ensuring they are on Town’s census list, register their vehicles in Truro, file their taxes at the Truro parcel, and provide a copy of the year-round lease covering Jan 1 prior to the Fiscal Year.
- All exemptions will be in the form of an Abatement amount deducted from the Tax Bill at the same rate as the Residential Exemption.
- Owners must apply annually to receive the Expanded Rental Res Ex. due to the nature of turnover of tenants
- An owner may only receive one Residential or Expanded Rental Residential Exemption per parcel.
- As with all Exemptions, applications are due on April 1, 2026.

Residential Exemption Calculation

To calculate the exemption, the average assessed value of all residential parcels must first be determined.

The adopted percentage is multiplied by the number of eligible parcels and then the amount is exempted from the Residential Value.

The exemption can be up to 50% of the Average Residential Parcel Value

NOTES:

- ARV is not the same as the Average Single-Family Home Value (\$1,421,773) or Avg Condo Value (\$540,544) for FY26.
- FY26 Median Residential Parcel Value is \$942,350

	Total Residential Value FY2026	\$3,816,235,547		
	Divided by Total Residential Parcels	3342		
	Average Residential Value (ARV)	\$1,141,902		
ARV	\$1,141,902	\$1,141,902		
Exemption %	20%	25%	30%	35%
Exemption Value	\$228,380	\$285,476	\$342,571	\$399,666
Qualified Parcels	715	715	715	715
Residential Value Exempted	\$163,291,700	\$204,115,340	\$244,938,265	\$285,761,190
ARV	\$1,141,902	\$1,141,902	\$1,141,902	\$1,141,902
Exemption %	35%	40%	45%	50%
Exemption Value	\$399,666	\$456,761	\$513,856	\$570,951
Qualified Parcels	715	715	715	715
Residential Value Exempted	\$285,761,190	\$326,584,115	\$367,407,040	\$408,229,965

Residential Exemption Impact on the Tax Rate (if adopted)

FY 2026	NO RTE	20% RTE	25% RTE	30% RTE	35% RTE
Residential Value	\$3,816,235,547	\$3,816,235,547	\$3,816,235,547	\$3,816,235,547	\$3,816,235,547
Value Exempted		(\$163,291,700)	(\$204,115,340)	(\$244,938,265)	(\$285,761,190)
Net Value Taxed	\$3,816,235,547	\$3,652,943,847	\$3,612,120,207	\$3,571,297,282	\$3,530,474,357
Estimated Tax Rate:	\$5.72*	\$5.97*	\$6.04*	\$6.11*	\$6.18*
FY 2026	40% RTE	45% RTE	50% RTE		
Residential Value		\$3,816,235,547	\$3,816,235,547	\$3,816,235,547	
Value Exempted		(\$326,584,115)	(\$367,407,040)	(\$408,229,965)	
Net Value Taxed		\$3,489,651,432	\$3,448,828,507	\$3,408,005,582	
Estimated Tax Rate:		\$6.25*	\$6.33*	\$6.40*	

FY25 Tax Rate: \$5.74 Commercial / Industrial & Personal Property Classes

\$6.18 Residential Class including 35% Residential Exemption

*Approx.until DOR approval. Assuming Taxing at Max Allowable Levy of ~\$22.8M (\$21.8M-Res)

Fiscal Year 2026 Residential Exemption Scenarios-Impact on Tax Bills

	WITHOUT RTE		20% RESIDENTIAL EXEMPTION (\$228,380 of Value Exempted from Assessment)					
Property Value	Tax Rate	Tax Amount	New Tax Rate	RTE Tax Bill	RTE SAVINGS	NON-RTE Tax Bill	NON-RTE Tax Bill Increase	
500,000	5.72	\$2,860	5.97	\$1,622	-\$1,238	\$2,985	\$125	
942,350	5.72	\$5,390	5.97	\$4,262	-\$1,128	\$5,626	\$236	
1,141,902	5.72	\$6,532	5.97	\$5,454	-\$1,078	\$6,817	\$285	
2,000,000	5.72	\$11,440	5.97	\$10,577	-\$863	\$11,940	\$500	
2,750,000	5.72	\$15,730	5.97	\$15,054	-\$676	\$16,418	\$688	
	WITHOUT RTE		25% RESIDENTIAL EXEMPTION (\$285,476 of Value Exempted from Assessment)					
Property Value	Tax Rate	Tax Amount	New Tax Rate	RTE Tax Bill	RTE SAVINGS	NON-RTE Tax Bill	NON-RTE Tax Bill Increase	
500,000	5.72	\$2,860	6.04	\$1,296	-\$1,564	\$3,020	\$160	
942,350	5.72	\$5,390	6.04	\$3,968	-\$1,423	\$5,692	\$302	
1,141,902	5.72	\$6,532	6.04	\$5,173	-\$1,359	\$6,897	\$365	
2,000,000	5.72	\$11,440	6.04	\$10,356	-\$1,084	\$12,080	\$640	
2,750,000	5.72	\$15,730	6.04	\$14,886	-\$844	\$16,610	\$880	
	WITHOUT RTE		30% RESIDENTIAL EXEMPTION (\$342,571 of Value Exempted from Assessment)					
Property Value	Tax Rate	Tax Amount	New Tax Rate	RTE Tax Bill	RTE SAVINGS	NON-RTE Tax Bill	NON-RTE Tax Bill Increase	
500,000	5.72	\$2,860	6.11	\$962	-\$1,898	\$3,055	\$195	
942,350	5.72	\$5,390	6.11	\$3,665	-\$1,726	\$5,758	\$368	
1,141,902	5.72	\$6,532	6.11	\$4,884	-\$1,648	\$6,977	\$445	
2,000,000	5.72	\$11,440	6.11	\$10,127	-\$1,313	\$12,220	\$780	
2,750,000	5.72	\$15,730	6.11	\$14,709	-\$1,021	\$16,803	\$1,073	
CURRENT RATE	WITHOUT RTE		35% RESIDENTIAL EXEMPTION (\$399,666 of Value Exempted from Assessment)					
Property Value	Tax Rate	Tax Amount	New Tax Rate	RTE Tax Bill	RTE SAVINGS	NON-RTE Tax Bill	NON-RTE Tax Bill Increase	
500,000	5.72	\$2,860	6.18	\$620	-\$2,240	\$3,090	\$230	
942,350	5.72	\$5,390	6.18	\$3,354	-\$2,036	\$5,824	\$433	
1,141,902	5.72	\$6,532	6.18	\$4,587	-\$1,945	\$7,057	\$525	
2,000,000	5.72	\$11,440	6.18	\$9,890	-\$1,550	\$12,360	\$920	
2,750,000	5.72	\$15,730	6.18	\$14,525	-\$1,205	\$16,995	\$1,265	

NOTE: Assume Tax @ Maximum Allowable Levy; \$942,350 is the MEDIAN Residential Parcel Value in FY26; \$1,141,902 is the AVERAGE

NOTE: MUST PAY 10% MINIMUM tax bill of Original Value

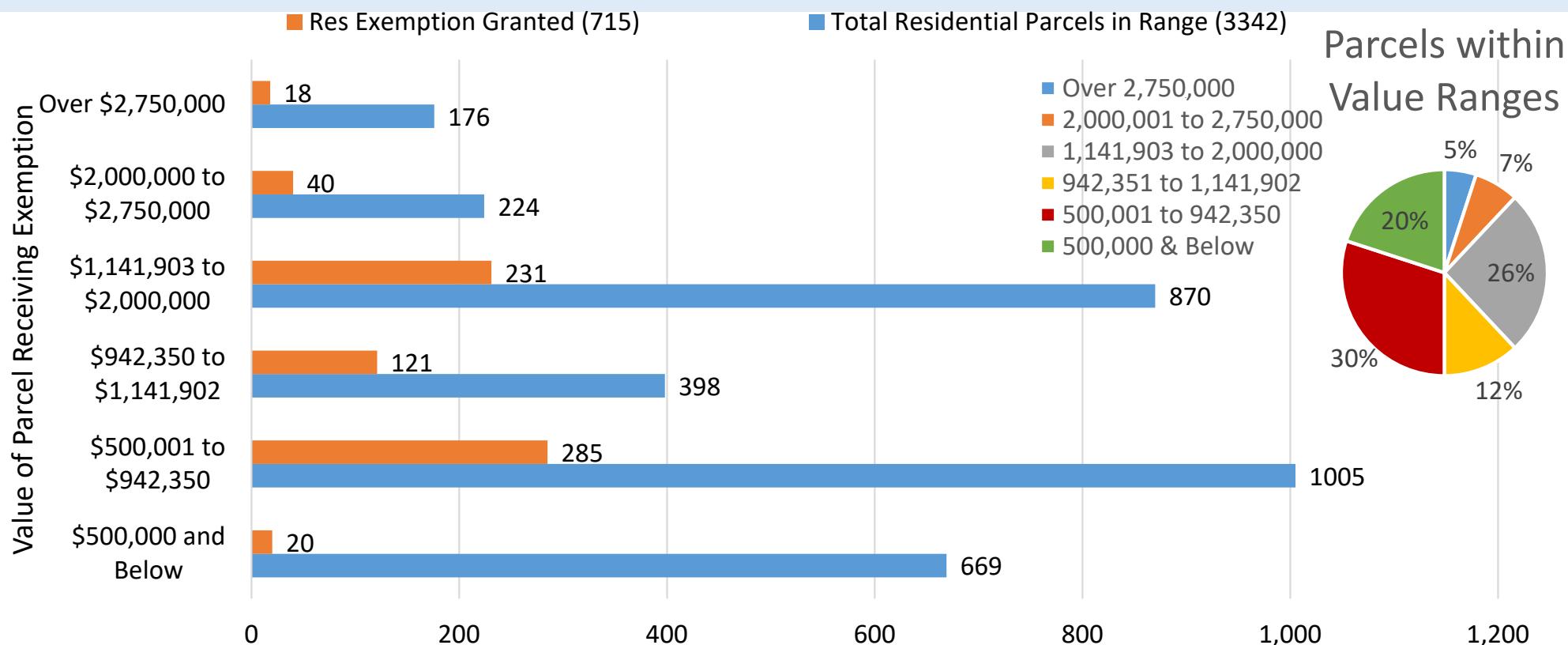
Fiscal Year 2026 Residential Exemption Scenarios-Impact on Tax Bills

35% RESIDENTIAL EXEMPTION (\$399,666 of Value Exempted from Assessment)							
WITHOUT RTE		35% RESIDENTIAL EXEMPTION (\$399,666 of Value Exempted from Assessment)					
Property Value	Tax Rate	Tax Amount	New Tax Rate	RTE Tax Bill	RTE SAVINGS	NON-RTE Tax Bill	NON-RTE Tax Bill Increase
500,000	5.72	\$2,860	6.18	\$620	-\$2,240	\$3,090	\$230
942,350	5.72	\$5,390	6.18	\$3,354	-\$2,036	\$5,824	\$433
1,141,902	5.72	\$6,532	6.18	\$4,587	-\$1,945	\$7,057	\$525
2,000,000	5.72	\$11,440	6.18	\$9,890	-\$1,550	\$12,360	\$920
2,750,000	5.72	\$15,730	6.18	\$14,525	-\$1,205	\$16,995	\$1,265
WITHOUT RTE		40% RESIDENTIAL EXEMPTION (\$456,761 of Value Exempted from Assessment)					
Property Value	Tax Rate	Tax Amount	New Tax Rate	RTE Tax Bill	RTE SAVINGS	NON-RTE Tax Bill	NON-RTE Tax Bill Increase
500,000	5.72	\$2,860	6.25	\$313	-\$2,547	\$3,125	\$265
942,350	5.72	\$5,390	6.25	\$3,035	-\$2,355	\$5,890	\$499
1,141,902	5.72	\$6,532	6.25	\$4,282	-\$2,250	\$7,137	\$605
2,000,000	5.72	\$11,440	6.25	\$9,645	-\$1,795	\$12,500	\$1,060
2,750,000	5.72	\$15,730	6.25	\$14,333	-\$1,397	\$17,188	\$1,458
WITHOUT RTE		45% RESIDENTIAL EXEMPTION (\$513,856 of Value Exempted from Assessment)					
Property Value	Tax Rate	Tax Amount	New Tax Rate	RTE Tax Bill	RTE SAVINGS	NON-RTE Tax Bill	NON-RTE Tax Bill Increase
500,000	5.72	\$2,860	6.33	\$317	-\$2,543	\$3,165	\$305
942,350	5.72	\$5,390	6.33	\$2,712	-\$2,678	\$5,965	\$575
1,141,902	5.72	\$6,532	6.33	\$3,976	-\$2,556	\$7,228	\$697
2,000,000	5.72	\$11,440	6.33	\$9,407	-\$2,033	\$12,660	\$1,220
2,750,000	5.72	\$15,730	6.33	\$14,155	-\$1,575	\$17,408	\$1,678
WITHOUT RTE		50% RESIDENTIAL EXEMPTION (\$570,951 of Value Exempted from Assessment)					
Property Value	Tax Rate	Tax Amount	New Tax Rate	RTE Tax Bill	RTE SAVINGS	NON-RTE Tax Bill	NON-RTE Tax Bill Increase
500,000	5.72	\$2,860	6.40	\$320	-\$2,540	\$3,200	\$340
942,350	5.72	\$5,390	6.40	\$2,377	-\$3,013	\$6,031	\$641
1,141,902	5.72	\$6,532	6.40	\$3,654	-\$2,878	\$7,308	\$776
2,000,000	5.72	\$11,440	6.40	\$9,146	-\$2,294	\$12,800	\$1,360
2,750,000	5.72	\$15,730	6.40	\$13,946	-\$1,784	\$17,600	\$1,870

NOTE: Assume Tax @ Maximum Allowable Levy; \$942,350 is the MEDIAN Residential Parcel Value in FY26; \$1,141,902 is the AVERAGE

NOTE: MUST PAY 10% MINIMUM tax bill of Original Value

FY26 Residential Exemptions to be Granted if Approved & Number of Parcels in Each Value Class



- Historical RTE %'s adopted by the Select Board: FY25=35%; FY24=30%; FY23&FY22=25%; FY21-FY18=20%.
- If adopted-(as of 8/26/2025)
 - 60% of FY26's Residential Exemptions will go to residents at or below the FY26 Avg Res Parcel value in Truro of \$1,141,902.
 - 43% will go to residents below the Median Value of \$942,350
- Expanded Rental RTE-FY26= 3 Recipients qualified as of 8/26/2025 (Expanded Rental RTE NOT included above)

Number of Residential Exemptions Granted by FY:

FY18=551	FY19=589
FY20=589	FY21=615
FY22=646	FY23=672
FY24=699	FY25=717

Summary of the Board of Assessors Recommendations

At their meeting on August 26, 2025, the Board of Assessors voted to:

1. Recommend to vote a Residential Factor of “1” – i.e., NOT to split the tax rate which would shift a percent of the Tax Rate from Residential to Commercial.
2. Recommend NOT to grant an Open Space Discount
3. Recommend NOT to grant a Small Business Exemption w/in the commercial class.
4. Recommend TO grant a Residential Exemption at a rate to be determined by the Select Board.