

*Town of Groton Selectmen's Office
754 North Groton Road
Groton, NH 03241
(603)744-9190 phone
(603)744-3382 fax
tog@roadrunner.com*

December 1, 2009

Dear Groton Tax Payer,

We have been receiving many calls and questions regarding the recent increase in the town's tax rate for 2009. 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 2009 tax rate breakdown (compared to 2008) is as follows:

1. Town portion went from \$4.49 to \$4.41, a **decrease** of \$.08.
2. Local school went from \$5.31 to \$7.58, an **increase** of \$2.27.
3. State education tax went from \$2.21 to \$2.23, an **increase** of \$.02.
4. County tax went from \$1.26 to \$1.22, a **decrease** of \$.04.
5. Overall rate went from \$13.27 to \$15.44, an **increase** of \$2.17. This increase is entirely from education.

The Board of Selectmen has continued to hold the line on local spending. We encourage all Groton residents to become more active in the local school budgeting process. The budget process timeline is posted on the town's website; www.town-of-groton.com. Please contact the Superintendent's office with any questions or concerns related to the school. Number to call is 603-744-5555.

Please contact the Selectmen's office at 603-744-9190 with any questions or concerns about your property assessment, local spending, etc. Office hours are Monday – Thursday 8-4, Friday 8-12.

Sincerely,

Groton Board of Selectmen