This guide is a basic overview of the Town's tax rate and is intended to help explain the components of the tax rate and how it is set each year.

The tax rate, or how much we pay for every $1,000 of property valuation is determined by the NH Department of Revenue Administration and takes into account three main components:

1. **Total appropriation (voted budget)**
   This is the total budget that once approved at town meeting becomes the appropriation. For 2019, this was $6,308,854.

2. **Total estimated revenues**
   We receive revenue from many different sources: from the town portion of your motor vehicle registration to the town’s portion of the State's Rooms & Meals tax. For 2019, total revenues were estimated to be $2,304,463.

3. **Adjustments (Credits & Overlay)**
   There are two main adjustments added to our appropriation when setting the tax rate. The first are Veterans Credits which are based upon eligibility. For 2019, the amount of Veterans credits were $99,000. The second adjustment is called the Overlay, which is an allowance for non-payment of taxes. For 2019, this was set at $30,949.

### Money Raised from Taxation

The first step in calculating the tax rate is to determine how much money the town will need to raise in taxes. This is done by taking the total appropriations voted at Town meeting (budget and warrant articles), subtract total estimated revenues and use of fund balance ($175,000 for 2019), add war service (veterans) credits, and finally add overlay to arrive at the total amount of money to be raised in taxes. See figure at right:

Once we know the amount of money to be raised through taxation, which for 2019 is $3,959,340 the next step is to determine the tax rate per thousand of Town valuation.
**Tax Rate Calculation**

Simply put the tax rate is the following formula:

\[
\text{Tax Rate} = \left( \frac{\text{Amount to be Raised}}{\text{Valuation}} \right) \times 1,000
\]

For 2019, this formula is represented with the actual amounts (with rate rounded up) based upon the following:

- Total Appropriation 6,308,854
- Total Revenue 2,304,463
- Use of Fund Balance 175,000
+ War Service Credits 99,000
+ Overlay 30,949

Amount to Raise in Taxes 3,959,340

6.38 is the town portion of our total tax rate.

Assuming the amount of money needed to run the Town remains the same from year to year:

If the total Town property valuation goes up, the tax rate will go down. If the total Town valuation goes down the tax rate will go up.

For 2019, both the appropriation and the valuation increased from 2018 levels. For 2019, the town revaluation increased 21% to $620,756,767.

**The 2019 Tax Rate**

For 2019, the total tax rate is $22.06 per $1,000 of valuation. Due to 2019 being a revaluation year, a direct comparison to tax rate changes from year to year doesn’t reflect the whole picture - you have to look at how much was raised in taxation each year.

To determine your full year 2019 tax, multiply the tax rate ($22.06) times the assessed value of your property in thousands: If your property is valued at $150,000 first divide your value by 1,000 to get 150, then multiply it by the tax rate of 22.06, or: 150 x 22.06 = $3,309 for the total year tax due.