

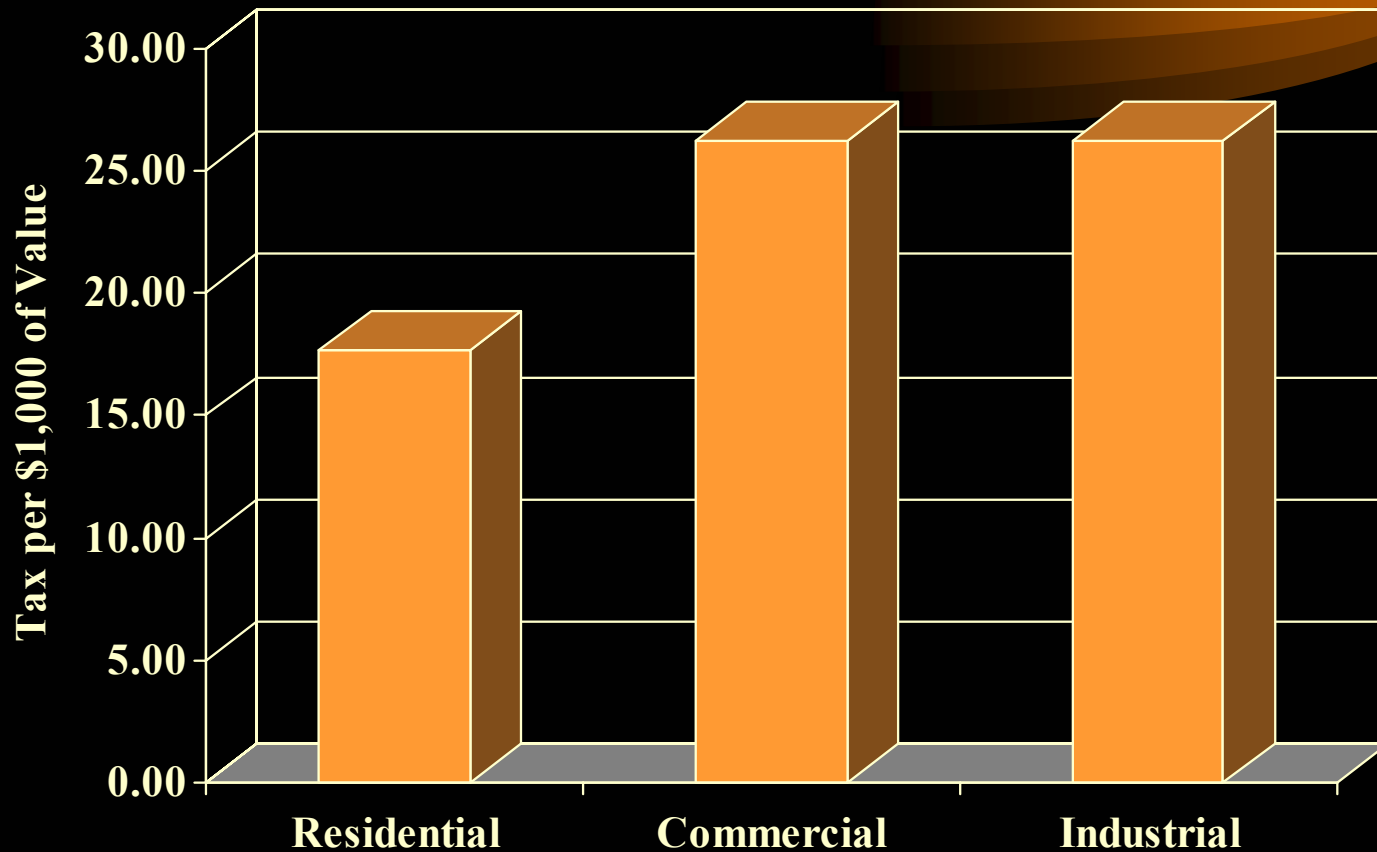
Pioneer Valley Plan for Progress
9. Municipal Finance



January 2003

Prepared by the Plan for Progress Data Analysis Work Team
and the Pioneer Valley Planning Commission

Residential tax rates are generally about two-thirds that of commercial/industrial rates.



Outlying communities like Tolland and Hatfield have the lowest tax rates.

Residential tax rate, 2001:

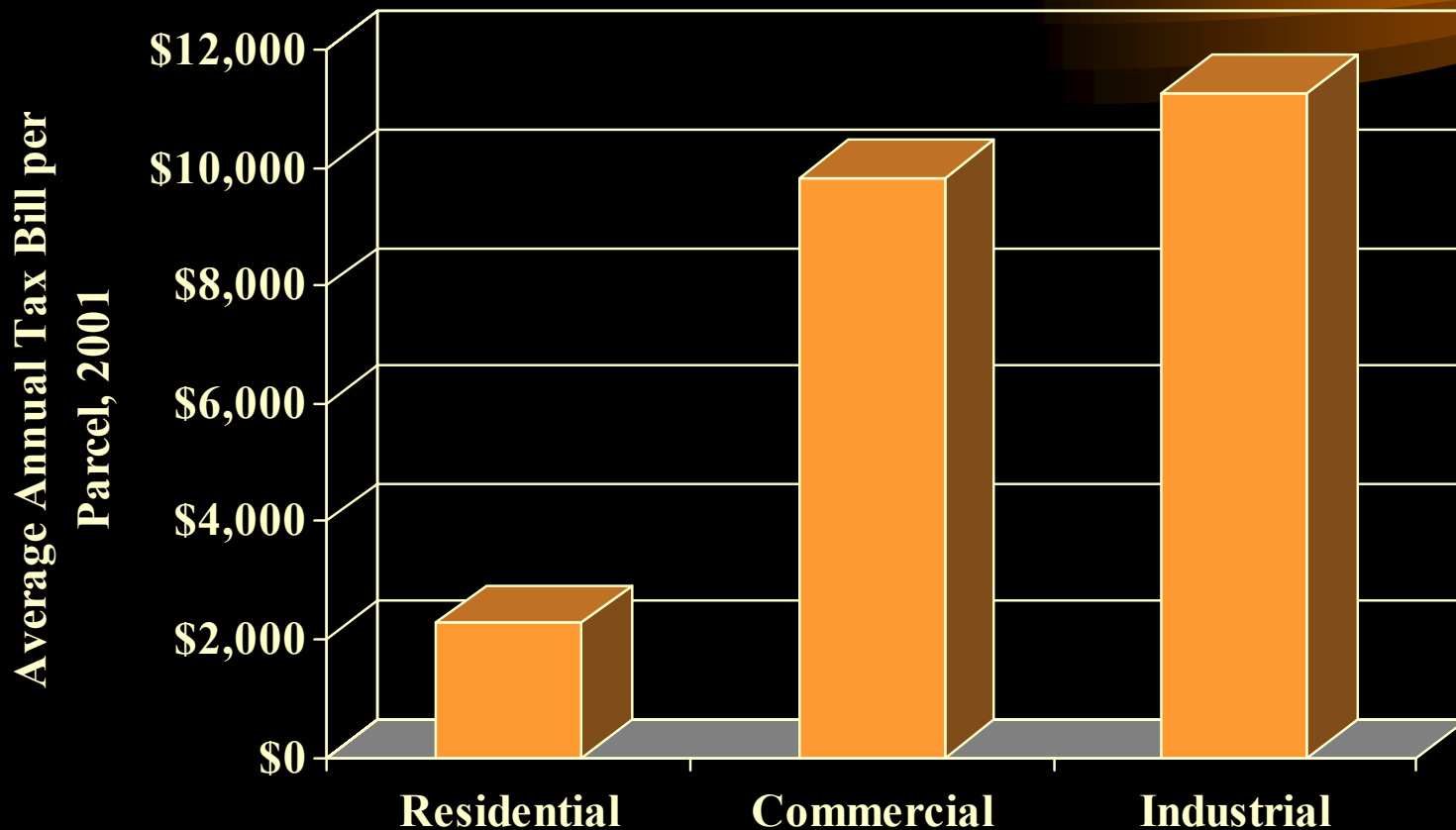
- Highest - Longmeadow \$20.15
- Lowest - Tolland \$5.70*

Commercial and Industrial tax rate, 2001:

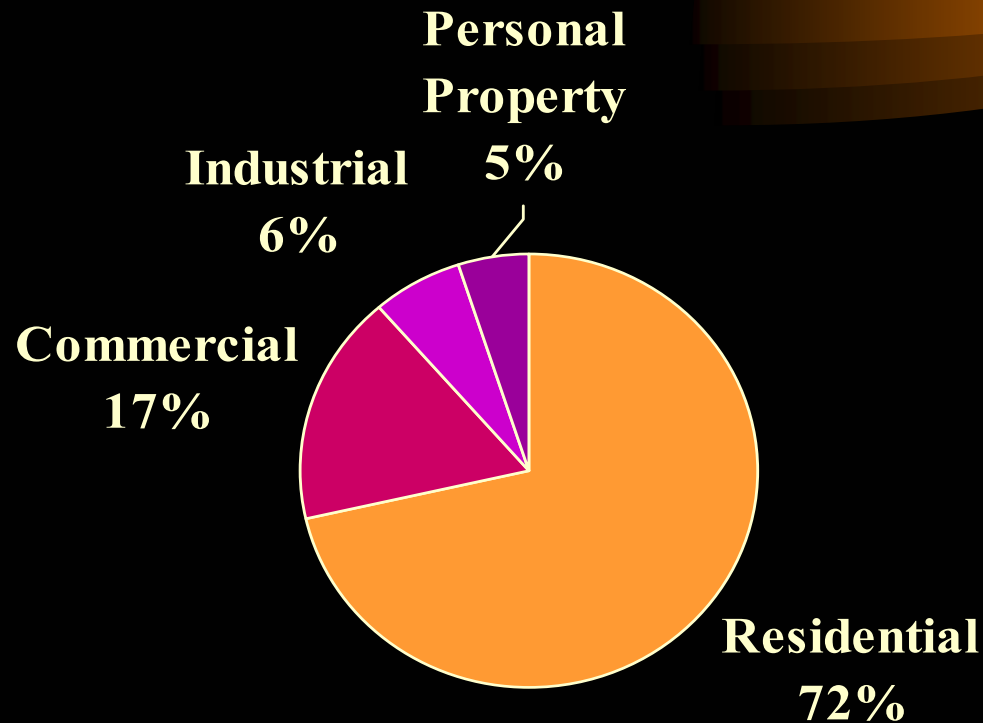
- Highest - Holyoke \$37.12
- Lowest - Tolland \$5.70*

*Tolland has the same rate for all classes, as does Hatfield with the second lowest rates at \$12.75.

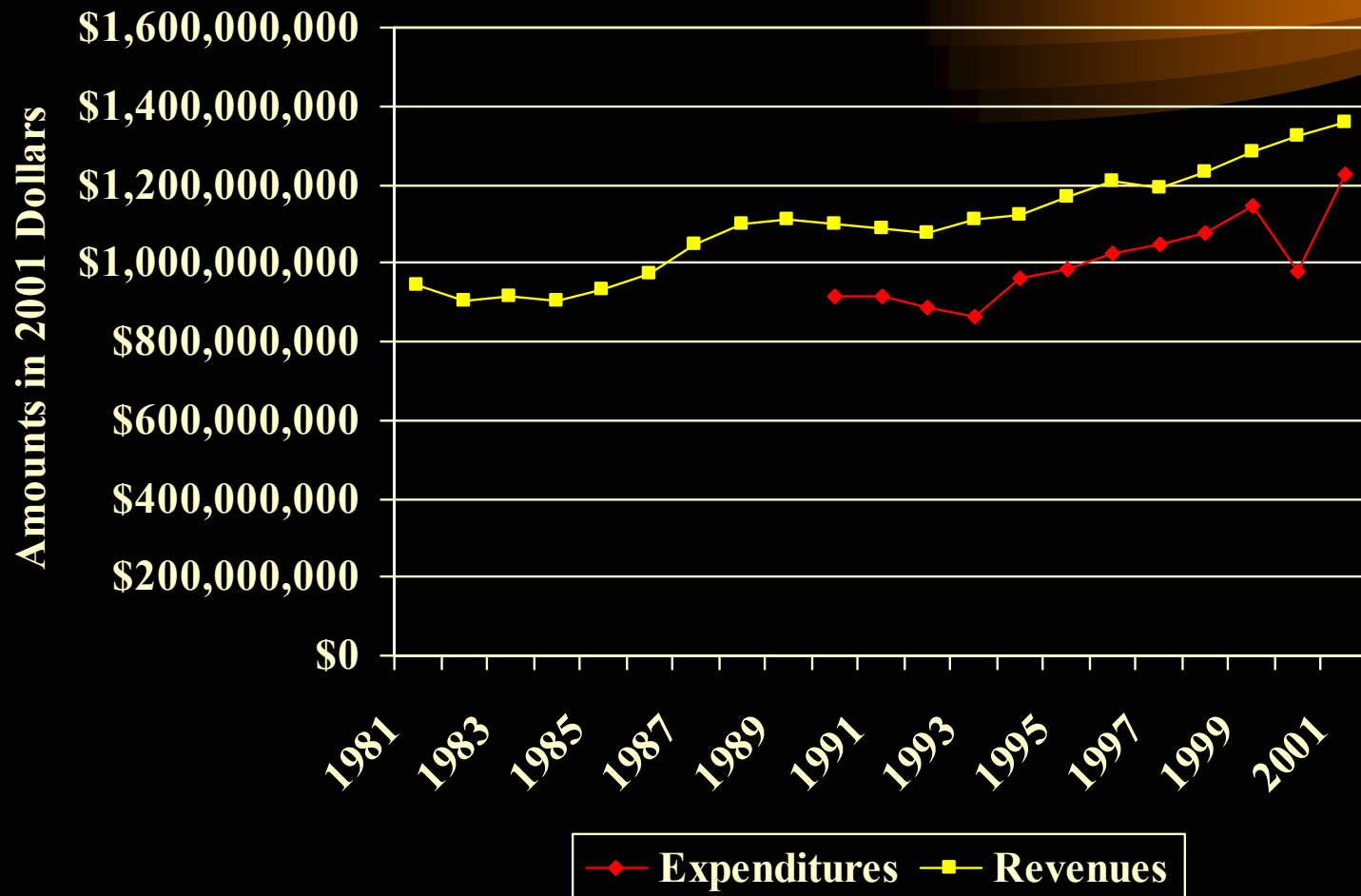
Residential taxes are far less than commercial and industrial on a per parcel basis.



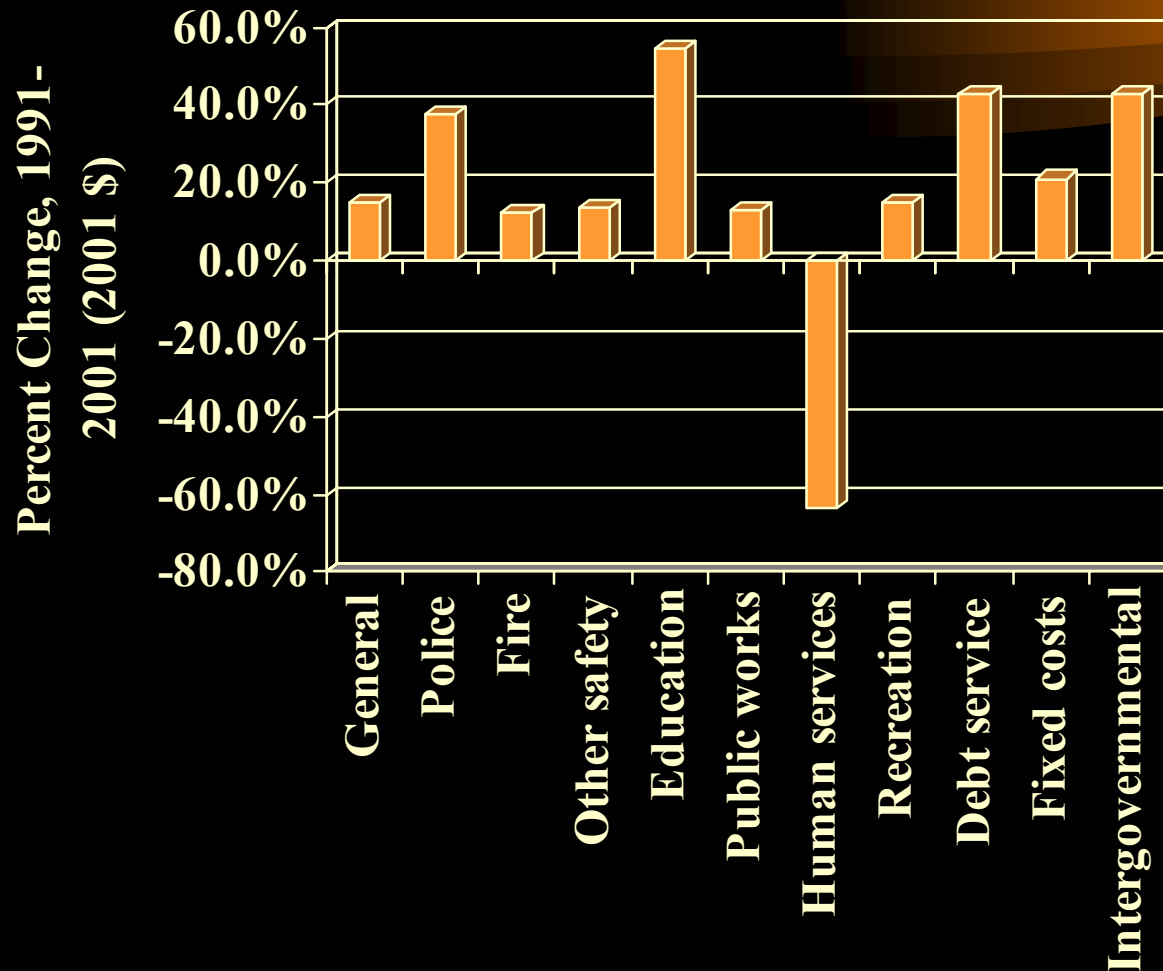
Though rates are lower, residential property is the core of the tax base.



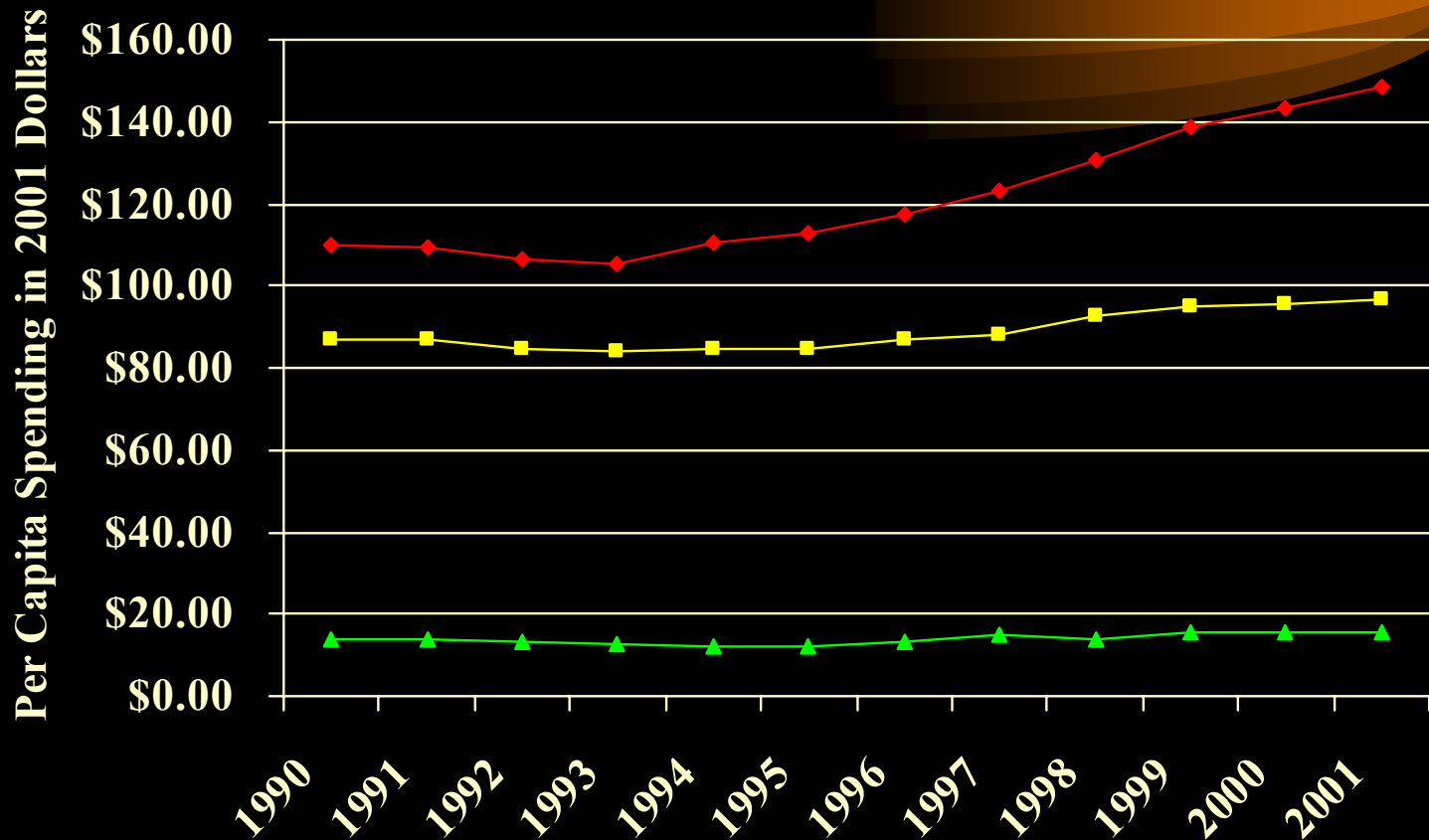
Municipal revenues and expenditures have generally trended upwards.



From 1991 to 2001, education saw the biggest increase, human services the only loss.



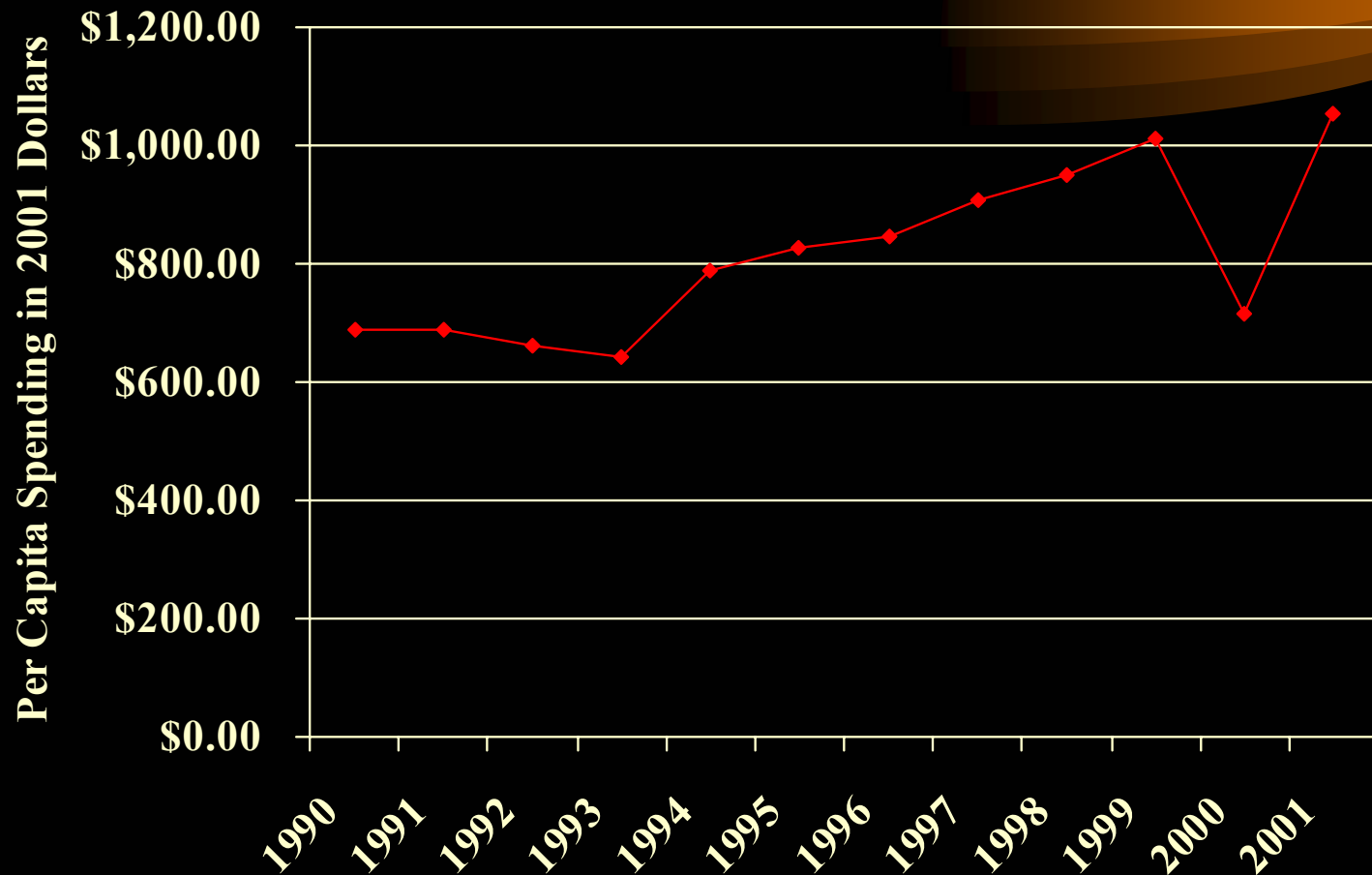
Spending for police has seen the largest per capita increase among safety items.



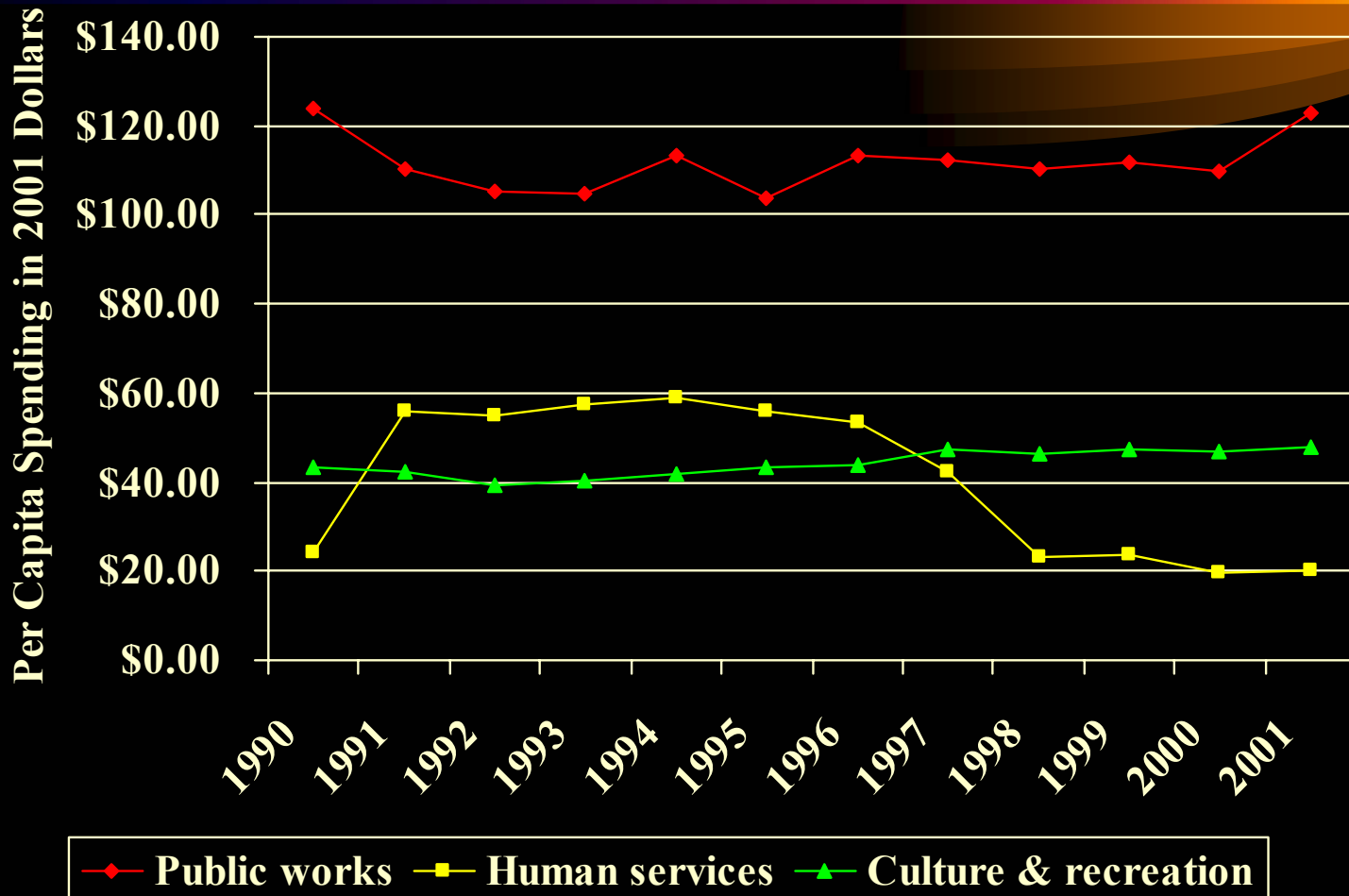
Source: Massachusetts Department of Revenue,
Division of Local Services, Municipal Databank; U.S.
Bureau of Economic Analysis, Regional Economic
Information System

◆ Police ■ Fire ▲ Other

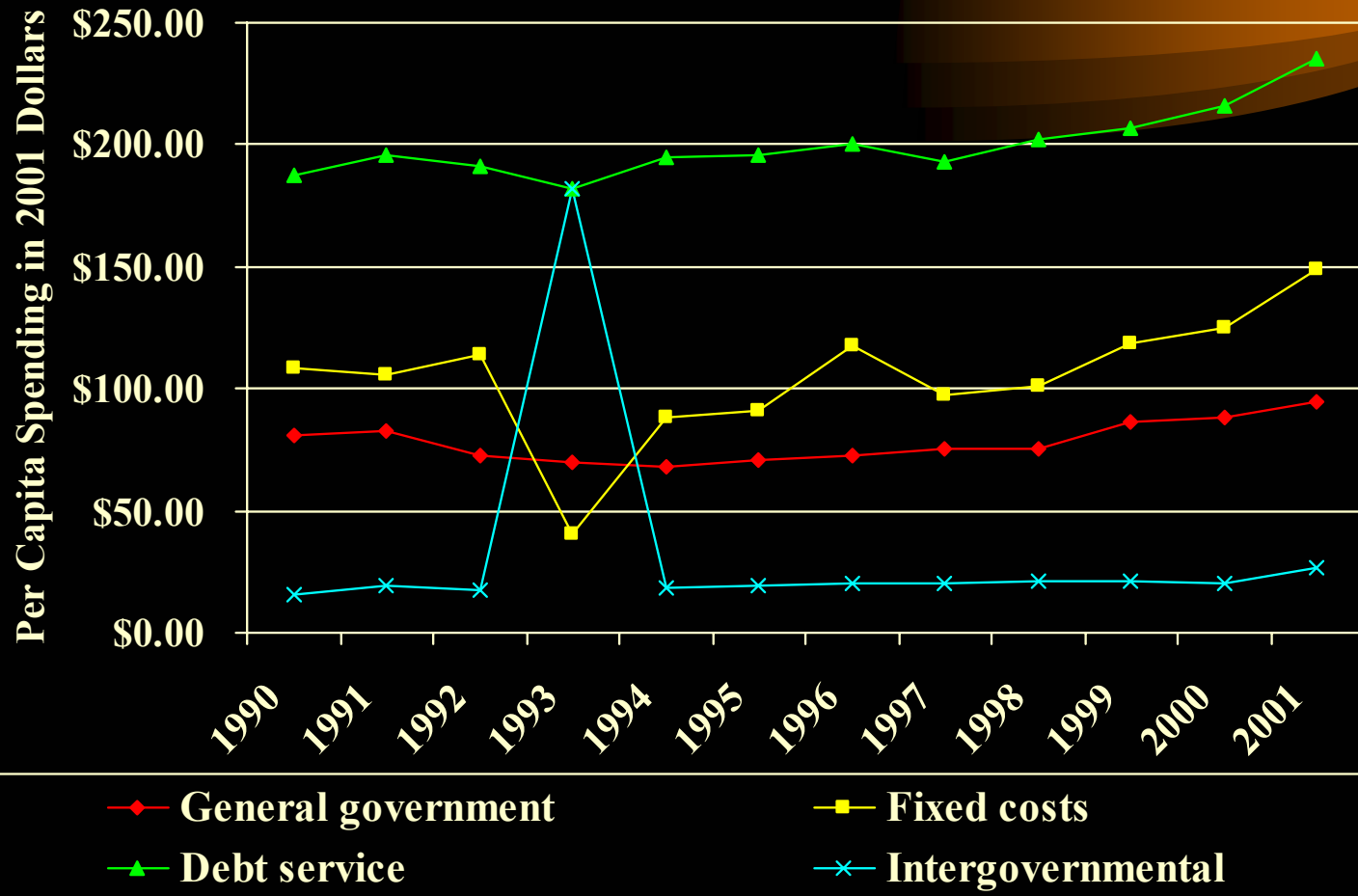
Education expenditures are the largest per capita item and have seen modest increases.



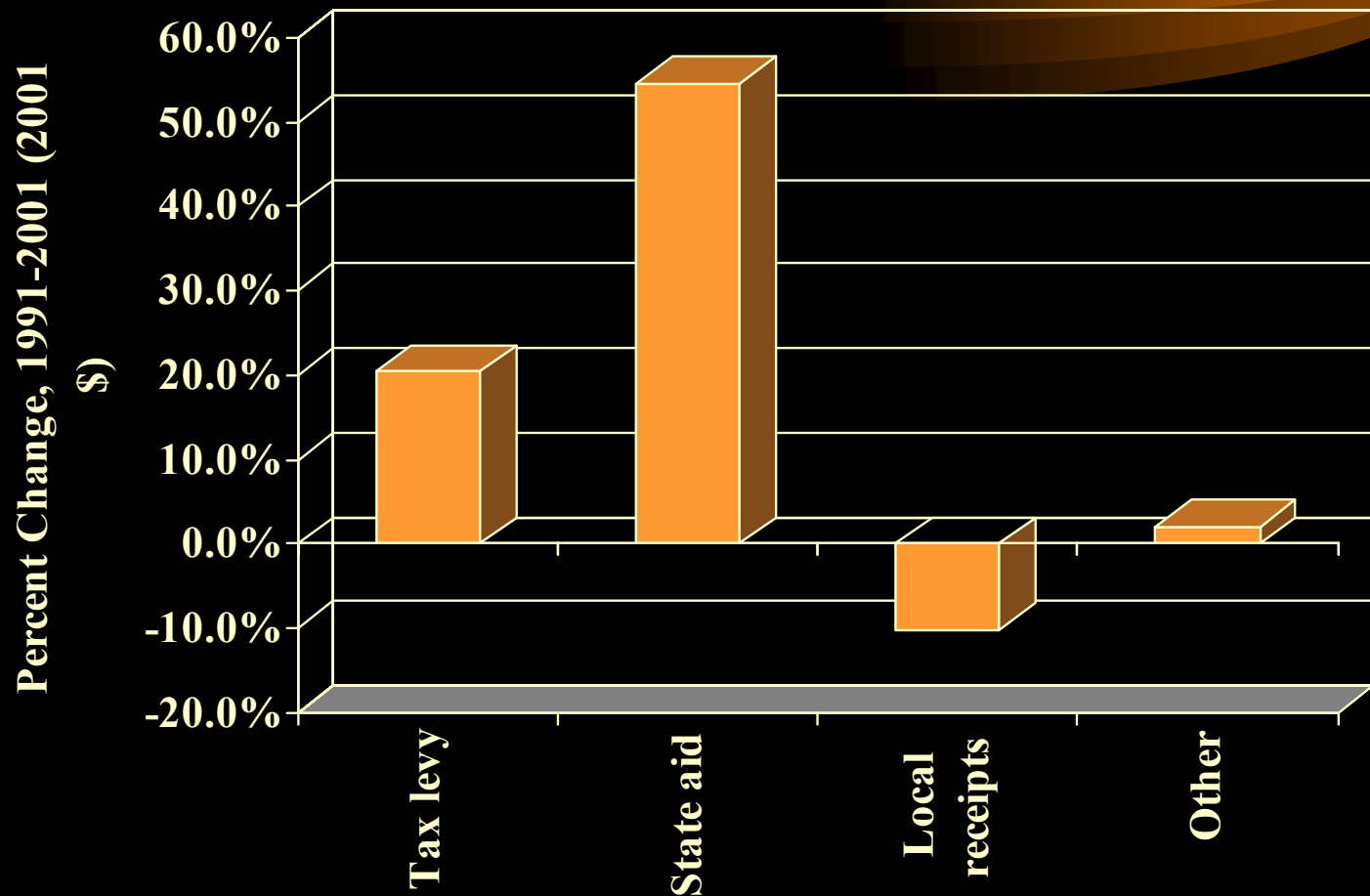
Expenditures on other services have remained flat or declined per capita.



Other expenditures per capita have grown, in particular fixed costs.



State aid was the biggest source of increase in municipal revenues from 1991 to 2001.



In the 1990s, state aid supplanted the tax levy as the largest source of municipal revenue.

