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2023 Town of Webster Property Valuation Update Information

For tax year 2023, as required by state law, all property values have been updated to market value as of April 1, 2023 using qualified sales in the Town of Webster for the prior two years. This is a process that every municipality must complete at least every five years to ensure the property tax burden is equitably distributed in accordance with State law, which was last done in 2018.

Market value is defined as the amount of money a typical, well-informed purchaser would be willing to pay for a property in an arm's-length sale, or is also known as a "Qualified Sale" per **NH RSA 75:1.** An arm's-length sale is one where the buyer and seller are not related, are willing parties and not under pressure to sell or buy, the property is available on the open market, and payment is made in cash or has typical financing for that type of property.

The real estate market in Webster and Merrimack County has shown a steady increase over the last five years. Each year the NH Department of Revenue does an equalization study, which compares the sale prices to the assessed values to see how the assessments are holding up in that year's market conditions. In 2021 the ratio was 71.7% and in 2022 the ratio was 62%. The 2022/2023 sale prices have only increased since. An additional source of market information is the New England Real Estate Network and those numbers show the median sale price in Merrimack County in 2020 to be $285,000, 2021 was $335,000, 2022 was $375,000 and as of April 2023 $380,000.

Properties across town have increased in value, however, not all properties increase at the same rate. For example, vacant land may not have appreciated at the same rate as single-family homes. Another example would be older homes that have not been updated may not appreciate as much as a newer or renovated home.

Property taxes are based on the combined budgets for the Town, school, and county. The tax rate is determined by taking the total of those budgets divided by the overall value of the Town to arrive at a tax rate to fulfill the town's budgetary needs. The assessing system is the mechanism to distribute the tax burden that is approved by the voters of the town. Unfortunately, there is no way to determine the impact of the update until after the values are finalized. Therefore, the percentage increase in the value of your home does not represent the same percentage increase in your tax bill.

The 2023 tax rate has NOT been set. Please **DO NOT USE** the 2022 tax rate when trying to estimate your taxes. Due to the significant change in town-wide value, the tax rate will change. The final tax rate will be set by the NH Department of Revenue after values have been finalized. The new rate will be the rate to use when estimating your taxes.

If you choose to schedule an appointment, please have available any information that you feel supports your position. During our discussion we will be reviewing the details of your property, your new value, and the way the new value was calculated. Please be assured that you will have an opportunity to have your assessment concerns reviewed, however we will be unable to answer any questions about what your new tax bill will be.#