



**TOWN OF WEST BOYLSTON**  
**BOARD OF SELECTMEN**  
**POLICY**

**Policy on New Growth Taxation Revenue**

**Purpose:** This policy is established as a means to project and develop reasonable operational and capital outlay plans during both normal and unusual periods of real estate development and taxation growth.

**Background:** New growth taxation is annually developed via the assessing process. The Department of Revenue (DOR) generally certifies the actual new growth revenue by early December of the current fiscal year.

Given the five-year trend (2003 – 2007) of unusual real estate development activity in the Town of West Boylston, the annual new growth revenue was unusually high. It is management's opinion that this unusual revenue return to historical levels.

Research has determined that normal tax levy growth in West Boylston approximates 1.37% of the prior year's Legal Levy Limit as determined by the DOR. Recent (5 Year) activity has been as high as 2.61% and has averaged 1.37%.

Given the above, the Town of West Boylston hereby establishes the following policy pertaining to New Growth Taxation Revenue.

**Policy:** Each fiscal year, the town will budget and utilize not more than 1.50% of the prior fiscal year's legal levy limit for operational budget purposes.

Any annual new growth taxation revenue in excess of the above amount will first be considered as a means to meet the town's operational reserve of five percent of annual revenues, which is to be maintained within the stabilization fund.

Any annual new growth revenue in excess of the levels necessary to satisfy the two uses previously outlined above shall be presented at any available town meeting with a recommendation that they be raised and appropriated into the town's Capital Investment Fund.

This policy will be reviewed annually by January 20.