City Council - Tax Fairness Ad Hoc Committee

Thursday, September 3, 2026, 3:00 PM, Online via Zoom: https://zoom.us/j/95968775785

1. Agenda

1.1. Motion to amend/adopt agenda

2. Public Forum

Subject	**2.1. PUBLIC FORUM - Verbal Comments**
Meeting	September 3, 2026 - Tax Fairness Ad Hoc Committee Meeting - Thursday, September 3, 2026, 3:00 PM, Online via Zoom: https://zoom.us/j/95968775785
Category	2. Public Forum
Department	
Type	

3. Consent Agenda

Subject	**3.1. 8/12 Meeting Minutes**

Meeting	September 3, 2026 - Tax Fairness Ad Hoc Committee Meeting - Thursday, September 3, 2026, 3:00 PM, Online via Zoom: https://zoom.us/j/95968775785
Category	3. Consent Agenda
Department	Department of Finance and Administration
Type	
Recommended Action	

4. Discussion of Tax Proposals

Subject	**4.1. Memo - Proposal Dashboard - Update Sept. 2**
Meeting	September 3, 2026 - Tax Fairness Ad Hoc Committee Meeting - Thursday, September 3, 2026, 3:00 PM, Online via Zoom: https://zoom.us/j/95968775785
Category	4. Discussion of Tax Proposals
Department	Department of Finance and Administration
Type	
Recommended Action	

5. Discussion of Next Steps for Tax Proposals

6. Scheduling

7. Adjournment

Subject	**7.1. Motion to adjourn**

Meeting	September 3, 2026 - Tax Fairness Ad Hoc Committee Meeting - Thursday, September 3, 2026, 3:00 PM, Online via Zoom: https://zoom.us/j/95968775785
Category	7. Adjournment
Department	Council and Board
Type	
Recommended Action	

TO: Tax Fairness Ad Hoc Committee
FROM: Nancy Stetson, Senior Policy and Data Analyst
DATE: April 28, 2026 *(Updated: Sept 1, 2026)*
RE: Tax Fairness Proposal Dashboard Overview

At the April 14th meeting of the City Council Tax Fairness Committee, two proposals for property tax reform were raised: limiting the previously proposed Homestead Exemption to properties valued below a specified threshold and increasing the tax rate on second homes.

This memo has been updated to include an overview of a combination of the two prior proposals, as proposed at the August 12th meeting of the committee.

The dashboard linked below was built to help the Committee understand the effect of these proposals on both overall tax revenue and individual properties.

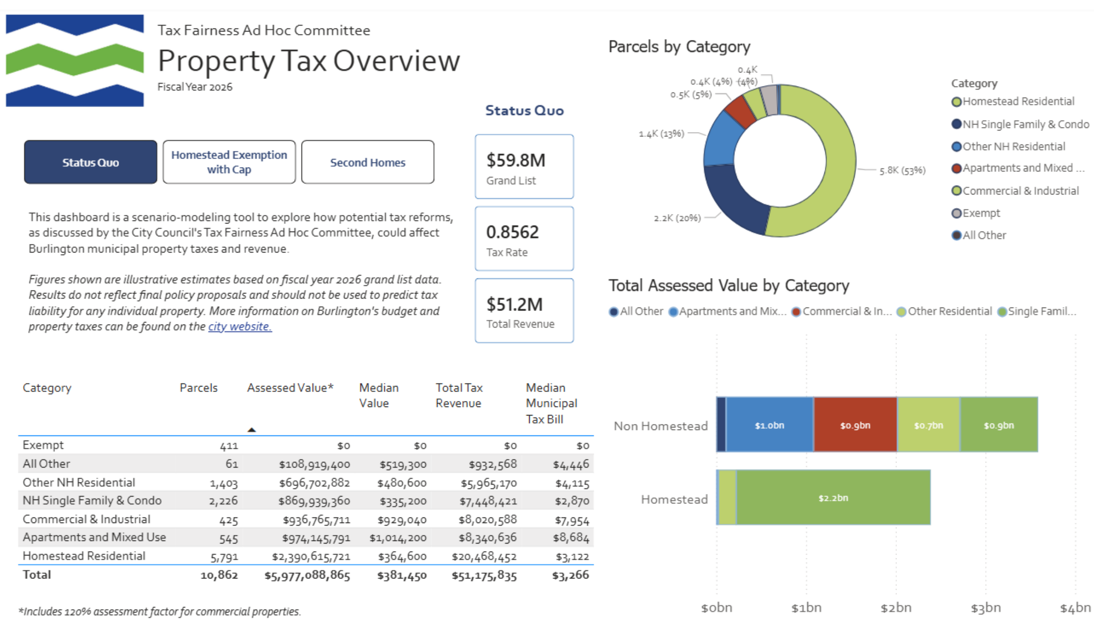
[Link to Dashboard]

The dashboard has four pages, which can be accessed via the buttons under the main headings or the arrow buttons at the bottom. It is best viewed in a full browser window on a desktop or laptop.

Page 1: Status Quo

The first page provides an overview of how property tax burden is currently distributed across property types in fiscal year 2026. While the majority of individual parcels are homesteads, the total value of non-homestead properties is larger. Homesteads are primarily single-family homes and condos, though some multifamily properties qualify as partial homesteads.

For reference, this page also includes the FY 2026 grand list, tax rate, and total property tax revenue.



Category	Parcels	Assessed Value*	Median Value	Total Tax Revenue	Median Municipal Tax Bill
Exempt	411	$0	$0	$0	$0
All Other	61	$108,919,400	$519,300	$932,568	$4,446
Other NH Residential	1,403	$696,702,882	$480,600	$5,965,170	$4,115
NH Single Family & Condo	2,226	$869,939,360	$335,200	$7,448,421	$2,870
Commercial & Industrial	425	$936,765,711	$929,040	$8,020,588	$7,954
Apartments and Mixed Use	545	$974,145,791	$1,014,200	$8,340,636	$8,684
Homestead Residential	5,791	$2,390,615,721	$364,600	$20,468,452	$3,122
Total	**10,862**	**$5,977,088,865**	**$381,450**	**$51,175,835**	**$3,266**

Includes 120% assessment factor for commercial properties.

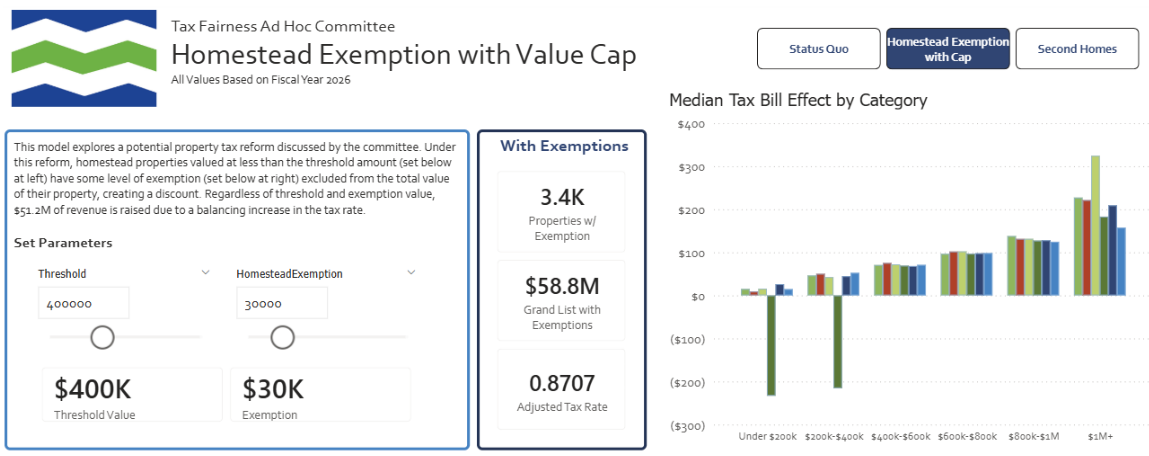
Page 2: Homestead Exemption with Cap

This page explores a homestead exemption limited to properties below a certain value threshold.

Users can customize the model by setting two parameters: the threshold above which the exemption no longer applies, and the size of the exemption itself. The defaults are $400,000 and $30,000, respectively.

Raising the threshold makes more homesteads eligible for the exemption, which reduces the taxable value of the grand list. As the grand list shrinks, the tax rate must rise to keep revenues level. Similarly, increasing the exemption amount enlarges the discount for eligible properties, reducing the taxable grand list and pushing the tax rate up.

The table at the bottom of the page lists actual Burlington properties with their assessed values and calculated municipal tax, showing how each is affected by changes to the exemption structure. The table can be filtered on the left by property category and value.



Parcel ID		Street	Category	LandUseCode	Value	Municipal Tax	Value with Exemption	Adjusted Tax	Difference	Percent Change
003-2-002-000	0	INTERVALE RD	All Other	FL - Farmland	$180,000	$1,541	$180,000	$1,567	$26	1.7%
003-2-003-000	0	INTERVALE RD	All Other	FL - Farmland	$59,300	$508	$59,300	$516	$9	1.7%
005-3-001-000	80	CHASE ST	Other NH Residential	R2 - 2 Family	$477,400	$4,087	$477,400	$4,157	$69	1.7%
005-3-002-000	84	CHASE ST	Homestead Residential	R1 - Single Fam	$593,900	$5,085	$593,900	$5,171	$86	1.7%
005-3-003-000	93	CHASE ST	Homestead Residential	R1 - Single Fam	$310,800	$2,661	$280,800	$2,445	($216)	-8.1%
005-3-004-000	91	CHASE ST	Homestead Residential	R1 - Single Fam	$247,500	$2,119	$217,500	$1,894	($225)	-10.6%
005-3-005-000	2	GROVE ST	Other NH Residential	R2 - 2 Family	$449,000	$3,844	$449,000	$3,910	$65	1.7%
005-3-006-000	14	GROVE ST	Homestead Residential	R1 - Single Fam	$317,400	$2,718	$287,400	$2,503	($215)	-7.9%

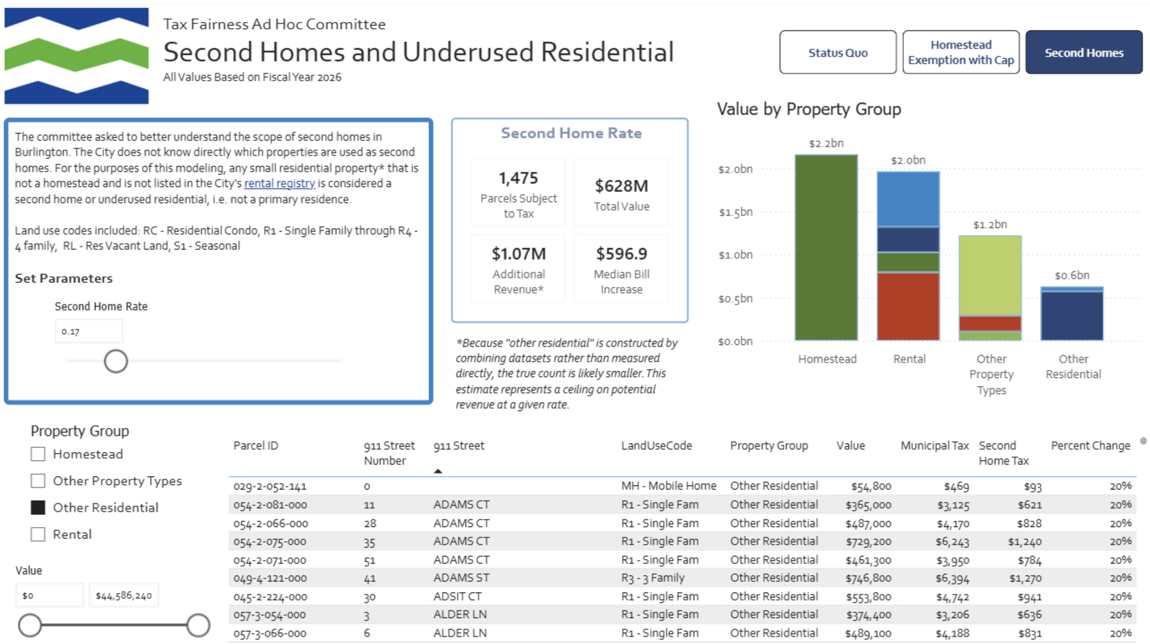
Page 3: Second Homes and Underused Residential

The final page presents a preliminary analysis of an additional tax rate on second homes and other underused residential properties. Because the City does not have a direct marker for second homes, the category was constructed by combining multiple City datasets. Using the rental registry, the analysis separates residential property into rentals, homesteads, and "other residential" (i.e. second homes). Residential property here is defined by land use code and includes single-family homes and condos, multifamily up to four units, seasonal homes, and vacant residential land.

This page allows users to explore how much revenue the City could raise by imposing an additional tax rate on the "Other Residential" category, adjustable via the "second home rate" input.

Revenue estimates here are likely somewhat higher than what such a rate would actually generate, because the underlying data probably undercounts both homesteads and rentals.

This analysis models the policy as an additional rate, but the Committee has also suggested instead increasing the assessed value of these properties, as is currently done for commercial properties. A 20% increase to the assessed value would result in the same bill as an approximately 0.17 increase to the overall municipal tax rate. The difference lies in how the resulting revenue is distributed across splinter rates.



Parcel ID	911 Street Number	911 Street	LandUseCode	Property Group	Value	Municipal Tax	Second Home Tax	Percent Change
029-2-052-141	0		MH - Mobile Home	Other Residential	$54,800	$469	$93	20%
054-2-081-000	11	ADAMS CT	R1 - Single Fam	Other Residential	$365,000	$3,125	$621	20%
054-2-066-000	28	ADAMS CT	R1 - Single Fam	Other Residential	$487,000	$4,170	$828	20%
054-2-075-000	35	ADAMS CT	R1 - Single Fam	Other Residential	$729,200	$6,243	$1,240	20%
054-2-071-000	51	ADAMS CT	R1 - Single Fam	Other Residential	$461,300	$3,950	$784	20%
049-4-121-000	41	ADAMS ST	R3 - 3 Family	Other Residential	$746,800	$6,394	$1,270	20%
045-2-224-000	30	ADSIT CT	R1 - Single Fam	Other Residential	$553,800	$4,742	$941	20%
057-3-054-000	3	ALDER LN	R1 - Single Fam	Other Residential	$374,400	$3,206	$636	20%
057-3-066-000	6	ALDER LN	R1 - Single Fam	Other Residential	$489,100	$4,188	$831	20%

Page 4: Balancing the Grand List

The final page combines the two prior proposals into a single model, pairing a capped homestead exemption with an increase to the assessed value of a subset of non-homestead properties, which operates the same way as the existing 120% commercial factor.

Users set two parameters for each proposal. For the exemption model on the left, the user can set the threshold property value below which the exemption applies and the size of the exemption. For the assessment factor on the right, the user sets the magnitude of the factor as a percentage of assessed value and which collection of non-homestead properties it applies to: either single-family homes and condos with or without rentals, or a broader group that adds other small residential properties, including small multifamily, seasonal homes, and residential land.

By adjusting the four parameters, the user can find combinations where the added and removed value cancel, leaving the grand list, the tax rate, and total revenue unchanged.

As on the prior page, the assessment factor analysis relies on FY 2026 homestead declarations and rental registry status, so the offset would be smaller than modeled if additional properties registered as either. The estimated added revenue estimated from the assessment factor model should be considered a ceiling.

Tax Fairness Ad Hoc Committee

Balancing the Grand List

All Values Based on Fiscal Year 2026

This proposal aims to balance the grand list with two separate tax reforms: a homestead exemption and an increased assessment factor on a subset of non homestead properties.

Use the sliders below to set the size of the homestead exemption and the value threshold below which the exemption applies. For more detail see the Homestead Exemption with Cap page.

Threshold

340000

$340K
Threshold Value

Homestead Exemption

30000

$30K
Exemption Size

The selected exemption size will provide **$257** in tax relief to **2,453** homesteads under the threshold, **23 %** of total properties.

Proposal Effects

$6bn
Original GL Value

($71M)
Exemption Effect

$70M
Maximum Factor Effect

($1M)
Net Grand List Change

($11K)
Tax Revenue Effect

To balance the effect on the Grand List of a homestead exemption, this proposal includes an increase to the assessment value of some non homestead properties. Like the current commercial assessment factor of 120%, this would increase the taxable value of the property types selected below.

Choose one of three target **non-homestead** property types below and the magnitude of the assessment factor applied to them.
Note: This analysis estimates the effect based on FY26 homestead and rental registry status. The policy would raise less revenue if more properties registered as homesteads or rentals.

Assessment Factor

108

Applies to Non Homesteads Including:

- ○ SF & condo, excl. rentals
- ● SF & condo, incl. rentals
- ○ SF, condo & other small res, excl. rentals

The selected policy is estimated to affect **2,226 (20%)** of all properties and change their municipal tax bill by a median of **$230**.

Address

All

Parcel ID		Address	LandUseCode	Registered Rental	Category	Assessed Value	Exemption Effect	Factor Effect	Tax Bill Change
002-2-002-000	820	NORTH AVE	E - Exempt	Not Rental	Exempt	$0	$0	$0	$0
003-2-001-000	0	INTERVALE RD	EL - Exmpt Land	Not Rental	Exempt	$0	$0	$0	$0
003-2-002-000	0	INTERVALE RD	FL - Farmland	Not Rental	All Other	$180,000	$0	$0	$0
003-2-003-000	0	INTERVALE RD	FL - Farmland	Not Rental	All Other	$59,300	$0	$0	$0
005-3-001-000	80	CHASE ST	R2 - 2 Family	Rental	Other NH Residential	$477,400	$0	$0	$0