

Levy Definitions

Levy – Amount of revenue a community can raise through real and personal property taxes.

Levy Ceiling – 2 1/2 % of the local value of all real and personal property equal to a tax rate of \$25/1000.

Levy Limit – The maximum a community can levy in a given year equal to the last year's levy times 2 1/2%, plus new growth, plus override.

Excess Levy Capacity – The difference between the actual Levy and the Levy Limit.

New Growth – Increase in assessed value of the property because of expansion, times the last year's rate.

Capital Outlay Expenditure – A temporary increase in taxes over the Levy Limit to pay for a specific Capital Expenditure. (Time Purchase)

Override – a permanent increase to the levy limit. (Town wide and Selectman's vote of approval)

Debt Exclusion – A temporary increase in the taxes over the Levy Limit for the payment of a specific debt service cost for a specific period of time.