

UNDERSTANDING THE CPA SURCHARGE TAX AND HOW IT IS CALCULATED:

Formula: **Value - CPA Residential Exemption (residential properties only) x (Tax Rate/\$1,000) x 1.5%**

The surcharge is levied against the tax amount, not the value of the property. For example, a CPA surcharge of 1.5 percent on a real property tax bill of \$1,000 would be \$15.00, or 1.5 percent of \$1,000 per year.

Property Type	Value	CPA Residential Exemption	Tax Rate Per \$1,000	CPA Surcharge	Calculation
Residential	\$662,000	\$100,000	\$13.35	\$112.54	$= (\$662,000 - \$100,000) \times (\$13.35/\$1,000) \times 1.5\%$
Mixed Use*	\$200,000 (R) \$100,000 (C)	\$100,000	\$13.35	\$40.05	$= (\$300,000 - \$100,000) \times (\$13.35/\$1,000) \times 1.5\%$
Commercial	\$900,000	N/A	\$13.35	\$180.23	$= \$900,000 \times (\$13.35/\$1,000) \times 1.5\%$

*The \$100,000 CP residential exemption applies on the first \$100,000 of the portion of the assessed valuation classified as Class One, Residential, property on a property classified as a multiple use.

CPA IMPLEMENTED FY2012 WITH:

1) 1.5% SURCHARGE, AND

2) \$100,000 OF VALUE EXEMPT OF EACH TAXABLE PARCEL OF RESIDENTIAL REAL PROPERTY

Examples based on actual tax rates for FY10 through FY13 and a made up tax rate for FY14.

FY10 TAX RATE	\$12.16
FY11 TAX RATE	\$13.24
FY12 TAX RATE	\$13.35
FY13 TAX RATE	\$13.33
FY14 TAX RATE	\$13.50

CPA showing on tax bill:	<u>1st & 2nd Quarter</u>	<u>3rd & 4th Quarter</u>
FY10	no	no
FY11	no	no
FY12	no	yes
FY13	yes	yes
FY14	yes	yes

FY	ASSESSED VALUE	TAX	TAX PAYMENT FORMULA - 1Q & 2Q	TAX PAYMENT				
				1Q	2Q	3Q	4Q	TOTAL
2010	\$758,000	\$ 9,217.28						\$ 9,217.28
2011	\$731,000	\$ 9,678.44	(\$9,217.28 x 50%)	\$ 2,304.32	\$ 2,304.32	\$ 2,534.90	\$ 2,534.90	\$ 9,678.44
2012	\$735,000	\$ 9,812.25	(\$9,678.44 x 50%)	\$ 2,419.61	\$ 2,419.61	\$ 2,486.52	\$ 2,486.51	\$ 9,812.25
2013	\$740,000	\$ 9,864.20	(\$9,812.25 x 50%)	\$ 2,453.06	\$ 2,453.06	\$ 2,479.04	\$ 2,479.04	\$ 9,864.20
2014	\$745,000	\$ 10,057.50	(\$9,864.20 x 50%)	\$ 2,466.05	\$ 2,466.05	\$ 2,562.70	\$ 2,562.70	\$ 10,057.50

FY	*CPA FORMULA	CPA SURCHARGE	CPA PAYMENT FORMULA - 1Q & 2Q	CPA PAYMENT				
				1Q	2Q	3Q	4Q	TOTAL
2010								
2011								
2012	(\$635,000 x \$13.35/\$1,000) x 1.5%	\$ 127.16				\$ 63.58	\$ 63.58	\$ 127.16
2013	(\$640,000 x \$13.33/\$1,000) x 1.5%	\$ 127.97	\$127.16 x 50%	\$ 31.79	\$ 31.79	\$ 32.20	\$ 32.19	\$ 127.97
2014	(\$645,000 x \$13.50/\$1,000) x 1.5%	\$ 130.61	\$127.97 x 50%	\$ 32.00	\$ 31.99	\$ 33.31	\$ 33.31	\$ 130.61

FY	TOTAL TAX AND CPA PAYMENT				
	1Q	2Q	3Q	4Q	TOTAL
2010					\$ 9,217.28
2011	\$ 2,304.32	\$ 2,304.32	\$ 2,534.90	\$ 2,534.90	\$ 9,678.44
2012	\$ 2,419.61	\$ 2,419.61	\$ 2,550.10	\$ 2,550.09	\$ 9,939.41
2013	\$ 2,484.85	\$ 2,484.85	\$ 2,511.24	\$ 2,511.23	\$ 9,992.17
2014	\$ 2,498.05	\$ 2,498.04	\$ 2,596.01	\$ 2,596.01	\$ 10,188.11

*With \$100,000 surcharge exemption (FY assessment - \$100,000)