

Calculation of the Mill Rate

Mill: a unit of monetary measure equal to 1/1000 of a dollar.

Mill Rate: a number determined by dividing the grand levy (amount of revenue required) by the grand list (total assessed value of all taxable property). Rate is then applied to each taxpayer's taxable property.

The property tax rate is expressed in mills or thousandths of a dollar in Connecticut. A tax rate of 45 mills is equivalent to \$45.00 per \$1,000 of assessed value. The property tax rate is determined by dividing the grand levy by the net grand list; this process may be expressed by the following formula:

$$\text{Grand Levy} / \text{Grand List} = \text{Tax Rate}$$

The grand levy is the amount of revenue, which must be raised by the property tax; the grand list is the total assessed value of all taxable property.

Example: City of Milford Fiscal Year July 1, 2023 – June 30, 2024
Gross Tax Levy: \$216,247,719
Divided by Grand List: \$7,959,700,176 of October 1, 2022, assessment
= Mill Rate 27.17

Property is assessed in each town or city, as it existed on the assessment day. The assessment date for all towns and cities in the State of Connecticut is October 1. The grand list must be completed by the assessor(s) and filed with the Town/City Clerk by January 31. The Board of Assessment Appeals meets during February and must complete its duties before March 1, unless otherwise provided by law.

Based on this adjusted grand list and the determination of the town budget – through the political process – a tax rate is set by the Board of Finance, or town or city council. The normal time frame for this aspect of the process is March-May with the tax bills prepared by the collector in June for payment in July, the first month of the fiscal year.