

**CITY OF GAITHERSBURG NOTICE
OF A PROPOSED
REAL PROPERTY TAX INCREASE**

The Mayor and City Council of City of Gaithersburg proposes to increase real property taxes.

1. For the tax year beginning July 1, 2016, the estimated real property assessable base will increase by 2.0%, from \$9,325,849,172 to \$9,513,842,669.

2. If the City of Gaithersburg maintains the current tax rate of \$0.262 per \$100 of assessment, real property tax revenues will increase by 2.0%, resulting in \$492,543 of new real property tax revenues.

3. In order to fully offset the effect of increasing assessments, the real property tax rate should be reduced to \$0.2568, the constant yield tax rate.

4. The City of Gaithersburg is considering not reducing its real property tax rate enough to fully offset increasing assessments. The City of Gaithersburg proposes to adopt a real property tax rate of \$ \$0.262 per \$100 of assessment. This tax rate is 2.0% higher than the constant yield tax rate and will generate \$492,543 in additional property tax revenues.

A public hearing on the proposed real property tax increase will be held at 7:30 p.m., on April 18, 2016, at City Hall, 31 South Summit Avenue, Gaithersburg, Maryland 20877.

The hearing is open to the public, and public testimony is encouraged.

Persons with questions regarding this hearing may call 301-258-6320 for further information.