

September 2017

## School Taxes to Go Up in 2018 Down in 2019 (Maybe)

*The following information is provided for taxpayers to be aware of a state-mandated tax increase and plan accordingly. Figures are estimates only and are subject to change. Variations in year to year valuations in the county including state utility valuations and open space land values will push these rates higher or lower accordingly. This information applies only to the State School Levy and Local M&O for basic education and does not include voter-approved bonds or facility levies.*

The Washington Legislature recently passed House Bill 2242, an act to more fully fund basic K-12 education by reforming state and local education contributions. A new two-step funding mechanism will be put in place in 2018 and 2019.

Taxpayers can expect a sharp increase in the State Schools tax portion of their property tax bills for 2018, and a decline in their local school taxes the following year. Here's why:

Beginning in 2018, the State Schools levy rate on local tax bills will increase to \$2.70\* per \$1000 of assessed value (AV) and hold steady for four years. Existing voter-approved local school district maintenance and operations levies will remain in effect through 2018.

In 2019, local M&O levies will be renamed enrichment levies as the state picks up more of the basic costs. Enrichment levies are capped at \$1.50 per \$1,000 of AV or \$2,500 per student, whichever is less. In our case, that will most likely be \$2500 per student.

For tax year 2017, Garfield County residents paid \$1.99 per \$1000 of AV for the State School Levy, or \$199 for a \$100,000 property. Residents also paid \$1.77 per \$1000 of AV on the local M&O levy, or \$177 on a \$100,000 property for a total of \$376.

In 2018 we will pay the State Levy, the current M&O levy and also the new State School Levy Part 2. State School Levy Part 2 will add approximately \$.71 per \$1000 of AV or \$71 on a \$100,000 property for a total levy of \$4.47/\$1000 or \$447 on a \$100,000 property. Every property tax payer in the state will face an increase in 2018 .

In 2019 the estimated amounts for Pomeroy School District will be \$2.70\* for the State Levies (Part 1 and 2) and approximately \$1.19 on the local M&O (now called Enrichment Levy) if approved by voters for a total of \$3.89/\$1000, or \$389 on a \$100,000 property.

*\*Based on 100% of market value. This figure will be adjusted by the State as needed to match 100% market value versus assessed value.*

### 2017

State	Local	Total
\$1.99	\$1.77	\$3.76

### 2018

State	Local	Total
\$2.70*	\$1.77	\$4.47

### 2019

State	Local	Total
\$2.70*	\$1.19	\$3.89

\*The example above is based on 100% market value. The state will apply a ratio to these figures to make up any variations from 100%. Thus, figures will vary slightly from year to year.

*Seniors who are currently in the exemption program will be exempt from the new State Levy Part 2 and continue to be exempt from the local levies as well.*