



Southern Door County School District

2073 County Highway DK, Brussels, WI 54204

www.sdsd.k12.wi.us

SCHOOL BOARD

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Tony Klaubauf, Interim Superintendent
920-825-7311; 920-825-7155 (Fax)

Jason Melotte, Business Manager
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Kami Harvey, Curriculum Director
Dan Viste, Maintenance/Transportation

HIGH SCHOOL

920-825-7333; 920-825-1490 (Fax)
Steve Bousley, Principal

ELEMENTARY/MIDDLE SCHOOL

920-825-7321; 920-825-7692 (Fax)
Marc Vandenhouten, Elementary Principal
Kami Harvey, Middle Principal

Understanding Tax Levy/Mill Rate and Your Tax Bill

- The Southern Door County School District only has the authority to certify a total tax levy within the limits of the law and then provide each municipality with the amount that reflects their portion of the total based on property values of the municipality that lie within the district as a percent of all property values.
- One of the assurances that was made with the last referendum was that the Mill Rate would not increase from the 22-23 to the 23-24 school year.
- The Southern Door County School District lowered the Mill Rate from \$8.70 in 22-23 to \$8.53 in 23-24. This mill rate is multiplied by the property value when figuring out property taxes. While the mill rate per \$1,000 of property value is one contributing factor to your overall bill, the second factor is the actual amount of property value a person has. Since many property owners saw an increase in the Fair Market Value/Equalized Value of their property, the mill rate is, by law, applied to the new higher value.
- Because the property values rose so dramatically this last year the state reduced state aid for Southern Door County School District as a result of the rapid increase. (Higher property values in turn reduce state aid which results in higher property taxes)
- School Levy Tax Credit - Courtesy of the Wisconsin Association of School Boards (2012)

Part of the state's commitment to fund education comes in the form of the school levy tax credit. What makes this aspect of funding confusing is that while the state considers these dollars a part of its commitment to education, this credit is not paid directly to schools. Instead, they function to offset individual school property tax bills. In effect, through these credits, the state "buy[s] down" a portion of each taxpayer's property tax bill. In November, when a school district sets its property tax levy, it sets a gross levy amount. In December, when property tax bills are issued, the bills show a net levy amount. The difference is paid by the state through these credits. The amounts allotted through [the levy credit] are based on a formula that generally provides more funds to municipalities that have higher property taxes for schools.

Engage. Empower. Excel.

Understanding Tax Levy/Mill Rate and Your Tax Bill

Helpful Definitions

- **Assessed Value** (Used by municipalities in calculating individual property taxes)

The dollar amount assigned to taxable real and personal property by the assessor for the purpose of taxation. The assessed value is estimated as of January 1 and will apply to the taxes levied at the end of that year. The assessed value is called a primary assessment because a levy is applied directly against it to determine the tax due. Accurate assessed values ensure fairness between properties within the taxing jurisdiction. (See equalized value for fairness between municipalities.)

- **Equalized Value** (Used by school districts in calculating levy and mill rate)

Equalized value is the estimated value of all taxable real and personal property in each taxation district, by class, as of January 1 and certified by the Department of Revenue on August 15 of each year. The value represents the market value (most probable selling price), except for agricultural property, which is based on its use (ability to generate agricultural income), and agricultural forest and undeveloped lands, which are based on 50% of their full (fair market) value.

- **Fair Market Value**

Fair market value is synonymous with a property's full value, market value, or, in the case of personal property, true cash value. Fair market value is "the amount the property will sell for in an arms-length transaction on the open market between a willing seller not obliged to sell the property and a willing buyer not obliged to purchase it." -Waste Management v. Kenosha County Review Board 184 Wis. 2nd 541, (1994)

- **Mill Rate**

The mill rate is the total amount of the tax apportionment (levy) divided by the total local assessed value for that taxing jurisdiction. This rate is expressed in mills per dollar of value or the amount per \$1,000 of the assessed value of the property.

Sources (Wisconsin Association of School Boards, Wrightstown School District, Reedsburg School District)