

Non-Homestead Property Tax Renewal Vote Set for May 8, 2018

The Watervliet Public Schools Board of Education approved a resolution at their February 12, 2018 meeting calling for an election on a proposal to increase the non-homestead property tax rate for a period of 6 years at the maximum permitted assessment of 18 mills. This election would allow for the collection of the entire 18 mill non-homestead property tax levy which will enable the school district to receive the entire per pupil foundation allowance provided under the state's funding formula.

The following is an explanation of the operating millage proposal in a "Question and Answer" format. School funding in general is a complex issue, and the same is true for the non-homestead property tax portion of it. I hope that this clarifies any questions voters may have on the proposal, but please know that I would be happy to meet with any community member or group to provide additional clarification or information regarding the ballot issue. Please feel free to contact me, Superintendent, Kevin Schooley, at 269-463-0300 with any questions or to set up a time to meet.

Questions and Answers on the Non-Homestead Property Tax Election

1. What exactly is the ballot language on which we will be voting?

The exact language as it appears on the ballot is as follows:

This proposal will allow the school district to levy the statutory rate of not to exceed 18 mills on all property, except principal residence and other property exempted by law, required for the school district to receive its revenue per pupil foundation allowance.

Shall the limitation on the amount of taxes which may be assessed against all property, except principal residence and other property exempted by law, in Watervliet Public Schools, Berrien and Van Buren Counties, Michigan, be increased by 1 mill (\$1.00 on each \$1000 of taxable valuation) for a period of 6 years, 2018 to 2023, inclusive, to provide funds for operating purposes; the estimate of the revenue the school district will collect if the millage is approved and a portion is levied in 2018 is approximately \$5200 (this millage is to restore millage lost as a result of the reduction required by the Michigan Constitution of 1963 and will be levied only to the extent necessary to restore that reduction)?

2. Why is this referred to as a "Non-Homestead" ballot issue?

This millage would be assessed only on non-homestead property. Non-homestead property includes all taxable property other than a principal residence, qualified agricultural property, qualified forestry property, and qualified industrial property. Some examples of non-homestead property include industrial/commercial property, apartment buildings, rental homes, vacation property, and some vacant land.

3. How will this affect my property taxes?

If you do not own non-homestead property, there will be absolutely no increase in your property tax related to this millage. If you do own non-homestead property, this increase will allow of the 18 mill levy.

4. Is this a new tax?

No. This millage was last approved by the voters in 2013. The district had voter approval to levy 18.2911 mills on non-homestead property through December 2023. Passage of this proposal will allow the district to collect the non-homestead millage through 2023.

If you have additional questions or need any further clarification of this potentially confusing issue, please contact, Superintendent Kevin Schooley 269-463-0300 and I will be happy to assist you.