

PRE-ELECTION ESTIMATES

Southland School District No. 500

Analysis of Tax Impact for Potential Bond Issue

August 13, 2018

November 6, 2018 Election

	Question 1	Question 2	Total
Bond Issue Amount	\$15,800,000	\$2,400,000	\$18,200,000
Average Interest Rate	4.20%	4.20%	4.20%
Number of Years	20	20	20

Type of Property	Estimated Market Value	Estimated Tax Impact, Payable 2019*		
Residential Homestead	\$75,000	\$66	\$11	\$77
	100,000	105	17	122
	125,000	146	22	168
	150,000	186	29	215
	175,000	226	35	261
	200,000	266	41	307
	250,000	346	54	400
	300,000	426	67	493
	350,000	506	80	586
	400,000	586	92	678
	500,000	735	116	851
Commercial/ Industrial	\$50,000	\$110	\$18	\$128
	100,000	221	35	255
	250,000	625	98	723
	500,000	1360	214	1573
Agricultural Homestead** (average value per acre of land & buildings)	\$5,000	\$2.21	\$0.34	\$2.55
	6,000	2.65	0.41	3.06
	7,000	3.09	0.48	3.57
	8,000	3.53	0.55	4.08
Agricultural Non-Homestead** (average value per acre of land & buildings)	\$5,000	\$4.41	\$0.69	\$5.10
	6,000	5.29	0.83	6.12
	7,000	6.17	0.97	7.14
	8,000	7.06	1.10	8.16

* Estimated tax impact includes principal and interest payments on the new bonds. The amounts in the table are based on school district taxes for bonded debt levies only, and do not include tax levies for other purposes. Tax increases shown above are gross increases, not including the impact of the homeowner's Homestead Credit Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net effect of the proposed bond issue for many property owners.

** Estimated tax impact includes 40% reduction due to the School Building Bond Agricultural Credit. Average value per acre is the total assessed value of all land & buildings divided by total acres. Homestead examples exclude the house, garage, and one acre, which has the same tax impact as a residential homestead. If you own more than \$1.9 million of agricultural homestead property, the tax impact will be higher for land value above this amount.