

PRELIMINARY ESTIMATES - FOR REVIEW AND COMMENT

Hutchinson School District No. 423

August 1, 2019

Estimated Tax Impact for Potential School Building & Facilities Maintenance Bonds

November 5, 2019 Election

Bond Issue Amount + Number of Years	\$28,800,000 22
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Type of Property	Estimated Market Value	Estimated Impact on Taxes Payable in 2020*	
		Annual	Monthly
Residential Homestead	\$75,000	\$51	\$4
	100,000	81	7
	125,000	112	9
	150,000	143	12
	175,000	174	14
	200,000	205	17
	250,000	266	22
	300,000	328	27
	350,000	390	32
	400,000	451	38
	500,000	566	47
Commercial/ Industrial	\$50,000	\$85	\$7
	100,000	170	14
	250,000	481	40
	500,000	1,047	87
	1,000,000	2,179	182
Agricultural Homestead** (average value per acre of land & buildings)	\$2,000	\$0.57	\$0.05
	3,000	0.85	0.07
	4,000	1.13	0.09
	5,000	1.42	0.12
	6,000	1.70	0.14
	7,000	1.98	0.17
Agricultural Non-Homestead** (average value per acre of land & buildings)	\$2,000	\$1.13	\$0.09
	3,000	1.70	0.14
	4,000	2.26	0.19
	5,000	2.83	0.24
	6,000	3.40	0.28
	7,000	3.96	0.33

+ The tax impact shown above includes the impact of the proposed building bonds, plus a potential \$2,000,000 facilities maintenance bond to fund health and safety projects; that issue would be repaid over 10 years and would be issued with school board approval if the proposed bond referendum is approved.

* 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.

** For agricultural property, estimated tax impact includes 50% reduction due to the School Building Bond Agricultural Credit. Based on new legislation approved in 2019, the credit percentage will gradually increase to 70% by taxes payable in 2023; this will cause a reduction in tax impact in future years. Average value per acre is the total assessed value of all land & buildings divided by total acres. Homestead examples do not include the house, garage, and one acre, which has the same tax impact as a residential homestead.