

HOMESTEAD AGRICULTURAL TAX CALCULATION

Example of tax computation on an AGRICULTURAL HOMESTEAD PROPERTY
in SPRUCE COUNTY (NOT IN AG PRESERVE, EXCLUDING HOUSE, GARAGE, AND 1ST ACRE)
that has a Taxable market value of **\$300,000**.

STEP 1: CALCULATE THE NET TAX CAPACITY

| | |
|--------------------------------------------------|----------------|
| 0.5% x first \$2,150,000 of Taxable Market Value | \$1,500 |
| Total Net Tax Capacity | \$1,500 |

STEP 2: CALCULATE THE LOCAL TAX

| | | | | |
|---------------------|------------------------|--------------------------|---|------------|
| Local Tax Payable = | 116.231% multiplied by | STEP 1 \$1,500 | = | \$1,743.47 |
|---------------------|------------------------|--------------------------|---|------------|

STEP 3: CALCULATE THE REFERENDUM MARKET TAX Referendum Market Value

| | | | | |
|---------------------------------------------------------------------------------|------------------------|-----|---|--------|
| Market Tax Payable = | 0.23010% multiplied by | \$0 | = | \$0.00 |
| <i>(Agricultural property does not pay referendum market value based taxes)</i> | | | | |

STEP 4: CALCULATE AGRICULTURAL HOMESTEAD CREDIT

| | |
|----------------------------------------------------------------|-------------------|
| 0.3% of the first \$115,000 of Ag Market Value | (\$345.00) |
| 0.1% of Ag Market Value over \$115,000 but less than \$260,000 | (145.00) |
| \$260,000 and over - Max. \$490.00 | (\$490.00) |

STEP 5: DETERMINE TOTAL TAX

| | |
|----------------------------------------------------------|-------------------|
| Local Tax | \$1,743.47 |
| Plus: Market Tax | 0.00 |
| Less: Agricultural Homestead Credit | (490.00) |
| Total HOMESTEAD AGRICULTURAL PROPERTY Tax Payable | \$1,253.47 |