

HOMESTEAD TAX CALCULATION

Example of a tax calculation on a HOMESTEAD PROPERTY in
SPRUCE COUNTY (NOT IN A TAX INCREMENT DISTRICT)
That has a taxable market value of **\$300,000:**

STEP 1: CALCULATE THE TAXABLE MARKET VALUE AFTER EXCLUSION

			STEP 1		
Taxable Market Value Prior to Exclusion	<u>40.00%</u>	multiplied by	<u>\$76,000</u>	=	<u>\$30,400</u>
Less:	<u>9.00%</u>	multiplied by	<u>224,000</u>	=	<u>(20,160)</u>
Total Market Value Exclusion =					\$10,240
Total Taxable Market Value after Exclusion =					\$289,760

STEP 2: CALCULATE THE NET TAX CAPACITY

1.00% x first \$500,000 of Taxable Market Value after Exclusion					<u>\$2,898</u>
1.25% x Taxable Market Value after Exclusion in excess of \$500,000					<u>0</u>
Total Net Tax Capacity					\$2,898

STEP 3: CALCULATE THE LOCAL TAX

			STEP 2		
Local Tax	<u>116.231%</u>	multiplied by	<u>\$2,898</u>	=	<u>\$3,368.37</u>

STEP 4: CALCULATE THE MARKET TAX

			Taxable Market Value Prior to Exclusion		
Market Tax	<u>0.23010%</u>	multiplied by	<u>\$300,000</u>	=	<u>\$690.30</u>

STEP 5: ADD NET LOCAL & MARKET TAXES

Local Tax					<u>\$3,368.37</u>
Plus: Market Tax					<u>690.30</u>
Total HOMESTEAD PROPERTY Tax					\$4,058.67