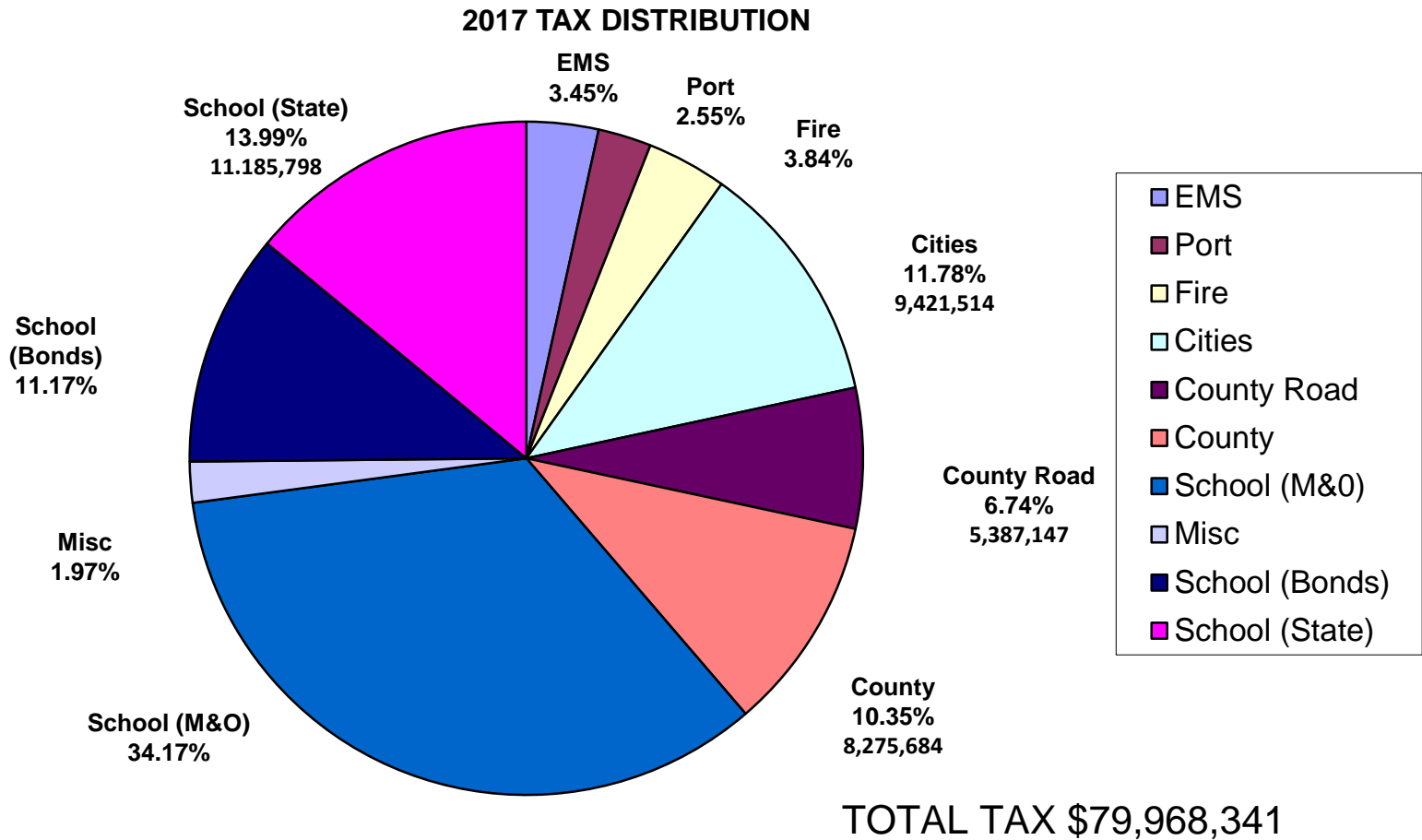


# EHB 2242

## FUNDING BASIC EDUCATION

Changes to state and local school  
levies

# Schools represent 59% of the total taxes collected



# State School Levy

- Beginning in tax collection year 2018
- State levy increases to \$2.70 per \$1,000 of value (based on 100% of market value) for next four years from \$1.97 in 2017
- Average county assessment ratio (assessed value divided by the sales price) in 2016 was 94%, indicating actual state levy to taxpayers could average \$2.87 per \$1,000 of value

# State School Levy cont..

- State school levy will be in two parts
- Part 1 levy rate is calculated as before and paid by all taxpayers
- Part 2 levy rate is calculated on difference between \$2.70 (\$2.87 based on average ratio) and rate determined in Part 1. Senior Citizen and Disabled persons and are exempt from Part 2

# State School Levy Example\*

- State levy Part 1 amount is \$11,185,797 with total assessed value of \$5,678,615,548 to calculate rate of \$1.97 per \$1,000 of value
- State levy Part 2 is \$2.87 (based on average ratio) less \$1.97 = \$.90 per \$1,000 of value
- Owner with property value of \$275,000 will pay additional state levy of \$248 in 2018

\*hypothetical example

# State Levy 2017 vs 2018\*

Walla Walla County		Estimate	Estimate	Estimate
State levy	2017	2018 part 1	2018 part 2 **	total 2018
value	\$5,678,615,548	\$5,884,257,536	\$5,810,681,475	
levy	\$11,185,798	\$12,000,000	\$4,822,865	\$16,822,865
rate	\$1.97	\$2.04	\$0.83	\$2.87
			**value adjusted for exempt seniors	

\*hypothetical example

# Single Property State Levy\*

Year	Estimate 2017	Estimate 2018 part 1	Estimate 2018 part 2	Estimate 2018 total
property value	275,000	275,000	275,000	
state levy rate	1.97	2.04	0.83	
state tax amount	542	561	228	789

\*hypothetical example

# Single Property State Levy\*

Year	Estimate 2017	Estimate 2018 part 1	Estimate 2018 part 2	Estimate 2018 total
property value	275,000	300,000	300,000	
state levy rate	1.97	2.04	0.83	
state tax amount	542	612	249	861

\*hypothetical example



# Local School Levy

- Currently local schools may have levies for Maintenance and Operations (M&O), Debt Service and Technology.
- Beginning in 2019 the School Enrichment Levy will replace the M&O with a maximum rate of \$1.50 per \$1,000 of assessed value or \$2,500 per student adjusted by inflation, whichever is lower

# Local School Levy cont.

- For 2018 only, the local school M&O will be collected in addition to the increase in the state school levy to result in higher tax for most taxpayers
- The limitation on the new School Enrichment Levy should reduce local school levy collections in 2019 and beyond

# Local School Levy 2 year look\*

Walla Walla School District #140	2018 valuation	2018 levy	2018 rate	2019 value	2019 levy	2019 rate
M&O/Enrichment	\$3,265,802,615	\$11,000,000	\$3.37	\$3,265,802,615	\$4,898,704	\$1.50
Debt service	\$3,265,802,615	\$3,750,000	\$1.15	\$3,265,802,615	\$3,275,000	\$1.00
Total local school		\$14,750,000	\$4.52		\$8,173,704	2.50

\*hypothetical example

# Single Property state and local 3 year\*

Walla Walla School District #140	2017 levy rates	2017 Tax	2018 levy rates	2018 Tax	2019 levy rates	2019 Tax
property value		275,000		275,000		275,000
state levy Part 1	\$1.97	\$542	\$2.04	\$561	\$2.00	\$550
state levy Part 2			\$0.83	\$228	\$0.87	\$239
local M&O/Enrch	\$3.51	\$965	\$3.37	\$927	\$1.50	\$413
Local debt serv	\$1.27	\$349	\$1.15	\$316	\$1.00	\$275
Total school	\$6.75	\$1,856	\$7.39	\$2,032	\$5.37	\$1,477

\*hypothetical example

# Single Property state and local 3 year\*

Walla Walla School District #140	2017 levy rates	2017 Tax	2018 levy rates	2018 Tax	2019 levy rates	2019 Tax
property value		275,000		300,000		310,000
state levy Part 1	\$1.97	\$542	\$2.04	\$612	\$2.00	\$620
state levy Part 2			\$0.83	\$249	\$0.87	\$270
local M&O/Enrch	\$3.51	\$965	\$3.37	\$1,011	\$1.50	\$465
Local debt serv	\$1.27	\$349	\$1.15	\$345	\$1.00	\$310
Total school	\$6.75	\$1,856	\$7.39	\$2,217	\$5.37	\$1,665

\*hypothetical example

# Summary

- Statewide school levy rate increases to 2.70 per 1,000 market value (adjusted by the County Ratio).
- This rate is fixed from 2018 to 2021.
- Beginning with taxes due in 2022, the state school levy returns to a budget based system.
- The state school levy is capped at the lesser of 101% or 100% + the IPD growth limit, plus additions for new construction and increases in state assessed properties.

# Thank You

Debra Antes  
Walla Walla County Assessor  
315 W Main St #112  
Walla Walla, WA 99362  
(509) 524-2560  
[dantes@co.walla-walla.wa.us](mailto:dantes@co.walla-walla.wa.us)