

Tax Rates and Collections

State aid for 2006-2007 will be based on the district's adopted rate for 2005 times .8867, thus all tax rates are proportional reduced by the same amount. A district that adopted a \$1.50 M&O rate in 2005 would be compressed to \$1.33. Our district's 2005 adopted rate was \$1.3294 and it was compressed to \$1.1787. In 2007-2008, the compression rate is reduced to the lesser of 66.67% of \$1.50 or the effective M&O tax rate plus \$0.06 times the state compression rate. The calculation of the effective rate includes the funds the district will receive for tax rate compression.

The rollback calculation for 2007 and beyond will be based on the lesser of:

- \$1.50 x state compression rate
+ \$0.04
+ pennies previously approved by a rollback election
+ debt service rate
= 2007 (or later) rollback rate

OR

- Effective M&O tax rate
+ \$0.06 x state compression rate
+ debt service rate
= 2007 (or later) rollback rate

**Districts that wish to exceed the rollback rate must conduct an election.*

Maximum M&O rate

The maximum M&O tax rate is amended from \$1.50 to the sum of:
State compression rate x \$1.50 + \$0.17