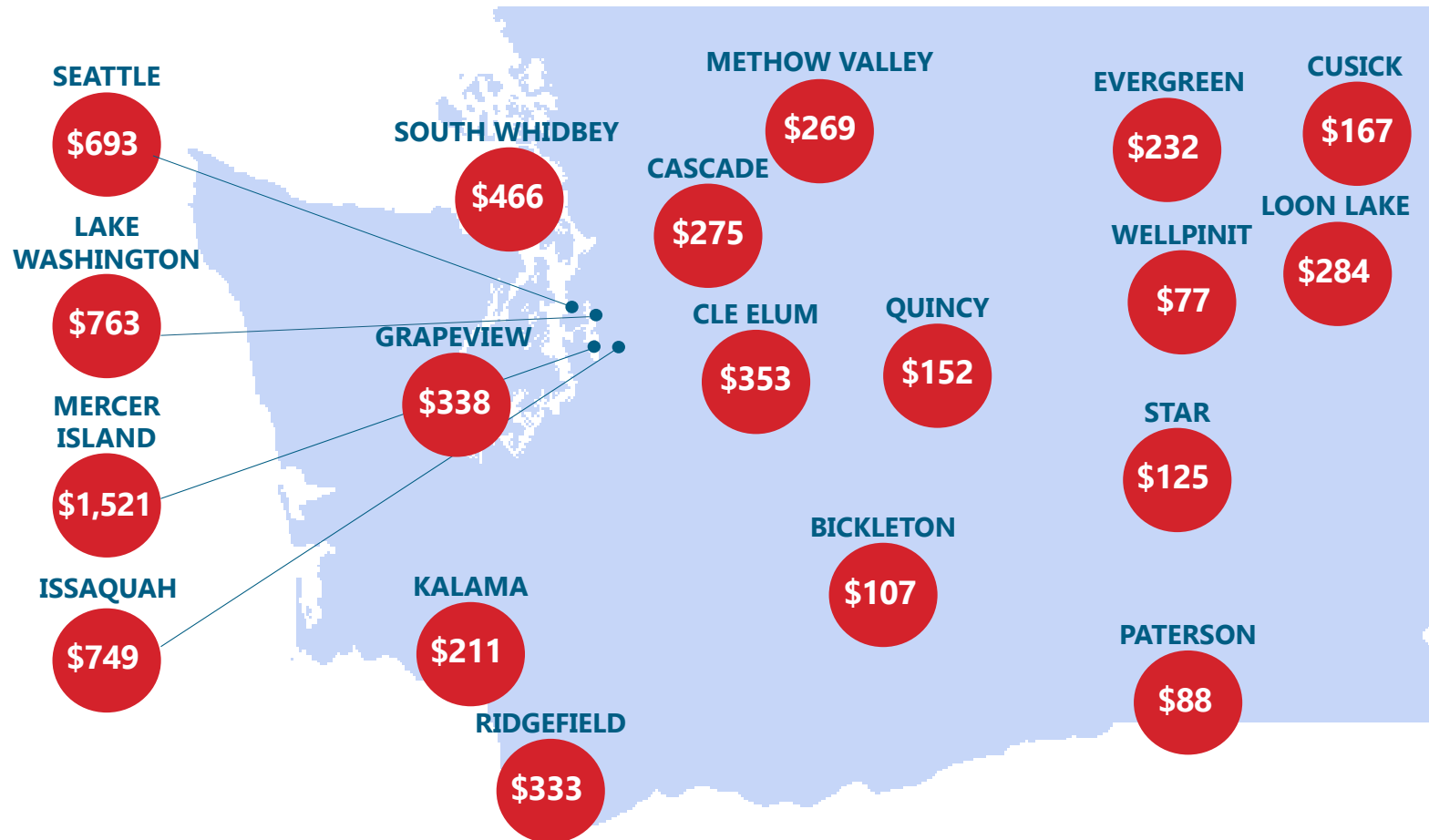


SENATE REPUBLICAN EDUCATION FUNDING PROPOSAL

EXAMPLES OF PROPERTY TAX INCREASES UNDER SSB 5607 & PSSB 2021 RESIDENTIAL IMPACT (WITH 10% LEVIES)



ESTIMATED CHANGE IN PROPERTY TAX BY SCHOOL DISTRICT

With the enactment of ESB 5023, CY 2018 impacts for both SSB 5607 and current law include the delay in the "levy cliff" in CY 2018. For the new state property tax, referred to as the Local Effort Levy, the amount reflects the annual projection at the maximum \$1.55 (adjusted by a state property valuation ratio) rate per \$1,000 of assessed value. (The rate for the Local Effort Levy is 45 cents per thousand in CY 18 and then goes up to a \$1.55 in CY 19 and thereafter.) Local M&O levies are eliminated in CY 2019. In future years, subject to voter approval, local M&O levies are limited to 10 percent of revenues and restrictions are placed on their use. Under the scenario depicted here, local M&O levies are assumed in calendar years 2020 & 2021 at the lesser of voter approved levy amount or 10 percent. The estimated tax rate changes presented in this table reflect the assumed modifications to local M&O levy authority, as previously noted, and the imposition of the new permanent state property tax (Local Effort Levy).