

## **General Property Tax Information**

For many property owners, their property taxes and how they are determined can be confusing and frustrating. RBBCSC would like to help explain some of the basics to help lessen the confusion and frustration. The best place to start is with the assessed value of your property. Every year the Monroe County Assessor re-appraises your property. The assessed value is generally based on the size of your property and the size and condition of the improvements, such as your home, barn, outbuildings. Also, the assessed value is based on if your property is residential, commercial, industrial, agricultural, etc. The Monroe County Assessor's office can go over your assessment with you and explain to you how your piece of property was assessed.

Next comes the tax rate. Your property taxes provide revenue for several taxing authorities. For the RBBCSC district, the taxing authorities include Monroe County Government, Township Government (Richland or Bean Blossom), RBBCSC, Monroe County Public Library, municipal (Town of Ellettsville, Town of Stinesville, or City of Bloomington), and there are some other special taxes that are pretty small. For the RBBCSC district, there are six different tax rates depending on where your property is located. For taxes to be paid in 2021, the tax rates in the RBBCSC district range from \$1.7080 for Bean Blossom Township (not in town) to \$2.5450 for those properties that are in the City of Bloomington. The tax rate is the amount of tax on each 100 dollars of assessment value.

There are tax deductions that can be used to lower your tax bill. You will want to make sure that you are receiving all of the tax deductions you are entitled to. Some of the more common deductions are for homestead (owner lives on the property), having a mortgage, being 65 years of age or over, being a veteran, or being disabled. There are some other deductions as well.

## **Brief History of RBBCSC Total Tax Rates**

The portion of your property tax rate that provides much needed revenue to RBBCSC has fluctuated quite a bit the last several years. In 2017, the RBBCSC tax rate was \$1.1159. Then, in 2018, there was a budgeting error by the previous administration and too much taxes were collected and the rate was \$1.2404. RBBCSC legally could not just refund the extra money that was collected, so we collected much less in 2019 at a rate of \$1.0011 to help offset the previous year's error. As if 2020 wasn't strange enough, a change in the law affected how much taxes the school could collect to be set aside for upcoming bond payments. We used to be able to collect 50% of our bond payments so that we would have the money on hand when the payments were due since when RBBCSC receives their tax revenues from Monroe County varies and isn't consistent with when bond payments are due. The change in the law lowered this percentage to 15% on newer bonds. That means we had more cash on hand from property taxes than allowed so we collected less taxes which meant our tax rate was low for 2020 at \$1.0070. These changes in the RBBCSC tax rate has led to some confusion. So the RBBCSC School Board has determined that a consistent tax rate, at least for RBBCSC, would be beneficial to our property tax payers. The School Board plans to attempt to keep the RBBCSC portion of

the tax rate at or near \$1.09. For 2021, we have hit that goal and the RBBCSC tax rate is \$1.0854. This year's rate is \$0.03 less than it was in 2017 before the fluctuations took place. Again, the RBBCSC School Board intends to attempt to keep this tax rate consistent, or tax neutral, going forward.

### **Helpful Facts**

- If the assessed value of your property goes up, so will the amount of your tax bill, even if the tax rate stays the same.
- When you add up the assessed values of all properties in Monroe County, that total increases every year. Some of that growth is in new construction and some is in raising the assessed value of individual properties that haven't physically changed.
- Only a portion of your property taxes goes to support RBBCSC. Other entities like the Richland and Bean Blossom Townships, Town of Ellettsville, Town of Stinesville, City of Bloomington, the Monroe County Public Library and others also have an effect on the amount of property taxes you pay.
- Your property taxes that go to RBBCSC are used to provide transportation for our students, bus replacement, maintenance of our buildings and land, capital projects, and the repayment of bonds. Basically, all of the costs of operating the school system outside of the actual classroom expenses.
- There are tax caps set so that the property taxes you pay are limited to 1% of your assessed value for residential properties, 2% for farm properties, and 3% for commercial properties.
- You may be entitled to certain property tax deductions and you should make sure you are receiving those deductions.
- If you believe that the assessed value of your property is too high, there is a procedure to appeal that valuation.

### **Links for More Information**

Monroe County Assessor's Office: <https://www.co.monroe.in.us/department/?structureid=21>

Monroe County Auditor's Office:

<https://www.co.monroe.in.us/department/index.php?structureid=73>

Indiana Department of Local Government Finance: <https://www.in.gov/dlgf/2339.htm>

Digest of Public School Finance in Indiana, 2019-2021:

[https://www.doe.in.gov/sites/default/files/news/dec-13-finance-public-school-digest-2019-2021-biennium-final.pdf?utm\\_content=&utm\\_medium=email&utm\\_name=&utm\\_source=govdelivery&utm\\_term=](https://www.doe.in.gov/sites/default/files/news/dec-13-finance-public-school-digest-2019-2021-biennium-final.pdf?utm_content=&utm_medium=email&utm_name=&utm_source=govdelivery&utm_term=)