

**New London-Spicer School District No. 345**

**Analysis of Tax Impact for Potential Bond Issue**

**July 17, 2023**

<b>Bond Issue Amount</b>	<b>\$29,460,000</b>
<b>Average Interest Rate</b>	<b>5.00%</b>
<b>Number of Years</b>	<b>20</b>

Type of Property	Estimated Market Value	Estimated Impact on Annual Taxes Payable in 2025*
Residential Homestead	\$100,000	\$57
	150,000	101
	200,000	145
	250,000	188
	300,000	232
	350,000	276
	400,000	319
	450,000	360
	500,000	400
	550,000	450
Commercial/ Industrial	600,000	500
	\$50,000	\$60
	100,000	120
	250,000	340
	500,000	741
	1,000,000	1,541
Agricultural Homestead** (average value per acre of land & buildings)	\$4,000	\$0.48
	5,000	0.60
	6,000	0.72
	7,000	0.84
	8,000	0.96
Agricultural Non-Homestead** (average value per acre of land & buildings)	9,000	1.08
	\$4,000	\$0.96
	5,000	1.20
	6,000	1.44
	7,000	1.68
Seasonal Recreational Residential	8,000	1.92
	9,000	2.16
	\$100,000	\$80
	200,000	160
	300,000	240
	400,000	320
	500,000	400
	750,000	651

\* Estimated tax impact includes principal and interest payments on the new bonds. The amounts in the table are based on school district taxes for bonded debt levies only, and do not include tax levies for other purposes. Tax increases shown above are gross increases, not including the impact of the homeowner's Homestead Credit Refund ("Circuit Breaker") program. Owners of homestead property may qualify for a refund, based on their income and total property taxes. This will change the net effect of the proposed bond issue for those property owners.

\*\* For all agricultural property the estimates include a 70% reduction due to the School Building Bond Agricultural Credit. Average value per acre is the total estimated market value of all land & buildings divided by total acres. If the property includes a home, then the tax impact on the house, garage, and one acre of land will be calculated in addition to the taxes per acre, on the same basis as a residential homestead or non-homestead property. If the same property owner owns more than approximately \$2.15 million of agricultural homestead land and buildings, a portion of the property will be taxed at the higher non-homestead rate.