

# Reassessment And Red Clay Taxes



**RED  
CLAY**  
CONSOLIDATED  
SCHOOL DISTRICT



# FAQs

- How local taxes are collected?
- What is reassessment?
- How does reassessment affect Red Clay Revenue and Red Clay taxpayers?
- When will tax rates be set?
- What will affect how Red Clay proposes a tax rate?

# Red Clay Local Funds

- Red Clay local funds come from a tax assessed on the property value of each, non-exempt, property within the bounds of Red Clay
- With few exceptions, this revenue can not be increased by the Red Clay school board without a referendum where voters approve the increase.

# How Are These Funds Calculated?

- In Delaware, school taxes are expressed as an amount per \$100/assessed value
- Prior to July 2025, these assessed values were based on property values assigned in 1983
- State law required each county to reassess property and set property values to market value to account for increases and relative changes in value over the past 40 years.

# How Does Reassessment Affect Red Clay Revenue?

- By state law, the 2024 Reassessment must be “revenue neutral” but school boards are allowed to increase revenue by 10% as part of the process.
- We are NOT recommending our school board take advantage of the ability to raise revenue 10%
- During the 2024 Referendum we committed to increasing revenue through the referendum process and publicly shared our revenue projections through FY27
- Because the total assessed value is going up, Red Clay tax rates will be going down so the Current Tax Rate of \$2.658/100 will be **decreased**

# Does This Mean My Taxes Will Remain The Same?

- School tax bills may increase or decrease based on a variety of factors
- A reassessment reflects changes in property values over time. Tax rates are based on the total assessed value of the district. Individual properties may not have increased at the same rate as the overall value.

# How Do I Predict The Impact?

If the average property value is approximately 460% of the 1983 values, compare the % change of the property in question.

If a property increased LESS THAN 460%, it may see a decrease in the tax bill

If a property increased MORE THAN 460% it will likely see an increase in the tax bill

# Examples

Total Assessed Value	Parcel X	Parcel Y	Parcel Z
\$5,469,247,954	\$50,200	\$42,700	\$42,300
\$24,645,997,060	\$236,500	\$134,600	\$261,500
451%	471%	315%	618%



# If My Property Increased By the Same As the Average Property, How Can My Taxes Increase?

In February of 2024, the voters in Red Clay approved a Current Expense tax and a Debt Service tax increase. That will cause properties taxes to increase in FY26 unrelated to reassessment.

# When Will Tax Rates Be Set So That Taxpayers Can Calculate their FY26 School Taxes?

The Red Clay Consolidated School District Board of Education will vote on a recommended tax rate on **July 9, 2025**. New Castle County will include this rate on the New Castle County tax bills.

# How Can I Compare Tax Rates From Before and After Reassessment?

The Red Clay Consolidated School District will publish tax rate recommendations using FY26 rates as well as an adjusted rate for comparison purposes.

# Factors Affecting Rate Setting

- Property tax appeals
- Uncollected taxes allowance
- Sr. Property Tax exemption legislation
- New Castle County Tax Pool
- Referendum Increase
- Interest rates (Debt Service Tax)
- Costs of special programs that are set based on expenses (Tuition Tax, Match Tax)

# When Will Tax Rates Be Set So That Taxpayers Can Calculate the FY26 Tax?

The Red Clay Consolidated School District Board of Education will vote on a recommended tax rate on **July 9, 2025**. New Castle County will then calculate tax bills based on that rate and issue on New Castle County tax bills.

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# Are the Additional School Taxes Affected by Reassessment?

- Debt, Tuition, and Match taxes are all set by the school board each July. This year, the board will vote on a rate that uses the new re-assessed property values so the rate will go down from previous years.
- Red Clay will publish a “roll back” rate so that taxpayers can compare their new rate with the old rate.



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