

Editorial

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For immediate release

Calculating Cost of levies “taxes” on the Ballot for Homeowners *County Auditor Underwood makes it simple*

Wooster, OH – With lots of levies on the ballot in Wayne County this fall, homeowners may be confused about the total impact on their property tax bills. County Auditor Jarra L. Underwood today released a guide on the office’s Web site to help county taxpayers find the answers in one easy step.

Several entities are asking Wayne voters to approve levies when they go to the polls on November 2nd.

“Local schools, government agencies and media generally do a good job informing voters about the cost of each individual levy to property owners, but it’s up to the voters to put it all together to understand the total expense,” Underwood said.

Property taxes are calculated in terms of millage. One mill is equivalent to 1/10 of a cent and is calculated as .001 times the assessed value of the property. For example, a 2-mill levy would cost the owner of a \$100,000 home \$61.25 annually. This tax is calculated as follows:

First, calculate the assessed value of a \$100,000 home. The Tax Commissioner annually sets the assessed value. It is currently 35% of the market or appraised value set by the County Auditor. So in this calculation, the assessed value is $\$100,000 \times .35 = \$35,000$.

Secondly, the tax rate is applied as follows: $\$35,000 \times .001 \times 2 = \70 .

Finally, a residential property qualifies for a 10% rollback (property tax reduction) that is reimbursed to the political subdivision by the state. The final calculation would be: $\$70 \times .10 = \7.00 . You would then take the total of $\$70 - 7 = \63 . In summary, a 2 mill levy would result in a tax on a home valued at \$100,000 of \$63 annually. To simplify the estimates on the website, the Wayne County Auditor’s Office used a residential property valued at \$100,000 as an example.

All tax levies that will be placed on the ballot that are new levies (**additional**) or **replacements** will be calculated as provided above. However, if the tax levy is a **renewal** an effective rate is applied rather than using the full rate. Effective rates are calculated by the Ohio Department of Taxation, Division of Tax Equalization annually. These rates are available from the Auditor’s office upon request.

Underwood said that homeowners’ tax bills represent their proportional share of the cost of tax levies passed by the voters to provide local services for schools, government agencies, and others.

Since property taxes are based on home value, Underwood’s job as county auditor is vital to funding services that benefit the entire community. “It’s my responsibility as county auditor to accurately appraise a home’s value to ensure that property taxes are fair and equitable,” says Underwood “Additionally, I am tasked with properly distributing the taxes after they are collected and balanced by the County Treasurer.”

The county auditor cannot raise or lower taxes. “Because we are accountable directly to the taxpayers, we strive to provide estimated costs for each levy to the homeowners. We make sure that the tax levy is being calculated correctly,” Underwood said.

“We operate in strict accordance with state tax law and with professional integrity. That’s the advantage of having independently elected county auditors in Ohio,” Underwood stated.