

### **2020-21 Property Tax Levy**

The 2020-21 property tax levy by municipality is available to the community on the school district website ([www.nicolet.us](http://www.nicolet.us)). To view, please click "Business Office" and then "Tax Levy." The 2020-21 school district budget is available to the community on the school district website as well. Please click "Business Office" and then "Approved Budgets."

School district spending in Wisconsin is limited by a formula called the revenue cap. The revenue cap limits the amount of revenues available to a school district from the two main sources of school revenues – property taxes and state equalization aid. The two sources of revenue work together in the formula. For example, when state equalization aid is reduced, property taxes go up. When state equalization aid is increased, property taxes go down.

Due to an increase on the District's revenue cap for the 2020-21 year, the revenue cap formula requires a property tax levy increase for 2020-21. The property tax levy for 2020-21 is increasing by 2.39%.

A 2.39% property tax levy increase does not equate to an exact 2.39% increase on the school portion of your property tax bill. This occurs for the following reasons:

1. District equalized value increased to \$4,362,581,800 from \$4,320,904,500 in 2019-20. As a result of the tax increase and the property value increase, the mill rate is increasing from \$4.43 to \$4.49 or 1.41%.
2. The equalized school tax on \$100,000 of property value is increasing on average from \$443 to \$449, or \$6 higher (assuming home had assessment change of 0%). For example, a home with value of \$300k would see their cost go from \$1,329 to 1,347 for the Nicolet portion of their tax bill.
3. Individual properties can have a tax value increase or decrease based on property changes (like a basement remodel or a reassessment).
4. The 2.39% property tax levy increase approved by the School Board is not a net change in your property tax levy. There are school levy property tax credits that offset a portion of the school district tax levy.
5. The school district is made up of five different taxation districts. School property tax levies shift between taxation districts depending on equalized property value changes.
6. Levied taxes are spread across total property value within the District. If the amount of the increase is also met with a property value decrease or increase, the mill rate will be affected at a different rate.
7. New properties built in 2019 are taxed for the first time in 2021 and this shifts the school property tax between properties.
8. The District's mill rate is based on equalized value. Municipalities do not assess taxes based on equalized value.
9. Municipalities may have TIF Districts that close during a particular year. As TIF districts close, typically more value is included in that specific municipalities base value. This then shifts more of the tax burden to that community. However, the impact on individual properties will vary.

The impact of a School Board approved property tax levy increase cannot be calculated by the school district for an individual property based on the variables above. Please feel free to contact Jeff Pruefer at 414.351.7548 or [jeffrey.pruefer@nicolet.us](mailto:jeffrey.pruefer@nicolet.us) with any questions. You can also contact your local municipality for more information on your specific tax bill. Thank you for reading.