

2021-22 Property Tax Levy

The 2021-22 property tax levy by municipality is available to the community on the school district website (www.nicolet.us). To view, please click “Business Office” and then “Tax Levy.” The 2021-22 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 a decrease on the District’s revenue cap for the 2021-22 year, the revenue cap formula requires a property tax levy decrease for 2021-22. The property tax levy for 2021-22 is decreasing by 3.6%.

A 3.6% property tax levy decrease does not equate to an exact 3.6% decrease on the school portion of your property tax bill. This occurs for the following reasons:

1. Levied taxes are spread across total property value within the District. If the amount of the decrease is also met with a property value decrease or increase, the mill rate will be affected at a different rate.
 - a. For example, district equalized value increased to \$4,446,903,700 from \$4,362,581,800 in 2020-21. As a result of the tax decrease and the property value increase, the mill rate is decreasing from \$4.49 to \$4.25, or a 5.35% decrease. This is a greater decrease on a percentage basis than the overall tax drop.
 - b. The equalized school tax on \$100,000 of property value is decreasing on average from \$449 to \$425, or \$24 lower (assuming home had assessment change of 0%). For example, a home with value of \$300k would see their cost go from \$1,347 to \$1,275 for the Nicolet portion of their tax bill.
2. There are school levy property tax credits that offset a portion of the school district tax levy. This will impact the amount on individual tax bills.
3. Individual properties can have a valuation increase or decrease based on property changes (like a basement remodel or a reassessment). The District does not have access to those individual property value shifts.
4. 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. If a specific municipality sees its overall equalized valuation rise, that municipality will incur a larger portion of the tax levy from the District.
 - a. 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 based on local assessments.
5. New properties built in 2019 are taxed for the first time in 2021 and this shifts the school property tax between properties.
6. The District’s mill rate is based on equalized value. Municipalities do not assess taxes based on equalized value.

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 with any questions. You can also contact your local municipality for more information on your specific tax bill. Thank you for reading.