

MEMORANDUM

TO: County Council

FROM: Steve Willis, County Administrator *SW*

TODAY'S DATE: May 9, 2019

DUE DATE: N/A

SUBJECT: Tax Example Sheets

Attached are the standard tax impact example sheets we provide with the budget. I need to point out that this year I am using a house price of \$169,000 rather than our traditional \$100,000 house value. This is the median house price in Lancaster County. For this reason the tax impact on the house will be higher than it would have been last year.

I am providing two examples for your consideration.

1. The example labeled W/O List is the tax example for the budget as presented to Council at the Committee of the Whole meeting. This includes a 3.3 mil increase in the General Fund.
2. The example labeled With List is the same as item one with the following inclusions which were discussed at the Committee of the Whole meeting.
 - a. Two deputies for the Sheriff's Office at \$79,481 each (vehicle from fund balance).
 - b. Zoning Assistant for the Zoning Office at \$67,099.
 - c. Program Supervisor for Parks and Recreation at \$59,510.
 - d. Transition Indian Land Site Supervisor at Parks and Recreation from part-time to full-time at \$40,000 (this assumes maximum insurance and fringe – actual may be lower).

The cost of the above items adds one mil to the total for a millage increase of 4.3 mils.

SW

cc: Alison Alexander, Deputy County Administrator
Veronica Thompson, CFO, Financial Services Director
Kim Belk, Budget Analyst

COUNTY OF LANCASTER PROPERTY TAX EXAMPLES

W/O List

Profile	An Owner Occupied Home with a market value of:	\$169,000
Data	Two (2) Vehicles with a combined market value of:	\$35,000

Item		Current	Proposed	Difference
Taxing Data	Assessment Ratio - Home	4.00%	4.00%	0.00%
	Assessment Ratio - Vehicles	6.00%	6.00%	0.00%
	Assessed Value - Home	\$6,760.00	\$6,760.00	\$0.00
	Assessed Value - Vehicles	\$2,100.00	\$2,100.00	\$0.00
	Tax Rate in Mills	105.9	112.5	6.6
	Sales Tax Credit Factor	.000572	.000723	.000151

Tax on Home	Gross Tax (+)		\$715.88	\$760.50	\$44.62
	Minus Credit Amount = (-)		<u>\$96.67</u>	<u>\$122.19</u>	<u>\$25.52</u>
	Net Tax (=)		\$619.22	\$638.31	\$19.10

Tax on Vehicles	Gross Tax (+)		\$222.39	\$236.25	\$13.86
	Minus Credit Amount = (-)		<u>\$20.02</u>	<u>\$25.31</u>	<u>\$5.29</u>
	Net Tax (=)		\$202.37	\$210.95	\$8.58

Tax Combined	Gross Tax (+)		\$938.27	\$996.75	\$58.48
	Minus Credit Amount = (-)		<u>\$116.69</u>	<u>\$147.49</u>	<u>\$30.80</u>
	Net Tax (=)		\$821.59	\$849.26	\$27.67

PROPERTY TAX & SALES TAX CREDIT IMPACT ESTIMATE

ITEM	RESIDENTIAL	RESIDENTIAL	TWO PRIVATE	COMMERCIAL	INDUSTRIAL
	Owner Occ	Rental	AUTOS		
Market value	169,000	169,000	35,000	500,000	1,000,000
Assessment ratio	4.0%	6.0%	6.0%	6.0%	10.5%
Assessed value	6,760	10,140	2,100	30,000	105,000

Current	Tax rate in mills	105.9	105.9	105.9	105.9	105.9
Fiscal Year	Sales tax credit factor	.000572	.000572	.000572	.000572	.000572
	Gross tax	715.88	1,073.83	222.39	3,177.00	11,119.50
	Credit amount	-96.67	-96.67	-20.02	-286.00	-572.00
	Billed tax	619.22	977.16	202.37	2,891.00	10,547.50

Next	Tax rate in mills	112.5	112.5	112.5	112.5	112.5
Fiscal Year	Sales tax credit factor	.000723	.000723	.000723	.000723	.000723
	Gross tax	760.50	1,140.75	236.25	3,375.00	11,812.50
	Credit amount	-122.19	-122.19	-25.31	-361.50	-723.00
	Billed tax	638.31	1,018.56	210.95	3,013.50	11,089.50

COUNTY OF LANCASTER PROPERTY TAX EXAMPLES

With List

Profile	An Owner Occupied Home with a market value of:	\$169,000
Data	Two (2) Vehicles with a combined market value of:	\$35,000

Item		Current	Proposed	Difference
Taxing Data	Assessment Ratio - Home	4.00%	4.00%	0.00%
	Assessment Ratio - Vehicles	6.00%	6.00%	0.00%
	Assessed Value - Home	\$6,760.00	\$6,760.00	\$0.00
	Assessed Value - Vehicles	\$2,100.00	\$2,100.00	\$0.00
	Tax Rate in Mils	105.9	113.5	7.6
	Sales Tax Credit Factor	.000572	.000723	.000151

Tax on Home	Gross Tax (+)		\$715.88	\$767.26	\$51.38
	Minus Credit Amount = (-)		\$96.67	\$122.19	\$25.52
	Net Tax (=)		\$619.22	\$645.07	\$25.86

Tax on Vehicles	Gross Tax (+)		\$222.39	\$238.35	\$15.96
	Minus Credit Amount = (-)		\$20.02	\$25.31	\$5.29
	Net Tax (=)		\$202.37	\$213.05	\$10.68

Tax Combined	Gross Tax (+)		\$938.27	\$1,005.61	\$67.34
	Minus Credit Amount = (-)		\$116.69	\$147.49	\$30.80
	Net Tax (=)		\$821.59	\$858.12	\$36.53

PROPERTY TAX & SALES TAX CREDIT IMPACT ESTIMATE

ITEM	RESIDENTIAL	RESIDENTIAL	TWO PRIVATE	COMMERCIAL	INDUSTRIAL
	Owner Occ	Rental	AUTOS		
Market value	169,000	169,000	35,000	500,000	1,000,000
Assessment ratio	4.0%	6.0%	6.0%	6.0%	10.5%
Assessed value	6,760	10,140	2,100	30,000	105,000

Current	Tax rate in mils	105.9	105.9	105.9	105.9	105.9
Fiscal Year	Sales tax credit factor	.000572	.000572	.000572	.000572	.000572
	Gross tax	715.88	1,073.83	222.39	3,177.00	11,119.50
	Credit amount	-96.67	-96.67	-20.02	-286.00	-572.00
	Billed tax	619.22	977.16	202.37	2,891.00	10,547.50

Next	Tax rate in mils	113.5	113.5	113.5	113.5	113.5
Fiscal Year	Sales tax credit factor	.000723	.000723	.000723	.000723	.000723
	Gross tax	767.26	1,150.89	238.35	3,405.00	11,917.50
	Credit amount	-122.19	-122.19	-25.31	-361.50	-723.00
	Billed tax	645.07	1,028.70	213.05	3,043.50	11,194.50