

PRE-ELECTION ESTIMATES

Benson School District No. 777

Analysis of Tax Impact for Potential Bond Issue

February 12, 2020

April 14, 2020 Election

Bond Issue Amount	\$1,500,000
Average Interest Rate	2.50%
Number of Annual Tax Levies	15

Type of Property	Estimated Market Value	Estimated Pay 2021 Tax Impact *
Residential Homestead	\$75,000	\$4
	100,000	6
	125,000	8
	150,000	10
	175,000	12
	200,000	14
	250,000	19
	300,000	23
	350,000	27
	400,000	32
Commercial/ Industrial	500,000	40
	\$50,000	\$6
	100,000	12
	250,000	34
	500,000	73
1,000,000	152	
Agricultural Homestead** (average value per acre of land & buildings)	\$3,000	\$0.05
	4,000	0.07
	5,000	0.09
	6,000	0.11
	7,000	0.12
Agricultural Non-Homestead** (average value per acre of land & buildings)	8,000	0.14
	\$3,000	\$0.11
	4,000	0.14
	5,000	0.18
	6,000	0.21
7,000	0.25	
8,000	0.28	

* Estimated tax impact includes principal and interest payments on the new bonds. The amounts in the table are based on school district taxes for bonded debt levies only, and do not include tax levies for other purposes. Tax increases shown above are gross increases, not including the impact of the homeowner's Homestead Credit Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net effect of the proposed bond issue for many property owners.

** Estimated tax impact includes 55% reduction due to the School Building Bond Agricultural Credit. Average value per acre is the total assessed value of all land & buildings divided by total acres. Homestead examples exclude the house, garage, and one acre, which has the same tax impact as a residential homestead.