

ESTIMATES FOR REVIEW AND COMMENT

Redwood Area School District No. 2897

**Analysis of Tax Impact for Potential Bond Issue
August 9, 2022 Election**

May 6, 2022

Question	Question 1	Question 2	Total	
Bond Issue Amount	\$47,525,000	\$1,910,000	\$49,435,000	Total
Average Interest Rate	4.15%	4.15%	4.15%	
Number of Years	20	20	20	

Type of Property	Estimated Market Value	Estimated Impact on ANNUAL Taxes Payable in 2023*			MONTHLY Tax Impact
Residential Homestead	\$75,000	\$107	\$5	\$112	\$9
	100,000	171	8	179	15
	125,000	236	11	247	21
	150,000	300	14	314	26
	175,000	365	17	382	32
	200,000	430	20	450	38
	250,000	560	26	586	49
	300,000	690	32	722	60
	350,000	819	39	858	72
400,000	949	45	994	83	
450,000	1,071	50	1121	93	
Commercial/Industrial	\$50,000	\$179	\$8	\$187	\$16
	100,000	357	17	374	31
	250,000	1,012	48	1,060	88
	500,000	2,202	104	2,306	192
750,000	3,392	160	3,552	296	
Agricultural Homestead** (average value per acre of land & buildings)	4,000	1.43	0.07	1.50	0.13
	5,000	1.79	0.08	1.87	0.16
	6,000	2.14	0.10	2.24	0.19
	7,000	2.50	0.12	2.62	0.22
	8,000	2.86	0.13	2.99	0.25
Agricultural Non-Homestead** (average value per acre of land & buildings)	4,000	2.86	0.13	2.99	0.25
	5,000	3.57	0.17	3.74	0.31
	6,000	4.28	0.20	4.48	0.37
	7,000	5.00	0.24	5.24	0.44
8,000	5.71	0.27	5.98	0.50	

* 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. Owners of homestead property may qualify for a refund, based on their income and total property taxes. This will change the net effect of the proposed bond issue for those property owners.

** For all agricultural property, estimated tax impact for 2023 includes a 70% reduction due to the School Building Bond Agricultural Credit. Under current law, the School Building Agricultural Credit will remain at that higher level. Average value per acre is the total estimated market value of all land & buildings divided by total acres. If the property includes a home, then the tax impact on the house, garage, and one acre of land will be calculated in addition to the taxes per acre, on the same basis as a residential homestead or non-homestead property. If the same property owner owns more than approximately \$1.9 million of agricultural homestead land and buildings, a portion of the property will be taxed at the higher non-homestead rate.