

# WHERE DO MY PROPERTY TAX DOLLARS GO?

## Tax District: 1/D-BF-BE-A

Douglas School District	37.89%
West Dakota Water District	0.13%
Box Elder Fire District	5.82%
Box Elder, City of	29.46%
Pennington County	26.65%
Fairgrounds	0.11%
	100%

## Tax District: 1/D-BF-BE-VS-A

Douglas School District	36.95%
West Dakota Water District	0.13%
Box Elder Fire District	5.68%
Box Elder, City of	28.73%
Pennington County	26.03%
Valley Sewer	2.49%
Fairgrounds	0.11%
	100%

## Tax District: 4/D-BF-BE-A

Rapid City School District	35.30%
West Dakota Water District	0.14%
Box Elder Fire District	6.07%
Box Elder, City of	30.69%
Pennington County	27.77%
Fairgrounds	0.12%
	100%

## Tax District: 1/D-BF-BE-NA

Douglas School District	54.97%
West Dakota Water District	0.10%
Box Elder Fire District	4.22%
Box Elder, City of	21.36%
Pennington County	19.27%
Fairgrounds	0.08%
	100%

## Tax District: 1/D-BF-BE-VS-NA

Douglas School District	53.97%
West Dakota Water District	0.10%
Box Elder Fire District	4.14%
Box Elder, City of	20.97%
Pennington County	19.00%
Valley Sewer	1.82%
Fairgrounds	0.08%
	100%

## Tax District: 4/D-BF-BE-NA

Rapid City School District	50.95%
West Dakota Water District	0.11%
Box Elder Fire District	4.60%
Box Elder, City of	23.26%
Pennington County	21.08%
Fairgrounds	0.09%
	100%

## Tax District: 1/D-BF-BE-OO

Douglas School District	45.00%
West Dakota Water District	0.12%
Box Elder Fire District	5.16%
Box Elder, City of	26.09%
Pennington County	23.60%
Fairgrounds	0.10%
	100%

## Tax District: 1/D-BF-BE-VS-OO

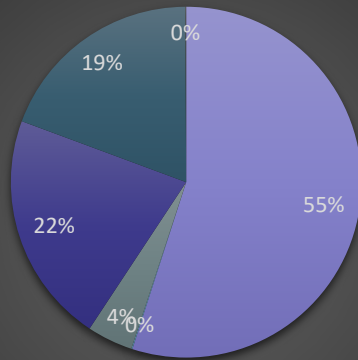
Douglas School District	44.00%
West Dakota Water District	0.12%
Box Elder Fire District	5.04%
Box Elder, City of	25.51%
Pennington County	23.12%
Valley Sewer	2.21%
Fairgrounds	0.10%
	100%

## Tax District: 4/D-BF-BE-OO

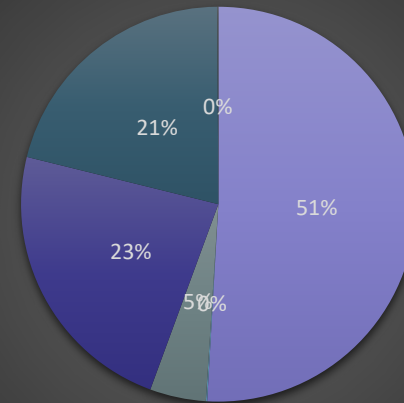
Rapid City School District	41.65%
West Dakota Water District	0.13%
Box Elder Fire District	5.47%
Box Elder, City of	27.68%
Pennington County	25.08%
Fairgrounds	0.10%
	100%

## Tax District Description Legend

- 1** Douglas School District
- 4** Rapid City School District
- D** Western Dakota Water District
- BF** Box Elder Fire District
- VS** Valley Sewer
- A** Agricultural
- NA** Non-Agricultural
- OO** Owner Occupied



■ Douglas School District    ■ West Dakota Water District  
 ■ Box Elder Fire District    ■ Box Elder, City of  
 ■ Pennington County    ■ Fairgrounds



■ Rapid City School District    ■ West Dakota Water District    ■ Box Elder Fire District  
 ■ Box Elder, City of    ■ Pennington County    ■ Fairgrounds

## HOW DO LEVIES GET CALCULATED?

### Levy / Levy Training Documentation

Property Tax is an ad valorem tax on all property that has been deemed taxable by the South Dakota Legislature. Ad valorem means “according to value.” Under South Dakota law all real property, defined as the land and any improvements on the land, is subject to taxation. Personal property is not taxable. Property tax is the primary source of revenue for local governments. The State does not collect or spend any property tax revenue. In order to determine how much money a governing body may receive the following information is needed:

What revenues did the governing body receive last year in property taxes?

Was any of that Opt Out Money?

What is the current year growth percentage for the governing body?

What is the current year CPI?

### Growth Percentage

To calculate the growth percentage take the valuation increase due to addition, improvement, or change in use and divide by last year’s final

Growth Percentage Example:

If the increase due to addition, improvement, or change in use was \$675,656

Last year's final value was \$21,051,985  
 $674,565 \div 21,051,985 = .0320 = 3.20\%$

## Consumer Price Index (CPI)

The index factor is the annual percentage change in the consumer price index for urban wage earners and clerical workers as computed by the Bureau of Labor Statistics, United States Department of Labor Statistics for the year prior to the year immediately preceding the year in which the taxes are payable. SDCL 10-13-38 It is calculated by South Dakota's State Economist. CPI is available to all taxing entities and is the same for everyone.

Calculating Tax Request:

In this example, a municipality is trying to determine how much can be requested for property taxes for Pay 2020:

Tax Request Example:

Amount of Taxes Requested in Pay 2019: \$163,237.05

Opt Out Money: None

Current Year Growth Percent: 3.2%

Current Year CPI Percent: 2.4%

Every property owner will have to pay their fair share of the tax requested. This is determined by spreading the same levy across all value in the city as shown here:

$163,237.05 \times (3.2\% + 2.4\%) = 9,141 =$  amount city can increase their tax call

$163,237 + 9,141 = 172,378 =$  maximum amount the city can request.

## Calculating Levies

Tax levies for each taxing jurisdiction are determined by dividing the tax requested by the total taxable value within the taxing jurisdiction and multiple the results by 1000. A County Auditor needs to know the Taxable Value of the taxing entity (from the growth form) and its current Tax Requested:

Levy Formula

$\text{Request} \div \text{Value} = \text{Tax Rate}$

Levy Formula Example:

In our example the City Tax Request is \$172,378 and the City CurrentTaxable Value is 24,299,059. In this example, the levy is calculated against \$1,000 dollars of assessed value.

$\text{Request} \div \text{Value} = \text{Tax Rate}$

$172,378 \div 24,299,059 = .007094$

Multiply the Tax Rate x 1000 to determine the Levy

$$0.007094 \times 1000 = 7.094$$

## Calculating Individual Taxes

If a house has a taxable value of \$100,000 their city tax levy would be calculated as follows:

Individual Tax Example

$$(100,000 \div 1,000) \times 7.094$$

$$100 \times 7.094 = 709.40 = \text{City Property Tax Liability}$$

## Why Taxes Differ

There are a number of factors which may result in differences in each of the governing bodies. It is not uncommon for the property tax of one county to differ from their neighboring counties. Factors may include:

- \* Property Tax Limitation Act

  - Where were their tax requests at the time of the freeze?

- \* Growth

  - How much value is in the district?

  - How quickly is the district growing?

- \* Opt Outs

- \* Number of Taxing Districts

- \* New Authority for Levies