

Annual Property Tax Levy Rate Certification

September 24, 2024

Finance, Governance and Public Safety Committee



Property Taxes and Assessment Process

Property tax levy rates are set at time of budget adoption the fourth week of March

- Ordinance No. 240228 set property tax levy rates in connection with the FY2024-25 Adopted Budget

Every summer, County assessors provide assessed valuation for real and personal property

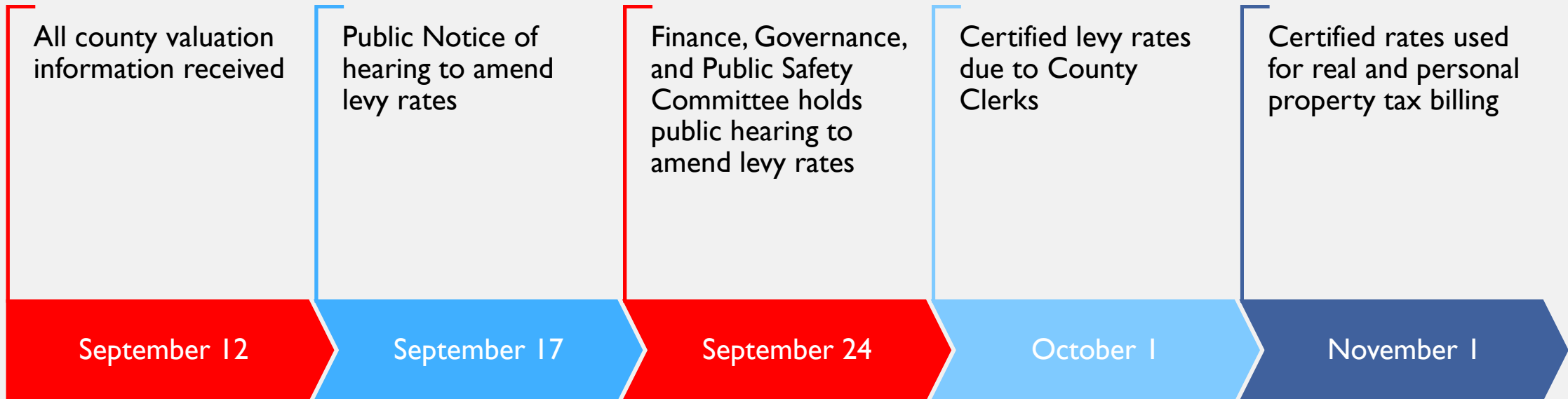
- Revised data is used to recalculate estimated property tax revenue and associated levy rates

Goals for Property Tax Levy Certification

Hancock Amendment: Ensure jurisdictions maintain revenue levels despite changes in assessed values and have no revenue windfall or shortfall

Controlled Growth	New Construction	Decreased Levy	Increased Levy
Allowed the lesser of inflationary or actual assessed value growth or 5%	Allow additional credit for new construction	If assessed value increases, levy rates must be reduced	If assessed value decreases, levy rates may be increased (subject to statutory and voted maximums and recoupments)

2024 Certification Timeline



Assessed Value History (in 000's)



» 77.78% increase since 2016

» 0.18% increase since 2024

Assessed Valuation by County

County	FY 2023-24	FY 2024-25	Percent Change
Cass	\$923,743	\$844,661	(8.56)%
Clay	3,219,716,226	3,259,289,413	1.23%
Jackson	7,630,073,078	7,569,916,793	(0.79)%
Platte	<u>1,715,282,852</u>	<u>1,758,740,404</u>	<u>2.53%</u>
Total	\$12,565,995,899	\$12,588,791,271	0.18%

Assessed Valuation by Property Type

Property Type	FY 2023-24	FY 2024-25
Real Property	\$10,091,862,614	\$10,144,956,551
Railroad and Utility Real Property	\$428,803,381	\$428,784,145
Personal Property	\$2,016,609,467	\$2,030,025,083
Railroad and Utility Personal Property	<u>\$196,058,681</u>	<u>\$195,515,338</u>
Total	\$12,733,334,143	\$12,799,281,117
Subtract New Construction	<u>\$167,338,244</u>	<u>\$210,489,846</u>
Adjusted Current Year Assessed Value	\$12,565,995,899	\$12,588,791,271*

*Increase of \$22,795,372 or 0.18% compared to prior year.

Allowable Recoupment

RSMo 137.073 provides:

- For any political subdivision which experiences a reduction in...assessed valuation relating to a prior year...may revise the tax rate ceiling for each purpose it levies

Jackson County has not provided results of 2023 tax appeals which may reduce overall assessed valuation

Levy rate for FY2025-26 may need to be increased to recoup lost revenues from tax year 2023 and 2024

Proposed Change in Levy Rate

Levy Type	Adopted FY 2024-25 Rate	Allowable Levy Rate Increases	New Proposed Rate
General	\$ 0.5401	\$0.0068	\$ 0.5469
Health	0.3752	0.0047	0.3799
Health (Temp)	0.1651	0.0021	0.1672
Museum	0.0149	0.0002	0.0151
Debt	<u>0.4000</u>	<u>0.0200</u>	<u>0.4200</u>
Total Levy Rate	\$ 1.4953	\$ 0.0338	\$ 1.5291

City Levy History

Levy Type	FY 22	FY 23	FY 24	Adopted	*Proposed	Maximum Rate
				FY 25	FY 25	
General	\$0.6105	\$0.6074	\$0.5401	\$0.5401	\$0.5469	\$1.0000
Health	\$0.4241	\$0.4220	\$0.3752	\$0.3752	\$0.3799	\$0.5000
Health (Temp)	\$0.1866	\$0.1865	\$0.1651	\$0.1651	\$0.1672	\$0.2200
Museum	\$0.0169	\$0.0168	\$0.0149	\$0.0149	\$0.0151	\$0.0200
Debt	<u>\$0.4600</u>	<u>\$0.4600</u>	<u>\$0.4000</u>	<u>\$0.4000</u>	<u>\$0.4200</u>	<u>\$0.7538</u>
Total	\$1.6981	\$1.6918	\$1.4953	\$1.4953	\$1.5291	\$2.4938

Revised FY2024-25 Revenue Estimate

Levy Type	Adopted Budget	Revised Estimate*	Increase/ (Decrease)
General	\$69,531,117	\$68,263,287	(1,267,830)
Health	48,300,320	47,418,582	(881,738)
Health (Temp)	21,253,686	20,869,668	(384,018)
Museum	1,923,253	1,884,761	(38,492)
Debt	<u>52,509,654</u>	<u>52,423,808</u>	<u>(85,846)</u>
Total	\$193,518,030	\$190,860,105	\$(2,657,925)

*Based on a 92% collection rate.

Estimated Property Tax Bill Impact – City Portion

Home Value	Estimated Taxpayer Impact
\$50,000	\$3.21
\$100,000	\$6.42
\$200,000	\$12.84
\$300,000	\$19.27
\$400,000	\$25.69

Committee Substitute for Ordinance No. 240812

- Amends Ordinance No. 240228
- Sets property tax levy rates equal to the maximum allowable rate
- Accelerated effective date

Questions?