

FAQs - Levies

What is a levy?

A levy is for learning. It is an amount approved by voters that is collected through a property tax charged at a rate per \$1,000 of assessed valuation to each property owner (residential and commercial) within the school district's boundary. School districts may run a levy for a maximum of four years. The levy requires a simple majority (50% + 1) to pass.

What is the difference between a bond and a levy?

The simplest way to remember is Bonds are for Building and Levies are for Learning. Levy money is used to cover the costs of basic education, maintenance, operation, and transportation costs not covered by the state. Levy money also provides for STEAM (science, technology, engineering, arts, and math), music, drama, sports, and clubs, which have long been the responsibility of local communities. Bonds are a lot like the mortgage on a home, and can only be used for building, renovations, construction, and large capital improvements.

What is a levy rate and lid (cap)?

The levy rate a district can pass is now capped at \$2.50 per \$1,000 of assessed value, or a levy rate that would generate \$2,500 per student – whichever would result in a lower levy rate. A levy rate is the amount of property tax that voters approved to be assessed for every \$1,000 of property value.

What does this mean for La Conner homeowners?

A local property tax passed by voters of our school district that generates revenue for the local school district. All money generated by school district levies goes directly to the school district to pay for enhancements to the state-funded basic education. By voting for a local levy, voters are voting for an additional property tax in their district. The proposed levy reduces the tax burden to our citizens from \$1.50 to \$1.45 means that for every \$1,000 of property value, the owner of the property will have to pay \$1.45 in taxes.

If a homeowner has a house valued at \$200,000 and the voters passed a levy at a \$1.45 levy rate, that will cost the homeowner \$290 annually in property taxes.

Why are the rates “estimated”?

In an election, voters are asked to approve or reject a total bond and/or levy amount. The tax rate is based on assessed property values. If the assessed property values change, then the tax rate changes.

What is assessed value?

The assessed value is the dollar value assigned to a property for purposes of measuring applicable taxes. Assessed valuation is used to determine the value of a residence for tax purposes and takes comparable home sales and inspections into consideration. Assessed property value is determined by the assessor's office in Skagit County.

Where can I get information about property tax exemptions for senior citizens and disabled persons?

State law provides two tax benefit programs for senior citizens and the disabled: property tax exemptions and property tax deferrals. Citizens over 61 years of age, who earn less than \$40,000 per year or are unable to work due to disability, may qualify to receive an exemption. This is inclusive of all their property tax obligations. For more information on if you might qualify, please contact your county assessor's office at 360.416.1780.

If more people are living in the district, won't the district get more money?

No. When school districts run bond and levy measures, they request a set amount from local taxpayers. When more people move into a community, there are more taxpayers to share the cost. For example, if you buy a \$10 pie alone, the cost to you is \$10. If four people share the pie, each person only pays \$2.50. The pie seller still gets \$10. No matter how many people move to the district, the cost of the "pie" remains the same.

If the assessed value goes up, does the district collect more money?

No. Voters approve a fixed collection amount that does not increase regardless of what happens to the assessed value.

Why are local levies needed?

Schools are not fully funded by the state. Districts rely on voter-approved levies to bridge the funding gap and pay for what our students need. The state money must be spent in very specific ways. These restrictions on state funding eliminate much of our local control for programs our community wants in our schools. The state does not fund many of the activities that our community and communities everywhere expect schools to offer.

What is basic education?

Basic education is the educational program that the state is responsible for funding. The state legislature defines the program of basic education and is required by the constitution to amply fund it. The state defined program of basic education is the minimum that districts are required to provide students — districts may offer additional programming and services with local funds. Currently, the program of basic education includes the number of hours and days of school that districts must offer, academic standards, and specialized instruction for students qualifying for special education, English language support, and students below or above standard academically.

Why does the district need a Renewal Enrichment Levy?

The levy makes up the difference between the state and federal funding the district receives and what it costs to educate La Conner students. This levy will help provide funding for basic education not fully funded by the state or federal governments, such as STEAM: (science, technology, engineering, arts, math), music, drama, athletics, clubs, Special Education and our after-school Brave's Club.

What happens if the bond and/or levies do not pass?

If voters did not approve the bond and/or levies, the school board would decide on whether or not to re-run the measures. It is costly to re-run a measure. The Educational Programs and Operations Renewal Levy provides 6.6% percent (833k/12,690k) of the district's budget for educational programs and operations and is set to expire at the end 2021. Without this levy, the district would need to make significant cuts from its overall budget.

How can I get additional information on the bond and levies or request a presentation?

Please contact Bonnie Haley at 360.466.3171 or bhaley@lc.k12.wa.us or
Cherri Kahns at 360.466.3171 or ckahns@lc.k12.wa.us.