How the Tax Rate for Each School District is Set

Each year the school district must create a Proposed Operating Budget and determine how much of that budget needs to be raised by Local Funds through taxation of real estate. In order to raise the appropriate amount of Local Funds the school district must determine how much each parcel of land will be taxed. To determine how much each parcel will be taxed the school district must first set a tax rate for all parcels of land so that each parcel is taxed at the same rate. Since parcels of land have different assessed values the tax rate for each parcel will be the same, but the tax amount for each parcel will be different.

Please Note: Some school districts have land in more than one county. In this situation the school district must set a tax rate for the land in each county, which can be the same rate or a different rate.

How the Tax Rate is determined to Tax

School districts fix the tax amount on every parcel of land by setting the “Mill Rate”, or “Millage Rate”. The Mill Rate is the number of dollars in taxes that the owner of the land will have to pay for every thousand dollars of assessed value for that parcel.

Example #1: The school district millage rate is set at “10 mills”, or $10 per thousand dollars of assessed value. One parcel of land is assessed at $100,000. First, $100,000 divided by 1,000 = 100. Second, 100 multiplied by $10 = $1,000. Third, therefore, the school district tax on that parcel = $1,000.

Example #2: The school district millage rate set at “35 mills”, or $35 per thousand dollars of assessed value. One parcel of land is assessed at $75,000. First, $75,000 divided by 1,000 = 75. Second, 75 multiplied by $35 = $2,625. Third, therefore, the school district tax = $2,625.

The Mill Rate is used to determine the Tax

School districts fix the tax amount on every parcel of land by setting the “Mill Rate”, or “Millage Rate”. The Mill Rate is the number of dollars in taxes that the owner of the land will have to pay for every thousand dollars of assessed value for that parcel.

Example: In a school district the total assessed value of all the real property for which no tax is paid because of the homestead exemption = $650,000. First, subtract $650,000 (value of properties exempt from taxation) from $10,750,000 (value of all assessed real property). $10,750,000 - $650,000 = $10,100,000. Thus multiply $10,100,000 by .001. $10,100,000 x .001 = $10,100. The value of 1 mill in this instance would be $10,100.

How this Map Works:

This map shows for each school district the value of a single mill. The value of a single mill is worth much more in wealthier school districts than it is in low-wealth school districts.

This map presents school district boundaries in grey with color coded fill to show the relative mill values. Because some school districts cross county lines, we’ve included county boundary lines presented in a dashed blue line with a white background. Where a school district has land in more than one county and has a different mill value in each county, we show that on the map.

Legend

- County Boundaries
- School District Boundaries
- Single Mill Values

This map prepared 1-26-10
by Southern Echo, Inc.
1359 Livingston Lane, Jackson, MS 39213
phone: 601-982-6409
email: souecho@southernecho.org
website: www.southernecho.org

With technical assistance from Brian Lipsett, PhD
Movementtech, Inc., Naples, ME
phone: 207-745-1606
email: brian@privey.com