

# 2018 CAPITAL BOND PROPOSAL

## COST TO TAXPAYERS\*

**\*Based on \$300,000 assessed home value**

Year	Local Levy Rate	State Levy Rate	Current Bond (2006) Rate	Proposed Bond Rate	Annual Education-Related Property Tax	Property Tax Compared To 2017
2017	3.61	2.23	0.9	n/a	\$2,022	n/a
2018	3.48	3.2	0.85	n/a	\$2,256	n/a
2019	1.5	2.9	0.86	1.33	\$1,977	(\$45)
2020	1.5	3.2	0.87	1.32	\$2,067	\$45
2021	1.5	3.2	0.89	1.3	\$2,067	\$45
2022	1.5	3.2	0.9	1.29	\$2,067	\$45
2023	1.5	3.2	**	1.92	\$1,986	(\$36)

**\*\*Existing 2006 Bond ends in 2022**

Because of the State Legislature’s response to the McCleary decision, 2018 saw a large, one-time increase in education-related property taxes, but next year (2019) our local school levy rate will drop nearly \$2 per \$1,000 of assessed home value (from \$3.48 to \$1.50). This means the bond’s passage would **NOT** significantly impact your property taxes.

If approved, the proposed \$112 million bond will last for 20 years. The related bond rate that determines your education-related property taxes will be set when the bond is sold to investors, though the values in the table above are based on conservative estimates of likely interest rates by a bond company.

Based on these estimates, if the bond passes, compared to the 2017 tax amount, your education-related property taxes would decrease by approximately \$45 in 2019 (for \$300,000 assessed home value), increase by approximately \$45 in 2020 and then should hold steady in 2021 and 2022. The bond rate will increase in 2023, but not by as much as the expiring 2006 bond, meaning that education-related property taxes will likely decrease. After that, over the rest of its 20-year life, bond rates will vary by only a few cents.

***“Levies are for Learning...Bonds are for Buildings”***

*Local school levies augment state funding and are used to support student programs. They were previously called “Maintenance & Operations (M&O) Levies,” but are now called “Enrichment Levies.”*

*Capital bonds support very large expenditures, such as the construction of new buildings or major renovation of existing buildings.*

**SENIOR CITIZENS/DISABLED PERSONS PROPERTY TAX EXEMPTION PROGRAM**

Washington State law provides property tax relief for senior citizens (age 61 or older) and disabled citizens with annual incomes at or below \$40,000 and their primary residence in Washington. Contact the Whatcom County Assessor’s Office at 360-778-5050 for more information.