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## District tax-rate cut had to be requested

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The Beaufort County Board of Education had little choice but to ask for a tax rate decrease after revised estimates sent its expected revenue \$3 million higher for this fiscal year.

Its credibility on taxing issues depended on it.

It was the second year in a row the school board had asked County Council to reduce its tax rate for operations after the budget was set. Last year, the request came after the district found out it was getting \$900,000 more in state funding than it had budgeted.

This year, the county revised upward its estimate of how much one mill -- the basis for levying property taxes -- would bring in for the school district. The result was that the district would get \$3 million more than anticipated in property tax revenue based on an earlier estimate. Local property taxes were expected to contribute \$121 million to the district's \$183 million operating budget.

The last two years are a stark contrast to 2009 and 2010 when the school board and County Council clashed over tax rates, collection rates and reserves. But the premise behind the school board's actions has stayed the same: The County Council should set the tax rate to bring in the amount of money approved in the district's operating budget.

County Council -- not the school board -- sets the district's tax rate. The Beaufort County School District is one of 21 districts in the state whose tax rates are set by county councils. Jasper County is another. In that county, the dispute over the school district tax rate is in court. The school board sued the county after the county lowered the district's tax rate after the board held it steady. The district claims that leaves it about \$444,000 short.

School finances are complicated. It gets more complicated when a separate elected body plays such a significant role. And it gets confusing for the average person when budgets must be approved before July 1, the start of the fiscal year, but tax rates usually aren't set until August, after the fiscal year starts but before property tax bills go out.

It should be noted that the school district is still getting a tax rate increase over last year. That's due in large part to the countywide reassessment that goes into effect this year. The revised property assessments are based on 2012 values; assessments had been based on 2007 values, a very different market. Property tax rates were "rolled up" to at least stay revenue neutral.

It also should be noted that school board Chairman Bill Evans asked that County Council take into account this tax-rate reduction next year should the \$121 million not come through after all. Collection rates are usually less than 100 percent.

That request, too, is consistent.

Read more here: <http://www.islandpacket.com/2013/09/11/2678717/district-tax-rate-cut-had-to-be.html#storylink=cpy>

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