

LAKEWOOD PUBLIC SCHOOLS
NON-HOMESTEAD OPERATING MILLAGE

FAQ



On Tuesday, **February 27, 2024**, voters within the Lakewood Public Schools district boundaries will vote on the renewal of our current non-homestead operating millage that expires in December 2024.

This tax is levied only on non-homestead property, which includes all taxable property other than principal residence, qualified agriculture property, and certain other property classifications. Most non-homestead property taxes are levied on industrial, commercial, business, and rental properties and second homes. **This millage does not affect the tax rate on homeowners' primary residences.**

The proposal on the February 27th ballot is a 17.973 mill renewal on business, industrial, and rental properties within the school district. It is not a tax on primary residences or other exempt properties.

What is a non-homestead operating millage? It is a tax levied only on non-homestead property, which includes all taxable property other than principal residence, qualified agricultural property, and certain other property classifications. It is not a tax on primary residences. This operating millage funds Lakewood Public School's daily operations, educational programs, and athletics.

Is this a new tax? No. This proposal is a renewal of the non-homestead property tax last approved by the voters on November 4, 2014, which expires in December 2024. The millage renewal is at the same rate.

Will property tax rates increase? No. Your primary residence tax rate will remain the same. In fact, for both homeowners and businesses alike, nothing will change. Homeowners do not pay this tax, and businesses will simply continue to pay a tax they have already been paying.

What is the impact if our non-homestead operating millage does not pass? LPS will lose just over \$2 million annually, which will adversely impact all educational programming. Bussing will be reduced, staff will be reduced, class sizes will increase, athletic offerings will be reduced, and other cuts will be made.

What does the non-homestead operating millage on the ballot replace? For LPS, it does not replace; rather it **renews** the non-homestead operating millage of 17.973 mills, which expires in December 2024.

Do businesses in other districts pay a non-homestead operating millage tax? Yes. Regardless of which school district a business may be located within, in order for a school district to receive its full funding level determined by the State, it must levy an operating millage.

Why do we need an election? The operating millage is required by the State's school funding structure in order for the district to receive its full student funding. The law does not allow the 18 mills on non-homestead property to be levied unless it is approved by voters.

I thought schools no longer received funding through property taxes, so why are we talking about a millage replacement/renewal? Funding for school districts changed significantly in 1993/1994 when Proposal A was passed by the Michigan voters. Under Proposal A, the state pays the majority of the cost, but generally assumes a school district is levying 18 mills for operating purposes in calculating payments. Thus, to receive full student funding, schools must levy up to 18 mills on non-homestead property in their district.

Who is eligible to vote? Registered voters living in the LPS district boundaries are eligible to vote. You can register to vote at any Secretary of State's office.

Where do I vote? Please confirm your voting location with your local clerk.

What will the ballot language look like? This proposal will allow the District to continue to levy 17.973 mills on all property, except principal residence and other property exempted by law, required for the District to receive its full per pupil funding level and renews millage that will expire with the 2024 tax levy.

Shall the currently authorized millage rate limitation of 17.973 mills (\$17.973 on each \$1,000 of taxable valuation) on the amount of taxes which may be assessed against all property, except principal residence and other property exempted by law, in Lakewood Public Schools, Ionia, Barry, Eaton and Kent Counties, Michigan, be renewed for a period of 10 years, 2024 to 2034, inclusive, to provide funds for operating purposes; the estimate of the revenue the school district will collect if the millage is approved and 17.973 mills are levied in 2025 is approximately \$2,055,071 (this is a renewal of millage that will expire with the 2024 tax levy.)

What if I still have questions? Please contact Superintendent Jodi Duits at 616.374.8043 or <mailto:duitsj@lakewoodps.org>.



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FEBRUARY 27, 2024

Paid for by Lakewood Public Schools