

ATTACHMENT NO. X-C

ATTACHMENT NO. X-C: Discuss Sales Tax Receipts

Potential motion: Discussion

Recommended action: Discussion

As requested at the May meeting, this item was added to the agenda for the Board to discuss the impact of the recently passed school facilities sales tax in Boone County.

# Illinois County School Facility Tax Act

NBCUSD 200

Rhonda Boeke, MBA, CSBO  
Director of Business Services and Transportation

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## Recap of CSFT

- ▶ Boone County voters approved the sales tax in April 2013.
- ▶ Sales tax will take effect January 1, 2014.
- ▶ First distribution expected April 2014.
- ▶ \$479K projected for CY14.

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## Sales Tax Base

Everything in the municipal & county sales tax base is included in the CSFT tax base  
**except for:**

- Cars, Trucks, ATVs,
- Boats & RVs
- Mobile homes
- Unprepared food
- Drugs (including OTC & vitamins)
- Farm equipment and parts
- Farm inputs

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## Sales Tax Revenues CAN be used for:

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> New facilities                               | <input checked="" type="checkbox"/> Land Acquisition  |
| <input checked="" type="checkbox"/> Additions & renovations                      | <input checked="" type="checkbox"/> Energy efficiency   |
| <input checked="" type="checkbox"/> Security, entrances, safety, disabled access | <input checked="" type="checkbox"/> Parking lots  |
| <input checked="" type="checkbox"/> Ongoing maintenance                          | <input checked="" type="checkbox"/> Demolition  |
| <input checked="" type="checkbox"/> Architectural planning                       | <input checked="" type="checkbox"/> Roof repairs  |
| <input checked="" type="checkbox"/> Durable equipment (non-moveable items)       | <input checked="" type="checkbox"/> Refund bonds or abate property taxes levied to pay bonds issued for capital purposes. |
| <input checked="" type="checkbox"/> Fire prevention & Life Safety                |   |

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## Sales Tax Revenues **CANNOT** be used for:

- 
- ⊗ Direct instructional costs
  - ⊗ Textbooks
  - ⊗ Buses
  - ⊗ Detached furniture & fixtures
  - ⊗ Computers
  - ⊗ Moveable equipment
  - ⊗ Operating costs
  - ⊗ Salaries and overhead

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## 2 Ways to Decrease Property Taxes

- ▶ **REDUCE:** abate or decrease existing property taxes by using sales tax funds to pay off outstanding building bonds.
- ▶ **AVOIDANCE:** avoid levying property taxes by using sales tax funds to pay for facility projects that would have been paid for with property taxes.

**Note:** we wouldn't be able to do this until we have received and banked the amount we plan to abate or not levy.

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