

7-26-17 County Judge's Article

## 2017 MILAM COUNTY TAX ROLL

Dyann White, Chief Appraiser, has now reported the numbers for us to use in calculating the 2017 tax rates and in estimating county ad valorem tax revenues to use in budget planning for 2018.

The tax base for 2017 is basically the same as it was in 2016 after taking into consideration the Luminant law suit settlement. The net taxable value of Milam County properties after the Luminant settlement and after settlement of all other contested values was \$1.635 billion and this year it has increased to \$1.673 billion before settlement of contested cases which could reduce this amount by as much as \$15 million.

This compares to the county's tax base final valuation of \$1.780 billion in 2016 before the Luminant settlement, which means that the lawsuit settlement resulted in a loss of \$145 million in taxable value, or a little over a million a year in tax dollars. So all the increases in values that we have seen in land and home values in the county (some \$50 million in taxable value last year) were more than wiped out by the reduced value of the Luminant property.

You may recall that the Luminant settlement resulted in a valuation of \$290 million for 2016 and an advance settlement for 2017 of \$280 million, only a \$10 million reduction. So as a result the tax roll for this year is stable, actually we are seeing a modest increase over last year's number after the Luminant loss. Because of that coupled with the Luminant back payments and penalties that were made that replenished our reserves, we do not anticipate having to make any changes in the county's 70 cent tax rate in this year's budget planning.

Looking at the details in our county tax roll that Dyann sent to us, the market value of agricultural land went up significantly (14%) from \$1.53 to \$1.75 billion but the ag exemptions went up proportionately, so taxable value of ag land actually went down slightly from \$91 to \$87 million.

Homes and home sites went up slightly (2%) to \$672 million total whereas other non-agricultural land (land w/o ag exemption) went up 8.5% to \$141 million. Industrial/commercial properties and real estate were essentially unchanged from 2016 to 2017 at \$1.2 billion and minerals were up only slightly from \$22 to \$25 million.

If you add all these categories up the county's appraised value of properties before other exemptions equals some \$2.1 billion. The freeze adjusted taxable value is \$1.466 billion. That's what is left after homestead caps, freeze taxables, and other exemptions. This is the bottom line amount that we can multiply by the tax rate of 70 cents per \$100.