

# How are property taxes calculated?

$$\text{\$300,000} \times 11\% = \text{\$33,000} \times .10239 = \text{\$3,379 tax bill}$$

Assessed value

## Property value of home:

Determined by market (sales, construction costs, mass appraisal etc.), placed on the tax roll by County Assessor, who assesses all taxable property in the County annually by its use and market to determine fair cash value. The Assessor is audited annually by the OTC to ensure they are following current market trends.

## Assessment ratio:

Oklahoma constitution states real property shall not be assessed at a value less than 11% or greater than 13.5% of its Fair Cash Value. This percentage cannot be increased except upon approval by a majority of voters in the county. This ratio multiplied by the fair cash value gives you an assessed value, that is now ready to be levied against a tax districts' millage rate.

## School district millage rate (tax rate/levy):

The millage rate is the tax per dollar of Assessed Value. It is expressed in "mills", where one mill is one-thousandth of a dollar. Thus, a school district levy with 102.39 mills is expressed in decimal form.

These rates are not set by the County Assessor. The Assessor has no control or say in the determination of these rates. A school district rate is determined by the following entities:

- **Public schools (School Board)**
- **Vocational Technology Centers**
- **EMS Districts**
- **Public Library**
- **County (Commissioners/Excise Board)**
- **County Health Department**

Tax rates are based upon budgets submitted by these taxing jurisdictions annually and include the amounts necessary to pay bonded indebtedness approved by a vote of the people. School district rates are adjusted and fluctuate every year.

## Total Property Tax:

This is the calculated amount due for property taxes.

The school district millage rate (tax rate) levied against a property makes a great deal of difference in the taxes owed. There are approx. 24 different school districts in Muskogee County. Millage rates vary widely in Muskogee County and even more so across the state of Oklahoma. The lowest tax rate in Muskogee County is Wainwright (76.22 mills) and the highest is Hilldale (105.49 mills). Compare those two tax bills using the same \$300k example above.

**Wainwright** - \$2,515 property tax

**Hilldale** - \$3,481 property tax

Public schools receive the largest share of the property tax. School sinking funds (Bonds) are the single biggest variable between all school district rates and why there is such a variation in taxes due on the same amount of property value.