FLOYD COUNTY BOARD OF EDUCATION
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Prestonsburg, Kentucky 41653
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Jeff Stumbo, Chair - District 3
Linda Gearheart, Vice-Chair - District 1
Dr. Chandra Varia, Member - District 2
Rhonda Meade, Member - District 4
Sherry Robinson - District 5

DATE: August 3, 2016

ACTION/DISCUSSION ITEM: Consider/ Adopt Motor Vehicle/Watercraft Property Tax Rate of 55.4 cents per $100 of assessed value for Tax Year 2016-2017.

APPLICABLE STATUTE; REGULATION; BOE POLICY: KRS 132.487

BACKGROUND AND MAJOR POLICY IMPLICATIONS: Per KRS 132.487 all applicable taxing districts that propose to levy a tax on Motor Vehicles valued as of January 1, are required to submit to the Revenue Cabinet on or before October 1 of the year preceding the assessment date, the tax rate to be levied against valuations as of the assessment date. Any district that fails to timely submit the tax rate shall receive the rate in effect for the prior year.

FISCAL IMPACT: The actual amount of revenue generated will be dependent upon the actual assessed values of the property taxed. The rate generated $1,529,386 during FY 2016.

RECOMMENDED ACTION: Levy the rate of 55.40 cents per $100.00 of assessed value for tax year 2017; the same rate as levied for tax year 2016 and all years prior back to the early 1980's.

RATIONALE: To maintain revenues from local tax levies consistent with the needs of the district.

CONTACT PERSON: Matthew C. Wireman, Director of Finance

Director **Superintendent**

The Floyd County Board of Education does not discriminate on the basis of race, color, national origin, age, religion, marital status, sex, or disability in employment, educational programs, or activities as set forth in Title IX & VI, and in Section 504.

Commonwealth of Kentucky
FINANCE AND ADMINISTRATION CABINET
OFFICE OF PROPERTY VALUATION
STATE VALUATION BRANCH
501 High Street, SOB 4th Floor Sta. 32
Frankfort, Kentucky 40601
Phone (502) 564-8180 Fax (502) 564-8923
WWW.REVENUE.KY.GOV

Instructions
2017 Motor Vehicle & Watercraft Property Tax Rate Certification

Each year the Department of Revenue receives a number of Motor Vehicle & Watercraft Property Tax Rate Certifications in which the tax rate certified is incorrect due to the erroneous placement of the decimal point. The tax rate certification requests the taxing jurisdiction certify the tax rate to be levied in **cents per $100 of assessed value.** If the tax rate to be levied is stated as dollars per $100 of assessed value in the jurisdiction's records, the tax rate should be converted to cents per $100 of assessed value on the tax rate certification by moving the decimal point two places to the right.

Example: If the tax rate to be levied by the jurisdiction was passed at $0.456 per $100 of assessed value, it should be listed on the tax rate certification as 45.60 cents per $100 (not 0.456 cents per $100). The tax rate in effect for 2015 has been listed on the 2016 certification for your reference. It reflects the proper placement of the decimal point.

The deadline for the submission of the 2017 Motor Vehicle & Watercraft Property Tax Rate Certification is October 1, 2016 (KRS 132.487). Any taxing jurisdiction failing to submit the certification by the due date will receive the rate in effect for 2016. If there are no changes please submit a report stating NO CHANGE by the deadline, that way we won't send out a second notice.

A copy of the completed tax rate certification should be kept on file by the jurisdiction. If you should have any questions, please contact the Motor Vehicle Section at 1-800-608-3503 or 1-502-564-8180. Your cooperation is greatly appreciated.

COMMONWEALTH OF KENTUCKY
FINANCE AND ADMINISTRATION CABINET
DEPARTMENT OF REVENUE
OFFICE OF PROPERTY VALUATION

KRS 132.487 REQUIRES ALL APPLICABLE TAXING DISTRICTS THAT PROPOSE TO LEVY A TAX ON MOTOR VEHICLES VALUED AS OF JANUARY 1, TO SUBMIT TO THE CABINET ON OR BEFORE OCTOBER 1 OF THE YEAR PRECEDING THE ASSESSMENT DATE, THE TAX RATE TO BE LEVIED AGAINST VALUATIONS AS OF THE ASSESSMENT DATE. ANY DISTRICT THAT FAILS TO TIMELY SUBMIT THE TAX RATE SHALL RECEIVE THE RATE IN EFFECT FOR THE PRIOR YEAR.

A number of motor vehicle tax rates have been submitted to the Department of Revenue in the past which may not have been calculated correctly. Some jurisdictions used compensating rates or calculations based upon House Bill 19.

Please note that MOTOR VEHICLE TAX RATES ARE NOT dependent upon compensating rates or the 4% limitations set forth in House Bill 44 or House Bill 19. Instead, all local taxing districts that propose to tax motor vehicles can levy a rate on motor vehicles that does "not exceed the rate that could have been levied on motor vehicles by the district on January 1, 1983 assessments of motor vehicles." Thus, a local district may levy a rate up to the maximum available 1983 tax rate for motor vehicles.

SCHOOL DISTRICTS SHOULD CONTACT THE DEPARTMENT OF EDUCATION AT (502) 564-3846 FOR INFORMATION ON ESTABLISHING RATES. ALL OTHER TAXING JURISDICTIONS SHOULD CONTACT THE OFFICE OF PROPERTY VALUATION AT (502) 564-8180 FOR FURTHER INFORMATION.

2017 MOTOR VEHICLE & WATERCRAFT PROPERTY TAX RATE CERTIFICATION

ATTN: MATTHEW WIREMAN
FLOYD CO BOARD OF EDUCATION
106 N FRONT AVENUE
PRESTONSBURG KY 41653 1124

(PLEASE INDICATE ANY CHANGES ABOVE)

The tax rate for 2016 was 55.400 cents per $100.00 of assessed value.

I certify that the FLOYD CO BOARD OF EDUCATION will levy a property tax rate of

_____ cents per $100 of assessed value upon motor vehicles

and watercraft for the calendar year of 2017.

_____ _____ _____
Signature of Tax District Representative — Title — Date

TELEPHONE _____

COUNTY OF FLOYD
STATE OF KENTUCKY

Subscribed and sworn this _____ day of _____, 20_____

_____ _____
My Commission Expires — Notary Public

You may certify your motor vehicle and watercraft property tax rate above and return this form to:

OFFICE OF PROPERTY VALUATION
STATE VALUATION BRANCH
MOTOR VEHICLE SECTION
501 HIGH STREET STA 32, 4TH FL
FRANKFORT, KY 40620