



Proposal does not affect taxes on a homeowner's primary residence

**Lake Shore Public Schools Non-Homestead millage proposal will be on
February 27th ballot**

The Lake Shore Public Schools Board of Education has placed a non-homestead millage proposal on the February 27th presidential primary ballot.

The millage proposal applies to businesses, second homes, rental property, and vacant land. It will not affect taxes on a homeowner's primary residence (the home in which a homeowner lives).

All school districts in Michigan must levy 18 mills on non-homestead property to receive their full "foundation allowance" (state aid).

"Lake Shore's non-homestead millage has been levied for the past three decades, it is critical to our operations and vastly different from the 2022 Bond Improvements we are currently undergoing" said School Superintendent Dr. Joe DiPonio.

"This millage is important to the school district as it accounts for 5.7 percent of our operating budget. If it is not renewed in February, the school district stands to lose \$2.6 million in operating revenue. This would lead to substantial reductions in Lake Shore's educational program."

Lake Shore Public Schools is asking voters to approve a 19.3227 operating millage levy even though the maximum amount a school district can levy on non-homestead property is 18 mills.

The ballot proposal will restore Lake Shore's non-homestead millage to the 18 mills previously approved by voters. Under provisions of the Michigan Constitution, this millage can be rolled back annually. When rollbacks occur, a school district's non-homestead levy drops below 18 mills, and the school district does not receive its full share of state aid. The additional 1.3227 mills will provide a cushion against rollbacks and can only be levied to protect the school district from future rollbacks if and when they occur.

While the non-homestead tax does not apply to homeowners who live in their primary residence, they get to vote on the non-homestead millage proposal because that is the law in Michigan. In 1994, the Michigan legislature adopted a school funding law



that required all Michigan homeowners to pay six mills in property tax. In addition, the law required all Michigan school districts to levy 18 mills on non-homestead property to get their full foundation allowance. The law allows all taxpayers in a school district to vote on the non-homestead millage.

The bottom line

- ✓ This millage will have no effect on a homeowner’s primary residence (the home in which a Lake Shore homeowner lives).
- ✓ While school districts can only levy a non-homestead tax of 18 mills, Lake Shore Public Schools—like many other Michigan school districts—is asking for 19.3227 mills to protect the school district from any future rollbacks.
- ✓ If the millage is not renewed and restored to the level previously approved by Lake Shore voters, the school district will lose \$2.6 million in operating revenue. This will necessitate substantial reductions in the educational program.
- ✓ All registered voters living in the Lake Shore Public Schools can vote on this proposal at the polls on February 27th (or by absentee ballot beginning January 18th).