

The WCTA study of the Proposed Walton County Budget

The Ad Valorem Tax Process

***Two factors determine the amount of
taxes we pay***

1. **Your property's market value** as determined by buyers & sellers in the open market
(This part of the equation **cannot** be controlled.)
2. **The budget and millage rate of each taxing authority** (millage rates levied against that value by the taxing authorities.
(This part of the equation **can** be controlled.)

The Ad Valorem Tax Process

2006 Assessments are based on the value of your property as of January 1st.

These values are determined by analyzing all 2005 sales and applying those values equitably to all like-type properties.

The Ad Valorem Tax Process

Everyone agrees that it costs **money** to provide the goods and services that citizens demand from government.

The Ad Valorem Tax Process

The Question is

How **many** services do you want,

and

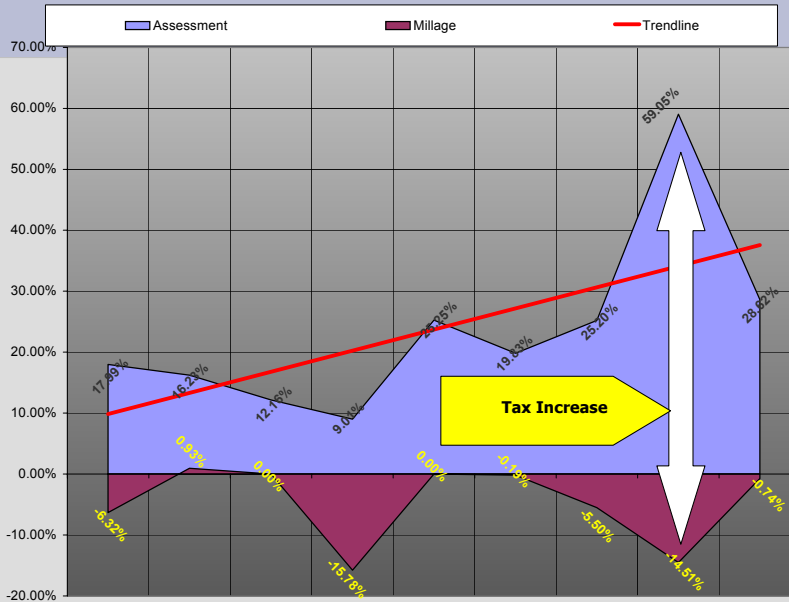
How **much** are you willing to pay?

'Truth in Millage' ***Your Trim Notice***

August 11th

Notices of Proposed Property Taxes (TRIM Notices) were mailed to all property owners advising them of their proposed property taxes

Assessment and Millage Rate Comparison



Trim Notice

Using Activity	Your property taxes last year	Your taxes this year if proposed budget change is made	A public hearing on the proposed taxes and budget will be held:	Your taxes this year if no budget change is made
	3,034.10	4,042.22	<div style="background-color: #00aaff; color: white; padding: 10px; text-align: center;"> Any Amount Greater Than Column 3 Is A TAX INCREASE </div>	3,349.55
	4,065.69	5,175.45		4,490.46
	1,855.44	2,588.21		2,049.28
	485.03	1,733.19		1,298.15
		48.14		39.96
	613.96	799.19		624.71
	10,669.92	14,436.39		11,852.11
Total Property Taxes				
	COLUMN 1*	COLUMN 2*		COLUMN 3*
Your property value last year	Market Value	Assessment Value	Exemptions	Taxable Value
	713,906	713,906		713,906
Your property value this year	894,249	894,249	31,374	902,675
PROPOSED OR ADOPTED NON-AD VALOREM/ASSESSMENTS				
Using Activity	Purpose of Assessment	LINE#	Rate	ASSESSMENT

Value Comparisons for 2005 and 2006

Taxing Authorities	2005 Tax Roll	2006 Tax Roll	% Incre	Dollar Incr.	New Construction
County	12,830,686,103	16,503,239,956	28.62	3,672,553,853	* 626,511,982
School District	12,842,853,127	16,515,893,518	28.6	3,673,041,391	* 626,708,935
NWF Water Mgmt.	12,842,853,127	16,515,893,518	28.6	3,673,041,391	626,708,935
N. Walton Mosq.	767,430,811	1,052,123,084	37.1	284,692,273	43,401,067
S. Walton Mosq.	11,847,270,787	15,143,308,802	27.82	3,296,038,015	576,922,867
Freeport	60,127,011	122,887,361	79.56	47,838,275	3,803,168
DeFuniak Springs	165,914,305	195,370,320	17.75	2,945,602	2,482,141
SW Fire	11,643,568,520	14,924,227,513	28.18	3,280,658,993	576,776,735

*Taxable value of new construction was greater than the total 2005 taxable value of fourteen (14) counties in the state.

2006 Proposed Tax Increases

Taxing Authority	2005	2006	Roll Back Rate **	Proposed Tax Increase
Walton County BCC	4.3302	4.2981	3.4470	22.54
State Required	2.0000	1.7370	1.6142	7.61
Local Option	2.4560	2.4460	1.9822	23.40
School District	4.4560	4.1830	3.5964	16.31
NWF Water Mgmt.	0.0500	0.0500	0.0402	24.38
N. Walton Mosq.	0.5982	0.5982	0.4637	29.01
S. Walton Mosq.	0.1193	0.0947	0.0967	-2.07
Freeport	3.9300	3.9300	2.0833	89.00
DeFuniak Springs	4.5000	4.5000	3.9040	15.27
So. Walton Fire	0.8300	0.8300	0.6706	23.77

* The millage rate that, when applied to the current year's assessed value, would raise the same amount of revenue as last year. (Note: New construction, additions to existing structures, major rehabilitations and annexations are excluded from the roll-back.)

Growth In Ad Valorem Taxes since 1998

Year	Ad Valorem Tax Collected
1998	\$ 19,359,386.00
1999	\$ 22,413,322.00
2000	\$ 25,348,536.00
2001	\$ 24,721,551.00
2002	\$ 29,032,863.00
2003	\$ 34,469,108.00
2004	\$ 41,656,251.00
2005	\$ 55,685,493.00
2006 proposed	\$ 70,933,182.00

Since 1998 Walton County BCC
Ad Valorem Taxes Have Increased
By

171.27 %

In The Past Two Years Walton County BCC
Ad Valorem Taxes Have Increased
By

72.14%

Walton County Population Growth vs Tax Growth - 1998 -2006

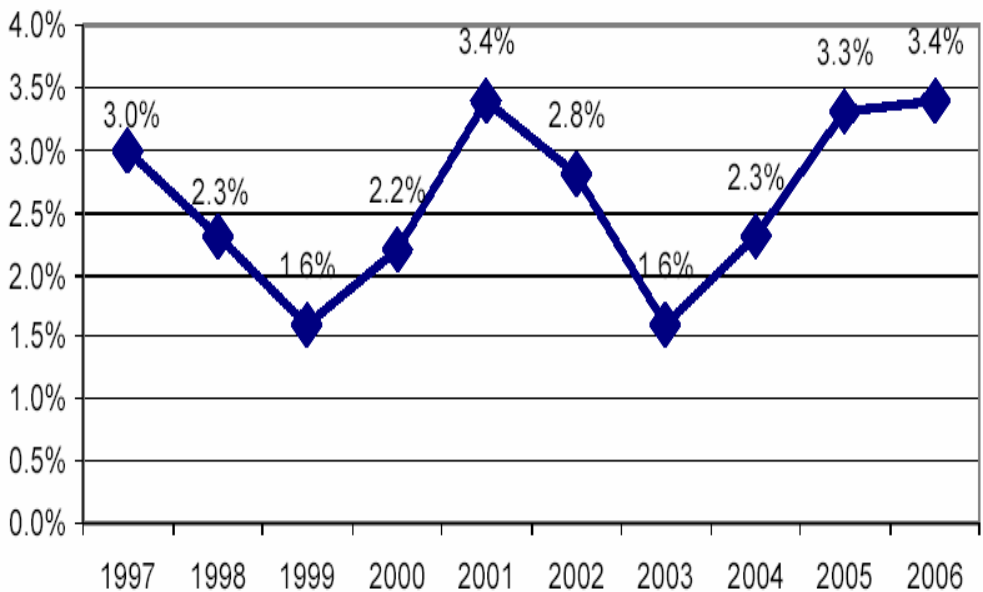
Population Growth

47.69%

Ad Valorem Tax Increases

171.27 %

Cost of Living



Projected Personal Income Growth

Personal income projected to increase by

3.5-3.7%

in 2007.



NEWS

FOR IMMEDIATE RELEASE:
September 9, 2005

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Communications Director
850-222-5052, ext 20

PROPERTY TAX "WINDFALLS" REALLY JUST TAX INCREASES *Statewide Tax Roll Grows to \$1.25 Trillion*

TALLAHASSEE — Due to rising property values, many local governments in Florida are poised to enact significant tax increases if they don't roll back millage rates. That's the concern of Florida TaxWatch, which in a new research report advises cities, counties, and school districts to share record-setting property tax revenue "windfalls" with taxpayers by lowering those tax rates.

"When property values rise like this, some local governments either keep the same millage rate, which amounts to a major property tax hike, or they lower the rate only slightly and call it a property tax rate cut. When in fact, it's still a tax increase," said Dominic M. Calabro, President of Florida TaxWatch. "These are misstatements that aren't in keeping with the spirit of the TRIM law."

TRIM notices were mailed to property owners last month and many taxpayers are seeing significant increases in the taxes proposed by their local governments. This is mostly due to the state's continued housing boom, according to the TaxWatch report.

Florida's Truth in Millage (TRIM) law recognizes that property values are a powerful revenue-producing tool for local governments and that rapidly escalating values result in rapidly escalating tax burdens if the tax rate is not reduced. TRIM requires that taxing authorities calculate a "rolled back millage rate" which is the millage rate that, when applied to the current year's assessed value, would raise the same amount of revenue as last year.

According to TRIM, any millage rate in excess of the rolled-back rate is considered to be a tax increase and is to be advertised as such by local governments. New construction, additions to existing structures, major rehabilitations and annexations are excluded from the rolled back rate calculation to allow for some growth revenue. So, even if a taxing authority keeps the same millage rate, if the total assessed value of the property on last year's tax roll is up, then it's considered a tax increase.

The state has forecasted that the total taxable property value in Florida would grow by \$142 billion in 2005, bringing the statewide tax roll to \$1.257 trillion. This 12.7-percent growth marks the fifth year in a row that total taxable value has had double-digit annual growth. Some counties have seen their property tax rolls grow by as much as 20-percent this year, in excess of forecasts.

'Save Our Homes' Is Not Working

STATE OF FLORIDA
OFFICE OF THE GOVERNOR
EXECUTIVE ORDER NUMBER 06-141

WHEREAS, homeowners in the State of Florida are struggling under the dual burden of increased insurance costs and an escalating property tax burden related to increased housing prices and damage caused by hurricanes and tropical storms; and

WHEREAS, a differential tax burden has developed between first-time homestead property owners and long-term homestead property owners and between homestead property owners and non-homestead property owners related to the effect of Save Our Homes provisions of s. 4(c), Art. VII of the State Constitution; and

WHEREAS, Save Our Homes has not prevented large increases in property tax assessments when existing homeowners relocate within Florida, potentially affecting homeowners willingness to purchase a new home; and

WHEREAS, statewide total property tax collections have far exceeded growth in total personal income; and

Question !

**What are you going to cut
out of your proposed
2006 – 2007 budget
in order to lower your proposed
tax increases to more
reasonable levels ?**

**Three of you have stated that you would
reduce spending and lower taxes.**

*Ken Fridgen
Scott Brannon
Cindy Meadows*

**Now is the time to accomplish what you said
you would do !**

*Limit growth in
budgets and spending to
6%*

**Lower your budget and
millage rate now !**

**After the final
budget hearing on**

September 25th

**it will be too late to do what you
have told us you would do.**