

UCS NON-HOMESTEAD OPERATING MILLAGE PROPOSAL

THE UCS NON-HOMESTEAD REPLACEMENT MILLAGE:

- Represents previously authorized millage by voters that is restricted to second homes, rental, commercial and industrial properties.
- Is a levy in every Michigan community to allow local school districts to receive their full share of state revenue.
- Is NOT levied on owner-occupied primary homes and has ZERO impact on a homeowner's property taxes.
- Supports school operations, including safety initiatives and training, teachers and staff, programs and services, and utilities such as heat and water.
- Represents \$41 million in annual funding to help maintain academic programs and services that support the district's track record of excellence.

What is proposed?

The non-homestead replacement proposal authorizes the statutory limit of an 18-mill levy on non-homestead properties that is restricted to second homes, rentals, commercial, and industrial properties. This millage is not levied on owner-occupied primary homes and has no impact on the homeowner's property taxes.

The 18 mill non-homestead replacement millage will generate approximately \$41.2 million for the 2023-2024 school year. The proposal has been structured to provide long-term financial stability for our schools through an additional unlevied 2 mills that will off-set future Headlee rollbacks.

If the non-homestead tax does not apply to taxpayers who live in their primary residence, why do they get to vote on it?

Quite simply, that is the law. In 1994, the Michigan Legislature adopted a school funding law that required all Michigan homeowners to pay six mills in school property tax. In addition, the law required all Michigan school districts to levy 18 mills on non-homestead property in order to get their full share of State Aid.

