

Commonly Used School Levies & Their Treatment Under Tax Reduction Factors

Types of Levy	Subject to Reduction Factors	Factored in 20-Mill Floor Calculation
Inside Millage (Current Expense)	No	Yes
Inside Millage (Bond)	No	No
Inside Millage (Permanent Improvement)	No	No
Outside Millage (Current Expense)	Yes	Yes
Outside Millage (Bond)	No	No
Outside Millage (Permanent Improvement)	Yes	No
Outside Millage (Emergency)	No	No

Current Expenses – Used for the general operations of the school district. This type of levy can either be inside or outside millage. Permanent Improvement Levy enacted inside the 10 Mill limitation is not subject to reduction factors. Outside Current Expense levies are subject to reduction factors but with a restriction. **The law specifies that the application of the tax reduction factors cannot cause a school district’s effective current expense millage rate (inside and outside combined) to fall below 20 Mills.**

Bond Levies – Used for construction and maintenance of capital property. This type of levy can either be inside or outside levies. This type of levy is not subject to reduction factors. Levies inside the 10 Mill limitation are never subject to reduction factors. Bond Levies outside the 10 Mill limit are fixed sum levies with the tax rate set annually to ensure revenue for debt service on outstanding bonds.

Permanent Improvement – Used for maintenance of the physical plant of a school. This type of levy can either be inside or outside millage. Permanent Improvement Levy enacted inside the 10 Mill limitation is not subject to reduction factors. Permanent Improvement levies outside the 10 Mill limit are subject to reduction factors.

Emergency Levy – Fixed sum levy to generate a specific amount of revenue in each it is in effect. Fixed sum levy rates are adjusted annual to ensure the specific amount of revenue. Emergency levies have rate restrictions and are not subject to tax reduction factors.

Information from Ohio Department of Taxation	Ridgewood Local School District Levies				
	Tax Rate Mills	Before 20 Mill Adjustment		After 20 Mill Adjustment	
		Class I	Class II	Class I	Class II
Current Expense		Effective Tax Rate	Effective Tax Rate	Effective Tax Rate	Effective Tax Rate
Inside Mills	4.7	4.7	4.7	4.7	4.7
Outside Mills–Nov 1976	17.60	8.934481	9.706241	9.928512	9.892766
Outside Mills–Nov 1977	4.0	2.030564	2.205964	2.256480	2.248356
Outside Mills–Nov 1985	5.0	2.870790	3.114335	3.115030	3.158890
Bond Levy					
Outside Mills-Nov 1999	2.16	**	**	**	**
Outside Mills-Nov 1999	.5	**	**	**	**
Total Mills	33.96	18.535835	19.726540	20.000022	20.000012

Class I – Residential & Agricultural

Class II – Industrial & Commercial

** Not included for 20 Mill Floor Calculations

RLSD is collecting tax rate millage on the Effective Tax Rate (After 20 Mill Adjustment Column) even though tax payers have approved 26.60 Mills.

Ridgewood Local School District				
Types of Levy	Current Tax Rate (Mills)	Proposed Inside Millage Conversion	Factored in 20-Mill Floor Calculation	Subject to Reduction Factors
Inside Millage (Current Expense)	4.7	2.7	Yes	No
Inside Millage (Permanent Improvement)	N/A	2.0	No	No
Outside Mills–Nov 1976 (Current Expense)	17.60	17.60	Yes	Yes
Outside Mills–Nov 1977 (Current Expense)	4.0	4.0	Yes	Yes
Outside Mills–Nov 1985 (Current Expense)	5.0	5.0	Yes	Yes
Outside Millage Nov 1999 (Bond)	2.16	0 2022 CY End	No	No
Outside Millage Nov 1999 (Bond)	.5	0 2022 CY End	No	No
TOTAL MILLS	33.96	31.3		

CY – Calender Year

Proposed Inside Millage Conversion would Begin CY 2023 (if approved by Board of Education)