

## UNDERSTANDING TAX CALCULATION

### Tax Calculation 2009-2010

### (Spencer residential property example)

<p><b>Assessed Value</b> 153,070</p> <p><b>X Roll Back Factor<sup>8</sup></b></p> <p><b>= Net Assessed Value</b> 69,783</p> <p><b>- Military Exemption</b> 0</p> <p><b>= Taxable Value</b> 69,783</p> <p><b>X 2009 Levy Rate</b> 33.5135600</p> <p><b>= Gross Taxes Due</b> 2,338.68</p> <p><b>- Homestead Credit</b> 118.65</p> <p><b>- Ag Land Credit</b> .00</p> <p><b>- Family Farm Credit</b> .00</p> <p><b>- Elderly Credit</b> .00</p> <p><b>- Future Payments</b> .00</p> <p><b>= Net Taxes Due<sup>9</sup></b> 2,220.00</p>	<p>The assessed value is set by the assessor. The assessed value is multiplied by a rollback factor resulting in the Net Assessed Value.</p> <p><sup>8</sup>The rollback factor varies for each parcel, consequently it is not possible to display a single rollback percentage. (The County Auditor can supply the actual rollback(s) for each parcel.)</p> <p>The Military exemption (<a href="#">eligibility requirements</a>), if any, is subtracted from the Net Assessed Value giving the Taxable Value.</p> <p>The Levy Rate (%) is set annually by the state. Gross Taxes Due are calculated by multiplying the taxable value by the Levy Rate.</p> <p>From the Gross Taxes Due several credits may be given. These include the <a href="#">Homestead Credit</a>, Elderly Credit (determined by income), Agriculture Land Credit, and the <a href="#">Family Farm</a>, (percent of value) credits.</p> <p>Finally, any future payments are subtracted from the Gross Taxes Due. This yields the Net Taxes Due which are rounded to the nearest even dollar. Taxes are payable in two installments due on Sept 30, 2009 and on March 31, 2010</p>
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