

Information about Revenue Neutral Notifications

What is Revenue Neutral?

Revenue neutral is when a taxing jurisdiction budgets the exact same amount of property tax revenue, in dollars, for the upcoming budget year as they did for the current year.

For example: If a taxing entity uses \$1 million of property tax revenue in 2022, being revenue neutral means they plan to only use \$1 million in 2023 as well.

If a taxing jurisdiction plans to use more property tax revenue in the next budget year compared to the current year, even \$1 more, they would exceed revenue neutral and need to hold a public hearing.

What is the Revenue Neutral Rate (RNR)?

The revenue neutral rate is the mill levy rate used to generate the exact same amount of property tax revenue as the year before, using the current tax year's total assessed valuation.

Why are we letting you know about the taxpayer notification form?

Due to new law in place to promote transparency, we want to help property owners understand the notification. The notification is sent to explain each jurisdiction's intent (or non-intent) to exceed revenue neutral (use more property revenues than the year before).

What do I need to do?

This is not a bill. No action is needed at this time. This notification is for information purposes only. If you would like to attend a public hearing to learn more, please see the schedule on the front page of this notice.

Will my property taxes increase as much as my appraised value increased?

Property values are simply a reflection of property sales in the local real estate market and/or improvements or changes made to an individual property. When property values increase, that does not necessarily mean more property taxes will be assessed. In essence, the valuation of property determines each owner's slice of the pie, but not the size of the pie.

Property taxes are determined by taxing entities such as local cities and counties, school districts, libraries, police, and fire departments when they determine yearly budgets.

Where can I find more information?

Please visit www.cowleycountyks.gov/taxesandassessments or call the Cowley County Clerk's Office at (620) 221-5494.