



# ALLEN PARK PUBLIC SCHOOLS

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*...an uncompromising commitment to excellence*

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## Summer Property Tax Levy Information

A public meeting was held by the Allen Park Board of Education on November 9, 2015 at which time consideration was given to adopt a resolution to impose a summer tax levy of all annual school property taxes, including debt service, on July 1 of each year. The Allen Park Board of Education unanimously adopted the resolution to institute the change in the manner in which school property taxes are collected effective July 1, 2016.

### ***Considerations:***

- The Allen Park Public Schools has collected school property taxes through the City of Allen Park Treasurer's Office twice per year – winter and summer – for many years.
- School Aid Funds from the State of Michigan are received in monthly increments, beginning in October of each year.
- As soon as the monthly increments are received, Allen Park Public Schools are in a financial position to meet all payroll and other financial obligations.
- In early fall, prior to the State's distribution of monthly State School Aid Funds, the Allen Park Public School District borrows funds through the State of Michigan School Loan Revolving Fund in order to meet payroll and other financial obligations. This comes at a cost to the district in interest as well as fees to facilitate the loan.
- The district pays approximately \$36,000 annually in interest through the State of Michigan School Loan Revolving Fund and approximately \$5,000 annually in fees to facilitate the loan, for an annual cost to the district of \$41,000.
- **In an effort to be fiscally responsible and further ensure that revenue directly benefits students and quality public education, the Allen Park Board of Education has determined that collecting school property taxes once a year will, over time, generate a substantial savings for the school district.**

### ***Points of Interest:***

- School property taxes for citizens living within the boundaries of the Allen Park Public Schools will *not* be increased.
- Basically the tax collection period changes from twice per year to once per year. All school property taxes will be collected during the summer. (Beginning July 1, 2016)
- The State of Michigan allows qualified senior citizens to have a Deferment of Summer Taxes which allows them to pay the summer taxes without penalty through February 14<sup>th</sup>. There is a form that would need to be completed and filed with the City Treasurer's Office every year by September 15 to request payment deferment.
- Beginning July 1, 2016 the City of Allen Park can accept partial payments from taxpayers. The City Treasurer is willing to make payment arrangements with taxpayers if necessary. This may certainly be a viable option for taxpayers who wish to establish a monthly budget.  
Note: A one percent per month penalty is assessed on any past due balance.
- Low income residents can go to the City Board of Review for a hardship. If qualified, the taxable value is reduced.
- Taxpayers will receive their winter tax statement in December 2015 per usual.
- Since this tax collection change goes into effect July 1, 2016, the summer tax statement citizens receive will reflect school property taxes for a one year period.

***Please see the attached "sample tax statement" which will further illustrate the change.***