



## Frequently Asked Questions Millage Rate Public Hearings

**Q: Why can't the school district reduce its spending to prevent a tax increase?**

**A:** Bulloch County Schools strives to be a good steward of its resources; however, this tentatively approved millage rate increase is necessary to keep the school district in compliance with Georgia law (OCGA 20-2-165) which requires school systems to maintain a minimum equivalent millage rate of **14 mills** of maintenance & operations property tax or otherwise lose Equalization Funding which is part of the state funding formula for school systems. If Bulloch County Schools does not maintain the required minimum equivalent millage rate of 14 mills, its future equalization funding of \$7.4 million could be at risk.

It comes down to basic mathematical formulas:

- The Bulloch County Board of Assessors' Annual Assessment of Taxable Property resulted in a rollback millage rate of **7.304 mills**.
- Bulloch County Schools receives Bulloch County's Local Option Sales Tax (LOST), which has an imputed millage rate of **5.22 mills**.
- Bulloch County Schools' (M&O) Millage Rate plus the imputed Local Option Sales Tax (LOST) millage rate makes up the school district's total millage rate, and it must equal at least 14 mills.
- The school district is unable to do a full rollback of its current **8.263 Maintenance & Operations (M&O)** millage rate to the 7.304 mill rollback rate and remain compliant with state law.
- The state's required **14 mills** less the imputed LOST millage rate of **5.22 mills** as determined from 2022 revenues **equals 8.478 mills**. The 8.478 mills is higher than the prior year's 8.263 mills and, thus, represents an increased millage rate. Reducing the school district's Fiscal Year 2024 Budget would not alter this mathematical formula.



**Q: Why does the Board of Education get Bulloch County's Local Option Sales Tax?**

**A:** There are seven counties in Georgia, including Bulloch County where the revenue from the county's original Local Option Sales Tax, goes to the public school systems' operating budgets. This has existed in Bulloch County for more than 40 years and the imputed rate of the Local Option Sales Tax revenues makes up part of the school district's overall millage rate. Because of these tax revenues, which come from non-property owners and non-residents as well, Bulloch County Schools has one of the lowest Maintenance & Operations millage rates in the state.

**Q: Why doesn't the Education Special Purpose Local Option Sales Tax (E-SPLOST) IV and V that we voted for prevent the millage rate from going up?**

**A:** The Education Special Purpose Local Option Sales Tax (E-SPLOST) is a referendum voted and approved by the Bulloch County voters in which one percent is added to the local sales tax for the purpose of funding building and renovation projects for school facilities that would otherwise require financing through increased property taxes. The School District works under the direction of the School Board and its superintendent. Projects selected for E-SPLOST funding are approved by the Board of Education and listed in a referendum that is placed on the ballot for voters. The approved E-SPLOST IV & V funds may only be used for the purposes set forth in the referendums that voters approved. Having an E-SPLOST in place does not alter Georgia law (OCGA 20-2-165) requiring school systems to maintain a minimum equivalent millage rate of 14 mills of maintenance & operations property tax or otherwise lose Equalization Funding.

**Q: Why are major industries who locate in Bulloch County allowed to be exempt from school taxes?**

**A:** Bulloch County does not exempt industries from paying school taxes.