

Property Taxes in Mason Township And Where They Go



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Where do my property tax dollars go?

The information and examples herein are based on the calendar year 2014 summer and winter tax rates, and levies for all taxing units. Please review the entire document.



Who gets my property tax payments?

Your taxes support many different efforts and services. Mason Township collects property taxes for a number of governmental entities. In fact, in 2014, out of every dollar you pay in property taxes at Mason Township, the Township keeps less than \$.03 and passes the other \$.97 cents on to others.

Who gets a share of my taxes?

All of the following get a share of your tax dollars:

Cass County Allocated	E911 Central Dispatch
Council on Aging	Mason Township Allocated
Cass District Library	Southwestern Michigan College Operating
Drug Enforcement	State Education Tax

And, depending in which school district your property is, a share goes to:

Edwardsburg School Debt	Lewis-Cass Intermediate School District Allocated
Edwardsburg School Tax	Lewis-Cass Intermediate School District Operating

OR they go to:

Constantine School Debt	Constantine School Tax
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OR

White Pigeon School Tax	White Pigeon School Debt
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And,

St. Joseph Co. Intermediate School District Allocated
St. Joseph Co. Intermediate School District Operating

Why do I get two tax bills?

Some taxes are collected in the summer and some are collected in the winter. The example included is for both summer and winter. Currently only the Cass County Allocated and the State Education Taxes are collected in the summer. Unlike Indiana, they are not split evenly into two payments. It is our understanding that starting in 2016 taxes will be phased into one annual bill.

How are my property taxes figured?

Keep three terms in mind when trying to understand your property taxes:

True Cash Value: This is the amount (value) that the assessor says your property is worth. In other words, it is the amount that the assessor believes you could sell your property for.

Assessed Value: By Michigan law, the assessed value is one-half ($\frac{1}{2}$) of the true cash value.

Taxable Value: By Michigan law, your property taxes have been capped (brought to a limit) and cannot increase faster than other economic factors such as the rate of inflation. Some properties have been capped since the law went into effect. The cap is removed when a property is sold or transferred to another party. Once a property is purchased and the cap removed, future increases will also be capped. This also leads to confusion as properties with similar true cash values can have very different taxable values.

For example: If the assessor says your home would sell for \$100,000, your assessed value would be \$50,000. Your "taxable value" would be the same or less - but never more. Your taxable value may be less depending on how long you have lived in the home. That is because state law caps "taxable value". This means taxable value cannot increase faster than other economic factors and results in your taxable value being less than the assessed value.

What is a Principal Residence Exemption?



This was called a "Homestead" Exemption. Now it is called a "Principal Residence" Exemption. This is a break on your taxes paid for school operating mills, only on your principal residence - where you live. A person with one home has only one "principal residence;" a person with two or more homes still can only have one "principal residence" that receives the exemption for school operating mills. For most people this exemption reduces their taxes significantly. In Mason Township, local public school operating mills can total up to 18.0000. This amount is subtracted from the total mills to be paid.

Can I figure my own property tax bill?

Yes, you can figure your own property tax bill. To do this you will need to know your taxable value and the number of mills levied as a tax. Then you can figure your tax bill.



What is a mil?

Taxes are levied (imposed on property) as mills. A mil is one one-thousandth of something - in this case one one-thousandth of your taxable value.

How do I figure my property tax bill?

Now that you know the number of mills and your taxable value, to figure your tax bill use this formula: Take the taxable value of your property and divide that by 1,000. Then multiply that by the number of mills for each tax, or the number of total mills. The result is the amount of your property taxes.

Follow the four easy steps below.

For Example: Say your home has a taxable value of \$47,000.

Step one: Divide \$47,000 by 1,000. This equals \$47.00.

Step two: Multiple \$47.00 times the number of mills - 42.2879 for Edwardsburg School District 2014 summer plus winter property tax bills (45.8845 for Constantine School District, and 43.0845 for White Pigeon School District).



Step three: Add one percent (1%) of the above total for the Administration Fee that goes to Mason Township.

Step four: There you have it! Your Winter Tax Bill (without a Principal Residence Exemption) will be \$1,987.53, plus \$19.87 Administration Fee, or \$2,007.40. If this property is your principal residence, the bill is less the 18.0000 mils for the Edwardsburg School Tax, and will come to just \$1,152.94.

A breakdown of where it goes

From our example of a home with a taxable value of \$47,000:

Summer 2014 Tax Rates and Levies

	<u>Mils</u>	<u>Dollars</u>
County Allocated	4.63590	\$ 217.89
State Education Tax	6.00000	<u>\$ 282.00</u>
		\$ 499.89
Administration Fee		<u>\$ 4.99</u>
Total Summer Tax Bill		\$ 504.88

Winter 2014 Tax Rates and Levies

	<u>Mils</u>	<u>Dollars</u>	
E911 Central Dispatch	0.20000	\$ 9.40	
Council On Aging	0.90360	\$ 42.47	
Cass District Library	0.64600	\$ 30.36	
Drug Enforcement	0.48050	\$ 22.58	
Mason Twp Allocated	0.81220	\$ 38.17	OR - Constantine School
SEPSA Emergency Services	2.00000	\$ 94.00	Debt 6.8000 \$ 319.60
Edwardsburg School Debt	3.95000	\$ 185.65	Tax 18.0000 \$ 846.00
Edwardsburg School Tax	18.00000	\$ 846.00	
Southwestern College Oper	2.42800	\$ 114.12	OR - White Pigeon School
Lewis Cass ISD-Allocated	0.20260	\$ 9.52	Debt 4.0000 \$ 188.00
Lewis Cass ISD-Operating	2.02910	<u>\$ 95.37</u>	Tax 18.0000 \$ 846.00
		\$1,487.64	
Administration Fee		<u>\$ 14.88</u>	
Total Winter Tax Bill		\$1,502.52	

Of the \$2,007.40 this Edwardsburg School District taxpayer would have paid for the year, Mason Township would have received just \$58.04; or less than \$.03 of every dollar paid.

Possible additional assessments

Other special assessments that may be attached to your tax bill and become a lien on your property are: Delinquent Annual Sewer Assessments, Delinquent Monthly Sewer User Fees, and any Code Enforcement Fees for code violations not paid.

Can we make partial tax payments?

Mason Township accepts partial payments. If a balance is owing on February 28th, when the rolls are turned over to Cass County, it will be shown as delinquent and subject to penalty and interest.

This pamphlet contains excerpts from *Taxes in Bangor & Where They Go*, a publication by the City of Bangor, Michigan, who graciously gave us permission to use their information in 2006.

Prepared by:

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