



Kittitas County
Office of the County Treasurer
Brett Wachsmith, Treasurer

February 2018

McCleary – State School Funding

The following information is provided for taxpayers outlining the changes that are reflected on the 2018 tax statements as a result of a state mandated tax increase known as McCLEARY – STATE SCHOOL FUNDING (STATE SCHOOL PART 2). Variations in year to year valuations in the county including state utility valuations and open space land values will push these rates higher or lower accordingly. This information applies only to the State School Levy and Local M&O for basic education and does not include voter-approved bonds or facility levies.

The Washington Legislature recently passed House Bill 2242, an act to more fully fund basic K-12 education by reforming state and local education contributions. A new two-step funding mechanism will be put in place in 2018 and 2019.

Taxpayers can expect a sharp increase in the State Schools tax portion of their property tax bills for 2018, and a decline in their local school taxes the following year. Here's why:

Beginning in 2018, the State Schools levy rate on local tax bills will increase to \$2.70* per \$1,000 of assessed value (AV) and hold steady for four years. Existing voter-approved local school district maintenance and operations levies will remain in effect through 2018.

In 2019, local M&O levies will be renamed enrichment levies as the state picks up more of the basic costs. Enrichment levies are capped at \$1.50 per \$1,000 of AV or \$2,500 per student, whichever is less.

The change does not affect groups already taking exemptions such as senior citizens, nonprofits, and the disabled. Seniors who are currently in the exemption program will be exempt from the new State Levy McCleary – State School Funding (Part 2) and continue to be exempt from the local levies as well.

For additional information visit the Department of Revenue's Tax Topic page at dor.wa.gov/FundingEd. You may also call or email our office at (509) 962-7535, treasurer@co.kittitas.wa.us.

**Based on 100% market value. This figure is adjusted by the State to match 100% market value versus assessed value. Thus, figures will vary slightly from year to year.*