



## Your Taxes: Impact and Value

We are often asked if Land Bank acquisitions “take land off the tax rolls,” resulting in higher property taxes for other landowners. To answer this specific question, yes, but very little. To begin, the taxable value of Land Bank Preserves is less than one half of one percent of the total taxable property in the County (roughly \$55 million of the total \$12.49 billion). If this amount were added back to the total, and the tax rate adjusted to keep the total amount collected the same, it would reduce the annual tax on a \$500,000 property by \$10.00.

| ESTIMATE OF IMPACT ON TAXES OF LAND BANK PROPERTY OWNERSHIP |                                 |
|---|---------------------------------|
| CURRENT SITUATION   |                                 |
| Total taxable value in the County                           | \$12,490,694,086 <sup>1</sup>   |
| Average tax rate  | \$5.86 per \$1,000 <sup>2</sup> |
| Avg. tax per \$100,000                                      | \$586                           |
| Tax on \$500,000 property                                   | \$2,930                         |
| Total taxes   | \$73,229,162 <sup>3</sup>       |
| ADDING LAND BANK PROPERTY BACK TO TAX BASE                  |                                 |
| Taxable value of Land Bank property                         | \$55,000,000 <sup>4</sup>       |
| Total taxable value with LB properties added                | \$12,545,694,086 <sup>5</sup>   |
| Average tax rate to yield the same total taxes figure       | \$5.84 per \$1,000              |
| Avg. tax per \$100,000                                      | \$584                           |
| Avg. tax on \$500,000 property                              | \$2,920                         |
| Potential tax reduction per \$100,000 in value              | <b>\$2.00</b>                   |
| Potential tax reduction on \$500,000 property               | <b>\$10.00</b>                  |

<sup>1</sup> SJC Assessor / 2022 Statement of Assessments with taxes to be collected in 2023.

<sup>2</sup> Calculated based on 2022 Statement of Assessments (Total tax distribution/Total taxable value)

<sup>3</sup> SJC Assessor / 2022 Statement of Assessments with taxes to be collected in 2023.

<sup>4</sup> Estimated based on assessed values, adjusted to current market. Retains tax status of property when purchased, e.g., DFL, ag current use, etc. Does not include former DNR properties as they were already in public ownership. Actual estimate: \$51.2M rounded up to \$55M.

<sup>5</sup> This does not account for the impact on properties near Land Bank Preserves. Being near conservation land boosts property values by up to 20% according to multiple analyses. With Land Bank Preserves privatized the value of these properties would drop significantly, potentially even cancelling out the expected added value of privatized Land Bank preserves.