

A person called me last week complaining about the number of communication lines at First and Main Streets. They told me they wanted to see their county taxes put to a better use and address the problem. They emphasized their town should look better than that.

I informed them that county taxes were not at issue in this situation. In fact, Highlands operates on town taxes and utility rate payments, not county-wide taxes. I stressed that Highlands town residents pay both town and county taxes, but county residents do not pay taxes to fund Highlands unless they own property within the town limits. Nevertheless, the town will receive this year 1.5 million in sales taxes while the county will net about 18 million, with the state receiving the lion's share of the sales tax.

The caller with the complaint lived outside of the town and paid only county property taxes.

A day or so after taking the call, I received our property tax bill from Macon County. As I looked at the statement, I realized Sallie and my property tax bill might be informative to share since our house is valued right at 1 million dollars.

Let me go over the items on our tax bill. First, we pay a general county tax of 0.27 cents per \$100 of property valuation. That number came to be \$2,791. In other words, as county residents, we will pay that amount in taxes this year.

Because we live within the corporate limits of Highlands, our tax statement included another general tax line: a tax bill from the town. The county collects this tax for Highlands for a small service fee. The town tax is calculated at 13.22 cents per hundred. There was a 3-cent property tax increase in Highlands this year. Our previous town rate was 10.22. Please do not tell me, 'here we go again with another town tax increase!' There has not been a property tax increase in the town for the past 12 years, the last being 1.5% back in 2014.

Therefore, Sallie and I will pay \$1,366 in town taxes, about a \$300 increase. So, if you do not live in Highlands, say on Buck Creek or Flat Mountain, you get one general tax bill from the county and no bill from the Town of Highlands.

But county residents have access to the Highlands Recreation Department because the county gives the town \$550,000 per year to fund recreation. Nevertheless, the town's recreation budget is over \$1 million. Who funds that balance? The taxpayers of Highlands. Or put another way, Sallie and I pay for recreation on our county tax line and on our town tax line, a double whammy of sorts.

Also on our tax bill was a fire tax line where we were assessed \$304 for fire protection. All residents in the town fire district, which includes the incorporated and unincorporated (county) areas of Highlands Township, pay this same rate. It ranges from 1.91 to 2.94 cents

per \$100 of property valuation. This increase was necessary to continue keeping full-time firefighters and to pay for capital expenses.

On our property tax bill was a residential landfill fee of \$120, a fee all county residents pay. The fee helps keep down residential garbage rates for town residents.

Our total property tax bill for this year is \$4,582 for our \$1,033,900 tax-assessed home. Of course, homes of higher value pay more; for instance, a 2-million-dollar home would pay twice as much, etc. And everyone's property tax assessment is public information. Tax bills are due by January 5.

The county will use a revenue-neutral formula to calculate its property taxes this year. If a property has the same value after the revaluation process, the property tax will remain the same. If a property's value significantly increases, the property tax will reflect a tax increase. If it's a property that went down in value; less tax will be paid. Looking at areas in the county, the Highlands Plateau will see about an overall 20% increase in property values. Once again, we will carry an increased county tax burden.

The legendary US Supreme Court Justice, Oliver Wendell Holmes, once said, "Taxes are the price we pay for a civilized society." The county and the town have some of the lowest tax rates in the state.

What about all those communication lines that the caller was concerned about? State statutes allow communication companies to attach their lines to utility poles and to run lines to their poles that are allowed in state road right-of-ways. The town cannot stop what the state allows.