

Subject: Tax time.
August 10, 2022

We got it, you got it too! What? We have all recently received our Macon County 2022 Property Tax Notice, aka tax bill. The bills go out every August and are due by January 5th.

Often, I review what appears on the tax notices because some folks conflate the numbers into one bill and claim that is their town tax bill. The county tax office sends out one bill with both Highlands and county taxes. They basically collect taxes for the town for a small administrative fee. Therefore, three to four items are on a tax bill depending on where one lives.

Town residents have four items, specifically a bill for county taxes and an additional bill for town taxes. Folks living outside the town limits pay only county taxes. Everyone pays a landfill residential fee and the Highlands Fire District Tax.

I frequently stress that Highlands' residents pay the same taxes as all Macon Countians do. But much of the town's operations are in cooperation with Macon County. For instance, we all support the operation of the Macon County Landfill which is a bill appearing on everyone's tax notice. Also, both people living inside and outside the town limits pay taxes that support the Highlands Recreation Department; therefore everyone has full access to those programs.

Also, on the tax notice is a column that states the millage rate for the county property tax, as well as the Town of Highlands property tax. Currently, the county tax rate is 40 cents per \$100 dollars of valuation. For Highlands the rate is 15.65 cents. To be fair, one cannot compare the two rates. The county has many more service obligations, such as operating the Macon County Schools, the Macon County Health and Emergency Services Department, the Macon County Sheriff Department, as well as Macon County Social Services.

Macon County has a rather low tax rate when compared to some nearby counties. For instance, Transylvania County, with the county seat at Brevard, has a 60 cents tax rate per \$100 of valuation. I say that is a good comparison because the property valuation of both counties parallel one another.

Highlands for the most part has a low tax rate when compared to nearby towns because of our very high property valuations. In the last decade our tax rate per \$100 of property has gone down because of increasing property valuations. The town has adopted a revenue neutral policy to where the tax rate decreases as property values increase. With that said, in 2014 the town did have a small tax increase to address critical maintenance and improvements to the recreation facilities. After those improvements were made the tax earmarked for the recreation capital improvements was transferred to road paving improvements.

Everyone will also notice that their tax notice has a fire tax bill. Currently, the tax is at 3 cents per \$100 of valuation. It was recently raised from 1 cent to 3 in order to build the new fire station. The station will be paid for in 20 years but will be in service for 50 to 75 years. The Highlands Fire District still has a low tax rate when compared to other districts.

I bring the tax issues up because next year there will be a property tax re-evaluation that always gets folks' attention. Also, Macon Countians will be involved in how to finance a new high school in the coming months. Property tax rates and a quarter cent increase in sales taxes

will be on the table. I believe a property tax and sales tax increases have to be considered in order to insure our young people have access to a safe, accessible and an up-to-date education.