

# **Alton School Board promises to lower property taxes if sales tax referendum passes**

by Cory Davenport, Contributing Writer  
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**ALTON** - At its Tuesday, Feb. 21, 2017, meeting, the **Alton Board of Education** joined with several other local school boards in pledging to use as much as 50 percent of possible revenue to lower property taxes - if a one percent school facilities tax passes in the April 4, 2017 **Madison County** ballot.

**Alton School District Business Director Christopher Norman** said the **Alton School District** could receive as much as \$3.6 million from the proposed tax referendum. If it passes, many goods will receive a one percent tax increase in addition to the already-existing seven or eight percent sales tax. Several items, such as cars and farm implements, are exempt from the possible tax. If it passes, the Alton School District hopes to reduce property taxes by as much as \$0.26 for every \$100 of equalized assessed value (EAV), meaning a homeowner with a house worth \$100,000 could see as much as an \$86 drop in property taxes.

If it passes, Madison County school districts can expect as much as \$21-\$22 million a year in additional revenue. That money will go through the Department of Revenue (like all other sales taxes), which will take an administrative percentage, which Norman estimated at around two percent, before returning it to Madison County to be distributed to the school districts based on population. School districts representing at least 50 percent of the population of Madison County had to pass measures to place this referendum on the April 4, 2017, ballot.

The use of those funds would be restricted, even if the sales tax increase does pass. Norman said that additional \$3.6 million in possible revenue would be required for use in facilities - such as building maintenance and security systems. It can also be used, however, to pay debts taken by facility upgrades, construction and management - including the still-outstanding debt incurred by the construction of the new Alton High School.

"Those funds can only be used for facility type projects," Norman said. "They cannot be used for regular operations or payroll. we will use 50 percent of those funds toward our debt service, which would reduce our debt service."

Currently, Norman said the district is on a path to be completely debt-free within 11 years. He is also optimistic for the future of the district if the sales tax referendum passes.

"If it passes, and our debt is paid off on schedule, future projects could be paid with this instead of issuing bonds, which are paid by property taxes."

As an entity, the Alton School District cannot endorse the school facilities tax referendum.

"From a district perspective, the district cannot take a position, we can only give facts," Norman said. "I understand opposition, which comes out any time there is a tax."

Norman said such sales taxes are becoming more and more popular since becoming available in the State of Illinois within the last decade. He said 47 counties - nearly half the counties in Illinois - have already passed similar measures, with eight of them placing it on the Nov. 7, 2016, ballot. Of those eight, all eight approved the measure.

"We cannot say why a county did or didn't pass it," Norman said. ", we have a lot of interstate traffic from I-55 and I-255 coming through here. It is estimated 30-40 percent of the possible revenue will come from people passing through and not county residents. what it can do, when used the right way, it can shift some of that burden from property taxes, and it's not a fund the schools have to rely on the state for."

Norman said the possible tax is not a new tax and would be an addition to an already-existing tax. He said the Alton School District is one of several Madison County districts pledging to use at least 50 percent of the revenue to lower property taxes. Some districts, he said were pledging even more.