

Dear Richardson ISD Property Taxpayers:

By now, you should have received your property tax bill from the Dallas County Tax Office. If you are a homeowner, age 65 or older and have requested that your property taxes are frozen, your tax bill will remain the same as last year. All other taxpayers will notice an increase in this year's tax bill, and we feel it is important to inform you about what happens to the additional taxes you pay as your property values increase. ***We feel it is misleading for local taxpayers to write checks to our local school district when the majority of the funds attributable to property value growth actually benefit the bottom line of the State's budget.***

Transparency

As property values increase, property taxes increase. However, **RISD does NOT receive additional operating revenue from property value increases** beyond the first year because the State reduces their funding to RISD the next year. As a result, your payment of **increased school operating (M&O) taxes does not equate to more sustained operating dollars for RISD**. The increase in property taxes you pay actually reduces the amount of the State's contribution to RISD, allowing more dollars to stay in the State's General Fund for other expenses that may include items outside of education.

Your taxes

RISD levies two types of tax on property to fund RISD schools:

- Operations tax or M & O (Maintenance & Operations) tax is levied at \$1.04 per \$1,000 of property value and pays for the day-to-day expenses like teacher salaries, insurance, curriculum, transportation, etc.
 - The tax rate for operations (M&O) has stayed the same since 2008 at \$1.04.
- Interest and Sinking (I & S) tax is levied at \$ 0.35 per \$1,000 of property values and pays for capital expenses like school buildings, air conditioning and heating, roofs, computers, etc. *NOTE: RISD cannot use I & S taxes to pay for school operations.*
 - The tax rate for I & S increased from \$ 0.30 to \$ 0.35 because RISD voters approved the 2016 bond.
- The total RISD tax rate for 2016 is \$1.39 per \$1,000 of property value.

Property Value Increases

While rising property values benefit property owners in the long run, rising property taxes may be frustrating to many property owners. **RISD does not get the benefit of the increase in tax revenue from M&O taxes** for more than one year since the State reduces its funding to RISD the following year. This is important to note because one of [RISD's legislative priorities](#) is to ask the State to ***use all funds collected from local school districts M&O property taxes solely for the purpose of funding public education for PreK-12 public schools without reducing the State's contribution to public education funding.*** Keeping property value growth in education could mean raises for teachers, more tutors for struggling students, an increased focus on special education and gifted students, etc. **Effectively, the legislature uses your tax dollars to reduce the amount it would otherwise contribute to public education from other sources.**

Many of you will ask what you can do. Please, stay engaged during the upcoming legislative session and follow information we post online at www.risd.org, then contact your legislators when the issue of school funding is discussed to let them know you support keeping property value growth in education.

Thank you for your support. We will continue to keep you updated about this critical issue.

Sincerely,

Jeannie Stone, Ed.D.
RISD Interim Superintendent