



Inside and Outside Millage

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Schools in Ohio are Locally Funded Through Millage



Inside Millage

Inside millage is millage **provided by the Constitution of the State of Ohio** and is levied without a vote of the people. It is called inside millage because it is "inside" the law. Another name would be un-voted millage. The Constitution allows for 10 mills of inside millage in each taxing jurisdiction.

What to Know:

- The 10 Inside Mills provided by the State Constitution are split between multiple government entities.
- Each School District's inside millage is set by local jurisdictions and the amount varies by district.
- Milford Schools receives 3.3 of the 10 inside mills allocated under the Constitution.
- Milford Schools has another .5 of Inside Millage that was required to be set aside for Permanent Improvements to the Middle School, for a total of 3.8 Inside Mills.

Outside Millage

Outside millage is any millage "outside" the 10 mills that is provided by the Constitution of the State of Ohio. This millage is voted in by the public. **Another name for outside millage is voted millage.**

What to Know:

- Outside millage is voted on by community members and varies for each School District.
- Milford Schools has a total voted Outside Millage of 75, dating to 1976.
- However, because of HB 920, the amount collected cannot increase as property values increase.

The State of Ohio considers Milford Schools a “wealthy” district and our local funding share is 66%.

HB 920

- Passed in 1976
- Prevents a taxing jurisdiction, or school district, from receiving increased revenue from growth in the market value of property
- Because the majority of local funding (outside millage) doesn't keep pace with inflation, schools must continue to go back to the community for additional funds to provide the same level of service to students

Current

Home Value	Assessed Value (35%)	Effective Mills	Mill Factor	Property Tax Revenue
\$100,000	\$35,000	41.45	0.001	\$1,450.75

**With 39%
Increase***

Home Value	Assessed Value (35%)	Effective Mills	Mill Factor	Property Tax Revenue
\$139,000	\$48,650	29.82	0.001	\$1,450.75

**Amount
collected does
not change**

**Effective millage decreases
as assessed values
increase**

*Using average projected property increase provided by the Clermont County Auditor, September 2023

Most of Milford Schools Local Funding is Outside Millage

Inside Millage

11%

of Local Funding

No Reduction Factor
HB 920 does NOT apply.

Outside Millage

89%

of Local Funding

Applied Reduction Factor
HB 920 DOES apply.

Amount collected does not change as property values increase; effective millage decreases over time

Effect to Milford Schools Inside Millage as a Result of the Potential Property Value Increase (per \$100,000)



	Mills	Appraised Value	Assessed Value	Mill Factor	Total School District Revenue
General Fund	3.3	\$100,000.00	\$35,000.00	0.001	\$115.50
Building Fund	0.5	\$100,000.00	\$35,000.00	0.001	\$17.50
TOTAL	3.8				\$133.00 Annual Total \$11.08 Monthly Total

	Mills	Appraised Value	Assessed Value	Mill Factor	Total School District Revenue
General Fund	3.3	\$139,000.00	\$48,650.00	0.001	\$160.55
Building Fund	0.5	\$139,000.00	\$48,650.00	0.001	\$24.33
TOTAL	3.8				\$184.87 Annual Total \$15.41 Monthly Total

With an increase of 39%, the effect on inside millage will be:

\$51.87 Annual Change
\$4.32 Monthly Change

The amount collected for Outside Millage, which makes up 89% of the School District's local funding, does not change as Property Values increase.

State Legislation That Could Impact Property Valuations

- **HB 187**

- Would require the use of a ***three-year average*** for re-evaluating property values, resulting in real property valuations being based ***equally on the past three years*** (rather a 3-year lookback on sales with an emphasis placed on the most recent year's sales occurring closest to the tax lien date)

- **70 under 70 Plan**

- Would freeze current property taxes at the current levels for people older than 70 whose household income is less than \$70,000 annually.