

HENDRICKS

Tax caps hurt schools, eventually may

We in Hendricks County are blessed with a few of the most highly desired school districts not only in Indiana but the entire Midwest.

We are proud of our high expectations, inviting schools and supportive communities.

Our award-winning district in Avon has experienced unprecedented success while maintaining financial stability. This is the result of years of dedicated professionals, supportive parents and strong school leaders. With the start of the 2010-11 school year, never before have we as a community faced such challenges.

All Indiana taxpayers believe public entities should have controls on their ability to raise revenue through taxes.

Schools are no different. A law limiting property taxes in Indiana passed in 2008. These limits to property taxes are re-

ferred to as property tax caps.

Effective Jan. 1, property taxes have been capped at no more than 1 percent of the assessed valuation for residential homes, no more than 2 percent of the assessed valuation for rental properties and farms and no more than 3 percent for businesses.

The property tax caps are proposed as a constitutional amendment on the November 2010 ballot. Legislators had hoped that an increase in the sales tax, from 6 to 7 percent would help cover the education-

funding shortfall caused by the property tax caps. The recession has negated much of the planned replacement funding for educating our children.

Property taxes represent a reliable source of funding for schools — without which, educational programming and services would be reduced.

Among the possible outcomes:

- » Larger class sizes because there would be fewer teachers.
- » Bus transportation fees or no bus service.
- » Fewer academic and extracurricular programs.
- » Reduction or elimination of computer labs or technical support.
- » Reduction or elimination of staff and teacher training.
- » Reduced maintenance of buildings, grounds, equipment and technology.
- » Fewer options for students to access diversified programming and courses.

Tax caps also will reduce public services provided by cities, counties, townships and libraries.

There are three reasons property-tax caps do not belong in Indiana's constitution.

First, only 90 of Indiana's 92 counties are covered in the proposal. Two Indiana counties were exempt from this law (Lake and St. Joseph), therefore the constitutional amendment would not apply to all Hoosiers.

Secondly, with this feature becoming part of the constitution, it removes legis-

lative oversight. Future legislatures would have no authority to alter, regulate or adjust the implementation of property tax caps, thus circumventing the authority and responsibility of our state government officials.

Finally, this proposed amendment is too complex and the impact of its implementation is not fully known. This complicated system of funding public budgets is dependent upon many variables, including local assessments, competing interests of various taxing entities — such

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as cities, counties, library districts and townships asking for the same property tax dollars.

Property values are tied to the quality of a community's public education. From 8 to 20 percent of a home's value can be tied to the reputation of the school system; therefore a reduced investment in public education has the potential for reducing the value of the largest investment for many people: their home.

★ Timothy L. Ogle is the superintendent of the Avon school district.



Timothy L. Ogle
GUEST COMMENTARY