

## **THE TAX ATTACK**

### **Chapter XXI**

Why are Village real estate taxes so high? That was the question one resident asked after February's Tax Attack article. The questioner's belief was that Mayfield City School District ("MCSD") taxes are the culprit.

The simple answer is that in relative terms Village real estate taxes are comparable to those in our neighboring Cuyahoga County communities, i.e., Chagrin Falls Village, Mayfield Heights, Mayfield Village, Moreland Hills, Orange and Pepper Pike. While the components of the tax (schools, local government, county, library) differ between communities, in the aggregate Gates Mills tax per \$100,000 of market value is less than 2% above the average for the seven jurisdictions. And among the components, our school tax is the lowest—7% below the average.

It is true that Gates Mills students represent less than 5% of the MCSD student population. And the Gates Mills share of real estate tax revenue for the district is almost 15% of the total. The factors that contribute to this seeming imbalance are (1) private and parochial school enrollment from the Village and (2) Gates Mills property values among the highest in the County.

We should not forget that every community is obligated by law to provide a public school education for its resident children. We must also remember that MCSD is one of the highest rated systems in the State and that Gates Mills Village services generally go well beyond those offered by some others. And while Gates Mills Village voters consistently vote against school levies by a small percent (we represent only a small portion of school district voters), those levies as well as all the components of our real estate taxes have been voter approved.

The current tax environment is a charged one. We are all aware of the contentious budget debates at both federal and state levels and the almost certain adverse impact on local revenue that cutbacks will have. Given these realities, the price of any reduced governmental funding (and particularly state inheritance tax) will be reduced local services or increased taxes to sustain each locally determined menu of services.

Now is the time for each of us to consider fully and candidly where our priorities rest. Which existing services will we do without and which are we prepared to pay more to continue if that is the only option. The "no new taxes" and "no cuts to service" slogans must be abandoned in favor of an honest dialogue about our needs and our desires. Please convey your thoughts on these all-important issues to your decision makers.

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Treasurer and Tax Administrator