

ORLAND FIRE PROTECTION DISTRICT | Property Tax Abatement FAQ Sheet

What is a property tax abatement?

A property tax abatement is a reduction of property taxes granted by a governmental agency for a specified length of time.

Did the Board of Trustees approve a property tax abatement?

Yes, the Board of Trustees approved abating \$1.3 million from the district's property tax levy. The abatement means that for the year 2009, you will pay less for the OFPD portion of the tax bill than what was projected in our taxing ordinance. This is not a recurring abatement and is only applicable to the 2009 tax year at this time.

Why did the Board of Trustees approve a property tax abatement?

The District has revenue to pay the obligations from currently available funds and wished to alleviate the real estate tax burden on its residents.

Where did the currently available funds come from?

The funds being abated (lessened) is because our Board was able to hold the line on spending and conservatively hold our staff accountable to spending practices.

What's the difference between a property tax abatement and a property tax refund?

With a property tax refund program, property taxes are assessed and paid by the taxpayer. The governmental agency then issues checks back as a refund to the applicable taxpayers.

With a property tax abatement, the property tax bill is affected directly. So, the property tax bill is less than it could have been, the taxpayer is able to pay the reduced amount directly in his property tax bill and no additional refund is paid.

The difference is just how the property tax reduction is given to the taxpayers.

How will my property tax bill be affected?

You have probably already paid your first installment of property taxes for 2008. The first installment is simply calculated as half of the prior year's property tax bill. This did not include the abatement.

The calculation of the second installment of the property tax bill is more complicated as it includes CPI, abatements, expiration of TIFs, and changes in assessed valuation.

Based on our calculations and projections, the District's portion of your property tax bill will **decrease** from last year. For more information, **call (708) 349-0074**.