

CPU's Tax Levy: How It Affects Your Property Taxes

by John W. Elkin, Superintendent | March 7, 2025

A school district's **property tax levy** is the rate applied to property values for tax collection to help fund its budget. It is expressed as a rate per \$1,000 of taxable property value and is used to support school operations, staff salaries, building maintenance, transportation, and other educational needs. The levy consists of different components, including the general fund levy, management levy, physical plant and equipment levy (PEEL), and debt service levy, among others.

However, a school district's levy is **just one part of a property owner's total consolidated property tax rate**. Other local entities also levy taxes, including the county, city, townships, community colleges, and other special taxing districts (such as emergency services or utilities). Each of these entities sets its own levy based on budget needs, voter-approved measures, and state funding levels. The **total amount a property owner pays** is a combination of all these levies, making up the **overall property tax bill**.

So, while the district's portion of the tax levy may remain the same or fluctuate slightly, a homeowner's overall property taxes may still increase. This can occur if other taxing entities—such as the county, city, or special districts—(1) raise their levies, (2) the taxable value of your own property increases, or (3) voter-approved measures result in higher tax rates.

One major factor influencing the district's tax rate is the annual **State Supplemental Aid (SSA)**, which is set by the state legislature and signed by the governor to support school funding. The lowest percentage legislators have proposed at this year's session is **2.0%**. When this article was written and the district submitted its proposed levy rate for **FY 2026** by the required deadline, the SSA had not yet been determined by the state legislature. As a result, the district used the **2.0% rate** as a baseline, since once a levy rate is submitted, **it can be lowered but not increased**.

For the **Center Point-Urbana CSD**, a **2.0% SSA** would result in a levy rate of **\$17.80 per \$1,000** of taxable property value—an increase of **\$0.02**. Last year, the Center Point-Urbana CSD **lowered** its levy rate by 14 cents, from **\$17.92** to **\$17.78**.

Please remember our final property tax rate will also be impacted by any decisions the legislature might make—those changes are out of the control of the district. Below is a history of CPU's levy rate along with this year's **proposed** rate:

