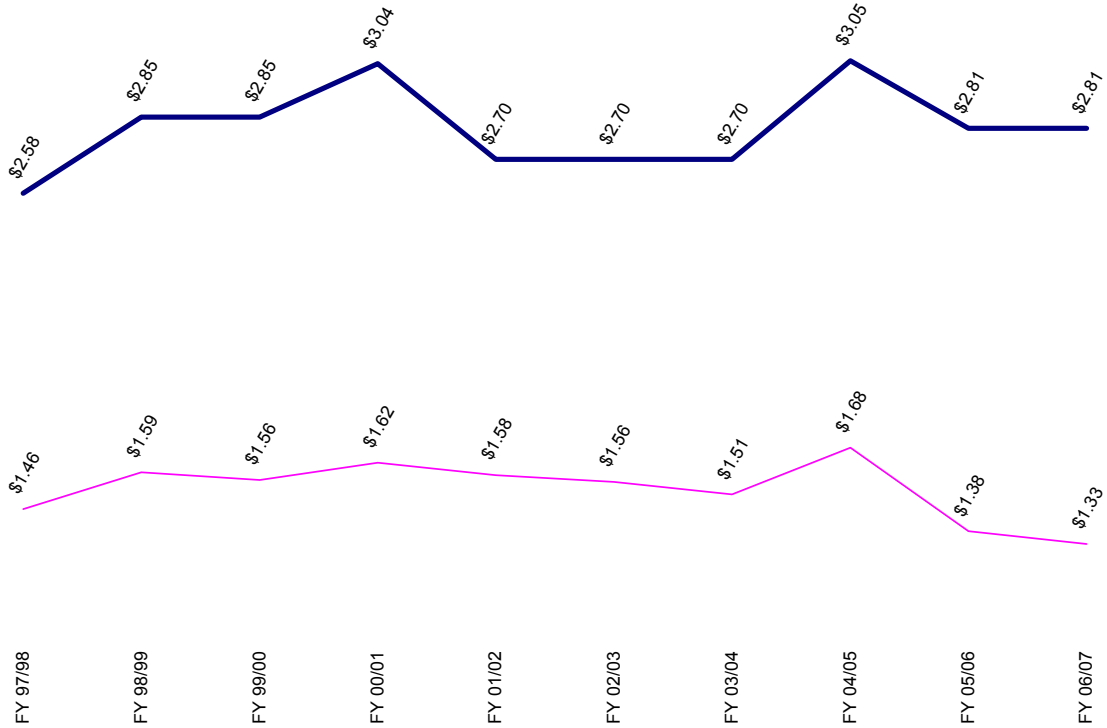


City of Knoxville

ADJUSTED/EQUALIZED TAX RATE

Fiscal Years 1997/98 – 2006/07



The above chart presents a ten year comparison of the actual (nominal) tax rate to the effective tax rate, that is, the tax rate after it has been adjusted for the effects of reappraisal by the Knox County Property Assessor and the impact of inflation. As can

be seen by the lower line, the effective tax rate has declined from \$1.46 in Fiscal Year 1997/98 to \$1.33 in Fiscal Year 2006/07. This means that the change in the tax rate has been slightly less than the rate of inflation and equalization