

Current Law Allowable Growth Percentage (AGP) and Alternatives

	Current Law - AGP	Alternative 1 - AGP Plus 0.9%	Alternative 2 - Repeal AGP ***
Property yield *	\$9,870	\$9,829	\$9,733
Income yield *	\$11,065	\$11,018	\$10,882
Estimated number of districts over threshold	127	106	24
Penalty revenue (millions) **	\$9.5	\$7.1	\$1.2

* A lower yield increases spending-adjusted homestead tax rates and a higher yield decreases spending adjusted homestead tax rates.

** Statewide, the penalty for per pupil spending over the allowable growth threshold results in a tax shift between districts, not additional revenue.

*** Under Alternative 2, the excess spending penalty under current law would remain in effect. In FY2017, the threshold would drop to 121% of average per pupil spending in FY2014 adjusted for inflation - or \$16,905 per pupil.