

Proposal Basics

Goal: Make education funding simpler and increase cost containment while remaining *Brigham* compliant.

-Establish a per pupil Base Spending Amount (BSA) that is supported by a \$0.50 statewide homestead base tax rate.

-For district pupil spending beyond the BSA, an equalized statewide property yield would be used to determine a district's additional rate.

Example: Assume a BSA of \$13000 and a property yield of 4500

District spends \$15,447 per pupil.

District homestead tax rate: $\$0.50 + 2447/4500 = \1.04

Under the existing, this district's rate would be \$1.57

Other Changes:

-100% of sales tax will be directed to the Education Fund

-A much smaller GFT on a per pupil basis, with a different inflator

To Be Determined

-This proposal eliminates current income sensitivity. A replacement is needed so that the education tax burden is not shifted onto an income group. My research indicates that a new income sensitivity mechanism should be done at filing, and applied to property tax bills.

-Should municipalities continue to bill for education taxes? Would this be more effectively administered by the State?