

Dan Albrecht
51 Proctor Avenue
South Burlington, VT 05403

Date: February 21, 2018
To: House Ways and Means Committee

Dear Committee members:

I write to you to ask that you address the unequal tax treatment engendered in the use of "choice tuition" dollars going to fund education at private schools both within and outside of Vermont.

The simple point is this: tuition dollars paid on parents' behalf for their child to attend a private school are essentially a tax-free gift of thousands of dollars to that family.

What is even more galling is that this ~\$15,000 per child gift comes from all Vermont taxpayers at a time when school taxes keep rising.

I realize, however, that the whole tuition / choice system is a big policy mess and can't be changed over time. I would ask however that you treat this "per-pupil tuition" for what it is. **I humbly offer the following suggestions.**

Tuition (choice) dollars for use at private schools are income and need to be treated that way

- 1) parents who use "tuition" dollars to send their child to a private school must report this value (currently about \$15,000 per child) as income on state tax returns.
- 2) parents who utilize "tuition" dollars to send their child to a private school may not claim a Property Tax Adjustment regardless of their income.

Tuition (choice) dollars for use at private schools need to be ratcheted back

- 3) no tuition dollars shall go to parents who tuition their child to a private school outside of the United States, effective in SFY 19.
- 4) for parents who tuition their child to a private U.S. school outside of Vermont the maximum amount of tuition dollars is 50% of the per pupil amount.
- 5) for parents who tuition their child to a private school in Vermont the maximum amount of tuition dollars is 80% of the per pupil amount.

With regards to the proposed Income Tax changes to help fund education, here are some options to consider incorporating needed reform to the Public Tax Dollars for Private Schools conundrum.

- 6) homesteads/ homeowners who tuition their children to a private school outside of Vermont, shall not be eligible for a property tax rebate.
- 7) for homesteads/ homeowners who tuition their children to a private school in Vermont, the maximum property tax rebate shall be \$1,000.
- 8) Households with income of more than \$125,000 shall not be eligible to use tuition dollars to send their children to private schools.

Thank you for your consideration of these recommendations. I realize if fully implemented they would upset the rickety apple cart of private school funding in Vermont consisting of the legacy academies (St. Johnsbury, Burr & Burton, etc.), elite ski academies and various small schools that have been launched in recent years with some of them in particularly highly dependent on the private "choice" dollar subsidized by public tax dollars.

In summation, with the education funding crisis hitting ALL Vermont taxpayers, we simply can't keep using public tax dollars to fund private schools.