

H.846 Cost Containment Proposal

Achieve education cost containment by eliminating the excess spending threshold and changing how homestead tax rates are assigned, while remaining *Brigham* compliant

Three District FY17 Scenarios

District spending LESS than the Base Spending Amount

Homestead Tax Rate = pupil spending/base spending amount

$$\text{Ex. } \$12,200/\$12,437 = \$0.98 \text{ } (\$1.26)$$

District spending the Base Spending Amount

Homestead Tax Rate = \$1.00 (\$1.28)

District spending MORE than the Base Spending Amount

Homestead Tax Rate = \$1.00 + yield/spending in excess of base spending amount

Ex. District spends \$14,000

$$\$1.00 + \$1563/4593 = \$1.34 \text{ } (\$1.44)$$

Ex. District spends \$17,000

$$\$1.00 + \$4563/4593 = \$1.99 \text{ } (\$1.75)$$