

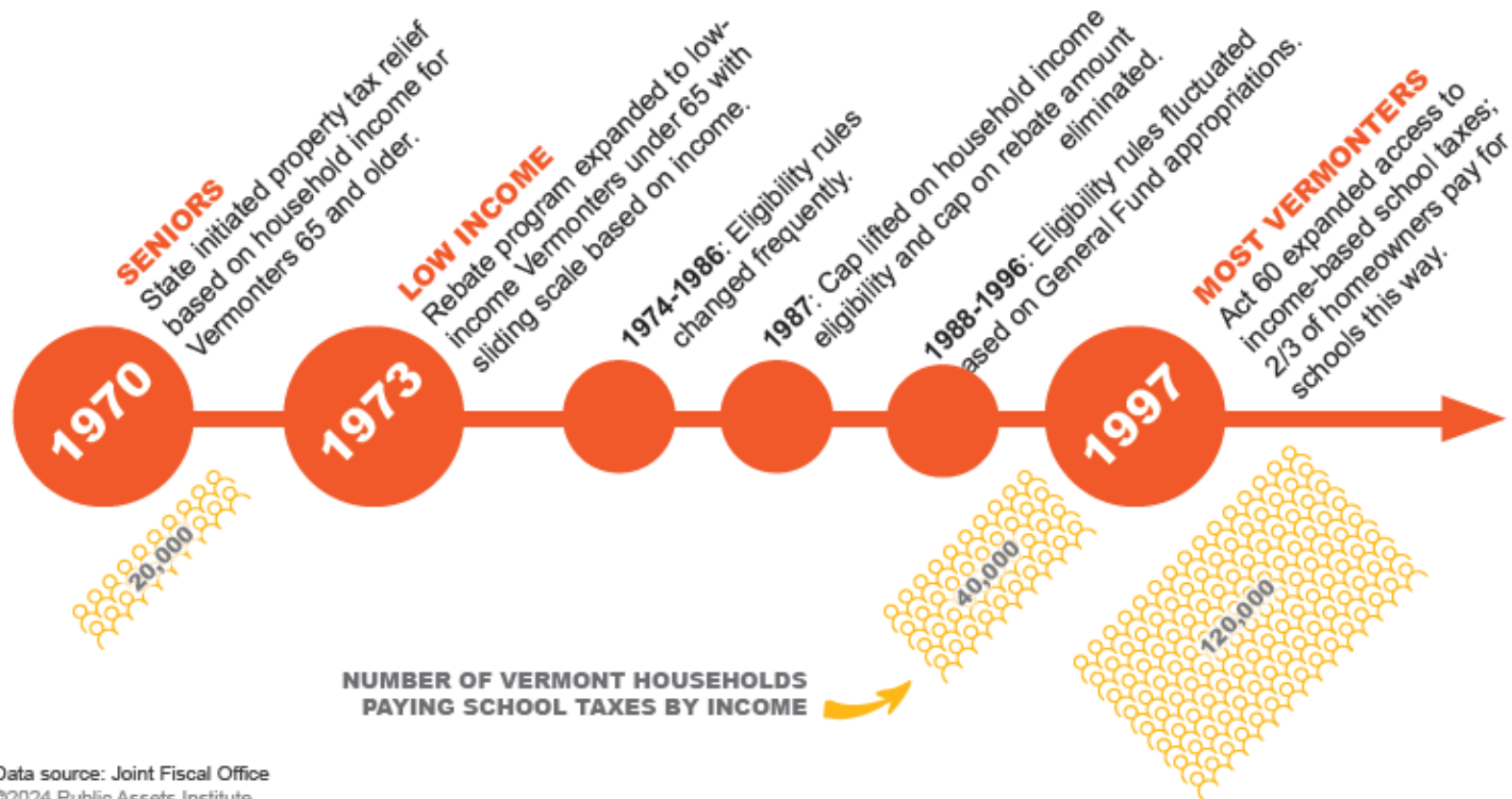
Vermont School Funding

Ensuring good schools and fair taxes

February 4, 2025

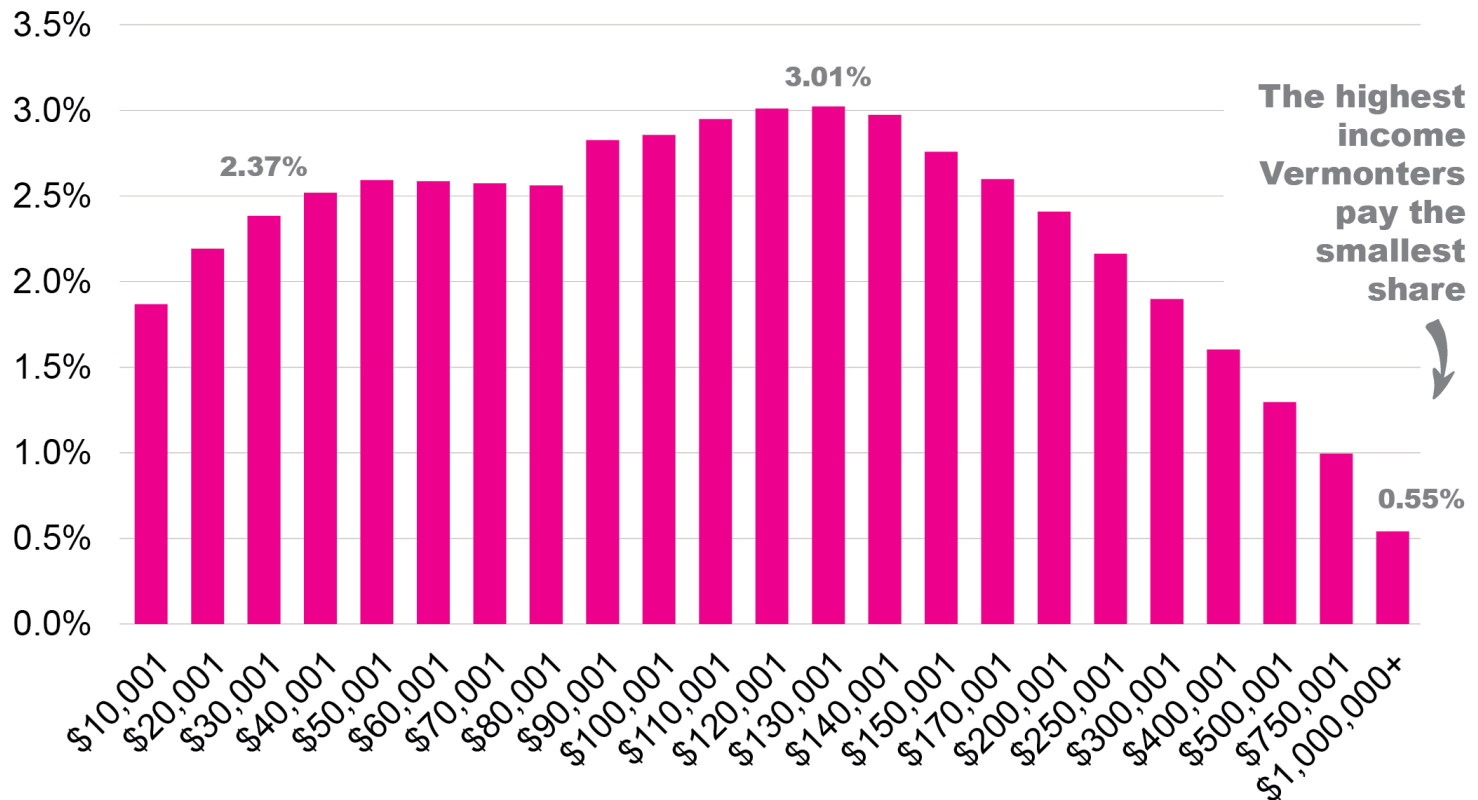


Vermont has been moving toward income-based school taxes for 50 years



Low- and middle-income Vermonters pay more in school taxes than high-income Vermonters

Education tax as a percentage of household income, 2017



Data source: Vermont Joint Fiscal Office
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How school taxes are calculated on housesites now

Household income	School taxes on:		
\$0 - \$47,000	Capped at .5 to 2% of income	+	Property value over \$400,000
\$47,001-\$89,999	HH income (FY25 rates 2.0%-3.3%*)	+	Property value over \$400,000
\$90,000+	The lower of:		
	HH income + property value over \$225,000	OR	Entire property value

*Note: The income and homestead property tax rates vary by town based on per-pupil spending.



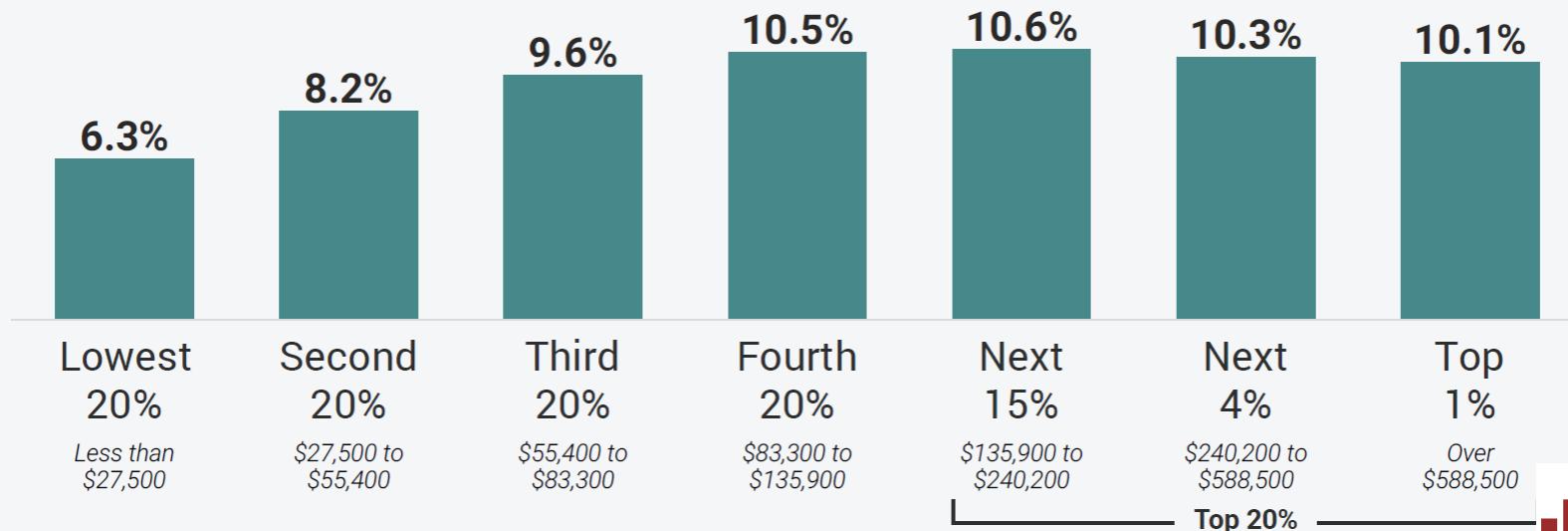
Vermont

Who Pays?

State and local tax shares of family income

Total Taxes

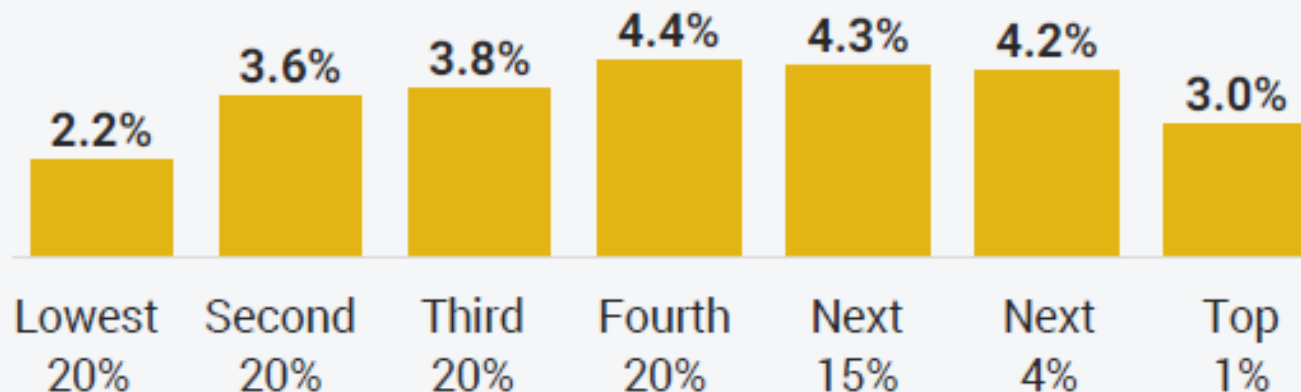
Share of family income





Property Taxes

Share of family income

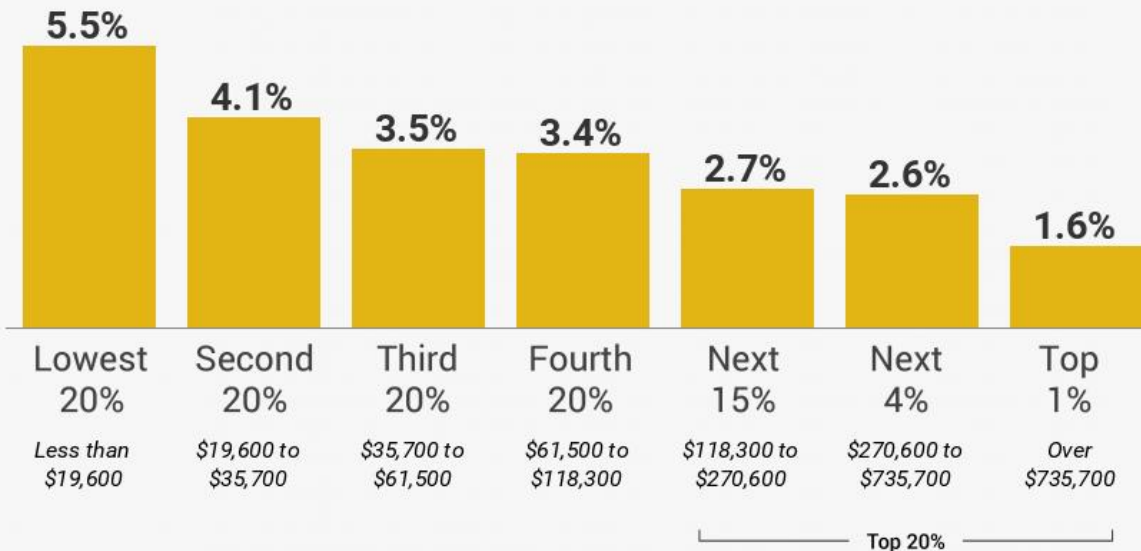


Florida



Property Taxes

Share of family income

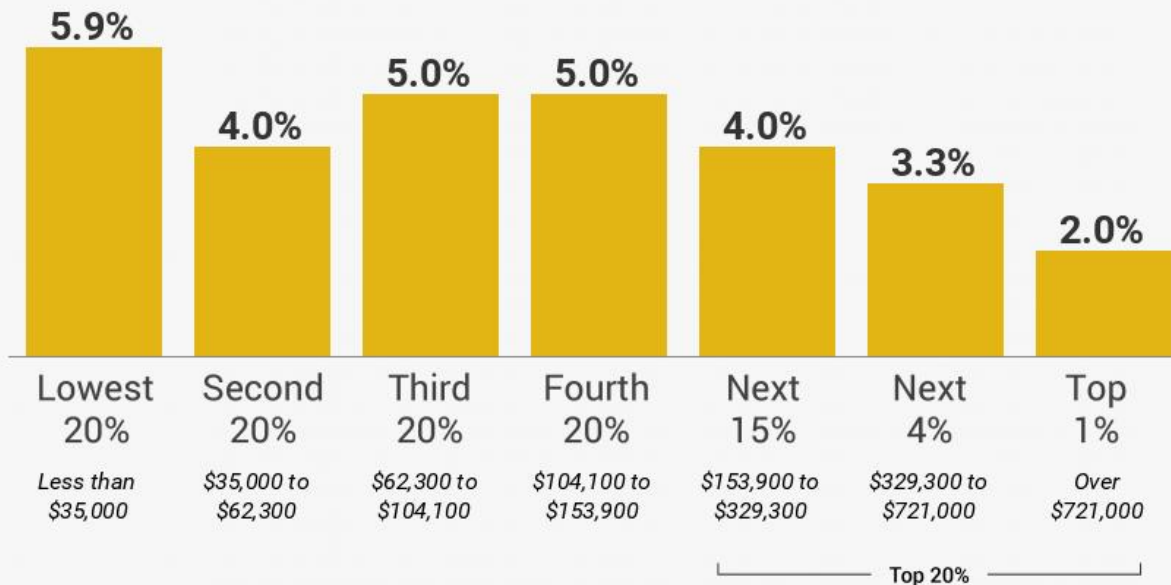


New Hampshire



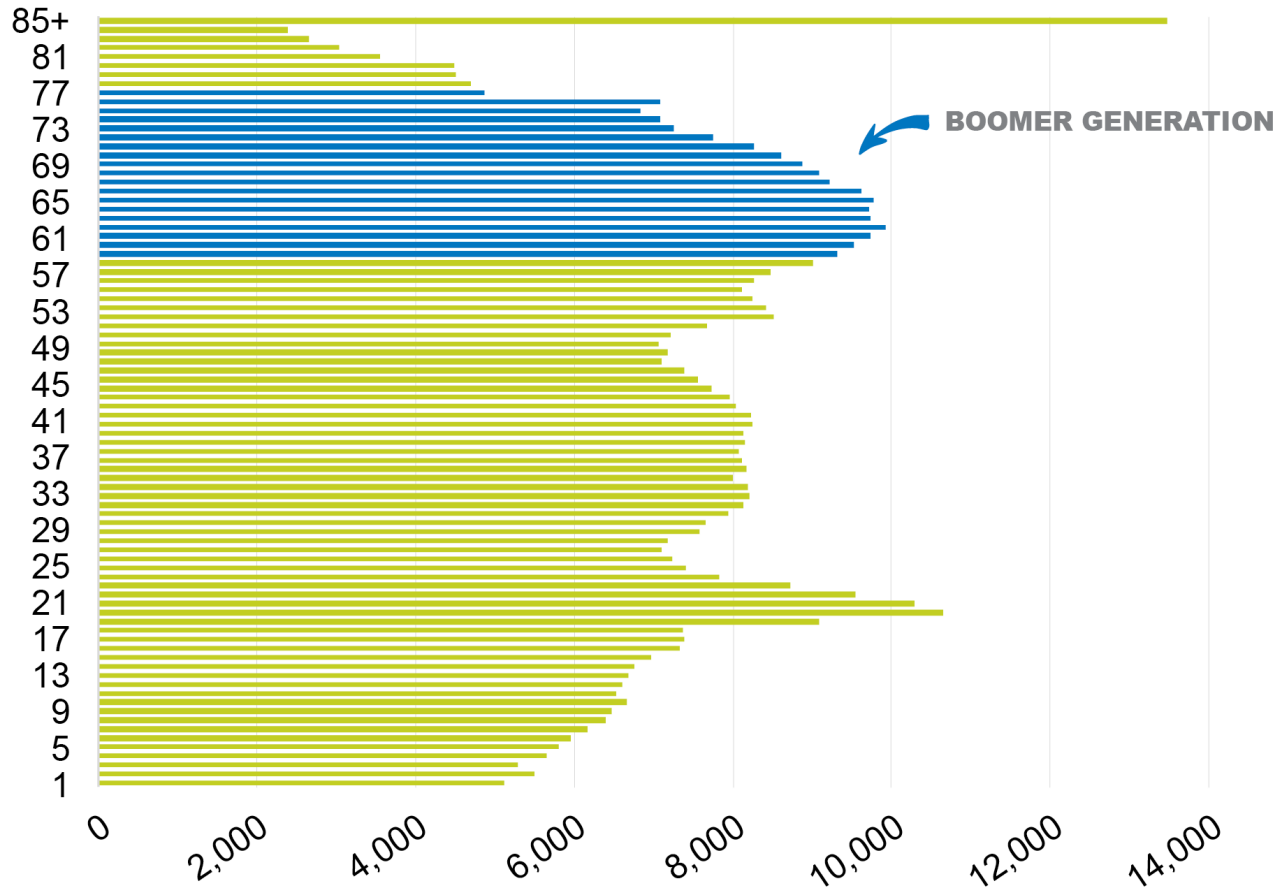
Property Taxes

Share of family income



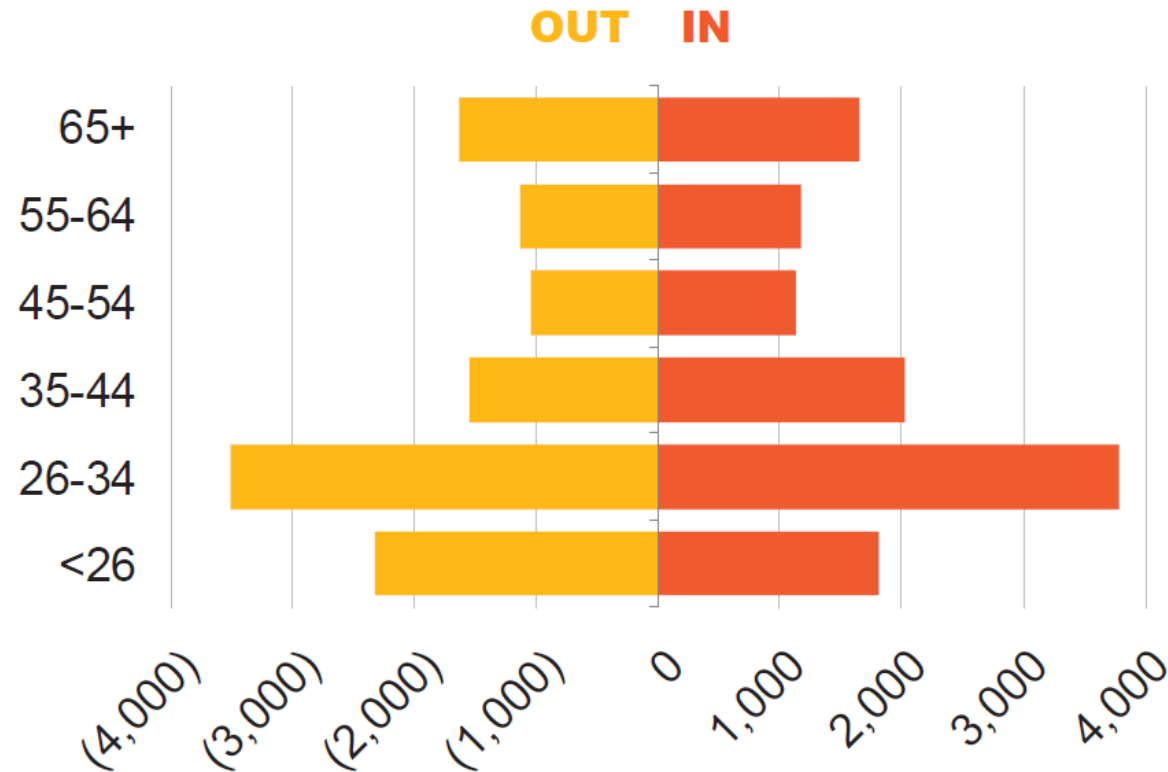
Most Vermont baby boomers are over 65

Vermont population by age, 2023



Migration to Vermont increased in nearly every age group

Number of federal tax filers who moved in and out by age group, 2021-2022



Vermont saw a net gain among higher-income filers, but lost filers with lower incomes

Number of federal tax filers who moved in and out, by income group, 2021-2022



Data source: IRS Statistics of Income
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