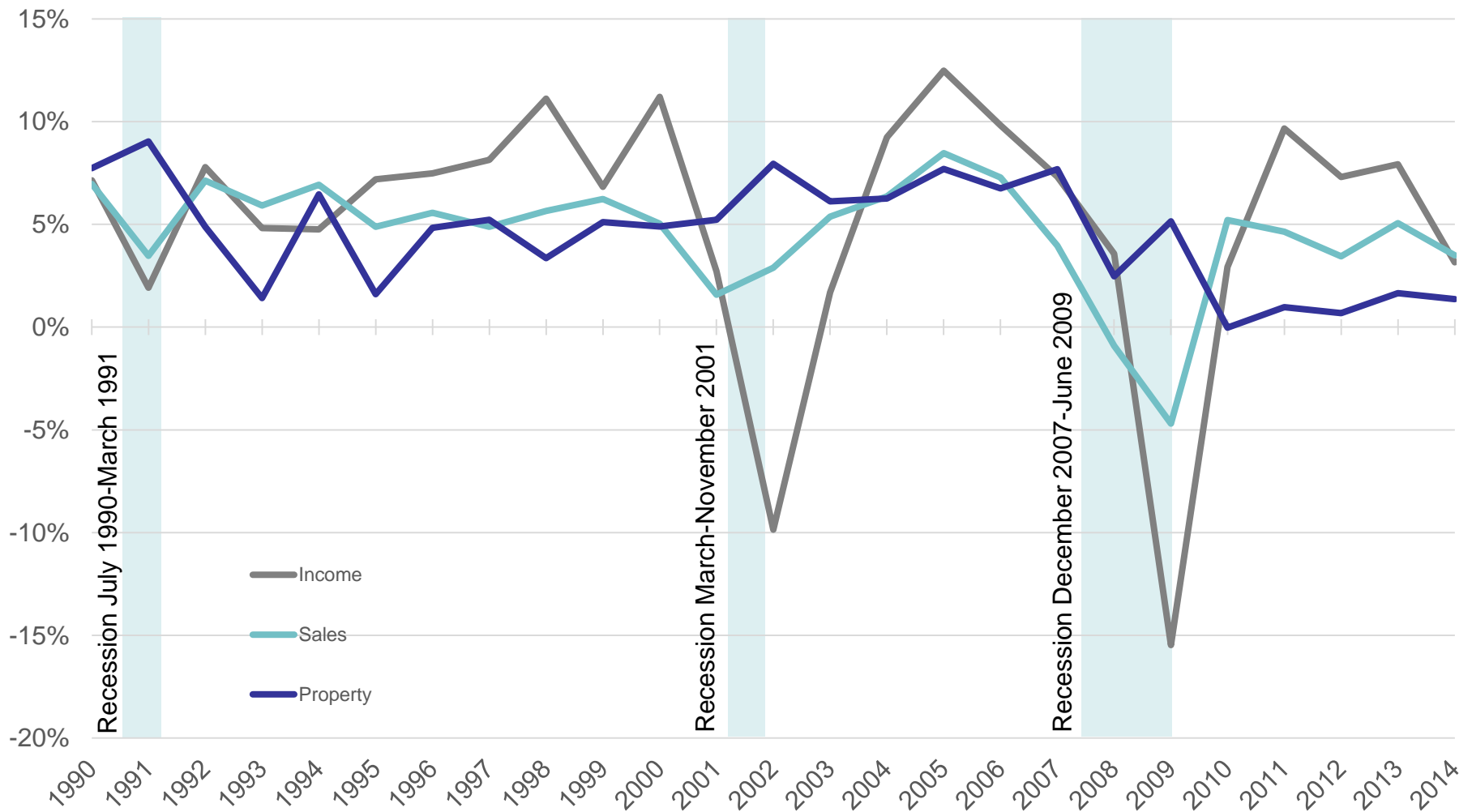


An Immovable Feast: The Sustained Role of the Property Tax in Financing K-12 Education

Fiscal Analysts Seminar
Wednesday, October 14, 2015

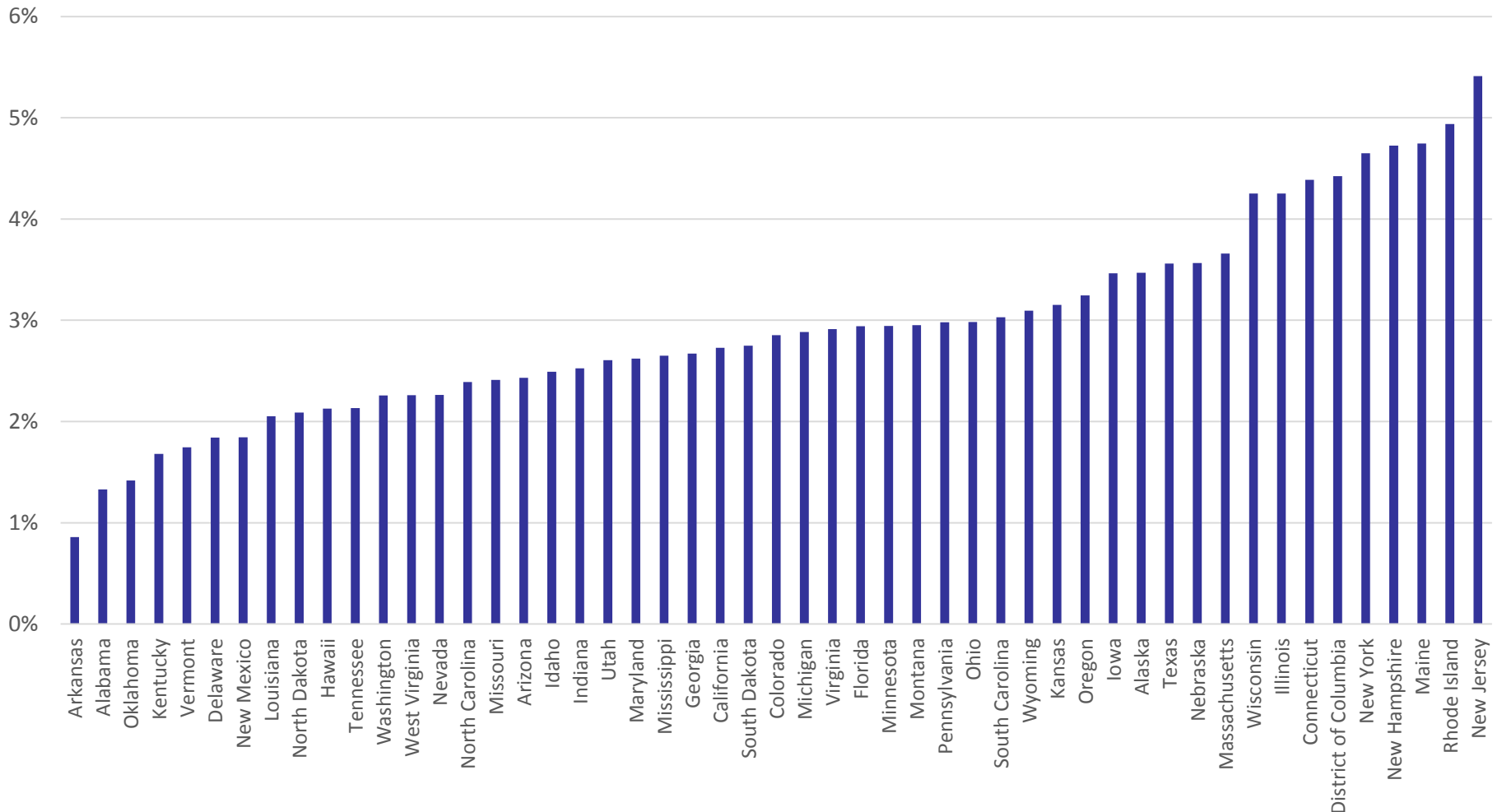
Daphne A. Kenyon
Fellow, Department of Valuation and Taxation
Lincoln Institute of Land Policy

Volatility of State and Local Tax Revenue, 1990-2014



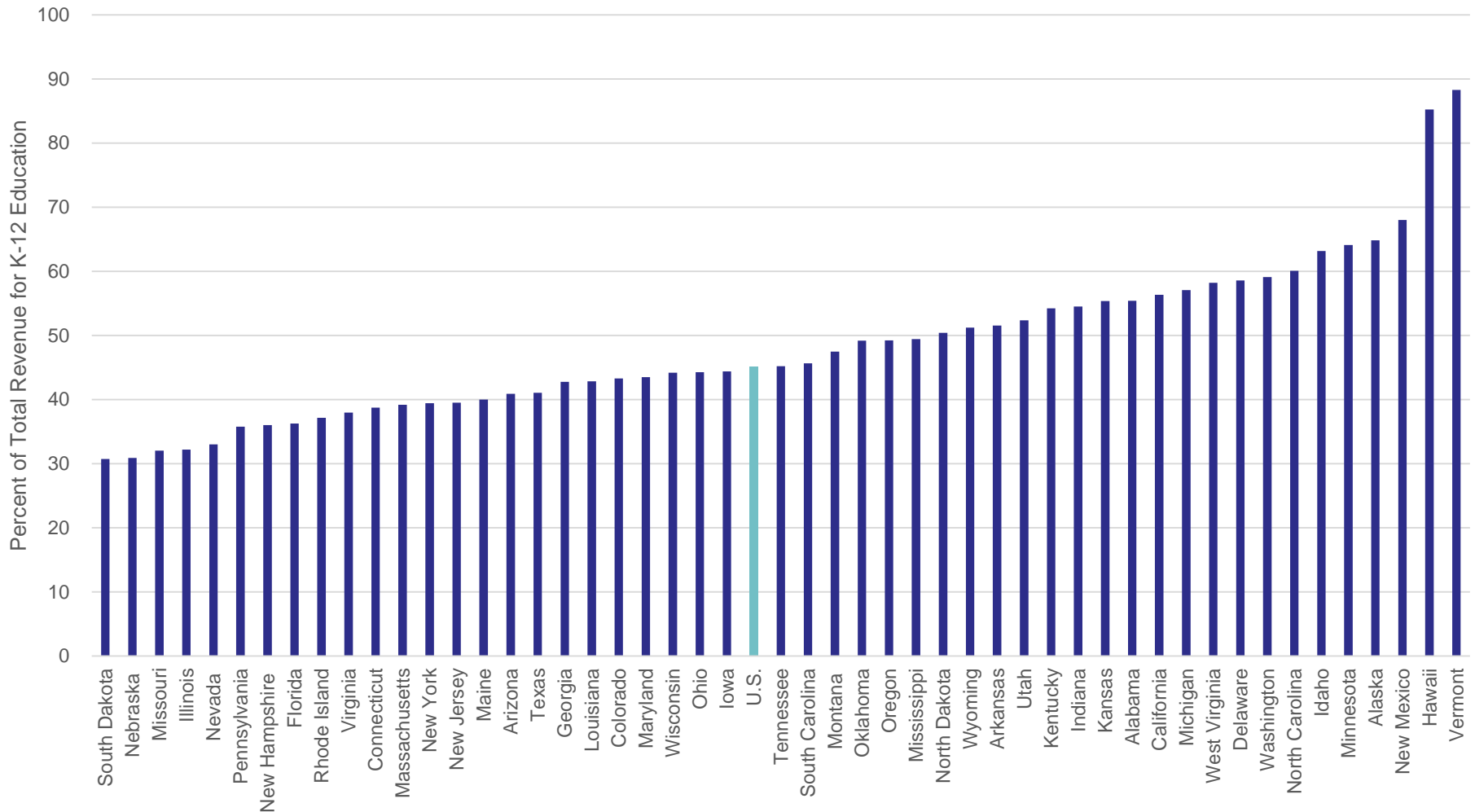
Source: Bureau of Economic Analysis

Local Property Tax Revenue as % of Income, 2013



Source: U.S. Census Bureau, *State and Local Government Finances*; Bureau of Economic Analysis

State Aid as a % of K-12 Revenue, 2011-2012



Source: National Center for Education Statistics (2015)

The Role of the Property Tax in Funding Public Education, by State, 2011-12

	Property Tax as a % of Local Revenue	Local Revenue as a % of Total Revenue	Local Property Tax as a % of Total Total Revenue
New Hampshire	95.6%	57.4%	54.9%
Connecticut	97.3%	56.1%	54.6%
Illinois	88.3%	59.6%	52.6%
New Jersey	94.3%	55.1%	52.0%
Rhode Island	97.3%	53.3%	51.9%
Massachusetts	94.1%	54.1%	50.9%
Average state	76.0%	41.7%	32.8%
Idaho	83.3%	23.3%	19.4%
Minnesota	64.0%	28.6%	18.3%
Louisiana	41.9%	39.8%	16.7%
Alabama	46.8%	32.8%	15.3%
New Mexico	80.2%	17.0%	13.7%
Alaska	56.9%	21.0%	11.9%

Source: Calculations using data from the National Center for Education Statistics, *National Public Education Financial Survey* Data, 2015. Available at nces.ed.gov/ccd/stfis.asp.

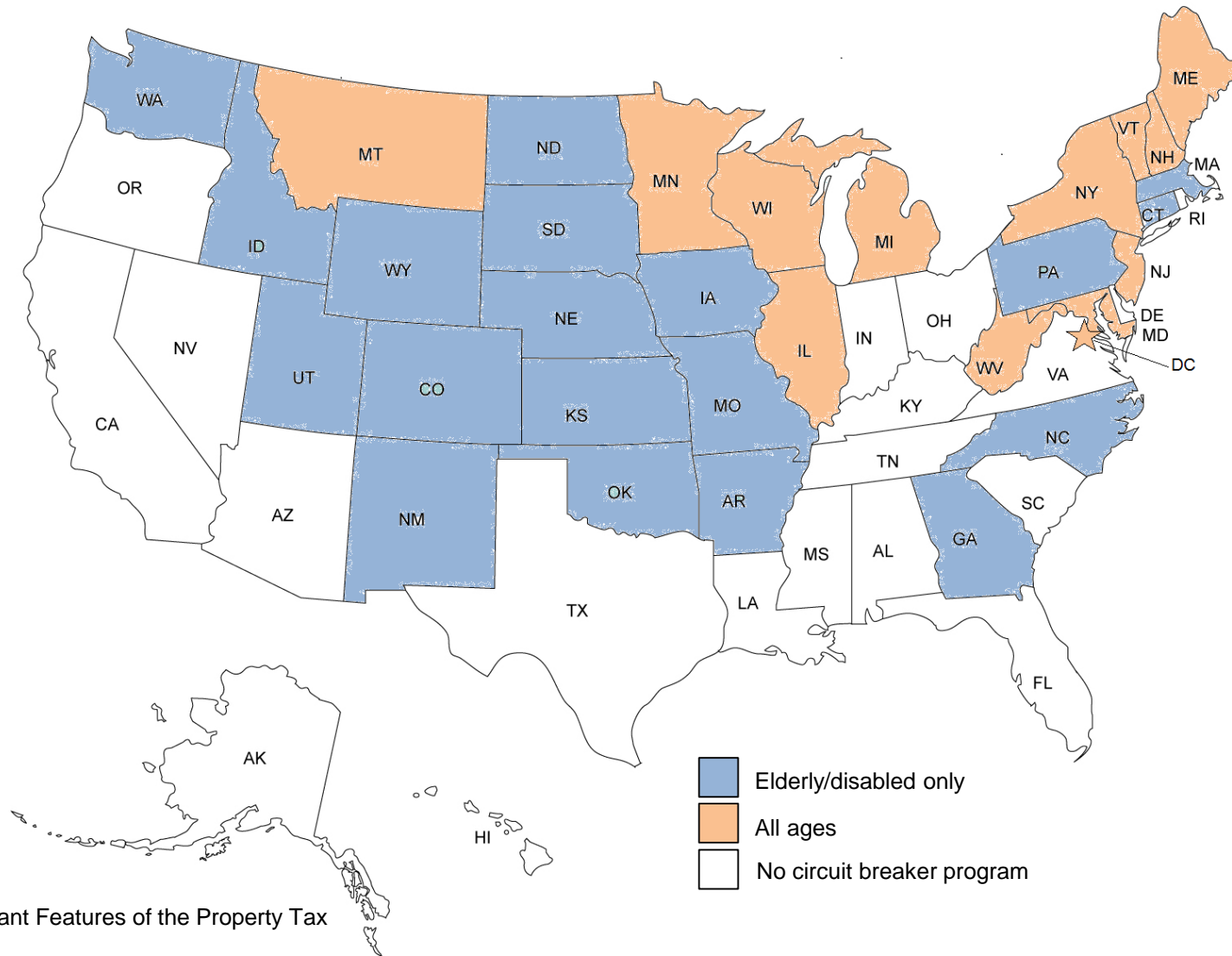
Percent Distribution of Local Public School Revenues, Selected Years, 1992-2013

	1991-1992	1996-1997	2001-2002	2006-2007	2013
Property Taxes	66.5	65.6	64.6	63.2	65.1
Other Taxes	1.8	2.2	2.7	2.8	3.1
Parent Government Contributions	17.2	16.6	16.9	17	17.8
Nonschool Local Government Contributions	2.6	2.3	2.4	2.2	3.0
Charges ¹	5.5	6	5.9	5.8	5.3
Other Local Revenues	6.4	7.3	7.5	9	5.7

¹ Charges include school lunch charges, tuition and transportation charges, and other charges.

Source: Coleman 2015 and U.S. Census Bureau (2015)

States with Circuit Breakers, 2013



Source: Significant Features of the Property Tax

Selected Resources

- Significant Features of the Property Tax (Database)
<http://www.lincolninst.edu/subcenters/significant-features-property-tax/>
- *Education, Land, and Location* (Book)
http://www.lincolninst.edu/pubs/2373_Education-Land-and-Location
- The Property Tax-School Funding Dilemma (Policy Focus Report)
http://www.lincolninst.edu/pubs/1308_The-Property-Tax-School-Funding-Dilemma

Selected Resources

- Local Government Finances During and After the Great Recession (Working Paper)
https://www.lincolnst.edu/pubs/dl/2443_1789_Langley%20WP14AL1.pdf
- Successful Property Tax Reform: The Case of Massachusetts (Online Course)
<http://www.lincolnst.edu/education/online-education/>
- Coming Soon: Property Tax in Ontario (Online Course)
<http://www.lincolnst.edu/education/online-education/>