

## Other States' Use of Statewide Taxation of Property to Finance K-12 Education

**Kansas** – Under the general education formula, school districts are required to levy 20 mills on the assessed value (\$20 per \$1,000) per pupil for the general fund, and the State makes up the difference in the required state aid.

**Kentucky** – Provides a base funding level for education that guarantees a minimum level of local support is generated by requiring a levy of \$0.30 per \$100 assessed property valuation

**Maryland** – The Foundation program is a shared State/Local program that provides approximately 50% State funding in total. The program is “wealth-equalized” by using a Local Contribution Rate, so state/local percentages vary among the schools systems.

**Michigan** – A State Education Tax is assessed on all property at \$6.00 per \$1,000 of assessed value. In general, local taxation for operations is capped at 18 mills levied on the taxable value of non-homestead property; non-homestead properties pay an additional levy of 6 mills.

**Minnesota** – School districts are required to levy for a portion of general education revenue. The basic levy is called a “student achievement levy” and separate levies are made for a portion of operating capital and other needs (using two property tax base measures). The state sets limits on tax levies.

**Nevada** – State requires that a tax levy of \$0.75 per \$100 of assessed valuation of an entity’s (e.g., a county’s) combined tax rate be for school operating costs. The county then tallies the proportional amount in each property tax bill and apportions the total directly to school districts. While school districts receive the most property tax money of all entities in the State, property taxes comprise a small portion of their budgets.

**New Hampshire** – An Education Property Tax was established in 1999, originally at \$6.60 per \$1,000 of assessed value. Beginning in July 2005, and every fiscal year thereafter, the Commissioner of the Department of Revenue is required to set the tax rate at a level sufficient to generate revenue of \$363 million.

**Washington**—has a statewide property tax that partially funds education; about a third of property taxes paid in Washington now goes to funding education. Supreme Court found in a 2012 ruling that the State was failing to meet its constitutional duty to fully fund basic education. Legislation passed in 2017 increased the statewide property tax rate and made other significant changes.

*Primary Source: “A 50-State Survey of School Finance Policies and Programs (2018),” Deborah A. Verstegen, Ph.D., University of Nevada, Reno.*