Findings

Local educ property tax (not SPT) statewide has grown from $555M (FY00) to $2.01B (FY19). If the local education property tax share of total revenue remained the same from FY00 to FY19, the local education property tax would be $1.1B.

State foundation aid has grown from $825M (FY00) to $915M (FY19). If the state foundation aid share of total revenue remained the same from FY00 to FY19, the state aid would be $1.7B.

Student enrollment (ADMA) statewide has decreased from 202K (FY01) to 168K (FY19)

Tax equity is a core principle of good school funding policy

Evaluation of revenue sources in Shaheen 2000 report remain mainly true today

Performance of the most significant non-SPT state revenues vary with economic volatility

Low/Moderate Income property tax relief program would need to be updated for it to be useful

Statewide equalization of property valuations is fair

Land use is a statewide policy. Local tax credit policies do not change equalized property valuation or the total SPT assessed to each municipality.

The SPT is a state tax

State foundation/adequacy aid distributed to each district must be paid by state funds. Targeted aid can be done after that.

Fiscal policy to consider cost of adequacy as determined for each district, categorical aid programs (building/special educ/other), state funds for charter schools, and property tax relief/loan programs

Questions

What was the argument against SPT (Sirrell v State of NH 1999)?

What is the effect of changes to land use “per acre” value?

How would a local tax effort (after all state revenue sources) be equitable across districts?

How does the MA CH70 plan work and read on the MA and NH constitution?

How should the SPT be collected?
Should income and/or wealth be considered in fiscal capacity?
Is “targeted aid” fiscal policy and/or adequacy distribution policy?

**Goals and Objectives**

Develop policy considerations (PLAN A/B/C)
Policies for tax revenue, property tax relief and fixed-income property tax loan programs
Understand impact each plan has on residents, non-residents, and property categories/classes
Other policies that tie in with school funding (such as ADMA calculation)
Potential policy framework for NOV/DEC LSR filing window and FY22/23 budget process