



Utah School Spending Report: Fiscal Year 2013 - 2014

Public education is one of the largest recipients of taxpayer dollars in Utah. Funding public education consumed 30% of Utah’s state budget in FY 2014, second only to social services (34%). When higher education is included, education in Utah receives 42% of the state’s annual budget.

Every year the Utah Taxpayers Association compiles the Utah State Office of Education’s financial and statistical data for each of Utah’s 41 school districts and 106 charter schools and uses this information to compare spending trends between LEAs (local education agencies – district and charter schools).

Utah’s school districts and charter schools received \$5,423,388,114 in revenues in FY 2014 and spent \$5,206,113,923. **So where does the money come from and where does it go?**

Which state & local taxes go towards public education?

Individual Income Tax

All of the state’s individual income tax is used for education purposes, including public education and higher education.

FY 2014 Yield = \$2,889,791,902

Corporate Franchise Tax

All of the state’s corporate franchise tax is used for education purposes, including public education and higher education.

FY 2014 Yield = \$313,536,797

Property Tax

In fiscal year 2014, 53% of all property taxes paid across the state went to public education.

State Property Tax

Statewide Basic Levy: The legislature requires all school districts to levy this tax for M&O purposes. The rate is the same across the state, but the amount of funding generated varies based on the value of property in each school district.

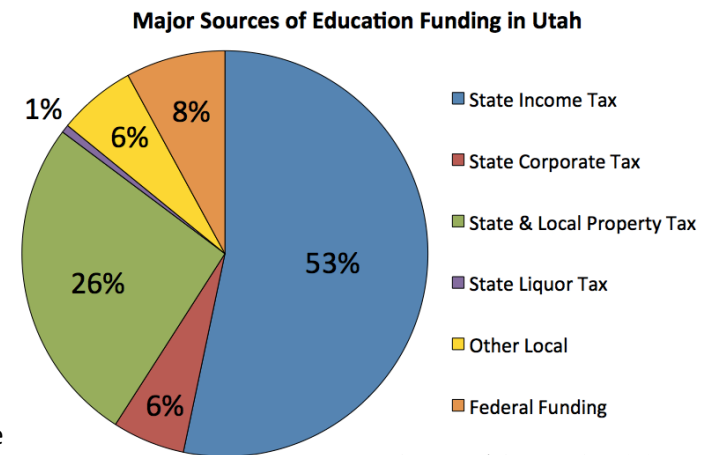
Local Property Tax

Local school districts have the authority to levy property taxes directly to fund district schools. Five different local levies are available.

Board Local Levy: Approved by the local school board for M&O and supplemented by the state. All school districts currently impose this levy.

Capital Local Levy: Approved by the local school board to fund capital projects. Some revenues may be used for M&O. All school districts currently impose this levy. An additional Capital Local Levy rate of .0006 is imposed on Granite, Jordan, Salt Lake, Murray and Canyons school districts for temporary equalization purposes.

Voted Local Levy: Approved by the local school district electorate for M&O and supplemented by the state. All school districts except for Daggett, Garfield, Grand,



Source: Utah State Tax Commission and Utah State Office of Education

Kane, Morgan, Uintah and Wayne currently impose this levy.

Debt Service Levy: Levied to fund general obligation bonds. All school districts except for Emery, Millard, San Juan, So. Summit and Wayne currently impose this levy. An additional debt service levy is levied on Grand and Canyons school districts for temporary equalization purposes.

Judgment Recovery: Levied to fund a property tax judgment against the school district as a result of a successful appeal of over-collection of property tax. Emery is the only school district currently levying for judgment recovery.

FY 2014 State & Local Property Tax Yield = \$1,418,998,572

Wine, Liquor, Heavy Beer Mark-Up

Wine, liquor and higher alcohol content beers are subject to a mandatory sales price markup. Ten percent of the revenues from this markup go towards the Uniform School Fund to support the school lunch program.

FY 2014 10% Yield = \$34,858,021

Utah's FY 2013 – 2014 Public Education Revenues

The following charts show the sources of public education revenue in Utah and where those revenues are allocated according to fund. Some revenue is restricted to a certain fund, meaning that it can only be used for certain purposes.

Beyond the taxes listed on the front page of this report, other sources of education funding include: unclaimed property returned to the state (escheats), school lands trust fund, one-time legislative appropriations, fees and donations, etc.

The first chart shows total dollar amounts of revenue to school districts and charter schools. The second chart shows the total revenues from the first chart as rounded percentages, and the last chart shows total revenue per student.

Revenue Sources – Total Dollars

Fund	Local		State	Federal	Total
	Property ³	Other			
Operations ¹	\$885,537,544	\$223,502,982	\$2,566,837,181	\$283,981,965	\$3,959,859,672
Capital ²	\$238,969,673	\$12,606,233	\$14,319,960	\$5,972,670	\$271,868,536
Debt	\$326,782,508	\$736,907	\$703,643	\$4,318,137	\$332,541,195
Nutrition	\$0	\$62,795,737	\$34,061,820	\$126,816,074	\$223,673,631
Non K-12 & Other	\$9,859,927	\$37,525,694	\$28,896,830	\$11,246,231	\$87,528,682
Total	\$1,461,149,652	\$337,167,553	\$2,644,819,434	\$432,335,077	\$4,875,471,716⁴

Revenue Distribution by Source

Fund	Local		State	Federal	Total
	Property ³	Other			
Operations ¹	22%	6%	65%	7%	100%
Capital ²	88%	5%	5%	2%	100%
Debt	98%	0%	0%	1%	100%
Nutrition	0%	28%	15%	57%	100%
Non K-12 & Other	11%	43%	33%	13%	100%
Total	30%	7%	54%	9%	100%

Revenue per Student

Fund	Local		State	Federal	Total
	Property ³	Other			
Operations ¹	\$1,445	\$365	\$4,190	\$464	\$6,465
Capital ²	\$390	\$21	\$23	\$10	\$444
Debt	\$533	\$1	\$1	\$7	\$543
Nutrition	\$0	\$103	\$56	\$207	\$365
Non K-12 & Other	\$16	\$61	\$47	\$18	\$143
Total	\$2,385	\$550	\$4,318	\$706	\$7,959

Notes:

1. Includes the general fund and student activities fund.
2. Includes the capital outlay fund and building reserves fund.
3. Includes statewide basic levy and all local levies.
4. This revenue total does not match the expenditure total from the front page because there is an additional revenue category for districts and charter schools, "other financing sources & uses." Additionally, revenues overall do not match expenditures because expenditures for facility construction are incurred immediately, whereas property taxes to retire construction bonds are received over several years. School districts may use revenues to increase reserves or may use existing reserves to increase expenditures.