



Utah School Spending Report: Fiscal Year 2018 - 2019

Public education is one of the largest recipients of taxpayer dollars in Utah. Funding public education consumed nearly 31% of Utah’s state budget in FY 2019, second only to social services. When higher education is included, education in Utah receives 42% of the state’s annual budget. In Utah, 55% of all property taxes paid goes to public education from the prior fiscal year.

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 112 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 \$ 7,558,002,848 in revenues in FY 2018 and spent \$7,115,345,830. **So where does the money come from and where does it go?**

Public Education Funding

Individual Income Tax

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

Fiscal Year 2019 (FY) Collected = \$4,320,042,492

Corporate Franchise Tax

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

FY 2019 Collected = \$520,917,624

Property Tax

In Tax Year (TY) 2017, 55% of all property taxes paid across the state went to public education.

TY 2017 State, Local Property Tax Yield = \$1,761,367,411

State Property Tax

Statewide Basic Levy: The Legislature requires all school districts to levy this tax for maintenance and operation (M&O) purposes. The rate is uniform statewide, but the degree to which the amount generated by an LEA falls short of the WPU, (set at \$3,394 in FY 19) state income taxes fills the gap to reach the WPU.

TY 2017 State, Local Property Tax Yield = \$1,761,367,411

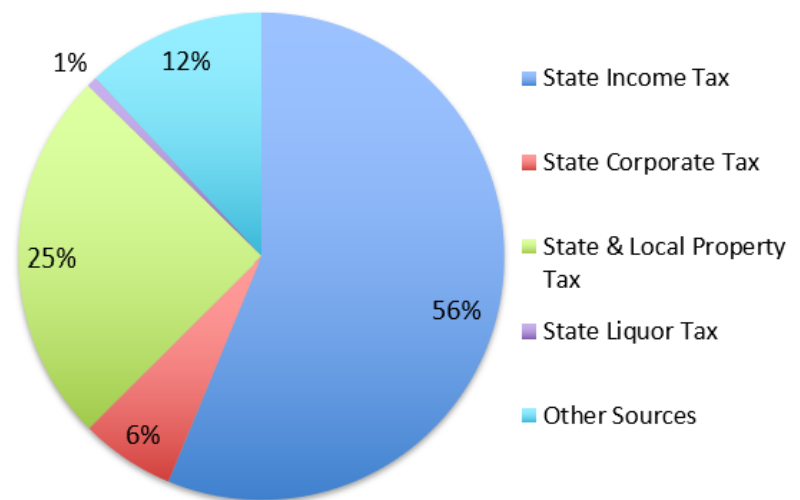
Local Property Tax

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.

Voted Local Levy: Approved by the local school district electorate for M&O and supplemented by the state. All school districts except for Uintah and Morgan 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.



Debt Service Levy: Levied to fund general obligation bonds. All school districts except for Emery, Garfield, Kane, Millard, Park City, San Juan, South Summit, and Wayne currently impose this levy.

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.

Wine, Liquor, Heavy Beer Mark-Up

Wine, liquor and higher alcohol content beers are subject to a mandatory sales price markup. 10% of the revenues from this markup goes to support the school lunch program. In 2019, the Legislature opted to allow for an increase the alcohol content in lower level beer to 5%. This will take some beers out of the “heavy” beer category, which is charged a higher markup. This could lead to a cut in revenue to the school lunch program.

FY 2019 10% Yield = \$52,718,000

Federal Funding

Some federal money is also contributed to Utah’s LEAs by federal sources, which include funding from No Child Left Behind and special ability programs.

FY 2019 Federal Sources Yield = \$421,367,218

Utah's FY 2018 – 2019 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.

Education Revenue					
Fund	Local		State	Federal	Total ⁴
	Property ³	Other			
Operations ¹	\$ 1,126,319,899	\$ 461,200,834	\$ 3,485,505,917	\$ 309,906,069	\$ 5,382,932,719
Capital ²	\$ 272,367,003	\$ 67,453,957	\$ 34,411,894	\$ 10,554,459	\$ 384,787,313
Debt	\$ 403,799,104	\$ 48,376,940	\$ -	\$ 2,278,442	\$ 454,454,486
Nutrition	\$ -	\$ 63,043,330	\$ 42,429,632	\$ 129,116,815	\$ 234,589,777
Non K-12	\$ 4,212,227	\$ 3,909,295	\$ 18,141,403	\$ 3,923,862	\$ 30,186,787
Total	\$ 1,806,698,233	\$ 643,984,356	\$ 3,580,488,846	\$ 455,779,647	\$ 6,486,951,082

Revenue Distribution					
Fund	Local		State	Federal	Total
	Property ³	Other			
Operations ¹	21%	9%	65%	6%	100%
Capital ²	71%	18%	9%	3%	100%
Debt	89%	11%	0%	1%	100%
Nutrition	0%	27%	18%	55%	100%
Non K-12 & Other	14%	13%	60%	13%	100%
Total	28%	10%	55%	7%	100%

Revenue per Student					
Fund	Local		State	Federal	Total
	Property ³	Other			
Operations ¹	\$ 1,687.62	\$ 691	\$ 5,222	\$ 464	\$ 8,065
Capital ²	\$ 408	\$ 101	\$ 52	\$ 16	\$ 577
Debt	\$ 605	\$ 72	\$ -	\$ 3	\$ 681
Nutrition	\$ -	\$ 94	\$ 64	\$ 193	\$ 351
Non K-12 & Other	\$ 6	\$ 6	\$ 27	\$ 6	\$ 45
Total	\$ 2,707	\$ 965	\$ 5,365	\$ 683	\$ 9,720

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.