



Implications of Property Tax Elimination for Parents

PROPERTY TAX ELIMINATION MEANS CUTS ARE IMMINENT. Property tax elimination will create significant financial challenges for school districts, giving them no option but to respond to these challenges through cuts to programs, services and staff. With no ability to raise needed revenue to respond to district needs, when special education costs increase, when enrollment increases or when the middle school HVAC system fails, the district will have no option but to cover those necessary costs through cuts. Education will suffer.

PROPERTY TAX ELIMINATION KILLS LOCAL DECISIONMAKING. With the elimination of property taxes, comes the elimination of virtually all local control that is the hallmark of Pennsylvania school district governance. School boards, parents and communities will no longer have any authority to make decisions that impact the educational, extracurricular or other programming at the school district. Without this authority, school districts will not be able to add new academic programs, increase staffing or implement extracurricular programs to respond to the needs of their students, and education will become a state-driven, one-size-fits-all approach in 500 school districts.

PROPERTY TAX ELIMINATION LOCKS IN INEQUITY IN EDUCATION FUNDING. If property tax elimination is approved, the state will send one school district \$5,100 per student in total state funding, while another school district will receive nearly \$28,000 per student in total state funding. The state will be picking educational winners and losers, indicating that to Harrisburg, some of Pennsylvania's students are worth more than others.

PROPERTY TAX ELIMINATION MEANS SCHOOLS MAY STRUGGLE TO OPEN THEIR DOORS. The massive shift to increased personal income and sales taxes to replace school property taxes can't happen overnight. If school districts can't levy a property tax after June 30, 2017, many school districts won't have the revenue (since the state hasn't implemented the increased taxes yet and since districts will be prohibited from borrowing) to open their doors to students in September. What happens to students' education while the state sorts out the administrative chaos created from this shift?

PROPERTY TAX ELIMINATION MEANS SCHOOLS WILL DETERIORATE. The health and safety of students and staff should be of utmost importance, but under property tax elimination, most school districts will have no ability to respond even to the most critical of school building maintenance needs. With no ability to raise revenue or even incur debt, most school districts won't be able to replace a leaking roof, update school security infrastructure, fix a faulty heating system or even pave a parking lot. As a result, schools will deteriorate to the detriment of students and their ability to learn.

IT DOESN'T ELIMINATE SCHOOL PROPERTY TAXES. Property tax elimination maintains school property taxes to pay off school district debt. Taxpayers in over 40% of school districts will maintain at least 20% of their current school property tax bill—in addition to paying more in statewide personal income tax and sales tax. Taxpayers in 24 school districts will maintain at least 50% of their current property tax bill, and taxpayers in some districts will continue to pay 100% of their current school property tax bill even after an elimination bill passes.