

Education Property Tax

Alberta Fact Sheet

2015

Highlights of 2015/16 Provincial Education Requisition

In fiscal year 2015/16, the province is requisitioning about \$2.253 billion in education property taxes from municipalities, an increase of \$147 million over 2014/15. This reflects 32 per cent of the target operating costs for funding education as set in *Budget 2014*. The remainder of funding comes from general revenues.

Each municipality's portion of the provincial requisition is determined by applying the provincial uniform tax rates to the municipality's 2015 equalized assessment. Municipalities collect local education property taxes from property owners to pay the requisitions.

Uniform Education Property Tax Rates

The amount of education property tax that each municipality must collect and forward to Alberta Education is calculated by applying the following provincial uniform tax rates to the municipality's 2015 equalized assessment:

- \$2.50 per \$1,000 of assessment for residential and farmland property, and
- \$3.67 per \$1,000 of assessment for non-residential property.

Why We Have Education Property Tax

- Education property taxes support Alberta's Kindergarten to Grade 12 education system, and all Albertans benefit from this quality education system. Education property taxes provide:
 - a stable source of revenue for funding education,
 - equitable funding for students no matter where they live, and
 - stability in taxation for property owners.
- Education property taxes are pooled and then distributed to all public and separate school boards on an equal per-student basis. In Alberta, each student is funded at the same rate no matter where the student attends school.
- Education property taxes support public and separate school students. The majority of these funds are for instruction, including teachers' salaries, textbooks, and classroom resources.
- Education property taxes are not used to fund capital expenditures, such as school construction or renovations; teachers' pensions; or government operations.