

# Education Property Tax

## Alberta Fact Sheet

2014

### **Highlights of the 2014/15 Provincial Education Requisition**

In Budget 2014, the province is requisitioning about \$2.106 billion in education property taxes from municipalities. It is projected that total provincial funding for education will be \$6.58 billion in the 2014/15 fiscal year.

Education property taxes provide about 32 per cent of the total provincial funding for the Kindergarten to Grade 12 education system (excluding infrastructure). The remainder of funding comes from general revenues.

In fiscal year 2014/15, the government will collect about \$48 million more in education property taxes than in 2013/14. The increase reflects the cost of providing quality education to Alberta students.

### **Provincial education requisition**

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 2014 equalized assessment:

- \$2.53 per \$1,000 of assessment for residential and farmland property, and
- \$3.72 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.