Public School Revenue Sources

Between 2009–10 and 2018–19, public school revenues increased 10 percent in constant 2020–21 dollars. During this time period, public school enrollment increased 3 percent.

In school year 2018–19, elementary and secondary public school revenues totaled $795 billion in constant 2020–21 dollars. Of this total, 8 percent, or $63 billion, were from federal sources. Some 47 percent, or $371 billion, were from state sources and 45 percent, or $361 billion, were from local sources. In 2018–19, the percentages from each source differed across the 50 states and the District of Columbia.

Total public school revenues were 10 percent higher in school year 2018–19 than in 2009–10 ($795 billion vs. $724 billion). During this time, total revenues were lowest in 2012–13 ($687 billion). These changes were accompanied by a 3 percent increase in total elementary and secondary public school enrollment, from 49 million students in 2009–10 to 51 million students in 2018–19 (see indicator Public School Enrollment).

Between 2009–10 and 2018–19, state public school revenues increased 18 percent and local revenues increased 14 percent. In contrast, federal revenues decreased 32 percent between 2009–10 and 2018–19. During this time, the revenue streams progressed differently. Federal revenues decreased 34 percent from the 2009–10 high ($92 billion), the year after the passage of the American Recovery and Reinvestment Act of 2009, to $61 billion in 2013–14. Federal revenues then fluctuated between $61 billion and $63 billion from 2013–14 to 2018–19 ($63 billion). State revenues were lowest in 2012–13 ($311 billion) and then increased 19 percent from 2012–13 to a high of $371 billion in 2018–19. Local revenues were lowest in 2011–12 ($310 billion) and then increased 16 percent to a high of $361 billion in 2018–19.
Public School Revenue Sources


Figure 2. State revenues for public elementary and secondary schools as a percentage of total public school revenues, within specified ranges, by state: School year 2018–19

In school year 2018–19, there were substantial variations across the states in the percentages of public school revenues coming from state, local, and federal sources. In 22 states, more than half of all revenues came from state governments, while in 18 states and the District of Columbia, more than half of all revenue came from local governments. In the remaining 10 states, no single revenue source comprised more than half of all revenues.

In school year 2018–19, the percentages of public school revenues coming from state sources were highest in Vermont (90 percent) and Hawaii (88 percent). They were lowest in Illinois (27 percent) and New Hampshire (31 percent). The percentages of revenues coming from federal sources were highest in Alaska (15 percent) and Mississippi (14 percent). They were lowest in New Jersey (4 percent) and Connecticut (5 percent). Among the 50 states, the percentages of revenues coming from local sources were highest in Illinois (66 percent) and New Hampshire (64 percent). They were lowest in Hawaii and Vermont (2 and 3 percent, respectively). In the District of Columbia, which does not receive any state revenue, 92 percent of all revenues were from local sources and the remaining 8 percent were from federal sources.
On a national basis in 2018–19, some $290 billion, or 80 percent, of local revenues for public school districts were derived from local property taxes. Connecticut (98 percent) and Rhode Island (97 percent) had the highest percentages of local revenues from property taxes.

On a national basis in 2018–19, revenues from local property taxes comprised 37 percent of total revenues for public school districts. The percentages of total revenues from local property taxes differed by state. New Hampshire and Illinois had the highest percentages of total revenues from property taxes (61 and 57 percent, respectively). In Vermont, the percentage of revenues from local property taxes rounded to zero. Hawaii has only one school district, which received no funding from property taxes.

**Endnotes:**

1. All revenues in this indicator are adjusted for inflation to constant 2020–21 dollars using the Consumer Price Index, or CPI. For this indicator, the CPI is adjusted to a school-year basis. The CPI is prepared by the Bureau of Labor Statistics, U.S. Department of Labor.
2. Data in this indicator represent the 50 states and the District of Columbia.
3. Local revenues include revenues from such sources as local property taxes, other public revenues, and private revenues.

**Glossary:** Constant dollars; Consumer Price Index (CPI); Elementary school; Property tax; Public school or institution; Revenue; School district; Secondary school

**Reference tables:** Digest of Education Statistics 2021, tables 235.10 and 235.20; Digest of Education Statistics 2020, table 105.30

**Related indicators and resources:** Public School Expenditures