

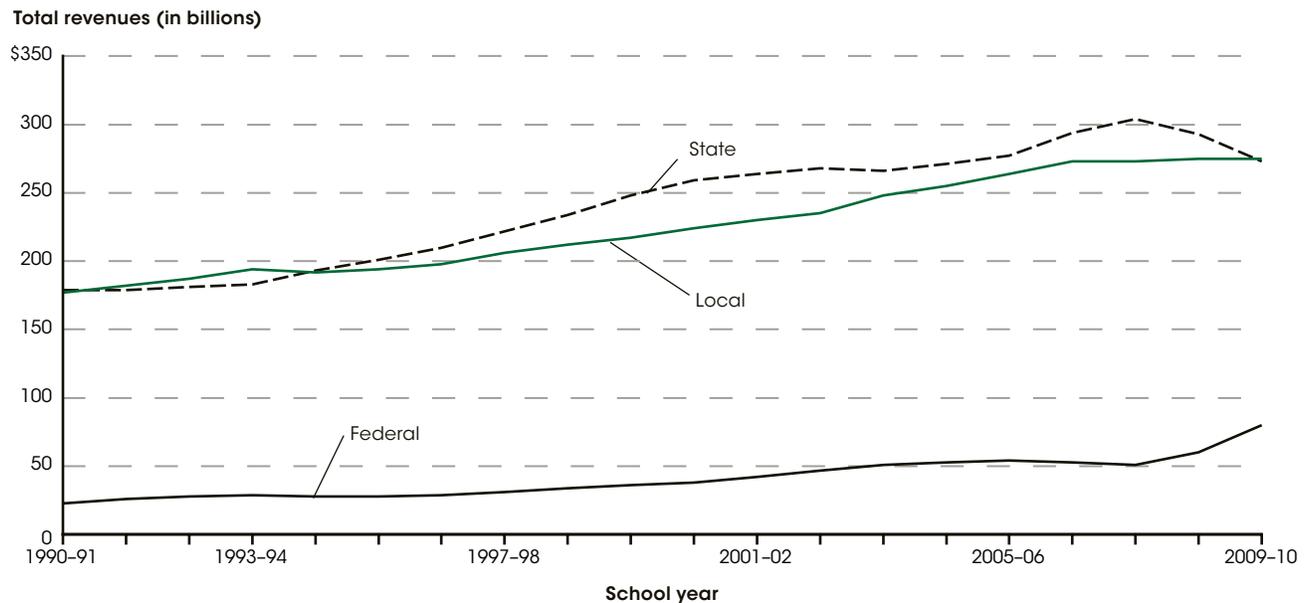
Public School Revenue Sources

From school years 2000–01 through 2009–10, total elementary and secondary public school revenues increased from \$522 billion to \$627 billion (in constant 2011–12 dollars), a 20 percent increase, adjusting for inflation. From school years 2008–09 through 2009–10, total revenues for public elementary and secondary schools decreased by about \$1 billion, or less than 1 percent.

From school years 2000–01 through 2009–10, total elementary and secondary public school revenues increased from \$522 billion to \$627 billion (in constant 2011–12 dollars), a 20 percent increase, adjusting for inflation using the Consumer Price Index (CPI). During this period, the total amounts from each revenue source (federal, state, and local) increased, but the percentage of

increase differed by revenue source. Federal revenues, the smallest of the three revenue sources, increased by 111 percent, compared with increases of 22 percent for local revenues and 5 percent for state revenues. Federal revenues peaked in 2009–10 at \$80 billion, while local revenues peaked in 2008–09 at \$275 billion, and state revenues peaked in 2007–08 at \$304 billion.

Figure 1. Total revenues for public elementary and secondary schools, by revenue source: School years 1990–91 through 2009–10



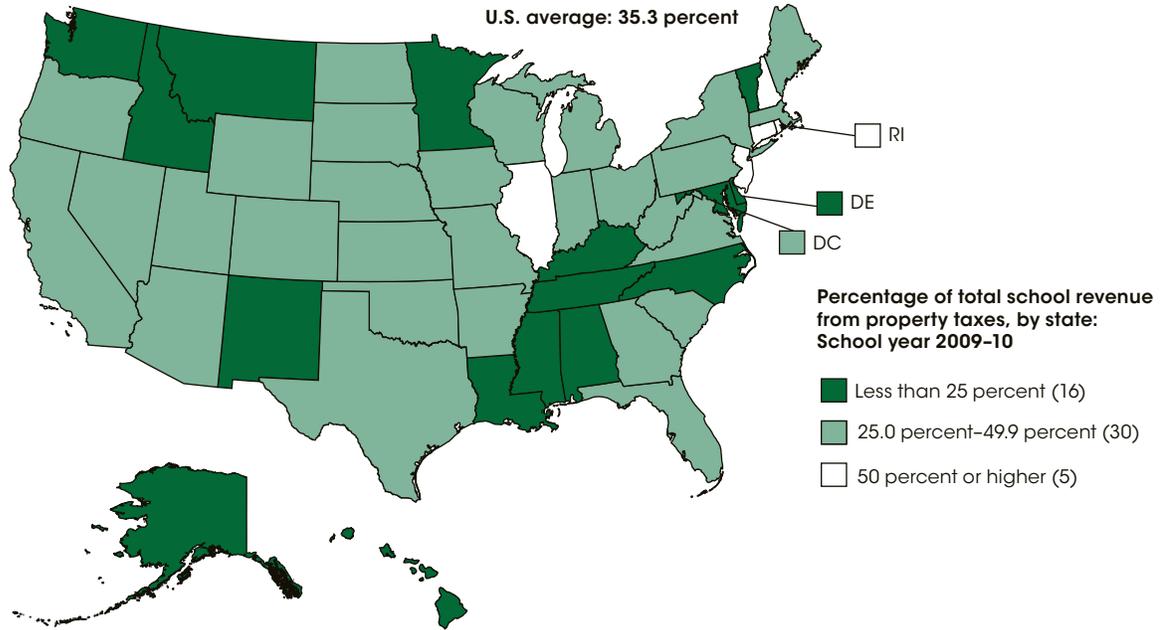
NOTE: Revenues are in constant 2011–12 dollars, adjusted using the Consumer Price Index (CPI).
SOURCE: U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD), "National Public Education Financial Survey," 1990–91 through 2009–10. See *Digest of Education Statistics 2012*, table 202.

The percentage of total revenues for public elementary and secondary education that came from federal sources increased from 7 percent in school year 2000–01 to 13 percent in 2009–10. The American Recovery and Reinvestment Act³ directed spending toward education and contributed to the increase in revenues during school years 2008–09 and 2009–10. The percentage coming from local sources fluctuated during this period: 43 percent in 2000–01, compared with 44 percent in 2009–10. The percentage of total revenues from state sources decreased from 50 percent in school year 2000–01 to 44 percent in school year 2009–10.

³ For more information on the American Recovery and Reinvestment Act, please go to <http://www.ed.gov/recovery>.

From school years 2008–09 through 2009–10, total revenues for public elementary and secondary schools decreased by about \$1 billion in constant 2011–12 dollars (0.1 percent). During this period, state revenues declined by \$20 billion, or 7 percent. Total local revenues declined by \$0.1 billion (0.02 percent), despite the increase in the revenues from local property taxes (\$3 billion, or 1 percent). In 2009–10, local property taxes constituted 81 percent of total local revenues and 35 percent of total revenues for elementary and secondary schools. Federal revenues were the only other source that increased from 2008–09 through 2009–10 (by \$20 billion, or 33 percent).

Figure 3. Property tax revenue for public elementary and secondary schools as a percentage of total school revenue, by state: School year 2009-10



NOTE: The District of Columbia and Hawaii have only one school district each; therefore, neither is comparable to the other states. National average includes the District of Columbia.
SOURCE: U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD), "National Public Education Financial Survey," 2009-10. See *Digest of Education Statistics 2012*, table 203.

In school year 2009-10, the percentages of local revenue from property taxes also differed by state. Connecticut had the highest percentage of local revenue from property taxes, at 55 percent. Four other states had percentages of local revenue from property taxes of 50 percent or more: New Hampshire, Rhode Island, Illinois, and New Jersey. Vermont and Hawaii⁴ had the lowest percentages of local

revenue from property taxes (0.2 percent and 0 percent, respectively). In 14 other states, property taxes made up less than 25 percent of education revenues (in descending order): Mississippi, Delaware, Washington, Maryland, Montana, Kentucky, North Carolina, Tennessee, Minnesota, Idaho, Louisiana, Alabama, New Mexico, and Alaska.

⁴ Hawaii has only one school district, which has no funding from property taxes.

Reference tables: *Digest of Education Statistics 2012*, tables 202, 203

Glossary: Consumer Price Index (CPI), Elementary school, Property tax, Public school or institution, Revenue, Secondary school