

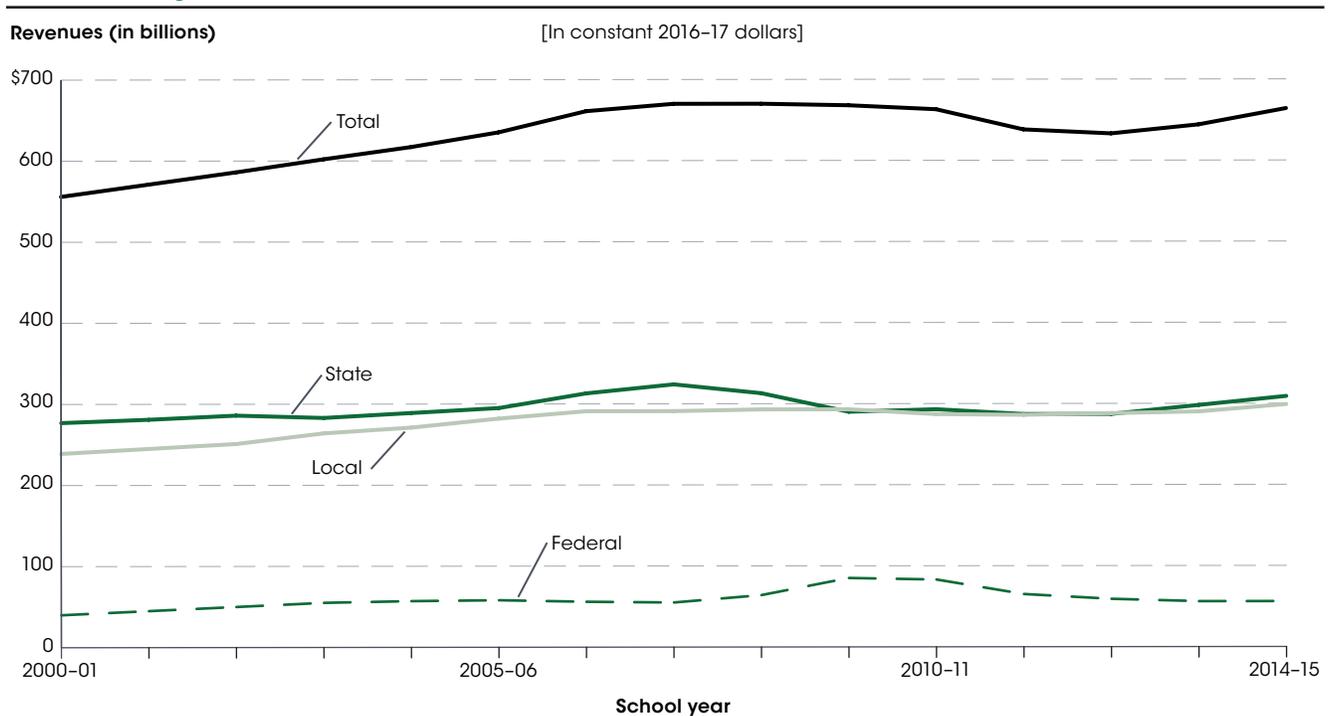
Public School Revenue Sources

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In school year 2014–15, elementary and secondary public school revenues totaled \$664 billion in constant 2016–17 dollars.¹ Of this total, 8 percent, or \$56 billion, were from federal sources; 47 percent, or \$309 billion, were from state sources; and 45 percent, or \$299 billion, were from local sources.² In 2014–15, the percentages from each source differed across the states and the District of Columbia. For example, the percentages of total revenues coming from federal, state, and local sources in Illinois were 8 percent, 25 percent, and 67 percent, respectively, while the corresponding total revenues in Vermont were 6 percent, 90 percent, and 4 percent.

Total elementary and secondary public school revenues were 19 percent higher in 2014–15 than in 2000–01 (\$664 billion vs. \$556 billion, in constant 2016–17 dollars). During this time, total revenues rose from \$556 billion in 2000–01 to \$670 billion in 2007–08 and then fluctuated between 2007–08 and 2014–15. These changes were accompanied by a 7 percent increase in total elementary and secondary public school enrollment, from 47 million students in 2000–01 to 50 million students in 2014–15 (see indicator [Elementary and Secondary Enrollment](#)).

Figure 1. Revenues for public elementary and secondary schools, by revenue source: School years 2000–01 through 2014–15



NOTE: Revenues are in constant 2016–17 dollars, adjusted using the Consumer Price Index (CPI). See *Digest of Education Statistics 2017*, table 106.70.
 SOURCE: U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD), "National Public Education Financial Survey," 2000–01 through 2014–15. See *Digest of Education Statistics 2017*, table 235.10.

Federal revenues were 111 percent higher in 2009–10, the year after the passage of the American Recovery and Reinvestment Act of 2009, than in 2000–01 (\$85 billion vs. \$40 billion). Federal revenues then decreased each year from 2009–10 through 2013–14 before increasing to \$56 billion in 2014–15, which was 34 percent lower than in 2009–10. Local revenues increased by 25 percent, to \$299 billion, from 2000–01 through 2014–15. State revenues fluctuated between \$277 billion and \$324 billion during this period, and were 12 percent higher in 2014–15 than in 2000–01 (\$309 billion vs. \$277 billion). During this period, federal revenues peaked in 2009–10 at \$85 billion and state revenues peaked in 2007–08 at \$324 billion. Local revenues were highest in 2014–15 at \$299 billion.

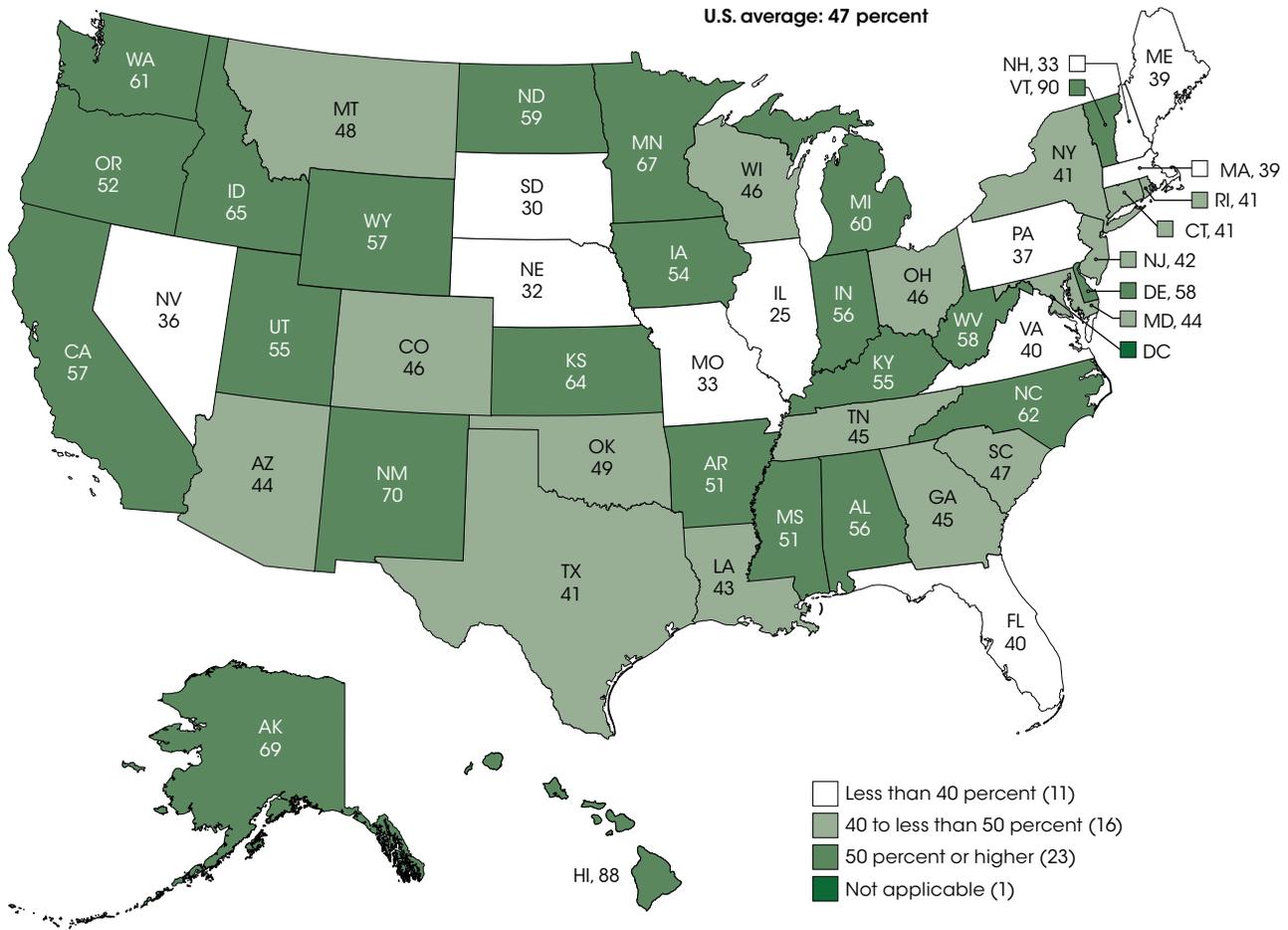
Between school years 2000–01 and 2014–15, the percentage of total revenues coming from federal sources fluctuated between 7 and 13 percent, accounting for 7 percent of total revenues in 2000–01 and 8 percent in 2014–15. Local sources accounted for 45 percent of total revenues from 2011–12 through 2014–15, higher than their percentages during the 2000–01 to 2010–11 period. The percentage of total revenues coming from state sources decreased 3 percentage points between 2000–01 and 2014–15 (50 vs. 47 percent). Within the

2000–01 to 2014–15 period, the percentage of revenues coming from state sources was highest in 2000–01 (50 percent) and lowest in 2009–10 (43 percent).

More recently, from school year 2013–14 through school year 2014–15, total revenues for public elementary and secondary schools increased by \$20 billion (3 percent) in constant 2016–17 dollars (from \$644 billion to \$664 billion). Federal revenues increased by \$0.1 billion (less than 1 percent) from 2013–14 to 2014–15. State revenues increased by \$11 billion (4 percent) from 2013–14 to 2014–15. Local revenues increased by \$8.8 billion (3 percent), reflecting a \$7.4 billion (3 percent) increase in revenues from local property taxes, a \$1.8 billion (4 percent) increase in other local public revenues, and a \$0.3 billion (3 percent) decrease in private revenues.³

In school year 2014–15, there were significant variations across the states in the percentages of public school revenues coming from state, local, and federal sources. In 23 states, at least half of education revenues came from state governments, while in 15 states and the District of Columbia at least half came from local revenues. In the remaining 12 states, no single revenue source made up more than half of education revenues.

Figure 2. State revenues for public elementary and secondary schools as a percentage of total public school revenues, by state: School year 2014–15

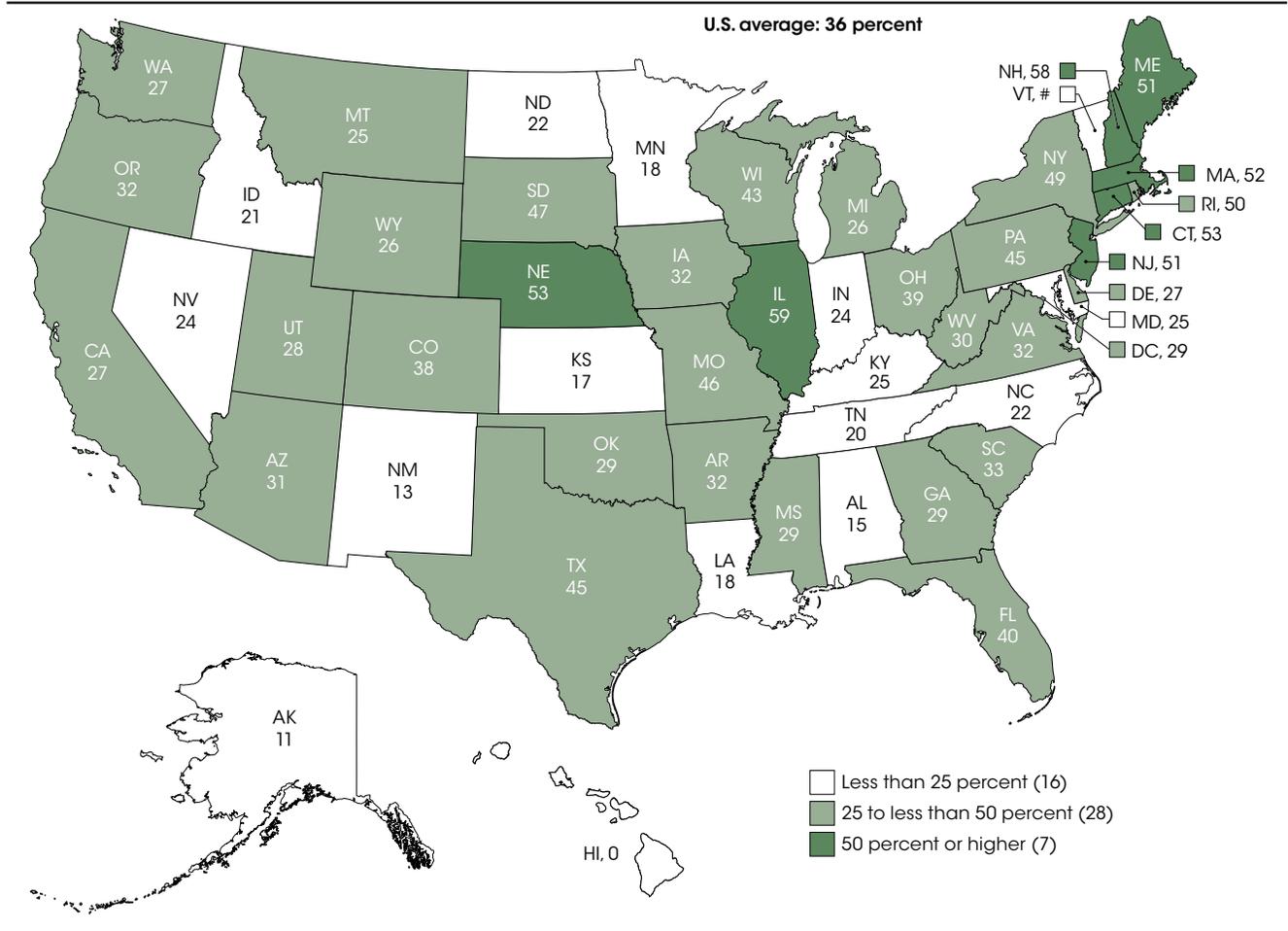


NOTE: All 50 states and the District of Columbia are included in the U.S. average, even though the District of Columbia does not receive any state revenue. The District of Columbia and Hawaii have only one school district each; therefore, the distinction between state and local revenue sources is not comparable to other states. Categorizations are based on unrounded percentages. Excludes revenues for state education agencies.
 SOURCE: U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD), "National Public Education Financial Survey," 2014–15. See *Digest of Education Statistics 2017*, table 235.20.

In school year 2014–15, the percentages of public school revenues coming from state sources were highest in Vermont and Hawaii (90 and 88 percent, respectively) and lowest in South Dakota and Illinois (30 and 25 percent, respectively). The percentages of revenues coming from federal sources were highest in South Dakota, Mississippi, and Louisiana (15 percent each), and lowest in Connecticut and New Jersey (4 percent each).

Among all states, the percentages of revenues coming from local sources were highest in Illinois and New Hampshire (67 and 61 percent, respectively), and lowest in Vermont and Hawaii (4 and 2 percent, respectively). Ninety percent of the revenues for the District of Columbia were from local sources; the remaining 10 percent were from federal sources.

Figure 3. Property tax revenues for public elementary and secondary schools as a percentage of total public school revenues, by state: School year 2014–15



Rounds to zero.

NOTE: All 50 states and the District of Columbia are included in the U.S. average. The District of Columbia and Hawaii have only one school district each; therefore, the distinction between state and local revenue sources is not comparable to other states. Categorizations are based on unrounded percentages. SOURCE: U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD), "National Public Education Financial Survey," 2014–15. See *Digest of Education Statistics 2017*, table 235.20.

On a national basis in 2014–15, some \$236 billion,⁴ or 81 percent, of local revenues for public elementary and secondary school districts were derived from local property taxes. The percentages of total revenues from local property taxes differed by state. In 2014–15, Illinois and

New Hampshire had the highest percentages of revenues from property taxes (59 and 58 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 Revenues in this indicator are adjusted for inflation 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 Local revenues include revenues from such sources as local property and nonproperty taxes, investments, and student activities such as textbook sales, transportation and tuition fees,

and food service revenues. Local revenues also include revenues from intermediate sources (education agencies with fundraising capabilities that operate between the state and local government levels).

³ Private revenues consist of tuition and fees from patrons and revenues from gifts.

⁴ In adjusted dollars.

Reference tables: *Digest of Education Statistics 2016*, table 203.20; *Digest of Education Statistics 2017*, tables 235.10 and 235.20

Related indicators and resources: [Public School Expenditures](#)

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