

# Education Property Tax Alberta Fact Sheet

## Highlights of the 2016/17 provincial education property tax requisition

In fiscal 2016/17, the province is requisitioning about \$2.4 billion in education property taxes from municipalities, an increase of \$153 million over 2015/16. This requisition amount is based on 32 per cent of the consolidated total operating expense of the education system for 2016/17.

Education property taxes support Kindergarten to Grade 12 public and separate school students. The majority of these funds are for instruction, including teachers' salaries, textbooks, and classroom resources.

## How education property tax is calculated for municipalities

Each municipality's share of the provincial education requisition is determined by applying the provincial uniform tax rates to the municipality's 2016 equalized assessments. Municipalities collect local education property taxes from property owners to pay the requisitions. Properties of similar value and property type across the province pay similar amounts of education property taxes. The 2016 uniform tax rates are \$2.48 per \$1,000 of equalized assessment for residential and farmland property and \$3.64 per \$1,000 of equalized assessment for non-residential property.

## How education funding is allocated

Under the provincial funding model, all education property taxes, including property taxes received by separate school boards, are pooled by Alberta Education through the Alberta School Foundation Fund (ASFF) and distributed to public and separate school boards on an equal per-student basis. When a separate school board has opted out of the ASFF and the local requisition per student is less than the ASFF payment, the difference will be paid from the ASFF. If the local requisition is more than the ASFF payment, the difference must be paid into the ASFF.

## Why are property owners asked to declare their faith?

In Alberta, the Constitution guarantees Roman Catholic citizens' minority rights to a separate education system. In communities with separate school jurisdictions, property owners can declare they are of the Roman Catholic faith so their education property tax dollars can be directed to those separate school jurisdictions. While declaration does not change the amount of per-student education funding, it supports the municipal process of providing education funding directly to separate school boards; which are opted out of the ASFF. The ASFF supports a province wide process that distributes funds to school jurisdictions across the province. The amount

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of per-student education funding is the same whether a student is enrolled in a public or separate school.