

Keep the public in public education

Vermonters want good public schools, fair taxes, and a say in both

Vermonters want all kids to have the resources they need to succeed and they want to pay for it fairly. Vermonters don't want cuts or school consolidation forced on their communities, and in fact neither of those will fix what's wrong with how we pay for schools.

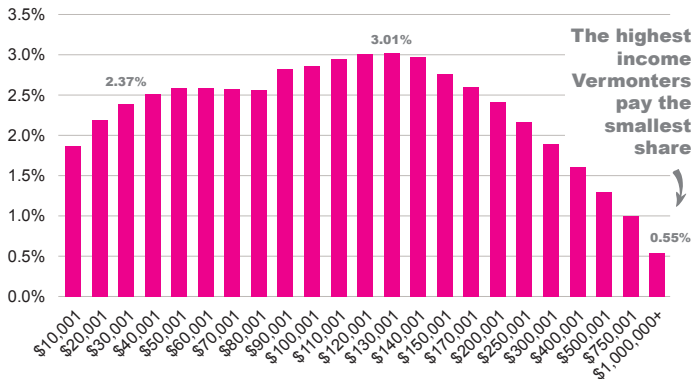
Problem: The most pressing problem with education funding isn't how much we spend; it's that low- and middle-income Vermont taxpayers are subsidizing the richest.



Solution: Provide immediate and lasting property tax relief for thousands of Vermonters by restoring income sensitivity and moving to income-based school taxes to ensure that the richest Vermonters pay their fair share.

An unfair system: Low- and middle-income Vermonters pay more of their income in school taxes than the richest Vermonters

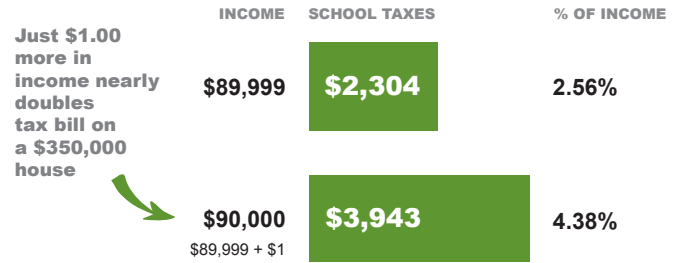
Education tax as a percentage of household income, 2017



Data source: Vermont Joint Fiscal Office
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Low- and middle-income homeowners pay the biggest share of their income in school taxes and face big jumps in bills

Education tax bill on a \$350,000 Vermont home, by income, FY25



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Cuts to spending will not solve either of these problems.

A growing share of Vermonters face tax cliffs when their incomes or house values pass certain thresholds. **These thresholds have not changed for decades.** Updating these thresholds would lower tax bills for more than 50,000 Vermont households *this year*.

How school taxes are calculated on housesites now

Household income	School taxes on:
\$0 - \$47,000	Capped at .5 to 2% of income + Property value over \$400,000
\$47,001-\$89,999	HH income (FY25 rates 2.0%-3.3%*) + Property value over \$400,000
\$90,000+	The lower of: HH income + property value over \$225,000 OR Entire property value

How school taxes would be calculated on housesites with proposed reforms

Household income	School taxes on:
\$0 - \$60,000	Capped at .5 to 2.5% of income + Property value over \$1,000,000
\$60,001-\$129,999	HH income (FY25 rates 2.0%-3.3%*) + Property value over \$1,000,000
\$130,000+	The lower of: HH income + property value over \$400,000 OR Entire property value

*Note: The income and homestead property tax rates vary by town based on per-pupil spending.

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