

# Where Do You Live?

## *Minnesota's Educational Opportunity Gap*

The unfair tax advantage in high-property wealth communities results in significant disparities in educational opportunities for students based merely upon where they live. State funding for E-12 public schools has not kept pace with annual inflation, mandates, and rising expectations. Districts rely on school operating levies to maintain current programming or reduce budget cuts. The cost to the local taxpayer for these school levies is based on the individual property wealth of the school district. Without significant commercial and industrial development to expand the tax base, the tax burden for school levies falls heavily on the residential or small business owners. Taxpayers in low-property wealth districts struggle to support significant school levies, creating considerable funding inequities among school districts.

School District	*Annual Taxpayer Cost for the Same Levy Amount
Hopkins	\$388
Cook County	\$427
St. Louis Park	\$446
Northland	\$477
West St. Paul	\$535
Eden Prairie	\$636
Winona	\$650
Red Wing	\$682
Rochester	\$810
Lake City	\$994
Fairmont Area	\$1,256
Owatonna	\$1,259
<b>Austin</b>	<b>\$1,773</b>

\*The graph shows the annual cost for a residential or business taxpayer in a \$250,000 home or business to generate \$2,779 per pupil in school operating revenue for their local schools.

State law allows communities to raise an additional \$2,779 per pupil in operating revenue for their schools through local property taxes, which is up to 2,055 per pupil in a voter-approved operating referendum and \$724 per pupil in board-approved local optional revenue.

(Data is for property taxes paid in 2022 for school funding in the 2022-23 school year.)