Total Property Tax Relief Aid Rate Reduction by School District — FY 2022

Note: Property tax rate reduction amounts are expressed in dollars per $1,000 of taxable valuations. Total property tax relief aid includes provisions from the 1992 property tax adjustment aid, adjusted additional property tax levy aid, and the property tax replacement payment (PTRP).

Total Funding Percentages

- 5.4% Total Rate Reduction
- 30.0% Per $1,000 of Valuation
- 64.6% $0.61

Sources: Department of Management, LSA calculations
LSA Staff Contact: Ron Robinson (515.281.6256) ron.robinson@legis.iowa.gov

$134.0M Statewide Average Rate Reduction Per $1,000 of Valuation

Total Property Tax Relief Aid FY 2022

The property tax adjustment aid (1992 provision) was originally implemented in FY 1992 to help ease property tax burdens with the implementation of the revised school aid formula. The aid provision has a gradual phase-out with an undetermined completion date. A total of 85.3% of districts receive this aid. In FY 2022, the total cost of this provision is $7.2 million.

The adjusted additional property tax levy aid provides property tax relief to school districts with high adjusted additional property tax rates. If funding is sufficient, the provision provides aid to districts up to the statewide average rate, and any remaining funds are used to increase the foundation level for that fiscal year. Funding includes a $24.0 million General Fund appropriation built into the school aid formula and 3.1% of the total amount collected from the Secure an Advanced Vision for Education (SAVE) Fund, which is deposited in the Property Tax Equity and Relief (PTER) Fund. A total of 21.4% of districts receive this aid. In FY 2022, this provision will provide $40.2 million in property tax relief.

The PTRP provides State aid for the property tax portion of the increase in the cost per pupil resulting from the establishment of the State percent of growth in FY 2014 through FY 2020. The amount currently shown reflects the amount of aid for FY 2022. All districts receive this aid. In FY 2022, this provision will generate $86.6 million in additional levy funding replacement.