

BASIC FOUNDATION PROGRAM

FY 2011-12

DEFINE PROGRAM EXPENDITURE LEVEL

DEFINE MANDATORY TAX EFFORT

PROGRAM COST - TAXES RAISED = STATE AID

WPUs X \$2,816 - LOCAL PROPERTY TAX REVENUE [0.001513 (Estimated) Tax Rate] = STATE AID

<u>DISTRICT A</u> (Non-Recapture District)		<u>DISTRICT B</u> (Recapture District) ¹	
1,000 WPUs		1,000 WPUs	
0.000100 Tax Rate Raises:		0.000100 Tax Rate Raises:	
\$ 20,000		\$ 200,000	
1,000 WPUs X \$2,816 =	\$2,816,000	1,000 WPUs X \$2,816 =	\$2,816,000
Less Tax Revenue	<u>318,200</u>	Less Tax Revenue	<u>3,182,000</u>
0.001591		0.001591	
STATE AID	\$2,497,800	STATE AID	\$ (366,000)
STATE GIVES DISTRICT	\$2,497,800	DISTRICT GIVES STATE	\$ 366,000
TOTAL DISTRICT REVENUE	<u>\$2,577,000</u>	TOTAL DISTRICT REVENUE	<u>\$2,577,000</u>

NOTE:

To change from Old Utah Mill to Present Tax Rate, DIVIDE by 5,000. Example: 7.565 /5,000 = 0.001513
 To change from Present Tax Rate to Old Utah Mill, MULTIPLY by 5,000. Example: 0.001513 X 5,000 =7.565

H:\WPDATA\TAXES\BasicGuarantee.wpd

¹The 1995 Legislature significantly reduced the FY 1995-96 (Tax Year 1995) Basic Rate levy and resultant tax yield. As a result of this initial reduction and further reductions by subsequent legislative actions, no basic rate revenue was recaptured from any school district from FY 1995-96 until FY2008-09.