

HB 1185 -- School District Alternative Funding Act

Sponsor: Dixon

This bill establishes the School District Alternative Funding Act which allows school districts to adopt, by voter approval, a personal income tax, sales tax, or both. Moneys raised by the taxes will not be deducted from a district's state school aid. For either tax, the school district must specify the purpose of the tax and the period of time for which the tax will be imposed, not to exceed three years. The income tax will be a 5%, 10%, or 15% surcharge on state personal income tax and may be used for property tax reduction, in which case it may be imposed for up to five years. The sales tax may be up to one cent, in eighth-cent increments. Provisions for the handling and transfer of funds and the procedures for holding the election are specified.