

## Local Taxes

Traditional public schools are typically funded in part through tax revenue raised by their local school districts. Because charter schools cannot impose taxes, they do not always have access to local tax revenue. Some states instead provide charter schools with an alternate source of state funding or withhold a portion of state aid from school districts to provide funding to charter schools.

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### Alabama

All charter schools in Alabama receive a share of local tax revenue.

For each charter student, charter schools receive the share of local tax revenue that would have been allocated for that student by the student's district of residence, not to exceed the per student value of \$10.00 per \$1,000 of taxable value in the district. The determination of the share of local funding due to a charter school will not include local revenue earmarked for a particular purpose, like for debt service.

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### Alaska

All charter schools in Alaska receive a share of local tax revenue.

Charter school funding in Alaska is calculated based on both state and local funds attributable to students attending the charter school. This includes revenue generated by required local property tax rates and any additional local property taxes imposed by local governments for education.

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### Arizona

Charter schools in Arizona do not receive a share of local tax revenue, but they do receive state funding that may be meant to replace local funding.

Charter schools in Arizona do not have access to revenue raised by local school districts. However, the state provides additional funding to charter schools at the rate of \$1,807 for students in grades K-8, and \$2,106 for students in grades 9-12, which may be meant to replace local tax revenue.

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### Arkansas

Some charter schools in Arkansas receive a share of local tax revenue, while other charter schools receive state funding which may be meant to replace local funding.

Charter schools that had been converted from being a traditional public school are funded by their school district in the same way as traditional public schools in their district, including by receiving local revenue. Charter schools that had not previously existed as traditional public schools do not receive revenue raised by local school districts. However, these charter schools do receive additional state funding in that the state provides the total amount that the charter is allotted in the state funding formula, including the portion that school districts would be expected to raise through local taxes.

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### California

All charter schools in California receive a share of local tax revenue.

Charter schools in California receive payments from local school districts that accounts for charters' inability to raise local revenue. The size of the payment is based on the district's per pupil property tax revenue or their per pupil formula allocation. In addition, charter schools may negotiate with school districts to share revenue from local sources of revenue other than the expected property tax levy, such as revenue from natural resource extraction, sales and use taxes, and parcel taxes.

The local school district responsible for providing these payments to charter schools may be the authorizing district, the district that originally denied the charter school's application, or the students' district of residence, depending on the type of the charter school.

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<b>Colorado</b>	<p>Some charter schools in Colorado receive a share of local tax revenue, while other charter schools receive state funding which may be meant to replace local funding.</p> <p>Charter schools authorized by local school districts receive the per pupil revenue for their authorizing district, including both state funding and the portion that local school districts would be expected to raise. Charter schools authorized by the state receive additional state funding in that the state provides a charter school's full allocation, including the funding that districts would have been expected to raise.</p> <p>Colorado state law also directs local school districts to adopt a plan to distribute to charter schools a share of local revenue raised above the expected local contribution. The state also provides an annual appropriation for state-authorized districts located in districts that raise funding above the expected local contribution.</p>
<b>Connecticut</b>	<p>Some charter schools in Connecticut receive a share of local tax revenue, while other charter schools do not.</p> <p>Charter schools authorized by local school districts receive a share of revenue raised in the school district in which they are located, in that they receive a share of district expenditures (See "Funding Calculation" for a detailed description of how this funding is calculated.) Charter schools authorized by the state do not receive a share of revenue raised by local school districts.</p>
<b>Delaware</b>	<p>All charter schools in Delaware receive a share of local tax revenue.</p> <p>The Delaware State Department of Education calculates the local cost per pupil expended by each school district for each type of student in the previous year. Charter schools receive a share of local funding from their students' district(s) of residence based on these rates.</p>
<b>District of Columbia</b>	
<b>Florida</b>	<p>All charter schools in Florida receive a share of local tax revenue.</p> <p>Charter schools in Florida receive all funding from the local school districts where they are located, and charter funding is calculated in a way that includes the school district's revenue from local sources, including both required and discretionary property tax levies. In addition, some charter schools will also receive a portion of their school district's levy for capital outlay and maintenance, with charter schools serving a student population where more than 75% of students are eligible for free and reduced price lunch or where more than 25% are students with disabilities receiving more.</p>
<b>Georgia</b>	<p>Some charter schools in Georgia receive a share of local tax revenue, while other charter schools receive state funding which may be meant to replace local funding.</p> <p>Charter schools authorized by local school districts receive the school district's total funding allocated by the state's funding formula, including tax revenue raised by local school districts. In the case of locally authorized charter schools that did not previously exist as traditional public schools, the charter's share will be distributed based on the share generated by charter students as compared to all students. Charter schools authorized by the state receive a form of funding from the state Department of Education to partially replace local funding.</p> <p>Additional state funding provided to state authorized charter schools is based on the estimated local revenue in the school district(s) where charter school students reside, or the estimated local revenue in the five districts with the least property wealth, whichever is greater.</p>
<b>Hawaii</b>	<p>Hawaii is one, statewide school district and does not raise any local tax revenue.</p>
<b>Idaho</b>	<p>Charter schools in Idaho do not receive a share of local tax revenue.</p>
<b>Illinois</b>	<p>All charter schools in Illinois receive a share of local tax revenue, which, for some charter schools, the state withholds from payments to school districts.</p> <p>Charter schools in Illinois do not directly receive local tax revenue. However, they are funded based on per pupil expenditures in local school districts, which would include revenue raised from local sources. In the case of charter schools authorized by a local school district, the authorizing school district provides both state and local funding to the charter. In the case of charter schools authorized by the state, the charter is funded directly by the state, but the state withholds a portion of state aid from the charter students' school district(s) of residence to account for lack of access to local revenue.</p>

<b>Indiana</b>	Charter schools in Indiana do not receive a share of local tax revenue.
<b>Iowa</b>	<p>All charter schools in Iowa receive a share of local tax revenue.</p> <p>Iowa state law does not specify how charter schools should be funded. However, charter schools are considered part of local school districts for funding purposes and the local school district funds charters as it does any other school within its district, including by sharing local tax revenue.</p>
<b>Kansas</b>	<p>All charter schools in Kansas receive a share of local tax revenue.</p> <p>Kansas state law does not specify how charter schools should be funded. However, charter schools are considered part of local school districts for funding purposes and the local school district funds charters as it does any other school within its district, including by sharing local tax revenue.</p>
<b>Kentucky</b>	Kentucky does not currently have any charter schools and its previous policy on charter funding ended in 2018.
<b>Louisiana</b>	<p>Charter schools in Louisiana do not receive a share of local tax revenue, but they do receive state funding that may be meant to replace local funding.</p> <p>The state will provide charter schools with an amount based on revenue raised by local school districts from sales and use taxes, property taxes, and earnings from state lands, excluding any local revenue dedicated to capital outlay or debt service.</p>
<b>Maine</b>	Charter schools in Maine do not receive a share of local tax revenue.
<b>Maryland</b>	<p>All charter schools in Maryland receive a share of local tax revenue.</p> <p>Maryland state law requires that charter schools should be funded at a rate commensurate with other schools in the district. Based on this requirement, the Maryland State Board of Education calculates charter funding in a way that includes funding raised by local governments for local school districts.</p>
<b>Massachusetts</b>	<p>All charter schools in Massachusetts receive a share of local tax revenue, which the state withholds from payments to the school districts.</p> <p>Charter schools do not have direct access to revenue raised by local governments for school districts. However, the level of funding that charters receive varies depending on spending in their students' district(s) of residence, including increased spending as a result of local tax revenue. The state provides funding for charter schools in Massachusetts by withholding an equivalent amount of state aid for school districts that send students to charters.</p>
<b>Michigan</b>	Charter schools in Michigan do not receive a share of local tax revenue.
<b>Minnesota</b>	Charter schools in Minnesota do not receive a share of local tax revenue.
<b>Mississippi</b>	<p>Charter schools in Mississippi receive a share of local tax revenue, which in some cases is withheld from local school districts.</p> <p>For students attending a charter located in the students' school district of residence, the district pays to the charter a proportionate share of the school district's local property tax revenue, excluding levies for debt service or in support of vocational educational programs. For students attending a charter school outside of their district of residence, the state Department of Education will pay to the charter its share of local property tax revenue in the students' district(s) of residence and withhold the amount from state aid payments to those districts.</p>
<b>Missouri</b>	<p>All charter schools in Missouri receive a share of local tax revenue, which the state withholds from payments to the school districts.</p> <p>Charter schools in Missouri also receive a share of local property tax revenue in their students' district(s) of residence, based on a student count weighted for certain student characteristics. The state provides local funding for charter schools in Missouri by withholding an equivalent amount of state aid for school districts where charter students reside.</p>

<b>Montana</b>	<p>Montana does not have a law establishing charter schools.</p> <p>The State Board of Public Education in Montana has established a process whereby school districts may apply to have one of their schools designated a charter. However, Montana has no state law pertaining to charter schools or charter school funding. Schools designated as a charter continue to be funded through their local school district in the same way as for traditional public schools, including by sharing in local tax revenue.</p>
<b>Nebraska</b>	<p>Nebraska does not have a law establishing charter schools.</p>
<b>Nevada</b>	<p>All charter schools in Nevada receive a share of local tax revenue, which the state withholds from payments to the school districts.</p> <p>Charter schools in Nevada receive a per pupil share of revenue raised in charter students' district(s) of residence. The state provides local funding directly to charter schools in Nevada by withholding an equivalent amount of state aid for school districts that send students to charters.</p>
<b>New Hampshire</b>	<p>Some charter schools in New Hampshire receive a share of local tax revenue, while other charter schools receive state funding that may be meant to replace local funding.</p> <p>Charter schools that are authorized by local school districts are funded based on local school district expenditures, including funding raised through local taxes. Charter schools that are authorized by the state do not receive a share of local tax revenue, but state statute does require that such charters receive \$3,411 per student in addition to their state funding level.</p>
<b>New Jersey</b>	<p>All charter schools in New Jersey receive a share of local tax revenue.</p> <p>Charter schools receive 90% of the per student share of revenue raised from the local property tax for general purposes and from a local payroll tax for education, if the district levies it.</p>
<b>New Mexico</b>	<p>All charter schools in New Mexico receive a share of local tax revenue.</p> <p>Charter schools receive a share of the \$0.50 for every \$1,000 of assessed local property wealth that local school districts are required to contribute. In addition, charter schools receive a share of two types of levies for capital improvements, proportional to their student count.</p>
<b>New York</b>	<p>All charter schools in New York receive a share of local tax revenue.</p> <p>Charter schools are funded based on local school district expenditures, including funding raised through local taxes.</p>
<b>North Carolina</b>	<p>All charter schools in North Carolina receive a share of local tax revenue.</p> <p>The school district(s) where charter students reside will provide the charter school with the per student share of expenditures from local revenue sources, including appropriations from county property taxes and revenue from supplemental taxes levied by or on behalf of the local school district.</p>
<b>North Dakota</b>	<p>North Dakota does not have a law establishing charter schools.</p>
<b>Ohio</b>	<p>Charter schools in Ohio do not receive a share of local tax revenue, but they do receive state funding that may be meant to replace local funding.</p> <p>Charter schools in Ohio do not have direct access to revenue raised by local school districts. However, the state provides charter schools with their entire formula allocation, while local school districts are expected to cover between 5% and 90% of their formula allocation through local revenue.</p> <p>State law also allows certain types of charter schools to share additional revenue raised by local school districts: Municipal school districts may allocate a portion of local revenue to select charter schools. In addition, charter schools sponsored by an "exemplary" sponsor may access revenue raised by local school districts, if approved by the local school board and by voters.</p>
<b>Oklahoma</b>	<p>Charter schools in Oklahoma do not receive a share of local tax revenue.</p>

<b>Oregon</b>	<p>Some charter schools in Oregon may receive a share of local tax revenue, while other charter schools may not.</p> <p>Distribution of local tax revenue is left to individual districts, so charter schools in some districts may receive a share of local revenue.</p>
<b>Pennsylvania</b>	<p>All charter schools in Pennsylvania receive a share of local tax revenue.</p> <p>Charter schools are funded based on local school district expenditures, including funding raised through local taxes.</p>
<b>Rhode Island</b>	<p>All charter schools in Rhode Island receive a share of local tax revenue.</p> <p>The state department of education calculates a per pupil local share for each district. The local share is the difference between the per pupil cost in the charter students' district(s) of residence and the state share.</p>
<b>South Carolina</b>	<p>Some charter schools in South Carolina receive a share of local tax revenue, while other charter schools do not.</p> <p>Charter schools authorized by a local school district receive a share of revenue raised by their local school district or by the county in which they are located. Funding for locally authorized charter schools is based on total revenue, including both state and local revenue, in the authorizing district. Charter schools authorized by some other entity do not receive a share of local revenue.</p>
<b>South Dakota</b>	<p>South Dakota does not have a law establishing charter schools.</p>
<b>Tennessee</b>	<p>All charter schools in Tennessee receive a share of local tax revenue.</p> <p>Local school districts that authorize charter schools are required to allocate to their charter schools all revenue raised locally, including local funding raised above the districts' expected local share. Local school districts that contain a state authorized charter school are also required to provide to the state the charter school's share of local revenue.</p>
<b>Texas</b>	<p>Some charter schools in Texas receive a share of local tax revenue, while other charter schools receive state funding that may be meant to replace local funding.</p> <p>Charter schools authorized by local school districts are part of the authorizing district and they receive funding, including local tax revenue, in the same way as other schools within the district. Charter schools authorized by the state Commissioner of Education do not have direct access to revenue raised by local school districts. However, the state provides charter schools with their entire formula amount, while local school districts are expected to cover a share based on their property values and funding history.</p>
<b>Utah</b>	<p>Charter schools in Utah receive a share of local tax revenue, as well as state funding that may be meant to replace local funding.</p> <p>Local school districts are required to impose a local property tax levy for charter schools equal to 25% of the per student local revenue raised in their district, excluding revenue for debt service. In addition, the state provides the difference between the statewide average local revenue raised per student, excluding debt service, and what is raised by the local school district. In addition, the state will also provide funds for debt service, based on what local school districts raise for debt service statewide.</p> <p>Though local school districts raise local revenue on behalf of charter schools, the districts do not directly provide the district with local funds. (See "Funding Distribution.") The county treasurer collects revenue raised on behalf of charter schools and remits it back to the State Treasurer to distribute.</p>
<b>Vermont</b>	<p>Vermont does not have a law establishing charter schools.</p>
<b>Virginia</b>	<p>Some charter schools in Virginia may receive a share of local tax revenue, while other charter schools may not.</p> <p>Charter schools receive funding, including local tax revenue, based on an agreement between the charter and the school district.</p>
<b>Washington</b>	<p>Charter schools in Washington do not receive a share of revenue raised by local school districts.</p> <p>In addition, state law specifies that charter schools may not impose taxes or issue tax-backed bonds.</p>

<b>West Virginia</b>	West Virginia does not have a law establishing charter schools.
<b>Wisconsin</b>	<p>Some charter schools in Wisconsin receive a share of local tax revenue.</p> <p>Charter schools authorized by local school districts are funded through their local school district in the same way that traditional public schools are and receive a share of local tax revenue. Charter schools authorized by other entities, such as institutions of higher education and eligible cities and counties, do not.</p>
<b>Wyoming</b>	<p>Some charter schools in Wyoming may receive a share of local tax revenue, while other charter schools may not.</p> <p>Charter schools in Wyoming are part of the district where they are located, and they receive funding, including local tax revenue, based on an agreement between the charter and the school district.</p>

For a complete list of primary sources, please see the appropriate state page at [charters.funded.edbuild.org](http://charters.funded.edbuild.org)

