It is essential that Arkansas maintains the integrity of local property assessments. Traditionally, property taxes have been a stable source of school funding for local communities to help support children. In FY19, approximately 38% ($1.2 billion) of the total Foundation Funding came from local property taxes (25 Mill Uniform Rate of Tax). For the last several years, the growth in property taxes made up the majority of the increase in Foundation Funding. For example, the growth in Foundation Funding in FY19 was $31,450,205 and the growth in the URT property taxes was $28,535,351.

Property taxes provide local communities the opportunity to improve school facilities and meet other needs. In collaboration, local school districts and the state have invested approximately $3.8 billion to upgrade academic facilities since the inception (2006-2007) of the Partnership Program ($2.5 billion locally and $1.3 billion from the state). The Partnership Program has certainly stimulated the state’s economy and supported construction trades statewide.

AAEA encourages superintendents and business managers to maintain close communication with county officials and the schools’ representative(s) on the Equalization Board in order to keep abreast of industry and property assessment trends, monthly tax collection comparisons and potential tax appeals.

**Talking Points:**

- Property taxes have been a stable source of school funding for local communities to help support children and teachers.

- Property taxes provide local communities the opportunity to improve school facilities and meet other needs.

- The Facility Partnership Program provides adequate learning environments for students, suitable teaching environments for teachers, and has stimulated the state’s economy while supporting construction trades statewide.

- Protect our current property tax structure and eliminate new exemptions to erode the integrity of the system.