WISCONSIN COALITION FOR EDUCATION FREEDOM

## Why Decoupling?

## **Reasons Why:**

# \$340 Million Property Tax Cut All State Taxpayers Treated Equally

Decoupling warrants bipartisan support. It boosts state aid to public schools and provides \$340 million in property tax relief – a benefit currently available only in Milwaukee.

#### What is current law?

GPR appropriations finance private school choice (and independent charters). However, outside of Milwaukee, the state offsets the GPR cost by reducing equalization aid to local public school districts. Districts then may raise property taxes to make up the difference.

#### What is decoupling?

Decoupling is shorthand for eliminating the aid reduction and related property tax increases.

#### Why should decoupling happen now?

According to the Tax Foundation, Wisconsin ranks 10th in the nation for property tax burden. It's time to treat taxpayers across the state fairly and deliver meaningful property tax relief.

#### How is Milwaukee treated?

The Milwaukee Parental Choice Program already is fully decoupled. There are no aid reductions or property tax hikes tied to to the MPCP.

#### What is the property tax impact?

Estimated annual property tax relief of about \$340 million for taxpayers outside Milwaukee. This change treats all property taxpayers around the state equally.

### Does decoupling increase funding for private choice and charter schools?

No — decoupling simply changes how the state funds public schools, without expanding or increasing funding for choice or charter schools.

#### Does decoupling expand eligibility for private choice?

No. All current law provisions remain unchanged.

#### Are there other benefits?

Yes. It simplifies budget planning for public school districts. The complex current process creates uncertainly in the local budget process.

#### How are school districts affected?

District level impacts depend on language in a final bill draft. Estimates are that more than 400 districts will see a property tax cut.









