

City Council Committee of the Whole
March 27, 2024
Tax Bill Testimony: Bill 240180 (Real Estate Millage Shift)
Rob Dubow, Finance Director

Good morning, Council President Johnson and members of City Council. My name is Rob Dubow, Finance Director. I am here to testify in support of Bill 240180. This bill proposes a shift in the division of the Real Estate Tax between the School District and the City of Philadelphia, increasing the portion that goes to the School District and establishing an equivalent reduction in the portion that goes to the City.

This bill would change the split of the Real Estate Tax between the School District and the City. The School District receives 55% of the Real Estate Tax and the City receives 45%. Under Bill 240180, the School District would receive 56% of the tax and the City would receive 44%. This shift will result in approximately \$22 million in new funding through the Real Estate Tax for the School District in FY25. When combined with the City's contribution to the School District, this would result in nearly \$129 million in new funding for the School District over the course of the Five Year Plan and would allow the District to benefit from any growth in real estate value in the city. The proposed millage shift supports Mayor Parker's goal of providing a world-class education for Philadelphia students of all ages and socioeconomic backgrounds and supports future planning for a multi-year rollout of the Mayor's full-day/year-round school initiative, enabling students to receive the educational enrichment they need throughout the year, with schedules that work for working families.

Thank you for the opportunity to testify in support of this legislation. I am happy to answer any questions you may have.