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Michael Williams
Commissioner

June 18, 2014

To the Administrator Addressed:

Subject: 2013–2014 Unequalized Tax Collections Applicable to EDA and IFA Local Share

The State Funding Division has posted updated calculations of unequalized tax collections to be used in calculating the Existing Debt Allotment (EDA) and the Instructional Facilities Allotment (IFA). We will use these calculations to update the EDA and IFA allocations for those school districts that do not collect sufficient interest and sinking fund (I&S) taxes to meet their local share requirements. Failure to meet the local share requirements of the EDA and IFA programs can result in reduced state aid if a district does not have sufficient unequalized tax collections to make up the shortfall.

The updated calculations are available on the agency's [EDA Program](#) and [IFA Program](#) web pages. Please note that the 2012–2013 calculations now reflect final data. The 2013–2014 calculations now reflect district planning estimate (DPE) data and will be updated when the data for the final *Summary of Finances* report are available.

Unequalized tax collections generated from I&S taxes are calculated by subtracting the local shares of the EDA and IFA programs from the I&S taxes collected. The calculations also include the potential for generating unequalized maintenance and operations (M&O) tax collections in Tier I of the Foundation School Program. A district can earn unequalized tax collections in Tier I if M&O tax collections at the compressed tax rate, net of recapture, are greater than the local fund assignment and the district does not qualify for funding under the Texas Education Code, §42.2516 (Additional State Aid for Tax Reduction).

If you have questions about these calculations, please contact Jacqueline Pree at (512) 475-1217 or Jacqueline.Pree@tea.state.tx.us.

Sincerely,


Amanda Brownson
Director of State Funding