

# Prop 30/55

Proposition 30, the Schools and Local Public Safety Protection Act of 2012, approved by the voters on November 6, 2012, temporarily increases the State sales tax rate for all taxpayers, and the personal income tax rates for upper-income taxpayers. New revenues generated from Proposition 30 are deposited into a State account called the Education Protection Account (EPA). EPA funds are based on the proportionate share of the Statewide revenue amount. A corresponding reduction is made to the Local Education Agency's revenue equal to the amount of its EPA entitlement.

The District's State revenue is now comprised of three funding sources: State aid, EPA, and property taxes. The addition of a new funding source does not increase the District's revenue funding because the State aid revenue is decreased according to the amount of EPA funds received.

At the beginning of each year, the Department of Finance estimates the amount to be transferred into the EPA for districts. EPA revenue funds for Clovis Unified will be deposited into restricted resource 1400. These funds must, therefore, be accounted for under the following reporting requirements:

1. Each year the Governing Board must approve a spending plan for the EPA money.
2. The EPA funds cannot be used for the salaries or benefits of administrators or for administrative costs.
3. The District must publish on its website the amount of EPA money received and how it was spent.
4. An annual audit will be required to verify that EPA funds were spent in accordance with the requirements of Proposition 30. The cost of this audit can be paid using EPA funds.
5. The spending plan must be approved at the time the District's annual budget is adopted.

The temporary sales tax approved with the passage of Proposition 30 expired at the end of the 2016 calendar year. The personal income tax rates for upper-income taxpayers was due to expire at the end of the 2018 calendar year. On the November 2016 ballot, California voters approved Proposition 55, extending the Proposition 30 income tax increase for upper-income taxpayers through 2030.