

# In-Lieu of Property Taxes



# **In-Lieu of Property Taxes Training Topics**

- Definition & References
- How to calculate?
- How to pay?
- Fiscal year-end reconciliation
- Annual recertifications

# In-Lieu of Property Taxes

## Definition & References

- CDE “Charter School Funding” webpage:  
<https://www.cde.ca.gov/fg/aa/pa/csfunding.asp>
- In-Lieu of Property Taxes (ILPT): The portion of property taxes collected by the local school district (sponsor) that must be transferred to the charter school serving that geographic location or the students that reside in that geographic location
- Calculation of ILPT: Property taxes per ADA x Charter School ADA
- *EC 47632(i)*: Establishes the entity responsible for the transfer of ILPT to a charter school (charter sponsor)
- *EC 47635(a)*: Establishes the calculation for ILPT
- *EC 47635(b)*: Establishes the payment schedule for ILPT

# **In-Lieu of Property Taxes How to calculate?**

Download calculator from CDE website:

<https://www.cde.ca.gov/fg/aa/pa/documents/ilptpaycalc.xlsx>

## **In-lieu of Property Taxes Payment Calculator**

[In-lieu of Property Taxes Payment Calculator \(XLSX\)](#)

Tab 1: “LEA Apportionment Info”

Tab 2: “In Lieu Payment Calc”

## In-lieu of Property Taxes Payment Calculator

Pursuant to *Education Code (EC)* sections 47632, 47635 and 47652

### Instructions

1. Enter the fiscal year, charter school information, and sponsoring school district name.<sup>1</sup>
2. Enter certified annualized in-lieu of property taxes amounts from the applicable certification period.<sup>2, 3</sup>

<b>Fiscal Year</b>	2022-23
<b>Charter School</b>	[Type Charter School Name]
<b>CDS Code</b>	[Type CDS Code 00-00000-00000000]
<b>Charter Number</b>	[Type Charter Number 0000]
<b>Charter Sponsor<sup>1</sup></b>	[Type Sponsoring School District Name]

Payment Period	Certification	Annualized In-lieu of Property Taxes <sup>2,3</sup>
Advance	Prior Fiscal Year P-2	\$ -
1st Special Advance	2022-23 First Charter School Special Advance Apportionment	\$ -
2nd Special Advance	2022-23 Second Charter School Special Advance Apportionment	\$ -
P-1	2022-23 First Principal (P-1) Apportionment	\$ -
P-2	2022-23 Second Principal (P-2) Apportionment	\$ -
Annual	2022-23 Annual	\$ -
Annual R-1	2022-23 First Annual Recertification (AN R-1)	\$ -
Annual R-2	2022-23 Second Annual Recertification (AN R-2)	\$ -
Annual R-3 <sup>4</sup>	2022-23 Third Annual Recertification (AN R-3)	\$ -

## In-lieu of Property Taxes Payment Calculator

Pursuant to *Education Code (EC)* sections 47632, 47635 and 47652

**Fiscal Year** 2022-23

**Charter School** [Type Charter School Name]

**Charter Sponsor** [Type Sponsoring School District Name]

**CDS Code** [Type CDS Code 00-00000-0000000]

**Charter Number** [Type Charter Number 0000]

Certification Period	Month	Monthly Payment is Calculated On...	Payment Rate	Annualized Amount	Payment Due	Paid to Date
Advance	August	Prior Fiscal Year P-2	6%	\$ -	\$ -	\$ -
Advance	September	Prior Fiscal Year P-2	12%	-	-	-
Advance	October	Prior Fiscal Year P-2	8%	-	-	-
Advance	November	Prior Fiscal Year P-2	8%	-	-	-
Advance	December	Prior Fiscal Year P-2	8%	-	-	-
Advance	January	Prior Fiscal Year P-2	8%	-	-	-
Advance	February	Prior Fiscal Year P-2	8%	-	-	-
1st Special Advance	September/October	1st Charter School Special Advance	28%	-	-	-
2nd Special Advance	December/January	2nd Charter School Special Advance	46% less 1st Special Advance Payment	-	-	-
P-1	March	Balance due (P-1 Total less total paid August through February)	2/6th Balance Due	-	-	-
P-1	April	Balance due (P-1 Total less total paid August through February)	1/6th Balance Due	-	-	-
P-1	May	Balance due (P-1 Total less total paid August through February)	1/6th Balance Due	-	-	-
P-1	June	Balance due (P-1 Total less total paid August through February)	1/6th Balance Due	-	-	-
P-2	July	Balance due (P-2 Total less total paid through June)	Balance Due	-	-	-



# In-Lieu of Property Taxes

## How to calculate? Line 1: Advance

CDE Principal Apportionment Funding Exhibits, PRIOR Fiscal Year

<https://www.cde.ca.gov/fg/aa/pa/pa2122.asp>

### Second Principal (P-2) Apportionment

Certified June 17, 2022

- [Apportionment Letter](#) (Dated 17-Jun-2022)
  - ◆ [Attachment - Calculations to determine the Second Principal Apportionment](#)
- LEA Funding Detail:
  - ◆ [Funding Exhibits - Second Principal Apportionment](#)
  - ◆ [Funding Excel Files - Second Principal Apportionment](#)

Detail report of the Principal Apportionment Summary and Payment Schedules.

- [LCFF Summary Data](#)

Summary of the main LCFF components for each school district, charter school and county office of education, including the supplemental and concentration grants.
- [Statewide LCFF Funding Fingertip Facts](#)

Statewide LCFF funding data.

# In-Lieu of Property Taxes


## How to calculate? Line 1: Advance

CDE Principal Apportionment Funding Exhibits, PRIOR Fiscal Year

[Home](#) » [Finance & Grants](#) » [Allocations & Apportionments](#) » [Principal Apportionment](#)

### Second Principal Apportionment (P-2) Fiscal Year 2021-22

Period:	<input type="text" value="2021-22 P-2"/>
Entity:	<input type="text" value="Charter School"/>
Program:	<input type="text" value="Charter School LCFF Calculation"/>
County:	<input type="text" value="San Diego"/>
District:	<input type="text" value="San Marcos Unified"/>
LEA:	<input type="text" value="Pivot Charter School - San Diego II"/>

 [Preview Report](#)



# In-Lieu of Property Taxes

## How to calculate? Line 1: Advance

CDE Principal Apportionment Funding Exhibits, PRIOR Fiscal Year  
Charter School LCFF Calculation Exhibit, Line I-4

### Local Revenue (In-lieu of Property Taxes) [EC 47632 & 47635]

For Countywide charter schools [EC 47605.6], County Program charter schools [EC 47605.5], or State Board of Education approved charter schools [EC 47605(k)], skip I-1 through I-3; I-4 is from the Local Revenue Detail by District of Residence (LRDDR) exhibit. If Statewide Benefit charter school, skip I-1 through I-4.

Tax per ADA Rate	I-1 \$	2,539.37
Current Year Funded ADA (Equals B-5)	I-2	102.76
Base Grant (Equals C-5)	I-3 \$	968,183
Total In-lieu of Property Taxes (Lesser of (I-1 * I-2) or I-3 or equals G-1 from LRDDR)	I-4 \$	260,946
Gross State Aid (H-3 - I-4; if less than 0, I-5 = 0)	I-5 \$	810,755
Education Protection Account Entitlement	I-6 \$	20,552
Net State Aid (I-5 - I-6; if less than 0, I-7 = 0)	I-7 \$	790,203

# In-lieu of Property Taxes Payment Calculator

Pursuant to *Education Code (EC)* sections 47632, 47635 and 47652

## Instructions

1. Enter the fiscal year, charter school information, and sponsoring school district name.<sup>1</sup>
2. Enter certified annualized in-lieu of property taxes amounts from the applicable certification period.<sup>2, 3</sup>

<b>Fiscal Year</b>	2022-23
<b>Charter School</b>	[Type Charter School Name]
<b>CDS Code</b>	[Type CDS Code 00-00000-00000000]
<b>Charter Number</b>	[Type Charter Number 0000]
<b>Charter Sponsor<sup>1</sup></b>	[Type Sponsoring School District Name]

Payment Period	Certification	Annualized In-lieu of Property Taxes <sup>2,3</sup>
Advance	Prior Fiscal Year P-2	\$ 260,946
1st Special Advance	2022-23 First Charter School Special Advance Apportionment	\$ -
2nd Special Advance	2022-23 Second Charter School Special Advance Apportionment	\$ -
P-1	2022-23 First Principal (P-1) Apportionment	\$ -
P-2	2022-23 Second Principal (P-2) Apportionment	\$ -
Annual	2022-23 Annual	\$ -
Annual R-1	2022-23 First Annual Recertification (AN R-1)	\$ -
Annual R-2	2022-23 Second Annual Recertification (AN R-2)	\$ -
Annual R-3 <sup>4</sup>	2022-23 Third Annual Recertification (AN R-3)	\$ -

# In-Lieu of Property Taxes

## How to pay?

During the fiscal year: August – February payments auto-calculate on Tab 2

### In-lieu of Property Taxes Payment Calculator

Pursuant to *Education Code (EC)* sections 47632, 47635 and 47652

Fiscal Year	2022-23
Charter School	[Type Charter School Name]
Charter Sponsor	[Type Sponsoring School District Name]
CDS Code	[Type CDS Code 00-00000-00000000]
Charter Number	[Type Charter Number 0000]

Certification Period	Month	Monthly Payment is Calculated On...	Payment Rate	Annualized Amount	Payment Due	Paid to Date
Advance	August	Prior Fiscal Year P-2	6%	\$ 260,946	\$ 15,657	\$ 15,657
Advance	September	Prior Fiscal Year P-2	12%	260,946	31,314	46,971
Advance	October	Prior Fiscal Year P-2	8%	260,946	20,876	67,847
Advance	November	Prior Fiscal Year P-2	8%	260,946	20,876	88,723
Advance	December	Prior Fiscal Year P-2	8%	260,946	20,876	109,599
Advance	January	Prior Fiscal Year P-2	8%	260,946	20,876	130,475
Advance	February	Prior Fiscal Year P-2	8%	260,946	20,876	151,351

# **In-Lieu of Property Taxes How to calculate? Lines 2 & 3**

Lines 2 & 3 are ONLY for new and expanding charter schools  
CDE Principal Apportionment, CURRENT Fiscal Year

## **Special Apportionments for Charter Schools**

- ➡ [Charter School Special Advance Apportionment](#)
  - [Charter School Special Advance Apportionment Information](#)

This web page is designed to provide charter schools with information about obtaining special advance funding in the first year of operation or in a year of expansion.



# In-Lieu of Property Taxes

## How to calculate? Lines 2 & 3

Lines 2 & 3 are ONLY for new and expanding charter schools  
CDE Principal Apportionment, CURRENT Fiscal Year

Enter the value from Column  
C in the 1<sup>st</sup> Special Advance  
Apportionment Summary on  
Line 2



(C)  
Estimated  
Total 2022–23  
In-lieu of  
Property Taxes

Enter the value from Column  
F in the 2<sup>nd</sup> Special Advance  
Apportionment Summary on  
Line 3



(F)  
Estimated 2022–23  
In-lieu of Property  
Taxes

# In-Lieu of Property Taxes

## How to calculate? Lines 2 & 3

Lines 2 & 3 are ONLY for new and expanding charter schools  
CDE Principal Apportionment, CURRENT Fiscal Year

Payment Period	Certification	Annualized In-lieu of Property Taxes <sup>2,3</sup>
Advance	Prior Fiscal Year P-2	\$ 260,946
1st Special Advance	2022-23 First Charter School Special Advance Apportionment	\$ 46,265
2nd Special Advance	2022-23 Second Charter School Special Advance Apportionment	\$ 46,265
P-1	2022-23 First Principal (P-1) Apportionment	\$ -
P-2	2022-23 Second Principal (P-2) Apportionment	\$ -
Annual	2022-23 Annual	\$ -
Annual R-1	2022-23 First Annual Recertification (AN R-1)	\$ -
Annual R-2	2022-23 Second Annual Recertification (AN R-2)	\$ -
Annual R-3 <sup>4</sup>	2022-23 Third Annual Recertification (AN R-3)	\$ -





# In-Lieu of Property Taxes

## How to pay?

Additional payments in September & December  
ONLY for new and expanding charter schools

Certification Period	Month	Monthly Payment is Calculated On...	Payment Rate	Annualized Amount	Payment Due	Paid to Date
Advance	August	Prior Fiscal Year P-2	6%	\$ 260,946	\$ 15,657	\$ 15,657
Advance	September	Prior Fiscal Year P-2	12%	260,946	31,314	46,971
Advance	October	Prior Fiscal Year P-2	8%	260,946	20,876	67,847
Advance	November	Prior Fiscal Year P-2	8%	260,946	20,876	88,723
Advance	December	Prior Fiscal Year P-2	8%	260,946	20,876	109,599
Advance	January	Prior Fiscal Year P-2	8%	260,946	20,876	130,475
Advance	February	Prior Fiscal Year P-2	8%	260,946	20,876	151,351
1st Special Advance	September/October	1st Charter School Special Advance	28%	46,265	12,954	164,305
2nd Special Advance	December/January	2nd Charter School Special Advance	46% less 1st Special Advance Payment	46,265	8,328	172,633

# In-Lieu of Property Taxes

## How to calculate? Line 4: P-1

CDE Principal Apportionment Funding Exhibits, CURRENT Fiscal Year

<https://www.cde.ca.gov/fg/aa/pa/pa2223.asp>

### First Principal (P-1) Apportionment

Certified February 17, 2023

- [Apportionment Letter - 17-Feb-2023](#)
  - ◆ [Attachment - Calculations to determine the First Principal Apportionment](#)
- LEA Funding Detail:
  - ➔ [Funding Exhibits - First Principal Apportionment](#)
  - ◆ [Funding Excel Files - First Principal Apportionment](#)

Detail report of the Principal Apportionment Summary and Payment Schedules.

- [LCFF Summary Data](#)

Summary of the main Local Control Funding Formula (LCFF) components for each school district, charter school and county office of education, including the supplemental and concentration grants.
- [Statewide LCFF Funding Fingertip Facts](#)

Statewide LCFF funding data.

# In-Lieu of Property Taxes

## How to calculate? Line 4: P-1

CDE Principal Apportionment Funding Exhibits, CURRENT Fiscal Year

[Home](#) » [Finance & Grants](#) » [Allocations & Apportionments](#) » [Principal Apportionment](#)

### First Principal Apportionment (P-1) Fiscal Year 2022-23

Period:	<input type="text" value="2022-23 P-1"/>
Entity:	<input type="text" value="Charter School"/>
Program:	<input type="text" value="Charter School LCFF Calculation"/>
County:	<input type="text" value="San Diego"/>
District:	<input type="text" value="San Marcos Unified"/>
LEA:	<input type="text" value="Pivot Charter School - San Diego II"/>



Preview Report

# In-Lieu of Property Taxes

## How to calculate? Line 4: P-1

CDE Principal Apportionment Funding Exhibits, CURRENT Fiscal Year  
Charter School LCFF Calculation Exhibit, Line I-4

Local Revenue (In-lieu of Property Taxes) [EC 47632 & 47635]

For Countywide charter schools [EC 47605.6], County Program charter schools [EC 47605.5], or State Board of Education approved charter schools [EC 47605(k)], skip I-1 through I-3; I-4 is from the Local Revenue Detail by District of Residence (LRDDR) exhibit. If Statewide Benefit charter school, skip I-1 through I-4.

Tax per ADA Rate	I-1 \$	2,794.59
Current Year Funded ADA (Equals B-5)	I-2	77.07
Base Grant (Equals C-5)	I-3 \$	823,834
Total In-lieu of Property Taxes (Lesser of (I-1 * I-2) or I-3 or equals G-1 from LRDDR)	I-4 \$	215,379
Gross State Aid (I-3 - I-4; if less than 0, I-5 = 0)	I-5 \$	696,704
Education Protection Account Entitlement	I-6 \$	15,414
Net State Aid (I-5 - I-6; if less than 0, I-7 = 0)	I-7 \$	681,290



# In-lieu of Property Taxes Payment Calculator

Pursuant to *Education Code (EC)* sections 47632, 47635 and 47652

## Instructions

1. Enter the fiscal year, charter school information, and sponsoring school district name.<sup>1</sup>
2. Enter certified annualized in-lieu of property taxes amounts from the applicable certification period.<sup>2, 3</sup>

<b>Fiscal Year</b>	2022-23
<b>Charter School</b>	[Type Charter School Name]
<b>CDS Code</b>	[Type CDS Code 00-00000-00000000]
<b>Charter Number</b>	[Type Charter Number 0000]
<b>Charter Sponsor<sup>1</sup></b>	[Type Sponsoring School District Name]

Payment Period	Certification	Annualized In-lieu of Property Taxes <sup>2,3</sup>
Advance	Prior Fiscal Year P-2	\$ 260,946
1st Special Advance	2022-23 First Charter School Special Advance Apportionment	\$ 46,265
2nd Special Advance	2022-23 Second Charter School Special Advance Apportionment	\$ 46,265
P-1	2022-23 First Principal (P-1) Apportionment	\$ 215,379
P-2	2022-23 Second Principal (P-2) Apportionment	\$ -
Annual	2022-23 Annual	\$ -
Annual R-1	2022-23 First Annual Recertification (AN R-1)	\$ -
Annual R-2	2022-23 Second Annual Recertification (AN R-2)	\$ -
Annual R-3 <sup>4</sup>	2022-23 Third Annual Recertification (AN R-3)	\$ -

# In-Lieu of Property Taxes

## How to pay?

During the fiscal year: March – June payments auto-calculate on Tab 2

In-lieu of Property Taxes Payment Calculator						
Pursuant to <i>Education Code (EC)</i> sections 47632, 47635 and 47652						
Fiscal Year	2022-23					
Charter School	[Type Charter School Name]					
Charter Sponsor	[Type Sponsoring School District Name]					
CDS Code	[Type CDS Code 00-00000-0000000]					
Charter Number	[Type Charter Number 0000]					
Certification Period	Month	Monthly Payment is Calculated On...	Payment Rate	Annualized Amount	Payment Due	Paid to Date
P-1	March	Balance due (P-1 Total less total paid August through February)	2/6th Balance Due	215,379	14,249	186,882
P-1	April	Balance due (P-1 Total less total paid August through February)	1/6th Balance Due	215,379	7,124	194,006
P-1	May	Balance due (P-1 Total less total paid August through February)	1/6th Balance Due	215,379	7,124	201,130
P-1	June	Balance due (P-1 Total less total paid August through February)	1/6th Balance Due	215,379	7,124	208,254



# In-Lieu of Property Taxes

## How to calculate? Line 5: P-2

CDE Principal Apportionment Funding Exhibits, CURRENT Fiscal Year

<https://www.cde.ca.gov/fg/aa/pa/pa2223.asp>

### Second Principal (P-2) Apportionment

Certified June 19, 2023

- [Apportionment Letter - 19-Jun-2023](#)
  - ◆ [Attachment - Calculations to determine the Second Principal Apportionment](#)
- LEA Funding Detail:
  - ➔ [Funding Exhibits - Second Principal Apportionment](#)
  - ◆ [Funding Excel Files - Second Principal Apportionment](#)

Detail report of the Principal Apportionment Summary and Payment Schedules

- [LCFF Summary Data](#)

Summary of the main Local Control Funding Formula (LCFF) components for each school district, charter school and county office of education, including the supplemental and concentration grants.
- [Statewide LCFF Funding Fingertip Facts](#)

Statewide LCFF funding data.

# In-Lieu of Property Taxes

## How to calculate? Line 5: P-2

CDE Principal Apportionment Funding Exhibits, CURRENT Fiscal Year

[Home](#) » [Finance & Grants](#) » [Allocations & Apportionments](#) » [Principal Apportionment](#)

### Second Principal Apportionment (P-2) Fiscal Year 2022-23

Period:	<input type="text" value="2022-23 P-2"/>
Entity:	<input type="text" value="Charter School"/>
Program:	<input type="text" value="Charter School LCFF Calculation"/>
County:	<input type="text" value="San Diego"/>
District:	<input type="text" value="San Marcos Unified"/>
LEA:	<input type="text" value="Pivot Charter School - San Diego II"/>



[Preview Report](#)

# In-Lieu of Property Taxes

## How to calculate? Line 5: P-2

CDE Principal Apportionment Funding Exhibits, CURRENT Fiscal Year  
Charter School LCFF Calculation Exhibit, Line I-4

Local Revenue (In-lieu of Property Taxes) [EC 47632 & 47635]

For Countywide charter schools [EC 47605.6], County Program charter schools [EC 47605.5], or State Board of Education approved charter schools [EC 47605(k)], skip I-1 through I-3; I-4 is from the Local Revenue Detail by District of Residence (LRDDR) exhibit. If Statewide Benefit charter school, skip I-1 through I-4.

Tax per ADA Rate	I-1 \$	2,879.82
Current Year Funded ADA (Equals B-5)	I-2	80.13
Base Grant (Equals C-5)	I-3 \$	853,457
Total In-lieu of Property Taxes (Lesser of (I-1 * I-2) or I-3 or equals G-1 from LRDDR)	I-4 \$	230,760
Gross State Aid (H-3 - I-4; if less than 0, I-5 = 0)	I-5 \$	714,119
Education Protection Account Entitlement	I-6 \$	16,026
Net State Aid (I-5 - I-6; if less than 0, I-7 = 0)	I-7 \$	698,093

# In-lieu of Property Taxes Payment Calculator

Pursuant to *Education Code (EC)* sections 47632, 47635 and 47652

## Instructions

1. Enter the fiscal year, charter school information, and sponsoring school district name.<sup>1</sup>
2. Enter certified annualized in-lieu of property taxes amounts from the applicable certification period.<sup>2, 3</sup>

<b>Fiscal Year</b>	2022-23
<b>Charter School</b>	[Type Charter School Name]
<b>CDS Code</b>	[Type CDS Code 00-00000-00000000]
<b>Charter Number</b>	[Type Charter Number 0000]
<b>Charter Sponsor<sup>1</sup></b>	[Type Sponsoring School District Name]

Payment Period	Certification	Annualized In-lieu of Property Taxes <sup>2,3</sup>
Advance	Prior Fiscal Year P-2	\$ 260,946
1st Special Advance	2022-23 First Charter School Special Advance Apportionment	\$ 46,265
2nd Special Advance	2022-23 Second Charter School Special Advance Apportionment	\$ 46,265
P-1	2022-23 First Principal (P-1) Apportionment	\$ 215,379
P-2	2022-23 Second Principal (P-2) Apportionment	\$ 230,760
Annual	2022-23 Annual	\$ -
Annual R-1	2022-23 First Annual Recertification (AN R-1)	\$ -
Annual R-2	2022-23 Second Annual Recertification (AN R-2)	\$ -
Annual R-3 <sup>4</sup>	2022-23 Third Annual Recertification (AN R-3)	\$ -



# In-Lieu of Property Taxes

## How to pay?

After the fiscal year: July payment auto-calculates on Tab 2  
ACCRUE this amount in Unaudited Actuals

In-lieu of Property Taxes Payment Calculator						
Pursuant to <i>Education Code (EC)</i> sections 47632, 47635 and 47652						
Fiscal Year	2022-23					
Charter School	[Type Charter School Name]					
Charter Sponsor	[Type Sponsoring School District Name]					
CDS Code	[Type CDS Code 00-00000-00000000]					
Charter Number	[Type Charter Number 0000]					
Certification Period	Month	Monthly Payment is Calculated On...	Payment Rate	Annualized Amount	Payment Due	Paid to Date
P-2	July	Balance due (P-2 Total less total paid through June)	Balance Due	230,760	22,506	230,760

# In-Lieu of Property Taxes Fiscal Year-end Reconciliation

- Object 8096 (ILPT) must net to zero between sponsoring district and its charter schools
  - ✓ District must review before submitting charter school UA forms to SDCOE
- District Accrues July payment (Record in June as a liability):

Debit: Object 8096 (ILPT)	\$22,506
Credit: Object 9510 (Liability)	\$22,506
- Charter Accrues July payment (Record in June as a receivable):

Debit: Object 9210 (Receivable)	\$22,506
Credit: Object 8096 (ILPT)	\$22,506



# In-Lieu of Property Taxes Fiscal Year-end Reconciliation

Calculate the final amount of ILPT to accrue in Unaudited Actuals

- Use the LCFF Calculator “District In-Lieu Taxes” tab to determine final accrual amounts
- Update for changes since P-2:
  - Final property taxes (Annual J29-B certified in August)
  - Final funded ADA changes (Includes proxy ADA for 2021-22)

## IN-LIEU PROPERTY TAX TRANSFER

For an authorizing district, in-lieu of property tax is calculated on the lesser of property taxes per ADA or the LCFF funding per ADA

1. Property Taxes per ADA

2a. Adjusted base revenue per ADA x charter school ADA

For a district with students in county-operated charter, or a basic aid district with students in countywide charter schools, or a district certified as basic aid at prior year annual with students in an SBE-approved charter school, in-lieu of property tax is calculated on the lesser of property taxes per ADA, or adjusted base funding per ADA.

1. Property taxes per ADA x District of Residence ADA

2a. Adjusted base revenue per ADA x District of Residence ADA

To enter your own calculation of In-Lieu use the Alternative Calculation tool on the Data Entry tab

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Local Property Taxes (w/out RDA)	\$ 47,329,373	\$ 49,066,926	\$ 51,197,948	\$ 57,155,048	\$ 57,655,048	\$ 58,155,048	\$ 58,655,048
District LCFF ADA	20,138.27	20,077.71	20,059.85	19,662.47	19,016.60	18,339.84	18,045.41
Total Charter LCFF ADA	111.65	111.65	102.76	80.13	77.07	77.07	77.07
Total LCFF ADA	20,249.92	20,189.36	20,162.61	19,742.60	19,093.67	18,416.91	18,122.48
Property Taxes per ADA	\$ 2,337.26	\$ 2,430.34	\$ 2,539.25	\$ 2,895.01	\$ 3,019.59	\$ 3,157.70	\$ 3,236.59
Funding Method:							
Property Taxes per ADA	\$ -	\$ -	\$ -	\$ 231,977	\$ 232,720	\$ 243,364	\$ 249,444
LCFF Funding per ADA	-	-	-	-	-	-	-
Alternative Calculation	-	-	-	-	-	-	-
Certified In-Lieu Taxes	260,955	271,347	260,946	-	-	-	-
<b>In-Lieu of Property Tax Transfer Total</b>	<b>\$ 260,955</b>	<b>\$ 271,347</b>	<b>\$ 260,946</b>	<b>\$ 231,977</b>	<b>\$ 232,720</b>	<b>\$ 243,364</b>	<b>\$ 249,444</b>
Prior Year Basic Aid Status		Non-Basic Aid	Non-Basic Aid	Non-Basic Aid	Non-Basic Aid	Non-Basic Aid	Non-Basic Aid
Charter School	\$ -	\$ -	\$ -	\$ 231,977	\$ 232,720	\$ 243,364	\$ 249,444
ADA	-	-	-	80.13	77.07	77.07	77.07
1 In-Lieu at Property tax/ADA	\$ -	\$ -	\$ -	\$ 231,977	\$ 232,720	\$ 243,364	\$ 249,444
2 In-Lieu at LCFF Adj Base grant/ADA	\$ -	\$ -	\$ -	\$ 853,457	\$ 891,535	\$ 926,666	\$ 957,114



...

Data Entry

Calculator

EPA

Summary

NSS Calculation

**District In-Lieu Taxes**

Graphs

Local 1

Local 2

Local 3

Local 4

Local 5

# In-Lieu of Property Taxes Fiscal Year-end Reconciliation

- Final accrual amount based on LCFF calculator, updated for annual property taxes and funded ADA
  - $\$231,977 - \$230,760 = \$1,217$
- District accrues remaining ILPT amount (Record in June as a liability):

Debit: Object 8096 (ILPT)	\$1,217
Credit: Object 9510 (Liability)	\$1,217
- Charter accrues remaining ILPT amount (Record in June as a receivable):

Debit: Object 9210 (Receivable)	\$1,217
Credit: Object 8096 (ILPT)	\$1,217



- Reconcile this amount at annual recertification and pay in February

# **In-Lieu of Property Taxes Fiscal Year-end Reconciliation**

## Charter School Unaudited Actuals ALT Form

- CDE will require data in the Charter ALT form for the following object codes:
  - 8011 LCFF State Aid
  - 8012 Education Protection Account
  - 8096 In-Lieu of Property Taxes
- A Technical Review Checklist (TRC) error will be generated if amounts are not entered for the above object codes

# **In-Lieu of Property Taxes Fiscal Year-end Reconciliation**

## Best practices

- Sponsoring district and charter schools should review calculations and payment schedules together to validate numbers
- Sponsoring district and charter schools should ensure object 8096 balances net to zero before submitting Unaudited Actuals forms to SDCOE

# In-Lieu of Property Taxes

## How to calculate? Line 6: Annual

CDE Principal Apportionment Funding Exhibits

Review in February when P-1 is certified

### First Principal (P-1) Apportionment

Certified February 17, 2023

- [Apportionment Letter - 17-Feb-2023](#)
  - ◆ [Attachment - Calculations to determine the First Principal Apportionment](#)
- LEA Funding Detail:
  - [Funding Exhibits - First Principal Apportionment](#)
  - ◆ [Funding Excel Files - First Principal Apportionment](#)

Detail report of the Principal Apportionment Summary and Payment Schedules.

- [LCFF Summary Data](#)

Summary of the main Local Control Funding Formula (LCFF) components for each school district, charter school and county office of education, including the supplemental and concentration grants.
- [Statewide LCFF Funding Fingertip Facts](#)

Statewide LCFF funding data.




# In-Lieu of Property Taxes

## How to calculate? Line 6: Annual

CDE Principal Apportionment Funding Exhibits

[Home](#) » [Finance & Grants](#) » [Allocations & Apportionments](#) » [Principal Apportionment](#)

### First Principal Apportionment (P-1)

Period: **2022-23 Annual** 

Entity: Charter School

Program: Charter School LCFF Calculation

County: San Diego

District: San Marcos Unified

LEA: Pivot Charter School - San Diego II

*Select "2022-23 Annual" in Fiscal Years 2023-24, 2024-25, 2025-26, & 2026-27 to determine FY 2022-23 Annual Recertification amount*

 [Preview Report](#)

# In-Lieu of Property Taxes

## How to calculate? Line 6: Annual

CDE Principal Apportionment Funding Exhibits

Charter School LCFF Calculation Exhibit, Line I-4

Local Revenue (In-lieu of Property Taxes) [EC 47632 & 47635]

For Countywide charter schools [EC 47605.6], County Program charter schools [EC 47605.5], or State Board of Education approved charter schools [EC 47605(k)], skip I-1 through I-3; I-4 is from the Local Revenue Detail by District of Residence (LRDDR) exhibit. If Statewide Benefit charter school, skip I-1 through I-4.

Tax per ADA Rate	I-1 \$	2,556.69
Current Year Funded ADA (Equals B-5)	I-2	102.68
Base Grant (Equals C-5)	I-3 \$	967,370
Total In-lieu of Property Taxes (Lesser of (I-1 * I-2) or I-3 or equals G-1 from LRDDR)	I-4 \$	262,521
Gross State Aid (H-3 - I-4; if less than 0, I-5 = 0)	I-5 \$	808,280
Education Protection Account Entitlement	I-6 \$	20,536
Net State Aid (I-5 - I-6; if less than 0, I-7 = 0)	I-7 \$	787,744

# In-lieu of Property Taxes Payment Calculator

Pursuant to *Education Code (EC)* sections 47632, 47635 and 47652

## Instructions

1. Enter the fiscal year, charter school information, and sponsoring school district name.<sup>1</sup>
2. Enter certified annualized in-lieu of property taxes amounts from the applicable certification period.<sup>2, 3</sup>

<b>Fiscal Year</b>	2022-23
<b>Charter School</b>	[Type Charter School Name]
<b>CDS Code</b>	[Type CDS Code 00-00000-00000000]
<b>Charter Number</b>	[Type Charter Number 0000]
<b>Charter Sponsor<sup>1</sup></b>	[Type Sponsoring School District Name]

Payment Period	Certification	Annualized In-lieu of Property Taxes <sup>2,3</sup>
Advance	Prior Fiscal Year P-2	\$ 260,946
1st Special Advance	2022-23 First Charter School Special Advance Apportionment	\$ 46,265
2nd Special Advance	2022-23 Second Charter School Special Advance Apportionment	\$ 46,265
P-1	2022-23 First Principal (P-1) Apportionment	\$ 215,379
P-2	2022-23 Second Principal (P-2) Apportionment	\$ 230,760
Annual	2022-23 Annual	\$ 262,521
Annual R-1	2022-23 First Annual Recertification (AN R-1)	\$ -
Annual R-2	2022-23 Second Annual Recertification (AN R-2)	\$ -
Annual R-3 <sup>4</sup>	2022-23 Third Annual Recertification (AN R-3)	\$ -

# In-Lieu of Property Taxes

## How to pay?

Pay remaining amount in February after P-1 certification

In-lieu of Property Taxes Payment Calculator						
Pursuant to <i>Education Code (EC)</i> sections 47632, 47635 and 47652						
Fiscal Year	2022-23					
Charter School	[Type Charter School Name]					
Charter Sponsor	[Type Sponsoring School District Name]					
CDS Code	[Type CDS Code 00-00000-00000000]					
Charter Number	[Type Charter Number 0000]					
Certification Period	Month	Monthly Payment is Calculated On...	Payment Rate	Annualized Amount	Payment Due	Paid to Date
P-1	May	Balance due (P-1 Total less total paid August through February)	1/6th Balance Due	215,379	7,124	201,130
P-1	June	Balance due (P-1 Total less total paid August through February)	1/6th Balance Due	215,379	7,124	208,254
P-2	July	Balance due (P-2 Total less total paid through June)	Balance Due	230,760	22,506	230,760
Annual Recertification	Annual	Balance Due (Annual Total less paid to date)	Balance Due	262,521	31,761	262,521

# In-Lieu of Property Taxes Annual Recertifications

Review annual recertifications at each reporting period for 3 years

In-lieu of Property Taxes Payment Calculator		
Pursuant to <i>Education Code (EC)</i> sections 47632, 47635 and 47652		
Instructions		
1. Enter the fiscal year, charter school information, and sponsoring school district name. <sup>1</sup>		
2. Enter certified annualized in-lieu of property taxes amounts from the applicable certification period. <sup>2, 3</sup>		
Fiscal Year	2022-23	
Charter School	[Type Charter School Name]	
CDS Code	[Type CDS Code 00-00000-0000000]	
Charter Number	[Type Charter Number 0000]	
Charter Sponsor <sup>1</sup>	[Type Sponsoring School District Name]	
Payment Period	Certification	Annualized In-lieu of Property Taxes <sup>2,3</sup>
Advance	Prior Fiscal Year P-2	\$ 260,946
1st Special Advance	2022-23 First Charter School Special Advance Apportionment	\$ 46,265
2nd Special Advance	2022-23 Second Charter School Special Advance Apportionment	\$ 46,265
P-1	2022-23 First Principal (P-1) Apportionment	\$ 215,379
P-2	2022-23 Second Principal (P-2) Apportionment	\$ 230,760
Annual	2022-23 Annual	\$ 262,521
Annual R-1	2022-23 First Annual Recertification (AN R-1)	\$ -
Annual R-2	2022-23 Second Annual Recertification (AN R-2)	\$ -
Annual R-3 <sup>4</sup>	2022-23 Third Annual Recertification (AN R-3)	\$ -



# **In-Lieu of Property Taxes Annual Recertifications**

## Accounting for annual recertifications

- Sponsoring school district and charter schools post prior year ILPT adjustments to object 8096
- Amounts in object 8096 for prior year ILPT payments should net to zero between sponsoring school district and charter schools