

Property Tax Trends & Amendment A

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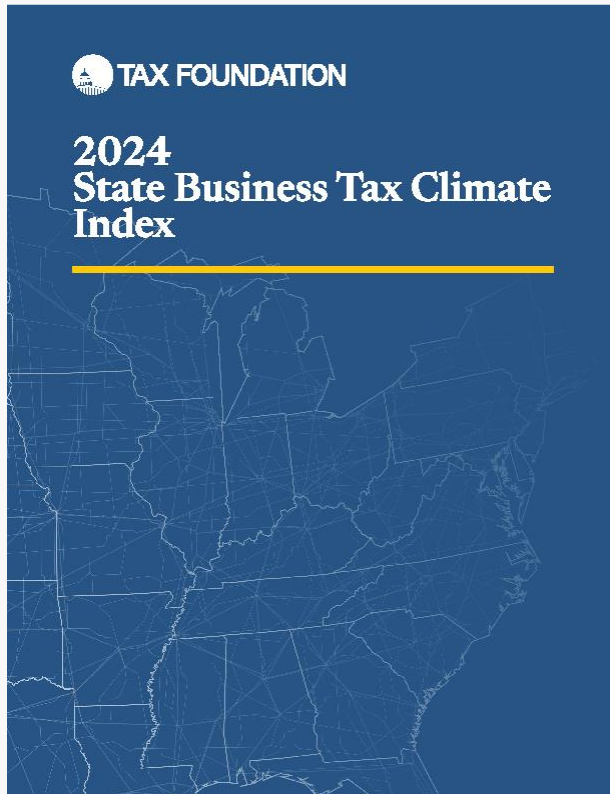
Tax Foundation

Mission: To improve lives through tax policies that lead to greater economic growth and opportunity.

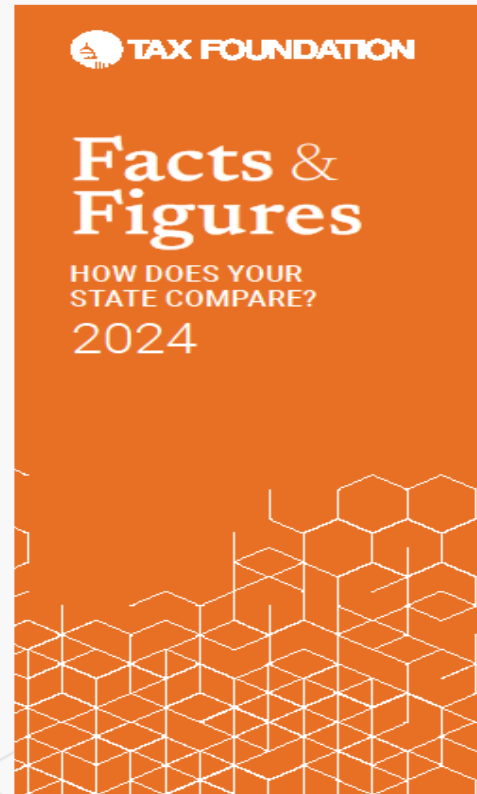
Principles of Sound Tax Policy:

1. Simplicity
2. Transparency
3. Neutrality
4. Stability

Data Rich and Practical Publications



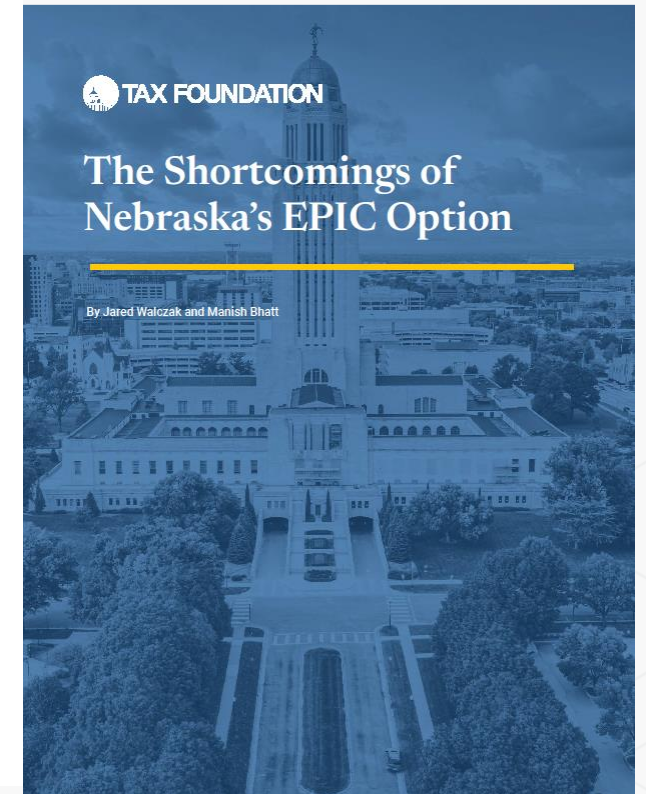
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State Migration Trends

Net Gain of income tax filers in 26 states (led by FL, TX, NC, TN, and SC)

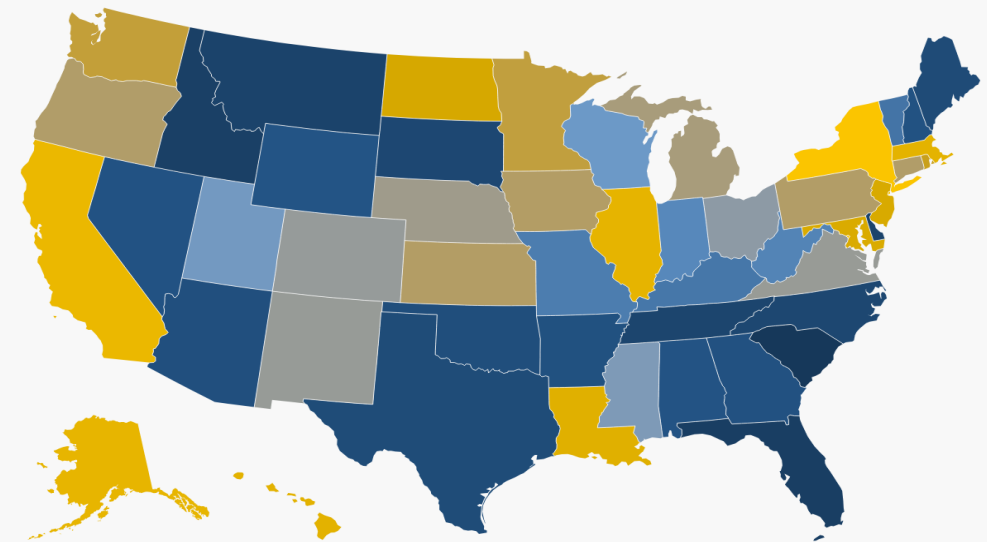
Net Loss of income tax filers in 24 states and D.C. (led by CA, NY, IL, MA, and NJ)

[Interactive Link](#)

State Population Changes Attributable to Interstate Migration, 2021-2022

Net Gain/Loss of Residents as a Share of 2021 State Population

-1.20% 1.36%



Note: Tax Foundation calculations.
Source: IRS, SOI Tax Stats; Census Bureau state population estimates for 2021.

Map: Andrey Yushkov

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County Migration Trends

4 TX counties in the top 10 net gain of income tax filers (Collin, Montgomery, Denton, Williamson)

4 CA counties in the top 10 net loss of income tax filers (LA, Orange, Santa Clara, Alameda)

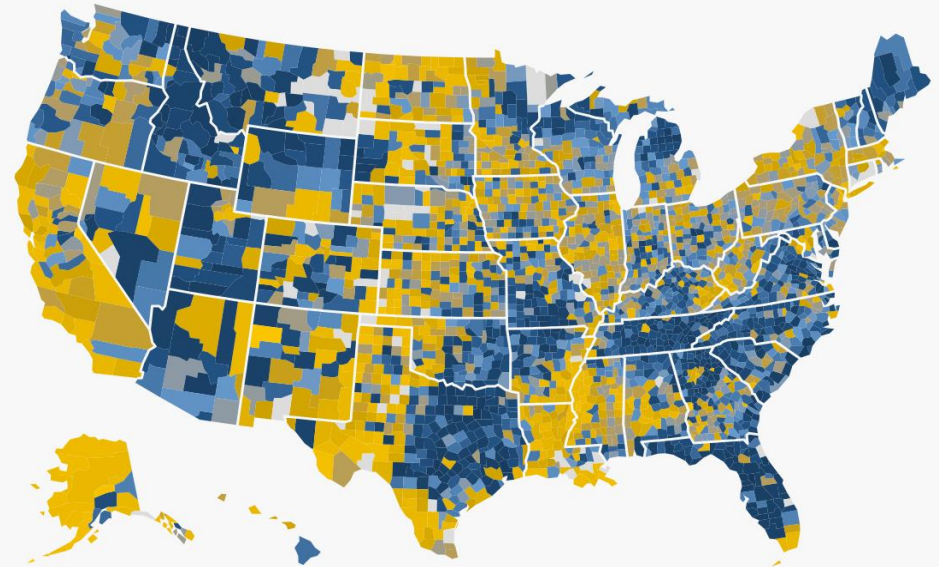
Across the board gains in AGI and income tax filers in FL and TN, virtually none in any parish in LA

[Interactive Link](#)

County-Level Migration in 2021-2022

Net Gain/Loss of Residents as a Share of 2021 County Population

-5.8% 7.1%



Note: Tax Foundation calculations using IRS and Census data.
Source: IRS, SOI Tax Stats.

Map: Andrey Yushkov

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The Property Tax

A Good Tax that is Misunderstood and Maligned



The Property Tax

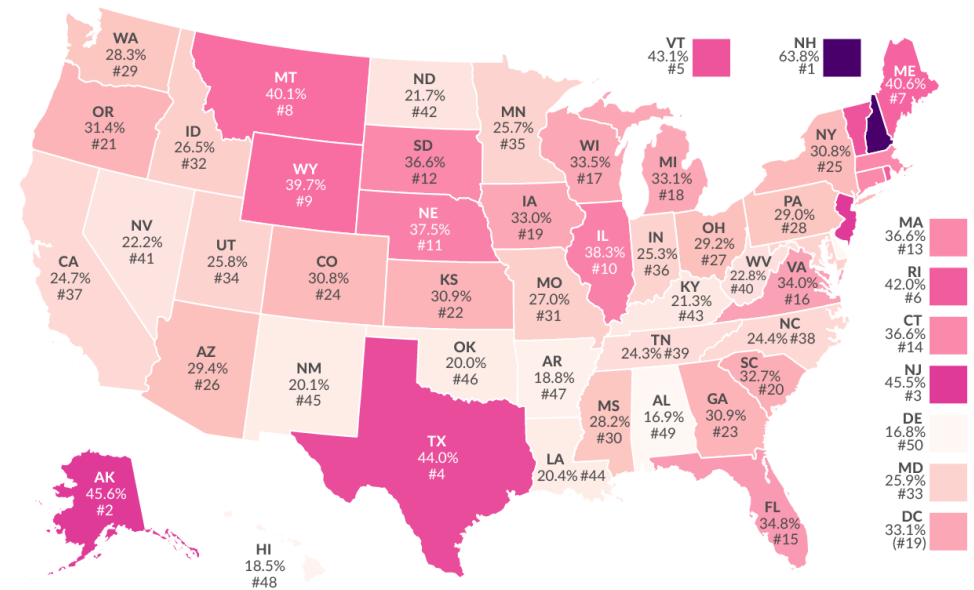
One of the few revenue generators available to local government.

Property Tax:

1. Transparent
2. Neutral
3. Comports with the Benefit Principle
4. Often is Self-Reinforcing

How Much Does Your State Rely on Property Taxes?

Property Tax Collections as a Percent of Total State and Local Tax Collections, FY 2018



Note: D.C.'s rank does not affect states' ranks, but the figure in parentheses indicates where it would have ranked if included.

Sources: U.S. Census Bureau, "Annual Survey of State and Local Government Finances"; Tax Foundation calculations.



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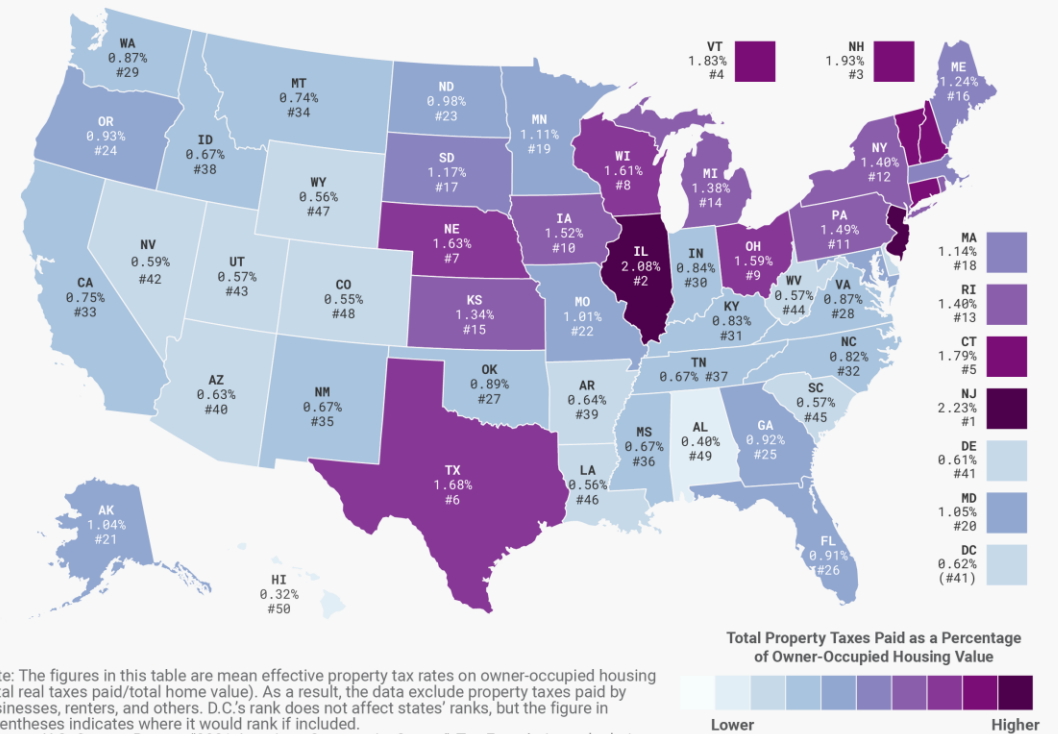
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Property Tax Trends

1. Property taxes make up 72% of local tax revenue.
2. Nationally, housing values \uparrow 40% (in some places, much more).
3. People are paying more (median property tax bill \uparrow 14.3%).
4. In 2022, in real terms, property tax collections \downarrow 5.5% (compared to 2019).
5. People are paying more, and government is collecting less. Why? Answer: inflation.

How High Are Property Taxes in Your State?

Property Taxes Paid as a Percentage of Owner-Occupied Housing Value, 2021



Note: The figures in this table are mean effective property tax rates on owner-occupied housing (total real taxes paid/total home value). As a result, the data exclude property taxes paid by businesses, renters, and others. D.C.'s rank does not affect states' ranks, but the figure in parentheses indicates where it would rank if included.
Sources: U.S. Census Bureau, "2021 American Community Survey"; Tax Foundation calculations.

Eliminating the Property Tax

Florida (a proposal in the Florida legislature to study the matter)

Nebraska (EPIC ballot initiative)

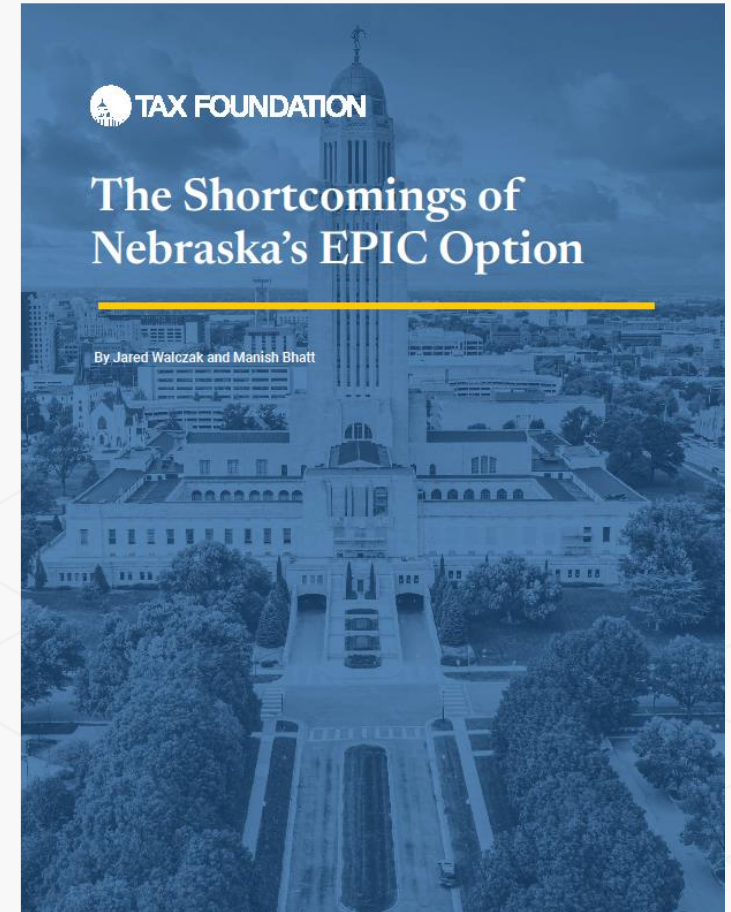
North Dakota (citizen initiative)

Texas (using compression to eliminate property taxes over time)

Wyoming (considered raising the sales tax to eliminate the property tax on most residential homes)

Nebraska's EPIC Option

1. EPIC Option Proposes to Eliminate:
 - a. Property Tax
 - b. Income Taxes (individual and corporate)
 - c. Inheritance Tax
2. Replace all state revenue with a statewide consumption Tax (7.5%)
3. Local governments could also impose a consumption tax
4. Our analysis suggested a consumption tax rate of nearly 22% would be needed to replace revenue



Wyoming Property Tax Relief at the Ballot

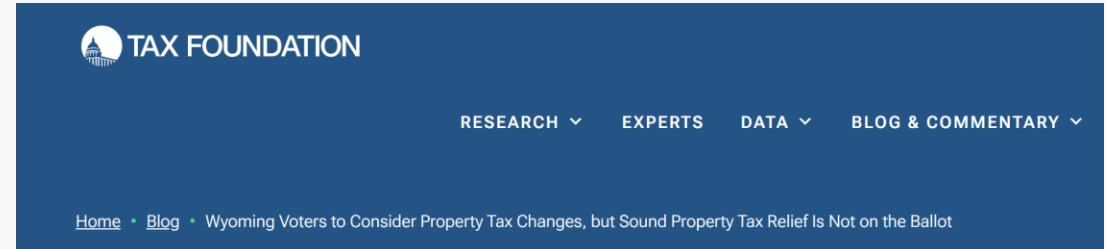
Legislatively Referred Constitutional Amendment would add to the state's existing split roll property tax

Split Roll Property Tax are non-neutral

1. Apply different rates and/or assessment ratios for different classes of property
2. Incentivize investment in certain classes of property over others
3. Can cause tax increases on certain property owners to avoid raising taxes on homeowners

Owner-Occupied Primary Residence Subclass

1. Rents could increase on those unable to purchase a home
2. Renters and second homeowners could pay more for use of the same local services



Wyoming Voters to Consider Property Tax Changes, but Sound Property Tax Relief Is Not on the Ballot

September 12, 2024 · 5 min read

By: [Manish Bhatt](#)

Nationwide, property owners have experienced surges in valuations and are demanding [tax relief](#). Lawmakers are right to find ways to provide it, but should do so with sound tax principles in mind. In November, [Wyoming](#) voters [will be asked](#) whether to grant the legislature additional authority to adjust property taxes. Unfortunately, the option before them is a nonneutral policy that could negatively influence investment decisions and would likely shift the [property tax](#) burden without offering meaningful relief for all taxpayers.



Thank You

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