



Property Tax **FAQ**

This document equips you with clear, consistent, and easy-to-understand messaging crafted to help you communicate with the public about property taxes. It provides straightforward answers to common questions about how property taxes are determined, why they are important, and how they support essential community services.

What are property taxes, and why do they exist?

Property taxes are the primary source of funding for local governments and have been used in the United States since the 1600s to support essential public services. Today, they remain one of the most stable and reliable revenue sources available to communities.

The money collected from property taxes funds schools, police and fire protection, road maintenance, sanitation services, parks, libraries, and other critical infrastructure that support daily life. Without this funding, local governments would struggle to maintain crucial services, and communities could experience declines in safety, education, and overall quality of life.

How are property taxes calculated?

Property taxes are based on two main components: the assessed value of a property and the tax rate set by local governments.

First, a property's value is determined through a structured assessment process that considers factors such as size, location, condition, and recent sales of similar properties. Then local elected officials set a tax rate, also known as a millage rate, based on the revenue needed to fund public services. That rate is applied to the taxable portion of the assessed value of the property to calculate the tax bill. This means that both the millage rate and the taxable value are integral parts of the calculation, not just the value.

Why are property taxes tied to local services?

Property taxes are collected and spent locally, which means the revenue generated in a community is reinvested back into that same community. This connection ensures that residents benefit directly from the taxes they pay through improved schools, safer neighborhoods, better roads, and enhanced public amenities. Because decisions are made at the local level, communities have greater control over priorities and spending, which can result in more efficient and responsive governance.



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Who decides how much I pay in property taxes?

There is a clear separation of responsibilities in the property tax system. Assessors determine the value of property, but they do not decide how much tax is owed. Tax rates are set by elected officials such as city councils, school boards, and county commissioners. These officials establish budgets based on community needs and then determine the tax rates required to generate that revenue, creating a structure that ensures that taxation decisions give residents a voice through their elected representatives.

Why do property taxes sometimes increase?

Property taxes often increase because property values change. When housing markets are strong and demand is high, property values tend to rise. Because assessments are tied to market value, this can lead to higher assessed values and, in turn, higher tax bills.

What would happen if property taxes were reduced or eliminated?

Reducing or eliminating property taxes would have significant and immediate consequences for local communities. Many essential services would face funding cuts or be eliminated, including education, emergency services, and infrastructure maintenance. Governments would likely need to replace this lost revenue with other taxes, such as higher income or sales taxes, which tend to be less stable and more sensitive to economic changes. Over time, this could result in reduced service quality, increased financial strain on residents, and less local control over how funds are spent.

Is there a better alternative to property taxes?

While alternatives such as income or sales taxes can be used to fund government services, they often come with trade-offs. These types of taxes tend to fluctuate more with economic conditions and can create uncertainty in funding. Additionally, shifting away from property taxes could lead to less local control. Property taxes, despite their challenges, remain one of the most effective ways to provide stable, locally controlled funding for essential services.



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Why are property taxes considered a stable funding source?

Stability does not come just from property values. Property tax systems operate on regular assessment cycles, established tax rates and collection mechanisms that are less impacted by economic change than other revenue sources, and there is an appeal process to ensure fairness. As a result, property tax systems typically deliver services with a greater degree of certainty from year to year.

While property values can rise or fall, they tend to change more gradually, providing a consistent revenue stream for local governments. This stability allows communities to plan and maintain long-term investments in infrastructure and public services without the volatility associated with other forms of taxation.

Are property taxes fair?

Standardized methods are used to assess properties consistently across a community, ensuring that similar properties are valued in similar ways. Assessors follow established guidelines and rely on data-driven techniques to maintain uniformity and accuracy. While no system is perfect, the goal is to create a transparent and equitable process where taxpayers contribute their fair share based on property value.

Of course, you are advocating for property taxes. If property taxes are abolished, doesn't that mean you could lose your job?

Assessors do not determine how much revenue communities raise, or how tax dollars are spent. Those decisions are made by the taxing authorities based on community needs.

The role of assessors is to value property fairly, accurately, and transparently under the standards and laws established by state and local governments. Assessors are trained professionals who ensure that properties are valued consistently and that taxpayers have access to information, appeal rights, and due process.



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Why should I be willing to pay property taxes for services I don't personally use, such as schools or recreation centers?

It's a fair question. The reality is that a community functions best when everyone contributes to the services that benefit the community, even if individuals don't use every service directly.

For example, even if you don't have children in school, strong schools help attract families, support local employers, strengthen property values, and contribute to a well-educated workforce. Likewise, parks, libraries, recreation facilities, roads, emergency services, and public health infrastructure all help make communities safer, healthier, and more desirable places to live and do business.

Most people don't use every publicly funded service every day. You may not call the fire department this year, visit a library regularly, or use a recreation center daily. However, knowing those services are available when needed benefits everyone and contributes to the overall quality of life in the community.

Property taxes help communities collectively invest in the places they call home. While individuals may value certain services more than others, the shared investment helps ensure that the entire community remains strong, functional, and resilient.