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**State and Local Property  
Tax Burdens in 2005**

by  
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# Executive Summary

## Background

States and localities face the challenge of collecting property and other tax revenues to finance public services and programs, while not creating unduly high tax burdens that would drive away affluent residents or create excessive burdens for low-income households. Of all local government revenue sources, the one relied on most heavily is the local property tax. On average, property taxes amounted to almost three-fourths (73 percent) of all local taxes and almost half (46 percent) of all local general revenues (not including federal aid) in fiscal year 2004.

States have responded to property tax burdens through property tax relief programs. The major property tax relief programs are homestead credits, circuit breakers, homestead exemptions, and property tax deferral programs.

States have also reduced property taxes by creating various caps, limits, or freezes on assessed property values, property tax rates, or total property taxes. Finally, some states have passed laws that have resulted in residential property owners paying lower property tax bills than commercial or industrial property owners because of differences in property tax rates or in how property is valued.

## Purpose

As state legislators grapple with high and rising property tax burdens, they might find it useful to compare their state's residential property tax burdens with those of other states. In addition, they may want to know which demographic groups have the highest property tax burdens. This study seeks to provide policymakers with this information to assist them with their deliberations.

## Methodology

This study uses data from the 2005 American Community Survey (ACS), a large national survey from the U.S. Department of Commerce's Census Bureau. We first estimated the overall median state and local residential property tax burden for three groups: all homeowners, homeowners under age 65 (where both spouses or both unmarried partners were younger than age 65), and homeowners age 65 and older (where either spouse or unmarried partner was age 65-plus). To estimate property tax burdens from ACS data, property taxes and income for each household were used. To derive income for each household, income from family members and any unmarried partners was counted. We included income from unmarried partners, since it is likely that unmarried partners were responsible for or contributed to the payment of property taxes.

The ACS reported household property taxes in ranges rather than in exact amounts. We assigned the midpoint of each range as the amount a household paid in property taxes. The highest property tax range ACS reported for a household was \$10,000 or more. Since we could

not assign a midpoint to this range, tax or economic experts in some of the states with the highest property tax burdens (based on the 2005 American Community Survey), such as New Jersey, were asked if they could provide an estimate of the median property tax bill for households paying \$10,000 or more in property taxes. Based on this information, we assumed that the median property tax bill of households that paid \$10,000 or more in property taxes was \$15,000.

After obtaining income and property tax data, we calculated property tax burdens for each group. The property tax burden was defined as the ratio of property taxes divided by the combination of family income plus the income from any unmarried partner for each homeowner household. The median property tax burden for each group (all homeowners, homeowners under age 65, and homeowners age 65 and older) was used as the best estimate for the overall state property tax burden.

After calculating the overall state property tax burden for the three groups, we estimated the median property tax burden by income quartile for the three groups in order to better assess the regressivity or progressivity of the property tax. Income quartiles were calculated for each group and then homeowners were allocated by quartile range.

## Principal Findings and Discussion

### State and Local Property Tax Burdens

As shown in Table ES-1, on the whole, New England and the Middle-Atlantic states have the highest median property tax burdens. The median property tax burdens of homeowners age 65 and older were greater than the property tax burdens of younger homeowners in almost all of the 50 states. Table ES-2 illustrates that most of the states with the lowest median property tax burdens are from the South.

**Table ES-1**  
**Ten Highest Property Tax Burden States in 2005 by All Homeowners, Homeowners Under Age 65, and Homeowners Age 65 and Older**

All Homeowners		Homeowners Under Age 65		Homeowners Age 65-Plus	
State	Median Property Tax Burden* (in percents)	State	Median Property Tax Burden* (in percents)	State	Median Property Tax Burden* (in percents)
New Jersey	6.5	New Jersey	5.8	New Jersey	10.5
New Hampshire	5.6	New Hampshire	5.2	New Hampshire	8.4
Vermont	4.9	Vermont	4.4	Connecticut	8.3
Connecticut	4.9	Connecticut	4.4	Vermont	7.6
Wisconsin	4.7	New York	4.3	Rhode Island	7.3
New York	4.7	Wisconsin	4.3	Wisconsin	7.3
Rhode Island	4.5	Illinois	4.2	Massachusetts	7.0

(continued)

**Table ES-1**  
**Ten Highest Property Tax Burden States in 2005 by All**  
**Homeowners, Homeowners Under Age 65, and Homeowners Age 65 and Older**  
**(continued)**

<b>All Homeowners</b>		<b>Homeowners Under Age 65</b>		<b>Homeowners Age 65-Plus</b>	
<b>State</b>	<b>Median Property Tax Burden* (in percents)</b>	<b>State</b>	<b>Median Property Tax Burden* (in percents)</b>	<b>State</b>	<b>Median Property Tax Burden* (in percents)</b>
Illinois	4.4	Rhode Island	4.1	New York	6.3
Massachusetts	4.0	Texas	3.6	Illinois	5.4
Pennsylvania	3.5	Massachusetts	3.5	Pennsylvania	5.2

\*The property tax burden for each household equals the ratio of property taxes divided by the combination of family income plus the income of any unmarried partner. We took the median ratio for each of the three groups (all homeowners, homeowners under age 65, and homeowners age 65-plus) for each state to arrive at the median property tax burden.

Source: U.S. Census Bureau, 2005 American Community Survey, available at:  
[http://factfinder.census.gov/home/en/acs\\_pums\\_2005.html](http://factfinder.census.gov/home/en/acs_pums_2005.html).

**Table ES-2**  
**Ten Lowest Property Tax Burden States in 2005 by All**  
**Homeowners, Homeowners Under Age 65, and Homeowners Age 65**

<b>All Homeowners</b>		<b>Homeowners Under Age 65</b>		<b>Homeowners Age 65-Plus</b>	
<b>State</b>	<b>Median Property Tax Burden* (in percents)</b>	<b>State</b>	<b>Median Property Tax Burden* (in percents)</b>	<b>State</b>	<b>Median Property Tax Burden* (in percents)</b>
Louisiana	0.3	Louisiana	0.3	Louisiana	0.3
Alabama	0.6	Alabama	0.6	Mississippi	0.4
Mississippi	0.9	West Virginia	0.9	Alabama	0.6
West Virginia	0.9	Arkansas	1.0	West Virginia	0.9
Arkansas	1.1	Mississippi	1.0	Delaware	1.4
Hawaii	1.2	Hawaii	1.2	Arkansas	1.5
Delaware	1.3	Wyoming	1.2	South Carolina	1.5
South Carolina	1.3	Delaware	1.2	Hawaii	1.6
Wyoming	1.3	South Carolina	1.3	Oklahoma	1.6
Oklahoma	1.4	Oklahoma	1.3	Kentucky	1.7

\*The property tax burden for each household equals the ratio of property taxes divided by the combination of family income plus the income of any unmarried partner. We took the median ratio for each of the three groups (all homeowners, homeowners under age 65, and homeowners age 65-plus) for each state to arrive at the median property tax burden.

Source: U.S. Census Bureau, 2005 American Community Survey, available at:  
[http://factfinder.census.gov/home/en/acs\\_pums\\_2005.html](http://factfinder.census.gov/home/en/acs_pums_2005.html).

Some households, especially lower-income ones, may be eligible for property tax relief programs that do not directly reduce a homeowner's property tax bill. Therefore, some homeowner respondents may have a lower effective property tax burden than what was calculated from ACS data. However, even though property tax relief programs help alleviate property tax burdens, many eligible homeowners may not be taking advantage of these programs because of a lack of awareness or for other reasons.

### Property Tax Burdens by Household Income Quartiles

Property taxes for all homeowners and homeowners under age 65 are regressive for almost all of the states, i.e., property tax burdens decrease as incomes increase. The only exception is Louisiana for all homeowners and homeowners under age 65. Louisiana offers a homestead exemption that reduces the property's market value from taxation, resulting in many higher-income households having a higher property tax burden than lower-income households. In fact, the exemption is so generous that it virtually eliminates property taxes for 34 percent of all Louisiana homeowner households.

Property taxes for homeowners age 65-plus are also regressive for almost all of the states. However, Alabama, Louisiana, and Mississippi are not regressive because many low-income households pay very little or no property taxes due to the homestead exemption(s). This results in many higher-income households having a higher property tax burden than lower-income households.

## **Conclusions**

The following conclusions can be drawn based on the data studied:

- On the whole, the average residential property tax burdens of homeowners age 65-plus exceed the property tax burdens of younger homeowners for each of the states.
- Property taxes are generally found to be regressive (property tax burdens decrease as incomes increase) for all homeowners, for homeowners under age 65, and for homeowners age 65-plus. Homeowners in the lowest income quartile generally face the highest property tax burden.
- The states with the highest residential property tax burdens are mostly in the New England and Middle-Atlantic regions. They include New Jersey, New Hampshire, Vermont, and Connecticut.
- Most of the states with the lowest residential property tax burdens are in the South, and include Louisiana, Alabama, West Virginia, Mississippi, and Arkansas.

- Some households, especially lower-income households, may have a lower property tax burden than that estimated from ACS data, since they are eligible for property tax relief programs that do not directly lower a homeowner's property tax bill. However, many of the eligible households do not apply for these programs because of a lack of awareness or for other reasons.

The study's findings reaffirm that property tax relief needs to be targeted more to lower-income households through circuit-breaker and other property tax relief programs, since these households have higher property tax burdens than other households.

## **Postscript**

Since this study was written, New Jersey passed legislation in 2007 that reduces property taxes for about 95 percent of all homeowners. Starting in 2007, homeowners will receive a 20 percent tax credit (incomes up to \$100,000), a 15 percent tax credit (incomes between \$100,000 and \$150,000), and a 10 percent tax credit (incomes between \$150,000 and \$250,000) up to a maximum of \$2,000.

This new legislation replaces the current New Jersey homestead rebate program (known as the FAIR program). Because of this legislation, New Jersey may no longer have the highest property tax burden compared to other states (as shown in Table ES-2).

# State and Local Property Tax Burdens in 2005

## Introduction

States and localities face the challenge of collecting property and other tax revenues for financing public services and programs, while not creating unduly high tax burdens that would drive away affluent residents or create excessive burdens for low-income households. Of all local government revenue sources, the one relied on most heavily is the local property tax. On average, local property taxes amounted to almost three-fourths (73 percent) of all local taxes and almost half (46 percent) of all local general revenues (not including federal aid) in fiscal year 2004.<sup>1</sup>

From 1972 to 1994, the U.S. Advisory Commission on Intergovernmental Relations (ACIR) conducted public opinion surveys on attitudes toward governments and taxes. For 20 of those years, the survey included a question asking respondents to choose which tax was the “least fair” among four common taxes—the property tax, the federal income tax, the state income tax, and the state sales tax. Respondents ranked the local property tax as the “least fair” tax in 8 out of the 20 years.<sup>2</sup> In addition to being unpopular with many homeowners, property taxes are often considered regressive and can be the single most burdensome tax for many low-income and older homeowners because the tax often bears little relationship to the ability to pay.

From 2001 to 2003, low interest rates increased the demand for homeownership, leading to rising home values in many states and resulting in higher property tax burdens. Mortgage interest rates on 30-year conventional loans declined from an annual average rate of 6.97 percent to 5.83 percent in 2003. The average rates remained relatively flat in 2004 (5.84 percent) and 2005 (5.87 percent). Rates in 2006 rose to an average of 6.8 percent in July and then declined to an average of 6.2 percent in March 2007.<sup>3</sup>

As property taxes have risen for many homeowners, state legislators have tried to use property tax relief programs to respond to homeowner concerns. The major property tax relief programs are homestead credits, circuit breakers, homestead exemptions, and property tax deferral programs.

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<sup>1</sup> U.S. Census, Bureau, 2004 Annual Survey of Government Finance, available at: <http://www.census.gov/govs/www/estimate04.html>.

<sup>2</sup> U.S. Advisory Commission on Intergovernmental Relations, *Changing Public Attitudes on Governments and Taxes*, Reports S-1 to S-23, 1972-1994 (Washington, DC: ACIR).

<sup>3</sup> Federal Home Loan Mortgage Corporation (Freddie Mac), *Primary Mortgage Market Survey, Conventional, Conforming 30-Year Fixed Rate Mortgage Series Since 1971*, available at: [http://www.freddiemac.com/pmms/docs/30yr\\_pmmsmth.xls](http://www.freddiemac.com/pmms/docs/30yr_pmmsmth.xls). The rates cited in this report include points. Points represent a pre-payment of the mortgage interest and are used by buyers to lower their mortgage interest rates. One point represents one percent of the mortgage amount. All reported interest rates in the text include no more than one point.

- **Circuit breakers:** Circuit breaker programs are tax credits or homestead exemptions that increase as household incomes decrease.<sup>4</sup> These programs in most cases are targeted to low- and moderate-income homeowners and renters. In many cases, circuit breakers relieve the property tax burden by setting thresholds (usually some percentage of income) that property taxes cannot exceed. Homeowners or renters whose property taxes are above the threshold receive a rebate of some or all of their property taxes that exceed the threshold. For renters, property taxes are assumed to equal a certain percentage of their total rent, such as 20 percent, for calculating property tax credits or rebates.
- **Homestead programs:** Homestead exemptions are reductions in the amount of assessed property value subject to taxation. Homestead credits are tax credits for property taxes owed. Unlike circuit breakers, these programs do not benefit renters. In addition, although income may be a criterion for eligibility, benefit amounts do not increase as household incomes decrease, which is similar to circuit breakers.
- **Deferral programs:** Property tax deferral programs allow homeowners to defer payment of all or a portion of their property taxes until the sale of the property or death. The deferred property taxes plus interest are a lien against the value of the home.

After 2000, Massachusetts and New Hampshire enacted circuit breaker programs; Arkansas replaced its circuit breaker program with a homestead credit program; Colorado enacted a homestead exemption program; and the District of Columbia and Idaho enacted property tax deferral programs.

States have also responded to higher property taxes by creating various kinds of caps, limits, or freezes on assessed property values, property tax rates, or total property taxes. After 2000, Arkansas, New Mexico, and the District of Columbia enacted growth limits on assessed property values; Arizona, Arkansas, and New Mexico enacted freezes on assessed property values; and Washington, Montana, Nevada, and Maine enacted limits on property tax growth. In addition, some state assessment laws have resulted in residential property owners paying lower property taxes than commercial or industrial property owners because of differences in property tax rates or in how property is valued.<sup>5</sup>

## Property Tax Burden Studies

The following summarizes how property tax burdens have been calculated in a number of studies:

- *Kiplinger's Personal Finance* magazine published a tax burden study in 2002 to help couples make retirement location decisions. The study covered income, property, and sales taxes. *Kiplinger* estimated property tax liabilities for a married couple age 65 (husband and wife are both age 65) with a household income of \$60,000 for the median

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<sup>4</sup> Some references define circuit breakers as property tax credits that decrease as incomes increase. However, we chose to also include in the definition of circuit breakers the programs in which homestead exemptions decrease as incomes increase.

<sup>5</sup> David Baer, *State Programs and Practices for Reducing Residential Property Taxes* (Washington, DC: AARP, May 2003), pp. 45-49.

sales price of a 2,000 square-foot home in each of the state capitals and Washington, DC. The study found that Harrisburg, Pennsylvania; Trenton, New Jersey; Concord, New Hampshire; Montpelier, Vermont; and Madison, Wisconsin had the highest property taxes.<sup>6</sup>

- The District of Columbia annually produces a tax burden study for a hypothetical family. Tax burdens were calculated for income levels of \$25,000; \$50,000; \$75,000; \$100,000; and \$150,000. The study covered the District of Columbia and the most populous city of each state. The tax burden encompassed personal income, general sales, and property taxes as well as automobile taxes (including gasoline taxes, motor vehicle registration fees, excise taxes, and personal property taxes levied on automobiles). The study assumed that a household with an income of \$25,000 was a renter-occupied household rather than an owner-occupied household.<sup>7</sup>

As of 2005, property taxes were calculated by first estimating the median market price of houses for each family income level based on data from the 2004 American Community Survey. The market value of the property was then adjusted to obtain the taxable value. These adjustments sometimes required subtracting homestead exemptions from the market value or multiplying the market value by the assessment ratio (if necessary) to derive the property's taxable value. The taxable value was multiplied by the local tax rate to calculate property taxes. Property taxes were further reduced by any property tax credit.

Findings revealed that homeowners at all income levels (excluding the \$25,000 renter household) paid the highest property taxes in Bridgeport, Connecticut, followed by Manchester, New Hampshire. The other cities with the highest property taxes were Burlington, Vermont; Newark, New Jersey; and Providence, Rhode Island (the exact order of property tax liability varied with income level).

- A book by Evans and Fox entitled *America's Best Low-Tax Retirement Towns* (2002) analyzed property tax, personal property tax, sales tax, and income tax burdens as well as auto fees of married couples age 65 or older. The research covered 163 cities in all 50 states. Tax burdens were calculated for retirees with household incomes of \$25,000; \$50,000; and \$75,000. Evans and Fox assumed home values ranging from \$75,000 to \$125,000 (associated with a household income of \$25,000); \$100,000 to \$200,000 (associated with a household income of \$50,000); and \$150,000 to \$350,000 (associated with a household income of \$75,000). This resulted in nine hypothetical households for each retirement community.

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<sup>6</sup> Mary Beth Franklin, "Where You Stay Equals What You Pay," *Kiplinger's Personal Finance*, Fall 2002, pp. 75-82.

<sup>7</sup> District of Columbia Government, Office of the Chief Financial Officer, Office of Revenue Analysis, *Tax Rates and Tax Burdens in the District of Columbia—A Nationwide Comparison 2005*, August 2006, available at: [http://cfo.dc.gov/cfo/frames.asp?doc=/cfo/lib/cfo/services/studies/Tax\\_Burden\\_05NATION.pdf](http://cfo.dc.gov/cfo/frames.asp?doc=/cfo/lib/cfo/services/studies/Tax_Burden_05NATION.pdf).

Providence, Rhode Island; Pittsburgh, Pennsylvania; and Indianapolis, Indiana were among the communities with the highest total tax burden for retirees with incomes of \$25,000 and \$50,000. Pittsburgh, Pennsylvania; Providence, Rhode Island; and Milwaukee, Wisconsin were among the communities with the highest total tax burden for those with incomes of \$75,000.

- McIntye, et al. at the Institute on Taxation and Economic Policy (ITEP) in 2003 estimated the tax burdens of non-elderly taxpayers to obtain tax burden measures for sales and excise taxes, property taxes, and income taxes for each state in 2002.<sup>8</sup> The authors divided each tax by income for deriving the tax burden measures. The tax burden measures were estimated for the first four quintile income groups and then were calculated for those between the 80th and the 95th percentile, between the 95th and 99th percentile, and those at the 99<sup>th</sup> percentile and above.

The study concluded that most state tax systems are regressive and that “overall, changes in state and local taxes over the past decade have made state tax systems even more regressive.”<sup>9</sup> New Jersey had the highest and New Hampshire had the second highest property tax burdens. New York and Rhode Island had the third highest property tax burdens.

## Purpose

When state legislators consider enacting laws to reduce residential property taxes, they often want to know how their state’s residential property tax burden compares with that of other states, as well as which demographic groups have the highest property tax burden. In assessing and comparing state and local residential property tax burdens, some analysts divide total state and local property taxes (including residential, commercial, and industrial property taxes provided by the U.S. Census Bureau’s 2004 Annual Survey of Government Finance) by state personal income (provided by the U.S. Commerce Department’s Bureau of Economic Analysis), or divide total state and local property taxes by the state’s population (see Appendix Table A-1).<sup>10</sup> To illustrate, when Maine passed its property tax caps affecting local governments in 2005, it used total property and other state and local taxes as a percentage of state personal income as a criterion for determining how much local property taxes would be limited each year.

However, state and local property tax data provided by the U.S. Census Bureau’s 2004 Annual Survey of Government Finance include not only taxes on real residential property (i.e., land and structures) but also on personal (e.g., automobiles and boats), commercial, and

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<sup>8</sup> Robert McIntye, Robert Denk, Norton Francis, Matthew Gardner, Will Goma, Fiona Hsu, and Richard Sims, *Who Pays? A Distributional Analysis of the Tax Systems in All 50 States, 2<sup>nd</sup> Edition* (Washington, DC: The Institute on Taxation and Economic Policy, January 2003).

<sup>9</sup> *Ibid.*, p. 2.

<sup>10</sup> Total property taxes are from the U.S. Census Bureau’s 2004 Annual Survey of Government Finance (available at: <http://www.census.gov/govs/www/estimate04.html>); state population estimates come from the U.S. Census Bureau, Population Estimates Bureau (available at [http://www.census.gov/popest/national/files/NST\\_EST2006\\_ALLDATA.csv](http://www.census.gov/popest/national/files/NST_EST2006_ALLDATA.csv)); state personal income comes from the U.S. Department of Commerce, Bureau of Economic Analysis (available at: <http://www.bea.gov/regional/spi/default.cfm?satable=SA05N&series=NAICS>).

industrial property. Therefore, this method of estimating residential property tax burdens may not be very accurate, especially for states in which commercial and industrial property taxes constitute a large percentage of total property taxes. For instance, Alaska ranked 13th for property tax burdens in fiscal 2004 using state and local property taxes as a percentage of state personal income (see Appendix Table A-1). However, commercial and industrial property (including oil and gas properties but excluding apartments and farms) constituted about half (48 percent) of all property taxes in 2004, so its ranking at 13 overstates the burden on homeowners.<sup>11</sup>

Our study seeks to provide policymakers with residential property tax burden information based on the 2005 American Community Survey (ACS),<sup>12</sup> a large national survey conducted yearly since 2000 by the U.S. Census Bureau. In contrast to the Census Bureau's 2004 Annual Survey of Government Finance, the ACS provides data only on residential property taxes, which should lead to more accurate estimates of residential property tax burdens.

We calculate overall state and local residential property tax burdens as well as the burdens for different age and income groups. Because of the large sample size (865,642 homeowner households) of the ACS, comparisons can be made of average residential property tax burdens for each state.

## **Methodology**

### Overall State Property Tax Burdens

We first estimated the overall median state and local residential property tax burden for three groups: all homeowners, homeowners under age 65 (where both spouses or both unmarried partners were younger than age 65), and homeowners age 65-plus (where either spouse or unmarried partner is age 65-plus). To estimate property tax burdens from ACS data, property taxes and income for each household were used. To derive the total income for each household, income from family members and any unmarried partners were counted. We included income from unmarried partners, since it is likely that unmarried partners are responsible for or contribute to the payment of property taxes.

Rather than providing exact property tax amounts, the ACS reports household property taxes in ranges. For example, instead of reporting that a household paid \$955 in property taxes, it reports that a household paid between \$950 and \$999 in property taxes. These are in \$50 increments from \$1 to \$999; \$100 increments from \$1,000 to \$4,999; \$500 increments from \$5,000 to \$5,999; and \$1,000 increments from \$6,000 to \$9,999. The Census Bureau then reports the highest range as \$10,000 or more in property taxes.

We assumed that each homeowner household paid the midpoint of each range. For instance, if the range was between \$950 and \$999, we assumed that each household within that range paid \$975 in property taxes.

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<sup>11</sup> Estimates were made by Steve Van Sant from Alaska's Department of Commerce in phone conversations during the summer of 2006.

<sup>12</sup> U.S. Census Bureau, 2005 American Community Survey, available at: [http://factfinder.census.gov/home/en/acs\\_pums\\_2005.html](http://factfinder.census.gov/home/en/acs_pums_2005.html).

We could not assign a midpoint to the highest property tax range of \$10,000 or more. Therefore, tax or economic experts in the states with the highest property tax burdens, such as New Jersey, were asked if they could provide an estimate of the median property tax bill for households paying \$10,000 or more in property taxes. Based on this information, we assumed that the median property tax bill of households that paid \$10,000 or more in property taxes was \$15,000.

After obtaining income and property tax data, we calculated property tax burdens for all homeowners, homeowners under age 65, and homeowners age 65-plus. The property tax burden was defined as the ratio of property taxes divided by the combination of family income plus income from any unmarried partner for each homeowner household. The median property tax burden for each group was used as the best estimate for the overall state property tax burden.

### Property Tax Burdens by Demographic Group

After calculating the overall median state and local property tax burden for the three groups, we estimated the median property tax burden by income quartile for each group in order to better assess the regressivity or progressivity of the property tax. Income quartiles were calculated for each group and then homeowners were allocated by quartile range. The income quartile ranges for the groups are shown in Appendix Tables A-7 through A-9.

## **Principal Findings and Discussion**

### State and Local Property Tax Burdens

Table 1 shows the 10 states with the highest median property tax burdens for all homeowners, homeowners under age 65, and homeowners age 65 and older. Except for Illinois, Wisconsin, and Texas, these are New England or Middle-Atlantic states.

Various factors could help explain why New Jersey, New Hampshire, Vermont, Connecticut, and Wisconsin have the highest property tax burdens for all homeowners. First, of the five states, New Hampshire, Vermont, and Connecticut do not have any property tax limits, caps, or freezes on property values, property tax rates, or property taxes. New Jersey offers a property tax freeze program to lower-income homeowners who are age 65 and older or disabled, but this program does not directly reduce property tax bills; instead, homeowners receive a separate rebate check (see Appendix Table A-2 for a list of state property tax relief programs that do not directly reduce property tax bills). Nationwide, almost all of the states and the District of Columbia provided some kind of limit on property values, property tax rates, or property taxes in 2005.<sup>13</sup>

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<sup>13</sup>Only Connecticut, Hawaii, Kansas, New Hampshire, Tennessee, Vermont, and Virginia did not have any limits on property values, property tax rates, or property values in 2005.

**Table 1**  
**Ten Highest Property Tax Burden States in 2005 by All Homeowners, Homeowners Under Age 65, and Homeowners Age 65 and Older**

<b>All Homeowners</b>		<b>Homeowners Under Age 65</b>		<b>Homeowners Age 65-Plus</b>	
<b>State</b>	<b>Median Property Tax Burden* (in percents)</b>	<b>State</b>	<b>Median Property Tax Burden* (in percents)</b>	<b>State</b>	<b>Median Property Tax Burden* (in percents)</b>
New Jersey	6.5	New Jersey	5.8	New Jersey	10.5
New Hampshire	5.6	New Hampshire	5.2	New Hampshire	8.4
Vermont	4.9	Vermont	4.4	Connecticut	8.3
Connecticut	4.9	Connecticut	4.4	Vermont	7.6
Wisconsin	4.7	New York	4.3	Rhode Island	7.3
New York	4.7	Wisconsin	4.3	Wisconsin	7.3
Rhode Island	4.5	Illinois	4.2	Massachusetts	7.0
Illinois	4.4	Rhode Island	4.1	New York	6.3
Massachusetts	4.0	Texas	3.6	Illinois	5.4
Pennsylvania	3.5	Massachusetts	3.5	Pennsylvania	5.2

\*The property tax burden for each household equals the ratio of property taxes divided by the combination of family income plus the income of any unmarried partner. We took the median ratio for each of the three groups (all homeowners, homeowners under age 65, and homeowners age 65-plus) for each state to arrive at the median property tax burden.

Source: U.S. Census Bureau, 2005 American Community Survey.

Second, since New Hampshire does not have a broad-based income tax or general sales tax, it relies more on property taxes to fund state and local services than do the other states (see Appendix Table A-1).

Third, even though the property tax burdens of these states are relatively high, these burdens may not take into account some property tax relief programs that do not directly reduce a homeowner's property tax bill (see Appendix Table A-2). This is especially true of lower-income homeowners who are more likely to be eligible for such programs.

Table 2 shows the 10 states with the lowest property tax burdens for all homeowners, homeowners under age 65, and homeowners age 65-plus. Most of the states with the lowest property taxes are in the southern part of the country.

Many factors may help explain why these 10 states have lower property tax burdens. First, except for Hawaii, they all have some type of cap or limit on property tax rates, values, or revenues. Second, except for Wyoming, they have at least one type of homestead exemption or credit that directly reduces property tax bills. Third, they probably have relatively low property tax rates or taxable values compared to other states.

**Table 2**  
**Ten Lowest Property Tax Burden States in 2005 by All Homeowners, Homeowners Under Age 65, and Homeowners Age 65 and Older**

<b>All Homeowners</b>		<b>Homeowners Under Age 65</b>		<b>Homeowners Age 65-Plus</b>	
<b>State</b>	<b>Median Property Tax Burden* (in percents)</b>	<b>State</b>	<b>Median Property Tax Burden* (in percents)</b>	<b>State</b>	<b>Median Property Tax Burden* (in percents)</b>
Louisiana	0.3	Louisiana	0.3	Louisiana	0.3
Alabama	0.6	Alabama	0.6	Mississippi	0.4
Mississippi	0.9	West Virginia	0.9	Alabama	0.6
West Virginia	0.9	Arkansas	1.0	West Virginia	0.9
Arkansas	1.1	Mississippi	1.0	Delaware	1.4
Hawaii	1.2	Hawaii	1.2	Arkansas	1.5
Delaware	1.3	Wyoming	1.2	South Carolina	1.5
South Carolina	1.3	Delaware	1.2	Hawaii	1.6
Wyoming	1.3	South Carolina	1.3	Oklahoma	1.6
Oklahoma	1.4	Oklahoma	1.3	Kentucky	1.7

\*The property tax burden for each household equals the ratio of property taxes divided by the combination of family income plus the income of any unmarried partner. We took the median ratio for each of the three groups (all homeowners, homeowners under age 65, and homeowners age 65-plus) for each state to arrive at the median property tax burden.

Source: U.S. Census Bureau, 2005 American Community Survey

Appendix Table A-3 provides overall median property tax burden percentages for all 50 states and the District of Columbia. Generally, median property tax burdens do not exceed 8 percent of household income. The property tax burdens of homeowners age 65-plus were greater than the property tax burdens of younger homeowners in almost all of the states.<sup>14</sup>

Homeowners age 65-plus may have higher property tax burdens than younger homeowners because they tend to have lower incomes. According to the 2005 ACS, the median household income of homeowners under age 65 (where both spouses or both unmarried partners are younger than age 65) was \$65,000, compared to \$32,900 for homeowners age 65-plus (where either spouse or unmarried partner is age 65-plus).<sup>15</sup>

Moreover, according to Reschovsky, older homeowners face higher property tax burdens than younger homeowners with identical average incomes. This result is partially explained by the fact that, on average, older homeowners live in higher-value homes than younger

<sup>14</sup> The property tax burden of homeowners under age 65 was higher than for older homeowners in Alaska, California, Mississippi, and Texas. The property tax burden was the same for younger and older homeowners in Alabama, Georgia, Louisiana, and West Virginia.

<sup>15</sup> Household income includes the income of both family and non-family members of the household.

homeowners with similar incomes.<sup>16</sup> This is probably because the homes of older persons have appreciated more due to a longer period of ownership.

As mentioned earlier, some households, especially lower-income ones, may be eligible for property tax relief programs that do not directly reduce a homeowner’s property tax bill (see Appendix Table A-2). Therefore, some homeowner respondents may have a lower effective property tax burden than what was calculated from ACS data.

For instance, many Michigan homeowners are eligible to claim an income tax credit for some of their property taxes. Because it is an income tax credit, a homeowner’s property tax bill is not reduced. However, even though property tax relief programs help alleviate property tax burdens, many eligible homeowners may not be taking advantage of these programs because of a lack of awareness or some other reason.<sup>17</sup>

As discussed previously, many analysts divide total property taxes (including residential, commercial, and industrial property taxes) by state personal income to estimate residential property tax burdens. Table 3 compares this method (as shown in Appendix Table A-1) with the results from this study (see Appendix Table A-3 for all homeowners) for the 10 states with the highest property tax burdens.

**Table 3**  
**Ten Highest Property Tax Burden States**

<b>Rank</b>	<b>State</b>	<b>Median Property Tax Burden in 2005* (in percents)</b>	<b>Rank</b>	<b>State</b>	<b>Property Taxes as a % of State Personal Income in 2004**</b>
1	New Jersey	6.5	1	New Hampshire	5.7
2	New Hampshire	5.6	2	Maine	5.6
3	Vermont	4.9	3	New Jersey	5.3
4	Connecticut	4.9	4	Vermont	5.1
5	Wisconsin	4.7	5	Rhode Island	5.0
6	New York	4.7	6	New York	4.7
7	Rhode Island	4.5	7	Connecticut	4.6

(continued)

<sup>16</sup> Andrew Reschovsky, *Do the Elderly Face High Property Tax Burdens?* (Washington, DC: AARP, May 1994), pp. ii, iii, and 11.

<sup>17</sup> David Baer, *Awareness and Popularity of Property Tax Relief Programs* (Washington, DC: AARP, February 1998), p. 8.

**Table 3**  
**Ten Highest Property Tax Burden States**  
**(continued)**

<b>Rank</b>	<b>State</b>	<b>Median Property Tax Burden in 2005* (in percents)</b>	<b>Rank</b>	<b>State</b>	<b>Property Taxes as a % of State Personal Income in 2004**</b>
8	Illinois	4.4	8	Wisconsin	4.4
9	Massachusetts	4.0	9	Texas	4.3
10	Pennsylvania	3.5	10	Wyoming	4.2

\*The property tax burden for each household equals the ratio of property taxes divided by the combination of family income plus the income of any unmarried partner. We took the median ratio for all homeowners for each state to arrive at the median property tax burden.

\*\*Property taxes include residential, commercial, and industrial real property (i.e., land and structures) as well as personal property (e.g., automobiles and boats).

Sources: U.S. Census Bureau, 2005 American Community Survey, U.S. Census Bureau, 2004 Annual Survey of Government Finance, and the U.S. Department of Commerce, Bureau of Economic Analysis.

Table 3 shows that New Jersey, New Hampshire, Vermont, Connecticut, Wisconsin, New York, and Rhode Island are still among the 10 states with the highest property tax burdens; however, the ranking of the states from the highest to the lowest tax burden is in a somewhat different order.

Instead of finding New Hampshire, Maine, New Jersey, Vermont, and Rhode Island as the five highest tax burden states (property taxes as a percentage of state personal income), our study identifies New Jersey, New Hampshire, Vermont, Connecticut, and Wisconsin as the five highest tax burden states for all homeowners (Table 3). Further, Illinois, Massachusetts, and Pennsylvania are among the 10 states with the highest median property tax burden in this study but are not among the top 10 states when dividing total property taxes by state personal income.

#### Property Tax Burdens by Household Income Quartiles

##### *All Homeowners and Homeowners Under Age 65*

Property taxes for all homeowners and homeowners under age 65 are regressive in almost all of the states—i.e., property tax burdens decrease as incomes increase (see Appendix Tables A-4 and A-5). The only exception is Louisiana for all homeowners and homeowners under age 65. Louisiana offers a homestead exemption that reduces the property’s market value from taxation, resulting in many higher-income households having a higher property tax burden than lower-income households. In fact, the exemption is so generous that it virtually eliminates property taxes for 34 percent of all Louisiana homeowner households.

The difference in median property tax burdens between the lowest and highest income quartiles varies widely among the states. The biggest difference occurs in New Jersey where the burden is 16 percent for the lowest quartile of all homeowners, compared with 4 percent for the

highest quartile. Among New Jersey homeowners under age 65, the difference is 7 percentage points (11 percent for the lowest quartile and 4 percent for the highest). The smallest difference is less than one percentage point for all homeowners in Alabama, Louisiana, and Mississippi and less than one percentage point in Alabama, Arkansas, Louisiana, and Mississippi for homeowners under age 65.

### *Homeowners Age 65-Plus*

Property taxes for homeowners age 65-plus are also regressive for almost all of the states as the median property tax burden decreases with rising income levels. However, property taxes in Alabama, Louisiana, and Mississippi are not regressive for homeowners age 65-plus because many low-income households pay very little or no property taxes due to the homestead exemption(s). For example, 43 percent of Mississippi householders age 65 or older do not pay any property taxes. This results in many higher-income households having a higher property tax burden than lower-income households.

The median property tax burden in Alaska does not follow a regressive pattern across all quartile groups. Since Alaska offers a \$150,000 homestead exemption to homeowners age 65 and older, we would expect some homeowners to pay little or no property taxes. However, because homeowners within the lowest 25 percent quartile group reported a lower median property value (\$137,500) than the second 25 percent quartile group (\$162,500), we would expect the median property tax burden of the second 25 percent quartile group to be less than or equal to the lowest 25 percent quartile group.<sup>18</sup> However, the lowest 25 percent quartile group had a median property tax burden of 4.3 percent compared to a median property tax burden of 0 percent for the second 25 percent quartile group. This unexplained result may be attributed to low sample size or reporting errors made by the respondents.

The difference in median property tax burdens between the lowest and highest income quartiles of homeowners age 65-plus also varies widely among the states. These differences are greater among homeowners age 65-plus than among homeowners under age 65 for most of the states. Similar to younger homeowners, the biggest difference occurs in New Jersey (a difference of 22 percentage points), and the smallest differences are in Alabama, Louisiana, and Mississippi (less than a percentage point difference) for homeowners age 65-plus as shown in Appendix Table A-6.

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<sup>18</sup> Similar to property tax data, property values are reported in ranges rather than in exact amounts. We assumed that all homeowner respondents paid the midpoint of each range.

## Conclusions

The following conclusions can be drawn based on the data studied:

- On the whole, the average residential property tax burdens of homeowners age 65-plus exceed the property tax burdens of younger homeowners for each of the states.
- Property taxes are generally found to be regressive (property tax burdens decrease as incomes increase) for all homeowners, homeowners under age 65, and homeowners age 65-plus. Homeowners in the lowest income quartile generally face the highest property tax burden.
- The states with the highest residential property tax burdens are mostly in the New England and Middle-Atlantic regions. They include New Jersey, New Hampshire, Vermont, and Connecticut. This finding is consistent with the study by McIntye, et al. that also focused on statewide averages.
- Most of the states with the lowest residential property tax burdens are in the South and include Louisiana, Alabama, Mississippi, West Virginia, and Arkansas.
- Some households, especially those with lower incomes, may have a lower property tax burden than that estimated from ACS data, since they are eligible for property tax relief programs that do not directly lower a homeowner's property tax bill. However, many of the eligible households do not apply for these programs because of a lack of awareness or for other reasons.

The study's findings reaffirm that property tax relief needs to be targeted more to lower-income households through circuit-breaker and other property tax relief programs, since these households have higher property tax burdens than other households.

## Postscript

Since this study was written, New Jersey passed legislation in 2007 that reduces property taxes for about 95 percent of all homeowners. Starting in 2007, homeowners will receive a 20 percent tax credit (incomes up to \$100,000), a 15 percent tax credit (incomes between \$100,000 and \$150,000), and a 10 percent tax credit (incomes between \$150,000 and \$250,000) up to a maximum of \$2,000.

This new legislation replaces the current New Jersey homestead rebate program (known as the FAIR program). Because of this legislation, New Jersey may no longer have the highest property tax burden compared to other states (see Table 3).

**Appendices**

**Appendix Table A-1  
Measures of State and Local Property Taxes in 2004**

<b>Rank</b>	<b>State</b>	<b>Per Capita Property Taxes*</b>	<b>Rank</b>	<b>State</b>	<b>Property Taxes as a % of State Personal Income*</b>
1	New Jersey	\$2,099	1	New Hampshire	5.7
2	Connecticut	\$1,944	2	Maine	5.6
3	New Hampshire	\$1,939	3	New Jersey	5.3
4	District of Columbia	\$1,855	4	Vermont	5.1
5	New York	\$1,677	5	Rhode Island	5.0
6	Rhode Island	\$1,629	6	New York	4.7
7	Maine	\$1,597	7	Connecticut	4.6
8	Massachusetts	\$1,532	8	Wisconsin	4.4
9	Vermont	\$1,530	9	Texas	4.3
10	Illinois	\$1,407	10	Wyoming	4.2
11	Wyoming	\$1,352	11	Illinois	4.2
12	Wisconsin	\$1,350	12	Kansas	4.0
13	Alaska	\$1,306	13	Alaska	4.0
14	Texas	\$1,254	14	Montana	4.0
15	Kansas	\$1,188	15	District of Columbia	3.9
16	Michigan	\$1,186	16	Massachusetts	3.8
17	Nebraska	\$1,148	17	Iowa	3.8
18	Maryland	\$1,082	18	Michigan	3.8
19	Iowa	\$1,080	19	Nebraska	3.8
20	Florida	\$1,064	20	Florida	3.6
21	Montana	\$1,034	21	South Carolina	3.4
22	Virginia	\$1,031	22	Indiana	3.4
23	Washington	\$1,029	23	Oregon	3.3
24	Colorado	\$1,026	24	Ohio	3.3
25	Pennsylvania	\$1,010	25	Arizona	3.2
26	Ohio	\$981	26	North Dakota	3.2
27	Indiana	\$975	27	Pennsylvania	3.2
28	Minnesota	\$965	28	South Dakota	3.2
29	Oregon	\$963	29	Washington	3.2
30	California	\$963	30	Idaho	3.1
31	Nevada	\$920	31	Georgia	3.1
32	North Dakota	\$919	32	Virginia	3.1
33	South Dakota	\$915	33	Colorado	3.0

(continued)

**Appendix Table A-1**  
**Measures of State and Local Property Taxes in 2004**  
(continued)

<b>Rank</b>	<b>State</b>	<b>Per Capita Property Taxes*</b>	<b>Rank</b>	<b>State</b>	<b>Property Taxes as a % of State Personal Income*</b>
34	South Carolina	\$882	34	Nevada	3.0
35	Georgia	\$880	35	Maryland	2.9
36	Arizona	\$848	36	California	2.9
37	Idaho	\$777	37	Minnesota	2.8
38	Missouri	\$747	38	Mississippi	2.8
39	North Carolina	\$713	39	Utah	2.8
40	Utah	\$689	40	North Carolina	2.6
41	Mississippi	\$641	41	Missouri	2.6
42	Tennessee	\$608	42	West Virginia	2.2
43	Hawaii	\$571	43	Tennessee	2.2
44	Delaware	\$546	44	Kentucky	2.0
45	West Virginia	\$540	45	Louisiana	1.9
46	Kentucky	\$516	46	Hawaii	1.9
47	Louisiana	\$502	47	New Mexico	1.8
48	Oklahoma	\$465	48	Oklahoma	1.8
49	New Mexico	\$441	49	Arkansas	1.7
50	Arkansas	\$400	50	Delaware	1.6
51	Alabama	\$367	51	Alabama	1.4

\*Property taxes include residential, commercial, and industrial real property (i.e., land and structures) as well as personal property (e.g., automobiles and boats).

Sources: U.S. Census Bureau, 2004 Annual Survey of Government Finance. U.S. Census Bureau, Population Estimates Bureau, and the U.S. Department of Commerce, Bureau of Economic Analysis.

**Appendix Table A-2  
Property Tax Relief Programs for Homeowners That  
Are Not Reflected in Property Tax Bills in 2005**

<b>State</b>	<b>Eligible Homeowners</b>	<b>Maximum Eligible Income</b>	<b>Maximum Benefit</b>
Arizona	Age 65 and older	\$3,750 (single) \$5,500 (married couples, filing jointly)	\$502
California	Age 62 and older, blind or disabled	\$39,699	\$473
Colorado	Age 65 and older, disabled, or surviving spouse age 58 and older	\$11,000 (single) \$14,700 (married couples, filing jointly)	\$600
Connecticut	All ages	No income cap	\$350*
District of Columbia	All ages	\$20,000	\$750
Hawaii	Age 55 and older	\$20,000	\$500 (may be applied to next year's tax bill as an option)
Illinois	Age 65 and older or totally disabled  All ages	\$21,218 (1-person household); \$28,480 (2- person household); \$35,740 (3-person household)  All income levels	*  Income tax credit equal to 5% of property taxes
Indiana	All ages	All income levels	\$2,500 of their property taxes from their taxable personal income
Iowa	Age 65 and older or disabled	\$17,589	\$1,000
Kansas	Age 55 and older, disabled, or with dependent children	\$25,000	\$600

(continued)

**Appendix Table A-2**  
**Property Tax Relief Programs for Homeowners That**  
**Are Not Reflected in Property Tax Bills in 2005**  
**(continued)**

<b>State</b>	<b>Eligible Homeowners</b>	<b>Maximum Eligible Income</b>	<b>Maximum Benefit</b>
Maine*	Age 62 and older, or disabled age 55 and older	\$12,400 (single with no dependents) \$15,300 (someone with a spouse or dependents)	\$400
	All ages	\$74,500 (single with no dependents) \$99,500 (someone with a spouse or dependents)	\$2,000
Massachusetts	Age 65 and older	\$45,000 (single) \$67,000 (married, filing jointly)*	\$840
Michigan	All ages	\$82,650	\$1,200
Minnesota	All ages	\$87,780	\$1,640
	All ages	All incomes	Homeowners may receive a property tax refund equal to 60% of property taxes exceeding a 12% annual increase in property taxes*
Missouri	Age 65 and older or disabled or age 60 and older receiving surviving spousal Social Security benefits	\$25,000 (single) \$27,000 (married couples, filing jointly)	\$750
Montana	Age 62 and older	\$45,000	\$1,000
Nevada	Age 62 and older	\$26,190*	\$500*

(continued)

**Appendix Table A-2**  
**Property Tax Relief Programs for Homeowners That**  
**Are Not Reflected in Property Tax Bills in 2005**  
(continued)

<b>State</b>	<b>Eligible Homeowners</b>	<b>Maximum Eligible Income</b>	<b>Maximum Benefit</b>
New Hampshire	All ages	\$20,000 (single) \$40,000 (married filers)	Up to a tax credit equal to the entire state education property tax that is owed
New Jersey	Age 65 and older or disabled	\$200,000	\$1,200
	Under age 65	Income is more than \$10,000 (single) or \$20,000 (married, filing jointly)	*
	Age 65 and older or disabled	All incomes	*
	Under Age 65	\$200,000	\$350
	Age 65 and older	*	*
New Mexico	Age 65 and older	\$16,000*	\$250
New York	All ages	\$18,000*	\$375 (age 65 and older) \$75 (under age 65)
Oklahoma	Age 65 and older or disabled	\$12,000	\$200
Pennsylvania	Age 65 and older, disabled, or surviving spouse age 50 and older	\$15,000	\$500
Rhode Island	Age 65 and older or SSDI recipients*	\$30,000	\$250
South Dakota	Age 65 and older or disabled*	\$9,750 (single) \$12,750 (multiple-member household)	35% of taxes due (single); 55% of taxes due (multiple-member household)
Tennessee	Age 65 and older or disabled	\$12,980	*
Utah	Age 65 and older or widowed	\$25,369	*

(continued)

**Appendix Table A-2**  
**Property Tax Relief Programs for Homeowners That**  
**Are Not Reflected in Property Tax Bills in 2005**  
**(continued)**

State	Eligible Homeowners	Maximum Eligible Income	Maximum Benefit
Vermont	All ages	\$47,000	*
	All ages	\$88,000	*
West Virginia	Age 65 and older	\$5,000	\$125
Wisconsin	All ages	\$24,500	\$1,160
	All ages	All incomes	\$300 income tax credit
Wyoming	All ages	One-half of the median household income of the county of residence*	50% of the previous year's property taxes or 50% of the median residential property tax in the county (whichever is less)
	Age 65 and older or disabled	\$13,500 (single) \$22,000 (married)	\$800 (single) \$900 (married)

SSDI= Social Security Disability Income

\*Notes:

**Connecticut** – Has a circuit breaker program whereby residents of all ages and incomes are eligible for an income tax credit of up to \$350 off of their real estate or car taxes.

**Illinois** – The maximum benefit equals property taxes exceeding 3.5 percent of income, but not to exceed \$700 less 4.5 percent of such income for a household income of \$14,000 or less.

**Maine** – Any homeowner who qualifies for both programs in the above table will receive a tax credit equal to the larger of the two programs.

**Massachusetts** – To qualify, the assessed value (before exemptions but after abatements) of a homeowner's principal residence cannot exceed \$600,000.

**Minnesota** – To qualify to receive a refund for property taxes exceeding a 12 percent annual increase, homeowners first must have owned and lived in the same property for at least two consecutive years. Second, property taxes have to increase at least \$100 more than the previous year. Third, the 12 percent limit does not pertain to home improvements or new construction. Fourth, homeowners cannot receive more than a \$1,000 refund in property taxes because of this tax limitation. Fifth, any tax refund issued the previous year is subtracted from the previous year's taxes in calculating the current year's refund.

**Nevada** – To qualify, the assessed value of a home cannot exceed \$200,000, and homeowners cannot have liquid assets exceeding \$150,000. The maximum benefit equals 90 percent of the tax owed up to \$500.

**New Jersey** – Homeowners under age 65 (with incomes of more than \$10,000 (single) or \$20,000 (married, filing jointly) or homeowners age 65 and older (all incomes) are eligible for an income tax deduction equal to the total amount of property taxes paid up to \$10,000 from their taxable personal income for income taxes. Homeowners age 65 and older or disabled may qualify for a property tax freeze if they meet the following qualifications: (1) have an income of less than \$38,475 (single) or \$47,177 (married, filing jointly) in 2001; (2) have an income of less than \$39,475 (single) or \$48,404 (married, filing jointly) in 2002; (3) have an income of less than \$40,028 (single) or \$49,082 (married couples) in 2003; (4) have an income of less than \$40,869 (single) or \$50,113 (married couples) in

2004; (5) have an income of less than \$41,972 (single) or \$51,466 (married couples) in 2005; (6) have lived in their homes for at least 3 years; (7) have been New Jersey residents for at least 10 years; and (8) have paid property taxes from 2001 to 2005. The reimbursement for 2005 equals the amount of property taxes paid in 2005 that exceeds the amount paid in the base year (the first year that a homeowner met all of the requirements). The base year could be as early as 1997.

**New Mexico** – Los Alamos County homeowners whose modified gross income is \$24,000 or less also qualify for a property tax credit of up to \$350 (from personal income taxes).

**New York** – The fair market value for all real properties cannot exceed \$85,000 in order to qualify for the above program.

**Rhode Island** – If sufficient state monies are available, homeowners and renters under age 65 can also apply to receive a full or partial tax credit.

**South Dakota** – Homeowners must have owned the property for which the refund is claimed for at least 3 years or have been a state resident for 5 years.

**Tennessee** – The tax credit is based on the first \$18,000 in market value or on a maximum assessed value of \$4,500; the actual credit depends on the effective tax rate and other related factors.

**Utah** – The maximum benefit equals a \$676 tax credit plus an additional credit equal to the tax on 20 percent of the fair market value.

**Vermont** – The maximum benefit for homeowners whose income is \$47,000 or less equals the difference between school and municipal property taxes and a percentage (3.5% to 5%) of household income or property taxes on the first \$15,000 of assessed value (whichever is less). The maximum benefit for homeowners whose income is between \$47,000 and \$75,000 equals the difference between school property taxes and a percentage (2.0 percent to 4.5 percent) of household income; the maximum benefit for homeowners whose income is between \$75,000 and \$88,000 equals the difference between school property taxes (up to taxes assessed on the first \$160,000 of a home's market value) and a percentage (2.0 percent to 4.5 percent) of household income.

**Wyoming** – In addition to the income requirement of one-half of the median household income of the county of residence, household assets must be \$20,000 or less per adult (excluding the residence itself and certain other assets) in order to qualify.

Source: Author's telephone survey of state legislative offices, state departments of revenue, state comptrollers offices, and state treasury offices.

**Appendix Table A-3  
Property Tax Burdens of Homeowners in 2005**

<b>All Homeowners</b>		<b>Homeowners Under Age 65</b>		<b>Homeowners Age 65-Plus</b>	
<b>State</b>	<b>Median Property Tax Burden* (in percents)</b>	<b>State</b>	<b>Median Property Tax Burden* (in percents)</b>	<b>State</b>	<b>Median Property Tax Burden* (in percents)</b>
New Jersey	6.5	New Jersey	5.8	New Jersey	10.5
New Hampshire	5.6	New Hampshire	5.2	New Hampshire	8.4
Vermont	4.9	Vermont	4.4	Connecticut	8.3
Connecticut	4.9	Connecticut	4.4	Vermont	7.6
Wisconsin	4.7	New York	4.3	Rhode Island	7.3
New York	4.7	Wisconsin	4.3	Wisconsin	7.3
Rhode Island	4.5	Illinois	4.2	Massachusetts	7.0
Illinois	4.4	Rhode Island	4.1	New York	6.3
Massachusetts	4.0	Texas	3.6	Illinois	5.4
Pennsylvania	3.5	Massachusetts	3.5	Pennsylvania	5.2
Texas	3.4	Pennsylvania	3.2	Maine	4.8
Nebraska	3.3	California	3.1	Michigan	4.7
Maine	3.3	Washington	3.1	Nebraska	4.5
Washington	3.3	Nebraska	3.1	Oregon	4.4
Oregon	3.3	Oregon	3.0	Washington	4.3
Michigan	3.2	Maine	3.0	Ohio	4.3
California	3.1	Michigan	3.0	Maryland	4.2
Ohio	3.0	Alaska	2.8	South Dakota	4.0
Florida	2.8	Florida	2.7	Minnesota	3.9
Maryland	2.8	Ohio	2.7	Iowa	3.8
Montana	2.8	Maryland	2.6	Montana	3.7
Alaska	2.8	Montana	2.5	Kansas	3.3
South Dakota	2.7	South Dakota	2.4	North Dakota	3.3
Iowa	2.6	Minnesota	2.4	Idaho	3.2
North Dakota	2.6	North Dakota	2.4	Florida	3.2
Minnesota	2.6	Iowa	2.3	Nevada	3.0
Idaho	2.4	Idaho	2.2	Colorado	3.0

(continued)

**Appendix Table A-3**  
**Property Tax Burdens of Homeowners in 2005**  
(continued)

<b>All Homeowners</b>		<b>Homeowners Under Age 65</b>		<b>Homeowners Age 65-Plus</b>	
<b>State</b>	<b>Median Property Tax Burden* (in percents)</b>	<b>State</b>	<b>Median Property Tax Burden* (in percents)</b>	<b>State</b>	<b>Median Property Tax Burden* (in percents)</b>
Kansas	2.4	Kansas	2.2	Virginia	3.0
Nevada	2.3	Nevada	2.2	California	2.9
Virginia	2.3	Virginia	2.1	North Carolina	2.9
Indiana	2.0	Indiana	1.9	Indiana	2.8
Colorado	2.0	Colorado	1.9	Texas	2.8
Missouri	1.9	Utah	1.8	Missouri	2.8
Utah	1.9	Arizona	1.8	Utah	2.6
Arizona	1.9	Georgia	1.8	Tennessee	2.5
North Carolina	1.9	Missouri	1.8	Arizona	2.4
District of Columbia	1.8	District of Columbia	1.7	District of Columbia	2.3
Georgia	1.8	North Carolina	1.7	Wyoming	2.1
Tennessee	1.7	Tennessee	1.5	New Mexico	2.0
New Mexico	1.5	Kentucky	1.4	Alaska	1.9
Kentucky	1.5	New Mexico	1.4	Georgia	1.8
Oklahoma	1.4	Oklahoma	1.3	Kentucky	1.7
Wyoming	1.3	South Carolina	1.3	Oklahoma	1.6
South Carolina	1.3	Delaware	1.2	Hawaii	1.6
Delaware	1.3	Wyoming	1.2	South Carolina	1.5
Hawaii	1.2	Hawaii	1.2	Arkansas	1.5
Arkansas	1.1	Mississippi	1.0	Delaware	1.4
West Virginia	0.9	Arkansas	1.0	West Virginia	0.9
Mississippi	0.9	West Virginia	0.9	Alabama	0.6
Alabama	0.6	Alabama	0.6	Mississippi	0.4
Louisiana	0.3	Louisiana	0.3	Louisiana	0.3

\*The property tax burden for each household equals the ratio of property taxes divided by the combination of family income plus the income of any unmarried partner. We took the median ratio for each of the three groups (all homeowners, homeowners under age 65, and homeowners age 65-plus) for each state to arrive at the median property tax burden. The states are ranked from the highest to the lowest median tax burden.

Source: U.S. Census Bureau, 2005 American Community Survey.

**Appendix Table A-4**  
**Median Property Tax Burden of All Homeowners**  
**By Income Quartile Group in 2005\***  
**(in percents)**

<b>State</b>	<b>Lowest 25%**</b>	<b>Second 25%**</b>	<b>Third 25%**</b>	<b>Highest 25%**</b>
New Jersey	16.3	7.6	5.6	4.2
Connecticut	12.1	5.8	4.1	3.0
New Hampshire	11.8	6.8	5.0	3.6
Vermont	11.4	5.8	4.2	3.0
Rhode Island	10.8	5.3	3.7	2.7
Wisconsin	10.3	5.4	4.1	3.2
Massachusetts	10.1	4.6	3.3	2.5
New York	9.2	5.0	4.0	3.1
Illinois	7.9	4.9	4.0	3.3
Pennsylvania	7.5	3.9	3.0	2.5
Oregon	7.4	4.0	2.9	2.1
Maine	7.3	3.8	2.9	2.1
Michigan	6.8	3.7	2.8	2.3
Washington	6.3	4.0	3.0	2.2
Nebraska	6.2	4.0	2.9	2.5
Ohio	6.0	3.4	2.5	2.1
Maryland	5.9	3.1	2.4	1.8
California	5.7	3.4	2.8	2.2
Montana	5.7	3.3	2.5	1.8
Florida	5.5	3.2	2.5	2.1
Iowa	5.2	3.0	2.3	1.9
Texas	5.1	3.6	3.3	2.9
Idaho	5.1	2.9	2.1	1.6
Minnesota	5.0	2.9	2.3	1.9
South Dakota	4.9	3.5	2.5	1.9
North Dakota	4.9	2.8	2.2	1.8
Nevada	4.5	2.8	2.0	1.5
Kansas	4.3	2.7	2.2	1.8
Colorado	4.2	2.3	1.8	1.3

(continued)

**Appendix Table A-4**  
**Median Property Tax Burden of All Homeowners**  
**By Income Quartile Group in 2005\***  
**(in percents)**  
**(continued)**

<b>State</b>	<b>Lowest 25%**</b>	<b>Second 25%**</b>	<b>Third 25%**</b>	<b>Highest 25%**</b>
North Carolina	4.1	2.2	1.6	1.3
Alaska	4.0	3.4	2.9	1.9
Arizona	3.9	2.4	1.8	1.3
Missouri	3.9	2.1	1.7	1.4
Indiana	3.8	2.2	1.8	1.5
Utah	3.8	2.3	1.7	1.2
Virginia	3.7	2.3	1.9	1.9
District of Columbia	3.6	1.8	1.6	1.4
Tennessee	3.5	1.9	1.4	1.2
Hawaii	3.2	1.3	1.1	0.9
Wyoming	2.9	1.6	1.2	0.9
Georgia	2.8	1.9	1.7	1.4
New Mexico	2.7	1.6	1.4	1.0
Kentucky	2.5	1.6	1.4	1.1
South Carolina	2.3	1.4	1.2	1.0
Oklahoma	2.3	1.5	1.2	1.1
Delaware	2.3	1.5	1.2	0.9
Arkansas	2.1	1.2	0.9	0.8
West Virginia	1.7	1.0	0.8	0.7
Mississippi	1.1	1.0	0.9	0.8
Alabama	0.8	0.7	0.6	0.5
Louisiana	0.1	0.1	0.2	0.5

\*The property tax burden for each household equals the ratio of property taxes divided by the combination of family income plus the income of any unmarried partner. We took the median ratio of all homeowners for each state to arrive at the median property tax burden. The states are ranked from the highest to the lowest median tax burden for the lowest 25% quartile.

\*\*The income quartile ranges for each quartile group are shown in Appendix Table A-7.

Source: U.S. Census Bureau, 2005 American Community Survey.

**Appendix Table A-5**  
**Median Property Tax Burden of Homeowners Under**  
**Age 65 by Income Quartile Group in 2005\***  
**(in percents)**

<b>State</b>	<b>Lowest 25%**</b>	<b>Second 25%**</b>	<b>Third 25%**</b>	<b>Highest 25%**</b>
New Jersey	11.3	6.6	5.2	4.1
New Hampshire	9.6	6.1	4.7	3.5
Connecticut	8.5	4.8	3.8	2.8
Vermont	8.2	5.0	3.8	2.9
Rhode Island	7.8	4.5	3.5	2.5
Wisconsin	7.6	4.7	3.9	3.1
New York	7.4	4.5	3.8	3.0
Massachusetts	6.8	3.9	3.1	2.4
Illinois	6.8	4.6	3.9	3.2
Oregon	6.0	3.4	2.7	2.0
California	5.6	3.4	2.8	2.2
Pennsylvania	5.5	3.3	2.9	2.4
Maine	5.5	3.5	2.7	2.1
Washington	5.4	3.6	2.8	2.1
Texas	5.4	3.8	3.4	2.9
Michigan	5.3	3.2	2.6	2.3
Nebraska	5.2	3.3	2.8	2.4
Alaska	5.1	3.1	2.9	1.9
Montana	4.9	3.0	2.2	1.7
Florida	4.9	3.0	2.4	2.0
Ohio	4.6	2.9	2.4	2.0
Maryland	4.6	2.8	2.3	1.8
Idaho	4.2	2.6	2.0	1.5
Iowa	4.0	2.6	2.1	1.9
Nevada	3.9	2.5	1.9	1.4
North Dakota	3.8	2.5	2.2	1.8
Minnesota	3.8	2.6	2.3	1.8
South Dakota	3.7	2.9	2.3	1.9

(continued)

**Appendix Table A-5**  
**Median Property Tax Burden of Homeowners Under**  
**Age 65 by Income Quartile Group in 2005\***  
**(in percents)**  
**(continued)**

<b>State</b>	<b>Lowest 25%**</b>	<b>Second 25%**</b>	<b>Third 25%**</b>	<b>Highest 25%**</b>
Arizona	3.5	2.2	1.6	1.2
Colorado	3.4	2.1	1.7	1.3
Kansas	3.4	2.3	2.1	1.7
Utah	3.2	2.1	1.6	1.2
North Carolina	3.1	1.9	1.5	1.3
Indiana	3.1	1.9	1.7	1.5
District of Columbia	3.1	1.9	1.5	1.3
Virginia	3.0	2.1	1.9	1.9
Missouri	2.9	1.8	1.6	1.4
Georgia	2.8	1.9	1.6	1.5
Tennessee	2.7	1.6	1.3	1.2
Hawaii	2.3	1.2	1.1	0.8
New Mexico	2.2	1.5	1.4	1.0
Wyoming	2.1	1.4	1.1	0.8
South Carolina	2.1	1.4	1.1	1.0
Kentucky	2.1	1.5	1.3	1.1
Delaware	2.1	1.5	1.2	0.9
Oklahoma	2.0	1.4	1.2	1.0
West Virginia	1.7	1.0	0.8	0.7
Mississippi	1.6	1.1	0.9	0.8
Arkansas	1.6	1.0	0.8	0.7
Alabama	0.9	0.7	0.5	0.5
Louisiana	0.1	0.2	0.3	0.5

\*The property tax burden for each household equals the ratio of property taxes divided by the combination of family income plus the income of any unmarried partner. We took the median ratio for homeowners under age 65 for each state to arrive at the median property tax burden. The states are ranked from the highest to the lowest median tax burden for the lowest 25% quartile.

\*\*The income quartile ranges for each quartile group are shown in Appendix Table A-8.

Source: U.S. Census Bureau, 2005 American Community Survey.

**Appendix Table A-6**  
**Median Property Tax Burden of Homeowners Age 65-Plus by Income**  
**Quartile Group in 2005\***  
**(in percents)**

<b>State</b>	<b>Lowest 25%**</b>	<b>Second 25%**</b>	<b>Third 25%**</b>	<b>Highest 25%**</b>
New Jersey	27.5	13.8	8.9	5.2
Connecticut	19.3	10.6	6.5	4.0
New Hampshire	19.1	9.9	7.7	4.5
Massachusetts	17.7	9.1	5.9	3.2
Rhode Island	16.5	8.8	6.1	3.4
Wisconsin	15.8	9.2	6.5	3.9
Vermont	15.7	9.7	6.6	4.2
New York	13.0	7.7	5.4	3.6
Pennsylvania	11.1	6.4	4.6	3.0
Illinois	10.4	6.1	5.1	3.6
Maine	10.1	6.1	4.0	2.9
Oregon	9.7	5.9	4.0	2.5
Michigan	9.6	5.7	4.2	2.8
Maryland	9.5	5.3	3.5	2.2
Minnesota	8.6	4.5	3.4	2.3
Ohio	8.5	5.3	3.9	2.6
Nebraska	8.2	5.2	4.7	3.0
North Dakota	7.8	3.6	2.8	2.1
Washington	7.1	5.5	4.7	2.9
Montana	7.0	4.8	3.5	2.3
Nevada	7.0	3.6	2.7	1.7
Idaho	7.0	3.8	3.0	2.0
California	6.9	3.5	2.4	1.7
Iowa	6.7	4.8	3.5	2.3
Colorado	6.7	3.8	2.5	1.7
South Dakota	6.4	5.5	4.0	2.3
Kansas	6.3	4.2	3.0	2.1
District of Columbia	6.2	2.6	1.6	1.4
Florida	6.0	3.8	2.9	2.2
North Carolina	5.6	3.5	2.5	1.7
Indiana	5.5	3.3	2.5	1.8
Virginia	5.4	3.5	2.7	2.1
Tennessee	5.3	3.0	2.2	1.5
Missouri	5.3	3.5	2.5	1.7
Hawaii	5.3	1.8	1.3	0.9
Utah	5.2	3.5	2.4	1.4

(continued)

**Appendix Table A-6**  
**Median Property Tax Burden of Homeowners Age 65-Plus by Income**  
**Quartile Group in 2005\***  
**(in percents)**  
**(continued)**

<b>State</b>	<b>Lowest 25%**</b>	<b>Second 25%**</b>	<b>Third 25%**</b>	<b>Highest 25%**</b>
Arizona	4.7	3.1	2.2	1.5
Texas	4.4	3.2	2.5	2.2
Alaska	4.3	0.0	3.1	1.9
Wyoming	4.0	2.8	1.8	1.2
New Mexico	3.7	2.6	1.8	1.3
Georgia	3.3	2.1	1.5	1.2
Kentucky	3.0	2.0	1.6	1.2
Oklahoma	2.9	1.9	1.6	1.1
South Carolina	2.9	1.7	1.4	1.1
Arkansas	2.8	1.7	1.3	0.9
Delaware	2.7	1.7	1.1	1.0
West Virginia	1.8	1.0	0.9	0.7
Alabama	0.6	0.5	0.7	0.6
Louisiana	0.2	0.2	0.2	0.4
Mississippi	0.0	0.0	0.4	0.6

\*The property tax burden for each household equals the ratio of property taxes divided by the combination of family income plus the income of any unmarried partner. We took the median ratio for homeowners age 65-plus for each state to arrive at the median property tax burden. The states are ranked from the highest to the lowest median tax burden for the lowest 25% quartile.

\*\*The income quartile ranges for each quartile group are shown in Appendix Table A-9.

Source: U.S. Census Bureau, 2005 American Community Survey.

**Appendix Table A-7  
Household Income Quartile Ranges for All Homeowners in 2005**

<b>State</b>	<b>Lowest 25%</b>	<b>Second 25%</b>	<b>Third 25%</b>	<b>Highest 25%</b>
Alabama	\$0 to \$23,800	\$23,801 to \$44,300	\$44,301 to \$75,000	\$75,001+
Alaska	\$0 to \$41,840	\$41,841 to \$69,360	\$69,361 to \$107,400	\$107,401+
Arizona	\$0 to \$29,900	\$29,901 to \$52,000	\$52,001 to \$85,000	\$85,001+
Arkansas	\$0 to \$23,000	\$23,001 to \$42,250	\$42,251 to \$69,740	\$69,741+
California	\$0 to \$38,100	\$38,101 to \$69,900	\$69,901 to \$112,000	\$112,001+
Colorado	\$0 to \$35,000	\$35,001 to \$61,200	\$61,201 to \$98,000	\$98,001+
Connecticut	\$0 to \$43,000	\$43,001 to \$74,800	\$74,801 to \$116,100	\$116,101+
Delaware	\$0 to \$33,900	\$33,901 to \$60,000	\$60,001 to \$97,600	\$97,601+
District of Columbia	\$0 to \$40,000	\$40,001 to \$72,470	\$72,471 to \$133,000	\$133,001+
Florida	\$0 to \$26,700	\$26,701 to \$48,650	\$48,651 to \$81,600	\$81,601+
Georgia	\$0 to \$31,000	\$31,001 to \$55,200	\$55,201 to \$90,000	\$90,001+
Hawaii	\$0 to \$39,900	\$39,901 to \$70,000	\$70,001 to \$110,700	\$110,701+
Idaho	\$0 to \$29,000	\$29,001 to \$48,000	\$48,001 to \$73,200	\$73,201+
Illinois	\$0 to \$34,500	\$34,501 to \$60,001	\$60,002 to \$96,504	\$96,505+
Indiana	\$0 to \$30,000	\$30,001 to \$52,000	\$52,001 to \$81,120	\$81,121+
Iowa	\$0 to \$29,600	\$29,601 to \$50,000	\$50,001 to \$77,350	\$77,351+
Kansas	\$0 to \$30,000	\$30,001 to \$52,400	\$52,401 to \$82,676	\$82,677+
Kentucky	\$0 to \$23,800	\$23,801 to \$45,000	\$45,001 to \$73,500	\$73,501+
Louisiana	\$0 to \$24,000	\$24,001 to \$45,600	\$45,601 to \$77,580	\$77,581+
Maine	\$0 to \$28,030	\$28,031 to \$50,000	\$50,001 to \$77,000	\$77,001+
Maryland	\$0 to \$43,300	\$43,301 to \$75,000	\$75,001 to \$116,500	\$116,501+
Massachusetts	\$0 to \$40,540	\$40,541 to \$72,900	\$72,901 to \$113,690	\$113,691+
Michigan	\$0 to \$30,000	\$30,001 to \$54,690	\$54,691 to \$86,520	\$86,521+
Minnesota	\$0 to \$36,000	\$36,001 to \$60,020	\$60,021 to \$94,500	\$94,501+
Mississippi	\$0 to \$20,000	\$20,001 to \$39,400	\$39,401 to \$68,000	\$68,001+
Missouri	\$0 to \$28,750	\$28,751 to \$50,000	\$50,001 to \$80,000	\$80,001+
Montana	\$0 to \$25,800	\$25,801 to \$45,000	\$45,001 to \$70,000	\$70,001+
Nebraska	\$0 to \$30,000	\$30,001 to \$52,600	\$52,601 to \$80,380	\$80,381+
Nevada	\$0 to \$35,000	\$35,001 to \$59,000	\$59,001 to \$92,000	\$92,001+
New Hampshire	\$0 to \$38,300	\$38,301 to \$63,800	\$63,801 to \$99,420	\$99,421+
New Jersey	\$0 to \$43,000	\$43,001 to \$77,000	\$77,001 to \$121,770	\$121,771+
New Mexico	\$0 to \$24,000	\$24,001 to \$43,800	\$43,801 to \$74,400	\$74,401+
New York	\$0 to \$36,000	\$36,001 to \$65,000	\$65,001 to \$105,100	\$105,101+
North Carolina	\$0 to \$27,000	\$27,001 to \$49,450	\$49,451 to \$80,000	\$80,001+
North Dakota	\$0 to \$29,000	\$29,001 to \$50,000	\$50,001 to \$77,000	\$77,001+
Ohio	\$0 to \$30,000	\$30,001 to \$52,900	\$52,901 to \$83,500	\$83,501+
Oklahoma	\$0 to \$25,000	\$25,001 to \$45,100	\$45,101 to \$72,800	\$72,801+

(continued)

**Appendix Table A-7**  
**Household Income Quartile Ranges for All Homeowners in 2005**  
**(continued)**

Oregon	\$0 to \$30,800	\$30,801 to \$53,900	\$53,901 to \$85,200	\$85,201+
Pennsylvania	\$0 to \$29,270	\$29,271 to \$52,600	\$52,601 to \$85,000	\$85,001+
Rhode Island	\$0 to \$38,600	\$38,601 to \$66,600	\$66,601 to \$101,400	\$101,401+
South Carolina	\$0 to \$25,000	\$25,001 to \$46,210	\$46,211 to \$75,710	\$75,711+
South Dakota	\$0 to \$28,100	\$28,101 to \$48,800	\$48,801 to \$74,800	\$74,801+
Tennessee	\$0 to \$25,000	\$25,001 to \$47,000	\$47,001 to \$76,620	\$76,621+
Texas	\$0 to \$28,600	\$26,601 to \$53,000	\$53,001 to \$89,000	\$89,001+
Utah	\$0 to \$35,000	\$35,001 to \$56,020	\$56,021 to \$85,000	\$85,001+
Vermont	\$0 to \$31,200	\$31,201 to \$53,400	\$53,401 to \$87,820	\$87,821+
Virginia	\$0 to \$35,500	\$35,501 to \$64,000	\$64,001 to \$105,140	\$105,141+
Washington	\$0 to \$36,000	\$36,001 to \$61,700	\$61,701 to \$96,500	\$96,501+
West Virginia	\$0 to \$20,700	\$20,701 to \$39,000	\$39,001 to \$66,400	\$66,401+
Wisconsin	\$0 to \$33,440	\$33,441 to \$56,130	\$56,131 to \$85,000	\$85,001+
Wyoming	\$0 to \$30,000	\$30,001 to \$50,500	\$50,501 to \$80,634	\$80,635+

Source: U.S. Census Bureau, 2005 American Community Survey.

**Appendix Table A-8  
Household Income Quartile Ranges for Homeowners Under Age 65 in 2005**

<b>State</b>	<b>Lowest 25%</b>	<b>Second 25%</b>	<b>Third 25%</b>	<b>Highest 25%</b>
Alabama	\$0 to \$30,000	\$30,001 to \$52,000	\$52,001 to \$82,900	\$82,901+
Alaska	\$0 to \$45,500	\$45,501 to \$74,000	\$74,001 to \$109,840	\$109,841+
Arizona	\$0 to \$36,000	\$36,001 to \$60,501	\$60,502 to \$94,000	\$94,001+
Arkansas	\$0 to \$28,700	\$28,701 to \$49,400	\$49,401 to \$76,800	\$76,801+
California	\$0 to \$48,000	\$48,001 to \$79,200	\$79,201 to \$121,000	\$121,001+
Colorado	\$0 to \$41,000	\$41,001 to \$67,200	\$67,201 to \$104,000	\$104,001+
Connecticut	\$0 to \$55,200	\$55,201 to \$85,000	\$85,001 to \$127,200	\$127,201+
Delaware	\$0 to \$44,000	\$44,001 to \$69,620	\$69,621 to \$103,000	\$103,001+
District of Columbia	\$0 to \$50,000	\$50,001 to \$81,300	\$81,301 to \$150,670	\$150,671+
Florida	\$0 to \$34,000	\$34,001 to \$58,000	\$58,001 to \$92,000	\$92,001+
Georgia	\$0 to \$38,000	\$38,001 to \$62,050	\$62,051 to \$96,200	\$96,201+
Hawaii	\$0 to \$47,850	\$47,851 to \$78,000	\$78,001 to \$120,000	\$120,001+
Idaho	\$0 to \$34,000	\$34,001 to \$53,510	\$53,511 to \$78,000	\$78,001+
Illinois	\$0 to \$43,000	\$43,001 to \$69,700	\$69,701 to 105,000	\$105,001+
Indiana	\$0 to \$36,800	\$36,801 to \$60,000	\$60,001 to \$88,000	\$88,001+
Iowa	\$0 to \$36,200	\$36,201 to \$57,900	\$57,901 to \$83,600	\$83,601+
Kansas	\$0 to \$38,000	\$38,001 to \$60,300	\$60,301 to \$90,000	\$90,001+
Kentucky	\$0 to \$30,000	\$30,001 to \$51,500	\$51,501 to \$80,200	\$80,201+
Louisiana	\$0 to \$30,400	\$30,401 to \$53,500	\$53,501 to \$83,900	\$83,901+
Maine	\$0 to \$35,000	\$35,001 to \$58,000	\$58,001 to \$84,020	\$84,021+
Maryland	\$0 to \$52,600	\$52,601 to \$83,900	\$83,901 to \$124,300	\$124,301+
Massachusetts	\$0 to \$53,080	\$53,081 to \$83,300	\$83,301 to \$122,500	\$122,501+
Michigan	\$0 to \$38,010	\$38,011 to \$62,610	\$62,611 to \$95,000	\$95,001+
Minnesota	\$0 to \$43,420	\$43,421 to \$67,000	\$67,001 to \$100,000	\$100,001+
Mississippi	\$0 to \$25,400	\$25,401 to \$46,400	\$46,401 to \$75,000	\$75,001+
Missouri	\$0 to \$35,200	\$35,201 to \$58,500	\$58,501 to \$86,000	\$86,001+
Montana	\$0 to \$30,000	\$30,001 to \$52,200	\$52,201 to \$75,900	\$75,901+
Nebraska	\$0 to \$39,000	\$39,001 to \$59,800	\$59,801 to \$87,000	\$87,001+
Nevada	\$0 to \$40,000	\$40,001 to \$64,650	\$64,651 to \$97,790	\$97,791+
New Hampshire	\$0 to \$46,800	\$46,801 to \$73,000	\$73,001 to \$106,000	\$106,001+
New Jersey	\$0 to \$56,400	\$56,401 to \$90,000	\$90,001 to \$132,300	\$132,301+
New Mexico	\$0 to \$29,390	\$29,391 to \$50,000	\$50,001 to \$80,000	\$80,001+
New York	\$0 to \$46,120	\$46,121 to \$75,000	\$75,001 to \$115,000	\$115,001+
North Carolina	\$0 to \$33,300	\$33,301 to \$56,000	\$56,001 to \$87,410	\$87,411+
North Dakota	\$0 to \$37,100	\$37,101 to \$58,000	\$58,001 to \$84,300	\$84,301+
Ohio	\$0 to \$38,640	\$38,641 to \$61,170	\$61,171 to \$90,500	\$90,501+

(continued)

**Appendix Table A-8**  
**Household Income Quartile Ranges for Homeowners Under Age 65 in 2005**  
**(continued)**

Oklahoma	\$0 to \$31,000	\$31,001 to \$51,900	\$51,901 to \$80,000	\$80,001+
Oregon	\$0 to \$39,000	\$39,001 to \$61,390	\$61,391 to \$92,000	\$92,001+
Pennsylvania	\$0 to \$39,000	\$39,001 to \$62,000	\$62,001 to \$94,340	\$94,341+
Rhode Island	\$0 to \$50,420	\$50,421 to \$75,900	\$75,901 to \$111,000	\$111,001+
South Carolina	\$0 to \$30,320	\$30,321 to \$53,000	\$53,001 to \$82,000	\$82,001+
South Dakota	\$0 to \$34,400	\$34,401 to \$56,000	\$56,001 to \$80,100	\$80,101+
Tennessee	\$0 to \$31,700	\$31,701 to \$54,000	\$54,001 to \$83,000	\$83,001+
Texas	\$0 to \$34,800	\$34,801 to \$60,000	\$60,001 to \$95,200	\$95,201+
Utah	\$0 to \$40,000	\$40,001 to \$60,720	\$60,721 to \$89,820	\$89,821+
Vermont	\$0 to \$37,000	\$37,001 to \$60,000	\$60,001 to \$97,000	\$97,001+
Virginia	\$0 to \$43,400	\$43,401 to \$72,100	\$72,101 to \$112,500	\$112,501+
Washington	\$0 to \$44,000	\$44,001 to \$69,700	\$69,701 to \$103,050	\$103,051+
West Virginia	\$0 to \$26,000	\$26,001 to \$47,900	\$47,901 to \$74,800	\$74,801+
Wisconsin	\$0 to \$41,200	\$41,201 to \$63,600	\$63,601 to \$90,050	\$90,051+
Wyoming	\$0 to \$36,300	\$36,301 to \$58,000	\$58,001 to \$86,200	\$86,201+

Source: U.S. Census Bureau, 2005 American Community Survey.

**Appendix Table A-9  
Household Income Quartile Ranges of Homeowners Age 65 and Older in 2005**

<b>State</b>	<b>Lowest 25%</b>	<b>Second 25%</b>	<b>Third 25%</b>	<b>Highest 25%</b>
Alabama	\$0 to \$15,000	\$15,001 to \$26,900	\$26,901 to \$48,100	\$48,101+
Alaska	\$0 to \$19,600	\$19,601 to \$47,200	\$47,201 to \$87,749	\$87,750+
Arizona	\$0 to \$19,500	\$19,501 to \$34,400	\$34,401 to \$57,100	\$57,101+
Arkansas	\$0 to \$14,500	\$14,501 to \$26,900	\$26,901 to \$47,800	\$47,801+
California	\$0 to \$21,800	\$21,801 to \$40,900	\$40,901 to \$74,000	\$74,001+
Colorado	\$0 to \$20,300	\$20,301 to \$36,400	\$36,401 to \$65,000	\$65,001+
Connecticut	\$0 to \$22,304	\$22,305 to \$40,500	\$40,501 to \$70,000	\$70,001+
Delaware	\$0 to \$20,100	\$20,101 to \$35,630	\$35,631 to \$60,600	\$60,601+
District of Columbia	\$0 to \$23,325	\$23,326 to \$42,100	\$42,101 to \$88,800	\$88,801+
Florida	\$0 to \$18,000	\$18,001 to \$32,500	\$32,501 to \$56,100	\$56,101+
Georgia	\$0 to \$16,200	\$16,201 to \$31,060	\$31,061 to \$55,200	\$55,201+
Hawaii	\$0 to \$27,700	\$27,701 to \$49,200	\$49,201 to \$88,300	\$88,301+
Idaho	\$0 to \$18,100	\$18,101 to \$32,220	\$32,221 to \$51,200	\$51,201+
Illinois	\$0 to \$19,700	\$19,701 to \$34,000	\$34,001 to \$59,200	\$59,201+
Indiana	\$0 to \$18,300	\$18,301 to \$31,000	\$31,001 to \$50,550	\$50,551+
Iowa	\$0 to \$17,600	\$17,601 to \$31,250	\$31,251 to \$49,000	\$49,001+
Kansas	\$0 to \$19,400	\$19,401 to \$31,300	\$31,301 to \$51,000	\$51,001+
Kentucky	\$0 to \$14,400	\$14,401 to \$26,000	\$26,001 to \$45,100	\$45,101+
Louisiana	\$0 to \$13,900	\$13,901 to \$26,000	\$26,001 to \$47,700	\$47,701+
Maine	\$0 to \$17,200	\$17,201 to \$31,400	\$31,401 to \$52,150	\$52,151+
Maryland	\$0 to \$23,200	\$23,201 to \$43,600	\$43,601 to \$78,100	\$78,101+
Massachusetts	\$0 to \$21,300	\$21,301 to \$37,300	\$37,301 to \$66,000	\$66,001+
Michigan	\$0 to \$18,750	\$18,751 to \$31,400	\$31,401 to \$51,600	\$51,601+
Minnesota	\$0 to \$19,400	\$19,401 to \$34,200	\$34,201 to \$57,000	\$57,001+
Mississippi	\$0 to \$13,100	\$13,101 to \$24,000	\$24,001 to \$44,000	\$44,001+
Missouri	\$0 to \$17,400	\$17,401 to \$30,200	\$30,201 to \$50,800	\$50,801+
Montana	\$0 to \$17,100	\$17,101 to \$30,400	\$30,401 to \$46,500	\$46,501+
Nebraska	\$0 to \$17,000	\$17,001 to \$30,000	\$30,001 to \$51,710	\$51,711+
Nevada	\$0 to \$22,500	\$22,501 to \$40,100	\$40,101 to \$66,900	\$66,901+
New Hampshire	\$0 to \$20,810	\$20,811 to \$37,000	\$37,001 to \$59,320	\$59,321+
New Jersey	\$0 to \$21,900	\$21,901 to \$40,100	\$40,101 to \$72,500	\$72,501+
New Mexico	\$0 to \$15,860	\$15,861 to \$29,800	\$29,801 to \$53,900	\$53,901+
New York	\$0 to \$20,100	\$20,101 to \$37,000	\$37,001 to \$68,400	\$68,401+
North Carolina	\$0 to \$16,300	\$16,301 to \$29,800	\$29,801 to \$52,000	\$52,001+
North Dakota	\$0 to \$15,100	\$15,101 to \$28,300	\$28,301 to \$45,300	\$45,301+
Ohio	\$0 to \$18,400	\$18,401 to \$30,800	\$30,801 to \$50,860	\$50,861+
Oklahoma	\$0 to \$15,600	\$15,601 to \$28,000	\$28,001 to \$48,860	\$48,861+
Oregon	\$0 to \$19,090	\$19,091 to \$33,700	\$33,701 to \$56,800	\$56,801+

(continued)

**Appendix Table A-9**  
**Household Income Quartile Ranges of Homeowners Age 65 and Older in 2005**  
**(continued)**

Pennsylvania	\$0 to \$17,250	\$17,251 to \$29,500	\$29,501 to \$50,000	\$50,001+
Rhode Island	\$0 to \$20,200	\$20,201 to \$35,900	\$35,901 to \$65,700	\$65,701+
South Carolina	\$0 to \$15,600	\$15,601 to \$29,400	\$29,401 to \$51,400	\$51,401+
South Dakota	\$0 to \$17,500	\$17,501 to \$30,000	\$30,001 to \$46,800	\$46,801+
Tennessee	\$0 to \$15,000	\$15,001 to \$27,800	\$27,801 to \$49,700	\$49,701+
Texas	\$0 to \$16,800	\$16,801 to \$32,100	\$32,101 to \$57,380	\$57,381+
Utah	\$0 to \$21,000	\$21,001 to \$37,000	\$37,001 to \$61,750	\$61,751+
Vermont	\$0 to \$19,700	\$19,701 to \$34,000	\$34,001 to \$57,600	\$57,601+
Virginia	\$0 to \$19,100	\$19,101 to \$36,700	\$36,701 to \$66,600	\$66,601+
Washington	\$0 to \$21,800	\$21,801 to \$37,200	\$37,201 to \$61,900	\$61,901+
West Virginia	\$0 to \$14,400	\$14,401 to \$24,150	\$24,151 to \$40,100	\$40,101+
Wisconsin	\$0 to \$18,800	\$18,801 to \$32,000	\$32,001 to \$52,800	\$52,801+
Wyoming	\$0 to \$18,000	\$18,001 to \$29,800	\$29,801 to \$47,600	\$47,601+

Source: U.S. Census Bureau, 2005 American Community Survey.

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