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Truth in Taxation

How property tax transparency works, and what the evidence shows

What is Truth in Taxation?

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Rising property values should not quietly raise your tax bill.

Local officials must disclose, hold a hearing, and vote before collecting more.

Three parts

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1

Certified rate

The rate that raises last year's revenue from existing property.

2

Notice

Residents are told what an increase would cost them, and when the hearing is.

3

Hearing and vote

Officials explain, residents speak, and the board votes on any increase.

How the certified rate works

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$1,000,000 stays $1,000,000

Values rise 20%, so the rate drops from 1% to about 0.83%. To collect more, officials must go through notice, hearing, and vote.

It is not a tax freeze

Taxes can still rise, but only in the open.

Twenty states have some form of Truth in Taxation law.

Source: Lincoln Institute of Land Policy, 2024

History: Utah, 1985

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Utah passed the Tax Increase Disclosure Act in 1985.

A 1984 court ruling forced a property tax overhaul. Rate cuts followed in 1995, 1996, and 1998.

History: how it spread

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1

Early versions

Florida (1980) and Illinois (1981) added notices and hearings.

2

Full model

Utah (1985) added the certified rate and a vote.

3

Recent adopters

Nebraska in 2019. Kansas in 2021.

Transparency & Accountability

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Residents see the proposed increase and what it means for their parcel.

Officials must vote on an increase, in public.

Benefit: Local control

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Local governments keep the same revenue from existing property.

Officials can still raise taxes, but not without voters knowing what is going on.

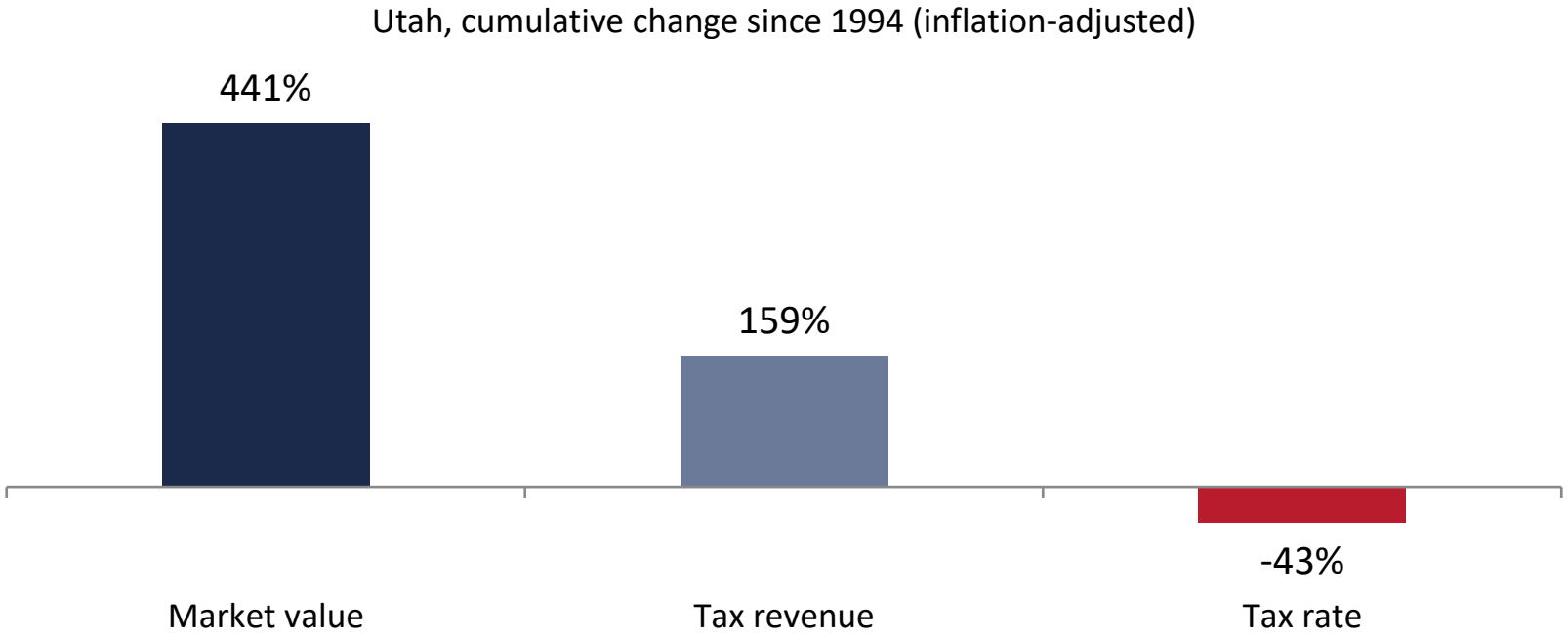
Evidence: Utah rates fell

-42.7%

Utah's average property tax rate, 1994 to 2025

Source: Kem C. Gardner Policy Institute, Aug. 2026

Evidence: rates down, revenue up



Source: Kem C. Gardner Policy Institute, Aug. 2026

Evidence: from high to low

7th lowest

Utah's property tax rate rank in 2021, after facing some of the nation's highest rates before 1985.

Source: Tax Foundation, 2021, as cited in the policy report

Evidence: Kansas, first year

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Over half of Kansas taxing authorities voted against raising taxes.

Reported for 2022, the year after the law passed.

Source: Policy report; Kansas Policy Institute

Avoid: paying off local governments

$105M to $430M a year

Nebraska's state property tax credit grew while local property taxes kept rising.

Source: ATR, 2025 State Property Tax Guide

Avoid: tax swaps

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Cut one tax, raise another.

Nebraska's 2024 LB1 swap collapsed. Voters saw the hike, not the cut.

Source: ATR, 2025 State Property Tax Guide

Avoid: rate limits alone & assessment caps alone

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Capped rates, growing bills.

Home values still raise the base, so bills can climb with no rate increase.

Caps can lock people into homes.

Source: ATR, 2025 State Property Tax Guide

Why Truth in Taxation

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It targets the real problem: total revenue.

Officials cannot blame rising values. Any increase is disclosed, debated, and voted on.

Source: ATR, 2025 State Property Tax Guide

States ATR points to

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1

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Utah, Kansas, Florida, and Nebraska, the most comprehensive.

2

Revenue limits

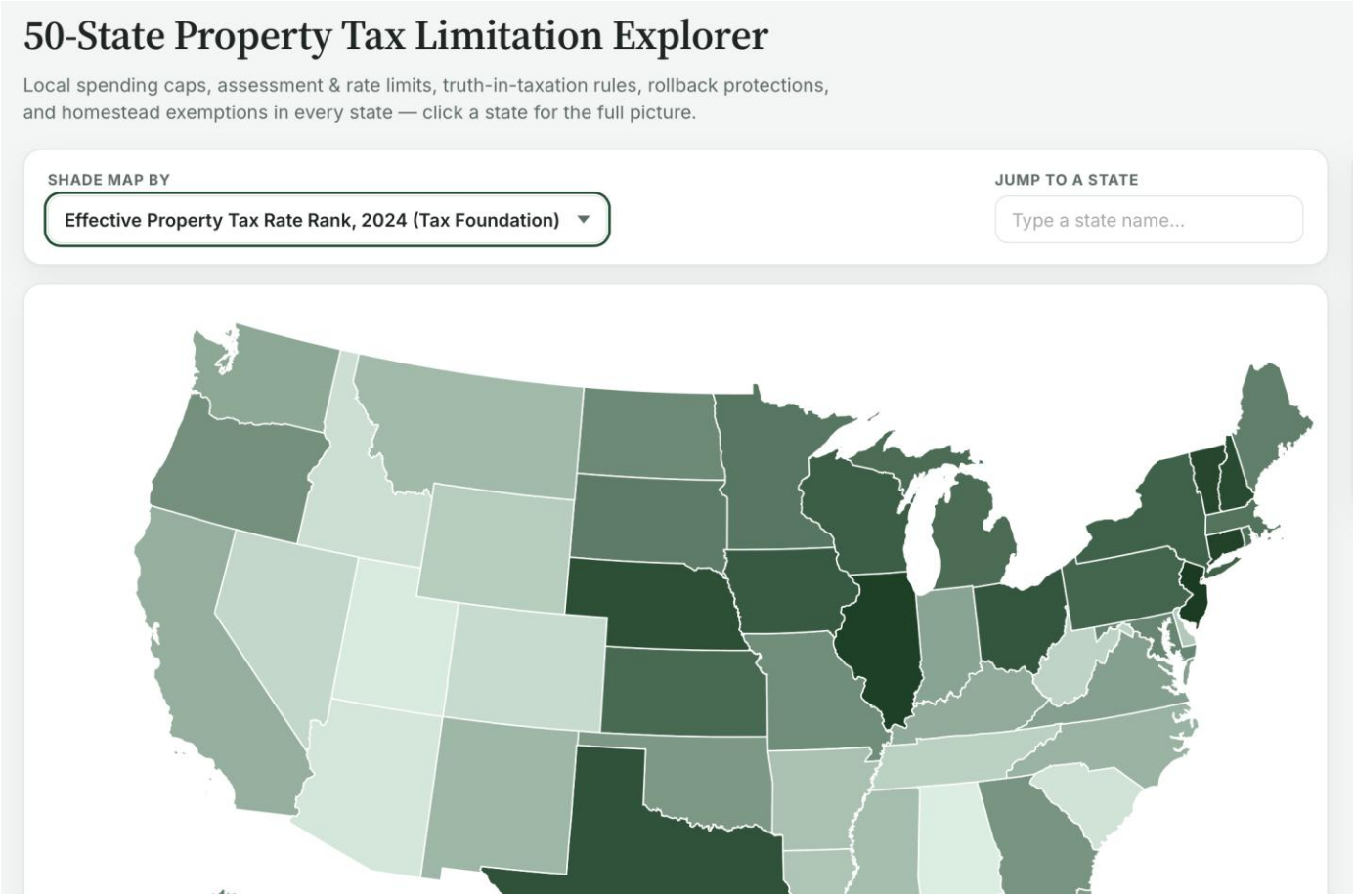
ATR's top choice. Texas, Massachusetts, Colorado, with loopholes to close.

3

Assessment limits

Arizona: value does not reset at sale, better than CA, FL, MI.

Source: ATR, 2025 State Property Tax Guide



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- Kem C. Gardner Policy Institute, Public Finance Brief (Aug. 2026)
- Lincoln Institute of Land Policy, State Requirements Under Truth in Taxation Laws (2024)
- Policy report on Truth in Taxation in Utah, Nebraska, Kansas Kansas Policy Institute notes on revenue-neutral rate Americans for Tax Reform, 2025 State Property Tax Guide

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