

Consumer Understanding of Property Tax Issues and Perceptions of Travis County Appraisal District

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Overarching Goal

Understand the level of **consumer familiarity** with personal property tax issues, the **role that TCAD plays**, and consumer's **perception of TCAD**

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Executive Summary

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An overview of Findings

- Overall, citizens lack understanding about property tax issues.
 - While protestors are more informed than non-protestors, misperceptions and deficiencies in awareness and education are evident in both audiences.
 - They are familiar with market value and assessed value, but express little interest in or knowledge of the remaining property tax lexicon.
- Many understand that TCAD is responsible for determining the market value of their property, but are confused about other contributions it makes to the process; including the many advocacy benefits it provides for property owners.
- Property owners exhibit low involvement with TCAD.
 - Both groups are equally uninformed about TCAD's services.
 - However, protestors state more positive AND negative opinions of TCAD once they become involved in the process.
- If the objective is to involve more citizens with TCAD, they need to be more aware and informed of the process.
 - Although few have attended a public hearing recently, twice as many protestors attended as non-protestors.
 - The more informed citizens become, the more likely they are to consider social media/grassroots channels. For now, they rely on news, Internet, and direct mail.
- They want interactions to be as easy and seamless as possible.
 - Outbound email is key to interacting with property owners regularly.

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Strategic Implications

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Strategic Implications



Identify information and education needs to prepare citizens to utilize TCAD to their best advantage.



Define opportunities to increase awareness and adoption of TCAD self-support and digital engagement tools to increase satisfaction and utilization.



Ascertain what makes citizens feel appreciated to maximize good will and brand affinity.



Define current triggers and pain points to create an accurate customer journey mapping and improve recommendations.



Determine citizen priorities, including channel and messaging of communications.

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Before we start...

An overview of a Protester

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An overview of a Property Tax Protester

Who is a protester?

Significantly more likely than a **non-protester**...

- **male** (43% vs 28%)
- **older** (47 vs 41 years old)
- **high income** (\$100K vs \$82K)
- **primary decision-makers** (64% vs 50%)

Throughout this report, we focus on Travis County property owners who are responsible for paying taxes for their homes or businesses.

Additionally, the report focuses on property owners who **have protested** their property tax versus those who **have not protested**.

We will get deep into the data but, so you can build an image of who we are talking about when we say "protester", the following pages provide **an overview** of the typical protester.

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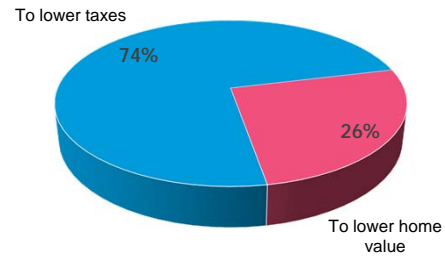
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An overview of a Protester (continued)

- Most (74%) property owners who file a protest do so to **lower the taxes** on their property.
- Those who used an agent to file a protest (41%) were significantly more likely than those without an agent to report protesting to lower their taxes (89% versus 62% of those unrepresented).
- **Lowering home value** was mentioned significantly more often by those with homes over 2,000 sq. ft. (32%, versus only 16% of those in smaller homes).

Why do they protest?

74% Want to lower their property taxes



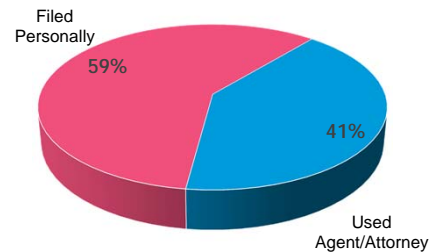
n = 136 Protesters
Q5. Why did you protest your property tax?

An overview of a Protester (continued)

- About 3 in 5 (59%) property tax protesters personally filed their protest while the remainder used an agent or attorney.
- These unrepresented protesters were **less likely to have attended a public hearing**. (29% attended versus 51% who used an agent).
- Demographics (age, gender, ethnicity, income, etc.) did not differ between protesters who represented themselves and those represented by an agent.

How did they protest?

59% Filed on their own



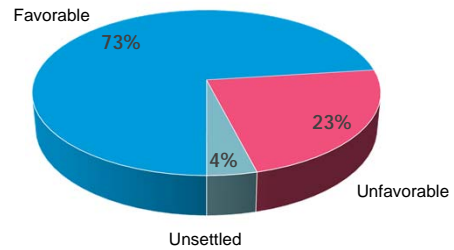
n = 136 Protesters
Q6. Did you use an agent or attorney to file the protest for yourself?

An overview of a Protester (continued)

- About 3 of every 4 (73%) protesters report a favorable outcome to their protest.
- Not surprisingly, those with unfavorable outcomes (23%) are **generally less satisfied**, but also tend to less informed on the process, and present an opportunity for TCAD to educate.
- Ultimately, those who file personally were **less likely to have a favorable outcome**.
 - 28% noted an unfavorable outcome versus only 15% of those who used an agent or attorney.

What was the outcome?

73% Had a favorable outcome



n = 136 Protesters
 Q6. Did you use an agent or attorney or file the protest for yourself?
 Q7. Was the protest settled in your favor or not?

What we wanted to learn

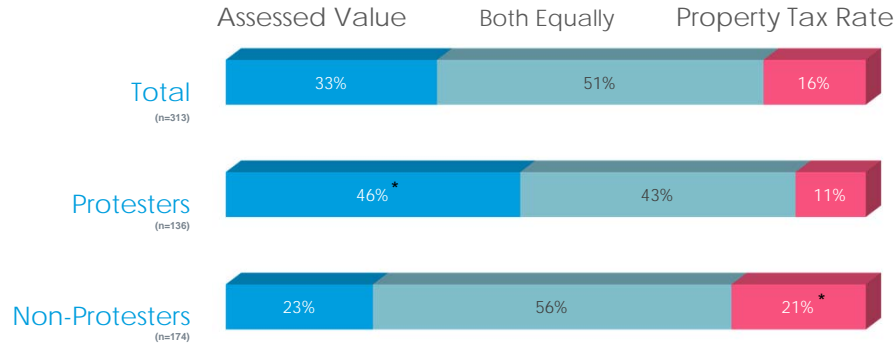
Consumer's understanding of property tax issues

Perceived influence of assessed value and property tax rate

Possibly based on their experience in protesting property taxes, those who have protested believe (by greater than 4:1) that **assessed value (46%) is more influential than property tax rates (11%)** on the amount they pay.

- Non-protesters – lacking experience – tend toward no definitive opinion.

If **assessed value** is something property owners see as a TCAD issue, consumer education is necessary.



* Significant difference
Q8: What most influences the amount you pay in personal property taxes for your home or business?

What entity is perceived to be most responsible for...

Six in ten (60%) property owners correctly identify TCAD as responsible for determining the value of property, and protesters (68%) were more likely to identify TCAD with this function.

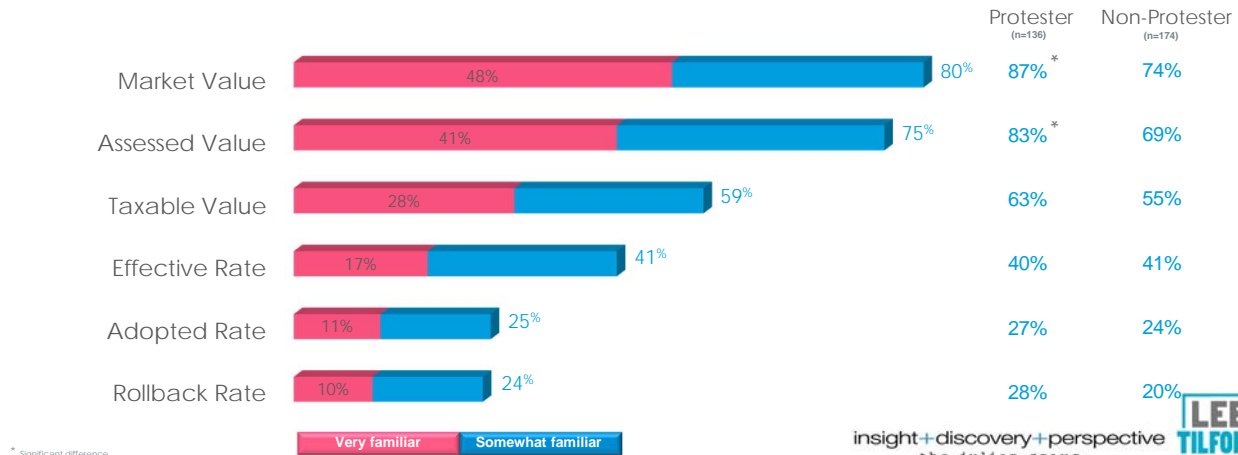
Too many property owners erroneously believe TCAD is setting tax rates (36% of protesters).

	Total (n=313)	Protesters (n=136)	Non-Protesters (n=174)	
... Setting property tax rates	Travis Central Appraisal	32%	36%	30%
	Local Gov./School Boards	37%	43%*	31%
	Texas Legislature	7%	7%	8%
	Texas Comptroller	4%	4%	3%
	County Tax Office	19%	10%	26%*
... Determining the value of property	Travis Central Appraisal	60%	68%*	54%
	Local Gov./School Boards	17%	15%	17%
	Texas Legislature	2%	2%	3%
	Texas Comptroller	6%	8%	4%
	County Tax Office	14%	7%	20%*
... Determining if taxes rates will increase	Travis Central Appraisal	16%	19%	15%
	Local Gov./School Boards	44%	51%*	37%
	Texas Legislature	12%	10%	15%
	Texas Comptroller	8%	8%	8%
	County Tax Office	17%	11%	22%*

* Significant difference
Q13: Who is most responsible for setting property tax rates for home and business property?
Q14: Who is most responsible for determining the value of home and business property?
Q15: Who is most responsible for determining whether or not taxes on a property will increase?

Familiarity with property tax lexicon

While most property owners (particularly Protesters) are familiar with **Market Value** and **Assessed Value**, all property owners lack an understanding of **Adopted Rate** and **Rollback Rate**, even protesters, perhaps indicating a lack of importance placed on understanding those terms.



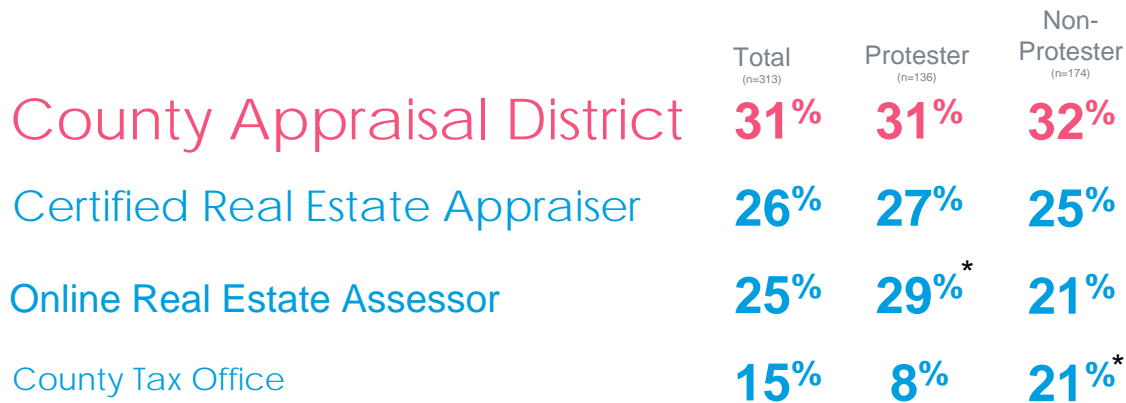
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First source to find property value

With no clear "go-to" source, this presents another great opportunity to engage with property owners about sourcing TCAD as the starting place for property value information.

- Among non-protesters, the role of the County Tax office is more misunderstood than that of TCAD.



* Significant difference
 Q12: Let's say you wanted to learn the value of your property. What source would you first use to learn the estimated value?

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What we wanted to learn

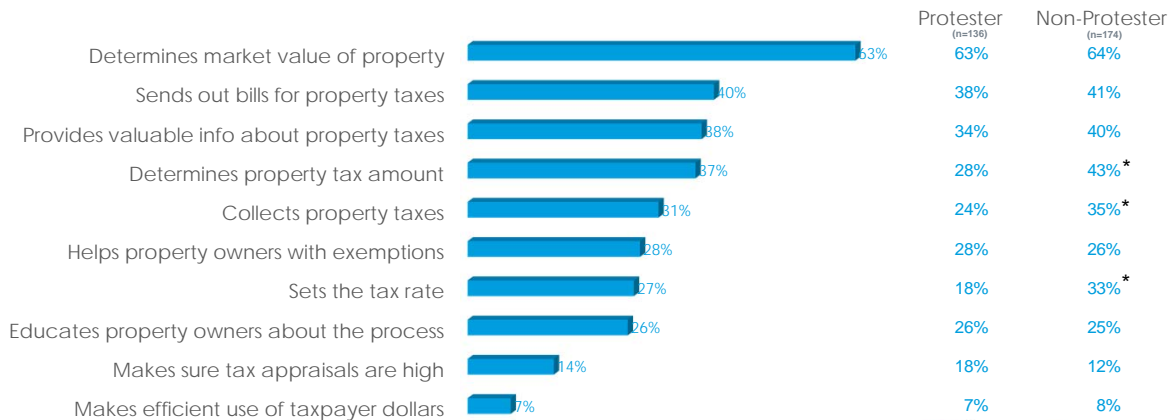
TCAD role in property taxes

Opinions of TCAD service

Consumer understanding of TCAD role in property tax

Consumers correctly see TCAD's role of determining market value of property (in fact, this matches the 60% noted earlier in this report).

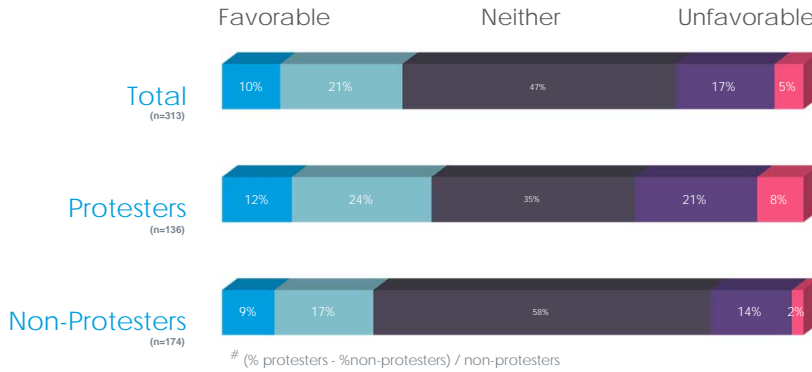
However, TCAD doesn't get enough credit for providing valuable information about property taxes, helping property owners with exemptions, or educating property owners about the process.



* Significant difference
Q21. Can you tell me what the Travis Central Appraisal District does?

Favorability with TCAD

Through one lens, Protesters report a more favorable opinion of TCAD (36% top-2-box) than non-protesters (26%). However, because Protesters have an experience with TCAD, they are more likely to have either a positive or negative opinion, and in fact have an unfavorable opinion (29%) much higher than non-protesters (16%). In effect, protesting lifts TCAD favorable ratings by 38%# but lifts unfavorable ratings by 81%#.



Top-2-Box on 5-Point scale
Q17. And thinking just of the Travis Central Appraisal District, do you have a favorable or unfavorable opinion of it?

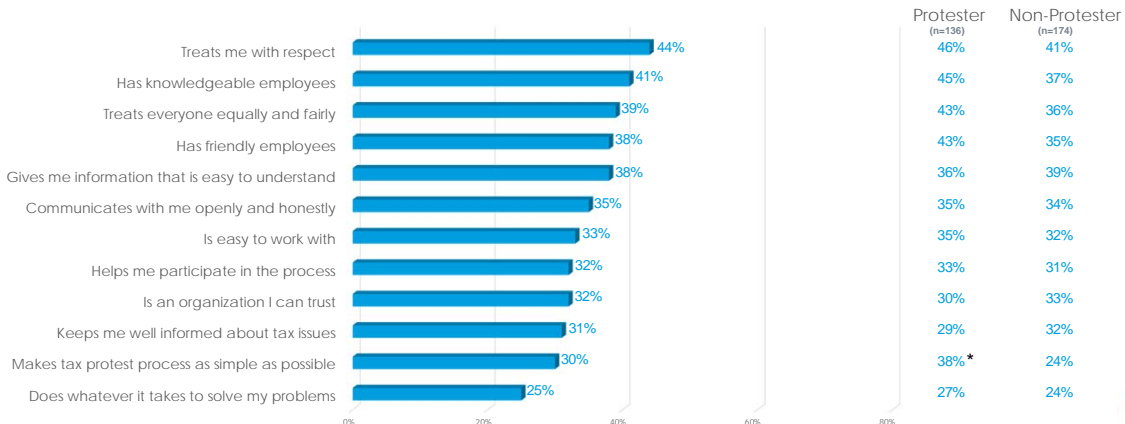
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TCAD ratings on service attributes

TCAD is considered respectful, knowledgeable, and fair, but plenty of room for improvement exists, and all top-2-box (5-point scale) ratings are modest.

Protesters are much more likely to agree that TCAD makes the property tax protest process as simple as possible. Educating property owners on simplicity will go a long way toward improving perception.



* Significant difference
Top-2-Box on 5-Point scale
Q22. Please read the following statements and rate how well each statement might describe Travis Central Appraisal District.

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What we wanted to learn

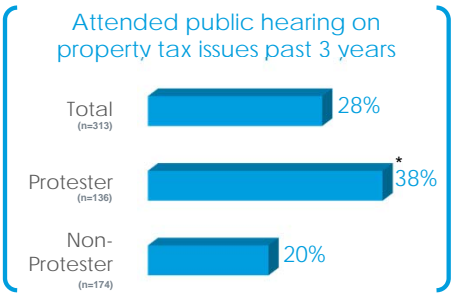
- Attendance at public hearings
- Recall of TCAD communications
- Preferred channels of communication

Public hearings on property taxes

Protesters are educated even further by attending public hearing (38%) at almost twice the rate of non-protesters (20%).

TCAD will most effectively reach property owners online through social media sites, but traditional and online newspapers will play a role, as well.

Where did they learn about this hearing?



Where would they learn about hearings?



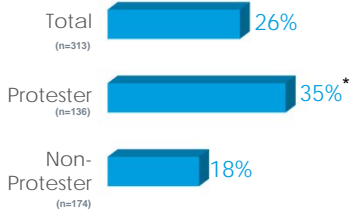
* Significant difference
 Q9. In the past 3 years, have you attended a public hearing (city, county, or school board) on property tax issues?
 Q10. Where did you learn about the most recent property tax public hearing you attended?
 Q11. Where would you expect to learn about a property tax public hearing?

TCAD communication recall

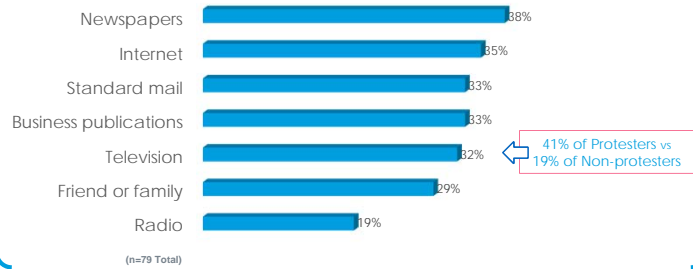
Likely because they are more engaged, at least in the past, protesters are much more likely to recall TCAD messages in the past few months.

There is little definitive media channel recall, and what recall there is, tends to be spread across channels fairly evenly. The exception is television on which 41% of protesters, but only 19% of non-protesters, recalled seeing something about TCAD.

Recently seen or heard something about TCAD



Where they've seen or heard something about TCAD



* Significant difference
 Q18. In just the past few months, have you seen or heard anything about the Travis Central Appraisal District? Q6. Did you use an agent or attorney or file the protest for yourself?
 Q19. Where have you seen or heard about the Travis Central Appraisal District?

Engagement preferences

When you contact them

Consumers prefer TCAD communicate through mail – split evenly between postal and electronic.

36% email and 34% mail

There are no differences on preferred contact between Protesters and Non-protesters.



OUTBOUND EMAIL IS KEY

When they file a protest with you

Making it simple means giving property owners the ability to contact you in the method they most prefer.

Consumers prefer to file a protest via email (28%) or online (26%), though a fair percentage would still choose to file in person (16%) or via phone (15%).

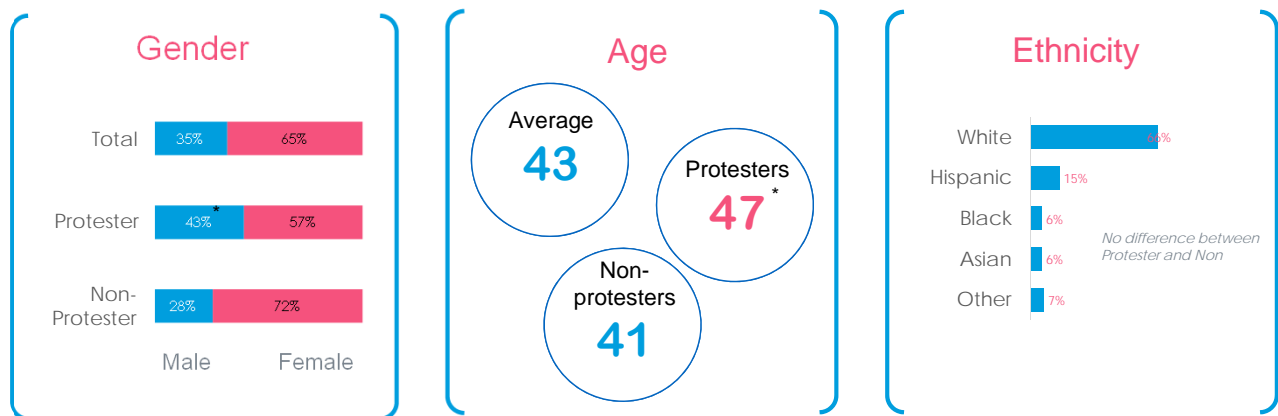
In fact, those who've not protested are much more likely to choose in person (20%) or phone (19%) compared to previous protesters (11% and 10%, respectively) – they'll want a live person for something as important as tax appraisal. This is even more pronounced among those 18-34 years of age, where 28% would prefer to file via phone compared to only 8% of those 35+.

Q23. If Travis Central Appraisal District needed to communicate with you about your property ownership, what one method would you most prefer they used to contact you?
 Q24. If you needed to file a protest on your property appraisal in the future, how would you most prefer to contact Travis Central Appraisal District?

What we wanted to learn

The demographic profile of respondents

Demographics



Protesters skew significantly higher on male (43% have protested, versus 28% of females) and age.

There are no significant differences by ethnicity.

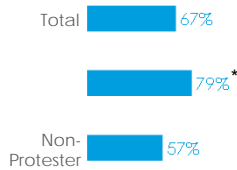
Lifestage Demographics

Study participants are more educated than most, with two-thirds holding at least a bachelor's degree, though protesters are even more likely (79%) to hold a degree.

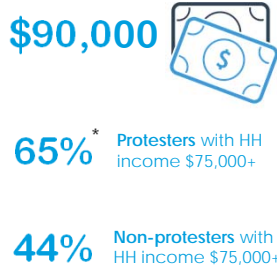
Correspondingly, HH income is relatively high at \$90,000 and, again, protesters have even higher incomes than non-protesters.

Both primary and joint decision makers qualified for this study, but a slight majority consider themselves *the* primary decision maker in their HH. Again, protesters are significantly more likely to report being the primary decision maker than non-protesters.

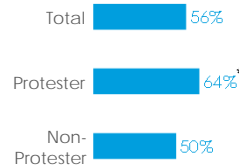
College grad+



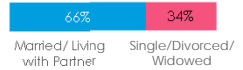
Ave HH Income



Makes the financial decisions



Relationship Status



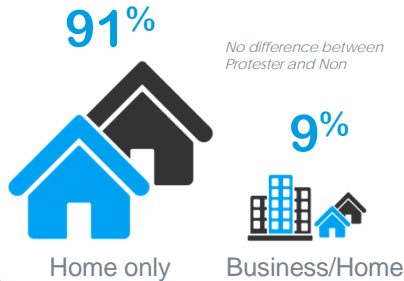
Children in HH



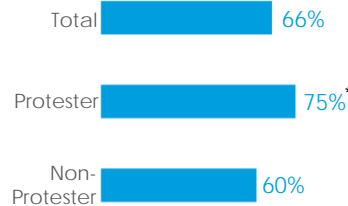
No differences between Protester and Non on these measures

Home/Business Demographics

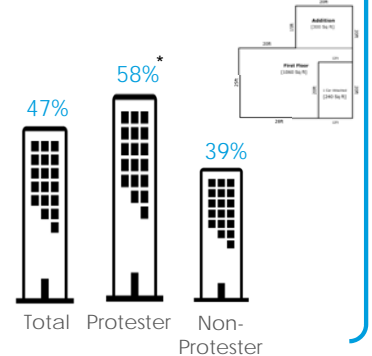
Ownership



Owned 4+ Years



2,000+ Square Feet



Most study participants are homeowners only (91%), have owned their homes/business property 4+ years (66%) with an average property size of about 2,000 square feet.

Protesters are significantly more likely to have:

- Owned their property over 4 years and
- Property size over 2,000 square feet