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Tax Salience, Escrow, and Support for Property Tax: Findings from a Survey of South Carolina Voters¹

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Tax salience has been found to impact tax opposition attitudes in a previous study, and scholars find that tax presentation is a key factor influencing the salience of a tax to those who pay it. We test Cabral and Hoxby's 2012 hypothesis that homeowners who escrow their property tax payments will express more support for property tax increases than non-escrow taxpayers. Using original data collected from a mailed survey of South Carolina voters our multi-variate regression analysis shows that homeowners who escrow property taxes express more support for increasing school tax than do non-escrow payers. We also find significant knowledge limits among respondents in understanding the actual school tax costs on taxpayers in South Carolina. Most S.C. homeowners are exempt from paying property taxes for school operations, but this is not widely understood according to our findings.

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Keywords: property taxes, escrow, tax salience, public school funding

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Introduction

Despite economists' contention that the property tax is a stable and fair mechanism of taxation (Youngman 2016, Sheffrin 2013, Slemrod 1999), citizens tend to dislike it as a revenue source. For at least the last four decades a plurality of Americans rate the property tax as their least popular tax in public polling (Gallup 2009, International Communications Research 2003, Advisory Commission on Intergovernmental Relations circa 1994). The late twentieth century explosion of "tax-payer revolts" manifested citizen resistance to the tax across a range of states. California's Proposition 13 referendum in 1978 showed citizen demand for enacting significant limits on local government collections from this revenue source, followed by tax revolts in Massachusetts, Oregon, and other states with the citizen initiative (Sears and Citrin 1985, Martin 2008, Morgan 2007, Campbell 1998, Lowry 1982, Lowry and Sigelman 1981, Rabushka and Ryan 1982). South Carolina set property tax limits more recently in 2006 through legislative statute. The shift away from financing local programs through the property tax is a critical juncture in our country's fiscal policy history (Auxier, Gordan, and Rueben 2020). Property tax limits constrained the growth of local government spending and program capacity¹ and ushered in a rightward shift to politics in the late twentieth century (Prasad 2018, National Center for Education Statistics 2018).

Despite the well documented backlash to property tax, it endures as an important funding source of local governments, especially for financing public education (Grubb 2009). Local property tax provided 37% of public school funding across all states in 2017-18, ranging from 13% in Alaska to 61% in New Hampshire (National Center for Education Statistics 2021). Policy analysts generally regard the property tax as one of the most progressive, transparent, and appropriate means of raising local public revenues, even with its lack of popularity (Oates 2001, Langley and Youngman 2021). While few citizens will claim a fondness for the property tax, they often demonstrate an understanding of its necessity. As one example, Silverman (2011) found that citizens in New York referenda regularly approve school budgets which include property tax increases, especially if given the chance to be involved in the budgets' planning stages. Even in states that experienced property tax revolts, citizens regularly vote to waive the property tax caps in their school districts (Roscoe 2014). If not entirely popular, the property tax is tolerated by citizens.

¹ For instance, in California per pupil spending, inflation-adjusted (local & state sources) was about \$7,400 in 1977, which was above the national average, according to National Center for Education Statistics. By 1983, per pupil spending was \$6,700, below the national average, where it has generally remained. (National Center for Education Statistics cited in Rancano 2018)

Our examination explores how the presentation of tax payment format relates to variation in citizens' willingness to support property taxes to fund public schools. We consider how payment of property taxes by escrow, where a portion of the homeowner's projected annual property tax bill is rolled into their monthly mortgage payment, could relate to higher support for school tax increases than payment of property taxes in one annual lump-sum amount. Our research is influenced by the findings of economists Cabral and Hoxby (2012), who concluded that a higher share of escrowing in a region was related to fewer occurrences of property tax revolts. Following Cabral and Hoxby we posit that when homeowners pay taxes by escrow they are less sensitive and attentive to the cost impacts of potential property tax increases. We also consider how tax presentation by escrow impacts the level of knowledge of the actual costs of school property taxes to homeowner-voters.

We apply these research questions to a case not yet accounted for in the state and local policy literature on tax opposition. Our survey of a randomly selected sample of South Carolina voters provides data on homeowner tax support attitudes as well as knowledge of a current provision that exempts most homeowners from paying school property tax in the state. We find that escrowing taxpayers do support increases in school property tax more than non-escrow taxpayers. But we also find that escrowing homeowners do not display significantly lower knowledge of the actual costs of school taxes as measured by expressed awareness of the exemption. Our data indicates that school property tax costs are poorly understood by most voters, escrow and non-escrow payers alike. While non-escrow payers demonstrate less support for school property tax increases due to their heightened sensitivity to rising tax prices, they are no more informed about current school tax features that impact tax costs than escrow payers. Our examination suggests that tax presentation via escrow impacts tax attitudes through lowering the salience of tax costs to homeowners who pay via this method. Non-escrow payers are no better able to assess the true current costs of property taxation, but they are more primed to react to the possibility of a tax increase via the higher salience of the issue to them. Moreover, we find that tax presentation (through escrow or non-escrow/lump-sum payment) exerts an independent effect on support for increasing property taxes to pay for public schools, even when controlling for partisanship, having a child in public school, income level, home value, and other important control variables.

Tax Salience and the Behavioral Public Finance Literature

Scholars in the field of behavioral public finance have engaged in a rich discussion of how citizen cognition of the policy mechanics of taxation impacts

their tax attitudes (Kirchler 2007, Hill 2010, Afonso 2014). A major finding of this field is that taxes are poorly understood by the public. Taxpayers suffer from attention deficits and are not aware of taxes imposed on certain goods or services, and they make errors in their calculation of tax price effects even when they are aware of the presence of taxes (Congdon 2011). Tax breaks or expenditures that provide resources to taxpayers through exemptions often escape notice by citizens (Mettler 2011, 50-61). Studies find that citizens do not understand the regressive incidence of sales tax or how to evaluate and compare the aggregate cost of sales taxes as an alternative to the property tax (Schenk 2011).

Scholarship on “tax salience” addresses how attention and cognitive limits affect the ability of citizens to evaluate tax cost burdens. Researchers note that taxpayers face information limits that cause them to perceive tax costs in the real world differently than they would from a hypothetical position of complete information (Gamage and Shanske 2011). Citizens’ working knowledge of tax policy is spotty, and they fail to pay close attention to tax provisions as set by law. Moreover, tax policy is complicated and even if citizens display a willingness to stay informed about taxes, it is challenging for them to evaluate the full cost impacts of taxation on their budgets as tax complexity increases (Aradhna and Slemrod 2003). This will ultimately impact their decisions about whether to tolerate or actively oppose government’s attempts to impose taxes. Hayashi defines tax salience as “the effect of [a tax’s] visibility or prominence on taxpayer decisions,” (Hayashi 2014), exploring how the visibility of property taxes impacted taxpayers’ pursuit of property assessment appeals. Property taxes that were presented (and paid) as separate, stand-alone annual bills were easily detectable, provoking homeowners to contest their tax assessments (Hayashi 2014). While Hayashi’s research addresses taxpayer behavior (appealing tax assessments or not appealing them), it is reasonable to infer that tax presentation also affects attitudes that voters express about taxes. Lump-sum tax presentation could provoke homeowners to over-estimate the tax burden of existing property taxes (Gamage and Shanske 2011) and express opposition to tax increases, given the higher visibility of the tax due to homeowners’ direct engagement in remitting tax payments.

Forty-four percent of American homeowners paid their property taxes as a part of their monthly mortgage payment in 2015, with the rest either paying their taxes separate from their mortgage schedule (19.8%) or paying taxes on a home that was paid off with no mortgage (38.8%) (Langley 2018)². Those who

² Langley’s (2018) study provided the most recent data that the authors could obtain on property tax payment among the nation-wide population of homeowners. It is one of the few studies that addresses the percentage breakdown between escrow and non-escrow payment.

pay taxes along with their mortgage payment have a lender that administers an escrow account which collects tax installments from the homeowner throughout the year that are then used to pay the property taxes in full at the end of the year. When paying taxes by escrow the lender, not the homeowner, is the agent who remits the tax payments to the local taxing jurisdiction on the homeowner's behalf. Cabral and Hoxby's (2012) widely cited article provides a critical examination of how installment escrow payments influence the imposition of property tax limits. They concluded that a higher share of citizens paying with escrow in a state was associated with less voter actions to impose property tax limits. They reasoned that the lower prominence of the property tax to escrow-payers makes them less likely to resist tax increases. Non-escrow payers reckon more directly with taxes when paying their bills, making them more likely to oppose local governments' proposed increases to property tax rates. Regions with a higher share of non-escrow payers experienced more tax activism and efforts to curb tax hikes than regions with a higher share of escrow payers, who simply went along with property tax increases (Cabral and Hoxby 2012).

Cabral and Hoxby's findings about tax opposition behavior were based on using the share of escrow-payers among all property taxpayers in a state/region as the key independent variable. As a supplement, they also conducted a limited micro-level survey of individual taxpayers' knowledge of their actual property tax cost according to how they paid their taxes using a sample of homeowners in Ohio. Escrow payers displayed more dispersion in their recollection of the amount of their property tax costs relative to actual taxes paid than did non-escrow payers. In other words, escrow payers were less accurate in recalling the true cost of their property tax bill than were non-escrow payers.³ The complexity of calculating total taxes based on multiple increments of payment, as well as their more passive engagement with the actual tax remittance process hinders escrow payers in accounting for the aggregate cost of their property tax bill (Gamage and Shanske 2011). On the other hand, non-escrow homeowners submit their tax payments directly (not through an agent lender), often in a single payment at the end of the year. Similar to how sales taxes may be overlooked due to their incremental accumulation over time, escrow payers face uncertainty in accurately detecting and calculating property tax costs when broken up in installments (Wagner 1976).

³ Interestingly, Cabral and Hoxby did not find that escrow payers consistently under-estimated their tax charges relative to non-escrow payers. Escrow payers' recollection of their tax charges were less accurate overall, in some cases higher, in other cases lower than their actual taxes paid, suggesting that escrow payers were simply more speculative when recounting their tax payments than were non-escrow payers.

We contend that the visibility or prominence of a tax likely exerts an independent impact on citizen evaluations of that tax, distinct but perhaps also interactive with their partisan attitudes on taxation. One of the big debates in the scholarship on public opinion formation relates to the degree to which partisan attachments determine citizen attitudes on policy issues. Leeper and Slothuus (2014) contend that while an individual's attitude on issue positions may be based on their own rational self-interest and predispositions, the issue choices they are provided are structured and interpreted by political parties. But Leeper and Slothuus reject the notion that a voter's issue positions necessarily originate from the directives of the individual voter's preferred party. Parties follow and respond to the predispositions of their identifiers, and identifiers may also follow and respond to party positions and partisan group attachments (Converse 1964). Citizen opposition or support for property tax increases could be associated with their partisanship for either or both of these factors - because the parties respond to issues important to their identifiers and because the identifiers adopt tax attitudes as endorsed by their party. Given that the Republican Party has a historical connection to mobilization around anti-tax activism (Prasad 2018), Republican identifiers are likely to express more tax opposition attitudes due to their partisan issue preferences.

But citizens also confront taxation as a personal cost to them, and they may be more or less aware of the possible impact of that cost. Thus, a Republican who is not engaged directly in paying their property tax bill may perceive little burden from the imposition of property taxes. A Democrat who directly pays their tax bill may be less tolerant of tax increases due to the perceived cost impact to them. Note that the citizen's accuracy in understanding their actual property tax costs is still constrained by information limits regardless of the salience of a property tax, because property tax bills are subject to complexity. We contribute to the scholarship on tax opposition attitudes by considering how tax salience acts as an independent factor impacting citizen attitudes toward property tax increases, while also controlling for the effect of a citizen's partisan attachment.

Our paper explores how tax salience impacts the level of support that homeowners have for paying school property tax as a test of Cabral and Hoxby's findings about the frequency of tax limit actions in areas with high rates of escrow payment. We also examine the actual knowledge levels of non-escrow payers compared to escrow payers to evaluate their findings that non-escrow payers have a more precise understanding of their tax costs. We explore if non-escrow payers could have enhanced sensitivity to the possibility of tax increases, even without being more knowledgeable about their actual tax cost burdens. In this case, non-escrow payers would simply be more primed to react to the

threat of property tax changes, even while having an inaccurate perception of their current tax costs. We consider if citizens can have limited knowledge of the actual costs of taxation to them individually, while still expressing deep aversion to tax increases and how tax presentation via escrow may affect the overall perception of salience of property tax to homeowners.

The School Tax Exemption in South Carolina

Our analysis considers South Carolina as a case for testing the impact of escrowing taxes on opposition attitudes. We argue that South Carolina is a particularly interesting case to study because it has a 100% exemption from school tax for primary residences, unique among all states. The SC General Assembly passed Act 388 in 2006 significantly re-structuring the way public schools were funded. The Act eliminated local school property tax on primary residences (homes occupied by the homeowner) and replaced it with a one-cent state-wide sales tax to fund public education (Cone 2016). School property tax was effectively cancelled by exempting 100% of the fair market value of owner-occupied homes from property taxation to fund school operating costs.⁴ Debt obligations, such as bonds to finance school capital projects, may be funded by home property tax, but school districts cannot collect property tax on exempt owner-occupied residences to pay their regular operating costs (salaries, supplies, utilities) (Saltzman and Ulbricht 2012). This means that nearly all homeowners in South Carolina pay no property tax for school operations.⁵ It is also worth noting that the provisions of Act 388 creating the school tax exemption did not require confirmation through a voter referendum. The exemption was enacted by legislative statute (Scoppe 2006).

South Carolina is historically regarded as a tax averse state, and its cities currently have some of the lowest effective homestead tax rates in the 50 states (Lincoln Land Institute 2020a, Smartasset.com 2022) largely due to the school tax exemption. Supporters of the property tax exemption claim it was a necessary response to activist taxpayer associations who demanded relief for modest-income homeowners struggling with rising tax bills during the real estate boom

⁴ S.C.'s exemption of owner-occupied residential homes from the tax base is exceptional among the American States. The closest comparisons include Louisiana, which has an exemption for the first \$75,000 of home market value, covering nearly half of homeowners. In Michigan local school property tax was phased out in 1994, but it was replaced by a state-wide property tax to equalize education funding (Lincoln Land Institute 2020b). Indiana has moved to largely eliminate residential homes from property taxation to fund schools through a system of tax caps, but local districts do retain some discretion to impose property tax (Indiana.gov).

⁵ Interestingly, the school property tax exemption does not apply to commercial rental property, so school property tax is likely indirectly passed on to renters as a part of their monthly lease payments.

of the early 2000s (see Knoeppel et al 2013). Even though Act 388 placed fiscal stress on the state general fund to replace financing for local schools during recessionary years (Saltzman and Ulbricht 2012), representatives rejected calls to re-impose the local school property tax on primary residences. For example, state Rep. Tommy Pope plainly stated: “Politically, you will never be able to put that school tax back on homes” (Marks 2017). But Charleston journalist David Slade suggests that in more recent years there is little recognition by the public that the exemption even exists:


“Many people think that property taxes paid by homeowners fund the operations of public schools (they don’t) and that renters don’t pay property taxes (they pay more than homeowners, indirectly). Much of this is due to a lack of awareness about sweeping changes to South Carolina property tax laws that went into effect more than a decade ago under Act 388.” (Slade 2018).

This observation anecdotally supports the finding by behavioral public finance scholars that citizens overall operate with low information about the actual costs of property tax.

It is useful to provide some context on how the presentation of property taxes looks when billed to South Carolina homeowners. Each county is responsible for billing taxpayers via its tax collection department, thus every county tax bill could vary somewhat in appearance. Tax bills are generally publicly available information in South Carolina, readily accessible on the internet at each county tax collector’s website. See Figure 1 for an example annual tax bill obtained from the Aiken County, South Carolina website (Aiken County Treasurer’s Office 2022). Note the taxes charged for each taxing jurisdiction are listed on the bill in separate line items to the left under “Breakdown of Taxes”. The school operations property tax is listed as “School Operation” with an amount of \$893.77. Directly under this is a line item entitled “School Prop Relief” which shows the previous School Operation line item being canceled out, which is due to the school tax exemption. The exemption also appears on the right under the sub-heading “Taxable Value”, showing how it is deducted from the County/School Tax Total to reflect a lower total due.⁶ This bill does

⁶ The “School Bond Tax Credit” line is particular to Aiken County and is not related to the exemption from school operating costs. South Carolina law allows counties the option of passing a special purpose sales tax to pay debt service on general obligation bonds issued for education capital projects, such as constructing new school buildings. In this bill presentation the taxpayer receives a credit for the school bond debt costs, due to the part of the debt costs funded by the local option sales tax that was approved by Aiken County voters.

make some effort to present the taxes that a homeowner would pay without an exemption, and then presents the exemption savings as “tax relief” which erases the school operation tax charge and reduces the overall tax bill. We examined the property tax collection websites of the 12 largest counties in South Carolina, representing about 70% of the state population to see if the school tax exemption is typically presented as a deduction from the overall tax bill. Our search found that all of these counties, either in the tax bill sent out to homeowners or on the online receipt of the tax payment as remitted, present the exemption as an amount subtracted from the overall property tax bill after listing the school tax charge in the tally.⁷



**AIKEN COUNTY REAL ESTATE
OR PERSONAL PROPERTY TAX NOTICE**

Charles T. Barton, Auditor
(803) 642-1510 PO Box 94, Aiken SC 29802
Jason Goings, Treasurer
(803) 642-2092 PO Box 919, Aiken SC 29802

Aiken Office
1930 University Parkway
Monday - Friday
8:30 AM to 5:00 PM

North Augusta Office
100 Georgia Avenue
Monday - Friday
8:30 AM - 1 PM & 2 PM to 4:30 PM

ACCOUNT NUMBER:
NAME:
PROPERTY ADDRESS:
PROPERTY LOCATION:

PROPERTY CLASS	FIRE DISTRICT	RATIO	TAXABLE VALUE	LOTS	ACRES	#IMP	TAX DISTRICT	ASSESSED VALUE
Residential		.040	166430	001	0			6660

BREAKDOWN OF TAXES

School Levy = 167.90	County Levy = 67.30	Total Levy = 235.20
TAXING ENTITY	LEVY/MILLS	ASSESSMENT TAX
APPROVED BY BOARD OF EDUCATION		
School Operation	134.20	6660 893.77
School Prop Relief	134.20	-6660 -893.77
School Bond Debt	033.70	6660 224.44
School Bond Debt Credit *	003.20	6660 -21.31
APPROVED BY COUNTY COUNCIL		
County Operation	055.40	6660 368.96
County Debt	003.00	6660 19.98
Solid Waste	006.30	6660 41.96
Aiken Technical College	002.50	6660 16.65
USC - Aiken	000.10	6660 0.67
Roads	000.00	0 0
Homestead Exemption	000.00	0 0
APPROVED BY CITY COUNCIL		
No Penalty Pay by Jan 18,2022		651.35

***FROM 1% SALES TAX PASSED FOR AIKEN COUNTY SCHOOLS**

APPRAISED VALUE	
NAME:	
PROPERTY ID:	
GIS #:	
Taxable Value:	166430
County/School Tax Total	1566.43
Homestead Exemption	0
School Prop Relief	-893.77
School Bond Debt Credit *	-21.31
TOTAL DUE	651.35
PAY AFTER	
3% Jan 19-Feb 01,2022	670.89
10% Feb 02-Mar 16,2022	716.49
15% After Mar 16,2022	749.05

AFTER THE 16TH DELINQUENT TAX COLLECTOR WILL ACCEPT ONLY CASH, CASHIER'S CHECK OR US POSTAL MONEY ORDER.
CONTACT DELINQUENT TAX COLLECTOR AT 803-642-0881 FOR CORRECT AMOUNT TO PAY.

Figure 1: Example Property Tax Bill

⁷ Some counties refer to the exemption as “School Tax Relief”, others as “School Tax Credit”, and others simply as “exemption”. None of the tax bill or receipt formats we examined offered a definition or explanation of these line items by referencing Act 388.

Both escrow and non-escrow payers receive an annual bill, but escrow payers will likely have no need to act on it themselves. Their tax payments have been collected as a part of their monthly mortgage bills throughout the previous year. The bill is likely to be merely informational, because the taxes are actually paid from their escrow account by their mortgage servicer. However, non-escrow payers will receive their county tax bill, and it is their responsibility to pay it. We surmise that this will compel them to more actively peruse their bill and examine its line items and deductions. However, as demonstrated by the example bill, an ordinary taxpayer with little knowledge of billing conventions may not easily understand how “School Property Tax Relief” impacts their final tax bill. The bill does not define what the school property tax relief is or explain why it has been applied. Even though the bill does show the exemption as a deduction from the amount owed, a taxpayer may only notice the first “School Operation” tax line item in the left-side column, not the credit for the tax relief. The non-escrow taxpayer is probably more likely to pay close attention to their bill than is an escrow-payer, but even so cognition limits may impede the ability of a non-escrow taxpayer to make sense of their property tax bill’s bottom line cost. In short, to a non-escrow payer the property tax charge is highly visible, but the tax exemption notation also makes the tax presentation more complex. Regardless of whether they notice the credit from the tax relief (exemption), the non-escrow payer will be more likely than an escrow payer to see the school tax charge listed separately because they are responsible for acting directly to pay their bill. An escrow payer likely pays less attention to the bill and any of its constitutive line-items, whether they are for tax charges or tax credits, because they are not the party who will actually submit the payment. The property tax charge for an escrow payer is in effect less visible than it is for a non-escrow payer.

It is also important to provide context on how homeowners become eligible to receive the school tax exemption. In South Carolina all owners of “primary residence” receive the 100% school tax exemption. Primary residences are defined, in general, as owner-occupied homes (Cone 2016). The homeowner fills out a form to attest that the home they live in is their primary residence shortly after purchasing the home. This form is their application to obtain a reduced “special assessment ratio” which means that the property tax office will assess their home at 4% of appraised value, as opposed to 6% of appraised value as is the case with commercial business property or homes rented for profit (Aiken County Tax Collector 2022). The homeowner does not apply directly for the school tax exemption; they receive it by default when they apply and qualify for the 4% special rate. It is likely that most homeowners do not “connect the dots” between qualifying for the special assessment rate and receiving the school tax exemption,

which effectively cancels their obligation to pay taxes for school operations. Some county websites provide information that qualifying for the special assessment ratio also qualifies a homeowner for the school tax exemption on a “FAQ” page (Oconee County Tax Assessor 2022), but the submitted application generally references the special assessment only. Receiving the special assessment rate provides tax reductions across all locally imposed taxes, not just the school tax, and county and municipal taxes will be significantly reduced when receiving the 4% rate for primary residences. Escrow and non-escrow payers both have to proactively submit this form to receive the special assessment rate, and taxpayers overall may be aware of the tax discount they receive when applying for this, while unaware that it also makes them recipients of the school tax exemption.

Hypotheses

We apply Cabral and Hoxby’s predictions regarding how escrowing of property tax payments impacts citizen perception and issue support for school tax in South Carolina. First, we wish to consider how escrowing impacts attitudes about school property tax increases. Given that escrow payers may be less attentive to their property tax bills, they may be less concerned with the impacts of possible increases to school taxes. If non-escrow payers are more aware of the possible school tax charges (even though those charges are canceled with the exemption), they may be more primed to oppose property tax increases. We predict that escrowing will be associated with more willingness to support raising the property tax, while non-escrow payers will be more opposed to increasing property taxes due to the greater visibility of the costs of tax hikes.

H1: Taxpayers who escrow will express more support for increasing local school property tax rates than those who do not escrow.

But do citizens who escrow have a less accurate assessment of the actual costs of school property tax to homeowners in South Carolina? In other words, do homeowners who escrow display less awareness of the school tax exemption? Cabral and Hoxby’s examination found that non-escrow payers were more accurate in identifying the actual amount of their tax bill than those who escrow. This suggests that lump-sum payers may also have more knowledge of the mechanics of their tax bill, such as a tax exemption that could lower tax liability, given the greater visibility of costs expected when paying taxes in total. However, it is important to note that an exemption presents a tax *cut* which erases a tax liability, rather than directly imposing a tax cost, and exemptions are likely harder for most taxpayers to understand, because they add complexity to the tax bill (see Gamage and Shanske 2011 for a discussion of foregone tax cuts). Still, we predict

that escrow payers will be even less aware of the exemption, given that their fragmented, passive payment schedule is likely to obscure their understanding of the details in their total tax bill. The non-escrow payer may be more willing to take the time to read through the details of their tax bill to discern the credit applied for the school tax exemption. Therefore, we offer a second hypothesis:

H2: Escrowing taxpayers will display less knowledge/awareness of the school tax exemption than do non-escrow payers.

Data and Methods

The main data source for this project is an original survey on citizen attitudes toward tax funding for the public schools in South Carolina. We developed and administered a two-page survey instrument through the funding support of an ASPIRE I Research Grant, awarded by the USC Office of Vice President for Research for fiscal year 2021-22 and a research award from the USC Aiken Social Sciences and Business Lab. Our population of interest was individuals registered to vote in South Carolina. We originally mailed a paper survey to 5000 randomly selected voters in South Carolina in July, 2021, having obtained the most current voter file from the data firm Catalist. Individuals who recently changed addresses through the NCOA system were excluded from the sampling frame. We extended the mailing of this survey to 2000 additional randomly selected voters in October 2021 to increase our returned-survey sample size. Our combined N , which included renters as well as homeowners, was 250 respondents. All voters contacted were mailed a paper survey instrument and return pre-postage paid envelope, but we also gave them the option to enter their responses on a secure online portal if they preferred. 60 responses (24% of the sample) were entered via the online portal. The returned survey questionnaires and data entered on the online portal are confidential but traceable to respondent identity via a token. This ensured that we could monitor that there were no duplicate surveys that were submitted by an individual both on the online portal and the paper mail-in survey. We mailed all respondents a reminder postcard to complete the survey one week after the initial survey was sent to increase the response rate. As a public education supplement to our survey, we compiled a list of the respondent addresses, which we then used to mail out a follow-up information sheet on how school tax actually works in South Carolina after the survey closed in November. All survey data collected is maintained confidentially and meets standards of University of South Carolina IRB approval.

Our response rate was 3.6% and suggests some threat of non-response bias. Respondents to our survey might have been more interested in school taxes than the average South Carolina voter, given their willingness to respond to our

survey. However, our response rate is in line with other surveys from reputable polling firms. We also took efforts to create incentives for less informed or engaged voters to participate in our survey by offering a random drawing for five \$25 gift cards, as is a recommended practice in the survey administration literature (Heerwegh 2006).

Although response bias on unobservable characteristics remains a concern with this survey, we weighted the sample we collected on observed demographics, using as our population South Carolinians registered to vote in 2021. The sample was weighted to age category, race/ethnicity category, and gender based on summary statistics of South Carolinians registered to vote at the end of 2021. We also weighted the sample to education category (high school or less; some college; college graduate) using 2020 Census estimates of educational attainment among South Carolinians over 18. We used a ranking algorithm in Stata to converge on appropriate weights for the sample (Sharot 1986).

Ultimately, we cannot rule out response bias on unobservable (and therefore unweighted) characteristics of the sample. However, we believe any such effect on the sample will work against confirmation of the hypotheses rather than increasing the likelihood of a type I error. If there is any response effect, it is most likely to bias the sample in favor of respondents who are knowledgeable about property tax and Act 388. This will make it harder to find significant differences between escrowing and non-escrowing taxpayers since there will be less variation in opinion and knowledge.

In this analysis, we are concerned with overall support for raising school property taxes among South Carolina homeowners, based on escrow or non-escrow payment of their tax bills, as well as their knowledge of property tax exemptions. We created two index variables to measure support for school taxes and knowledge of school tax features using several response items. We also include control variables for level of education, respondent having a child in public schools, retired status, race, sex, age, partisanship, level of income, and home value. All of these questions appeared on the survey and were asked of respondents. See the appendix for full wording of all response items used to generate variables for this analysis.

Analysis

Descriptive statistics for our key dependent variables, the property tax support and property tax knowledge indices, are shown in Table 1. Both indices ranged from 0 to 3 with higher scores indicating greater support for property taxes to fund school operating costs and greater knowledge of school property tax exemptions, respectively. We report descriptive statistics in two columns. The

“All Observations” column lists the mean, standard deviation, and total N for all homeowner respondents that reported on all items for the indices. However, once we estimated our multivariate model, our sample size was reduced due to missing data on some of the observations for at least one of the independent variables in the model. We report both sets of observations to provide the most complete set of data for homeowner respondents.⁸ It is evident from Table 1 that both support and knowledge of school property taxes was low in our sample. Respondents are overwhelmingly averse to school property tax increases. They are also on the whole poorly informed about the existence of the school tax exemption for homeowners in the state.

Breaking these indices down by question in Tables 2 and 3, the bolded options are those that counted as a point in the respective index. For example, in the support index, a “Yes” response in support of raising school property tax, plus a least preferred tax other than property tax on homes, plus an opinion that school property taxes were too low would have led to an index score of 3, or total support.

Table 1: Summary of Property Tax Indices

		All Observations (Homeowners)	Observations in Model
Property Tax Support Index	mean	0.443	0.502
	standard deviation	0.747	0.780
	<i>N</i>	190	161
Property Tax Knowledge Index	mean	0.910	0.873
	standard deviation	0.851	0.840
	<i>N</i>	190	160

⁸ Respondents to our survey who rented their homes were not included in this paper’s analysis because they are not billed by the taxing jurisdiction for property taxes as are the homeowners. We acknowledge that renters do pay property taxes indirectly, as landlords generally pass on the cost of property tax to renters in their monthly lease. However, escrow or non-escrow payment of property taxes is not applicable to renters since they are not the homeowners.

Table 2: Constituent Questions of School Property Support Index

Support Increasing School Property Tax?	All Observations	Observations in Model
Yes	10.4% (21)	11.5% (19)
No	89.6% (181)	88.5% (142)
Least Preferred Tax to Raise for Schools	All Observations	Observations in Model
Property Tax on Homes	72.9% (142)	68.2% (110)
Property Tax on Business/Commercial	8.5% (16)	9.3% (15)
Sales Tax	18.7% (36)	22.6% (36)
Opinion on Level of School Property Taxation	All Observations	Observations in Model
Too High	28.5% (56)	22.9% (37)
Too Low	5.7% (11)	6.9% (11)
About Right	39.5% (78)	40.5% (65)
Don't Know	26.3% (52)	29.7% (48)

**Note that constituent questions could have more observations than the index, given that the index requires all three items to be submitted by a respondent.*

*** Observations for bolded items were coded as one.*

Table 3: Constituent Question of School Property Tax Knowledge Index

South Carolina Exempts Owner Occupied Homes from Property Tax	All Observations	Observations in Model
Yes	20.3% (40)	18.3% (29)
No	38.5% (76)	36% (57)
Don't Know	41.2% (81)	45.7% (73)
Home Property Taxes Fund School Costs	All Observations	Observations in Model
Yes	63.6% (125)	61.8% (98)
No	12.2% (24)	10.8% (17)
Don't Know	24.2% (47)	27.3% (43)
Receive 4% Assessment Ratio	All Observations	Observations in Model
Yes	61.1% (122)	59.9% (96)
No	9.6% (19)	8.2% (13)
Don't Know	29.2% (58)	31.9% (51)

An important consideration in testing our hypotheses is whether our key independent variable of escrow status is systematically associated with other factors that may in fact be the actual causal factors driving differences observed between the groups. Escrow and non-escrow status are not randomly distributed, at least on their face. Langley’s 2015 study found that citizens aged

65 and over were far more likely not to escrow their tax payments, with only 20% of seniors having escrow accounts, compared to 55% of homeowners under age 65. This was largely because most of those age 65 and over had no mortgage (Langley 2018). Escrow accounts are required for certain loans due to rules for government-subsidized loans and lending reforms made in the Dodd-Frank Act. FHA loans and VA loans require escrow accounts, accounting for about 6% of all home loans in 2015 (Cabral and Hoxby 2015). Some categories of sub-prime loans also require escrow accounts (Brown et al 2014). Cabral and Hoxby addressed the threat of non-randomness in escrow status of conventional loans extensively in their paper. They found that the “rule of thumb” that lenders require escrow on mortgages with a loan to value ratio of more than 80% was not in fact supported by evidence, and that mortgage companies generally exercise wide discretion in whether or not to require escrow accounts in their loans (Cabral and Hoxby 2015, 11). In addition, Cabral and Hoxby’s analysis used an instrumental variable approach to account for possible endogeneity and spurious findings about the impact of escrow. Overall, they made the case that the analysis of escrow and non-escrow groups was robust to spurious causation threats.

Table 4: Demographic Characteristics of Escrow Groups for Observations in Model 1

	No Escrow, No Mortgage	No Escrow, Has Mortgage	Escrow Property Taxes
% \$75k+ Income	34.9%	68.6%	52.5%
% \$300k+ Home Value	31.8%	79.0%	33.2%
% Nonwhite	20.2%	10.8%	14.6%
Mean Age in Years	62	55.7	46.1
% Female	36.8%	53.8%	49.4%
% College Graduate	22.3%	38.1%	38.6%
% Retired	65.1%	46.7%	13.9%
% Child in Schools	16.6%	26.4%	30.0%
% W/ Commercial Real Estate	8.5%	0.0%	1.4%

**Note that we report the observations for our first model on support for property tax increases in this table. The set of observations for both the support index and knowledge index were nearly the same, with only about 5 observations differing.*

Table 5: Effect of Escrow on Property Tax Knowledge Index (Model 1)

		Tax Exemption Knowledge Index	
Variable		Coefficient (Std. Error)	p-value
Escrow	<i>No Mortgage</i>	-0.240	0.079
	<i>Ref. Cat.: Escrow</i>	(0.133)	
	<i>Mortgage, No Escrow</i>	-0.320	0.048
		(0.156)	
Race	<i>Nonwhite</i>	-0.245	0.071
		(0.132)	
Age	<i>Age in Years</i>	0.000	0.968
		(0.005)	
Income	<i>\$75k+</i>	0.394	0.001
		(0.108)	
Home Market Value	<i>\$300k+</i>	0.104	0.444
		(0.135)	
Gender	<i>Female</i>	0.240	0.048
		(0.117)	
Education	<i>College Graduate</i>	0.116	0.465
		(0.158)	
Child in School	<i>Child in Public School</i>	-0.129	0.457
		(0.172)	
Retired	<i>Retired</i>	-0.243	0.034
		(0.110)	
Party Identification	<i>Independent</i>	-0.033	0.881
	<i>Ref. Cat.: Democratic</i>	(0.218)	
	<i>Republican</i>	-0.424	0.007
		(0.150)	
Constant	<i>Intercept</i>	0.610	0.245
		(0.516)	
Number of Obs.		161	
R²		0.26	

Ordinary Least Squares Regression; Robust Standard Errors Clustered on County

We address these sources of non-randomness in the escrow and non-escrow groups by controlling for the variables that are more plainly related to escrow status. We include age and retiree status to address issues of non-randomness with senior citizens, and we include income and home value to address socio-economic status effects between the non-escrow and escrow groups. Younger, working families with school-aged children are more likely to escrow than older homeowners (see Table 4), so we also include a control variable for having a child in public schools. The inclusion of these control variables account for the most obvious factors that could compromise the confidence in claims that the key independent variable (escrow status) is in fact driving the observed relationship to the dependent variables. We report descriptive statistics on the escrow groups for key indicators as a part of this analysis in Table 4. Finally, we compare homeowners who escrow their property taxes to both homeowners without a mortgage and homeowners with a mortgage but who do not escrow taxes. We expect that escrowing homeowners will be more supportive of property taxes than either other group.

The first model predicting support on the school property tax index is included in Table 5. The model uses ordinary least squares regression with robust standard errors clustered on the county of the respondent. Escrowing one's property taxes into a mortgage payment significantly increases support for school property tax, compared to both homeowners without a mortgage and those with a mortgage who do not escrow. As for control variables, female respondents, higher income respondents, and somewhat surprisingly, retired respondents are also significantly more likely to support property tax increases for public schools. Non-white respondents and Republican respondents are less likely to support property tax increases than white respondents and Democratic respondents.

Table 6 shows the model predicting property tax knowledge index score. The model also uses ordinary least squares regression with robust standard errors clustered on county. The escrow variable is neither statistically nor substantively significant. Home market value is the only variable that yields p values below .05 on knowledge of the exemption, indicating that homeowners with higher valued homes are more informed about the exemption. Race also yields a fairly low p value, with non-whites demonstrating less awareness of the exemption. Additionally, Figures 2 and 3 plot the confidence intervals of the escrow variable using the observed values approach to interpret each respective dependent variable's coefficient (Hanmer and Kalkan 2013).

Table 6: Effect of Escrow on Property Tax Knowledge Index (Model 2)

		Tax Exemption Knowledge Index	
Variable		Coefficient (Std. Error)	p-value
Escrow	<i>No Mortgage</i>	0.071 (0.231)	0.760
Ref. Cat.:			
	<i>Escrow</i>		
	<i>Mortgage, No Escrow</i>	-0.075 (0.206)	0.717
Race	<i>Nonwhite</i>	-0.231 (0.137)	0.100
Age	<i>Age in Years</i>	0.008 (0.006)	0.220
Income	<i>\$75k+</i>	0.101 (0.167)	0.548
Home Market Value	<i>\$300k+</i>	0.351 (0.170)	0.045
Gender	<i>Female</i>	-0.096 (0.154)	0.536
Education	<i>College Graduate</i>	0.170 (0.166)	0.310
Child in School	<i>Child in Public School</i>	0.044 (0.229)	0.847
Retired	<i>Retired</i>	-0.048 (0.234)	0.840
Party Identification	<i>Independent</i>	-0.056 (0.256)	0.827
Ref. Cat.:			
	<i>Democratic</i>		
	<i>Republican</i>	-0.066 (0.165)	0.691
Constant	<i>Intercept</i>	0.587 (0.617)	0.347
Number of Obs.		160	
R²		0.11	

Ordinary Least Squares Regression; Robust Standard Errors Clustered on County

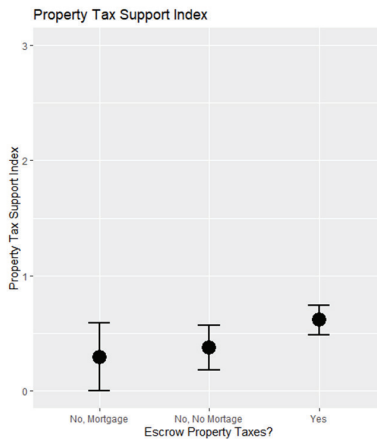


Figure 2: Property Tax Support Index

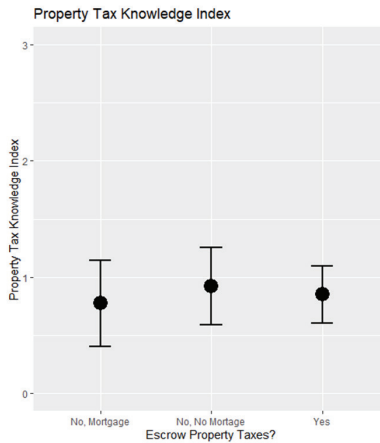


Figure 3: Property Tax Knowledge Index

Discussion

Several important findings are noted from this preliminary analysis. Before we discuss the tested hypotheses, we turn first to the “simple” story revealed by a basic analysis of the means of the dependent variables. Our survey indicates that there is little support for increasing property taxes among South Carolinians. Respondents in the overall sample broadly expressed aversion to increases in property taxes. Nearly 90% of respondents indicated that they did not support

raising property taxes for schools. A substantial majority, around 70%, also indicated that increasing property tax was their least preferred method for funding public schools. Only 5-6% of respondents indicated that school property taxes were too low. Our findings offer support that South Carolina is in fact a rather anti-property tax state as often asserted by pundits and politicians. Our findings here also align with the conclusions drawn by many behavioral finance scholars and public opinion polls that property tax is a “hated” tax (Gallup 2009, Cabral and Hoxby 2012). Even when specifying the tax as a method for financing an important and widely-used public service, South Carolina homeowners reject prospective school property tax increases.

Our survey also found very low levels of knowledge of property tax features that would enable citizens to understand their actual school tax costs. Only 20% correctly answered that primary residents were exempt from property tax for school operations, and only 12% correctly answered that property tax on primary residences do not fund school operating costs. South Carolina’s homeowners are quite poorly informed that primary homes bear hardly any property tax burdens for school operations. This suggests that politicians, local government tax collectors, and school districts have struggled to properly publicize and educate citizens on essential components of the property tax system in South Carolina. This is particularly interesting in that citizens appear to demand tax limits, given our findings on the low support for property tax increases. Politicians, especially conservative ones, have an incentive to publicize the current tax-free status of owner-occupied homes to demonstrate they are maintaining policies that match the expressed “will of the people”. Curiously, citizens are rather unaware of the exceptionally low school tax burdens they bear and that little to none of their property tax dollars are going to fund this service.

Regarding Hypothesis 1, we found that tax presentation does influence the level of support for property tax increases to public schools, confirming Cabral and Hoxby’s findings. Homeowners do appear to be more sensitive to possible tax increases when they pay their property taxes in lump-sum and separate from their mortgage payments. The heightened salience of taxes to payers who are presented with the aggregate annual costs of property tax apparently provokes resistance to rising millage rates. We found escrowing was related to higher levels of support for school tax even when accounting for other critical variables, such as having a child in public school, partisanship, income, and retired status. Escrow payers appear to be less sensitive to rising tax costs, perhaps because their attention to property taxes is compromised by their passive interaction with the tax payment process, making property tax costs less visible and prominent to them. Escrow payers appear not to cognitively process their property tax bill, and

therefore are less likely to express active opposition to tax increases. We suspect the “support” some escrow payers express for increased taxes really indicates a general tolerance of the tax rather than a deep commitment to funding public schools. Overall, the majority of escrow payers did not indicate strong demand for higher property taxes, but there was a statistically significant difference in their attitudes toward property tax increases when compared to non-escrow payers.

We also found that partisanship is a critical indicator affecting support for school property tax increases, and as expected Democrats are significantly more likely to support increasing the tax for schools than are Republicans. As predicted earlier, we find that tax presentation by escrow or lump-sum payment exists along-side partisanship as an independent factor impacting citizen tax attitudes. Partisanship is significant as a control variable in the model, but escrow payment also impacts attitudes at the level of statistical significance.

We found additional control variables to impact support for tax increases. Female respondents were significantly more supportive of using the tax to fund public schools than others, confirming studies that show a gender gap in support for social service spending, particularly those related to children (Center for Women in Politics 2016, Drezner et al. 2018). We found that race exerts significant impact on the public opinion of citizens, with non-white respondents being less likely to support a property tax increase for public schools. Scholars have found conflicting results in previous studies regarding how race impacts support for property tax increases, but at least one study found that municipalities with fewer non-white citizens were more likely to pass tax increases in property tax override referenda (Roscoe 2014). Our finding that income earners over \$75,000 a year support property tax increases significantly more so than lower-income voters is likely a function of the perceived burden of extra taxes. Modest income homeowners probably feel particularly squeezed in their budgets by impending millage rate increases, while affluent citizens do not feel the pinch as intensely due to their higher in-flow of financial resources. This is after controlling for home value, which our model does.

Perhaps the most surprising finding among our control variables in this first model is that retired status exerts a positive effect on support for property tax to fund schools. This is counter to expectations, as retirees are less likely to use public schools directly as a service, and this would presumably inspire less buy-in among retirees for funding public school operations. Policy campaigns to organize tax revolts often highlight retired citizens as being particularly overburdened when home taxes rise. However, our findings suggest that retirees are capable of valuing spending on public education. It is important to remember that our model controls for the effects of partisanship and income level. Once

these factors are taken into account, retirement status on its own is apparently not an obstacle to an individual's support for school property tax increases.

Turning to Hypothesis 2 on how tax presentation impacts respondent knowledge of the existence of the school tax exemption we do not find that non-escrow payers are any more aware of their tax-free status than are escrow payers. Non-escrow respondents were no more successful in identifying the exemption or showing understanding that home taxes do not fund public school operations than were escrow respondents. While non-escrow homeowners may be more likely to detect the pre-exemption school tax charge, they do not appear to subsequently notice that their school tax liability is erased by the exemption. Citizens appear to struggle in comprehending the mechanics and cost impacts of a property tax exemption, and it increases the complexity of their property tax bill. Deliberate efforts to educate citizens on the South Carolina school tax exemption could help voters more accurately consider the real tax burdens they bear to fund education. For homeowners, the school property tax burden is nearly zero, but for business owners and renters the school property tax exacts costs on their budgets. If homeowners knew they were currently bearing very little school tax burden, they may be more willing to support increases through property taxes as opposed to sales taxes or other sources (Walczak et al 2018). We did find in our second model that homeowners of higher value properties were significantly more aware of the existence of the tax exemption. In fact it was the only factor that was significant in the model. The current tax-exempt status of homes is the state legislature's "gift" or "giveaway" to homeowners, depending upon one's perspective. In either case, all voters need to be better informed about the presence of this exemption to evaluate it as a policy choice.

Our project is coupled with a citizen education component. Respondents received a mailed fact sheet on the mechanics of school property tax in South Carolina after the survey closed, and we have established a website on our departmental webpage to report the findings to citizens. Our findings make a compelling case that voters and homeowners suffer from information gaps in their working knowledge of how property taxation is related to school funding in South Carolina. Survey respondents summed it up best in the open-ended remarks section of the questionnaire. One respondent stated: "I understand I need to be more knowledgeable about the policies enacted in my area". Another offered: "This survey was very eye opening in realizing how little I know on the subject. It also made me think that I'm unsure how to learn about this information." We hope our time spent on this project will guide respondents and residents to critical information that encourages a more meaningful evaluation of the details, intricacies, and stakes of this issue.

Conclusion

Our findings are an important state-specific confirmation of Cabral and Hoxby's theory that tax presentation and payment format affects the level of support that homeowners express for property tax increases. Even when controlling for associated characteristics of homeowners who engage in escrow payment, our study indicates that escrowing citizens are more tolerant of property tax increases for public schools. Non-escrow payers more often respond to property tax increases with disapproval and resistance, and their anti-tax attitudes are not coupled with an understanding that homeowners are currently tax-exempt from paying school operations taxes. While non-escrow payers are no better informed about their actual school tax costs than are escrow payers, prospective school tax increases are a more salient threat to them. Our study suggests that active engagement in paying property taxes cues homeowners to react negatively to the potential for tax cost increases.

The findings here have interesting implications on how citizens form policy preferences in a political environment shaped by parties. Our results show that the Republican-dominated South Carolina legislature responded to their constituents' predispositions for low school taxes by passing and maintaining the Act 388 tax exemption. However, party elites will find it difficult to claim credit for delivering this policy response to their partisan identifiers because citizens are mostly unaware of this policy action. The fact that citizens, especially Republican ones, express desire for low property taxation to fund schools, while being unaware that the Republican legislature has shielded them from paying any home tax for K-12 funding, suggests that party elites are not driving the messaging on this issue. Voters are not responding to elite partisan cues about tax policies, as they lack awareness of current tax features that these governing elites have delivered. Citizens who are more engaged in paying their tax bills (non-escrow payers) clearly prefer low taxes, but they face information limits impairing their ability to fully evaluate the legislature's policy responses. Tax collectors, public finance officers, and elected leaders still have work to do in properly informing South Carolinians that they receive this exceptional school tax exemption and what it means to their overall property tax bill.

Appendix: List of Response Items Used as Variable Measures

Hypothesis	Dependent Variable Survey Item	Independent Variable Survey Items (Both Models)
H1 (Model 1)	<p>Model 1: Index created based on three response items:</p> <p>1. Which of the following would you support increasing to fund k-12 public school operations? Check all that apply:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Property tax on primary residence (Additional options omitted for brevity) <p>2. Of the following three options, which of these would you LEAST want to see increased to fund K-12 public school operations? (Circle one.)</p> <ul style="list-style-type: none"> • Property tax on owner-occupied homes • Property tax on business/commercial property/ Sales tax (collapsed) <p>3. Indicate your opinion on the amount that residents are currently taxed, if any, to fund public school operation costs (Check one.) - From school property tax on owner-occupied homes</p> <ul style="list-style-type: none"> • Too Low • Too High/ About right/ Don't know (collapsed) 	<p>Key Independent Variable: If you are a home-owner, does your monthly mortgage payment include payments for home property taxes? Circle one.</p> <ul style="list-style-type: none"> • Yes, my taxes are included in mortgage payment • No, I have a mortgage but taxes are paid separately • I do NOT have a mortgage; taxes paid separately <p>Control Variables: What is your highest level of education?</p> <ul style="list-style-type: none"> • Less than HS Diploma/ High School Graduate/Some College/Two Year Degree (Collapsed) • Four-Year Degree/Post-Graduate (Collapsed) <p>Check all that apply:</p> <ul style="list-style-type: none"> <input type="checkbox"/> I have at least one child enrolled in a public district school (In person or remote due to the pandemic) <p>(Additional options omitted for brevity)</p> <p>What is your age? ____years</p> <p>What is your gender:</p> <ul style="list-style-type: none"> • Female • Male (no obs on Other) <p>How would you describe yourself?</p> <ul style="list-style-type: none"> • Non-Hispanic White • Non-Hispanic Black • Hispanic/ Asian/ Other (collapsed) <p>How would you describe yourself?</p> <ul style="list-style-type: none"> • Strong Dem/Lean Dem(collapsed) • Independent • Lean Repub/Strong Repub (collapsed) <p>How would you describe your political ideology?</p> <ul style="list-style-type: none"> • Conservative • Moderate • Liberal <p>Are you retired?</p> <ul style="list-style-type: none"> • Yes • No <p>What is your estimated annual household income?</p> <ul style="list-style-type: none"> • 0-\$75K • \$75K+ (collapsed to two categories) <p>What is your estimated home value?</p> <ul style="list-style-type: none"> • 0-\$300K • \$300K+ (collapsed to two categories)
H2 (Model 2)	<p>Model 2: Index created based on three response items:</p> <p>1. To the best of your knowledge, current SC law exempts owner-occupied homes from being taxed to pay for <u>operating costs</u> of public K-12 schools. Circle one.</p> <ul style="list-style-type: none"> • Yes • No/Don't Know (collapsed) <p>2.To the best of your knowledge, currently in SC the <u>operating costs</u> for public schools are funded through which of the following revenue sources: -School property tax on owner-occupied homes</p> <ul style="list-style-type: none"> • No • Yes/Don't Know (collapsed) <p>3. If you are a home-owner, do you receive the special 4% property tax assessment ratio for your primary residence?</p> <ul style="list-style-type: none"> • Yes • No/Don't Know (collapsed) 	

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