

*Liberal voters rebuked Democrats on a clear choice about living costs.*

ECO  
Prop Tax  
Note

## The Property Tax Revolt in Texas

Affordability ruled in Texas elections this week, as it did in higher-profile races in New Jersey and Virginia. The difference is that, in the Lone Star State, Democrats were on the losing end of the issue. Even in a blue city like Austin, voters rejected property-tax hikes and sided with Republicans when presented with a clear choice about the cost of living.

Sixty-three percent of Austin voters shot down a proposal to increase the property-tax rate by 20%, which would have raised about \$110 million a year in local revenue. Democratic Mayor Kirk Watson campaigned for the increase, as did the City Council, where Democrats hold 10 of 11 seats and the 11th belongs to a Democratic Socialist. But property-tax bills have risen in recent years, and residents didn't buy the claim that they had to pay more for basic services.

The average tax bill for city services in Austin is about \$2,124, according to the Texas Public Policy Foundation, up from \$973 in 2015. A typical resident might pay another \$4,000 a year in school district taxes. Voters approved a 20% increase five years ago to expand the transit system and ease traffic as thousands of newcomers moved in. Yet the city still faces a \$33 million deficit going into next year. The rebuke to city hall led Mayor Watson to call for an audit of government spending—which he might have thought of before seeking a tax hike.

Elsewhere in Texas, voters rejected 25 of at least 44 proposals to raise school-district taxes, according to the Texas Tribune. Tax tolerance has plummeted in recent years: Voters approved 80% of school-district tax hikes from 2006 to 2019.

And at the state level, voters passed the three antitax constitutional amendments we told you about last week: no new taxes on estates, no new taxes on securities transactions, and no state tax on realized or unrealized capital gains. Mark them down as more reasons people will keep moving to Texas.

---

Copyright (c)2025 Dow Jones & Company, Inc. All Rights Reserved. 11/7/2025

Powered by TECNAVIA

The following is a digital replica of content from the print newspaper and is intended for the personal use of our members. For commercial reproduction or distribution of Dow Jones printed content, contact: Dow Jones Reprints & Licensing at (800) 843-0008 or visit djreprints.com.

