



## Freedom and Opportunity Agenda Property Tax Relief Plan

*Nothing is more important than ensuring Hoosiers can afford to live in their homes without being overburdened by rising property taxes driven by rapid inflation in home values. As Governor, I will introduce a bold agenda to deliver historic property tax relief for all Indiana residents. My plan focuses on capping property tax increases, updating deductions, increasing transparency, and reforming the referendum process. My commitment to this agenda stems from my dedication to protecting the financial stability and well-being of Hoosier families.*

– Mike Braun

### **Cut Homeowner Property Taxes**

The homestead deduction provides relief to homeowners by reducing the taxable value of their homes. However, it has not kept pace with rising home values, offering significantly less relief today.

#### *Plan of Action*

- Overhaul the homestead deduction to allow every homeowner with an assessed value over \$125,000 to deduct 60 percent of their home's assessed value from their tax bill. Homeowners with assessed value below \$125,000 would be allowed to take the standard deduction of \$48,000, in addition to a 60% supplemental deduction.
- This tax cut would result in an immediate 21% reduction in the average homeowner tax bill and result in an immediate 39% reduction in the average tax bill for homes worth \$80,000.

### **Cap Property Tax Bills**

Property taxes should never grow faster than the economy. Rapid increases in home values driven by inflation, while wages remain stagnant, have resulted in drastically rising property tax bills that put Hoosier homeowners at risk of losing their homes.

#### *Plan of Action*

- Freeze future property tax increases by capping the increase in tax bills at 2% for seniors, low-income Hoosiers, and families with children under the age of 18; and 3% for all other taxpayers.
- Require any proposed property tax increase exceeding the cap to be approved through a referendum.
- Had this cap been in place over the last five years it would have saved the average Hoosier homeowner over \$1,000.



## **Increase Local Government Transparency**

Hoosiers currently lack visibility into how their property taxes are calculated and how potential changes might affect them. Increased transparency is crucial for accountability and informed decision-making.

### *Plan of Action*

- Establish a Property Tax Transparency Portal that allows taxpayers to compare their current tax bill with potential changes under proposed tax rates.
- Provide a platform for taxpayer feedback and access to information about public budget hearings.

## **Reform the Referendum Process**

Through referendums, taxpayers are empowered to approve or disapprove of certain property tax increases. However, low voter turnout, misleading ballot language, and unchecked referendum tax bill growth have led many Hoosiers to feel burdened by runaway referendums.

**Referendum reform** – Mandate any referendum to increase property taxes occurs in a high turnout general election and is subject to tax bill growth caps.

### *Plan of Action*

- Require that all property tax-related referendums take place during high-turnout elections (e.g., general elections in even years).
- Require a referendum to propose a total levy (e.g., “Shall the school district raise \$5 million to replace the school bus fleet?”) and include data regarding the referendum’s impact on the median home’s property tax bill.