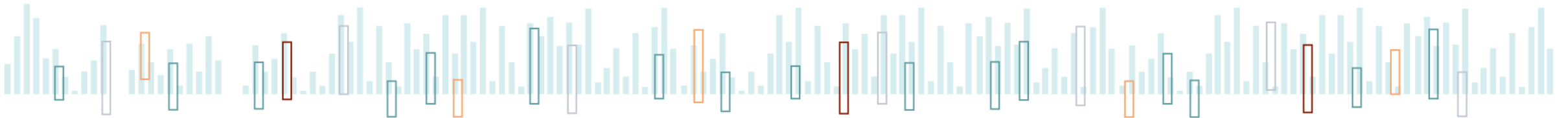




Espousal Strategies League of Oregon Cities Property Tax Survey

July 2026



Key takeaways



Toplines

Initial perceptions

- Without providing any information about the property tax system, 76% of residents say change is needed, with 40% wanting major changes or complete reform. Across all key groups, a strong majority think change is required.

Message and story testing

- Residents responded most strongly to messages that emphasize unfairness, service cuts, and a broken system—and the direct impact these have on people, homes, and communities.
- Stories that connect lack of revenue to a decline in quality public services are the most convincing reasons to fix the property system. Residents point to avoiding service cuts, dealing with a broken system, and unfair rules as the most convincing reasons for property tax reform.

Informed perceptions

- After message testing, 91% of residents think Oregon's property tax system needs to change, an increase of 15 points from the initial test. The type of change desired also shifts in intensity, with 71% wanting either major changes or complete reform, an increase of 31 points from the initial test.

Initial perceptions

- **The urban/rural divide impacts public services, with rural residents more likely to feel the pinch of inadequate funding.** While 50% of residents agree that local governments in their community have the funding needed to provide quality public services, 41% disagree. Among rural residents, only 34% say there is adequate funding, compared to 52% of suburban residents, and 59% of urban residents
- **Less than half of respondents feel that transportation, schools, and services for vulnerable residents are adequately funded, but that does not hold true for emergency response and park services.** Fire protection and emergency response is seen as the most well-funded service, with 69% agreeing it's adequately funded. Respondents believed the least well funded are roads and transportation and services for vulnerable residents, with only 45% and 43%, respectively, agreeing they are adequately funded.
- **Residents don't need convincing that the property tax system needs fixing.** Without providing any information about the property tax system, the survey asked whether the system needed changes. 76% say change is needed, with 40% wanting major changes or complete reform. Across all key groups, a strong majority think change is required. Non-affiliated voters and recent residents are less open to change, with 65% to 68% of these residents, respectively, thinking change is needed.

Message and story testing

- **Concern is broad, with more than 80% of residents expressing concern about both the structure of Oregon's property tax system and its consequences for essential services, communities, and taxpayers.** These include disproportionate impacts on small and rural communities (86%), an outdated and complicated system (86%), cuts to essential services (84%), service costs outpacing available resources (83%), inequitable treatment among taxpayers (83% and 82%), and reliance on regressive fees (81%).
- **Stories connecting property tax constraints to declines in essential public services are the most broadly convincing reasons to fix the system.** More than 80% of residents find the fire and emergency response story convincing (81%), while 80% find the story about deferred road maintenance and increasingly costly repairs convincing. By comparison, stories about parks and community spaces (74%) and inequities between similarly situated families or cities (77% and 76%) are convincing to roughly three-quarters of residents.
- **Residents point to avoiding service cuts, dealing with a broken system, and unfair rules as the most convincing reasons for property tax reform.** The top motivators for reform are negative service impacts (35%), a broken tax system (25%), and unfairness (17%). Keeping messages about the need for reform at a high level can effectively communicate why change is needed.

Informed perceptions

- **After message testing, nearly all residents think Oregon's property tax system needs to change.** After exposure to messages and stories, 91% of residents think the system needs to change, an increase of 15 points from the initial test.
 - The type of change desired also shifts in intensity, with 71% wanting either major changes or complete reform, an increase of 31 points from the initial test.
 - When asked open-ended what advice they'd give to elected leaders about the property tax system, nearly all residents called for some changes to be made, including general system changes, greater fairness, protection of essential services, and modernization of rules.
- **Most residents across all key groups think change is needed.** A minimum of 77% across all groups want change. Initially the most skeptical, non-affiliated voters and recent residents have the highest jump in numbers after being presented with additional information—24 points for both—putting them on par with all other groups.

Responses

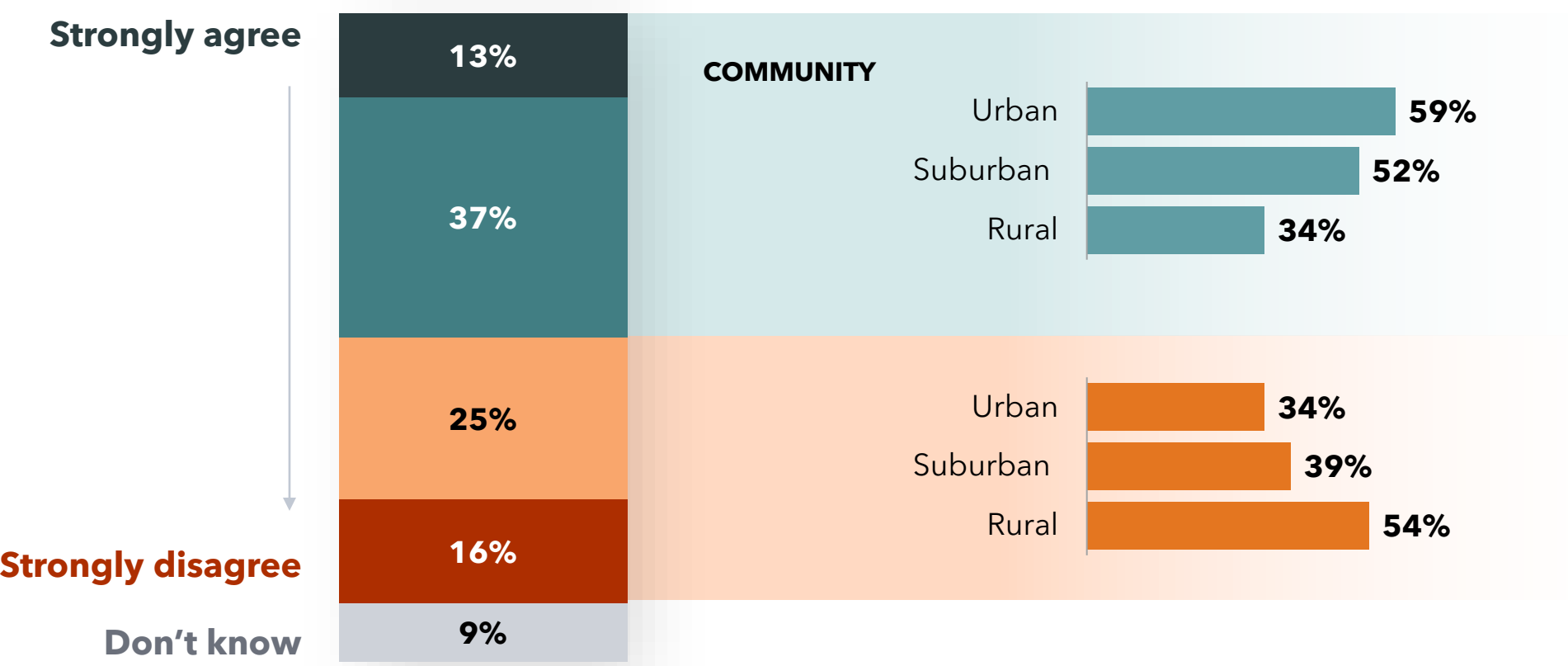


Adequacy of local funding



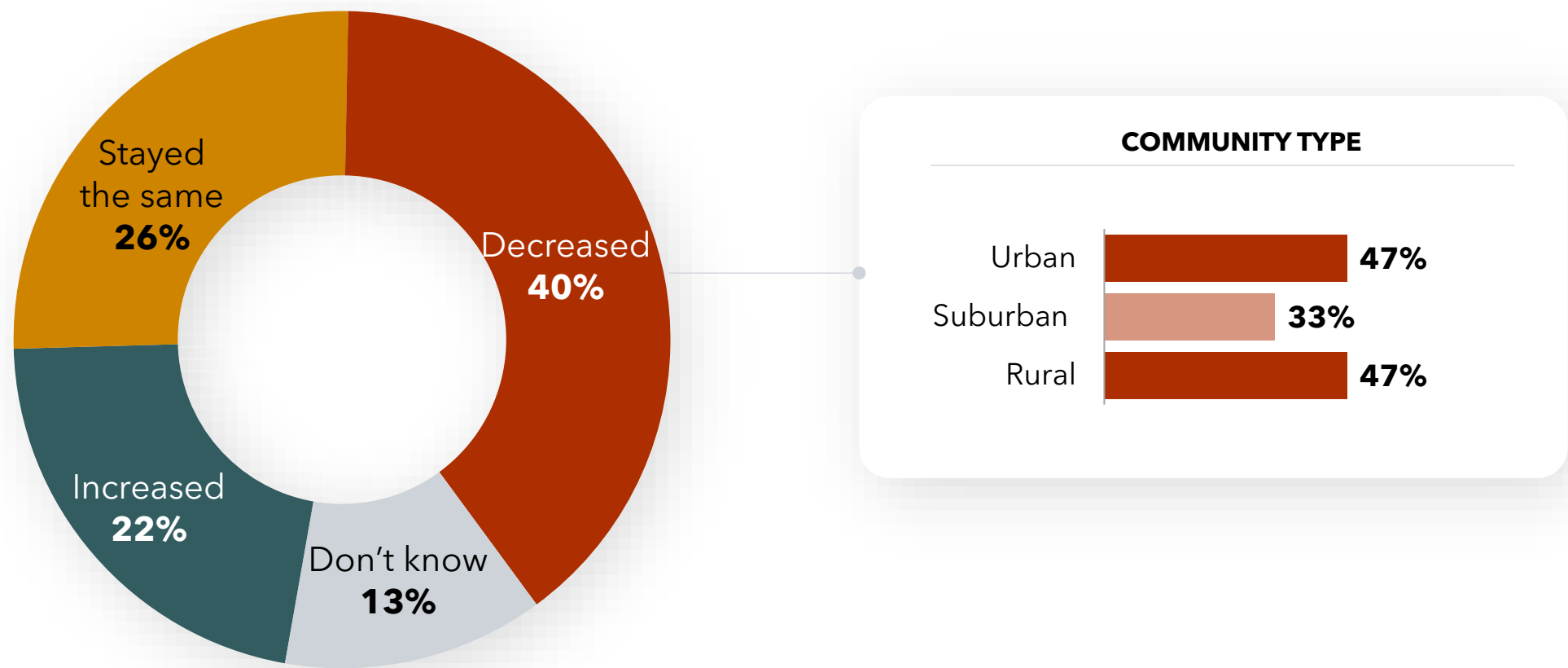
Oregonians are divided on whether local governments have the funding needed for public services, with rural residents seeing more of a deficit.

Local governments in my community have the funding needed to provide quality public services.



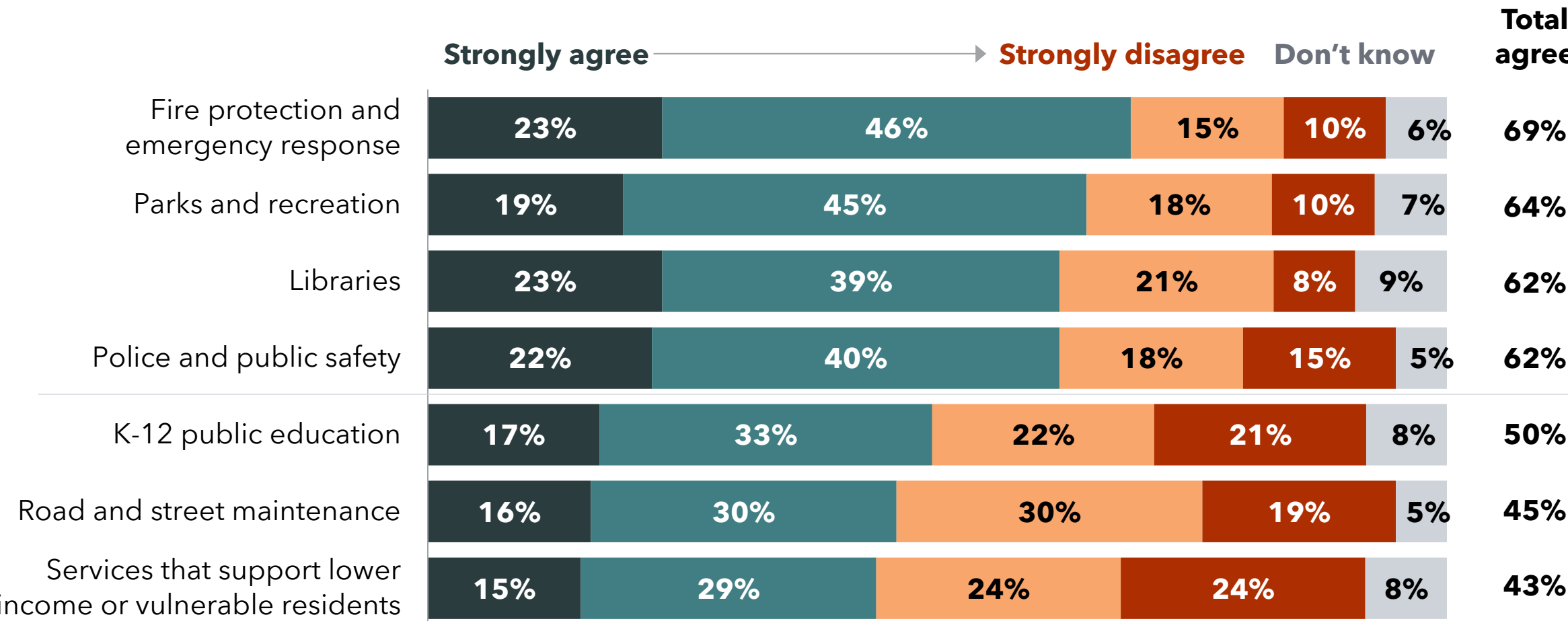
Four in ten residents say they've seen a decrease in funding over the last five years, especially in urban and rural communities.

Over the last five years, would you say the funding for local governments in your community to provide quality public services has **increased**, **stayed the same** or **decreased**?*



*Among those who have lived in Oregon 6 years or more, n=446

Residents are likely to view fire, parks, libraries, and police as more adequately funded than schools, roads, and services for vulnerable residents.



A slim majority say they understand Oregon’s property tax system, but just 12% say they understand it *very well*.

52%

Say they understand Oregon’s property tax system **very/somewhat well**



Very well

Not well at all

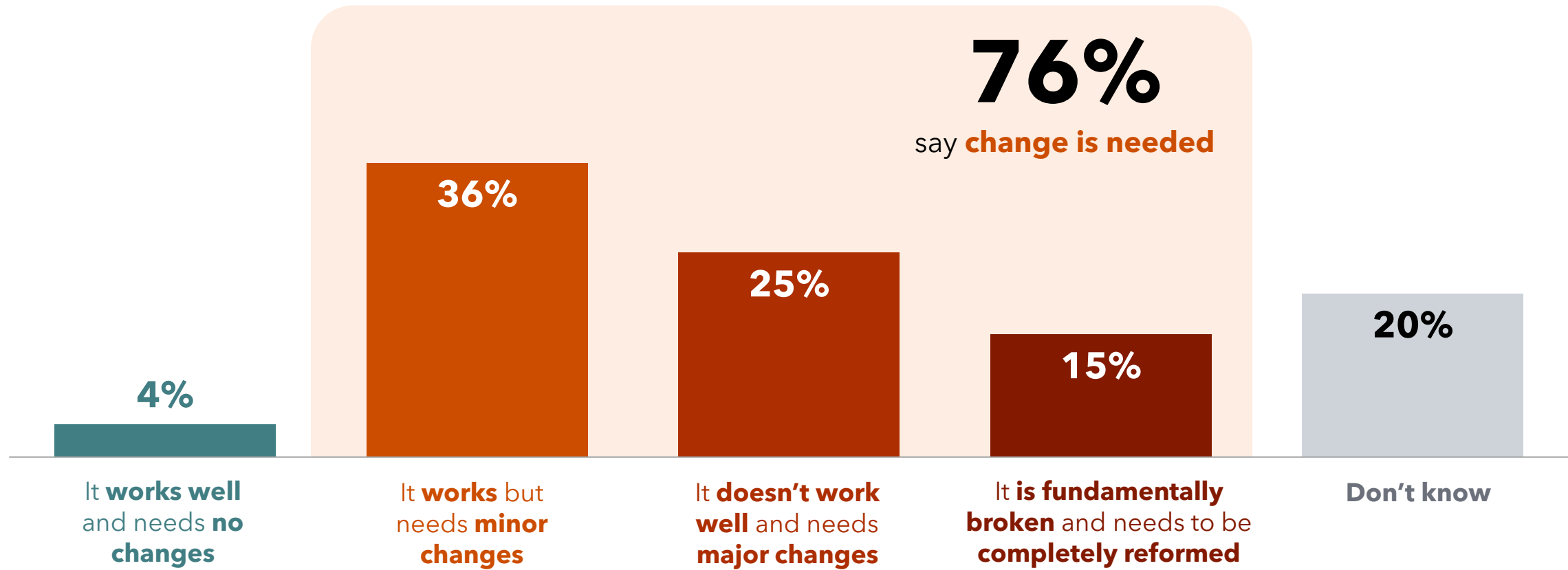
Don't know

Initial perceptions of property tax system



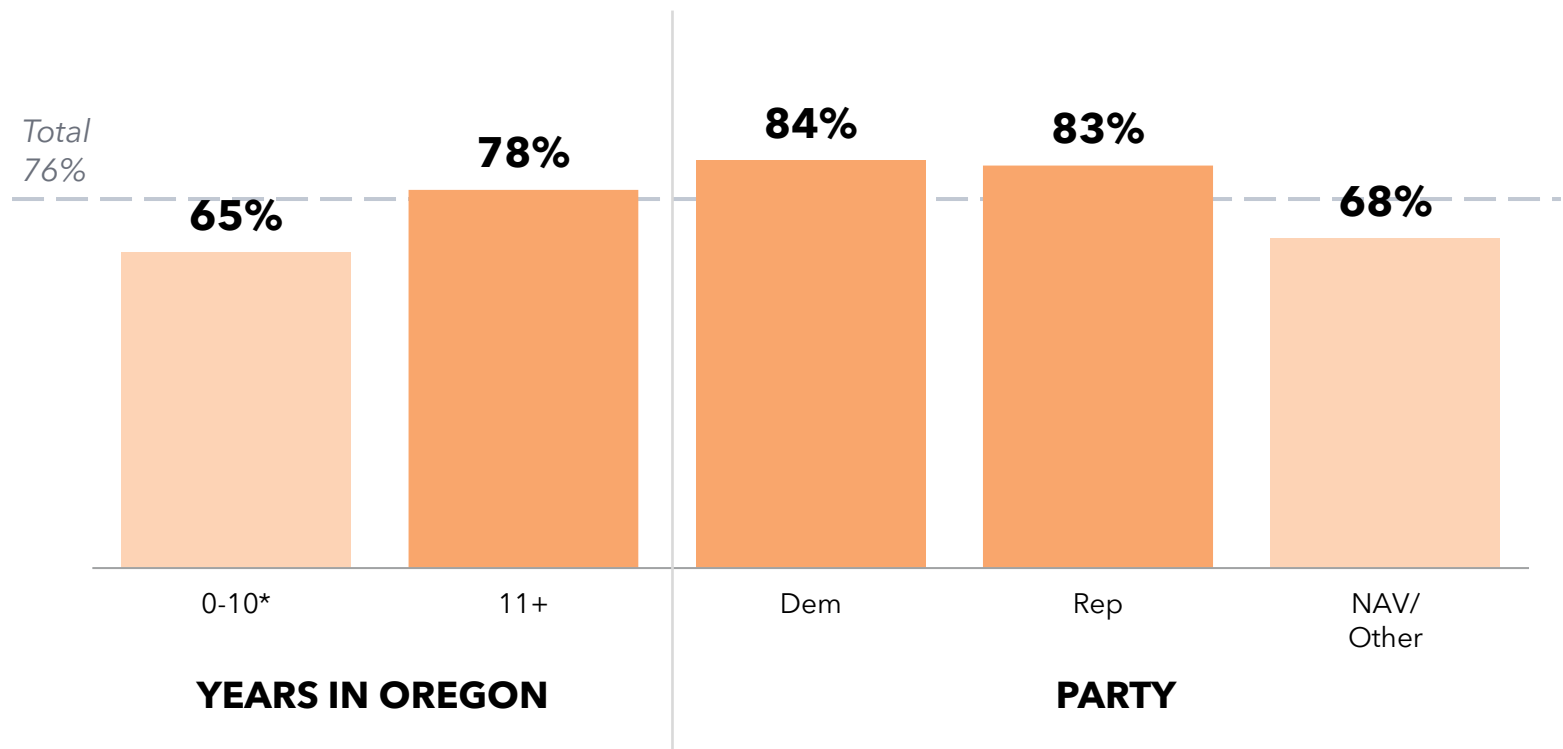
Nearly 8 in 10 Oregonians think the state's property tax system needs to change.

Based on what you know right now, how would you rate Oregon's property tax system?



Prior to messaging about the property tax system, almost all groups think change is needed. Non-affiliated voters and newer residents are less likely to rate the property tax system poorly.

% say **Oregon's property tax system requires changes**

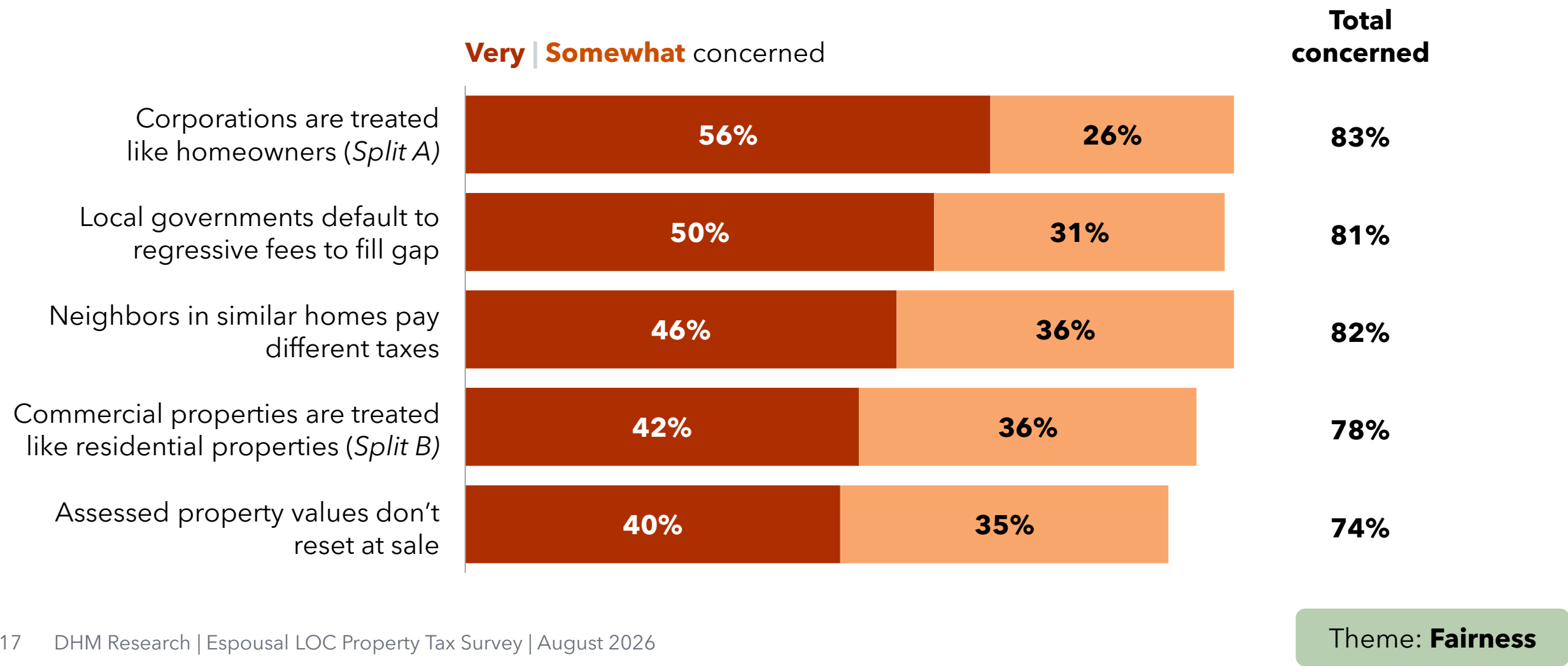


**Low base size, n<100; Interpret with caution.*

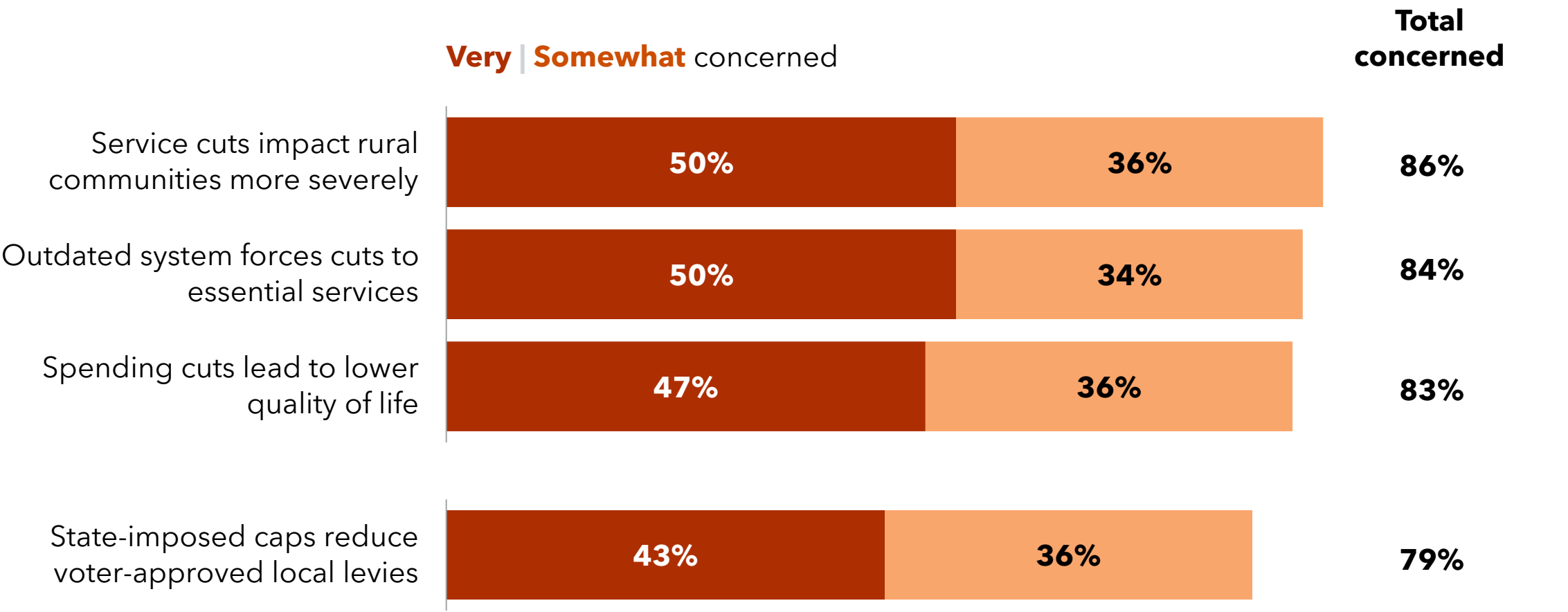
Themes & messages



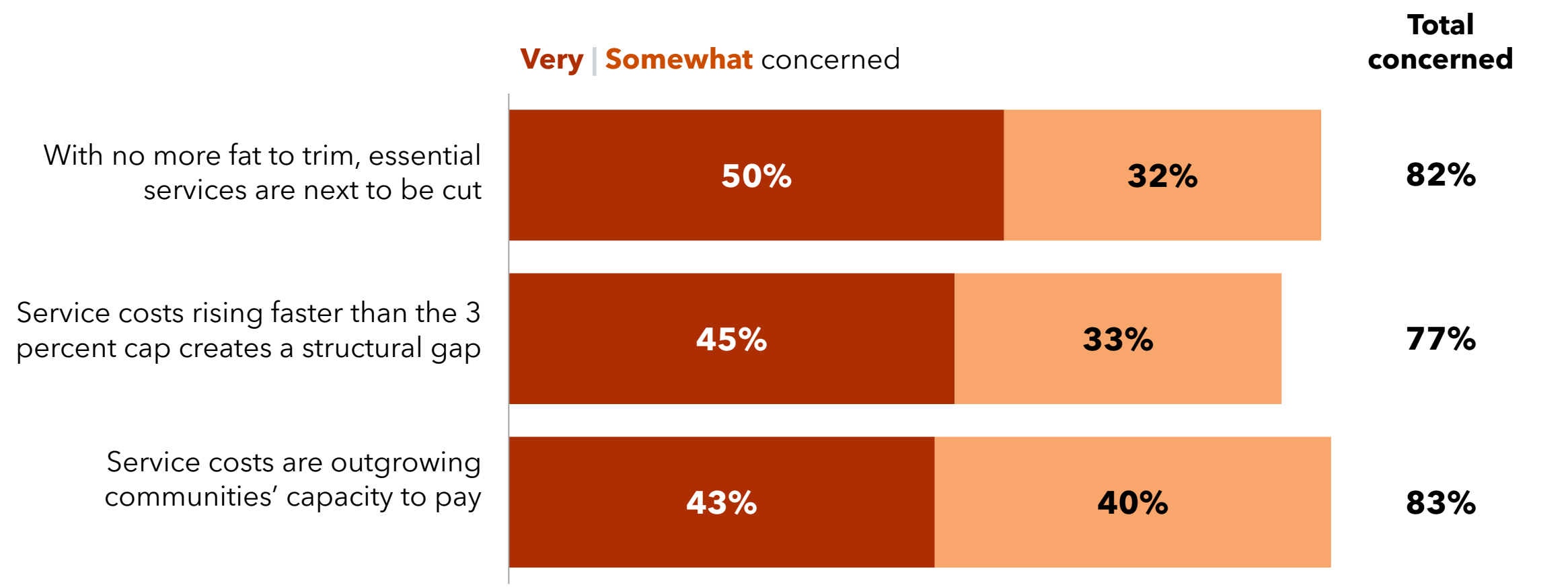
Statements about fairness resonate with residents, especially ones that suggest community members are being unfairly impacted.



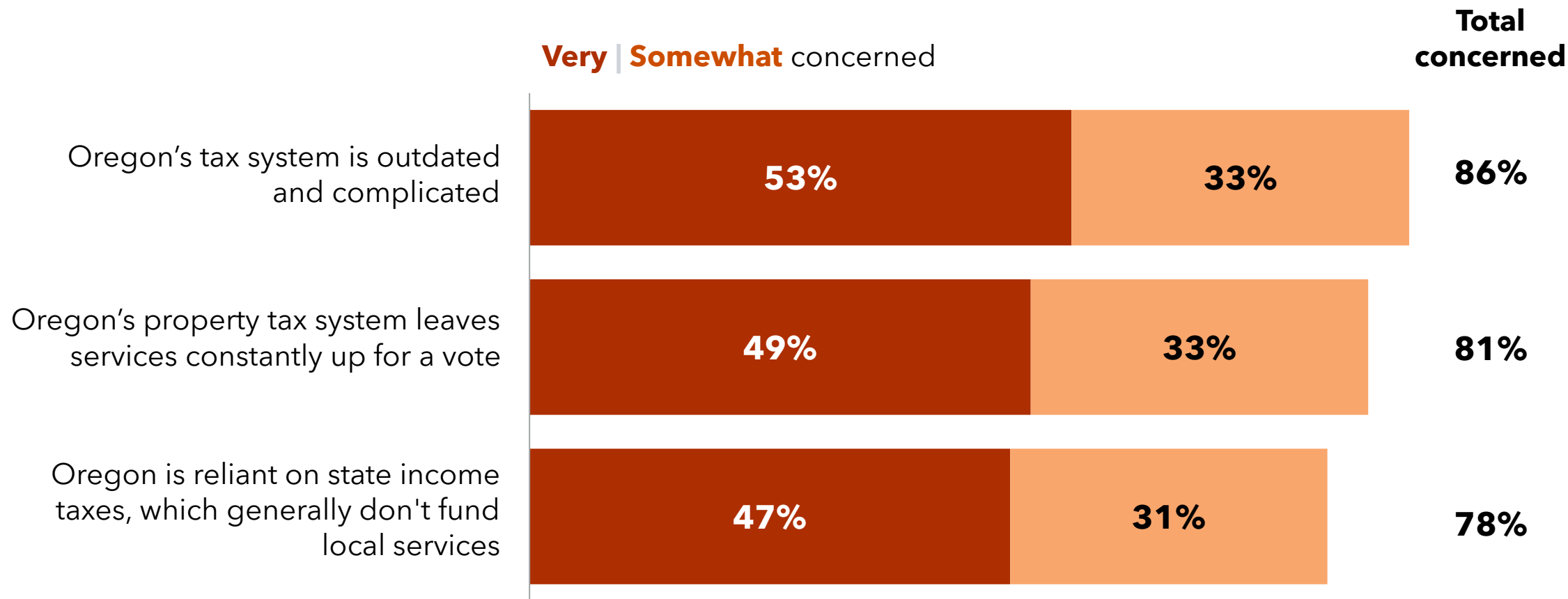
Messages about service impacts and local control resonate most strongly, with particular concern that rural areas will be hit hardest and that quality of life will decline.



Messages about revenue needs perform well. Ones that connect lack of revenue to potential service cuts are most worrying to residents.

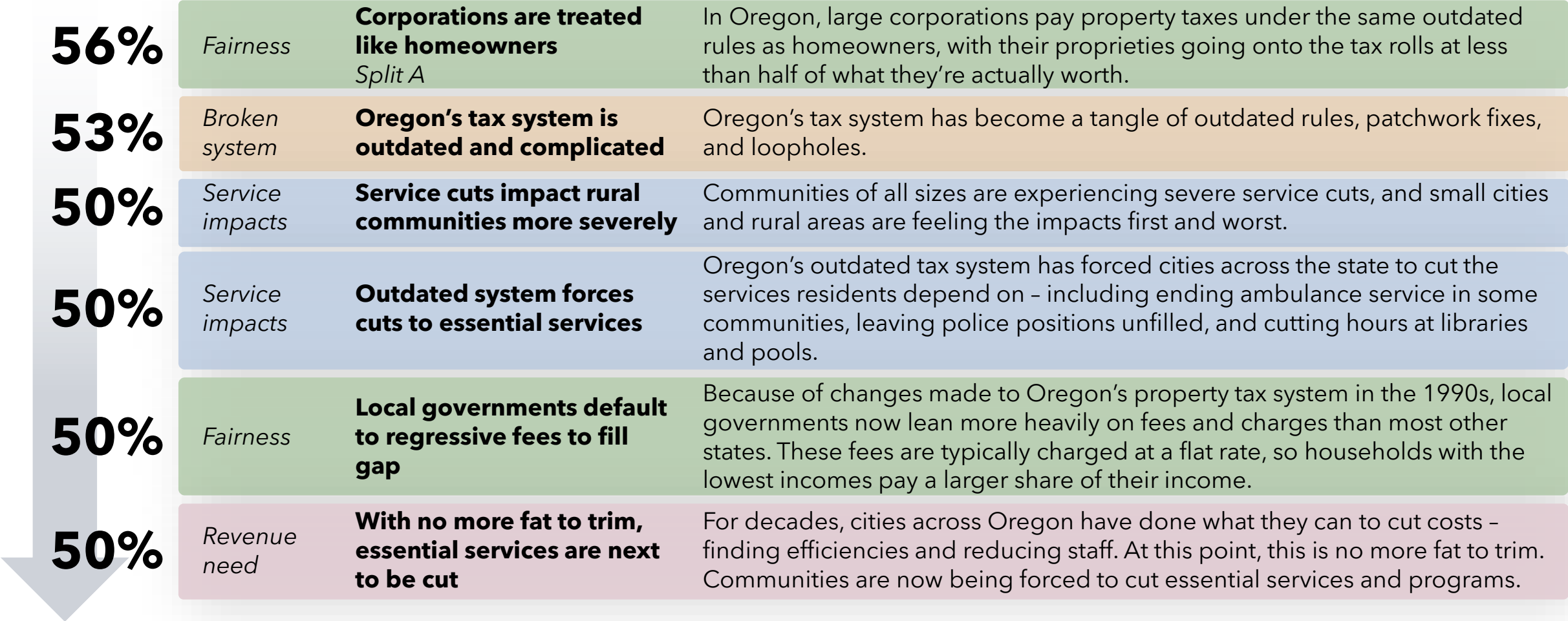


Most residents believe Oregon's tax system is broken, though that sentiment stems more from broad frustration than from the system's specific mechanics.

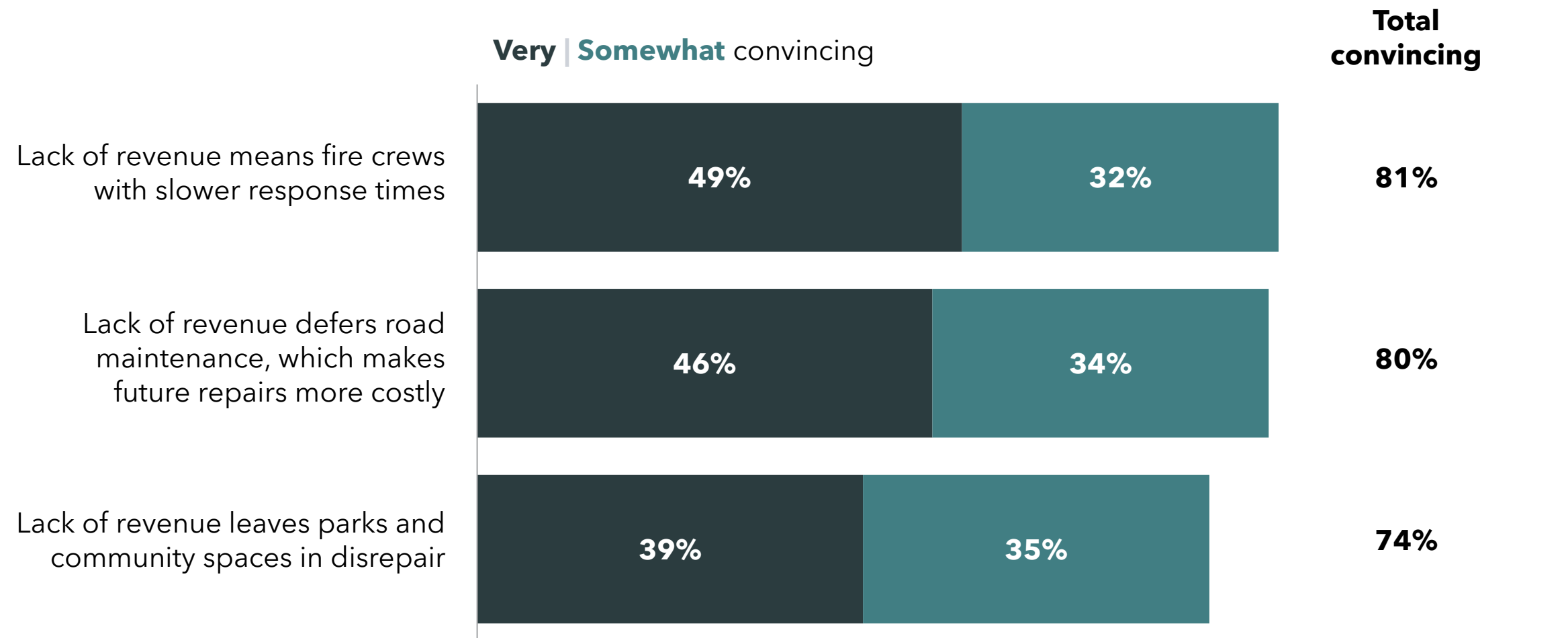


Top messages tend to be about unfairness, cuts to services for everyday people, and the sense that the overall system is broken.

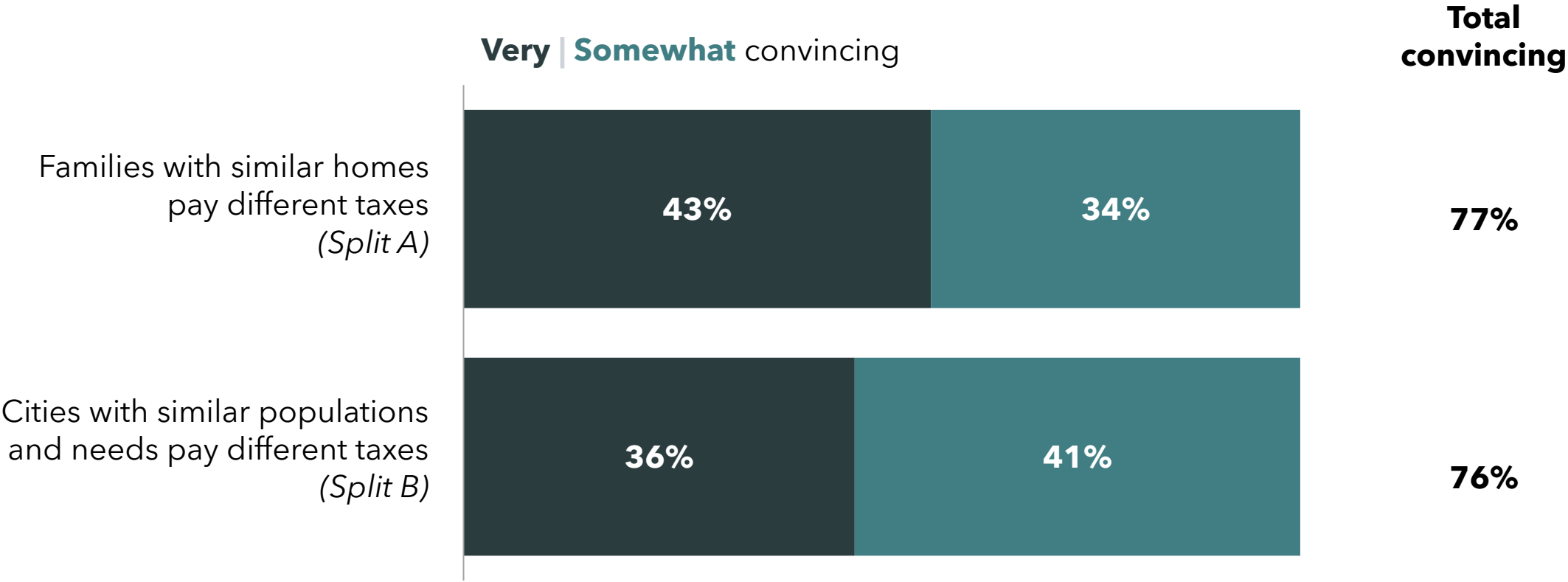
% Top **very concerned**



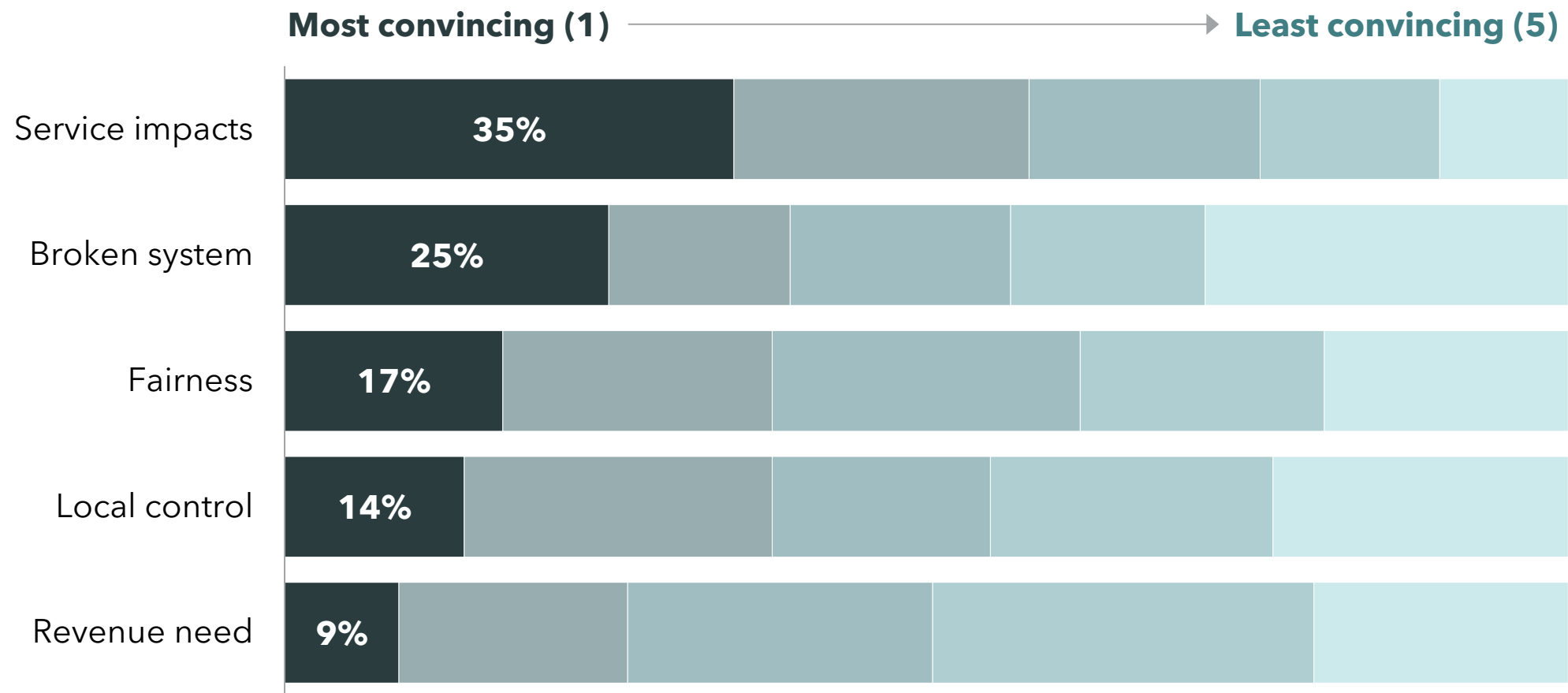
Among stories about service impacts, examples that stress the potential for essential services to decline in quality or increase in cost are the most convincing.



Stories that highlight unfairness to families are more *strongly* compelling than those emphasizing unfairness to cities.



The most convincing reasons for property tax reform among residents are avoiding service cuts, fixing the broken system, and making it fairer.

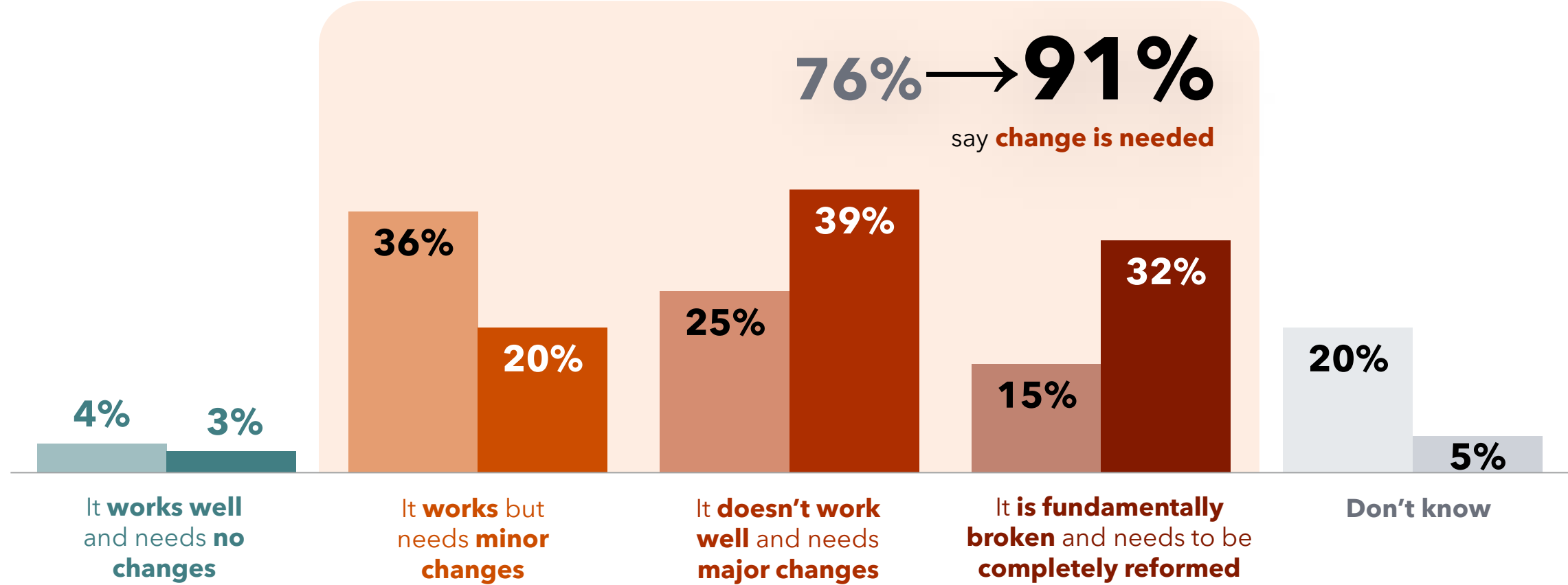


Informed perceptions of property tax system

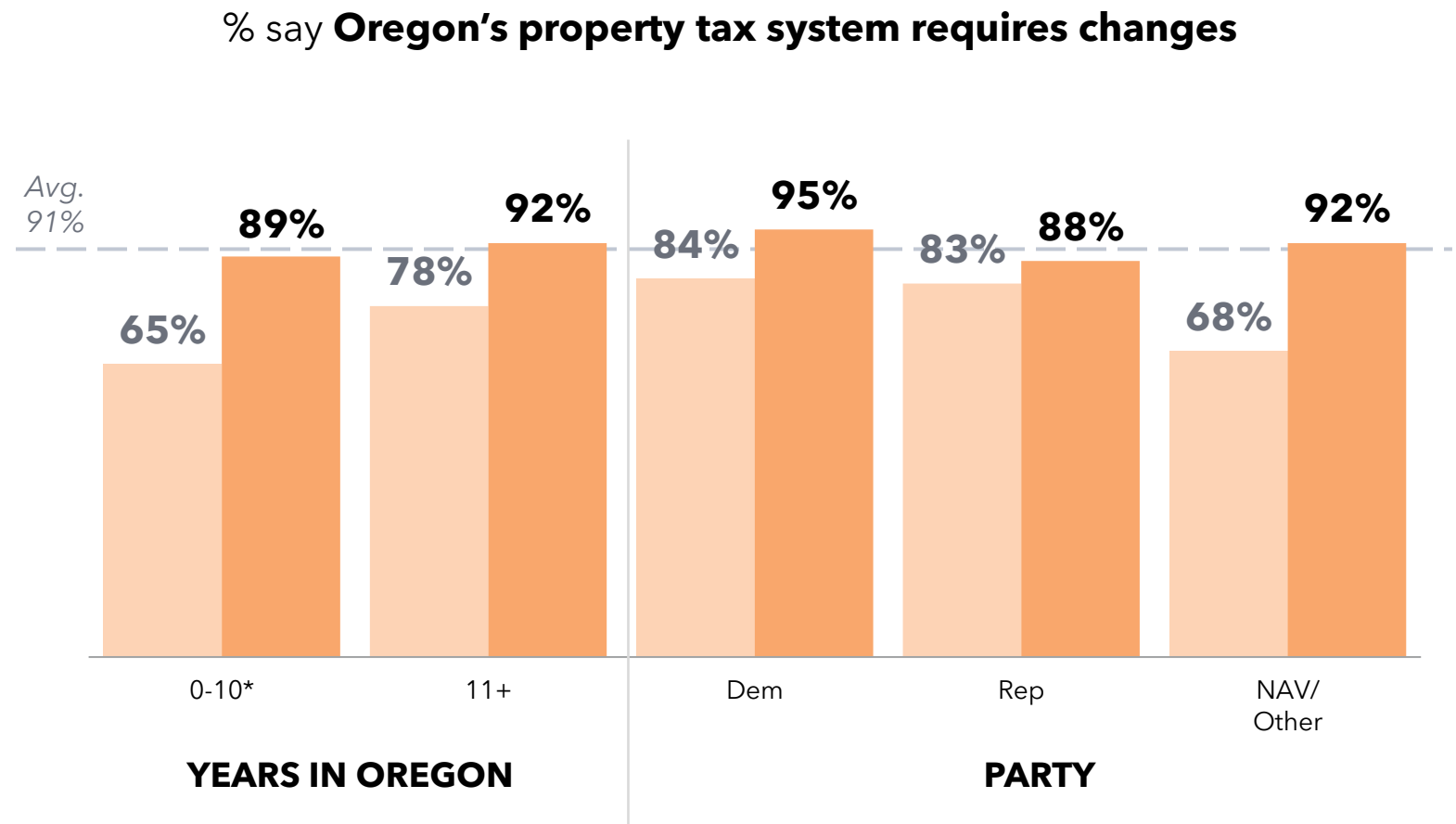


After hearing messages and stories, nearly all Oregonians think the state's property tax system needs to change.

Based on what you know right now, how would you rate Oregon's property tax system?



After exposure to messages and stories, most residents across all key groups think change is needed. Originally the most skeptical, recent residents and non-affiliated voters moved the most.



**Low base size, n<100; Interpret with caution.*

How perceptions evolved at each step of the survey



Methodology and Demographics



Research purpose

- Assess perceptions of Oregon's property tax system
- Gauge opinions on adequacy of funding for local public services
- Test messaging themes in support of changes to property tax system:
 - Fairness
 - Service impacts
 - Local control
 - Revenue need
 - Broken system

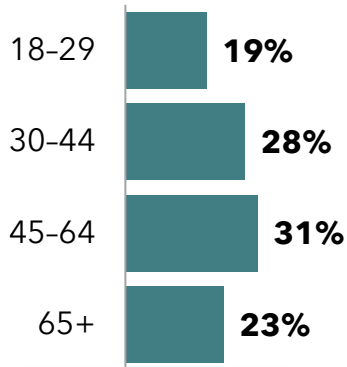
Methodology

- Online survey of N=504 Oregon residents
- Conducted July 21-28, 2026; 12 minutes to complete
- To ensure a representative sample, quotas were set and data weighted by age, gender, area, political affiliation, race and ethnicity, educational attainment, and income
- Margin of error $\pm 4.4\%$
- Due to rounding, some totals may differ by ± 1 from the sum of separate responses

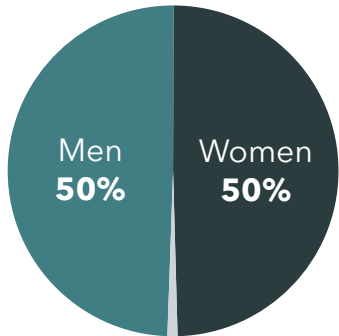
Demographic breakdown of survey respondents

N=504 Oregon residents

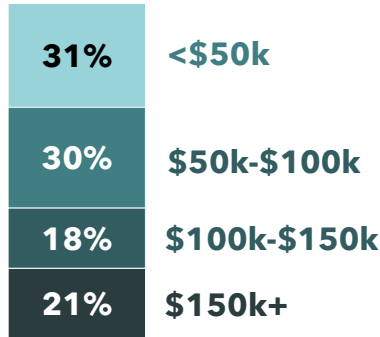
AGE



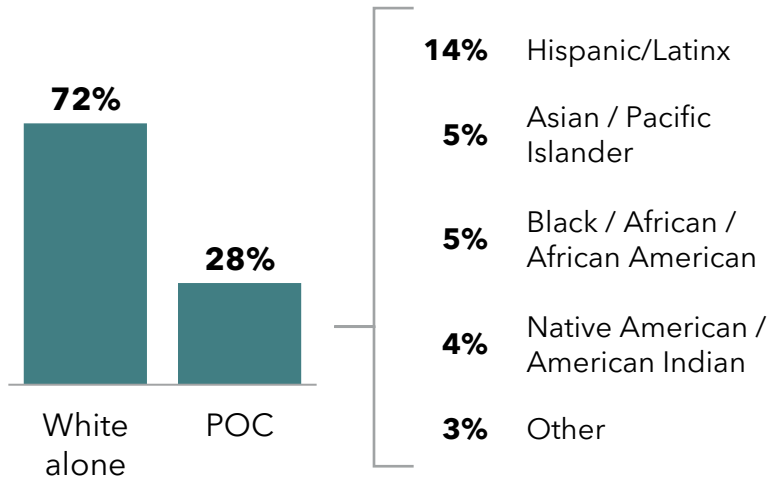
GENDER



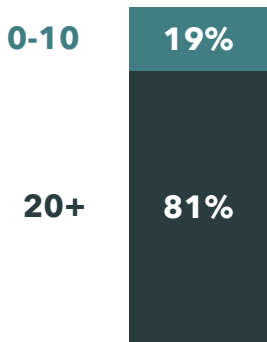
INCOME



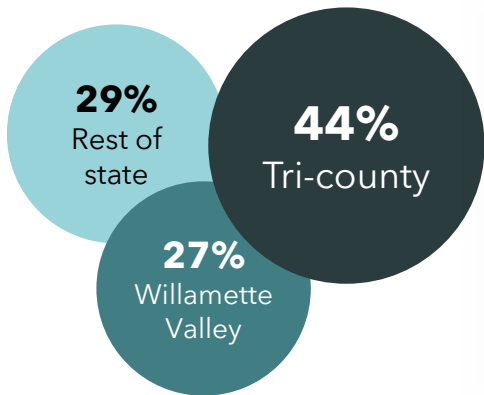
RACE / ETHNICITY



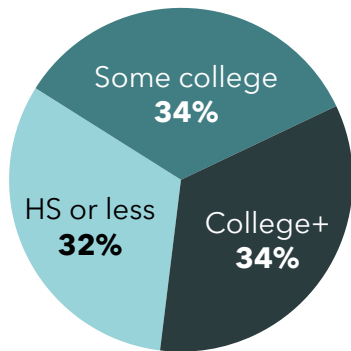
YEARS IN OR



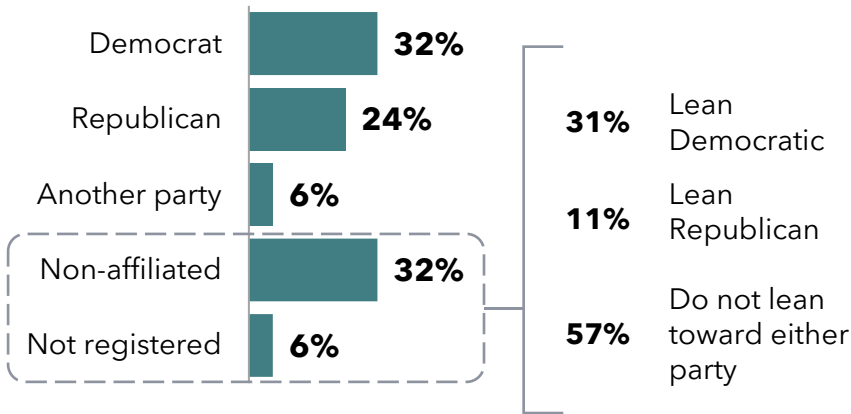
COUNTY



EDUCATION



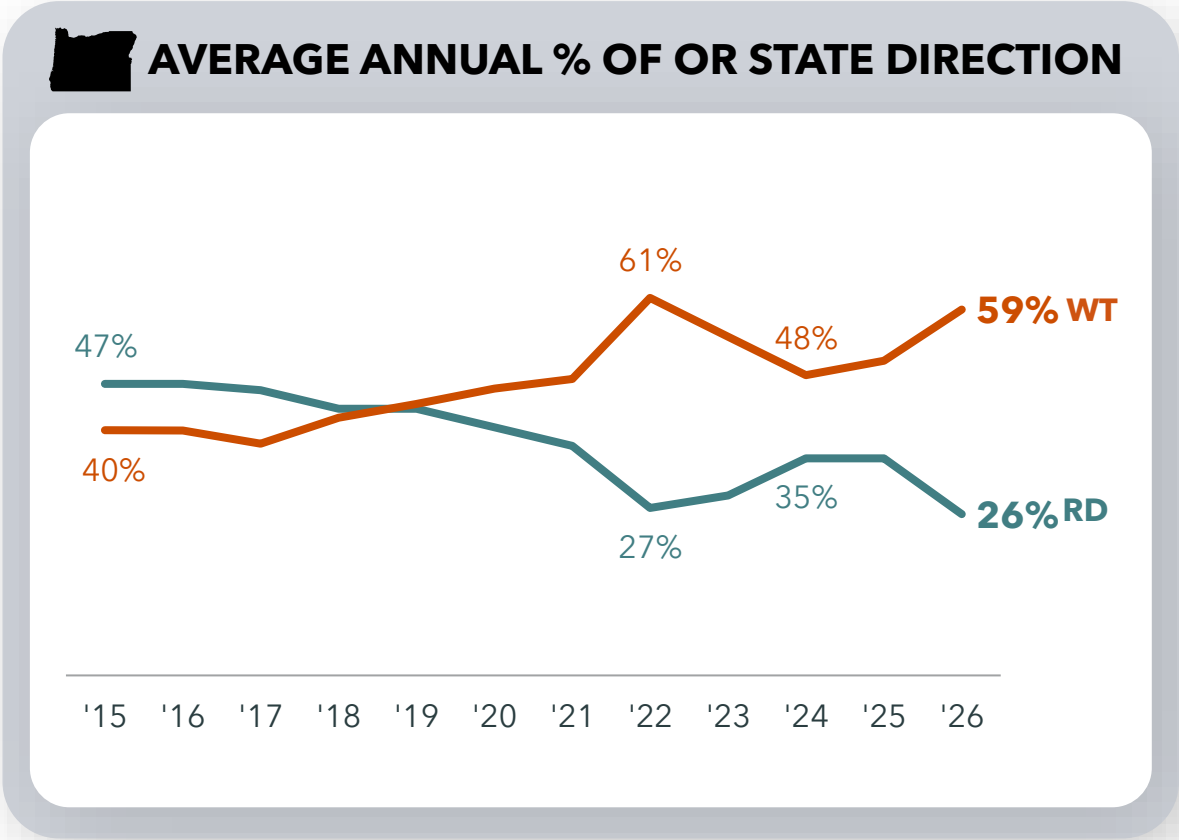
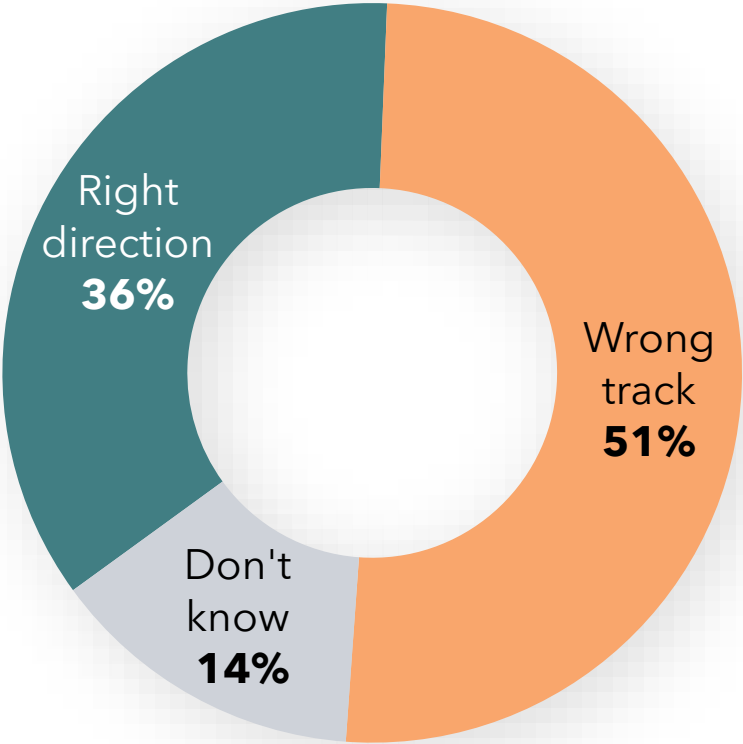
PARTY



General mood



Oregon residents are more likely to believe the state is on the wrong track. Negativity is trending upward.



This chart shows the average annual percentage of Oregonians reporting the state headed in the right direction or off on the wrong track from a collection of independent surveys conducted by DHM Research.

Messages & stories



Fairness messages

Corporations are treated like homeowners

Split A

In Oregon, large corporations pay property taxes under the same outdated rules as homeowners, with their properties going onto the tax rolls at less than half of what they're actually worth.

Local governments default to regressive fees to fill gap

Because of changes made to Oregon's property tax system in the 1990s, local governments now lean more heavily on fees and charges than most other states. These fees are typically charged at a flat rate, so households with the lowest incomes pay a larger share of their income.

Neighbors in similar homes pay different taxes

Oregon's property tax rules, established in the 1990s, mean neighbors in similar homes can pay thousands of dollars more or less than each other for the very same public services.

Commercial properties are treated like residential properties

Split B

In Oregon, large commercial properties like stores, office buildings, and apartment buildings pay property taxes under the same outdated rules as homeowners.

Assessed property values don't reset at sale

Oregon is the only state in the country where a property's assessed value does not reset to market value when it sells. This is one reason that properties can have assessed values that are 40 to 50 percent below their actual value.

Service impact messages

Service cuts impact rural communities more severely

Communities of all sizes are experiencing severe service cuts, and small cities and rural areas are feeling the impacts first and worst.

Outdated system forces cuts to essential services

Oregon’s outdated tax system has forced cities across the state to cut the services residents depend on – including ending ambulance service in some communities, leaving police positions unfilled, and cutting hours at libraries and pools.

Spending cuts lead to lower quality of life

After decades of downsizing and spending cuts, many Oregon communities are losing what has made them a great place to live.

Local control message

State-imposed caps reduce voter-approved local levies

In a typical year, about two thirds of Oregon cities lose funding from voter-approved levies – money their own residents voted to raise for parks, libraries, and fire protection – because of state-required caps that reduce those funds before they ever arrive.

Revenue need messages

With no more fat to trim, essential services are next to be cut

For decades, cities across Oregon have done what they can to cut costs – finding efficiencies and reducing staff. At this point, this is no more fat to trim. Communities are now being forced to cut essential services and programs.

Service costs rising faster than the 3 percent cap creates a structural gap

For most Oregon cities, property tax revenue can only grow 3 percent a year, while the actual cost of providing services has risen far faster – creating a structural deficit that grows larger every year.

Service costs are outgrowing communities' capacity to pay

Like many Oregonians, cities and counties are on a fixed income and must make tough budget decisions. But due to outdated rules, their ability to pay for local services has grown far more slowly than the actual costs of providing those services.

Broken tax system messages

Oregon's tax system is outdated and complicated

Oregon's tax system has become a tangle of outdated rules, patchwork fixes, and loopholes.

Oregon's property tax system leaves services constantly up for a vote

Oregon's property tax system forces cities to put funding for services like public safety, parks, and libraries up for a vote again and again. When an election fails, those services are the ones that get cut.

Oregon is reliant on state income taxes, which generally don't fund local services

Oregon relies on income tax more than any other state because it has no sales tax and limits property tax. But that income tax money generally doesn't go to cities, so cities don't have enough steady funding for police, parks, and roads.

Stories

Service-based stories

Lack of revenue means fire crews with slower response times

A fire chief has had three positions vacant for over a year – not for lack of applicants, but because property tax rates are locked in at what they were 30 years ago, so they don’t have enough revenue to fill them. When a call comes in, his crew responds with fewer people than safety standards recommend.

Lack of revenue defers road maintenance, which makes future repairs more costly

An Oregon city has deferred maintenance on key roads for six years running. Each year the repair gets pushed because there’s no money. Each year the cost to fix it grows, because what were once small routine repairs have now become big emergency repairs – ultimately costing taxpayers more.

Lack of revenue leaves parks and community spaces in disrepair

A city parks director has been told to stop routine maintenance on neighborhood parks and community walking paths. Because property tax rates are locked in at what they were 30 years ago, the playgrounds won’t be inspected this year, and the broken bench near the ball field will stay broken.

Comparison-based stories

Families with similar homes pay different taxes

Split A

The Johnson and Smith families live two miles apart. Their homes have the same market value today, but the Johnson family pays half the amount in property taxes. That’s because those homes had different assessed values when the rules were put in place back in the 1990s.

Cities with similar populations and needs pay different taxes

Split B

City A and City B have similar populations and needs. City A’s older homes are still taxed on decades-old values that haven’t kept pace with today’s prices. City B’s newer homes are taxed closer to full value. That means City A has half the revenue of City B, leaving it with short-staffed emergency response, neglected parks, and roads full of potholes.



dhmresearch.com

John Horvick

jhorvick@dhmresearch.com

Tony Iaccarino

tiaccarino@dhmresearch.com

Hân Huynh

hhuynh@dhmresearch.com

