

## Cary Municipal Tax Rate

The survey examined Cary's municipal tax rate of 33 cents per \$100 of property valuation as compared to other localities (Charlotte, Raleigh, and Durham). A 5-point scale was used. The response categories were very low (1), somewhat low (2), about right (3), somewhat high (4), and very high (5).

The results for the total sample are shown in Table 39. A majority (71.1%) of the respondents felt that the tax rate was "about right" in Cary. A slight skewing to the higher side is to be expected because these questions are often perceived as a potential justification for a tax increase. Although the mean has increased slightly this year, the percentage of responses on the "high" side has remained virtually unchanged (18.9% in 2008 versus 18.8% in 2010). However, there was a decrease in the percentage of respondents who felt taxes were on the "low" side from 13.2% to 10.2%. The end result is a shifting of "low" tax rate responses to "about right" responses. This resulted in a mean increase from 3.06 to 3.10 with a very large percentage who felt the tax rate is "about right". The mean has increased slightly but the percentage on the "high" side remains unchanged.

**Table 39. Cary Municipal Tax Rate in Cary.**

Year	Mean	Very Low 1	Somewhat Low 2	About Right 3	Somewhat High 4	Very High 5	% Below 3	% Above 3
<b>10</b>	<b>3.10</b>	<b>2.3</b>	<b>7.9</b>	<b>71.1</b>	<b>15.5</b>	<b>3.3</b>	<b>10.2</b>	<b>18.8</b>
08	3.06	2.6	10.6	68.0	16.3	2.6	13.2	18.9
06	3.26	1.9	5.6	64.6	21.2	6.9	7.5	28.1
04	3.34	0.8	3.6	64.8	21.9	8.9	4.4	30.8
02	3.20	0.5	6.3	69.5	20.4	3.3	6.8	23.7
00	3.30	0.5	3.6	66.4	24.0	5.2	4.1	29.2
98	3.13	0.5	7.3	73.7	15.9	2.5	7.8	18.4

A set of questions was included in the survey to examine the respondent's support for raising property taxes to pay back bonds that would allow the Town to move ahead with projects to improve things like transportation, fire protection, parks & greenways, and other community facilities. The respondents were first asked if they would vote for adding five cents to the current tax rate which would equate to about \$50 added yearly to the taxes on a \$100,000 home. Table 40 indicates limited support for this tax increase with only 29.6% responding they would vote in favor of the proposal. An open-ended question asked respondents to explain their reasoning (Appendix M). The major reasons those voted against the five cent increase were taxes too high/already pay enough (69 comments), depends on the project (36 comments), economic conditions (34 comments), budget better/spend wisely (21 comments), and live on a fixed income (9 comments). The major reasons voting for were benefit the Town/needs to be done (51 comments), small increase

(16 comments), depends on the project (9 comments), and use bonds (3 comments).

**Table 40. Raise Current Tax Rate Five Cents.**

Year	% Vote For	% Vote Against
<b>10</b>	<b>29.6</b>	<b>70.4</b>

The respondents were next asked if they would support adding three cents to the current tax rate which would equate to about \$30 added yearly to the taxes on a \$100,000 home. There was a higher level of support for this tax increase with 42.5% responding they would vote for this proposal but most respondents (57.5%) did not support the increase (Table 41). Again, an open-ended question asked respondents to explain their reasoning (Appendix N). The major reasons those voted against a three cent increase were taxes too high/already pay enough (61 comments), depends on the project/ need more information (24 comments), economic conditions (23 comments), budget better/spend wisely (20 comments), and live on a fixed income (9 comments). The major reasons voted for the increase were benefit the Town/needs to be done (51 comments), small increase compared to five cents (35 comments), and depends on the project (13 comments).

**Table 41. Raise Current Tax Rate Three Cents.**

Year	% Vote For	% Vote Against
<b>10</b>	<b>42.5</b>	<b>57.5</b>

One final tax related question examined whether the Town should delay projects or move forward. Due to economic conditions the Town has less revenue and has been forced to delay or cancel many building projects such as road improvements, new parks, and additional fire stations. The respondents were asked if they would prefer the Town delay these projects until economic conditions improve or move forward sooner by raising property taxes a few cents now. Table 42 shows that a majority of the respondents (77.4%) would prefer the Town delay the projects until the economy improves.

**Table 42. Delay Projects for Several Years or Raise Property Taxes Now.**

Year	% Delay for Several Years	% Raise Taxes
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<b>10</b>	<b>77.4</b>	<b>22.6</b>
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### Cary Municipal Tax Rate Crosstabulations

Crosstabulations were conducted on age, education, housing type, income, race, voter status, voted in 2009 local elections, and years in Cary (Appendix B). As for the perceptions of the municipal tax rate (Tables B266-B273), the subgroups who perceived the tax rate on the higher side (higher means) were Hispanics (3.55), 18-25 age group (3.45), and other races (3.44). The subgroups who perceived the tax rate on the lower side (lower means) were townhouse/condo dwellers (2.95), over 65 age group (2.95), Asians (2.95), and those with PhD/JD/MD (2.96).

The crosstabulations for adding five cents to the current tax rate were conducted on age, education, gender, housing type, income, race, voter status, voted in 2009 local elections, and years in Cary (Tables B274-B282). The highest level of support (higher means) for the five cent tax increase were from PhD/JD/MD (44.4%), over \$100,000 income level (38.1%), 2-5 year residents (35.0%), \$50,001-\$70,000 income level (34.6%), and did not vote in 2009 local elections (34.5%). The least support came from apartment dwellers (24.1%), Asians (25.0%), 6-10 year residents (26.7%), and over 65 age group (26.8%).

In terms of the three cent tax increase (B283-B291), the highest level of support came from \$70,001-\$100,000 income level (55.7%), 6-10 year residents (50.6%), \$50,001-\$70,000 income level (50.0%), those with PhD/JD/MD (48.1%), over \$100,000 income level (47.9%), and those with a college degree (47.6%). The lowest level of support was from other races (23.1%), 0-1 year residents (26.1%), Hispanics (30.0%), apartment dwellers (31.0%), those with high school/some college (31.4%), and 18-25 age group (33.3%)

The crosstabulations for support for delaying Town projects or raising taxes were conducted on age, education, gender, housing type, income, race, voter status, voted in 2009 local elections, and years in Cary (B292-B300). The subgroups that supported moving forward with the projects by raising taxes were African-Americans (37.5%), townhouse/condo dwellers (36.8%), over 65 age group (28.2%), those with PhD/JD/MD (28.0%), and 2-5 year residents (27.7%). The highest level of support for delaying the projects was from \$20,001-\$30,000 income level (90.9%), 18-25 age group (89.3%), those not registered to vote (87.5%), other races (87.5%), and apartment dwellers (86.2%).