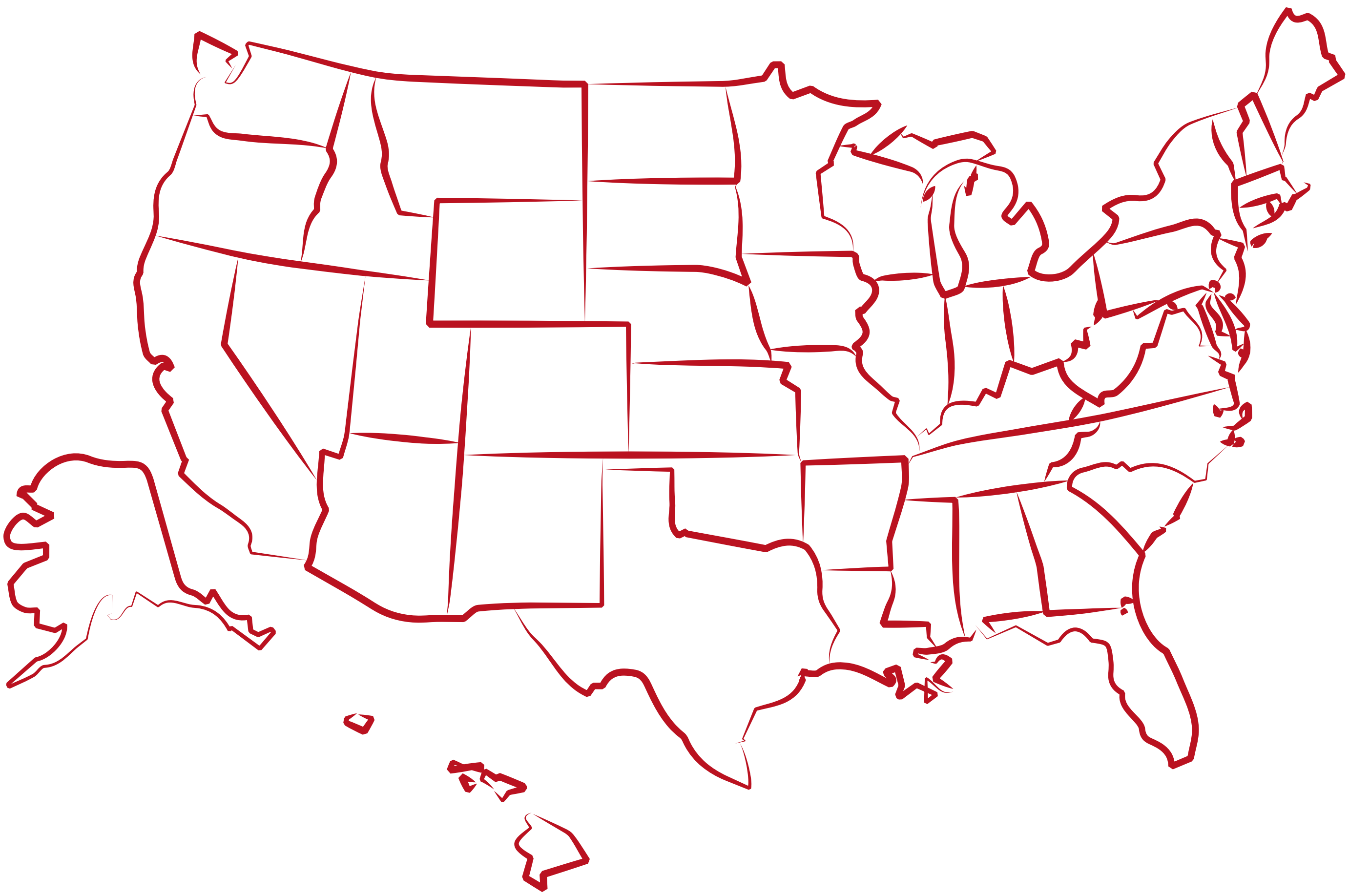
NATIONAL TAXPAYERS UNION

Ballot Guide 2024



This guide is for informational purposes only; it is not intended to provide endorsements or recommendations to voters.

The Taxpayer's Perspective

A Publication by the National Taxpayers Union

On Tuesday, November 5th, taxpayers across the country will head to the polls to vote for local and state representation. The outcome of these elections will certainly have an impact on taxpayers' dollars utilized at all levels of government. However, taxpayers should also be aware that this election cycle there are other opportunities for them to directly weigh in on a wide range of fiscal ballot measures that will have serious implications for their state and local communities.

It is true that most ballot measures do not carry the same weight in media coverage as your local elected official's, but they can and will have a more immediate and direct impact on your daily life and pocketbook.

We here at National Taxpayers Union researched statewide and local ballot measures that we believe voters need to know about and we designed this year's ballot guide to have as much utility as possible. This is by no means an exhaustive list, and we recommend that taxpayers check with their local election authorities for more information on these and other measures that may be on your ballot this November.

Finally, NTU would like to thank Ballotpedia for their efforts in identifying and tracking ballot measures, many of which appear in our analysis.

-NTU

ALABAMA

Alabama Amendment 1: Allow Franklin County Board of Education to Manage, Sell, or Lease Land in the Franklin County School System Amendment. This amendment would transfer ownership and control of certain lands in Fayette and Walker Counties to the Franklin County Board of Education. Currently, these lands are owned by the Franklin County School System. If approved, the amendment would give the school board the authority to manage, sell, lease, or develop the land and its natural resources. Any revenue generated from these activities would be directed to the Franklin County Board of Education's General Fund.

Taxpayer Impact: Amendment 1 could reduce the need for local property tax increases for school funding because of the revenue generated from the sale of the land and its resources. It could also increase economic development by creating jobs and boosting local businesses.

Duration: Permanent

ALASKA

Alaska Measure 1: Minimum Wage Increase and Paid Sick Leave Initiative. Measure 1 would raise the state's minimum wage from $11.73 per hour to $13 per hour starting July 1, 2025, $14 per hour on July 1, 2026, and $15 per hour on July 1, 2027. In subsequent years, the minimum wage would be adjusted annually based on inflation. The measure also introduces a sick leave accrual system. For businesses with fewer than 15 employees, workers could accrue up to 40 hours of sick leave per year. For businesses with 15 or more employees, workers could accrue up to 56 hours of sick leave annually. Additionally, Measure 1 would prohibit employers from requiring employees to attend meetings regarding political or religious matters unrelated to their job duties.

Taxpayer Impact: Raising the minimum wage and mandating sick leave would result in increased labor costs for business. This could lead to higher prices of goods and services for consumers and taxpayers. The initiative could also reduce hiring and cause job losses. Some businesses may be forced to relocate or shut down.

Duration: Permanent

ARIZONA

Arizona Proposition 138: Wages for Tipped Workers. Proposition 138 would allow businesses to pay tipped workers $3.58 (or 25 percent) less than the standard minimum wage of $14.35 per hour. This would apply to employees who regularly receive tips or gratuities, as long as their combined hourly wage and tips equal at least the minimum wage plus $2 per hour worked. Currently businesses are allowed to pay tipped workers $3 less than the standard minimum wage.

Taxpayer Impact: This measure could help ensure stable wages for tipped workers and a reduction in labor cost for businesses, resulting in lower prices and increased job stability for workers in the restaurant and hospitality industries.

Duration: Permanent

Arizona Proposition 312: Property Tax Refund for Non-Enforcement of Public Nuisance Laws Measure. Proposition 312 would enable property owners to apply for a property tax refund once per tax year to reimburse them for costs related to the failure of their city or local government to enforce laws such as illegal camping, loitering, blocking public pathways, panhandling, and other public nuisances. To qualify, property owners must provide documentation of expenses incurred to address the impact of public nuisances on their property.

Taxpayer Impact: This measure is intended to hold local governments accountable for the enforcement of certain laws and statutes. If government agencies fail to do so, however, frequent refund requests could reduce revenue and possibly lead to an increase in property taxes to cover the cost of payouts.

Duration: 2025–2035

Arizona Proposition 315: Legislative Ratification of State Agency Rules that Increase Regulatory Costs Measure. The proposition would empower the Arizona Legislature to approve or reject regulations that carry a cost of $100,000 or more over a five-year period. It requires the Office of Economic Opportunity to review all regulations and submit any that reach the economic impact threshold to the Legislature for a vote before taking effect.

Taxpayer Impact: By ensuring only essential and cost-effective regulation is implemented, Proposition 315 could have cost-saving effects for taxpayers.

Duration: Permanent

CALIFORNIA

California Proposition 32: Minimum Wage Initiative. Proposition 32 would increase the state's general minimum wage from the current $16 per hour to $17 per hour for businesses with 25 or fewer employees in 2025 and $18 per hour for businesses with 26 or more employees. In 2026, the general minimum wage for all employees, regardless of business size, would standardize to $18 per hour. In future years, the minimum wage would be adjusted for inflation, subject to a 3.5 percent cap on the annual increase.

Taxpayer Impact: This measure would increase labor costs for businesses, which could pass these costs down to consumers in the form of higher prices. Higher labor costs could contribute to businesses hiring fewer workers while encouraging companies to increasingly move toward automation.

Duration: Permanent

California Proposition 5: Lower Supermajority Requirement to 55% for Local Bond Measures to Fund Housing and Public Infrastructure Amendment. Proposition 5 is a constitutional amendment that would allow local governments to issue bonds for affordable housing and public infrastructure with 55 percent voter approval. Current law requires a two-thirds majority. Proposition 5 additionally includes new oversight requirements.

Taxpayer Impact: Proposition 5 could ultimately increase property tax bills by making it easier for local governments to issue debt. This could lead to higher costs for homeowners, renters, and consumers.

Duration: Permanent

California Proposition 35: Managed Care Organization Tax Authorization Initiative. The state's Managed Care Organization Provider Tax, aimed at HMO providers, will expire at the end of 2026 unless the state legislature and federal government approve an extension. Proposition 35 makes this tax permanent as of 2027. Services covered by the tax would be changed from current law.

Taxpayer Impact: Proposition 35 would increase spending for Medi-Cal and other state health programs. Making the tax permanent may reduce opportunities for the legislature to modify it in the future.

Duration: Permanent

COLORADO

Colorado Proposition JJ: Retain Sports Betting Tax Revenue for Water Projects Measure. Currently, the state may collect up to $29 million a year from the 10 percent tax on sports betting. Proposition JJ would remove this cap and direct that any additional revenues be used for water projects.

Taxpayer Impact: Currently, tax revenues above $29 million a year are scheduled to be refunded to casinos and sports betting operators. Proposition JJ would eliminate this tax refund and use the money for increased spending on water projects. According to an official analysis by the Colorado General Assembly, this measure would increase tax collections by $0.9 million in the current budget year.

Duration: Permanent

Colorado Amendment G: Property Tax Exemption for Veterans with Individual Unemployability Status Amendment. For disabled veterans, the state currently provides a homestead exemption that excludes 50 percent of the first $200,000 of a home's value from property taxes. Amendment G would expand the eligibility criteria for veterans to qualify for this exemption.

Taxpayer Impact: The direct impact of Amendment G would be the reduction of property taxes for a greater number of veterans who have a disability. Increased property tax refunds could reduce the amount available to provide Taxpayer's Bill of Rights (TABOR) refunds via the state's sales tax refund mechanism.

Duration: Permanent

Colorado Proposition KK: Excise Tax on Firearms Dealers, Manufacturers, and Ammunition Vendors Measure. Proposition KK would require the collection of a 6.5% excise tax on the retail sale of firearms, firearms precursor parts, and ammunition from firearms manufacturers, gun dealers, and ammunition vendors. The tax would not be applied directly to consumers. Businesses with annual firearm sales of less than $20,000 per year are exempt. Revenue from the tax would be appropriated to the Firearms and Ammunition Excise Tax Cash Fund to provide funding for mental health services, including for military veterans and at-risk youth, as well as for school safety, gun violence prevention, and support services for victims of domestic violence and other violent crimes.

Taxpayer Impact: This measure could lead to an increase in the price of firearms and ammunition, as businesses will likely pass the cost of the tax down to consumers. The additional tax could also impact the firearms industry and related businesses, potentially affecting jobs and economic activity in the sector.

Duration: Permanent

GEORGIA

Georgia Referendum A: Personal Property Tax Exemption Increase Measure. Referendum A proposes increasing the personal property tax exemption from $7,500 to $20,000. Under this measure, any personal property a taxpayer owns—with the exception of motor vehicles, trailers, and mobile homes—would be exempt from taxation, provided the total fair market value of the property is $20,000 or less.

Taxpayer Impact: Property owners could see a reduction in their property tax bills, providing them financial relief.

Duration: Permanent

Georgia Amendment 1: Local Option Homestead Property Tax Exemption Amendment. This measure would create a statewide property tax homestead exemption that provides local governments with an opt-out. In conjunction with a new law, HB 581, this would cap assessment increases at the rate of inflation, thus limiting the potential of significant property tax increases for existing homeowners. Localities that implement the exemption could implement a new sales tax of up to 1%, subject to voter approval, to recover lost revenue.

Taxpayer Impact: This measure could protect some current homeowners from rapidly increasing property taxes caused by higher assessments. But it could also shift the burden of taxation to other Georgians via higher sales taxes and to new homebuyers who would have to pay property taxes based on a higher assessment.

Duration: Permanent

ILLINOIS

Illinois Income Tax Advisory Question. This measure is a non-binding advisory question that asks voters whether the state should amend its constitution to impose a supplemental 3% tax on income exceeding $1,000,000. The proposed tax would be used to lower property taxes.

Taxpayer Impact: While this measure is advisory and would not directly result in any legal changes, it could influence lawmakers' future decisions. Therefore, it could result in higher tax liabilities for high-income earners. While the question suggests revenues would be used to lower property taxes for homeowners, it's possible that they would instead be used to grow the size of the state government. Additionally, as the Illinois Policy Institute states, "Taxing the wealthy will simply drive them to other states as they have the greatest resources to move somewhere else. As a result, Illinois would get less revenue from those individuals than it does now, leaving the remaining residents to shoulder an even greater tax burden."

Duration: N/A

KENTUCKY

Kentucky Constitutional Amendment 2: The School Choice Amendment. Amendment 2 would override portions of the state constitution to enable the creation of school choice programs by expressly allowing the state legislature to direct public funds to support the education of students in private and religious schools. It would amend the Kentucky Constitution to state that "the General Assembly may provide financial support for the education of students outside the system of common schools [K-12 public schools]."

Taxpayer Impact: This amendment has the potential to benefit students by enabling more competition between public and private schools, depending on how the state legislature utilizes its expanded authority.

Durations: Permanent

LOUISIANA

Louisiana Amendment 4: Property Tax Sales Administration Amendment. This proposed constitutional amendment would change the process by which delinquent property taxes are collected. It would eliminate the current tax sale process and require the legislature to create a tax lien auction process.

Taxpayer Impact: The current system of property tax collection has been the target of numerous lawsuits and some observers, including the Louisiana State Law Institute, claim that it is inconsistent with the 2023 Supreme Court case, *Tyler v. Hennepin County*, pertaining to the rights of delinquent taxpayers (for further information on that case, read NTU Foundation's analysis). A revised system, as set forth under this proposed amendment, has the potential to bring more clarity to the process.

Duration: Permanent

MASSACHUSETTS

Massachusetts Question 5: Minimum Wage for Tipped Employees Initiative. This measure would raise the minimum wage for tipped workers from its current level of $6.75 per hour to $15 an hour, which is the current minimum wage for non-tipped workers in Massachusetts. The increase would be incrementally phased in from 2025 to 2029.

Taxpayer Impact: This measure would impose higher labor costs on businesses that could pass along these costs by raising prices for consumers or reducing jobs for workers.

Duration: Permanent

MISSOURI

Missouri Proposition A: Minimum Wage and Earned Paid Sick Time Initiative. This measure would increase the minimum wage to $13.75 per hour in 2025, to $15 per hour in 2026, and then index the wage to inflation in subsequent years. It would also require all employers who employ 15 or more workers to provide one hour of paid sick leave for every 30 hours worked.

Taxpayer Impact: This measure would impose higher labor costs on businesses that could pass these costs on to consumers with higher prices and fewer jobs or reduced available work hours.

Duration: Permanent

NORTH DAKOTA

North Dakota Initiated Measure 4: Prohibit Taxes on Assessed Value of Real Property Initiative. This measure would effectively eliminate residential, commercial, and agricultural property taxes in North Dakota. Instead of collecting property tax revenue, local governments would receive replacement payments from the state in an amount that is no less than current collections, less bond repayments.

Taxpayer Impact: Homeowners and other property owners would see a reduction in property taxes, easing their tax burden, but the overall tax burden would shift from local governments to the state government. According to the Tax Foundation, this would create "a structural fiscal deficit, nearly $1.3 billion per year, which would need to be replaced with other more harmful taxes at the state and possibly local level."

Duration: Permanent

North Dakota Constitutional Measure 2: Single-Subject Requirement for Initiatives and Require Constitutional Initiatives to be Passed Twice Amendment. This measure would make changes to the process by which the North Dakota Constitution can be amended by future ballot initiatives. Changes include requiring that those filing and circulating a petition to initiate future ballot measures be qualified electors, and requiring such initiatives to be limited to a single subject. This measure would also raise the amount of signatories required for an initiative to be placed on the ballot from 4% of North Dakota's residential population to 5%. It would also require the initiative to be approved during a primary election prior to moving onto the ballot during a general election, when voters will make a final vote.

Taxpayer Impact: This measure aims to ensure that ballot initiatives are initiated by residents of North Dakota and otherwise increase the threshold for initiatives to be placed on the general election ballot. This measure is estimated to have no fiscal impact.

Duration: Permanent

North Dakota Constitutional Measure 3: Legacy Fund Transfers Amendment. This measure would reduce the principal amount available for distribution from the North Dakota Legacy Fund. The Legacy Fund mainly consists of state tax revenue from oil and gas activity. This measure would redefine the principal amount of the Legacy Fund as transfers into the fund and earnings accrued by the fund prior to July 1, 2017. This measure also reduces the amount of the Legacy Fund's principal that can be spent within a two-year period from 15% to 5% and clarifies that the money in the Legacy Fund must be invested by the state investment board. Finally, this measure changes the Fund's distribution, requiring that the state treasurer make a distribution from the Fund on July 1st of each odd-numbered year to a legacy earnings fund, but this distribution must be from the Fund's earnings rather than the principal amount.

Taxpayer Impact: This measure could lead to greater long-term savings and investment returns for the future, but the reduction in spending could limit the amount of money available for current state projects and services. This could affect those who benefit from these services. This measure is estimated to have no fiscal impact.

Duration: Permanent

NEW MEXICO

New Mexico Constitutional Amendment 1: Disabled Veteran Property Tax Exemption Amendment. This measure would extend a property tax exemption that is currently only available to veterans with 100 percent disability to veterans with less than 100 percent disability. The property tax exemption is currently also available to widows and widowers of those veterans, and would be extended to the widows or widowers of the newly eligible veterans. The amount of the exemption would depend upon the veteran's federal disability rating, allowing for partial exemption in the case of partially disabled veterans. Fully disabled veterans would be eligible for a full exemption of their property tax liability.

Taxpayer Impact: To compensate for the lost revenue that would have been generated from disabled veterans, property taxes for other residents might increase.

Duration: Permanent

New Mexico Constitutional Amendment 2: Increase Veteran Property Tax Exemption Amendment. This measure would increase the amount of a property tax exemption that is currently available to all honorably discharged veterans in New Mexico. The exemption would increase from $4,000 to $10,000 and be adjusted annually for inflation.

Taxpayer Impact: To compensate for the lost revenue that would have been generated from veterans, property taxes for non-veteran homeowners might increase.

Duration: Permanent

NEVADA

Nevada Question 5: Sales Tax Exemption for Diapers Measure. This measure would exempt both child and adult diapers from sales tax liability. This exemption would be temporary, expiring on December 21, 2050.

Taxpayer Impact: This tax exemption could help families save money on diapers, lowering costs for families and alleviating financial burden. This measure is estimated to reduce sales tax revenues by $25 million during the next two-year fiscal cycle. However, the lost revenue will need to be made up with spending reduction or tax increases.

Duration: Temporary

OREGON

Oregon Measure 118: Corporate Tax Revenue Rebate for Residents Initiative. This measure would create a 3% gross receipts tax for corporations with at least $25 million in sales in the state of Oregon. This would be applied in addition to Oregon's current corporate taxes. This measure would also clarify that S corporations with at least $25 million in Oregon sales will also be subject to the 3% gross receipts tax, while S corporations currently have favorable treatment under the state's existing corporate minimum tax. The revenue raised from this tax would be distributed to Oregon residents either as a direct cash payment or a refundable income tax credit.

Taxpayer Impact: This measure would result in higher corporate tax revenue, likely resulting in increased cost of goods and services in Oregon. In addition, the Legislative Revenue Office estimates that this measure will result in a negative cash-flow effect as new tax receipts would not adequately fund the new residential rebate program.

Duration: Permanent

SOUTH DAKOTA

South Dakota Initiated Measure 28. Measure 28 would prohibit state tax on "anything sold for human consumption, except alcoholic beverages and prepared food." The law would therefore eliminate state sales tax on food and drinks. Local governments would still be able to implement sales taxes.

Taxpayer Impact: Families and individuals could save money on groceries that are no longer subject to a sales tax, providing financial relief. The state could lose revenue from sales tax, potentially leading to spending reductions or tax increases.

Duration: Permanent

UTAH

Utah Amendment B. Amendment B to the Utah constitution would increase the cap on distributions from the State School Fund from 4% to 5% per year. The Fund supports public schools in Utah and is funded and invested by the state.

Taxpayer impact: Raising the cap would allow for more spending on education without directly impacting taxpayers. It would, however, result in larger drawdowns from the Permanent State School Fund, which could accelerate the Fund's depletion.

Duration: Permanent

VIRGINIA

Virginia Property Tax Exemption for Veterans and Surviving Spouses Amendment. The amendment would expand property tax exemptions for veterans and their spouses. Formerly only veterans "killed in action" were eligible; the amendment would include those who "died in the line of duty."

Taxpayer Impact: Local governments would lose some property tax revenue due to the expanded exemptions. To offset the lost revenue, local governments might need to increase other taxes or fees, which could impact taxpayers.

Duration: Permanent

WASHINGTON

Washington Initiative 2109: Repeal Capital Gains Tax Initiative**.** If passed into law, this measure would remove the 7% capital gains tax on sales and exchanges of long-term capital assets for individuals with capital gains over $250,000. However, stocks, bonds, business interests, and other investments and tangible assets would still be taxable. Removing the tax would also remove its revenue for the state, which is currently deposited in the education legacy trust account and the common school construction account.

Taxpayer Impact: The measure could improve the state's business climate by encouraging more entrepreneurship and economic growth. Since the passage of the current capital gains tax, several high-wealth individuals have left the state, which has reduced the tax base and economic activity in Washington.

Duration: Permanent

Washington Initiative 2117: Prohibit Carbon Tax Credit Trading and Repeal Carbon Cap-and-Invest Program Measure. If the measure were to pass, Washington state agencies could no longer have a cap and trade or cap and tax program. The initiative repeals the 2021 Washington Climate Commitment Act (CCA), which was designed to reduce greenhouse gas emissions.

Taxpayer Impact: This measure could result in lower energy prices for taxpayers, with some supporters of the measure suggesting the price of gasoline has increased by 50 cents per gallon due to the 2021 climate law.

Duration: Permanent

Washington Initiative 2124: Opt-Out of Long-Term Services Insurance Program Initiative. Currently in Washington State, employees and self-employed individuals have no choice but to be part of the state's long-term care insurance program, WA Cares. Because of that, they pay a tax from their paycheck to the program. The initiative, if approved by Washington voters, would provide a new mechanism for employees and self-employed individuals to remove themselves from the program so they are no longer required to pay the tax.

Taxpayer Impact: This measure would provide workers with additional choice, flexibility, and cost-savings by allowing them to opt-out of WA Care and thereby, reduce their tax burden.

Duration: Permanent

WYOMING

Wyoming Constitutional Amendment A: Property Tax on Residential Property and Owner-Occupied Primary Residences Amendment. This measure would amend the Wyoming Constitution to authorize the Wyoming Legislature to increase the number of property classes in the state from three to four. The measure would allow the legislature to create a new property tax category for homes where owners actually live. This new category for homes would be taxed at a different rate than the three property classes that currently exist.

Taxpayer Impact: The legislature could offer more favorable tax rates for owner-occupied primary residences, reducing property taxes for homeowners. This could help shield homeowners from rapidly increasing property taxes.

Duration: Permanent

NATIONAL TAXPAYERS UNION

Since 1969, National Taxpayers Union (NTU), has been the "Voice of America's Taxpayers." The nation's oldest taxpayer advocacy organization, NTU fights for lower taxes, smaller budgets, and economic freedom at all levels of government. As taxpayers' lobbyists, we work to ensure that all Americans are able to pursue their dreams without the heavy hand of government holding them back.

NTU is a nonpartisan 501(c)(4) nonprofit, advocating on behalf of taxpayers, not political parties.

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