



## Executive Summary

Property tax rates, taken alone, do not determine tax burden. Once tax base strength and property values are factored in, higher-rate counties such as Giles often produce lower actual tax burdens than lower-rate counties such as Williamson. The data presented here, drawn from six Tennessee counties, demonstrate that rate-only comparisons routinely produce inverted conclusions about who pays more.

## The Flaw in Rate-Only Comparisons

This paper addresses a pattern of misleading political rhetoric in which Giles County's property tax rate is cited in isolation—without context, without supporting data, and without mathematical validity—as evidence of fiscal mismanagement or overtaxation. When political actors weaponize raw tax rates for political purposes — while omitting the variables that determine actual tax burden — they either misunderstand basic public finance or deliberately mislead voters.

A property tax rate is one variable in a multi-variable equation. The starting point is straightforward:  **$Rate \times Assessed\ Property\ Value = Tax\ Paid$** . Counties with different property values require different rates to generate comparable revenue, and several additional variables shape the ultimate burden on a homeowner.

Because of this, comparing nominal tax rates across counties without examining their underlying tax bases produces conclusions that are arithmetically incomplete and frequently inverted from reality.

## Tax Base and Penny Value

Tennessee counties have substantially different property tax bases—the total assessed value of all taxable property within the county. Four factors drive these differences:

- **Agricultural Greenbelt property.** Greenbelt land is assessed at use value rather than market value, sharply reducing the tax base. Giles County has roughly 85 percent of its unincorporated acreage in Greenbelt status—among the highest shares in Tennessee.
- **Commercial and industrial property.** Counties with manufacturing plants, distribution centers, or significant retail carry higher-value taxable property.

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- **Residential property values.** Counties with higher home values produce more assessed value per household.
- **Sales tax revenue.** Counties with substantial commercial activity collect significant sales tax, reducing reliance on property tax to fund services.

The **penny value** captures tax base strength in a single figure: the revenue generated by one cent of the property tax rate. A high penny value indicates a strong base; a low penny value indicates a weaker base that requires a higher rate to produce comparable revenue.

## Six-County Comparison

The tables below build the picture in three layers: nominal rates, tax base strength, and the resulting burden on a median homeowner.

### Layer 1 — Nominal Tax Rates

County	Williamson	Maury	Lincoln	Giles	Coffee	Hickman
<b>Tax Rate</b>	\$1.30	\$1.91	\$1.90	\$2.31	\$2.55	\$2.66

Read in isolation, these numbers invite the conclusion that Williamson County taxes lightly and Hickman County taxes heavily. The next layer shows why that reading is flawed.

### Layer 2 — Tax Base Strength (Penny Value)

County	Williamson	Maury	Lincoln	Giles	Coffee	Hickman
<b>Tax Rate</b>	\$1.30	\$1.91	\$1.90	\$2.31	\$2.55	\$2.66
<b>Penny Value</b>	\$1,913k	\$461k	\$125k	\$94k	\$167k	\$57k

The spread is dramatic. Williamson County's tax base is roughly 20 times stronger than Giles County's. Maury County's is nearly five times stronger. Coffee County's is about 77 percent stronger. Hickman County's, the weakest of the six, is roughly 40 percent weaker than Giles County's. These differences are routinely omitted when rates are presented in isolation.

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## Layer 3 — Estimated Median Tax Burden

County	Williamson	Maury	Lincoln	Giles	Coffee	Hickman
Median Home	\$888k	\$420k	\$242k	\$246k	\$260k	\$229k
Property Tax	\$2,887	\$2,008	\$1,148	\$1,421	\$1,655	\$1,524
Wheel Tax	\$51	\$50	\$150	\$0	\$0	\$101
Total	\$2,938	\$2,058	\$1,298	\$1,421	\$1,655	\$1,625

Median home values are used here as a standardization tool; individual burdens vary with property characteristics and ownership. The figures below apply each county's rate to median home values from the National Association of Realtors (Q4 2025), assess at 25 percent, and add wheel taxes assuming two vehicles per household.

## What the Data Show

Ranked by total median burden rather than by rate, the order changes substantially:

- **Lincoln** — \$1.90 rate, \$1,298 total burden (lowest)
- **Giles** — \$2.31 rate, \$1,421 total burden (second lowest)
- **Hickman** — \$2.66 rate, \$1,625 total burden
- **Coffee** — \$2.55 rate, \$1,655 total burden
- **Maury** — \$1.91 rate, \$2,058 total burden
- **Williamson** — \$1.30 rate, \$2,938 total burden (highest)

Two findings stand out. Giles County, with the second-highest rate, carries the second-lowest median burden. Williamson County, with the lowest rate, carries the highest median burden—roughly \$1,517 more per year than the Giles County median, despite a rate 43 percent lower. The relationship between tax rate and median tax burden is, in this sample, effectively inverted.

The underlying pattern is consistent: tax burden tracks property values and base composition more closely than it tracks rates. Counties with very high property values

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carry higher tax burdens at low rates. Counties with higher Greenbelt percentages require higher rates to fund comparable services.

## Two Illustrative Cases

### Williamson County

Williamson combines the lowest rate in the sample with the strongest tax base and the highest median home price. The result is the highest total burden of any county examined—more than double Giles County's burden—despite a rate 43 percent lower. A low rate applied to a very high assessed value still produces a large bill.

### Hickman County

Hickman has the highest rate in the sample and the weakest tax base. Like Giles, it is a rural, agricultural county with extensive Greenbelt acreage assessed at use value. Its higher rate reflects the arithmetic necessity of generating adequate revenue from a weaker base; its actual median burden is roughly \$1,313 less than Williamson's, even though its rate is 105 percent higher.

## Variables Not Captured in the Tables

Even with penny values, wheel taxes, and median home prices accounted for, the picture above is still incomplete. When making county-to-county comparisons, several additional factors shape comparative tax burdens:

- **Sales tax revenue.** Maury County's manufacturing base, distribution centers, and retail generate substantial sales tax. Williamson County's commercial activity does the same on a larger scale. Both reduce reliance on property tax that comparable rural counties cannot match.
- **Greenbelt percentage.** Giles County sits at roughly 85 percent Greenbelt; Lincoln at 86 percent. The more agricultural the county, the more property assessed at use value, and the higher the rate needed to fund the same level of services.
- **Historical capital investment.** Counties that invested incrementally in infrastructure, facilities, and equipment over the past 25 years can sustain lower current rates. Counties that are confronting long-deferred maintenance face elevated revenue needs that reflect accumulated underinvestment.

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- **Service levels.** Lower taxes can correspond to fewer or lower-quality services in schools, roads, emergency response, and parks.
- **Reappraisal timing.** A county immediately after reappraisal will typically show a lower rate than a county two or three years past reappraisal, even at identical revenue levels.
- **Debt obligations.** Capital needs and debt service requirements vary significantly across counties.
- **Other revenue sources.** Hotel and motel taxes, litigation taxes, grants, and state funding allocations differ from county to county.

Therefore, even the comparison tables above understate the complexity of county financial management. Meaningful county-to-county comparisons require detailed examination of each variable; tax rates alone cannot support the incomplete conclusions that some use for political posturing.

### Implications for Giles County

Giles County's \$2.31 tax rate reflects the structure of its tax base. A higher rate than Williamson or Maury is necessary because Giles lacks their commercial base and the associated sales tax revenue. A higher rate than Lincoln is necessary because Giles County's tax base is roughly 32 percent weaker. A lower rate than Hickman is appropriate because Hickman's base is weaker than Giles County's.

A second factor in the 2025 rate change was a structural correction to past budgeting practice. The Commission moved toward greater budgeting transparency, ensuring all annual recurring operating expenses are reflected in the adopted budget, rather than left off the budget and covered after the fact with reserves. The resulting rate captures actual recurring obligations rather than understating them.

Despite the second-highest rate in this sample, the median Giles County homeowner pays the second-lowest total burden: \$1,421 annually. That figure is consistent with the county's tax base and present economic structure.

### Conclusion

Tax rates reflect the financial structure of individual counties, each with unique economies. Counties with strong commercial, industrial, or residential tax bases can fund services at lower rates. Counties with predominantly agricultural bases require higher

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rates to generate comparable revenue. Within this six county sample, Giles County—at 85 percent Greenbelt and a \$94,363 penny value—sits in the middle of the spectrum and carries the second-lowest actual burden despite the second-highest rate.

Rate-only comparisons are overly simplistic, omitting penny value, wheel taxes, sales tax revenue, Greenbelt percentage, and reappraisal timing. Conclusions drawn from rates alone are therefore incomplete and, as the data here show, frequently inverted from the reality of what taxpayers actually pay. Sound public debate and responsible representation require context and sound arithmetic using the full set of variables.

## Data Sources

The University of Tennessee County Technical Assistance Service (CTAS) maintains comprehensive tax statistics for all 95 Tennessee counties at [www.ctas.tennessee.edu/reference/tax-statistics](http://www.ctas.tennessee.edu/reference/tax-statistics). All property tax data in this paper come from the most recently available CTAS database; median home price data come from the [National Association of Realtors Q4 2025 report](#).

The CTAS database includes:

- **Penny values.** Relative tax base strength.
- **Total assessed values.** Overall tax base size.
- **Wheel tax data.** Additional burden not visible in the property tax rate.
- **Reappraisal schedules.** Last reappraisal date for each county.

Respectfully,

G. S. Stowe  
County Executive