**Supplementary Table 1: Variable Descriptions, Sources, and Summary Statistics**

|  |  |  |  |
| --- | --- | --- | --- |
| **Variable Label** | **Description** | **Mean** | **Std. Dev.** |
| Δln(Property Tax Revenue)1 | General property taxes from real property. | 0.049 | 0.066 |
| Δln(Local Revenue)1 | Total revenue raised from local sources. | 0.028 | 0.059 |
| Δ(Property Tax Revenue Share)1 | General property taxes as a share of total revenue sources, including state and federal grants. | 0.023 | 0.064 |
| Δln(Current Expenditures)1 | Total expenditures on the maintenance and operation of government. | 0.028 | 0.050 |
| Δln(Capital Expenditures)1 | Total expenditures on capital projects. | -0.048 | 2.018 |
| Δln(Non-Revenue Receipts)1 | Cash receipts from non-reoccurring sources. | 0.143 | 6.471 |
| Decrease Tax Visibility Next Year | Equals 1 if, in the next period, the taxable value of real property will increase due to a mass reappraisal; else zero. | 0.182 | 0.386 |
| Decrease Tax Visibility This Year | Equals 1 if the taxable value of real property will increase due to a mass reappraisal; else zero. | 0.376 | 0.484 |
| Decrease Tax Visibility Last Year | Equals 1 if, in the previous year, the taxable value of real property increased due to a mass reappraisal; else zero. | 0.189 | 0.391 |
| Increase Tax Visibility Next Year | Equals 1 if, in the next period, the taxable value of real property will decrease due to a mass reappraisal; else zero. | 0.034 | 0.180 |
| Increase Tax Visibility This Year | Equals 1 if the taxable value of real property will decrease due to a mass reappraisal; else zero. | 0.053 | 0.223 |
| Increase Tax Visibility Last Year | Equals 1 if, in the previous year, the taxable value of real property decreased due to a mass reappraisal; else zero. | 0.020 | 0.140 |
| Δln(Non-property tax revenue)1 | Local revenue from non-property tax sources. | 0.013 | 0.078 |
| Δln(Fair Market Value of Property)2 | Estimated fair market value of real property. | 0.062 | 0.133 |
| Δln(Median Tax Price) | Median household income4 divided by total personal income3. | 0.019 | 0.168 |
| Δln(Population)5 | Population | 0.008 | 0.015 |
| Δln(Median Income)4 | Median adjusted gross income. | 0.044 | 0.163 |
| Median Income Post 2007 | Dummy variable that is slope modifier for "median income" variable to take into account the change in definition used in household income. | 0.035 | 0.160 |
| Δln(Share of Population Under 19)5 | Share of population under age 19 years. | -0.006 | 0.011 |
| Δln(Share of Population Over 65)5 | Share of population over age 19 years. | 0.010 | 0.018 |
| Δln(Racial Fractionalization)5 | Herfindahl Hirschman Index of population by race. | -0.003 | 0.007 |
| Notes: Sample size is 1,310. Year over year change indicated by "Δ" and natural log by "ln()". | | | |
| Data sources: 1) Annual Comparative Reports of Local Government Revenues and Expenditures from Virginia Auditor of Public Accounts; 2) Virginia Assessment Sales Ratio Studies from Virginia Department of Taxation; 3) Bureau of Economic Analysis; 4) Virginia Department of Housing and Community Development's Commission on Local Government's annual report on "Comparative Revenue Capacity, Revenue Effort, and Fiscal Stress."; 5) U.S. Census Bureau. | | | |

**Supplementary Table 2: Full Results of Table 1**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Δln(Property Tax Revenue)** | | **Δln(Local Revenue)** | | **Δ(Property Tax Revenue/Total Revenue)** | |
| Decrease Tax Visibility Next Year (DTVt+1) | 0.009 | -0.009 | 0.001 | -0.012 | 0.006 | -0.002 |
|  | (0.006) | (0.009) | (0.005) | (0.008) | (0.006) | (0.009) |
| Decrease Tax Visibility This Year (DTVt) | 0.042\*\*\* | 0.043\*\*\* | 0.013\*\*\* | 0.013\*\* | 0.035\*\*\* | 0.036\*\*\* |
|  | (0.007) | (0.007) | (0.005) | (0.005) | (0.007) | (0.007) |
| Decrease Tax Visibility Last Year (DTVt-1) | 0.005 | 0.008 | -0.002 | 0.000 | 0.005 | 0.006 |
|  | (0.006) | (0.005) | (0.004) | (0.004) | (0.006) | (0.006) |
| Increase Tax Visibility Next Year (ITVt+1) | 0.042\*\*\* | 0.039\*\*\* | 0.020\* | 0.016 | 0.034\*\* | 0.033\*\* |
|  | (0.014) | (0.015) | (0.011) | (0.011) | (0.014) | (0.014) |
| Increase Tax Visibility This Year (ITVt) | -0.004 | 0.004 | -0.003 | -0.001 | -0.005 | 0.000 |
|  | (0.009) | (0.008) | (0.008) | (0.008) | (0.008) | (0.009) |
| Increase Tax Visibility Last Year (ITVt-1) | -0.004 | -0.002 | -0.005 | -0.006 | 0.007 | 0.009 |
|  | (0.014) | (0.013) | (0.010) | (0.010) | (0.012) | (0.013) |
| Δln(Non-property tax revenue) |  | 0.093\*\* |  |  |  |  |
|  |  | (0.039) |  |  |  |  |
| Δln(Fair Market Value of Property) |  | 0.075\*\*\* |  | 0.054\*\*\* |  | 0.035 |
|  |  | (0.023) |  | (0.019) |  | (0.023) |
| Δln(Median Tax Price) |  | 0.057 |  | -0.014 |  | 0.104 |
|  |  | (0.106) |  | (0.087) |  | (0.099) |
| Δln(Population) |  | 0.212 |  | 0.228 |  | -0.186 |
|  |  | (0.208) |  | (0.174) |  | (0.262) |
| Δln(Median Income) |  | -0.314\*\* |  | 0.011 |  | -0.419\*\*\* |
|  |  | (0.132) |  | (0.110) |  | (0.138) |
| Median Income Post 2007 |  | 0.266\*\*\* |  | 0.005 |  | 0.322\*\* |
|  |  | (0.095) |  | (0.067) |  | (0.126) |
| Δln(Share of Population Under 19) |  | 0.089 |  | 0.024 |  | 0.307 |
|  |  | (0.182) |  | (0.145) |  | (0.263) |
| Δln(Share of Population Over 65) |  | -0.084 |  | 0.079 |  | -0.063 |
|  |  | (0.187) |  | (0.162) |  | (0.248) |
| Δln(Racial Fractionalization) |  | 0.481 |  | 0.820\*\* |  | 0.106 |
|  |  | (0.375) |  | (0.330) |  | (0.395) |
| Within-R2 | 0.138 | 0.168 | 0.267 | 0.279 | 0.103 | 0.119 |
| Between-R2 | 0.102 | 0.187 | 0.012 | 0.191 | 0.047 | 0.009 |
| Overall-R2 | 0.132 | 0.168 | 0.246 | 0.271 | 0.094 | 0.100 |
| Notes: Sample size is 131 cross sectional groups over 10 years for total sample size of 1,310. All specifications include area and year fixed effects. Robust standard errors clustered by county are reported in parentheses and statistical significance indicated by \*\*\* (p<0.01), \*\* (p<0.05), and \* (p<0.1). | | | | | | |

**Supplementary Table A3: Full Results of Table 2**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Δln(Current Expenditures)** | | **Δln(Capital Funds)** | | **Δln(Non-Revenue Receipts)** | |
| Decrease Tax Visibility Next Year (DTVt+1) | 0.006 | 0.008 | -0.012 | 0.312 | 0.733 | 1.035 |
|  | (0.004) | (0.007) | (0.214) | (0.267) | (0.649) | (0.802) |
| Decrease Tax Visibility This Year (DTVt) | 0.004 | 0.004 | -0.016 | -0.015 | 0.508 | 0.455 |
|  | (0.004) | (0.004) | (0.192) | (0.200) | (0.725) | (0.719) |
| Decrease Tax Visibility Last Year (DTVt-1) | 0.001 | 0.002 | 0.099 | 0.061 | 1.444\*\* | 1.396\*\* |
|  | (0.004) | (0.004) | (0.228) | (0.227) | (0.563) | (0.570) |
| Increase Tax Visibility Next Year (ITVt+1) | 0.005 | 0.007 | 0.333 | 0.420 | -2.148\* | -2.256\*\* |
|  | (0.008) | (0.007) | (0.344) | (0.353) | (1.149) | (1.139) |
| Increase Tax Visibility This Year (ITVt) | 0.007 | 0.007 | -0.001 | -0.109 | 0.006 | -0.164 |
|  | (0.009) | (0.009) | (0.263) | (0.288) | (0.860) | (0.858) |
| Increase Tax Visibility Last Year (ITVt-1) | -0.014 | -0.014 | -0.462 | -0.503 | 0.667 | 0.672 |
|  | (0.011) | (0.011) | (0.451) | (0.459) | (1.026) | (1.028) |
| Δln(Non-property tax revenue) |  | 0.147\*\*\* |  | 2.198 |  |  |
|  |  | (0.039) |  | (1.346) |  |  |
| Δln(Total Revenue) |  |  |  |  |  | 1.222 |
|  |  |  |  |  |  | (7.546) |
| Δln(Fair Market Value of Property) |  | -0.008 |  | -1.297\*\* |  | -1.195 |
|  |  | (0.017) |  | (0.580) |  | (2.228) |
| Δln(Median Tax Price) |  | -0.058 |  | -3.404 |  | -4.647 |
|  |  | (0.077) |  | (3.151) |  | (10.970) |
| Δln(Population) |  | 0.052 |  | 4.405 |  | -6.751 |
|  |  | (0.172) |  | (6.556) |  | (21.650) |
| Δln(Median Income) |  | 0.061 |  | 7.277 |  | 5.083 |
|  |  | (0.104) |  | (5.392) |  | (13.744) |
| Median Income Post 2007 |  | -0.008 |  | -4.696 |  | -0.720 |
|  |  | (0.069) |  | (4.895) |  | (10.514) |
| Δln(Share of Population Under 19) |  | -0.034 |  | -7.063 |  | 7.648 |
|  |  | (0.146) |  | (7.956) |  | (20.779) |
| Δln(Share of Population Over 65) |  | -0.125 |  | -6.086 |  | 30.067 |
|  |  | (0.181) |  | (5.431) |  | (18.385) |
| Δln(Racial Fractionalization) |  | 0.046 |  | 1.563 |  | 14.562 |
|  |  | (0.323) |  | (12.175) |  | (36.556) |
| Within-R2 | 0.211 | 0.252 | 0.019 | 0.035 | 0.012 | 0.017 |
| Between-R2 | 0.104 | 0.255 | 0.000 | 0.003 | 0.001 | 0.001 |
| Overall-R2 | 0.196 | 0.246 | 0.019 | 0.032 | 0.010 | 0.012 |
| Notes: Sample size is 131 cross sectional groups over 10 years for total sample size of 1,310. All specifications include area and year fixed effects. Robust standard errors clustered by county are reported in parentheses and statistical significance indicated by \*\*\* (p<0.01), \*\* (p<0.05), and \* (p<0.1). | | | | | | |