

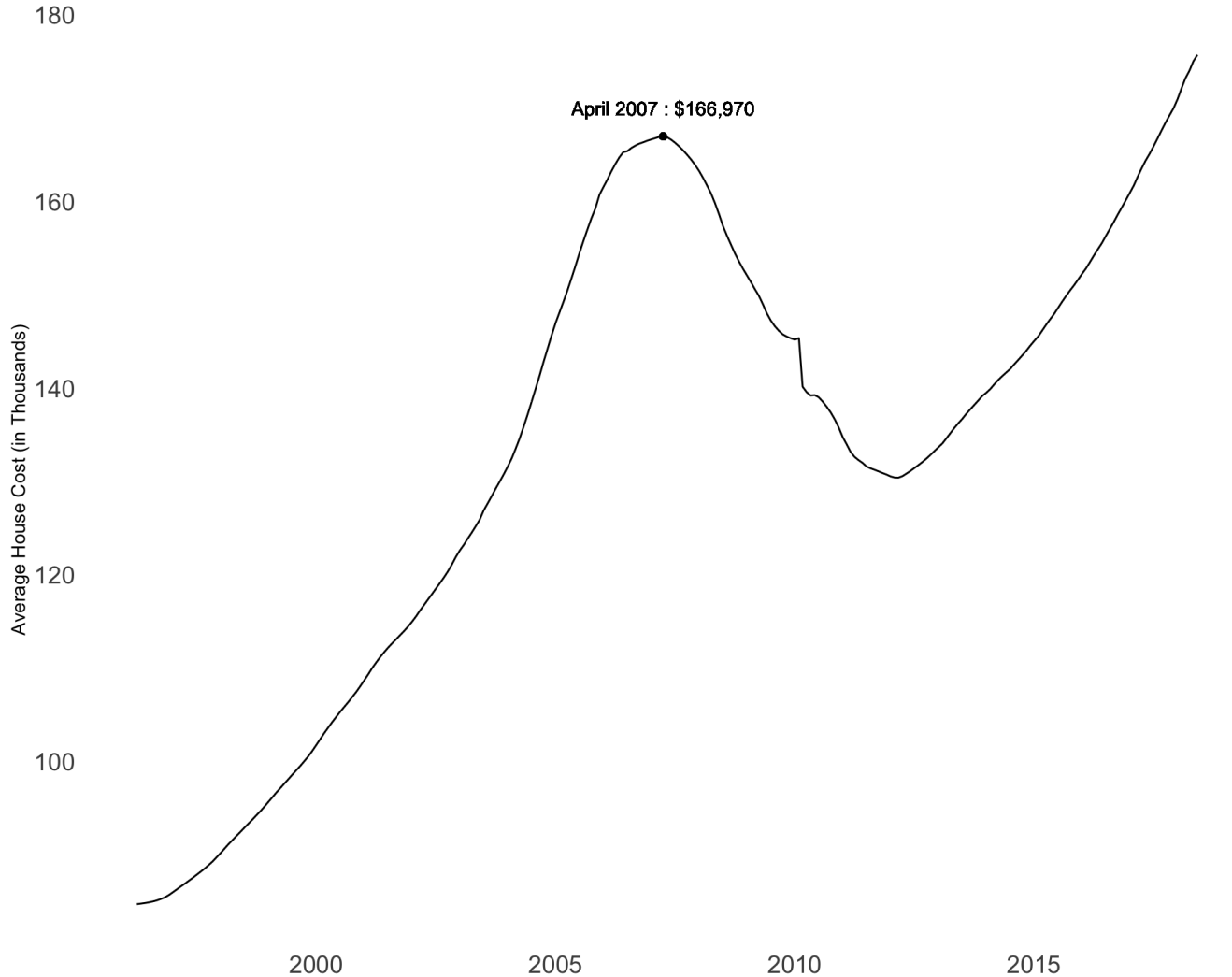
# **Tax Cuts And Their Effect On The U.S. Housing Market**

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# Average Housing Prices From 1996 Through December 2017

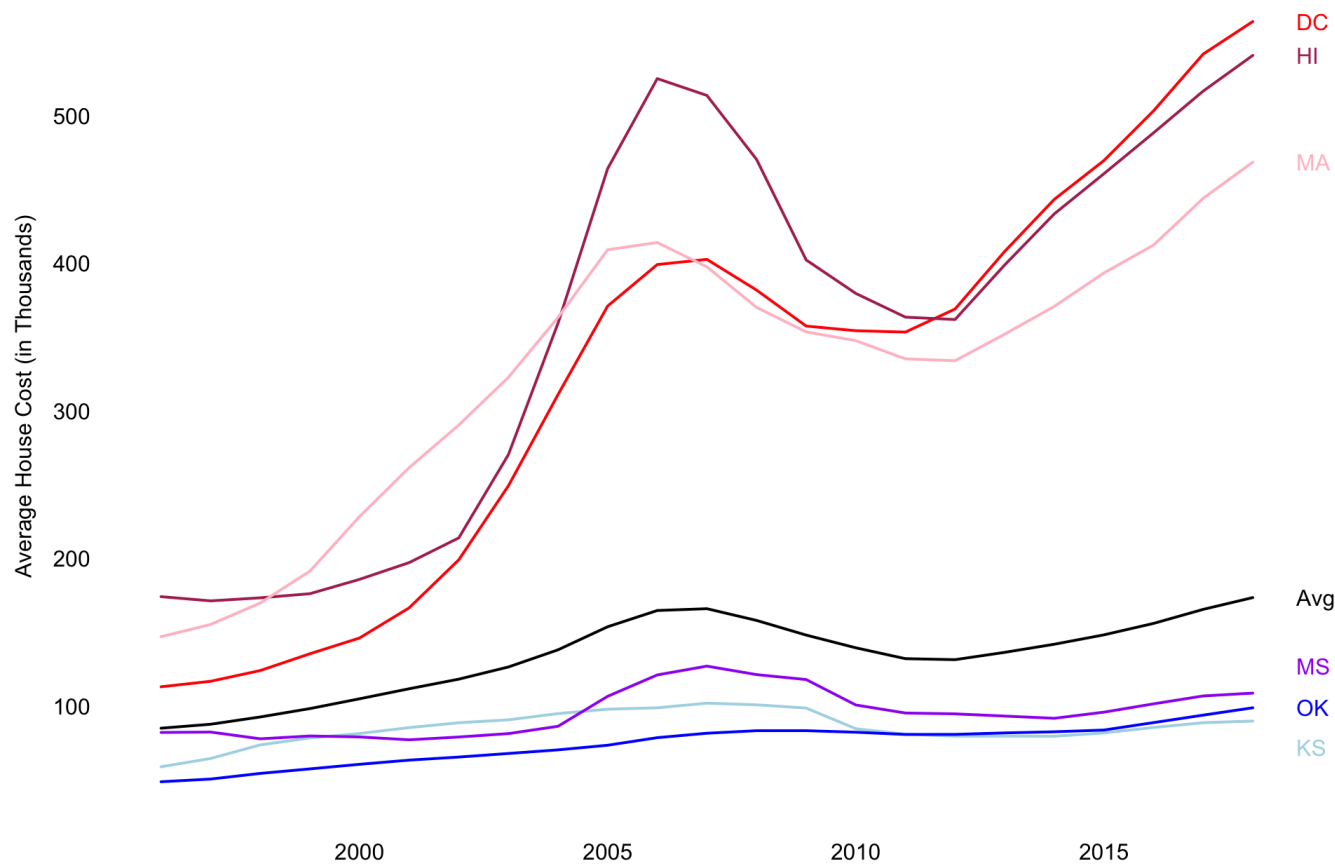
U.S. Housing prices have steadily increased over the last 20 + years. After the housing crisis shook the real estate markets, the housing recovery took a decade to recoup value to their April 2007 peak. Since September 2017, U.S. housing has been setting fresh highs monthly.



Source: Zillow ZHVI allhomes dataset  
Years : 1996-2017

# Average Cost Of U.S. Housing In Top States & Lowest States

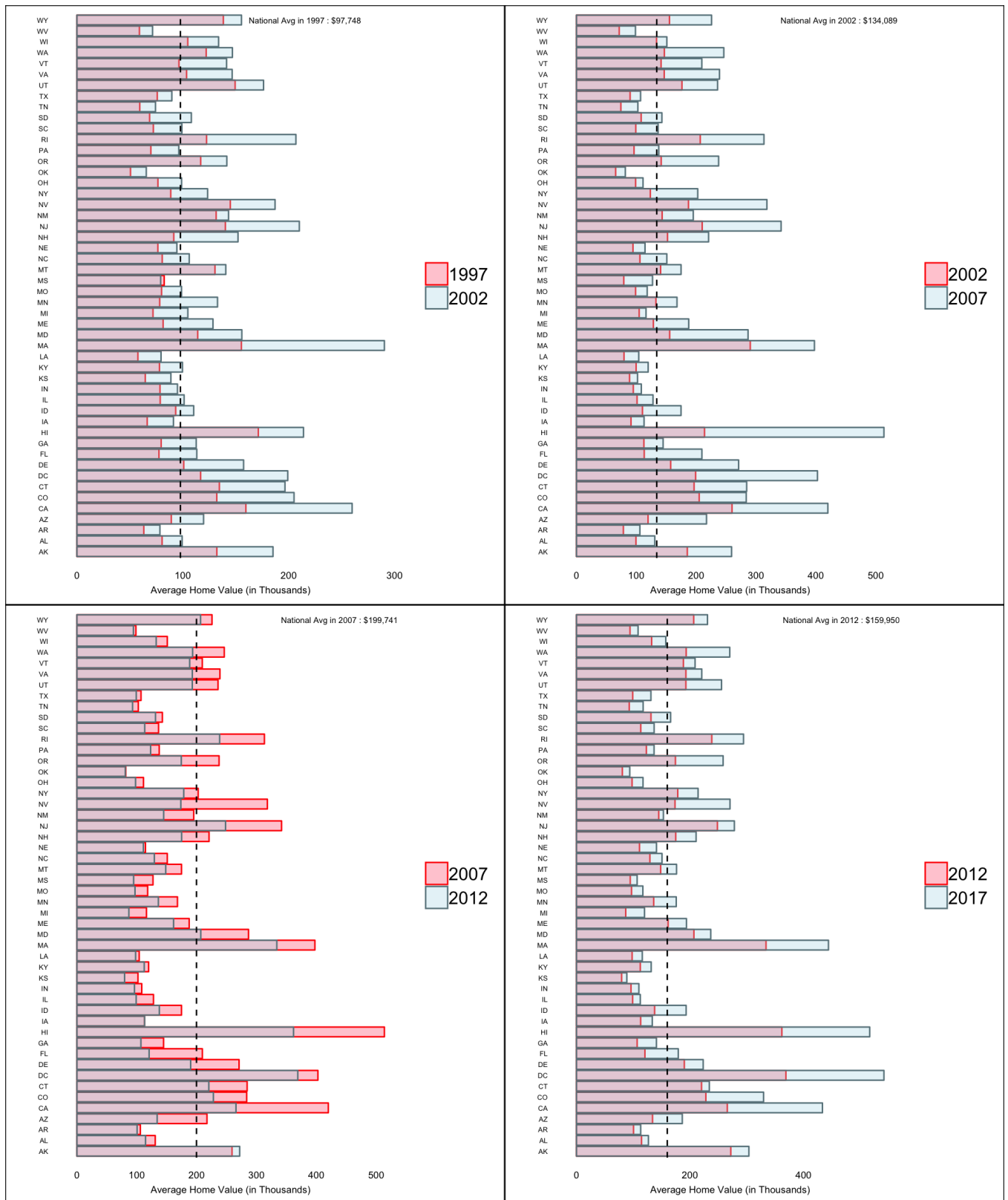
Average U.S. housing costs as compared to the average housing costs in the top 3 and bottom 3 markets. Note that D.C. is an urban expanse and does not have as large a population as compared to all states.



Source: Zillow ZHVI allhomes dataset  
Years : 1996-2017

# U.S. Housing Market Over 5 Year Intervals

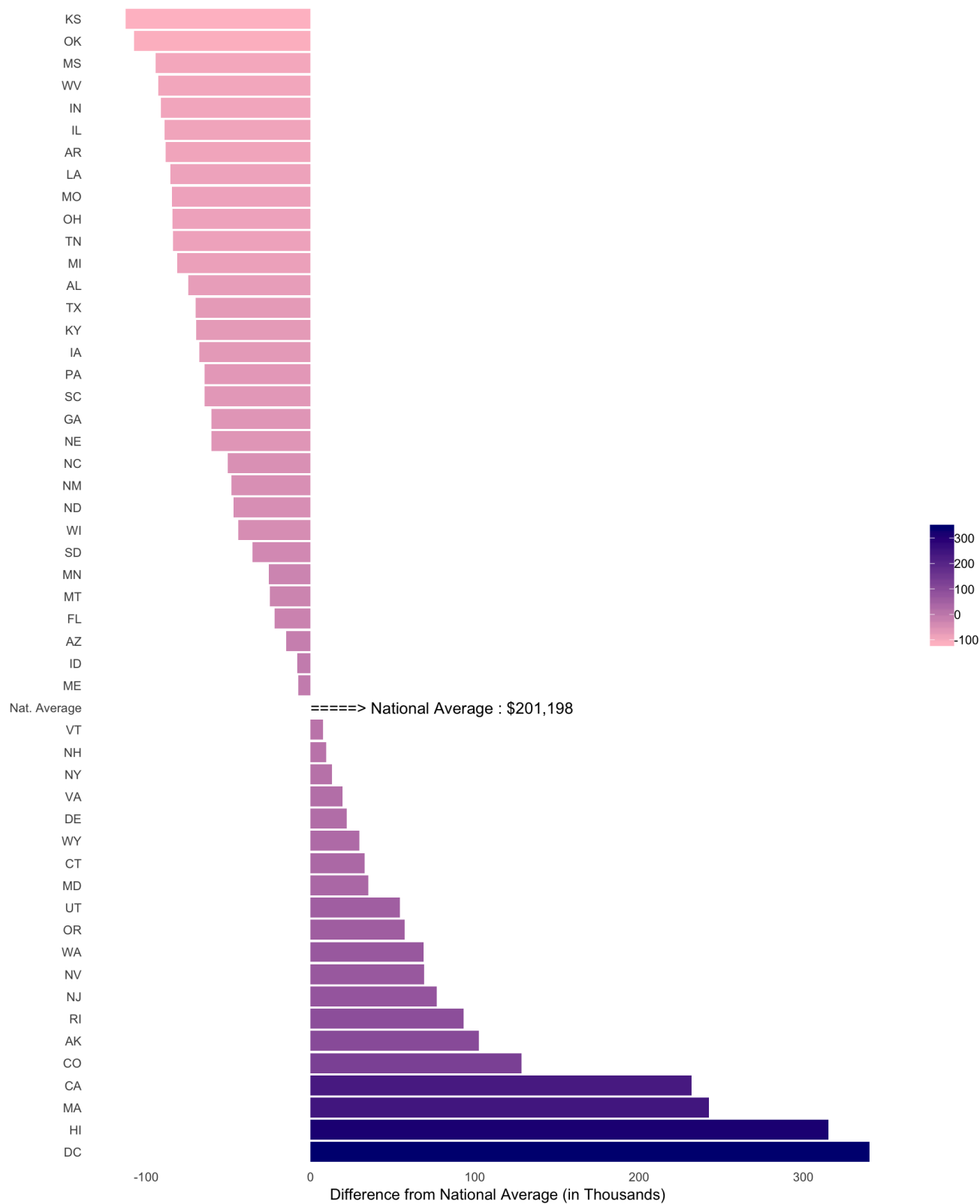
The housing market has gone through many changes over the last 20 years. The best way to view the effect on home buyers would be to view in 5 year intervals.



Source: Zillow ZHVI allhomes dataset  
Years : 1997-2017

# Average Housing Prices In 2017

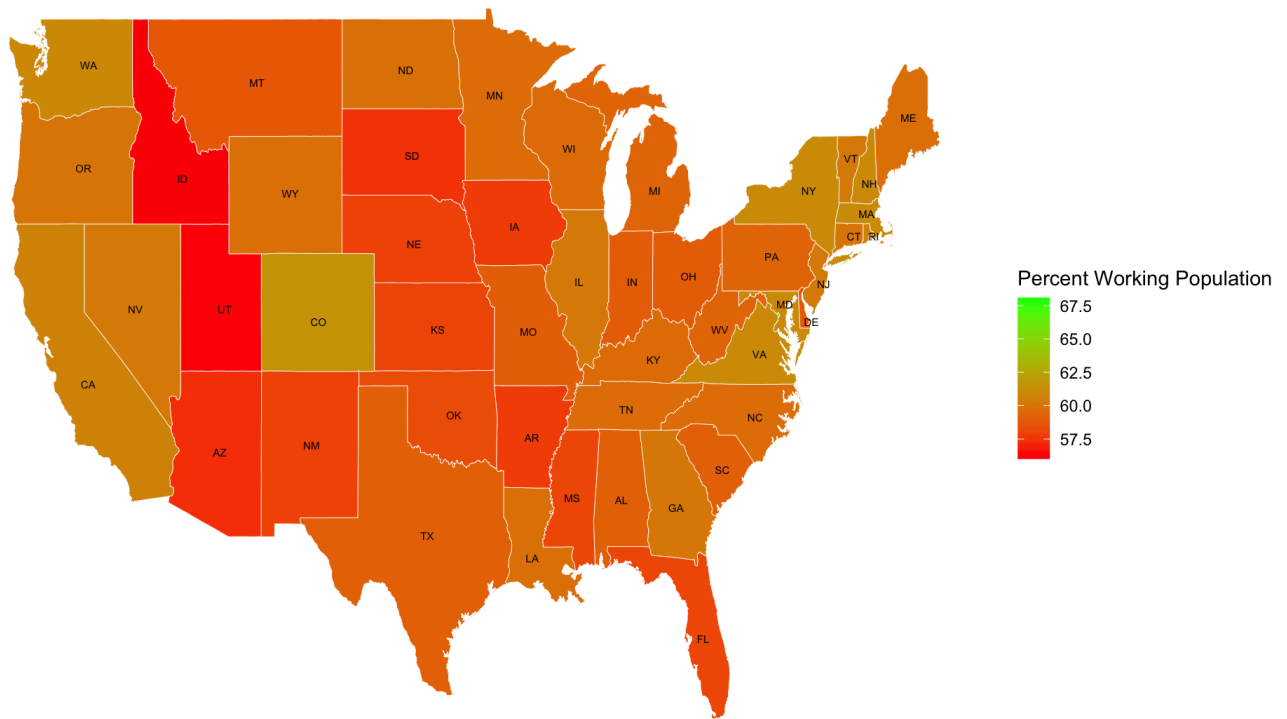
Average housing prices in each state and D.C. in 2017 as compared to the national average. Note that D.C. is an urban area and does not have the population or size as compared to the remaining states.



Source: Zillow ZHVI allhomes dataset  
Years : 2017

# Percent Of Working Population

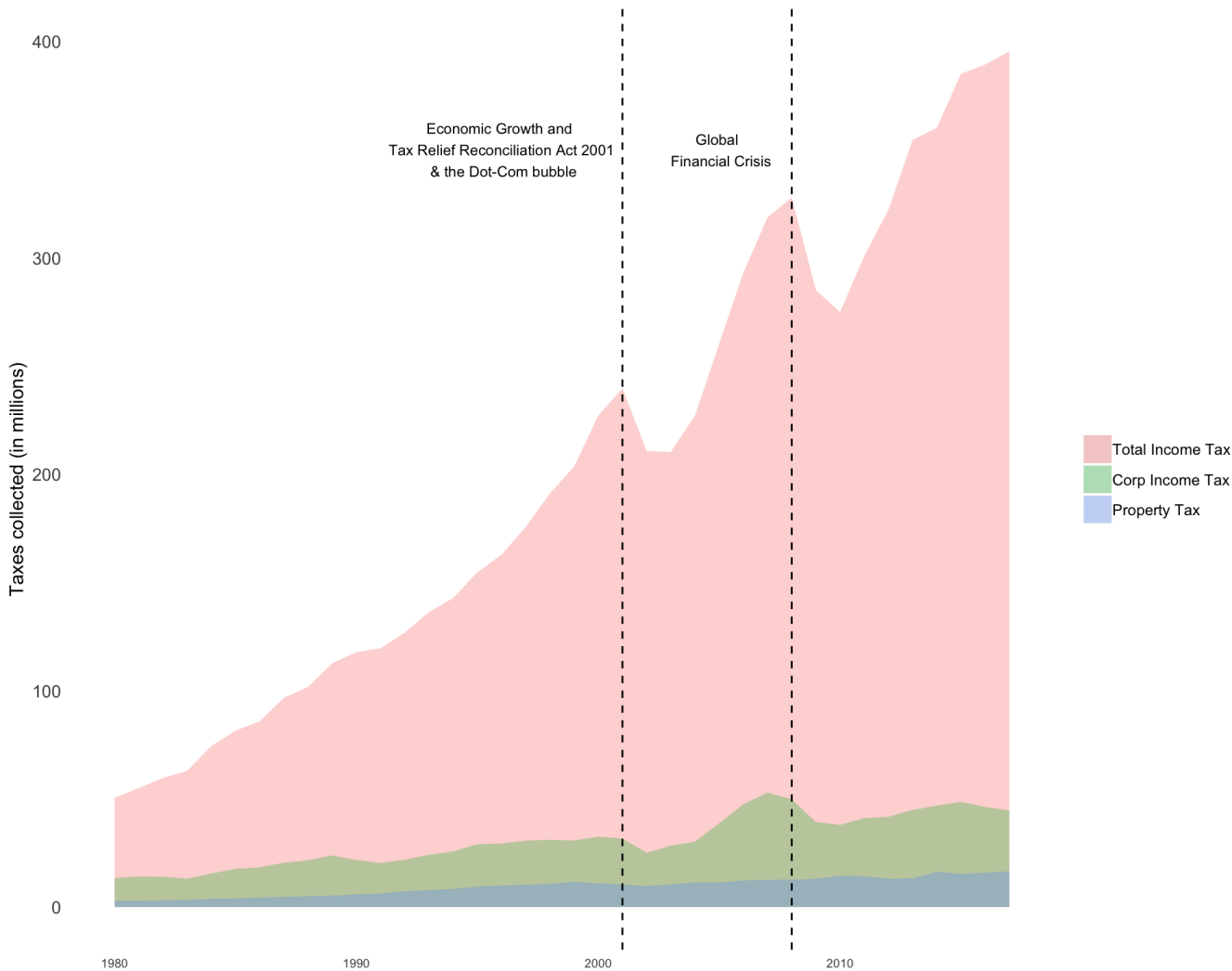
The percent of the population that is currently working and is between the ages of 20-65 (as defined by the census- ACS).



Source: ACS Demographics Dataset  
Years : 2016

# Average Total Taxes Collected By States

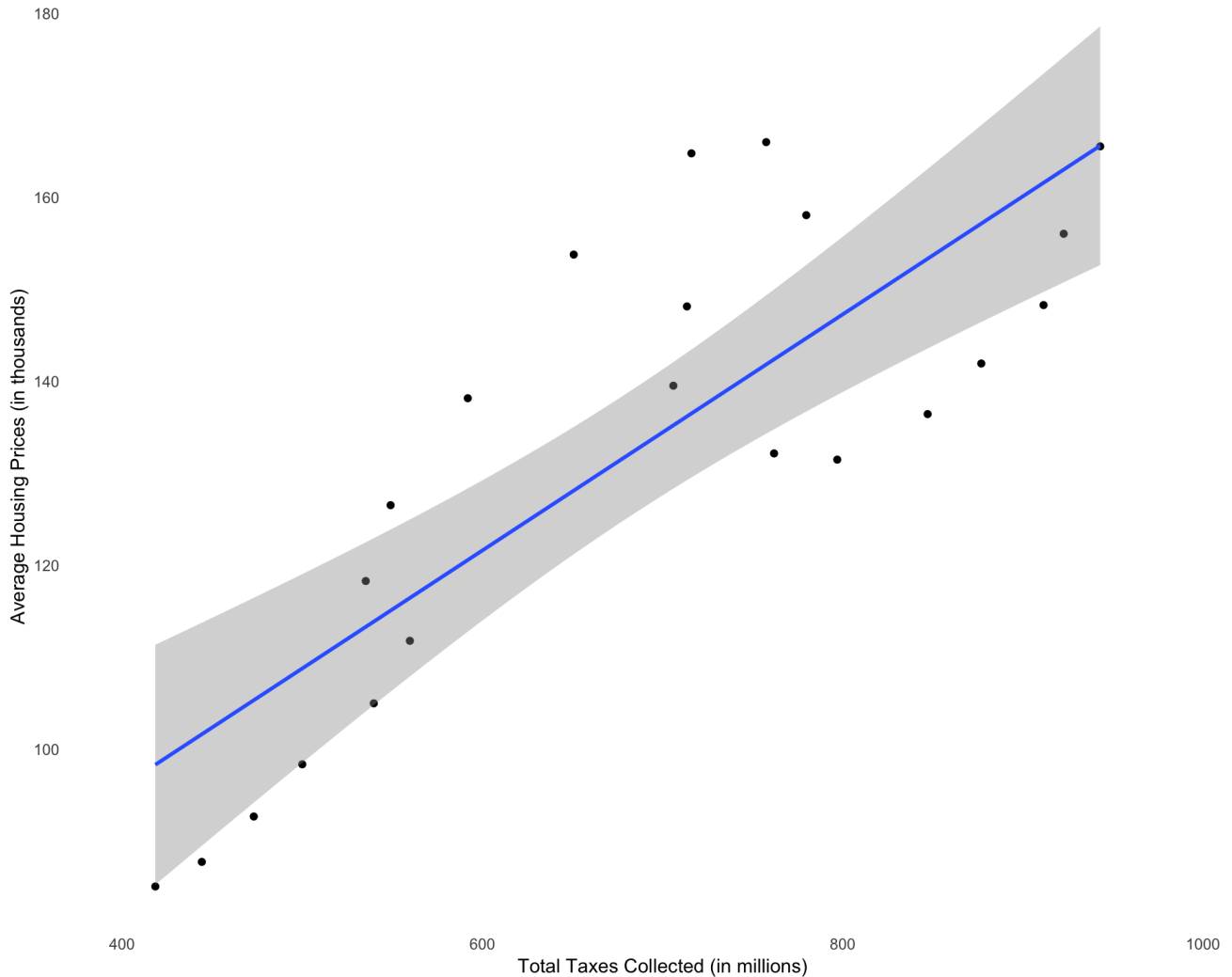
The income taxes collected by state governments averaged across all states as compared to the average corporate net income taxes and the average property taxes. Even with significant tax cuts in 1981 and 1986 by President Reagan, 1997 by President Clinton, and 2001 by President George W. Bush, wages have increased leading to increased revenue by states. Property taxes appear to be significantly smaller in comparison over the same period.



Source: ACS Tax Collection Dataset  
Years : 1980-2017

## The Average Effect Of Tax Collections On Housing Prices

The impact of taxes on housing prices suggests that there is a linear correlation between the two in periods of economic stability, (1996-2001, 2003-2007, and 2011-2017). However, in times of economic turmoil (2001-2002 and 2007-2008), this correlation is lost.

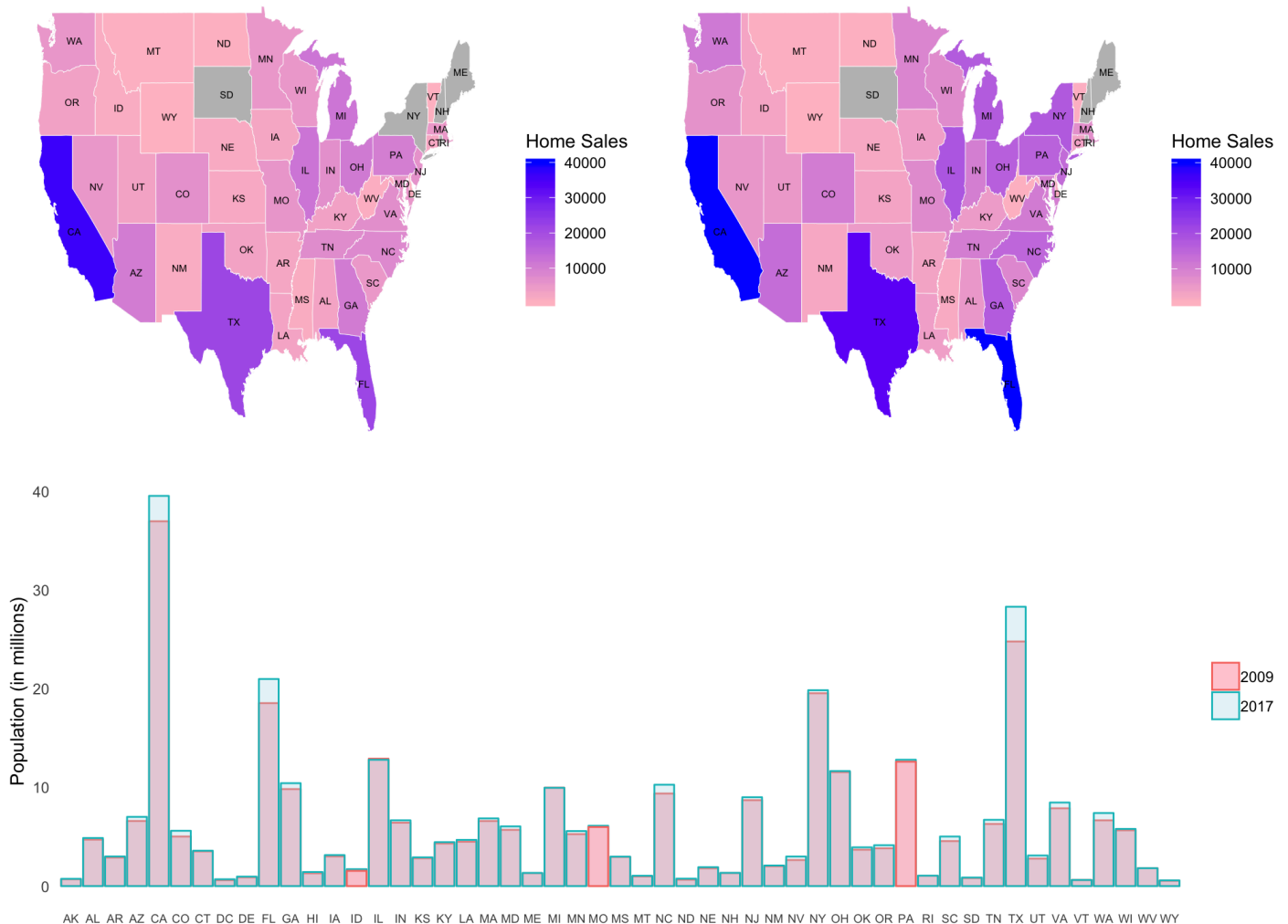


Source: ACS Tax Collection and Zillow ZHVI all homes datasets  
Years : 1996-2017



# Home Sales Per Capita

Do tax cuts affect the number of homes sold across the U.S.? In the period between 2009 and 2017, the Bush tax cuts were still in effect and some of the tax burden was relieved from the wealthy, also capital gains taxes were reduced. These cuts were continued through the Obama administration years up through December 2017.



Source: Zillow ZHVI home sales & the Census datasets  
Years : 2009 & 2017

# Heatmap Representing Population Demographics

A scaled heatmap that represents racial dynamics per state as of 2016.



Source: ACS Demographics Dataset  
Years : 2016