

January 2013, Number 254

GEORGIA'S REVENUE AND EXPENDITURE PORTFOLIO IN BRIEF, 1989-2010

Introduction

This brief provides an overview of changes in Georgia's state and local expenditure and revenue portfolios between Fiscal Year (FY) 1989 and FY2010 based on data produced by the US Census of Governments.¹ The overall trend in Georgia during this period has been a decrease in revenue and expenditure rankings (representing lower real per capita spending and revenues than other states). Table 1 summarizes these findings.

In absolute terms Georgia is raising more per capita revenue and had more per capita direct expenditures in FY 2010 than FY 1989, but these increases have not matched the increases in other states. Georgia's rank decreased from 33rd in FY1989 to 47th in FY2010 state and local real (inflation adjusted) per capita own source revenue. Georgia declined from 11.7 percent below the national average in FY1989 to 23 percent below the national average in FY2010. Georgia's real per capita direct expenditures were ranked 30th nationally in FY1989 and fell to 48th in FY2010. Georgia was 8.9 percent below the national average in FY1989 and then 18.7 below that average FY 2010.

Detail on State and Local Combined Rankings

Expenditures

Table 2 shows more detail on real per capita direct expenditures, organized by character and object and by function.² The character and object categories are less intuitive and descriptions of what is included can be found at the bottom of each table. Not all expenditures by function are reported. Expenditures include those financed by state and local operating funds as well as by federal funds and debt.

A key question is which categories of expenditures significantly influenced Georgia's drop from 30th to 48th. Importantly, around half of this decline in rank is attributable to 2000-2010 period (most of the decline actually occurred in the recent recession of 2008) and half occurred between 1989 and 2000. There are different trends in these periods. When examining expenditures by character and object, the major drivers of changes in expenditures are current operations and capital outlay, although insurance benefits and repayments have come to be a more substantial category in this area. In the 1989-2000 period, although real per capita current operations grew by 30 percent, Georgia's rank declined from 27th to 41st, a drop of 14 places. Capital outlay grew by 28 percent, but this was consistent with other states' growth, and Georgia's rank hardly changed. Notably

TABLE 1. SUMMARY OF STATE AND LOCAL GENERAL REVENUE AND EXPENDITURE (1989 DOLLARS)

State and Local (Real Per Capita)	FY 1989	Rank	% Below/ Above National Average in FY 1989	National Average in FY 1989	FY 2010	Rank	% Below/ Above National Average in FY 2010	National Average
General Revenue								
from Own-Source	\$2,381	33	-11.73%	\$2,697	\$2,965	47	-23.11%	\$3,856
Taxes	\$1,636	30	-9.81%	\$1,814	\$1,948	42	-23.16%	\$2,535
Direct Expenditure	\$3,267	30	-8.87%	\$3,585	\$5,082	48	-18.73%	\$6,253

Georgia's rankings in all other character and object categories except for assistance and subsidies declined as well.

From 2000 to 2010, Georgia's current operations rank declined from 41st place to 48th, but most dramatically, Georgia's capital outlay rank fell from 12th to 25th nationally. Current operations grew by 20 percent but capital outlays actually declined 4 percent. Although Georgia's investment in infrastructure (capital outlay) still falls in the middle of the pack of states, the rate of growth has slowed over the past decade relative to the national average. All other categories except insurance benefits and repayment declined over this period. Insurance benefits and repayments is largely public employee retirement and other social insurance benefits. This outlay may be paid from a pension fund or other trust fund and does not necessarily represent a change in general fund outlays.

The functional categories are also interesting. Major drivers of changes in expenditures are K-12 education and public welfare. The public welfare category includes a number of programs, but Medicaid is the dominant one. In the K-12 category, one can see Georgia's rank climb from 28th nationally in 1989 to 16th in 2000, reflecting a 40 percent increase in real per capita spending. From 2000-2010, Georgia dropped to 25th—although real per capita spending rose by 11 percent, this was not as rapid an increase as in other states.

Meanwhile in public welfare, Georgia declined from 27th to 47th, even as real per capita expenditures in this category grew by 113 percent. This anomaly of significant growth in spending combined with declining rank is likely driven by the effect of Medicaid on Georgia's expenditures as compared to other states. Although Medicaid expenditures have grown rapidly across the country, Georgia has slowed the growth of this program much more substantially than other states.

One other area of note is the drop in rank of real per capita long term debt in Georgia from 34th in 1989 to 44th in 2010.

This shift may partly reflect the general decline in capital outlay investment relative to other states but also likely reflects the effect of the local use of sales taxes to finance infrastructure on a cash basis.

Revenues

Table 3 shows state and local combined real per capita revenues. The trends visible in the Table have been discussed in detail in prior reports, including Buschman (2009), and Bourdeaux and Jun (2011). In brief, Georgia's rank in real per capita own source revenues (all revenues except for federal funds) has dropped from 33rd to 47th. The major categories of revenues that have driven this drop in rank include individual income, sales taxes, and current charges. The most dramatic shift has been in the category of current charges where includes any fees, assessments or charges for the provision of public services and is a category heavily influenced by tuition revenues at the state level and charges for hospital services, sewerage, and education at the local level (see Bluestone (2009) for more details). Also of note is the decline in corporate income tax rank from 17th to 35th. This drop reflects a 46 percent real decline in corporate income tax per capita collected over this period.

Georgia's rank relative to the national average in its core taxes is relatively close to the middle. Georgia is 28th in income taxes, 26th in sales taxes, and 33rd in property taxes. Where Georgia is substantially below the national averages, and has been for much of the past decade, is in the more discrete taxes such as selective sales taxes, motor vehicle taxes, other taxes, and as already mentioned, current charges and miscellaneous general revenue. Georgia is also 41st nationally in the receipt of per capita federal grant funds.

Detail on State Only Ranking

Tables 4 and 5 show Georgia state level rankings for revenues and expenditures. As has been discussed in other reports, Georgia relies more on local governments for revenue-raising

and service provision than other states. The state's total own source revenues are split 47-53 state-local, making Georgia 4th in the nation in reliance on local revenues to fund public services (Bourdeaux and Jun, 2011).

This local reliance is reflected in the state's relative ranking in per capita direct expenditures which was low in 1989 at 42nd nationally and has fallen lower to 48th nationally. This is 34 percent below the national average. Across all expenditure categories, except public safety, assistance and subsidies, and other education, the state is over 20 percent below the national average in per capita spending. As noted above, Georgia is 47th even when adding back the local spending, so local governments on aggregate push state spending up somewhat relative to the national average, but not enough to make the state a high spending state relative to its peers.

In the expenditures by character and object category, major cost drivers include current operations, capital outlay, and insurance benefits and repayments. The most notable change is the decline in rank in per capita capital outlay from 26th to 42nd which represents a decline of 6 percent.

By function, the major categories of expenditures are other education and public welfare. K-12 education expenditures in Georgia occur largely at the local level and so the state transfer payments through the Quality Basic Education and Equalization formulas are not reflected as state-level direct expenditures. "Other education" includes higher education and the state's technical schools. Georgia's education rank has changed little, but the public welfare rank dropped from 25th in the nation to 46th, again almost certainly reflecting Georgia's slower growth in the Medicaid program as compared to other states.

Georgia's state level revenue portfolio has been discussed in detail in other reports. Georgia is 50th in per capita own source revenues in 2010. As noted in the state and local analysis, this rank is largely driven by the state's low rank in many types of non-core revenues, including selective sales taxes (49th), motor vehicle license tax (47th), other taxes (50th), and current charges and miscellaneous revenue (48th). Georgia falls closer to the middle of the states in the core revenues of sales tax (40th) and income tax (25th).

Detail on Local Only Ranking

Georgia's local government rankings for aggregated per capita expenditures and revenues are reflected in Tables 6 and 7. While the rankings look dramatically higher than the state rankings, recall that when combined with the state numbers, Georgia's overall per capita numbers across almost all categories are below the national average. In general,

aggregated local expenditures and revenues "make up" for very low state expenditures and revenues but do not fully replace them. An important caveat is that the local revenues presented here are aggregated to the state level, but may not be evenly distributed across the state—there may be substantial geographic differences in local per capita spending and revenues.

From 1989 to 2010, Georgia's local direct expenditures per capita have dropped in rank by 9 places from 16th to 25th in the nation. Again, the major driver is current operations and capital outlay in the character and object categories. The most notable drop here is in current operations, where the state has declined in rank by 9 places, almost exactly mirroring the change in overall direct expenditures. Interestingly, this decline does not appear to be driven by salaries and wages, where local governments in Georgia (in aggregate) rank 20th in the nation.

K-12 education expenditures is the dominant functional category for local governments, and here Georgia ranks 25th in the nation – a slight increase from its 26th rank in 1989, but below the 2000 rank of 15th in the nation. Also of note is the decline in long term debt from 15th in the nation to 26th. While this may partly reflect the slowdown in investment in capital outlay, it is also likely a result of the state's use of sales tax revenues to finance infrastructure on a cash basis. In government administration, Georgia's local rank shifted from 23rd in 2000 to 9th in 2009; however, this likely reflects the addition of judicial administration to this expenditure category in 2003 since Georgia relies more heavily on local funding for this service relative to other states.

In terms of the local revenue portfolio, Georgia's rank at the local level has declined by 8 places since 1989. Georgia's rank in terms of local taxes per capita has increased from 30th to 26th; the decline therefore appears to be largely driven by the substantial decline in rank for charges and miscellaneous revenue where Georgia's localities have shifted from 7th in the nation to 18th. What is driving this shift is not entirely clear. Possibly, local governments in other states are increasingly reliant on charges for services, and Georgia has not mirrored this effort.

Conclusion

The analysis of Georgia's expenditure portfolio shows that the state is overall a low spending state and has seen a substantial decline in spending per capita in the public sector over the past decades. In terms of mix of services, the state had made a substantial investment in the K-12 education portion of its portfolio, but much of this investment (relative to other states) has eroded in the last decade. The state also has tended to invest more in capital outlay per capita than other states, but

again this investment has eroded relative to other states in the past 10 years. Finally, the state's spending in public welfare, largely dominated by Medicaid spending, has grown over 100 percent on a real per capita basis over this period, but this is substantially less than the growth in other states. The state's overall rank in this area has dropped significantly as a result.

For those services financed heavily at the local level, further analysis should examine the distribution of impact across Georgia. A heavy reliance on local financing has pros and cons. On the positive side, services can be more tailored to reflect local preferences. On the negative side, there may be more disparities in the availability of funding and therefore more variability in the quality and quantity of services across the state.

The revenue story has been told elsewhere, but this brief provides an updated snapshot. As previous assessments have shown, Georgia is more dependent on core revenues than other states, and in the recent recession, it is these revenues that have taken a substantial hit. For at least the past decade, Georgia has had very little reliance (relative to other states) on non-core revenue sources such as selective sales taxes (gas taxes, tobacco taxes, etc.) and charges and fees. The declining core revenues combined with already low non-core revenues has caused Georgia's revenue rank to drop to 47th in the nation in own source revenues.

Notes

1. This time period was chosen as this brief is an update of prior reports using 1989 as a base year. All numbers are reported in 1989 dollars and inflation adjusted using the Gross Domestic Product price index.
2. All expenditure and revenue categories can be found at the State and Local Financial Survey Web Page : <http://www.census.gov/govs/definitions/>.

References

- Bluestone, Peter (2009). "Current Charges and Miscellaneous Revenue: A Comparative Analysis of Georgia and Selected States." Report/Brief #202. Atlanta GA: Fiscal Research Center, Georgia State University.
- Bourdeaux, Carolyn and Sungman, Jun (2011). "Comparing Georgia's Revenue Portfolio to Regional and National Peers." Report #222. Atlanta GA: Fiscal Research Center, Georgia State University.
- Buschman, Robert (2009). "Comparing Georgia's Fiscal Policies to Regional and National Peers." Report #201. Atlanta GA: Fiscal Research Center, Georgia State University.

ABOUT THE AUTHORS

Carolyn Bourdeaux is an Associate Professor of Public Administration. She recently returned to the Andrew Young School after a leave of absence working as Director of the Georgia Senate Budget and Evaluation Office. Her recent research focuses on state budget decision-making, and program and performance based budgeting.

Nicholas Warner is a Research Associate at the Fiscal Research Center. His recent research has included expenditure and revenue portfolio analysis, tax expenditure estimation, and examination of Georgia's special option sales tax for school facility funding.

Sandy Zook is a graduate student at the Andrew Young School of Policy Studies working towards her PhD in public management and policy.

Sungman Jun is a graduate student at Seoul National University working towards his PhD in public administration.

ABOUT FRC

The Fiscal Research Center (FRC) provides nonpartisan research, technical assistance and education in the evaluation and design of state and local fiscal and economic policy, including both tax and expenditure issues. Established in 1995, the FRC helps provide information to state and local governments so they can make informed decisions about complex fiscal issues. The Center has a full-time staff and affiliated faculty from throughout Georgia State University and elsewhere who lead its research projects.

FRC Reports, Policy Briefs, and other publications maintain a position of neutrality on public policy issues in order to safeguard the academic freedom of the authors. Thus, interpretations or conclusion in FRC publications should be understood to be solely those of the author(s).

For more information on the Fiscal Research Center, call 404.413.0249.

RECENT PUBLICATIONS

Georgia's Revenue and Expenditure Portfolio in Brief, 1989-2010. This brief uses Census data to examine how Georgia ranks in terms of spending and revenue by functions and objects and examines how Georgia's portfolio has changed over time compared to national peers. (January 2013)

Georgia's Taxes: A Summary of Major State and Local Government Taxes, 19th Edition. A handbook on taxation that provides a quick overview of all state and local taxes in Georgia. (January 2013)

TABLE 2. GEORGIA'S FY 2010 STATE AND LOCAL EXPENDITURE PORTFOLIO (1989 DOLLARS)

State and Local Expenditure Portfolio (Real Per Capita)	FY 1989	Rank	FY 2000	Rank	FY 2009	Rank	FY 2010	Rank	% Below/ Above National Average in FY2010	National Average in FY2010
Direct Expenditure	\$3,267	30	\$4,169	40	\$4,934	48	\$5,082	48	-18.71%	\$6,253
<i>By Character and Object</i>										
Current Operations	\$2,372	27	\$3,073	41	\$3,634	47	\$3,676	48	-19.01%	\$4,539
Capital Outlays	\$532	11	\$682	12	\$723	25	\$658	25	-9.97%	\$731
Assistance and Subsidies	\$53	35	\$73	25	\$61	37	\$73	31	-21.12%	\$92
Interest on Debt	\$180	35	\$150	41	\$138	44	\$143	43	-34.72%	\$219
Insurance Benefits and Repayment	\$130	37	\$189	43	\$378	37	\$532	31	-20.67%	\$671
Exhibit: Salaries and Wages	\$1,180	29	\$1,353	35	\$1,463	37	\$1,451	37	-14.49%	\$1,697
<i>By Functions *</i>										
Education	\$977	35	\$1,415	29	\$1,667	35	\$1,615	39	-9.16%	\$1,778
K-12 Education	\$728	28	\$1,015	16	\$1,201	19	\$1,133	25	-2.37%	\$1,160
Other Education	\$248	45	\$400	37	\$465	44	\$483	44	-21.91%	\$618
Social Services										
Public Welfare	\$294	27	\$533	37	\$624	47	\$628	47	-33.57%	\$945
Hospitals	\$395	2	\$239	14	\$278	19	\$328	12	20.68%	\$272
Health	\$67	36	\$102	33	\$133	30	\$131	29	-18.35%	\$160
Transportation										
Highways	\$201	41	\$239	45	\$209	48	\$223	47	-42.62%	\$389
Public Safety **	\$218	23	\$307	27	\$376	29	\$381	27	-9.67%	\$422
Environment and Housing	\$226	30	\$287	33	\$313	35	\$294	39	-26.89%	\$402
Government Administration ***	\$72	31	\$92	36	\$222	37	\$210	37	-34.77%	\$323
Debt Outstanding										
Long-term Debt	\$2,652	34	\$2,823	41	\$3,340	44	\$3,334	44	-34.55%	\$5,094

* We do not report the category "Other Direct Expenditures," which includes utilities, liquor store, insurance trust, interest on general debt, etc.

**In FY 1989 protective inspection and regulation expenditures were not reported.

***In FY 1989 judicial & legal and other administration expenditures were not reported.

¹Current operations includes compensation for officers and employees as well as expenditure for supplies and materials. Capital outlays include funding intended for the construction of buildings, grounds and other improvements including replacements or major alterations. Assistance or subsidies are cash contributions to persons. At the local level this includes only public welfare recipients and at the state level this may include veterans bonus', grants for tuition, scholarships, and aid for nonpublic education institutes. Insurance benefits and repayments are comprised of social insurance payments to beneficiaries, employee retirement annuities, and include only amounts paid where associated administrative costs fall under current operations.

TABLE 3. GEORGIA'S FY 2010 STATE AND LOCAL REVENUE PORTFOLIO (1989 DOLLARS)

State and Local Revenue Portfolio (Real Per Capita)	FY 1989	Rank	FY 2000	Rank	FY 2009	Rank	FY 2010	Rank	% Below/ Above National Average in FY2010	National Average in FY2010
<i>General Revenue from Own Source</i>	\$2,381	33	\$3,125	34	\$3,021	47	\$2,965	47	-23.10%	\$3,856
<i>Taxes</i>	\$1,636	30	\$2,228	25	\$2,033	42	\$1,948	42	-23.14%	\$2,535
Property tax	\$445	33	\$568	33	\$673	34	\$686	33	-19.33%	\$850
General Sales tax	\$441	18	\$721	11	\$579	25	\$539	26	-0.34%	\$541
Selective Sales tax	\$179	39	\$169	50	\$174	49	\$172	48	-43.09%	\$302
Individual Income tax	\$426	15	\$610	20	\$503	29	\$454	28	-4.03%	\$473
Corporate Income tax	\$82	17	\$68	27	\$45	39	\$44	35	-45.31%	\$81
Motor Vehicle License tax	\$12	50	\$23	48	\$18	49	\$18	48	-63.05%	\$49
Other Taxes*					\$39	50	\$35	50	-85.23%	\$239
<i>Charges and Miscellaneous Revenue</i>	\$744	26	\$897	42	\$989	47	\$1,017	43	-22.99%	\$1,320
Current Charges	\$527	8	\$537	36	\$689	37	\$728	34	-13.04%	\$837
Miscellaneous general revenue	\$218	46	\$360	39	\$299	48	\$289	46	-40.24%	\$483
<i>Intergovernmental Revenue</i>										
Federal government	\$474	35	\$677	44	\$890	46	\$1,120	41	-19.22%	\$1,386

* In FY 1989 and 2000, the US Census did not report other taxes.

No individual income tax: AK, FL, NV, SD, TX, WA, WY; No general sales tax: DE, MT, NH, OR; No corporate income tax: NV, TX, WA, WY.

TABLE 4. GEORGIA'S FY 2010 STATE EXPENDITURE PORTFOLIO (1989 DOLLARS)

State Expenditure Portfolio (Real Per Capita)	FY 1989	Rank	FY 2000	Rank	FY 2009	Rank	FY 2010	Rank	% Below/ Above National Average in FY2010	National Average in FY2010
Direct Expenditure	\$1,175	42	\$1,689	46	\$1,976	49	\$2,183	48	-33.69%	\$3,292
<i>By Character and Object</i>										
Current Operations	\$781	46	\$1,187	45	\$1,350	49	\$1,384	49	-36.22%	\$2,170
Capital Outlays	\$191	26	\$227	25	\$170	46	\$181	42	-39.69%	\$300
Assistance and Subsidies	\$53	27	\$73	21	\$61	35	\$73	28	-15.53%	\$86
Interest on Debt	\$34	47	\$37	45	\$43	46	\$45	45	-57.23%	\$106
Insurance Benefits and Repayment	\$115	40	\$165	43	\$352	39	\$500	34	-20.67%	\$630
Exhibit: Salaries and Wages	\$333	41	\$357	45	\$354	47	\$350	48	-41.00%	\$594
<i>By Functions *</i>										
Education	\$247	41	\$400	31	\$463	39	\$480	38	-19.68%	\$598
K-12 Education	\$0	17	\$0	17	\$0	22	\$0	20	-100.00%	\$37
Other Education	\$247	41	\$400	29	\$463	37	\$480	37	-14.32%	\$561
Social Services										
Public Welfare	\$289	25	\$524	32	\$609	46	\$613	46	-31.28%	\$892
Hospitals	\$69	30	\$64	27	\$40	36	\$55	30	-52.70%	\$116
Health	\$27	39	\$33	49	\$64	34	\$54	40	-47.17%	\$103
Transportation										
Highways	\$131	38	\$151	40	\$115	49	\$132	48	-48.10%	\$254
Public Safety **	\$77	17	\$111	30	\$111	38	\$113	32	-19.61%	\$141
Environment and Housing	\$73	16	\$63	34	\$63	38	\$64	36	-41.88%	\$111
Government Administration ***	\$24	40	\$37	38	\$50	48	\$47	49	-64.49%	\$131
Debt Outstanding										
Long-term Debt	\$474	47	\$679	45	\$863	48	\$885	47	-63.08%	\$2,395

* We do not report the category "Other Direct Expenditures," which includes utilities, liquor store, insurance trust, interest on general debt, etc.

**In FY 1989 and 2000, the US Census of Governments did not include protective inspection and regulation expenditures in this category.

***In FY 1989 and 2000, the US Census of Governments did not include judicial & legal and other administration expenditures in this category.

¹Current operations includes compensation for officers and employees as well as expenditure for supplies and materials. Capital outlays include funding intended for the construction of buildings, grounds and other improvements including replacements or major alterations. Assistance or subsidies are cash contributions to persons. At the local level this includes only public welfare recipients and at the state level this may include veterans bonus', grants for tuition, scholarships, and aid for nonpublic education institutes. Insurance benefits and repayments are comprised of social insurance payments to beneficiaries, employee retirement annuities, and include only amounts paid where associated administrative costs fall under current operations.

TABLE 5. GEORGIA'S FY 2010 STATE REVENUE PORTFOLIO (1989 DOLLARS)

State Revenue Portfolio (Real Per Capita)	FY 1989	Rank	FY 2000	Rank	FY 2009	Rank	FY 2010	Rank	% Below/ Above National Average in FY2010	National Average in FY2010
<i>General Revenue from Own Source</i>	\$1,160	44	\$1,622	44	\$1,389	50	\$1,313	50	-41.7%	\$2,251
<i>Taxes</i>	\$990	35	\$1,294	38	\$1,037	49	\$957	50	-37.0%	\$1,518
Property tax	\$4	22	\$5	21	\$5	21	\$6	21	-90.5%	\$59
General Sales tax	\$316	36	\$444	29	\$342	39	\$315	40	-27.1%	\$432
Selective Sales tax	\$123	47	\$107	50	\$109	50	\$107	49	-58.8%	\$260
Individual Income tax	\$426	13	\$610	17	\$503	25	\$454	25	2.5%	\$443
Corporate Income tax	\$82	17	\$68	27	\$45	38	\$44	35	-42.2%	\$77
Motor Vehicle License tax	\$12	50	\$23	47	\$18	49	\$18	47	-59.2%	\$45
Other Taxes*					\$14	50	\$13	50	-93.8%	\$204
<i>Charges and Miscellaneous Revenue</i>	\$170	50	\$328	46	\$352	49	\$356	48	-51.4%	\$733
Current Charges	\$112	46	\$156	46	\$209	48	\$229	45	-42.4%	\$397
Miscellaneous general revenue	\$59	50	\$172	43	\$143	48	\$127	49	-62.1%	\$336
<i>Intergovernmental Revenue</i>										
Federal government	\$417	35	\$614	43	\$811	46	\$1,031	37	-18.5%	\$1,265

* In FY 1989 and 2000, the US Census did not report other taxes.

No individual income tax: AK, FL, NV, SD, TX, WA, WY; No general sales tax: AK, DE, MT, NH, OR; No corporate income tax: NV, TX, WA, WY; No Property Tax: CO, CT, DE, HI, ID, IA, NY, NC, OH, OK, SD, TN, TX, UT.

TABLE 6. GEORGIA'S FY 2010 LOCAL EXPENDITURE PORTFOLIO (1989 DOLLARS)

Local Expenditure Portfolio (Real Per Capita)	FY 1989	Rank	FY 2000	Rank	FY 2009	Rank	FY 2010	Rank	% Below/ Above National Average in FY2010	National Average in FY2010
Direct Expenditure	\$2,092	16	\$2,480	22	\$2,958	24	\$2,900	25	-2.1%	\$2,961
<i>By Character and Object</i>										
Current Operations	\$1,591	17	\$1,887	26	\$2,284	25	\$2,292	26	-3.3%	\$2,369
Capital Outlays	\$340	11	\$455	11	\$553	16	\$478	19	10.7%	\$431
Assistance and Subsidies	\$0	34	\$0	36	\$0	31	\$0	28	-100.0%	\$6
Interest on Debt	\$147	16	\$113	20	\$95	30	\$98	27	-13.7%	\$113
Insurance Benefits and Repayment	\$15	18	\$25	18	\$26	21	\$32	19	-20.7%	\$41
Exhibit: Salaries and Wages	\$846	20	\$996	23	\$1,109	20	\$1,101	20	-0.2%	\$1,103
<i>By Functions *</i>										
Education	\$730	31	\$1,015	23	\$1,203	25	\$1,135	27	-3.8%	\$1,180
K-12 Education	\$728	26	\$1,015	15	\$1,201	19	\$1,133	25	0.9%	\$1,123
Other Education	\$2	27	\$0	31	\$2	29	\$2	29	-96.3%	\$57
Social Services										
Public Welfare	\$6	41	\$9	36	\$15	31	\$15	33	-71.8%	\$53
Hospitals	\$326	2	\$175	12	\$238	14	\$273	11	75.3%	\$156
Health	\$40	10	\$69	12	\$70	13	\$77	14	33.2%	\$57
Transportation										
Highways	\$70	39	\$88	38	\$95	38	\$91	39	-32.2%	\$134
Public Safety **	\$140	29	\$196	27	\$266	22	\$257	27	-6.8%	\$275
Environment and Housing	\$152	33	\$225	26	\$250	27	\$230	33	-21.2%	\$292
Government Administration ***	\$48	19	\$54	23	\$172	9	\$215	17	-7.8%	\$234
Debt Outstanding										
Long-term Debt	\$2,178	15	\$2,145	19	\$2,477	23	\$2,450	26	-9.2%	\$2,699

* We do not report the category "Other Direct Expenditures," which includes utilities, liquor store, insurance trust, interest on general debt, etc.

**In FY 1989 and 2000, the US Census of Governments did not include protective inspection and regulation expenditures in this category.

***In FY 1989 and 2000, the US Census of Governments did not include judicial & legal and other administration expenditures in this category.

¹Current operations includes compensation for officers and employees as well as expenditure for supplies and materials. Capital outlays include funding intended for the construction of buildings, grounds and other improvements including replacements or major alterations. Assistance or subsidies are cash contributions to persons. At the local level this includes only public welfare recipients and at the state level this may include veterans bonus', grants for tuition, scholarships, and aid for nonpublic education institutes. Insurance benefits and repayments are comprised of social insurance payments to beneficiaries, employee retirement annuities, and include only amounts paid where associated administrative costs fall under current operations.

TABLE 7. GEORGIA'S FY 2010 LOCAL REVENUE PORTFOLIO (1989 DOLLARS)

Local Revenue Portfolio (Real Per Capita)	FY 1989	Rank	FY 2000	Rank	FY 2009	Rank	FY 2010	Rank	% Below/ Above National Average in FY2010	National Average in FY2010
<i>General Revenue from Own Source</i>	\$1,220	13	\$1,503	15	\$1,632	22	\$1,653	21	3.0%	\$1,605
<i>Taxes</i>	\$646	30	\$933	14	\$995	26	\$992	26	-2.5%	\$1,017
Property tax	\$442	32	\$564	29	\$668	31	\$680	29	-14.1%	\$791
General Sales tax	\$125	10	\$278	4	\$237	9	\$225	8	105.3%	\$109
Selective Sales tax	\$56	7	\$62	8	\$65	12	\$65	11	54.4%	\$42
Individual Income tax	\$0		\$0		\$0		\$0			\$30
Corporate Income tax	\$0		\$0		\$0		\$0			\$4
Motor Vehicle License tax	\$0		\$0		\$0		\$0			\$5
Other Taxes*					\$25	25	\$23	22	-36.3%	\$35
<i>Charges and Miscellaneous Revenue</i>	\$574	7	\$569	19	\$637	21	\$661	18	12.4%	\$588
Current Charges	\$415	3	\$381	20	\$480	18	\$499	17	13.4%	\$440
Miscellaneous general revenue	\$159	20	\$188	17	\$156	24	\$161	16	9.6%	\$147
<i>Intergovernmental Revenue</i>										
Federal government	\$57	27	\$63	30	\$79	33	\$89	35	-27.0%	\$121

* In FY 1989, 2000, the US Census did not report other taxes.

Zero General Sales Tax: CT, DE, HI, IN, KY, ME, MD, MI, MN, MS, MT, NH, NJ, OR, RI, WV.

The Changes in Jobs Across Georgia's Counties: Changes in Distribution, Type, and Quality of Jobs in Georgia Counties from 2000-2009. This brief discusses the changes in the distribution, type, and quality of jobs and examines the changes in percentage by county of total state employment. (December 2012)

A Snapshot of Georgia School District Expenditures and the Response to the 2008 Recession. This brief provides a short review of expenditures in Georgia's school districts over the past decade (2001-2011) with a particular focus on school district cutback responses to the 2008 recession in overall expenditures as well as within various expenditure categories. (November 2012)

Impact of the Recession on School Revenues Across the State. This report examines the impact of the 2008 recession on inflation-adjusted, per pupil revenues in Georgia and explores the characteristics of districts most adversely affected by revenue shortfalls. (November 2012)

School Facility Funding in Georgia and the Educational Special Purpose Local Option Sales Tax (ESPLOST). This report reviews Georgia's system of school facility finance, emphasizing the role of the Educational Special Purpose Local Option Sales Tax (ESPLOST). (October 2012)

Georgia's Revenue and Expenditure Portfolio in Brief, 1989-2009. This brief uses Census data to examine how Georgia ranks in terms of spending and revenue by functions and objects and examines how Georgia's portfolio has changed over time compared to national peers. (August 2012)

Estimated Distributional Impact of T-SPLOST in the Atlanta Metropolitan Area. This brief examines the distributional impact of the Atlanta area T-SPLOST by income level and age. (July 2012)

Georgia's Tax Portfolio: Present and Future. This paper proposes a tax policy analysis methodology that applies financial market portfolio concepts to simultaneously consider both the growth and volatility of Georgia's historical and future tax revenue receipts. (September 2012)

Jobs in Georgia's Municipalities: Distribution, Type, and Quality of Jobs. This brief discusses the distribution, type, and quality of jobs and examines the percentage by municipality of total state employment. (June 2012)

Jobs in Georgia's Counties: Distribution, Type, and Quality of Jobs. This brief discusses the distribution, type, and quality of jobs and examines the percentage by county of total state employment. (June 2012)

Measuring Preferences for and Responses to Alternative Revenue Sources for Transportation. This report contains a survey of published public opinion polls and the results of a new Georgia poll regarding citizens' attitude towards alternative transportation revenue sources. (June 2012)

The Incentive Effect of Tax-Benefit System Facing Low-Income Families in Georgia. This report examines the incentives created by the state and federal tax system and the phase-in and phase-out of means tested benefit programs on low-income households in Georgia. (April 2012)

An Analysis of Reducing the Corporate Income Tax Rate. This brief discusses the likely revenue and incentive effects associated with various options for modifying the current corporate income tax structure. (April 2012)

Georgia's Corporate Income Tax: A Description and Reform Options. This report describes the existing corporate income tax structure and discusses the likely revenue and incentive effects associated with various options for modifying the current corporate income tax structure. (April 2012)

An Analysis of Options for Reforming Georgia's Income Tax: Simplicity, Equity, and Adequacy. This report develops a framework for analysis of individual income tax reform proposals, and analyzes recent reform packages and some simple alternatives. (February 2012)

An Inventory of Transportation Funding Options. This report provides a discussion of the advantages and disadvantages of various options for funding transportation. (February 2012)

Federal Tax Burden and Tax Breaks for Georgia Residents. This report examines the federal taxes paid and the tax breaks received by Georgia residents, it also places these in context of other U.S. states. (January 2012)

Georgia's Taxes: A Summary of Major State and Local Government Taxes, 18th Edition. A handbook on taxation that provides a quick overview of all state and local taxes in Georgia. (January 2012)

Impact of Small Business on the Georgia Economy. The brief explores the impact of small businesses on the Georgia economy. (October 2011)

Flexible Work Arrangements in Georgia: Characteristics and Trends. This report traces the growth of workers with flexible work arrangements in Georgia between 1990 and 2007 and examines their demographic and economic characteristics. (July 2011)

Can Georgia Adopt a General Consumption Tax? This report examines the feasibility of replacing Georgia's current tax system with a general consumption tax. (June 2011)

Consumer's Share of Georgia's General Sales Tax. This fiscal brief provides an estimate of the proportion of Georgia's general sales tax paid by consumers. (May 2011)

New Business Survival in Georgia: Exploring the Determinants of Survival Using Regional Level Data. This report provides estimates of the effect of various factors on the survival of new business in Georgia. (April 2011)

How Large is the "Tax Gap" for the Georgia Personal Income Tax? This report provides several estimates of "tax gap" for the State of Georgia personal income tax in the year 2001. (April 2011)

Georgia Tax Credits: Details of the Business and Personal Credits Allowed Against Georgia's Income Tax. This report presents a complete list, along with detailed characteristics, of the Georgia business and personal tax credits. (April 2011)

The Atlanta Empowerment Zone: Description, Impact, and Lessons for Evaluation. This report analyzes the impact of the Atlanta Empowerment Zone on resident outcomes. (March 2011)

Estimated Change in Tax Liability of Tax Reform Council's Proposals. This policy brief provides estimates of the change in the tax burden for the several recommendations of the 2010 Special Council on Tax Reform and Fairness for Georgians. (March 2011)

Sales Tax Holidays and Revenue Effects in Georgia. This report/brief explores the economic effects of sales tax holidays, including an empirical analysis of the state revenue effects of Georgia's sales tax holidays. (March 2011)

Applying the Sales Tax to Services: Revenue Estimates. The state revenue estimates presented in this brief are updates of estimates presented in an earlier Fiscal Research Center report (FRC Report 170) by Matthews, Sjoquist, and Winters, which added services to the sales tax base. (February 2011)

For a free copy of any of the publications listed, call the Fiscal Research Center at 404.413.0249, or fax us at 404.413.0248. All reports are available on our webpage at: frc.gsu.edu.

Document Metadata

This document was retrieved from IssueLab - a service of the Foundation Center, <http://www.issuelab.org>

Date information used to create this page was last modified: 2014-02-15

Date document archived: 2013-02-07

Date this page generated to accompany file download: 2014-04-15

IssueLab Permalink: http://www.issuelab.org/resource/georgias_revenue_and_expenditure_portfolio_in_brief_1989-2010

Georgia's Revenue and Expenditure Portfolio in Brief, 1989-2010

Publisher(s): Fiscal Research Center of the Andrew Young School of Policy Studies

Author(s): Carolyn Bourdeaux; Sungman Jun; Nicholas Warner; Sandy Zook

Date Published: 2013-01-11

Rights: Copyright 2013 Fiscal Research Center of the Andrew Young School of Policy Studies.

Subject(s): Community and Economic Development; Government Reform