



# FISCAL RESEARCH CENTER

## **Comparing Georgia's Fiscal Policies to Regional and National Peers**

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# Comparing Georgia's Fiscal Policies to Regional and National Peers

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# Comparing Georgia's Fiscal Policies to Regional and National Peers

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## I. Introduction

The purpose of this report is to analyze the major components of Georgia's state and local revenue and expenditure mixes relative to its peer states. Combined state and local revenues are broken down into the major types of taxes (i.e. personal and corporate income, property, sales, excise, etc.) as well as federal transfers and other sources, and are compared on a per capita basis to other states generally, to the southeastern states<sup>1</sup> and to states maintaining "triple-A" debt ratings.<sup>2</sup> Likewise, combined state and local government expenditures are broken down by the character of the expenditure (i.e. current operations, interest on debt, etc.) and its function or purpose (e.g. education, social services, or transportation). For each, per capita expenditures are compared to regional and national peers.

Data used for the analysis are the latest currently available from the U.S. Census Bureau's Government Finance Statistics ("GFS") database. In particular, data are combined state and local revenues and expenditures from the 2006-2007 Annual Survey of State and Local Government Finances, covering fiscal years ending in 2007. Census government finance data provide consistent reporting of government revenues and expenditures across states over time. See the Appendix for a fuller discussion of the GFS database. Census population estimates as of June 2007 are used for the calculation of per capita revenue and expenditure data.

For each category, Georgia's per capita revenue or expenditure amount is ranked against all other states, southeastern states, and states with a AAA-bond rating; a summary table including national, southeast regional, and AAA-rated averages and other summary statistics is presented to support the discussion.

In brief, this analysis finds that Georgia ranks below all of its southeast peers and among the lowest of all states, at 46th, in terms of per capita total revenues. On per capital total direct expenditures, Georgia ranks somewhat higher at 41<sup>st</sup> nationally and lowest among the 8 southeast states. Both of these rankings are higher than in

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<sup>1</sup> Southeastern states, for purposes of this brief, include Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia.

<sup>2</sup> States with general obligation bonds currently rated AAA (or equivalent) by at least two out of three of Moody's, Standard & Poors, or Fitch rating services. In this group presently are Delaware, Georgia, Maryland, Minnesota, Missouri, North Carolina, South Carolina, Utah, and Virginia.

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the prior year when Georgia ranked 50<sup>th</sup> nationally on per capita total revenues and 46<sup>th</sup> on per capita total expenditures. Southeastern states together average about 3 percent below the AAA states and significantly below the national mean on both the revenue and expenditure measures. Georgia falls below the southeast state means on these broad measures, though by a wider margin on revenues (10.5 percent) than on expenditures (5.9 percent). However, where Georgia ranks on specific revenue and expenditure subcategories varies considerably as Georgia differs from others in the types of revenues on which it depends and in the focus of its expenditures.

The organization of the report is as follows: Section II analyzes the revenue side, organized by source from broad categories to narrower, specific taxes. Current charges and miscellaneous general revenues are included as one category, but a detailed analysis of the items comprising this category is left to another FRC report (Bluestone, 2009). Matthews (2009) provides a historic perspective on selected revenue sources. Section III analyzes the expenditure side, first by the character of expenditure and then by the ultimate governmental function or purpose. Section IV concludes.

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### II. Revenues

Total state and local revenues, as reflected in the GFS database, include own source general revenues, intergovernmental revenues from the federal government, utility revenues, insurance trust revenues, and in some states, liquor store revenues. Table 1 shows a summary of the ranking of states by total revenues per capita, including the top and bottom three states nationally and all southeastern states. Also provided are the national, southeast regional, and AAA-rated state means, the national median, and cutoffs for the top and bottom ten states (i.e., the top and bottom quintiles).

As the table shows, Georgia ranks 46th among all 50 states in per capita total revenues at \$7,978 in FY2007, up from \$6,991 in FY2006 when Georgia ranked 50th. All other southeast states, except for Mississippi, rank below the national mean and median. Georgia's per capita total revenues came in more than \$2,000 or 20 percent below the national mean; and 12.8 percent and 10.5 percent, respectively, below the AAA and southeast means.

But what explains Georgia's relatively low level of per capita revenues? Is Georgia consistently low compared to its peers on all revenue sources? As we look deeper at the various sources of revenue, we find that Georgia ranks considerably higher on a few revenue categories.

#### Own versus External Source Revenues

Excluding the smaller components of total revenue—that is utility, insurance trust (mostly employee retirement), and liquor store revenues, we are left with *general revenues*, which in turn consist of revenue from the federal government and own source general revenues. Own source revenue is the best basis for comparing the financial effect of government on state residents and businesses since it excludes federal grants and enterprise operation of utilities such as water and sewer systems. Table 2 shows Georgia's relative position on own source revenues while Table 3 does the same for federal source revenue.

As the two tables show, Georgia remains in the bottom quintile on own source revenues, ranking 42<sup>nd</sup>, which was also its ranking on this measure for

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TABLE 1. TOTAL REVENUE

Rank	State	\$ per capita
1	Alaska	\$22,673
2	Wyoming	\$16,218
3	New York	\$15,066
<i>Top Quintile Cutoff</i>		\$10,688
19	Mississippi	\$10,089
<i>50-State Mean</i>		\$9,996
<i>Nat'l Median</i>		\$9,544
28	Florida	\$9,494
30	Virginia	\$9,154
<i>AAA Mean</i>		\$9,152
33	South Carolina	\$8,947
<i>SE Mean</i>		\$8,916
35	Alabama	\$8,779
37	Tennessee	\$8,504
<i>Last Quintile Cutoff</i>		\$8,384
41	North Carolina	\$8,384
<b>46</b>	<b>Georgia</b>	<b>\$7,978</b>
48	Arkansas	\$7,941
49	New Hampshire	\$7,895
50	Indiana	\$7,732

TABLE 2. OWN SOURCE GENERAL REVENUE

Rank	State	\$ per capita
1	Alaska	\$15,330
2	Wyoming	\$9,997
3	New York	\$9,133
<i>Top Quintile Cutoff</i>		\$6,585
16	Virginia	\$6,166
<i>50-State Mean</i>		\$6,164
19	Florida	\$6,084
<i>AAA Mean</i>		\$5,866
<i>Nat'l Median</i>		\$5,848
32	South Carolina	\$5,503
<i>SE Mean</i>		\$5,355
36	North Carolina	\$5,309
<i>Last Quintile Cutoff</i>		\$5,108
<b>42</b>	<b>Georgia</b>	<b>\$5,096</b>
43	Alabama	\$5,071
46	Tennessee	\$4,824
47	Mississippi	\$4,791
48	Kentucky	\$4,776
49	South Dakota	\$4,671
50	Arkansas	\$4,654

TABLE 3. REVENUE FROM FEDERAL GOVERNMENT

Rank	State	\$ per capita
1	Alaska	\$3,703
2	Wyoming	\$3,507
3	Mississippi	\$3,309
<i>Top Quintile Cutoff</i>		\$1,988
<i>50-State Mean</i>		\$1,684
15	Alabama	\$1,678
<i>SE Mean</i>		\$1,658
17	South Carolina	\$1,594
21	North Carolina	\$1,568
<i>Nat'l Median</i>		\$1,514
30	Tennessee	\$1,446
<b>31</b>	<b>Georgia</b>	<b>\$1,444</b>
<i>AAA Mean</i>		\$1,402
<i>Last Quintile Cutoff</i>		\$1,294
46	Florida	\$1,258
48	Colorado	\$1,174
49	Virginia	\$968
50	Nevada	\$963

FY2006. In terms of revenues from the federal government, Georgia ranks 31<sup>st</sup> for FY2007, up from 46<sup>th</sup> the prior year. Georgia's per capita own source revenues, however, are only marginally (\$12 per capita) below the cutoff for the bottom quintile and only 4.8 percent below the southeast states average. Compared to other AAA states, Georgia comes in about 13 percent below the group average, though its AAA-rated neighbors, North and South Carolina, are also well below the AAA mean. Among the southeast states, Virginia (which is also AAA-rated) is the highest ranked for own source revenues at 16<sup>th</sup>, followed by Florida at 19<sup>th</sup>. The remaining six southeast states rank 32<sup>nd</sup> or lower, and four (including Georgia) are in the bottom quintile for this measure.

Table 3 shows that southeastern states are more widely dispersed through the rankings on federal source revenues, which consists of grants for such things as Medicaid, food stamps, education, and transportation. While most are below the 50-state mean, Mississippi ranks 3<sup>rd</sup> nationally, receiving more than twice the federal

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dollars on a per capita basis than does Georgia and almost twice the national average as well. One apparent reason for this difference is hurricane Katrina, which preceded sharp increases in federal source revenues in FY2006 and again in FY2007 for both Mississippi and Louisiana.<sup>3</sup> On this measure, Georgia comes in well below the national and regional means, by 14 and 13 percent respectively, but about 3 percent above the AAA mean. However, Georgia's FY2007 revenue from this source was up 18 percent on a per capita basis from FY2006 when Georgia ranked 46<sup>th</sup> nationally. Also worth noting is that reliance by state and local governments on federal source revenues has only increased since 2006-2007 as many states have relied on federal stimulus funds to help fill budget gaps.

### Breaking Down Own Source General Revenues

The largest portion of own source general revenues is taxes, followed by current charges for services and miscellaneous revenues. The latter includes such revenues as tuition and fees at state colleges, municipally-owned hospital revenues, school lunch sales, airport and seaport fees, and other charges, as well as interest earnings, lottery and other miscellaneous revenues.

Table 4 shows the per capita totals and rankings for current charges and miscellaneous revenues, in which Georgia again ranks in the bottom quintile, at 43<sup>rd</sup>. Georgia also comes in lowest among all southeast and all AAA-rated states in this revenue category. A more thorough analysis of this revenue stream is presented in a separate Fiscal Research Center report by Bluestone (2009).

On tax revenues generally (Table 5), Georgia ranks considerably higher nationally, at 34<sup>th</sup>, and is ranked 4<sup>th</sup> among the eight southeast states. At \$3,481 per capita, Georgia's total tax burden was \$615 per capita, or 15 percent, below the 50-state average and only \$66 (1.9 percent) above the southeast states average. Georgia's per capita tax burden is also almost 10 percent below the AAA-rated states

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<sup>3</sup> Mississippi and Louisiana ranked, respectively, 3<sup>rd</sup> and 4<sup>th</sup> nationally in both FY2006 and FY2007 after per capita federal source revenues increased by \$1,237 and \$1,184 respectively from FY2005 to FY2007. This amounts to cumulative increases of 60 percent for Mississippi and 64 percent for Louisiana, while the national per capita increase over the two years was only 4.2 percent.



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**TABLE 4. CHARGES & MISCELLANEOUS  
GENERAL REVENUE**

Rank	State	\$ per capita
1	Alaska	\$8,062
2	Wyoming	\$3,792
3	Delaware	\$3,145
4	South Carolina	\$2,369
<i>Top Quintile Cutoff</i>		\$2,230
11	Alabama	\$2,162
18	Florida	\$2,075
<i>50-State Mean</i>		\$2,068
<i>AAA Mean</i>		\$2,018
22	Virginia	\$1,960
<i>SE Mean</i>		\$1,941
<i>Nat'l Median</i>		\$1,877
27	Tennessee	\$1,819
31	Mississippi	\$1,801
37	North Carolina	\$1,723
<i>Last Quintile Cutoff</i>		\$1,652
<b>43</b>	<b>Georgia</b>	<b>\$1,615</b>
48	Arizona	\$1,458
49	Arkansas	\$1,412
50	Connecticut	\$1,366

**TABLE 5. ALL TAXES**

Rank	State	\$ per capita
1	Alaska	\$7,268
2	Wyoming	\$6,205
3	New York	\$6,898
<i>Top Quintile Cutoff</i>		\$4,714
18	Virginia	\$4,205
<i>50-State Mean</i>		\$4,096
<i>Nat'l Median</i>		\$4,011
26	Florida	\$4,009
<i>AAA Mean</i>		\$3,849
33	North Carolina	\$3,586
<b>34</b>	<b>Georgia</b>	<b>\$3,481</b>
<i>SE Mean</i>		\$3,415
<i>Last Quintile Cutoff</i>		\$3,312
46	South Carolina	\$3,134
48	Tennessee	\$3,005
49	Mississippi	\$2,989
50	Alabama	\$2,909

mean. For FY2006, Georgia's position was roughly the same, ranking 35<sup>th</sup> nationally in total tax burden, and coming in \$548 below the 50-state average and 3.6 percent above the average for the southeast states.

Breaking the tax category down further, we find that Georgia ranks highest on general sales and gross receipts taxes, at 18<sup>th</sup> (down from 16<sup>th</sup> in FY2006), followed by individual income taxes, at 25<sup>th</sup> (down from 24<sup>th</sup>). These are Georgia's first and third largest tax revenue generators, respectively. On property taxes, Georgia's second largest source of state and local tax revenues, the state ranks 32<sup>nd</sup> nationally (up from 33<sup>rd</sup>). Tables 6-8 present the rankings and per capita revenues for sales, individual income, and property taxes, respectively.

General sales taxes generated \$1,038 per capita for Georgia's state and local governments in FY2006, 5.8 percent above the southeast mean of \$981, 12 percent above the 50-state mean, and 44 percent above the AAA-rated states mean. Georgia

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**TABLE 6. GENERAL SALES TAX**

Rank	State	\$ per capita
1	Washington	\$2,029
2	Hawaii	\$2,002
3	Wyoming	\$1,757
7	Tennessee	\$1,374
<i>Top Quintile Cutoff</i>		\$1,329
10	Florida	\$1,329
15	Mississippi	\$1,080
<b>18</b>	<b>Georgia</b>	<b>\$1,038</b>
<i>SE Mean</i>		\$981
<i>50-State Mean</i>		\$924
25	Alabama	\$870
<i>Nat'l Median</i>		\$869
35	North Carolina	\$787
37	South Carolina	\$761
<i>AAA Mean</i>		\$722
<i>Last Quintile Cutoff</i>		\$630
44	Virginia	\$610

Zero GST: DE, MT, NH, OR.

**TABLE 7. INDIVIDUAL INCOME TAX**

Rank	State	\$ per capita
1	New York	\$2,196
2	Maryland	\$1,912
3	Connecticut	\$1,815
9	Virginia	\$1,330
<i>Top Quintile Cutoff</i>		\$1,245
<i>AAA Mean</i>		\$1,172
13	North Carolina	\$1,171
<b>25</b>	<b>Georgia</b>	<b>\$924</b>
<i>Nat'l Median</i>		\$921
<i>50-State Mean</i>		\$862
33	South Carolina	\$735
<i>SE Mean</i>		\$668
37	Alabama	\$660
<i>Last Quintile Cutoff</i>		\$480
41	Mississippi	\$480
43	Tennessee	\$41
44T	Florida	\$0

Zero IIT: AK,FL,NV,SD,TX,WA,WY.

**TABLE 8. PROPERTY TAX**

Rank	State	\$ per capita
1	New Jersey	\$2,483
2	Connecticut	\$2,311
3	Wyoming	\$2,288
<i>Top Quintile Cutoff</i>		\$1,564
13	Florida	\$1,474
17	Virginia	\$1,301
<i>50-State Mean</i>		\$1,202
<i>Nat'l Median</i>		\$1,152
<b>32</b>	<b>Georgia</b>	<b>\$1,000</b>
34	South Carolina	\$975
<i>AAA Mean</i>		\$972
<i>SE Mean</i>		\$937
38	North Carolina	\$808
40	Mississippi	\$755
<i>Last Quintile Cutoff</i>		\$745
42	Tennessee	\$728
48	New Mexico	\$514
49	Arkansas	\$476
50	Alabama	\$453

ranks 18<sup>th</sup> national on sales tax revenue per capita, a result of the wide spread use of the sales tax by local governments in Georgia. Among the states ranking above Georgia on sales taxes, seven of seventeen do not have a state income tax on earned income and therefore depend more heavily on sales and/or property taxes.<sup>4</sup>

AAA-rated states tend to rely considerably more heavily on the individual income tax than on sales taxes, and more heavily than does the average state nationally or in the southeast. Georgia, at \$924 per capita from individual income taxes, is 7.2 percent above the 50-state and 38 percent above the southeast means, but 21 percent below the AAA mean.

Georgia local governments rely most heavily on property taxes, generating, along with the relatively small amount raised by the state government (less than 1 percent of the total), \$1,000 per capita. This level of property tax burden is 2.8

<sup>4</sup> States with no personal income tax include Alaska, Florida, Nevada, South Dakota, Texas, Washington, and Wyoming. Tennessee only taxes dividend and interest income while New Hampshire taxes dividends, interest and business profits. New Hampshire also does not have a general sales tax.

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percent above the mean for AAA-rated states and 6.7 percent above the southeast mean. However, it is 17 percent below the 50-state average.

Among the remaining tax categories, selective sales taxes are, collectively, the next largest revenue producer for Georgia at \$303 per capita in FY2007. This amount includes revenue from motor fuels, alcohol, tobacco, public utilities, and other special sales taxes (insurance premium taxes are included in the “other” subcategory). Table 9 reports the rankings and per capita burdens for the total of these selective sales taxes, while the discussion provides some additional details of the components.

**TABLE 9. SELECTIVE SALES TAXES**

<b>Rank</b>	<b>State</b>	<b>\$ per capita</b>
1	Nevada	\$996
2	Vermont	\$832
3	Illinois	\$737
6	Florida	\$631
<i>Top Quintile Cutoff</i>		\$559
18	Alabama	\$518
20	Virginia	\$499
<i>50-State Mean</i>		\$465
<i>AAA Mean</i>		\$437
<i>Nat'l Median</i>		\$433
26	North Carolina	\$433
<i>SE Mean</i>		\$426
36	Mississippi	\$351
39	South Carolina	\$343
<i>Last Quintile Cutoff</i>		\$332
41	Tennessee	\$332
<b>47</b>	<b>Georgia</b>	<b>\$303</b>
48	Oregon	\$296
49	Wyoming	\$293
50	Idaho	\$283

As the table shows, Georgia ranks 47<sup>th</sup> nationally in per capita revenues from these taxes (up from 50<sup>th</sup> for FY2006), coming in 29 percent below the southeast mean, 31 percent below the AAA-rated states, and 35 percent below the 50-state mean. Among the subcategories, Georgia ranks highest on alcohol taxes, coming in

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at 12<sup>th</sup> nationally and generating revenue of \$30 per capita. The southeast average for alcohol taxes, at \$31 per capita, is close to Georgia's number while the 50-state and AAA means are only about \$19 each. Georgia's per capita revenue from alcohol taxes, however, is only just over one fourth of the revenue from motor fuels taxes, where Georgia ranks only 42<sup>nd</sup>, but generates \$114 per capita. The AAA, 50-state, and southeast means for motor fuels taxes ranged from \$133 to \$143 per capita, considerably above the level in Georgia.

Tobacco and public utility taxes, where Georgia ranks 43<sup>rd</sup> and 37<sup>th</sup> respectively, generate about \$25 and \$28 per capita, respectively, as of FY2007. The "other" subcategory is larger, at \$106 per capita. It has been estimated that Georgia's state and local insurance premium taxes generated around \$640 million in FY2006 (Grace, 2006), accounting for about 73 percent of the subcategory in that year. Yet even at combined state and local tax rates on insurance premiums that are generally thought to be relatively high (Grace, Sjoquist, and Wheeler, 2008), Georgia's per capita burden in this "other" subcategory ranks 40<sup>th</sup> nationally and lowest among southeast states. The highest ranking states in the "other" subcategory include Nevada, with about \$406 per capita in gaming tax revenues in FY2007 (Nevada Gaming Commission), and Vermont, with about \$185 per capita in state rooms and meals tax revenues (Vermont Department of Taxes).

Georgia's smallest tax revenue producers are the corporate income tax and motor vehicle license taxes (not including ad valorem taxes, which are included in property taxes). Motor vehicle license taxes generated \$30 per capita in FY2007, second lowest of all 50 states. The southeast, AAA, and 50-state means were \$56, \$57, and \$76 respectively. Among the higher southeast states, North Carolina, at \$72 per capita, also generates revenue for the general fund from its Highway Use Tax (3 percent on vehicle sales) and annual safety inspections. Tennessee, at \$76 per capita, allows local option vehicle privilege taxes at the county level in addition to state-level registrations fees. As of FY2006, 55 of 95 Tennessee counties charged this so-called "wheel" tax in amounts of between \$10 and \$70 annually (about \$35 on average for the 55 counties).

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Corporate income taxes generated \$107 per capita for Georgia in FY2007, placing the state 40<sup>th</sup> nationally and second lowest among southeast states. This is up from \$95 per capita and a ranking of 42<sup>nd</sup> for FY2006. Table 10 presents further details for the corporate income tax. The southeast mean, at \$127 per capita, is also relatively low compared to the \$155 and \$193 respective means for AAA and all 50 states. Among the southeast states, Tennessee and North Carolina are again the highest, generating \$182 and \$173 per capita, respectively. In North Carolina's case, the relatively high revenues are likely attributable to high levels of corporate income in financial services as the corporate tax rate, at 6.9 percent versus 6.0 percent in Georgia, would not explain the difference. Notably, North Carolina's net collections had risen by 56 percent from FY2004 to FY2006 and rose another 20 percent in FY2007 without any change in tax rates. Tennessee, likewise, taxes corporate income at a rate only slightly above Georgia's, at 6.5 percent, but in Tennessee, Subchapter S corporations are subject to the tax just as C-corporations.

**TABLE 10. CORPORATE INCOME TAX**

<b>Rank</b>	<b>State</b>	<b>\$ per capita</b>
1	Alaska	\$1,195
2	New York	\$639
3	New Hampshire	\$454
<i>Top Quintile Cutoff</i>		\$234
<i>50-State Mean</i>		\$193
18	Tennessee	\$182
20	North Carolina	\$173
<i>AAA Mean</i>		\$155
<i>Nat'l Median</i>		\$155
31	Florida	\$134
<i>SE Mean</i>		\$127
33	Mississippi	\$126
37	Virginia	\$114
38	Alabama	\$109
<b>40</b>	<b>Georgia</b>	<b>\$107</b>
<i>Last Quintile Cutoff</i>		\$99
45	South Carolina	\$71

Zero CIT: NV, TX, WA, WY.

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Finally, to address differences between states in income levels, we consider overall state and local tax burdens as a percent of each state's per capita personal income and gross state product. In these comparisons, Georgia's overall tax burden rankings do not change much from the 34<sup>th</sup> spot discussed above. Relative to gross state product, Georgia's total tax burden in FY2007 was about 8.6 percent, slightly below the 8.9 percent southeast and 8.7 percent AAA-rated means, well below the 50-state mean of 9.5 percent, and ranking Georgia 37<sup>th</sup> nationally. Relative to personal income, Georgia's total tax burden was 10.3 percent, ranking Georgia 35<sup>th</sup> nationally and falling below the AAA and 50-state means (10.4 percent and 11 percent, respectively), but above the southeast mean (10.0 percent).

Overall, Georgia's total per capita tax burden is relatively low by national comparisons and about average compared to southeastern peers. Looking at the particular taxes, Georgia and most other southeast states were relatively more dependent on general sales and gross receipts taxes than national peers; and Georgia was considerably above most of its southeast peers on individual income taxes, but only slightly higher than the 50-state mean and well below AAA-rated peers. Meanwhile, Georgia was relatively low in national comparisons, but somewhat above the average of regional and AAA-rated peers on property taxes. Georgia ranks low on all other revenue categories, including other taxes, current charges, and revenue from the federal government.

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### III. Expenditures

A similar analysis of the expenditure side of Georgia's fiscal picture begins with rankings and per capita total direct expenditure amounts (Table 11).<sup>5</sup> Direct expenditures differ from total expenditures reported in the Census GFS database only by a generally small amount of net intergovernmental expenditures—less than 0.2 percent of the total for Georgia. As the table shows, Georgia ranks 41<sup>st</sup> nationally and lowest of 8 regionally in per capita direct expenditures. Georgia's \$7,402 per capita is 5.9 percent below the southeast mean, 8.5 percent below the AAA mean, and almost 14 percent below the 50-state mean. Georgia was ranked somewhat lower, at 46<sup>th</sup> nationally and lowest in the southeast, for FY2006 per capita direct expenditures. Georgia was the only southeast state in the bottom quintile on this measure for FY2006 and was almost \$500 per capita below the next lowest southeastern peer, North Carolina.

**TABLE 11. DIRECT EXPENDITURES**

Rank	State	\$ per capita
1	Alaska	\$17,006
2	New York	\$12,761
3	Wyoming	\$12,724
<i>Top Quintile Cutoff</i>		\$9,464
<i>50-State Mean</i>		\$8,593
21	Mississippi	\$8,429
25	South Carolina	\$8,265
<i>Nat'l Median</i>		\$8,211
<i>AAA Mean</i>		\$8,122
27	Florida	\$8,093
31	Tennessee	\$7,924
<i>SE Mean</i>		\$7,899
33	Alabama	\$7,697
35	Virginia	\$7,631
37	North Carolina	\$7,472
<i>Last Quintile Cutoff</i>		\$7,403
<b>41</b>	<b>Georgia</b>	<b>\$7,402</b>
48	South Dakota	\$6,905
49	Arkansas	\$6,680
50	Idaho	\$6,563

<sup>5</sup> Census data for total direct expenditures, current operations (Table 12), and total capital outlays (Table 13) are adjusted to correct for an error in census data for Georgia's State Highway Expenditures. See Note 6 for further details.

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### Direct Expenditures by Character

One way to break down expenditures is by the character of the spending, such as to fund current operations versus capital outlays or interest on debt. Tables 12-14 show rankings and amounts for these three expenditure types.

**TABLE 12. CURRENT OPERATIONS**

Rank	State	\$ per capita
1	Alaska	\$12,264
2	Wyoming	\$9,427
3	New York	\$9,337
<i>Top Quintile Cutoff</i>		\$7,160
14	Mississippi	\$6,717
21	Tennessee	\$6,455
<i>50-State Mean</i>		\$6,452
22	South Carolina	\$6,251
<i>Nat'l Median</i>		\$6,174
<i>AAA Mean</i>		\$6,146
<i>SE Mean</i>		\$6,075
29	Alabama	\$5,986
30	Florida	\$5,939
31	Virginia	\$5,901
34	North Carolina	\$5,807
<i>Last Quintile Cutoff</i>		\$5,548
<b>42</b>	<b>Georgia</b>	<b>\$5,517</b>
48	Texas	\$5,157
49	Idaho	\$5,085
50	South Dakota	\$5,039

**TABLE 13. CAPITAL OUTLAYS**

Rank	State	\$ per capita
1	Alaska	\$2,523
2	Wyoming	\$2,180
3	Nebraska	\$1,652
6	Florida	\$1,321
<i>Top Quintile Cutoff</i>		\$1,256
<b>16</b>	<b>Georgia</b>	<b>\$1,143</b>
<i>50-State Mean</i>		\$1,061
<i>AAA Mean</i>		\$1,027
<i>SE Mean</i>		\$1,003
<i>Nat'l Median</i>		\$958
26	South Carolina	\$954
27	Mississippi	\$951
30	North Carolina	\$915
34	Virginia	\$883
35	Alabama	\$870
<i>Last Quintile Cutoff</i>		\$804
46	Tennessee	\$739
48	Michigan	\$646
49	Rhode Island	\$634
50	Maine	\$578

**TABLE 14. INTEREST ON GENERAL DEBT**

Rank	State	\$ per capita
1	Alaska	\$648
2	Massachusetts	\$612
3	New York	\$490
<i>Top Quintile Cutoff</i>		\$366
<i>50-State Mean</i>		\$292
<i>Nat'l Median</i>		\$291
29	South Carolina	\$269
33	Florida	\$250
<i>AAA Mean</i>		\$248
35	Virginia	\$228
40	Alabama	\$206
<i>SE Mean</i>		\$197
<i>Last Quintile Cutoff</i>		\$187
44	North Carolina	\$170
45	Tennessee	\$163
47	Mississippi	\$157
48	Nebraska	\$156
49	Idaho	\$143
<b>50</b>	<b>Georgia</b>	<b>\$136</b>

As the tables indicate, Georgia ranks 16<sup>th</sup> nationally and 2<sup>nd</sup> regionally on total capital outlays at \$1,143 per capita. Georgia ranks much lower on current operating expenditures, 42<sup>nd</sup>, spending \$5,517 per capita. This places Georgia lowest among the southeast states, 8.7 percent below the regional average, and the only southeast state in the bottom quintile. Georgia came in \$904 or 14 percent below the 50-state mean.

Georgia also spends relatively little on interest on state and local general debt, spending \$136 per capita and ranking 50<sup>th</sup> nationally. Georgia's per capita interest spending was 31 percent below the southeast mean, 45 percent below the AAA mean,



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and 53 percent below the mean of all states. Georgia ranks 45<sup>th</sup> nationally in per capita debt outstanding and lowest among the AAA-rated states.

### **Direct General Expenditures by Function**

Breaking direct expenditures down by governmental function, the broad categories are direct general expenditures, which accounts for about 86 percent of the total, followed by utility and insurance trust expenditures. Utility expenditures are included in the current operations and capital outlay figures above, but are omitted from further discussion in order to focus on state and local general expenditures. Insurance trust expenditures are not included in the current operations figures above, though they are in total direct expenditures, and are also omitted from further discussion.

Direct general expenditures, then, are substantially comprised of current operating and capital spending on education, social services, transportation, public safety, environment and housing, and governmental administration. The following subsections address each in turn.

#### *Education*

Approximately 37 percent of direct general expenditures go toward education, including higher education (21 percent of education spending) as well as elementary and secondary education (73 percent). The balance is an “other” subcategory that includes state (but not local) spending on such things as vocational-technical schools, state supervision of local schools and state higher education, etc. Tables 15 and 16 present rankings and per capita spending on elementary and secondary, and higher education, respectively.

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**TABLE 15. ELEMENTARY &  
SECONDARY EDUCATION**

Rank	State	\$ per capita
1	Alaska	\$2,788
2	New Jersey	\$2,734
3	Wyoming	\$2,636
<i>Top Quintile Cutoff</i>		\$1,884
13	Virginia	\$1,848
<b>18</b>	<b>Georgia</b>	<b>\$1,782</b>
<i>50-State Mean</i>		\$1,728
22	South Carolina	\$1,703
<i>AAA Mean</i>		\$1,688
<i>Nat'l Median</i>		\$1,654
30	Florida	\$1,604
<i>SE Mean</i>		\$1,564
35	Alabama	\$1,540
<i>Last Quintile Cutoff</i>		\$1,494
43	Mississippi	\$1,400
45	North Carolina	\$1,393
48	Utah	\$1,324
49	Idaho	\$1,276
50	Tennessee	\$1,245

**TABLE 16. HIGHER EDUCATION**

Rank	State	\$ per capita
1	Vermont	\$1,146
2	North Dakota	\$1,119
3	Wyoming	\$1,028
8	North Carolina	\$924
<i>Top Quintile Cutoff</i>		\$866
10	Alabama	\$866
18	Mississippi	\$789
21	Virginia	\$775
<i>AAA Mean</i>		\$765
<i>50-State Mean</i>		\$737
<i>Nat'l Median</i>		\$732
<i>SE Mean</i>		\$684
31	South Carolina	\$676
<i>Last Quintile Cutoff</i>		\$572
<b>48</b>	<b>Georgia</b>	<b>\$503</b>
49	Tennessee	\$491
50	Florida	\$447

On elementary and secondary education spending, Georgia ranks 18<sup>th</sup> nationally (up slightly from 19<sup>th</sup> in FY2006) and second among southeast states, spending \$1,782 per capita in FY2007. This figure is only \$54 over the 50-state average, but is \$218 or 14 percent over the southeast average. Georgia ranks similarly on per pupil expenditures compared to other southeast states, coming in second behind Virginia, but somewhat lower compared to all states where it ranks 25<sup>th</sup>. Georgia spent \$9,127 per pupil in the 2006-2007 school year, 23 percent above the southeast average (U.S. Census Bureau). More recent estimates from the National Education Association for the 2007-2008 school year rank Georgia similarly, second behind Virginia in the region and 23<sup>rd</sup> nationally, 4.0 percent below the national mean.

Georgia ranks much lower on expenditures for higher education, including expenditures for degree-granting post-secondary institutions operated by state or local governments, and auxiliary services such as housing, food services, athletic facilities, etc. operated by those institutions. At \$503 per capita in FY2007, Georgia ranks 48<sup>th</sup>

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nationally and only ahead of Tennessee and Florida among its southeast peers. This figure is 26 percent below the southeast mean and 32 percent below the 50-state mean. The regional leader in higher education spending is North Carolina at \$924 per capita, 84 percent higher than Georgia's expenditures and ranking North Carolina 8<sup>th</sup> nationally. One reason why Georgia's per capita spending on higher education is relatively low is that enrollment in degree-granting institutions is a smaller portion of the total population in Georgia (3.7 percent in the 2006-2007 school year) than in the highly ranked southeast states like North Carolina (4.6 percent), Mississippi (4.7 percent), and Alabama (5.0 percent).

Also worth noting is that, on total capital outlays for education (all levels), Georgia ranks 20<sup>th</sup> nationally and 4<sup>th</sup> regionally, spending \$300 per capita, which is marginally above the 50-state and southeast means.

### *Social Services and Income Maintenance*

The social services category is comprised principally of public welfare, hospital, and health expenditures, which are presented in Tables 17-19, respectively.

On public welfare spending, Georgia's \$973 per capita in FY2007 ranks it 44<sup>th</sup> nationally and lowest among the southeast states, where only Florida and Virginia are also in the bottom quintile. This figure is 12 percent below the regional mean and 22 percent below the 50-state mean. Included in this category are cash assistance payments (e.g. TANF), vendor payments for medical care (e.g. for Medicaid) and other purposes, welfare institutions (e.g. nursing homes), and administration of public welfare programs.

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**TABLE 17. PUBLIC WELFARE**

Rank	State	\$ per capita
1	New York	\$2,256
2	Alaska	\$2,072
3	Rhode Island	\$1,916
<i>Top Quintile Cutoff</i>		<i>\$1,511</i>
12	Mississippi	\$1,370
<i>50-State Mean</i>		<i>\$1,254</i>
22	Tennessee	\$1,204
23	South Carolina	\$1,203
<i>Nat'l Median</i>		<i>\$1,176</i>
<i>AAA Mean</i>		<i>\$1,170</i>
<i>SE Mean</i>		<i>\$1,100</i>
36	North Carolina	\$1,059
38	Alabama	\$1,014
<i>Last Quintile Cutoff</i>		<i>\$999</i>
41	Florida	\$999
42	Virginia	\$977
<b>44</b>	<b>Georgia</b>	<b>\$973</b>
48	Utah	\$809
49	Colorado	\$774
50	Nevada	\$723

**TABLE 18. HOSPITALS**

Rank	State	\$ per capita
1	Wyoming	\$1,240
2	Mississippi	\$898
3	South Carolina	\$889
4	Alabama	\$789
<i>SE Mean</i>		<i>\$601</i>
8	North Carolina	\$545
<i>Top Quintile Cutoff</i>		<i>\$501</i>
<b>10</b>	<b>Georgia</b>	<b>\$501</b>
14	Tennessee	\$464
<i>AAA Mean</i>		<i>\$389</i>
<i>50-State Mean</i>		<i>\$368</i>
21	Florida	\$362
22	Virginia	\$360
<i>Nat'l Median</i>		<i>\$340</i>
<i>Last Quintile Cutoff</i>		<i>\$176</i>
48	New Hampshire	\$43
49	Vermont	\$29
50	North Dakota	\$28

**TABLE 19. HEALTH**

Rank	State	\$ per capita
1	Wyoming	\$494
2	Hawaii	\$474
3	Delaware	\$413
<i>Top Quintile Cutoff</i>		<i>\$300</i>
11	North Carolina	\$293
<i>AAA Mean</i>		<i>\$243</i>
16	Tennessee	\$243
20	South Carolina	\$227
21	Florida	\$223
<i>50-State Mean</i>		<i>\$221</i>
<i>SE Mean</i>		<i>\$209</i>
<i>Nat'l Median</i>		<i>\$202</i>
<b>27</b>	<b>Georgia</b>	<b>\$201</b>
28	Virginia	\$190
33	Alabama	\$174
<i>Last Quintile Cutoff</i>		<i>\$135</i>
45	Mississippi	\$125
48	Idaho	\$104
49	New Hampshire	\$97
50	Arkansas	\$86

Within social services, Georgia ranks highest in expenditures on hospitals. The \$501 per capita spent in FY2007 ranks Georgia 10<sup>th</sup> nationally, up from 15<sup>th</sup> for FY2006, but only 5<sup>th</sup> of 8 in the southeast. Five southeast states rank in the top quintile nationally, three in the top five, and all are in the top half of the 50 states. Georgia's hospital spending was 17 percent below the regional mean and 36 percent above the 50-state mean.

Lastly, Georgia's health expenditures for FY2007 were \$201 per capita, ranking the state 27<sup>th</sup> nationally and 5<sup>th</sup> among its southeastern peers. Southeast states rank as high as 11<sup>th</sup> (North Carolina) and as low as 45<sup>th</sup> (Mississippi) nationally. Georgia's spending comes in at 4.3 and 9.0 percent below the southeast and national averages, respectively. Included in this category are general health expenditures such as those on public health administration, immunization programs, drug and alcohol abuse prevention, health related inspections (e.g. restaurants, agricultural, food processing), and animal control.

## Comparing Georgia's Fiscal Policies to Regional and National Peers

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### *Transportation*

Transportation spending in Georgia is comprised primarily of highway spending (81 percent) and secondarily of spending on air transportation (15 percent) and port facilities (4 percent). Highway spending figures and rankings are presented in Table 20.<sup>6</sup>

**TABLE 20. HIGHWAYS**

<b>Rank</b>	<b>State</b>	<b>\$ per capita</b>
1	Alaska	\$1,172
2	Wyoming	\$1,116
3	North Dakota	\$894
8	Mississippi	\$675
<i>Top Quintile Cutoff</i>		\$626
<i>50-State Mean</i>		\$536
20	Florida	\$535
<i>Nat'l Median</i>		\$513
<i>AAA Mean</i>		\$479
34	Alabama	\$456
<i>SE Mean</i>		\$428
<i>Last Quintile Cutoff</i>		\$397
<b>41</b>	<b>Georgia</b>	<b>\$397</b>
43	Virginia	\$367
45	South Carolina	\$345
46	North Carolina	\$343
48	Connecticut	\$327
49	Massachusetts	\$310
50	Tennessee	\$308

On the latter two subcategories, respectively, Georgia ranks 10<sup>th</sup> and 14<sup>th</sup> nationally. Georgia spent \$71 per capita on airports in FY2007, which was third highest in the region (behind Virginia and Florida) and roughly 14 percent above the

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<sup>6</sup> Note that the 2007 Census GFS data for Georgia's state level highway expenditures are erroneous, showing inexplicably large spending for the year. Census is aware of the problem, but for our immediate purposes, we have substituted U.S. Federal Highway Administration state highway spending data (Highway Statistics, 2007) for the GFS state spending figures, adding to the GFS local spending figures to generate corrected total and per capita highway spending data. Differences in Census and Highway Administration data for Georgia's highway spending and capital outlays are also used to adjust direct expenditure, current operations, and capital outlay figures in Tables 11-13 above.

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regional mean and 10 percent above the 50-state mean. Port facilities spending was less than \$20 per capita.

Georgia's highway spending of \$397 per capita ranks 41<sup>st</sup> nationally and 4<sup>th</sup> of 8 in the southeast. Georgia's per capita highway spending, of which 75 percent was capital outlays, falls 26 percent below the 50-state mean and 7 percent below the southeast mean.

### *Public Safety*

Public safety spending in Georgia is comprised principally of corrections, and police and fire protection. Georgia spent \$577 per capita on public safety in FY2007 with corrections accounting for 40 percent of the total, followed by police protection at 39 percent and fire protection at 17 percent. Protective inspection and regulation account for the balance.

Table 21 presents amounts and rankings for total public safety spending, on which Georgia ranks 23<sup>rd</sup> nationally and 3<sup>rd</sup> regionally. Georgia's spending was \$15 per capita above the region average and \$31 below the average for all states. On the subcategories within public safety, Georgia spent and ranked as follows:

	<b>Amount</b>	<b>50-State</b>	<b>Southeast</b>
Corrections	\$232	20th	3rd
Police	\$224	30th	4th
Fire	\$97	29th	4th
Inspection & Regulation	\$23	45th	8th

## Comparing Georgia's Fiscal Policies to Regional and National Peers

**TABLE 21. PUBLIC SAFETY**

<b>Rank</b>	<b>State</b>	<b>\$ per capita</b>
1	California	\$1,035
2	Alaska	\$934
3	Nevada	\$909
6	Florida	\$796
<i>Top Quintile Cutoff</i>		\$753
17	Virginia	\$669
	<i>50-State Mean</i>	\$608
	<i>AAA Mean</i>	\$598
<b>23</b>	<b>Georgia</b>	<b>\$577</b>
	<i>SE Mean</i>	\$562
<i>Nat'l Median</i>		\$547
30	North Carolina	\$531
36	Alabama	\$509
38	Tennessee	\$498
<i>Last Quintile Cutoff</i>		\$475
41	South Carolina	\$475
44	Mississippi	\$442
48	Kentucky	\$426
49	North Dakota	\$396
50	West Virginia	\$389

### *Environment and Housing*

The environment and housing category includes spending on natural resources (about 6 percent of the Georgia total), parks and recreation (21 percent), housing and community development (24 percent), sewerage (33 percent), and solid waste management (17 percent). Total spending on environment and housing, as shown in Table 22, came to \$472 per capita in FY2007, ranking Georgia 34<sup>th</sup> nationally and 4<sup>th</sup> out of 8 in the southeast.

On the narrower categories of spending within environment and housing, Georgia spent and ranked as follows:

	<b>Amount</b>	<b>50-State</b>	<b>Southeast</b>
Natural Resources	\$29	42nd	5th
Parks & Recreation	\$99	27th	4th
Housing & Community Development	\$111	27th	3rd
Sewerage	\$154	14th	2nd
Solid Waste Management	\$78	17th	2nd

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**TABLE 22. ENVIRONMENT AND HOUSING**

<b>Rank</b>	<b>State</b>	<b>\$ per capita</b>
1	Alaska	\$1,196
2	Louisiana	\$1,183
3	Wyoming	\$937
6	Florida	\$788
<i>Top Quintile Cutoff</i>		\$671
<i>50-State Mean</i>		\$553
<i>AAA Mean</i>		\$529
<i>Nat'l Median</i>		\$508
29	North Carolina	\$493
32	Virginia	\$477
<b>34</b>	<b>Georgia</b>	<b>\$472</b>
<i>SE Mean</i>		\$460
<i>Last Quintile Cutoff</i>		\$386
42	South Carolina	\$381
43	Tennessee	\$379
47	Mississippi	\$349
48	Alabama	\$338
49	Kentucky	\$333
50	Arkansas	\$332

### *Governmental Administration*

Finally, governmental administration expenditures are comprised of spending on the judicial and legal system (29 percent of the total in Georgia), financial administration (28 percent), general public buildings (12 percent), and an “other” subcategory.

In total, Georgia spent \$329 per capita on governmental administration in FY2007, ranking it 37<sup>th</sup> nationally and 4<sup>th</sup> regionally, as shown in Table 23. This figure falls within \$2 of the regional mean, but 20 percent below the 50-state mean.

On the narrower categories of spending within governmental administration, Georgia spent and ranked as follows:

	<b>Amount</b>	<b>50-State</b>	<b>Southeast</b>
Judicial & Legal	\$96	35th	3rd
Financial Administration	\$91	43rd	5th
Public Buildings	\$39	33rd	5th
Other	\$103	15th	1st



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**TABLE 23. GOVERNMENTAL  
ADMINISTRATION**

<b>Rank</b>	<b>State</b>	<b>\$ per capita</b>
1	Alaska	\$1,064
2	Delaware	\$770
3	Wyoming	\$746
<i>Top Quintile Cutoff</i>		\$488
16	Florida	\$437
	<i>50-State Mean</i>	\$413
	<i>AAA Mean</i>	\$412
20	South Carolina	\$407
<i>Nat'l Median</i>		\$386
29	Virginia	\$372
	<i>SE Mean</i>	\$331
<b>37</b>	<b>Georgia</b>	<b>\$329</b>
<i>Last Quintile Cutoff</i>		\$302
45	Alabama	\$289
47	Tennessee	\$280
48	Mississippi	\$276
49	North Carolina	\$257
50	Texas	\$236

Finally, as for revenues above, we considered Georgia's expenditures relative to personal income and gross state product. On direct general expenditures as a percent of personal income, Georgia ranks 32<sup>nd</sup> nationally and 5<sup>th</sup> out of 8 southeast states. Georgia's expenditures amount to 18.9 percent of personal income, about 1 percentage point below the southeast and 50-state means of 19.9 and 20.1 percent respectively. On expenditures relative to gross state product, Georgia's 15.8 percent of GSP ranks it 38<sup>th</sup> nationally and 5<sup>th</sup> in the southeast. The 50-state and southeast means are 17.3 percent and 17.9 percent respectively. Note that these expenditures include all expenditures made with all sources of revenue, including Federal grants.

### IV. Conclusion

In summary, in terms of overall revenue burdens and overall spending, Georgia was in the bottom quintile on both. In terms of the overall tax burden, Georgia is in the middle of the range for its southeast peers, but it is still a relatively low tax burden state in national comparisons, ranking 34<sup>th</sup>. This is, perhaps, in keeping with the fiscally conservative political majority in the state, but also likely a partial result of lower costs of governmental services relative to many higher tax states, primarily in the northeast.

The tax mix varies considerably across the southeast, with Virginia and the Carolinas relying much less on general sales taxes than does Georgia. Virginia, the region's highest tax burden state, and North Carolina, which has an overall burden comparable to Georgia's, rely more heavily on individual income taxes. The lowest tax burden states nationally are southeast states Alabama, Mississippi, and Tennessee, followed closely by South Carolina, which ranked 46<sup>th</sup>.

The expenditure side overall also seems to reflect fiscally conservative policies, with Georgia ranking 41<sup>st</sup> nationally on total direct expenditures, though again, lower costs of inputs to government services than in some of the higher spending states likely played a role. The spending mix also varies considerably across the region, with, for example, Georgia ranking relatively high on elementary and secondary education, but low on higher education. Georgia also ranks relatively high on hospitals and public safety, and low on highways, transportation in general, and public welfare spending.

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***Household Tax Burden Effects from Replacing Ad Valorem Taxes with Additional Sales Tax Levies (Richard Hawkins)***. This brief estimates net tax effects across income classes from a sales tax for property tax swap; where Georgia property taxes are reduced and state sales taxes increased. FRC Brief 198 (August 2009)

***An Examination of the Financial Health of Georgia's Start-Up Charter Schools (Cynthia S. Searcy and William D. Duncombe)***. This report examines the financial health of start-up charter schools in Georgia during the 2006-07 school year. FRC Report/Brief 197 (July 2009)

***Corporate Tax Revenue Buoyancy (Laura Wheeler)***. This brief analyzes the growth pattern of the Georgia corporate income tax over time and the factors that have influenced this growth. FRC Brief 196 (July 2009)

***Forecasting the Recession and State Revenue Effects (Robert Buschman)***. This brief presents information regarding the degree to which macroeconomic forecasters anticipated the timing and magnitude of the present recession and whether the significant decline in state revenues that has resulted might have been better anticipated. FRC Brief 195 (June 2009)

***Georgia's Brain Gain (Chandler B. McClellan and Jonathan C. Rork)***. This brief investigates trends in the interstate migration of young college graduates. FRC Brief 194 (March 2009)

***The Value of Homestead Exemptions in Georgia (John Matthews)***. This brief estimates the total property tax savings, state-wide, to homeowners arising from homestead exemptions: examples and descriptions are provided. FRC Brief 193 (March 2009)

## Comparing Georgia's Fiscal Policies to Regional and National Peers

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***Comparison of Georgia's Tobacco and Alcoholic Beverage Excise Tax Rates (Sean Turner and Sally Wallace)***. This brief provides a detailed comparison of excise tax rates across the United States. [FRC Brief 192](#) (March 2009)

***Buoyancy of Georgia's Sales and Use Tax (David L. Sjoquist)***. This brief explores the growth in sales tax revenue relative to the growth of the state's economy. [FRC Brief 191](#) (March 2009)

***Buoyancy of Georgia's Personal Income Tax (Sally Wallace)***. This brief analyzes the growth in Georgia's Income Tax and explores reasons for trends over time. [FRC Brief 190](#) (March 2009)

***Growth and Local Government Spending in Georgia (Nara Monkam)***. This report is a technical analysis that estimates the effect of local government spending on economic growth at the county level in Georgia. [FRC Report/Brief 189](#). (February 2009)

***Georgia Revenues and Expenditures: An Analysis of Their Geographic Distribution (Peter Bluestone)***. This report presents a geographic analysis of "who bears the burden" of state taxes and who benefits from state public expenditures. [FRC Report/Brief 188](#) (February 2009)

***Trends in Georgia Highway Funding, Urban Congestion, and Transit Utilization (Peter Bluestone)***. This report examines transportation funding, as well as urban congestion and transit utilization in Georgia as well as six other states for fiscal years 2000 and 2005. [FRC Report 187](#) (October 2008)

***Options for Funding Trauma Care in Georgia (Peter Bluestone and Robert D. Buschman)***. This report examines several options for funding trauma care in Georgia through dedicated revenue sources, with the objective of raising approximately \$100 million. [FRC Report 186](#) (October 2008)

***Distribution of the Georgia Corporate and Net Worth Tax Liabilities, 1998 and 2005 (Jonathan C. Rork)***. This brief illustrates the distribution of corporate and net worth income tax liabilities among Georgia corporations. [FRC Brief 185](#) (September 2008)

***The Effect of Insurance Premium Taxes on Employment (Martin Grace, David L. Sjoquist, and Laura Wheeler)*** This report provides estimates of the effect of the insurance premium taxes on state-level employment in the insurance industry. [FRC Report 184](#) (September 2008)

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