MEASURING THE FISCAL CAPACITY AND EFFORT OF STATE AND LOCAL AREAS

information report

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PREFACE

This report picks up where the Commission's 1962 report, *Measures of State and Local Fiscal Capacity and Tax Effort,* left off, in examining ways to quantify (a) the relative financing capability of States and their local governments and (b) the extent to which these governments actually utilize this capability.

The 1962 report on this subject was concerned only with entire States (including their political subdivisions). No attempt was made to develop capacity and effort measures for areas smaller than States. Neither was any attempt made to look beyond tax-raising capacity to consider the financing capacity available from nontax revenue sources and from borrowing. Nor were comparative measures developed separately for State governments and local governments. In all these respects the present report breaks new ground.

Improved measures of fiscal capacity and fiscal effort would serve the ends of several INTERGOV objectives. It has recommended both to the Federal Government and the States that they increase emphasis on equalization of local resources in the distribution of their grants among eligible jurisdictions. It has urged State and local governments to make more effective use of their revenue resources and to encourage, in various ways, the mitigation of interstate and inter-local tax load differentials. The availability of meaningful fiscal capacity and fiscal effort measures would help to serve these and related policy ends.

The Commission's concern with these measures stems in part out of its responsibilities in the area of Federal grants-in-aid and in part out of its interest in State and local tax policies and practices. Under Public Law 86-380, 86th Congress, the INTERGOV Commission is required, among other duties, to—

> "(1) bring together representatives of the Federal, State and local governments for the consideration of common problems;
>
> "(2) provide a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation;
>
> "(3) give critical attention to the conditions and controls involved in the administration of Federal grant programs."

Conforming to INTERGOV policy for information reports, the results of the research investigation are presented without advising policy positions or recommendations. The report, however, provides extensive background for later consideration of policy issues by the Commission.

Publication of this information report was approved by the Commission at its meeting on September 11, 1970.

Robert E. Merriam
Chairman

ACKNOWLEDGMENTS

This research report was carried out primarily by the Special Projects Staff of the Commission, under the direction of Allen D. Manvel. Donald J. Curran and Raymond J. Krasniewski participated responsibly in the design and conduct of the study, and L. L. Ecker-Racz served throughout as a part-time consultant. Dr. Curran was the principal author of chapters 3, 4, 7, and 8, and Mr. Manvel of other portions of the report.

Mr. Krasniewski's work included the handling of complex data for various revenue sources, especially the property tax. The project benefitted also from assistance by John J. Callahan, an economist on the Commission's permanent research staff. Mrs. Evelyn Bowie carried out manual statistical operations, and Mrs. Ruthamae Phillips provided secretarial assistance.

The study required extensive computer processing of economic and financial data. Plans for the econometric analyses were developed in consultation with Dr. E. William Dinkelacker of Georgetown University, who also devised the necessary computer programs. Computer processing was carried out by Econotron, Incorporated.

Most of the data underlying this report were obtained from the Bureau of the Census and the Office of Business Economics, including in each instance a number of special tabulations and research efforts, as more fully explained in Chapter 5 and Appendixes A and D. Appreciation for their very effective aid in this respect is due especially to Robert E. Graham and Edwin J. Coleman of the Regional Accounts Division of the Office of Business Economics; and to Sherman Landau, Geneva Hines, Rebecca Dove, and Gertrude Whitehouse of the Governments Divison, Bureau of the Census. In addition, certain data initially developed by the Commission Staff for the Urban Mass Transportation Administration was adapted for use in this study.

The project benefitted also by comments and suggestions received from a number of fiscal scholars and public officials, both by a planning session held when the study was getting under way, and by their review of a preliminary version of this published report.

The study was financed primarily from a grant made for this purpose by the Ford Foundation. This support was supplemented from Commission resources.

John Shannon
Assistant Director
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Wm. R. MacDougall
Executive Director

FOREWORD

Traditionally, policymakers have relied on two kinds of economic indicators to measure relative fiscal capacity and tax effort of State and local governments:

> For purposes of Federal grants to States and for interstate financial comparisons, use is sometimes made of estimates of per capita personal income.
>
> For purposes of State financial aid to local governments, notably for educational purposes, frequent reliance is placed on the value of taxable property on local areas' tax rolls.

Although useful, each of these kinds of indicators leaves much to be desired as a measure of governments' fiscal capability. At the State level, for example, resident personal income fails to reflect closely the potential of certain revenue sources, such as severance taxes in States like Louisiana, New Mexico, Texas, or Wyoming, motor fuel taxes in tourist-oriented States like Maine or Vermont, or gambling taxes in Nevada. And locally, the property tax base pertains to only a portion of available financing resources. Nationally, about two-fifths of all own-source revenue of local governments is obtained from non-property sources.

The problems with "traditional" indicators of governments' financing capability are multiplied when one considers the potential interest of Federal policymakers in comparative measures for areas smaller than States or for particular local jurisdictions. This interest has been stimulated by the notable growth of Federal-local grants, and more recently by the widening discussion of revenue-sharing arrangements that include "pass through" features designed to target some money specifically toward local governments.

In this context, a question arises that is not encountered in making intra-State comparisons alone, such as those needed for State-local grants arrangements: How to deal, in a nationwide context, with the marked interstate differences that exist in the relative financing roles of the respective States and their local governments? Clearly, any given per capita amount of "local government revenue capacity" or even of "actual local government revenue" means different things where (as in New Jersey) local governments account for a major portion of State-local financing and where (as in Hawaii) the State government plays a predominant role.

Especially in a nationwide context, then, neither of the "traditional" indicators of relative fiscal capacity, *taken alone,* meets the need for meaningful comparative measures of the financing capability of the governments that serve various areas. For similar reasons, no other *single* indicator serves well. But if, as this suggests, account should be taken of *various* characteristics that affect the fiscal capacity of particular governments, two further questions arise: (1) Just what measurable characteristics should be taken into account? and (2) How much weight or importance should be given to each in order to arrive at a summary or composite indicator?

Some of these problems were dealt with in our earlier report. It included estimates of State-local tax capacity in each State, based on an innovative "representative tax system" approach. With that approach, total tax capacity was defined as the amount of revenue that would have been obtained by applying to taxable resources within each State the national-average rate of each of the various types of State and local taxes.

A comparable concept is currently employed in Canada. A program of "revenue equalization grants" instituted there in 1967 distributes financial aid to each of the Provincial (State) governments found to have less per capita revenue-raising capacity—as similarly estimated on an average-rate basis for each of the various kinds of revenue sources actually used by Provincial governments—than the national average.

The handling of "capacity" in the present study resembles that of the earlier ACIR report, by dealing separately with many different sources and weighing them according to their relative nationwide importance in State-local finances. However, it goes beyond taxes to deal also with charges and other nontax sources (which supplement State-local tax revenue by about one-fourth). Further, it provides summary State-by-State measures of "over-all fiscal capacity and effort" that take account of debt issuance as well as revenue. And it extends the "average-financing-system" approach separately to State and local government revenue sources, in order to develop comparative measures for over 900 local areas as well as for entire States.

Most of the statistical findings presented in the report refer to fiscal 1966-67, the year for which detailed financial data are available from the latest Census of Governments. However, some updated State-by-State figures covering fiscal 1968-69 are also given. Some of the study conclusions are:

> ..... (1) Meaningful comparative measures of fiscal capacity and effort *can* be developed for various local areas; (2) such measures would lend themselves to selective and careful use in some kinds of Federal grants targeted toward local governments; (3) corresponding measures might well be built into Federal-State grant arrangements; and (4) States could use a comparable

technology to measure relative local fiscal capacity and effort for some of their grant programs. ..... While intergovernmental transfers supply a significant and growing part of all local public financing, the great bulk of local government support is "self support" .... Accordingly, it may be at least as important to have reasonably sound measures of relative fiscal capacity and effort available as a background for policymaking at the local government level as to have such measures for the design of Federal or State grant programs.

The reported State-by-State comparisons reaffirm, in updated form and by reference to broader-based measures, some extremely significant findings of the earlier ACIR study: that the relative financing capability of *governments* in various areas does not always correspond closely to the relative well-offness of *people* in such areas, as reflected by per capita income figures; and that the relationship of tax collections to the personal income of an area's residents does not necessarily gauge the financing burden borne by those residents.

The illustrative data presented afford a background for the consideration of possible new approaches in Federal-State-local and State-local grant programs. On the other hand, in describing certain problems for the development of reliable localized measures—particularly for areas smaller than entire counties—the study supplies evidence that policy options in this regard are definitely limited.

Chapter 3 of the report describes some of the uses actually made of indicators of relative fiscal capacity in existing Federal and State grant-in-aid programs, and chapters 4 and 8 discuss various ways in which comparative measures of the sort given here might be utilized by the National Government and by State governments, respectively. The word "might" deserves particular emphasis. Some of the potential applications mentioned, especially in connection with grant-in-aid formulas, would actually operate in opposing directions—that is, they would tend to serve competing kinds of objectives.

It should be evident, then, that the report's discussion of various *possible* uses of comparative fiscal measures is not intended to indicate the extent or ways such data *should* be explicitly built into ongoing intergovernmental arrangements. The answer to that question would call for a determination of objectives to be served, resting in turn upon the value judgments of those charged with policymaking responsibilities.

There are obvious hazards in an innovative effort to design new tools for fiscal policymaking, and particularly in presenting extensive arrays of illustrative data such as those that appear in this report. Even long-established statistical series in the complex field of governmental finance are sometimes misunderstood or misused. The need for cautious interpretation is multiplied when, as in this instance, the reported data reflect new approaches and unfamiliar concepts and terminology.

It follows that readers should exercise care in drawing conclusions from, or making specific uses of these statistics. In particular, account should be taken of the qualifications and "warning signals" that appear in various portions of the report, as well as of its discussion of basic concepts and estimating methods (summarized in Chapter 1 and more fully treated subsequently).

In addition to the limitations of the reported statistics that are pointed out in chapters 5 and 6 and various appendixes, some cautionary observations are in order with respect to ways that the data might be interpreted:

(1) This study has involved no effort to measure the relative public service requirements or fiscal needs of various areas. Clearly, however, comparative measures of capacity and effort are likely to be especially useful when they can be examined or used in conjunction with data of that kind.

(2) It was noted above that revenue capacity has been estimated here mainly by an "average-financing-system" approach, as the sum of amounts that the governments serving any particular area would obtain if they were making use of various revenue-raising sources at nationwide average rates. This is a logical and useful estimating method, but its use here should not be taken to mean that the prevailing "average" State-local revenue system is considered ideal.

(3) Certain tables in this report compare detailed components of revenue effort for various State and local areas with related national-average figures. Such comparisons should be useful for policymaking consideration, but they are not intended to imply that "average" rates of use for various revenue sources necessarily represent desirable norms toward which all areas should strive. On the contrary, it may well be that responsible officials and the general public in some States and localities will consider a departure from average financing practices more to their liking.

(4) Many individual States show up rather differently in relative revenue capacity and effort as measured here on an "average-financing-system" basis than when their capacity is inferred solely from data on resident personal income. Accordingly, as Chapter 4 points out, if comparative measures of this kind were regularly available on a reasonably current basis, they would afford an alternative to personal income data as a factor

in present or prospective Federal grant arrangements that include an allowance for interstate differences in capacity or effort. But in recognizing this possibility, the present report does not propose specific action in that direction. Any such suggestions would obviously need to take account of many policy-related considerations not examined here.

These cautionary comments are in no sense intended as an apology for this study. Numerous advisers and critics who have examined it in draft form have expressed the view that the kinds of comparative measures developed and illustrated here have great potential value, and that this undertaking should stimulate and contribute to other much-needed efforts toward a better understanding, by policymakers and the general public, of fiscal conditions and relationships within our federal system. If this confidence is well-grounded, the report will have served its intended purpose.

Wm. R. MacDougall
Executive Director

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Chapter I.

THE PURPOSE AND NATURE OF THIS STUDY

"When you can measure what you are speaking about and express it in numbers, you know something about it; but when you cannot measure it, when you cannot express it in numbers, your knowledge is of a meager, unsatisfactory kind."[1]

These words of Lord Kelvin, the noted British scientist, offer a backdrop for the present study, which mainly concerns the question: Is it possible to make meaningful comparisons of the capacity and effort of various areas and governmental bodies to finance public services?

The Problem Broadly Examined

At first glance, the answer to the foregoing question seems obvious. Comparisons of this general sort are being made every day by public policymakers, the news media, businessmen, and ordinary citizens:

No Governor proposes a major tax change, and surely no legislature adopts one, without considering how the enactment may affect the State's standing compared to that of neighboring and competing States.

In setting annual budgets and tax rates, city councils and county boards also look over their shoulders at what is going on in nearby jurisdictions.

News stories and editorials frequently include comparisons of the tax rates or spending levels of particular communities.

In planning where to locate new stores or factories, businessmen try to gauge how alternative locations compare in "tax climate."

Those who rate and market municipal bond issues try to take account of the relative financial condition of various borrowing units.

But many such comparisons are rough-and-ready at best, and they may even be misleading:

How likely is it that an Oregon newspaper "viewing with alarm" that State's heavier-than-average income tax, will also emphasize that Oregon has no general sales tax, while neighboring California, Idaho, and Washington all do?

When a homeowner in Camden, New Jersey finds—as he well might—that the property tax on his home is much more than it would be in nearby Philadelphia and nearly three times what it would be only a few miles away in Wilmington, does he have good grounds for complaint? What allowance should he make for the fact that in Philadelphia he would be subject to twice the "general sales tax" he pays in Camden, or in Wilmington to a hefty State income tax, not levied in New Jersey?

How can John Q. Public make anything of newspaper reports of property tax rates of different local jurisdictions when, as is all too often the case, the governments being compared are in areas where property is officially valued for tax purposes at different fractions of its real market value?

Or again, what can John Public make of the fact that New York City and Washington, D.C. spend far more per person than do most city governments? The typical municipality provides only a part of all local public services needed by its residents; they are usually served also by a county, school district, and various special districts. On the other hand, New York City has no such overlying units with separate taxing power, and Washington, D. C. does not even have an overlying State government.

These are only a few examples of the problems likely to arise in trying to make *meaningful* fiscal comparisons of various areas and governments, especially when these are located in different States.

In large part, these problems and difficulties are a by-product of the American federal system of government which gives the main responsibility for domestic public services to the States. They, in turn, have delegated to local public bodies a considerable share of this responsibility. Being entirely independent

[1] Sir William Thomson (Baron Kelvin), *Constitution of Matter* (London: MacMillan and Co., 1891), p. 1.

of each other and largely independent of the National Government, each State has been free to develop its own governmental and financing arrangements. Great differences in various parts of the country have resulted.

On the other hand, there are marked similarities in the nature of local community requirements. People in every part of the Nation need and somehow receive a "package" of localized public services which includes some services, such as police protection, public schools, and roads, recognized as major responsibilities of government everywhere. In closely-settled areas, the package also involves added public services, including some so essential that human survival in an urban environment would be impossible without them. (Winston Churchill once wrote that the only time he nearly despaired during the Battle of Britain was when the London sewer system—its "drains"—was imperiled.)

Two other facts require emphasis. First, in spite of the States' legal power to act separately in devising patterns of government and financing arrangements, they have actually done a good deal of copying from one another. As a result, many of the variations cited above are of secondary importance, not of a fundamental nature. For example, although there are marked interstate differences in the degree to which public responsibilities have been delegated to local governments, a good deal of delegation appears everywhere; no State tries to exercise all of its constitutional powers directly. Similarly, although the legal scope of the property tax varies considerably from State to State, everywhere it is a very important revenue source, especially for local governments. Most of the major taxes used by State governments have taken shape within the past half century or so, and generally have common basic features.

Secondly, the Bureau of the Census regularly develops statistics on State and local government finances in a framework that groups various items according to certain standard definitions, rather than according to their diverse handling in State and local accounts. By adding together amounts concerning various "overlying" governments, as thus available from Census Bureau sources, it often is possible to deal with some of the handicaps to meaningful fiscal comparisons which were suggested above.

In summary then, although inter-area differences in governmental institutions and financial practices complicate the matter, it is possible to make much more meaningful comparisons of public financing in various areas than those that are often carelessly made.

But, conceding both the difficulty and the feasibility of making *good* comparisons of this sort, why try? What do they matter? The answer is at least threefold.

First, it is tremendously important that the *general public* be able to form some reasonable idea as to how well it is being served by government. Our whole framework of representative institutions is based on the premise that popular appraisal is both possible and desirable. To the extent that public views about governmental performance include concern about taxes and public spending—and some present and previous local officials would no doubt say that most voters are too preoccupied with these matters!—surely it is desirable that such views rest on accurate information. Yet, it is all too easy for voters to be misled by figures that grossly misrepresent the relative financial position of their communities. The development of more meaningful comparative figures should reduce the likelihood of poorly-founded judgments by the general public, whether voting is on specific tax-rate or borrowing questions that are put to referendum or on deciding whether to re-elect present officials or "turn the rascals out."

More directly, well-based financial comparisons are needed by *responsible policymakers*—governors, mayors, legislators and local councilmen and board members—who in their representative capacity make most of the specific decisions about public budgets, taxing, and borrowing. In particular, such officials generally try to keep their own jurisdictions from getting too far out of line with neighboring or competing areas.

There is a third extremely important purpose to be served by good comparative measures of fiscal capacity and effort, involving policy-making and administration with regard to *grants-in-aid* from one level of government to another.

Federal grants supply more than one-sixth of total State and local government revenue; State grants provide nearly one-third of all local government revenue. Many of these grant arrangements make no provision for differentiating among the aided governments according to variations in their financing capacity or effort. However, there are some grant programs—particularly Federal aid for public welfare and health purposes, and State grants for schools—which do take account of such differences among the governments eligible for aid.

State-local grants of this kind usually measure the financial capacity of the local governments by their property tax base. In the case of school districts, a "poor" district is likely to be so identified because it has a relatively small amount of taxable property per pupil or per teacher, usually with some allowance for estimated differences in the level of assessments (i.e., the relation between assessed value and market value of taxable property). In turn, if the level of local "effort" enters into the State grant formula, this is generally measured in terms of a local property tax rate, usually with allowance for assessment levels.

Differences in the financing capacity of aided governments are specifically taken into account in only a limited number of Federal grants, *but* these programs account for a considerable share of all Federal grant dollars. Under these programs, interstate differences in capacity are measured in terms of the respective States' average per capita personal income, as estimated annually by the Office of Business Economics, with more generous aid authorized for those States that rank relatively low.

Differentiation between "poor" and "well-off" areas has been provided in few of the Federal grants that go directly to local governments. The amount of money distributed under these programs is still far less than the total of Federal-State grants, but in recent years direct Federal-local grant programs have burgeoned both in number and in the dollar amounts involved.

Anticipating Some Conclusions

The need for meaningful comparative measures of fiscal capacity and effort—their actual or potential value for grant-in-aid use—was a major element in the decision by the Advisory Commission on Intergovernmental Relations to sponsor the present study. While grants by the Federal Government directly to local governments have been multiplying in variety and dollar amount, these Federal-local aid arrangements, unlike some important Federal-State grant programs, do not provide for any differentiation between relatively "low capacity" or "high-effort" jurisdictions and others. Lacking any organized body of statistics to reflect the relative fiscal capacity of claimant local areas or governments, it has been necessary in the design of Federal-local aid arrangements to disregard such differences. If, however, meaningful comparative measures of fiscal capacity and effort can be developed for various local areas and jurisdictions, then new policy options might be available for the design and administration of Federal-local grants.

To arrive at a firm answer to that "if", this study has included an effort to develop comparative fiscal measures for many hundreds of local areas, including substantially all metropolitan areas and their component counties and all other counties of 50,000 or more, as well as some threescore large cities. The net result is a definite "yes"—meaningful and useful comparisons *can* be made of the relative fiscal capacity and effort of various local areas.

On the other hand, it has become increasingly clear in the course of this study that any attempt to build capacity and effort measures into Federal-local grant arrangements would have to be made selectively and carefully, and with allowance for certain inherent problems and limitations. In other words, comparative data appear usable for certain kinds of Federal-local grant formulations but definitely not for others.

Though aiming mainly at the problem of local-area comparisons, it was necessary and desirable to develop measures of relative fiscal capacity and effort at the State level. These statistics update, in a broader context and with some changes in approach, figures that were presented in the Commission's earlier examination of State-local tax capacity and effort.[2] The results illustrate a possible alternative to personal income data for measuring relative fiscal capacity in certain Federal-State grant programs. While most States would rank about the same on either basis, some differences are considerable. It can be argued, that findings based on a fiscal approach to measuring capacity would be more pertinent than personal income statistics to the objectives involved in "equalizing" grants-in-aid.

Some of the most difficult problems encountered in trying to devise comparative capacity and effort measures that might be used in Federal-local grants would not arise in a corresponding effort regarding fiscal differences within a single State. Thus, the methods used here should be considered by State governments for application to their own grants-in-aid.

Altogether, then: (1) meaningful comparative measures of fiscal capacity and effort *can* be developed for various local areas; (2) such measures would lend themselves to selective and careful use in some kinds of Federal grants targeted toward local governments; (3) corresponding measures might well be built into various Federal-State grant arrangements; and (4) States could use a comparable technology to measure relative local fiscal capacity and effort for some of their grant programs. It would be unfortunate, however, to appraise this study solely in terms of its possible relevance for grants-in aid.

Although intergovernmental transfers supply a significant and growing part of local public financing, the great bulk of local government support is "self-support" from locally-imposed taxes and other locally-determined revenue sources. Local policymakers are considerably influenced in decisions about such self-support by their impressions—too often based on inadequate or even misleading data—as to how their particular communities compare with others. Accordingly, it may be at least as important to have reasonably sound measures of relative fiscal capacity and effort available as a background for policymaking at the local government level as to have such measures for the design of Federal or State grant programs.

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[2] Advisory Commission on Intergovernmental Relations, *Measures of State and Local Fiscal Capacity and Tax Effort* (Washington: U.S. Government Printing Office, October 1962).

Determining What Should Be Measured

The dictionary traces the word fiscal to a Latin term for "money basket," and defines it as "pertaining to the public treasury or revenue." *Fiscal capacity measures are concerned with the ability of governments to obtain resources for public purposes*—their potential reach in filling their money baskets. *Measures of fiscal effort try to gauge how much of this capacity they are actually using—how far they are reaching.*

It is not the purpose of this study, however, to measure fiscal capacity in an absolute sense. Rather, it seeks acceptable measures of the *relative* financing capacity of various governments, or of the governments that serve various areas. Fiscal effort measures are concerned with relationships in two ways: to measure for any particular area the actual financing performance of governments against their estimated financial reach; and to examine differences from area to area in this measure of relative governmental effort.

It is especially important to observe that "fiscal capacity" involves the financing capability of *governments,* rather than the economic well-being of *people.* The two are interrelated, because governments depend mainly for their financing upon taxes and other revenue sources that tap the income, transactions, or property holdings of people. It is not surprising, then, that the ACIR's 1962 study found general similarity in the tax capacity standing of various States whether gauged by personal income or in terms of the yield of a "representative tax system." But that study also found some differences in the results of the two measures for individual States.

For smaller areas a simple one-to-one relationship is even less likely to be found in the relative well-offness of *governments* serving particular communities and of the *resident population* of such communities. This is particularly obvious in "tax havens" that have large industrial or commercial installations which give their local governments a relatively rich revenue base, even though the residents may be few in number and poor in income and property holdings. But the revenue base of local governments near such tax havens often is less adequate than might be expected by reference only to the income of the residents, many of whom are employed in the haven area. The business property of the haven area is beyond the fiscal reach of these outlying governments. Or again, there are some communities or even entire counties where, due to the location of State capitols or universities, or of Federal installations, much of the local economy rests on governmental operations. Because the local governments that serve such areas cannot tax the public property involved, their fiscal reach is likely to be less than that of other areas having a similar level of residents' personal income but a more usual mix of local economic activity.

As attention is shifted from entire States to metropolitan areas, counties, or cities, the frequent lack of close correspondence between the relative fiscal capacity of governments serving various areas and the relative economic well-being of the residents of such areas is increasingly apparent. It then becomes more important to seek some means for measuring fiscal capacity that does not presume such a correspondence.

By the same token, in dealing with fiscal effort we are seeking to measure *governments' use* of their potential financing capacity rather than to compare the resulting burdens that fall upon *people* in various areas. As in the case of capacity, the two are likely to be related: in an area where governments are making greater-than-average use of their total potential financing capacity, the resulting burden upon local residents is likely also to be on the high side. But this is not necessarily the case, nor are geographic differences in relative total governmental effort likely to correspond directly to differences in locally-borne burdens. This is because some taxes and other governmental exactions can be shifted by those who pay them in the first instance to someone else. For example, economists generally believe that most sales and excise taxes collected from producers, wholesalers, or retailers are passed along to the buying public, whether as a specific extra charge or in the form of higher prices. But not all members of the "buying public" are residents of the taxing jurisdiction. Thus, in a local area with a large volume of tourist trade, heavy reliance upon sales taxes may load onto non-resident visitors a considerable fraction of the financing of public requirements. For such an area, one might find a comparatively high measure of relative revenue effort, even though—thanks to this targeting at the tourists—locally-borne tax burdens are only average or even low.

This is an important point, worth emphasizing: *Comparative measures of revenue effort refer to the extent to which governments in various areas were making use, in 1966-67, of their potential revenue capacity; these measures do not directly reflect inter-area differences in resulting tax or revenue "burdens."* This is likely to be disappointing to some, but several extenuating facts should be noted.

The present study was initiated with particular concern for intergovernmental relationships, and the extent to which good localized measures of relative capacity and effort might be available for the design of Federal and State grants-in-aid. For that purpose it is clearly necessary and proper to direct attention toward data pertaining to governments rather than data about people or their tax burdens. The relevant consideration is the amount of revenue within reach of the particular jurisdiction through the use of "average" taxes and tax rates. It matters not for this purpose whether those taxes are paid ultimately by consumers of exported products or by the nonresident consumers of tourist facilities and services. What matters is that prevailing tax practice permits these revenue sources to be tapped locally for governmental purposes.

Any effort to develop geographic comparisons of tax burdens would demand numerous assumptions on the extent to which the costs imposed by various kinds of taxes can be shifted to someone else by the persons or businesses actually subject to tax, and the conditions under which this is likely to occur. Efforts of this nature would take the present study considerably beyond its intended and feasible scope. Economists differ about the shifting and incidence of some important elements of the State-local tax system and it would be necessary somehow to reallocate geographically those components of governments' total "take" that are considered especially subject to shifting.

Finally, although illustrative figures for various areas do not *directly* reflect geographic differences in local fiscal burdens, they nevertheless throw useful light on that matter. For example, the data show how much of the estimated total revenue capacity of each reported area can be attributed to various kinds of revenue sources, which are likely to differ in the degree to which they may be subject to geographic shifting of ultimate burden—e.g., residential property, as compared with commercial and industrial property. Together with the measures of "effort" shown separately for various revenue components, these figures can with appropriate caution be used at least to identify those areas where localized burdens for public financing were probably well above or below the prevailing level in 1966-67.

In order to make comparisons across State lines, the question immediately arises: How to take account of the marked variations that exist from one part of the country to another in the ways that States share responsibility with their local governments for providing and financing public services? It would be a nearly meaningless exercise to compare per capita amounts of revenue raised by local governments in New Jersey and Hawaii, for example, without allowing for the fact that in New Jersey such collections must finance a substantial share of all spending for schools and public welfare, while in Hawaii these costly functions are State-financed. Mainly because of differences in the scope of direct State handling of particular functions and the extent to which States provide grants-in-aid, the local government share of total State-local taxes ranges widely—from little more than one-third to about three-fourths.

It is necessary, then, in attempting comparisons of local fiscal capacity and effort across State lines, to build in a specific allowance for such wide variations. One approach would be to figure the revenue-raising capacity of local areas on a standard basis, but then deduct each area's estimated contribution to State government revenue. This would result in a kind of "disposable capacity" figure with which actual amounts of local government revenue could be compared. But such an approach would leave much to be desired, as can be seen by considering two areas, as follows:

	Area A	*Area B*
a. Per capita personal income . .	$3,000	$3,000
b. Per capita State revenue . . .	200	100
c. Balance (a minus b)	2,800	2,900

Would it really be reasonable to conclude, as the figures might suggest, that local governments in Area A have nearly as much "disposable capacity" to tap as those in Area B? Or would it not be more reasonable to presume—since most taxpayers are much more concerned about their total tax load than about what level of government is hitting them—that the heavier State load in Area A has a much more drastic effect than this in limiting the revenue capability of local governments there?

Clearly, some other method seems necessary to take account of the varying proportions of State and local government financing. For the present study, it was concluded that the only proper approach was to deal jointly with these closely interrelated levels of government, and to develop capacity and effort measures that would take account of both. The illustrative figures are subclassified, however, to show separate State and local government components, so that they reflect the kinds of variations mentioned above, and indicate "relative effort" not only in terms of overall State-local revenue but also in terms of the portion of such revenue that is raised by local governments. Comparisons of this latter kind may well be misleading except in the context of the broader kind of composite measure.

In deciding what needs to be measured, the scope of State and local government finances must be taken into account. In 1967, tax revenue of these governments amounted to $61 billion, but their expenditure was nearly twice as great, $106 billion. Besides taxes, financing came from Federal aid (more than $15 billion), and from other nontax sources. In trying to devise capacity figures by which to determine relative State-local effort, it seems logical to omit Federal aid. But how about the other financing sources? At least two reasons might be seen for trying to take them all into account: (1) If successful, this would provide a really comprehensive measure of capacity, to which the total of all State-local financing could be related; and (2) "effort" could then be analyzed not only in terms of the various sources involved but also according to the purposes or functions being financed (subject, of course, to the deduction of Federal aid amounts received by State and local governments for the particular functions).

But such a comprehensive approach could also be questioned on several grounds. In particular, it would involve putting together on a gross basis capacity figures covering quite different elements of State and local government activity, such as the States' provision of unemployment compensation and various local governments' operation of electric power and transit systems. Any area where such activities loom relatively large presumably would show up with greater-than-average total capacity. Even if its total financing also showed up high, the resulting measure of relative effort would involve a mix of what most people recognize as "ordinary" governmental activities with these other more infrequent and variable elements. Since a major concern of this study is to seek capacity and effort measures that could be used in the design of grant-in-aid arrangements, some of these specialized financing elements should be left out of the picture or, at least, they should not be included in gross terms.

How about borrowing? A considerable part of the capital outlay of local governments is financed in the first instance by debt issuance. The same is true to a lesser extent for State government outlays. Debt financing might be viewed as one form of governmental effort—at least a short-run alternative to the raising of the same amount of revenue. Although debt issuance permits the postponement of the burdens flowing immediately from taxes or fees and other charges, it does involve a sort of sacrifice by the jurisdiction involved—a reduction in its further borrowing power and the acceptance of a future drain upon its resources for debt service. A major argument for trying to take account of the borrowing component of State-local financing is that this would permit the subclassification of "effort" along functional lines. On the other hand, to do that would imply that borrowed funds can be readily interchanged with governmental revenues, and that is not so. Bonds are usually issued to finance particular capital outlays and cannot be diverted to other purposes. Furthermore, very special problems arise in trying to measure relative debt capacity. Accordingly, in the present study capacity and effort have been measured and reported mainly in terms of revenue alone, although Appendix F takes a look at broader measures that also take account of financing by debt issuance.

This study is concerned mainly with what the Census Bureau reports as State and local governments' "general revenue from own sources." Besides tax revenue, this includes charges collected in connection with various governmental services, such as college tuition fees and public hospital charges, interest earnings on governments' financial assets, and other miscellaneous nontax revenues. Altogether, such sources in 1966-67 supplied nearly one-quarter as much as State and local government tax revenue. But it seemed important to take account also of the financing to help support ordinary "general government" functions that certain of these governments obtain by operating various commercial undertakings.

One illustration is the liquor stores operated by about one-third of the State governments and also by local governments in a few States. The net surplus from such operations can reasonably be viewed as, in effect, a tax on liquor sales. It has been so treated here. Many local governments also own and operate electric utility systems; even more of them have water-supply systems; some operate gas-supply utilities, and some operate transit systems. Although, as already noted, it does not seem desirable to deal with such commercial activities on a gross basis (with *all* their revenue entering into the calculation of governmental effort), it does seem proper to recognize that surpluses from such operations may serve as a substitute for other forms of local government revenue. This is especially the case because, except for publicly operated transit systems (which are usually operated at a loss), it is the prevailing practice for the governments with such utilities to obtain some net financial benefit from their operation. Furthermore, to ignore this element of revenue capacity in making geographic comparisons would result in "unfair" findings. The tax base of an area served by a privately-operated power system would presumably take account of the taxability of the property of that system, while the tax base of a corresponding area served by a public power system would lack such a component.

In 1966-67, the total "net surplus" arising from local governments' operation of water, electric, gas and transit utilities was $1.5 billion. These utility surpluses and the $321 million in net surpluses of State- and locally-operated liquor stores are part of the revenue capacity and effort to be examined in the present study. The resulting nationwide total is $77.6 billion: $61 billion of State-local tax revenue, (as defined by the Census Bureau), $14.8 billion of what the Census Bureau terms "charges and miscellaneous general revenue," and $1.8 billion available for general government purposes from publicly-operated liquor stores and utilities. Completely excluded from consideration, besides Federal aid, is "insurance trust revenue," which consists of receipts from contributions and investment earnings of employee-retirement systems and various other State-administered insurance systems.

Measuring Revenue Capacity

The ACIR's earlier study of the relative tax capacity and effort of the States made use mainly of what it termed the "representative tax system" approach. That methodology involved: (1) Determining for each of various kinds of State and local taxes a national average rate which, if applied throughout the Nation, would have produced the same total amount of revenue that State and local governments actually obtained from the particular type of tax in 1960; (2) Estimating by State the potential yield of each type of tax, if imposed at this uniform nationwide rate; and (3) aggregating these potential-yield amounts for each State to arrive at an estimate of its total tax capacity.

A similar approach to estimating revenue capacity has been followed in the present study. The handling of taxes at the State-area level parallels very closely that which was pioneered in the previous ACIR report. However, to account for nontax revenue as well as taxes, the focus has been expanded to employ what might be termed an "average financing system" approach by which *the revenue capacity of any particular area is defined as the total amount of revenue that would result by applying, within the area, the national average rate of each of the numerous kinds of State-local revenue sources.*

As thus used, the word "rate" may be more readily understandable for taxes than for nontax revenue. Chapter 5 describes in detail the manner of dealing with various revenue items. It may suffice here to say that for most nontax revenue components the "rate" used to estimate potential yield in various areas was a ratio obtained by dividing the nationwide total of actual revenue from the particular source by the nationwide total of current State or local government spending for the activity that gave rise to the particular item of revenue. For example: in 1966-67, local governments' "current charges" revenue from their park and recreation activities amounted to $195 million, or 22.3 per cent as much as their current operation expenditure that year for such activities ($873 million); accordingly, in estimating revenue capacity for any area, a sum for this kind of current charges revenue was included equal to 22.3 per cent of current spending for parks and recreation by local governments within the area.

It will be observed that this treatment builds some allowance for the differing functional scope of governments in various areas into the resulting summary measures of overall revenue capacity. For example, a highly urban county—where sanitation, public housing, airports, and public hospitals make up a relatively large part of local government activity—would be credited with the additional revenue potential commonly associated with such charge-related services.

At first glance, it may seem odd or undesirable that the revenue capacity of a government should thus be made to depend in part upon the scope of its current operations. With this approach, for example, State A, with an extensive public university system, has more revenue capacity than otherwise similar State B, where higher education is largely supplied by private institutions, because State A has access to more "current charges" revenue through its public university system than does State B. But this is only a particularly emphatic reminder that the concern is *not* with economic measures regarding *people* but, rather, with measures regarding *governments,* and on that basis it is not illogical to credit greater capacity to State A. Furthermore, even with the extra capacity so credited, the government with broad functional responsibilities is unlikely to be fiscally "better off" in *net* terms than an otherwise similar government which provides fewer services. As the foregoing figures for "parks and recreation" illustrate, current operation spending for most functions is greater than the charge revenue they are likely to yield (though some functions are exceptional, as indicated by table 19). Usually, then, the additional estimated own-source revenue capacity is more than offset by related extra fiscal requirements.[3]

Perhaps a better way to clarify the logic of this approach is to recall the reference to two local areas having different arrangements for electric power—one with a privately-owned utility and the other with a publicly-operated system. Allowing for the potential contribution of the public system to general local government support (in terms of average nationwide relationships for public power systems), offsets the fact that its property holdings, unlike those of the privately-operated system in the other area, do not contribute to the base available for local taxation.

The "average financing system" approach in the first instance involved estimating for each State the potential yield at national average rates of numerous components of State and local government revenue, and adding these amounts to arrive at a summary estimate of

[3]An alternative approach to this aspect of comparative fiscal measurement appears in Selma J. Mushkin and John F. Cotton, *Functional Federalism: Grants-in-Aid and PPB Systems.* That study applies the concept of "capacity requirements," in which governments' revenues from fees and charges (and also from Federal grants) are *deducted* from gross expenditure requirements, in order to obtain a net amount that can usefully be compared with an estimate of tax capacity.

total revenue capacity for each State area. As a second major step, to obtain corresponding capacity figures for local areas, similarly detailed estimates of potential yield were developed and added for each such area.

This procedure in effect weighs each revenue source according to its relative nationwide importance. For example, if we imagine an area that is "average" in the sense that its economy is a direct miniature of that of the entire Nation, we would find that 11.6 per cent of its estimated revenue capacity would be attributable to State general sales taxes, 15.4 per cent to local property taxes on residential property, 1.1 per cent to local taxes on earnings or income, 8.1 per cent to local charges for various general-government services, etcetera, since these are the proportions of all State and local government revenue—as defined for this report—that actually came from these sources in 1966-67. (Appendix table B-1 gives a detailed picture of the composition of total State-local tax revenue, by source.)

In some connections, however, such a system of weighting may seem undesirable or even potentially misleading. This is especially likely when not dealing with State-local aggregates, but comparing the actual revenue performance of *local governments* with the amount of capacity that involves *local governments' revenue sources.* The "average financing system" method credits some local government capacity for kinds of taxes that in certain States are not even legally available for local government use. Also, there is considerable interstate variation in the relative reliance placed upon State government revenues. To take account of these complications, *two* sets of revenue capacity estimates have been developed for individual local areas—one based directly on national-average rates for various detailed sources; the other with weighting adjusted in each State to reflect the proportionate use of particular sources within that State. This adjustment of source weights, however, was applied in such a way that if the process were applied to all parts of any State, the estimated statewide capacity would be the same as that resulting from the direct use of national average rates. In other words, there is really only a single set of "total revenue capacity" estimates at the State level, but two alternative sets of total-capacity estimates for individual local areas.

Especially for local policymakers, the adjusted measure of local government capacity is likely to be more pertinent than the simple unadjusted measure, since it takes account of interstate variations in financing arrangements, including departures from the "average" division of revenue-raising responsibility between State and local governments.

Measuring Revenue Effort

As reported in this study, "revenue effort" is an expression of the percentage relation between actual amounts of revenue obtained by governments in 1966-67 and their revenue capacity, as estimated by the "average-financing-system" approach. Under that system, actual revenue *equals* total revenue capacity, nationwide, and capacity for each detailed revenue source (in other words, the nationwide effort measure in each instance would be 100 per cent). Therefore, the effort measures shown for various States and local areas actually show how they compare in revenue performance with a national average.

The actual revenue amounts used for these calculations were drawn from the 1967 Census of Governments. As more fully explained in Chapter 5, it was necessary in a few instances to estimate yields for particular tax components not separately detailed in the Census sources. But the intrastate geographic allocation of State government revenues was the most important estimating task needed to arrive at "actual" revenue amounts for local areas. This involved using the same "allocator" for each State tax that was used to estimate tax base or potential yield; the State governments' nontax revenue was geographically allocated in terms of population—i.e., on a uniform per capita basis within each State. For any interstate metropolitan area it was necessary to carry out the operations separately for each State portion of the SMSA.

Why The Average-Financing-System Approach?

The methods used here to estimate relative revenue capacity and effort involve a complicated set of operations, dealing with many different factors. Some of the reasons for this already have been suggested. Nevertheless, additional questions arise: Is such a complex operation really called for? Would not some far simpler approach serve as well, or perhaps yield results that in some sense would actually be "better?"

"What other approach?" A search for possible alternative methods would likely begin with an inventory of various kinds of economic data that are available in comparable form for individual local areas, to find one or a few items that would provide a close-fitting measure of governments' revenue-raising capacity—i.e., their potential fiscal reach. The present research effort did not start out that way, but intensive use of the data sources lead to the conclusion that this description is not satisfied by any *one particular economic measure* available periodically for local areas.

There are numerous measures that have some bearing upon governments' revenue-raising capacity—

data on personal income, the volume of retail trade and services, property values, and so forth. However, as soon as one abandons the hope of finding and using a *single* indicator, and accepts the necessity for taking some account of two or more, the sticky question arises: How much weight should be given to each of several potentially relevant indicators to arrive at a good summary measure of relative revenue capacity for various areas?

One possible answer would rest on some presumption as to the way that governments *ought* to be financed. For example, if one thought that about one-third of all revenue gathered by State and local governments should come, respectively, from taxes on income, retail sales, and property values, then a capacity measure giving equal weight to indicators for these three items would be logical. But there is no consensus as to an "ideal" revenue set up. In fact, local and State government revenue is obtained from a great variety of sources, tapping economic values or flows that are not distributed in a parallel way among various areas.

These facts give a strong push toward the approach applied in the present study which rests on the proposition that, *in trying to arrive at a meaningful summary measure of relative revenue capacity for various areas, it is best to weight various detailed elements of potential capacity according to their relative contributions to the grand total of all revenue raised by State and local governments.* Whether applied at the national level or (as in the "adjusted" capacity measures for local areas) on a within-State basis, such a set of weights seems more likely than any alternative to give summary capacity estimates with which actual revenue-raising performance can logically be compared. It provides a reflection of the real world, rather than of some other set of assumed circumstances.

In turn, this suggests another useful aspect of the average-financing-system approach to estimating revenue capacity. It supplies not only summary measures but also comparative effort measures for particular sources. Any action by responsible policymakers to change the revenue performance of the governments with which they are concerned must deal with specific sources rather than in general or over-all terms. This helpful feature of the average-financing system approach is illustrated here especially in the tables comparing entire States, where numerous sources are shown explicitly. The figures given for individual local areas reflect an abridged set of categories, but these figures are backed by computer-tape records from which far more detailed comparisons could be developed.

The question remains: is it really important to make use of a highly detailed subclassification of sources? Might not a few major categories serve as well?

It is true, of course, that the present study deals separately with a great many different revenue components, including some that contribute only a fraction of one per cent of all State-local revenue nationwide. But national proportions are not what really matters in this context; the real questions are (1) whether there is marked geographic diversity in the per capita base for particular revenue components, and (2) the extent to which such variations are extremely similar for some items, so that they might properly be grouped in estimating revenue capacity. It is true generally that marked differences in geographic distribution exist among States and still more among smaller areas. It is true also that many detailed revenue elements *tend* to vary in parallel fashion. But such general knowledge is not enough. In trying to judge what compression or grouping of revenue sources might be proper to estimate revenue capacity, findings based on detailed data, against which alternative estimates can be checked, are essential. Some such comparisons have been made (Chapter 7). Not surprisingly, many areas show up about the same, whether their revenue capacity is estimated from highly detailed components or with a broader grouping of items. But whether the latter approach is "just as good" as the former depends on how the results are to be used. Summary grouping is likely to serve if one seeks only a basis for generalizing about locational patterns. But if the results are to be used in a particular grant-in-aid program, even rather rare departures from the usual parallel between the two methods may be important; it would be little comfort to a particular area that is harmed by a faulty allocation formula to be told that such instances are highly unusual.

A desirable feature of the average-financing-system method for estimating revenue capacity is that this approach affords a reflection of the real world of State-local financing. This should *not* be interpreted, however, as saying that present financing arrangements of State and local governments (or perhaps a bit more accurately, those of 1966-67, as reflected here) are considered ideal or even desirable. Numerous policy-oriented studies by the Commission, as well as reports and statements by many other interested observers, have emphasized the urgent need for a more productive and equitable State-local revenue system. There is no clear consensus about the details of any "ideal" system. However, many observers would undoubtedly subscribe to the viewpoint indicated in various ACIR reports, that there should be relatively more use made of personal income taxation and a relative deemphasis of the property tax for State and local government financing. Accordingly, Chapter 7 also presents and discusses some alternative measures of revenue capacity, with the weighting of various revenue sources adjusted in those directions.

Chapter 2

HOW STATES AND LOCAL AREAS COMPARE

The many pages of statistics appearing in Appendix G would lend themselves to far more exhaustive analysis than can be offered here. But while the following observations are necessarily limited and selective, they should help to highlight the findings and to illustrate some of the informational needs that can be served by comparative measures of revenue capacity and effort.[1]

Statewide Measures of Revenue Capacity

All revenue sources. A 2.6-to-1 range exists in relative revenue capacity of State and local governments–from $670 per capita, or 69 per cent above the national average in Nevada, to $259 per capita, or 35 per cent below the national average in South Carolina. Even if the four highest-ranking and four lowest-ranking States are disregarded, the others still show a range of nearly 1.7-to-1, from 23 per cent above the national average to 26 per cent below.

Regional factors are obviously important: the seven lowest-capacity States–Alabama, Arkansas, Kentucky, Mississippi, North Carolina, South Carolina, and West Virginia–are all in the South; and the five highest-capacity States–Alaska, California, Nevada, Washington, and Wyoming–are all in the West. However, as more fully noted later, sizable differences in total revenue capacity appear in each of the four major regions of the country.

The data indicate even greater interstate variation in revenue capacity than in per capita personal income, which showed a 2.1-to-1 range in 1966, from 25 per cent above the national average in Connecticut to 41 per cent below the national average in Mississippi. However, if the four highest-income and four lowest-income States are disregarded, the resulting range of 1.7-to-1 is similar to that so calculated for revenue capacity.

As would be expected, most high-income States also are above average in per capita revenue capacity, and most low-income States have less than average capacity. However, this is not always the case, nor do the two relative measures always match closely. In 24 States they differ from one another by at least 10 per cent.

There are only three States (Georgia, Hawaii, and North Carolina), together having five per cent of the Nation's population, where these two comparative measures differ by less than two per cent.

In the following 29 States, with 42 per cent of the Nation's population, per capita personal income apparently *under*-indicates relative revenue capacity by at least two per cent:

At least 20% below:	
Louisiana	24
Nevada	31
New Mexico	25
North Dakota	28
Wyoming	37
15% to 19% below:	
Montana	15
Nebraska	16
Oklahoma	19
10% to 14% below:	
Alaska	10
Arizona	14
Florida	13
Idaho	12
Mississippi	11
Oregon	11
South Dakota	13
Texas	10
Washington	12

[1] Since these statistics mainly pertain to fiscal 1966-67–the year for which detailed information is available from the 1967 Census of Governments–it would be technically proper to use the past tense in the following discussion. But that would require monotonous repeated reference to the period involved–"State and local governments, in fiscal 1966-67 . . . ," etcetera. Accordingly, most of the following discussion is couched more briefly and simply in the present tense, relying on the reader to make due allowance for this matter of time reference. It should also be noted that summary State-by-State estimates of relative tax capacity and effort for 1968-69 (a period two years later than that covered in most of this study) appear in Appendix Table G-14, and are discussed later in this chapter.

5% to 9% below:

Arkansas	7
California	6
Colorado	9
Kansas	8
New Hampshire	6
Tennessee	7
Utah	6

2% to 4% below:

Alabama	4
Delaware	4
Iowa	2
Kentucky	2
Minnesota	3

In the following 19 States, having 53 per cent of the Nation's population, per capita personal income apparently *over*-indicates relative revenue capacity by at least two per cent:

At least 10% above:

Connecticut	14
District of Columbia	12
Maryland	11
Massachusetts	14
New Jersey	12
Pennsylvania	16
Rhode Island	15

5% to 9% above:

Illinois	9
Indiana	5
Maine	5
New York	6
Ohio	7
South Carolina	5
Vermont	5

2 to 4% above:

Michigan	4
Missouri	2
Virginia	4
West Virginia	2
Wisconsin	4

A host of factors contribute to the divergence between relative revenue capacity as specifically measured here by reference to the prevailing State-local financing system and as it might be inferred simply from personal income statistics. However, some important elements can be observed from the lists above, and from the tables in Appendix G which report the composition of revenue capacity for individual States.

This 29-State list suggests that where mining or tourism are important elements of its economy, a State is likely to exhibit relatively much more revenue-raising capability than resident income data would suggest. In such States, the revenue potential of severance taxes and of certain kinds of sales taxes is greater than under average circumstances. For example, potential yield of amusement taxes is a very small part of the revenue capacity of most States. But not for Nevada, and for an obvious reason: although its residents receive only a quarter of one per cent of all personal income in the Nation, that State has five per cent of the entire country's amusement enterprise receipts, as reported by the Census of Business. Similarly, Texas' share of the nationwide base for severance taxation is seven times its residents' proportion of all personal income in the Nation. For Louisiana, this ratio is about 17-to-1, and for Wyoming nearly 20-to-1.

The 29-State list above also indicates that areas where agriculture is an important economic element are likely to be relatively better off from the standpoint of the prevailing State-local revenue system than one might infer simply by looking at resident personal income. This mainly reflects two factors: (1) the important role of the property tax, which in 1966-67 supplied nearly one-third of all own-source revenue of State and local governments and received a corresponding weight in estimating their financing capability; and (2) the fact that modern agriculture is capital-intensive—that is, it involves more property investment per dollar of income than most other economic activities.

The findings on this score as to both total revenue capacity and tax capacity alone generally resemble those of the earlier ACIR report on relative State tax capacity, even though this time (as more fully explained in Appendix D) specific allowance has been made for the fact that the average tax rate applying to farm property is considerably below the rates that apply to urban residential property and business property—a distinction not made in the previous study. Two further factors may help to account for the better-off appearance of sparsely populated rural States when they are considered on an average-financing-system basis: (1) out-of-State ownership of taxable property located within the State may exceed the amount of within-State ownership of property located elsewhere; and (2) the fact that farming is not completely monetized and has some lingering elements of barter economy that are not fully reflected in income statistics.

The list of 19 States with less revenue-raising capability than personal income figures might suggest, shows:

1. These States together have more than half of the Nation's population.
2. Most of them are located in the northeastern or north central regions of the country; in fact, 15 of the 21 States in those areas are in this group.

3. All of the States where income figures over-indicate revenue capacity by at least 10 per cent are highly urban, and most of them have been experiencing less rapid population growth than the Nation as a whole.

Again the important role of the property tax in State-local financing is reflected. Most of the States with less revenue capacity than might be inferred from income statistics have a greater-than-average proportion of relatively old residential property, and of multifamily as distinguished from single-family housing—factors that tend to minimize the per-family value of residential property in relation to money income. Several, such as Connecticut, Rhode Island, and Massachusetts, have a considerable concentration of service types of business (e.g., banking and insurance), which involve less taxable property relative to the amount of income they generate than do most other kinds of economic activity.

Pennsylvania's estimated revenue capacity per person was only 84 per cent of the national average in fiscal 1966-67, even though its resident personal income was at the average level in calendar 1966. It may thus be worthwhile to see how various elements account for this divergence, as an illustration of how the average-financing approach to the measurement of capacity works out in this particular instance.

Pennsylvania has somewhat greater-than-average revenue potential per capita for some sources, particularly business property taxes and corporation taxes, but including also individual income and death taxes and to a lesser degree certain other taxes. In fact, if all its other revenue sources worked out at the U.S. rate of productivity, it would be about nine per cent ahead of the game, over-all. But this is not the case. For many of those other sources, Pennsylvania's revenue potential is somewhat below par and in some instances materially so. In dollar terms, the greatest deficiency involves its residential property tax base (16 per cent below the nationwide per capita average), followed by the farm property base (73 per cent below). Together, these two elements account for a major part of the State's relative deficiency of tax capacity. Nontax revenue sources in Pennsylvania also show up materially below average levels. This is true to such an extent that the measure of its relative total revenue capacity (84 per cent) is materially below the corresponding measure of its tax capacity (91 per cent). Numerous nontax elements are involved, including potential revenue from State higher-education charges, local governments' nonschool charges, miscellaneous local government revenue sources, and local utility surpluses. In each of these instances, Pennsylvania's revenue-raising capability is considerably under-par—reflecting a sizable departure in that State from various kinds of national-average relationships (such as the relative scale of various kinds of revenue-yielding functions) which underlie the capacity estimates for nontax sources.

The detailed data presented in Tables G-1 to G-7 lend themselves to further analysis for each of the States.

Tax capacity. Given the primary role of taxation in State-local financing, it is not surprising that relative tax capacity and relative total revenue-raising capability are generally similar for individual States. For all but nine of the 51 State areas, the two measures are within five per cent, and in 22 instances within three per cent. But there are some cases where a material difference appears when nontax sources are taken into account in measuring capacity, with various factors contributing to this result. For example, revenue capability exceeds what the tax base would suggest in Alaska and New Mexico (which have sizable State revenue from royalties), North Dakota (where the State operates extensive commercial activities, such as its Mill and Elevator Association), and Washington (which at the local level has large-scale public power operations). Differences in the other direction are less extreme, but both Connecticut and New Hampshire rank materially lower in relative total revenue capacity than in tax capacity alone—by seven and eight per cent, respectively.

Tax capacity shows a range from \$536 per person in Nevada to \$201 per person in Mississippi, or a span of 2.7-to-1. As in the case of total revenue capacity, regional influences are apparent: four of the five States with the greatest taxing capability are in the West (Delaware is the exception), and all five at the low end of the range are in the South.

How do the findings for 1966-67 compare with the tax capacity findings for 1960 which appeared in the earlier ACIR report on this subject? One striking contrast appears in the yield of State-local taxes per capita, up from a nationwide average of \$202 in the earlier year to \$313 in the period now being analyzed. This should serve as a forceful reminder that all the reported individual-State measures are constructed in relative terms around this considerably enlarged dollar base. In other words, "average per capita tax capacity" is a moving target which has moved up rapidly in recent years.

In some instances, the two studies yield rather similar results. About half the States rank about the same in relative tax capacity. However, for 11 States there is an apparent change in ranking of five to nine places, and for 15 States the shift is ten places or more. Put another way: the more recent figures show ten States with relative tax capacity at least eight percentage points higher than the 1960 comparison indicated, and

13 States where the later tax capacity measure is lower by at least eight percentage points.

In part, these shifts reflect differences among States in the rate of economic change during this seven-year interval. They result in part from changes which occurred in the proportions of various sources in the nationwide makeup of State-local tax revenue, altering the weights used to derive an overall measure of tax capacity. But they also reflect changes applied in the estimation process for the present study, above all a different approach for calculating the potential yield of property taxes. In the earlier study, a single average effective rate was assumed, applying to the total estimated property tax base in each State. This time State-imposed property taxes and each of four components of local property taxes has been handled separately. The main effect of this revised procedure is to reduce the revenue potential attributed to taxation of farm property because such property is taxed at an average rate considerably below that which applies to urban residential property and business property (and, of course, quite understandably in view of the broader range of governmental services that must be financed in urban areas).

Mainly for this reason, *the over-all measures of relative tax capacity in this study are not directly comparable with those presented in the earlier ACIR study*. This is especially the case for States where farming is an important economic element. Indexes are considerably lower for Kansas, Minnesota, and New Mexico (down eight points), for Nebraska (down nine points), and for Colorado, Idaho, Iowa, Montana, North Dakota, South Dakota, Texas, Utah, and Wyoming, where measures of relative over-all tax capacity are below those previously indicated for 1960 by ten to 24 points.

A more meaningful historical comparison can be made, however, for the nonproperty-tax portion of tax capacity, since these estimates have been developed substantially along the lines of the earlier research effort. The two sets of figures are detailed below in Table 1. Differences indicated for individual States presumably reflect in most part the impact of actual economic changes upon their respective tax bases. However, the data are also influenced by shifts in the weights given to various sources, as a result of intervening changes in the State-local tax structure. During this seven-year period, the proportion of nonproperty tax revenue derived from individual and corporate income taxes and from general sales taxes went up, while the relative share of other components dropped off.

For 18 States, the two years' measures of relative nonproperty tax capacity are practically the same, within two percentage points of each other, and for an additional 15 States the shift is no more than five points. However, for 12 States we find an upward shift of at

TABLE 1.—MEASURES OF RELATIVE NONPROPERTY TAX CAPACITY, FOR STATES: 1960 and 1966-67

State	Index of per capita capacity (U.S. = 100)		
	1960	1966-67	Difference
Alabama	69	73	+ 4
Alaska	84	102	+18
Arizona	92	95	+ 3
Arkansas	70	79	+ 9
California	119	118	- 1
Colorado	110	106	- 4
Connecticut	115	116	+ 1
Delaware	119	120	+ 1
District of Columbia	138	120	-18
Florida	100	102	+ 2
Georgia	75	85	+10
Hawaii	76	90	+14
Idaho	98	95	- 3
Illinois	112	112	0
Indiana	97	102	+ 5
Iowa	96	99	+ 3
Kansas	106	101	- 5
Kentucky	76	81	+ 5
Louisiana	97	101	+ 4
Maine	85	87	+ 2
Maryland	94	102	+ 8
Massachusetts	101	101	0
Michigan	100	105	+ 5
Minnesota	100	99	- 1
Mississippi	60	67	+ 7
Missouri	102	99	- 3
Montana	111	103	- 8
Nebraska	103	104	+ 1
Nevada	149	181	+32
New Hampshire	101	112	+11
New Jersey	109	107	- 2
New Mexico	105	100	- 5
New York	111	103	- 8
North Carolina	74	81	+ 7
North Dakota	98	98	0
Ohio	101	100	- 1
Oklahoma	102	101	- 1
Oregon	104	105	+ 1
Pennsylvania	94	93	- 1
Rhode Island	94	96	+ 2
South Carolina	66	74	+ 8
South Dakota	91	87	- 4
Tennessee	75	81	+ 6
Texas	113	105	- 8
Utah	93	86	- 7
Vermont	88	97	+ 9
Virginia	83	86	+ 3
Washington	103	106	+ 3
West Virginia	78	76	- 2
Wisconsin	96	94	- 2
Wyoming	154	143	-11

least six percentage points, including four with a 1966-67 measure up more than ten points from that of 1960: Alaska, Hawaii, Nevada, and New Hampshire. At the other extreme are six States where the later measure is down at least six percentage points, including two—the District of Columbia and Wyoming—where the drop was more than ten points. The comparison shows some general tendency toward a narrowing of interstate differences in nonproperty tax capacity: 19 of the 26 States that were below-average in 1960 show a somewhat higher index for the later year while only nine of the 25 States that were average or better in 1960 reflect any such gain.

Altogether, this comparison would seem to indicate that—at least insofar as nonproperty taxes are concerned—the relative financing capability of individual States is typically subject only to rather gradual shifts within a few-year period.

Composition of Revenue Capacity

Tables in Appendix G record the proportions of the revenue capacity of individual States supplied by various sources. Nationwide, taxes account for 79 per cent of the total. But this proportion shows a considerable range, from only about 61 per cent for Alaska up to 86 per cent for New Hampshire. Even more variation appears for particular revenue components, as would be expected in view of the great diversity in the economic makeup of the various States.

Information on this subject is summarized in Table 2, below, which is based on appendix tables G-2, G-3, and G-6. Although Table 2 supplies high- and low-State comparisons, it is *not* concerned with interstate differences in the intensity of use made of particular revenue sources. "Relative effort" will be considered in a later section. Neither does this table directly compare absolute or per capita *amounts* of revenue capacity. It deals only with the *proportions* of total revenue capability attributable to various sources. Thus, where a high proportion appears for some component in a State that ranks low in over-all revenue raising ability (for example, for local property taxes on business in West Virginia, or for motor fuel sales taxes in South Carolina), this results partly because the associated total itself is below-average, and does not necessarily mean a relatively

TABLE 2.—PROPORTIONS OF STATE-LOCAL REVENUE CAPACITY, FOR SELECTED TYPES OF REVENUE SOURCES: 1966-67

	Per cent of total revenue capacity			
	U.S. average	Highest State[1]	Lowest State[1]	High-low range
All taxes	79.0	85.7 (N.H.)	60.8 (Alaska)	1.4 to 1
"Personal taxes":[2]				
Including residential property	50.9	68.8 (Va.)	36.0 (Alaska)	1.9 to 1
Excluding residential property	35.6	46.4 (Va.)	27.1 (N. Dak.)	1.7 to 1
"Business taxes":[2]				
Including farm property	20.6	31.4 (Wyo.)	15.0 (N.H.)	2.1 to 1
Excluding farm property	18.0	26.5 (La.)	9.6 (S. Dak.)	2.8 to 1
Property taxes	32.0	34.6 (Hawaii)	23.8 (Alaska)	1.5 to 1
Local property taxes on –				
Nonfarm residential property	15.3	19.8 (Conn.)	5.6 (N. Dak.)	3.5 to 1
Business property	12.8	16.9 (W.Va.)	6.1 (N. Dak.)	2.8 to 1
Farm property	2.6	16.7 (S. Dak.)	0.2 (3)	84 to 1
Sales and gross receipts taxes:				
All	27.1	35.5 (Nev.)	20.2 (Alaska)	1.8 to 1
General	13.0	16.2 (Vt.)	9.7 (Alaska)	1.7 to 1
Selective (State-imposed):				
Motor fuel	6.3	9.4 (S. Car.)	3.3 (Alaska)	2.8 to 1
Tobacco products	2.1	4.8 (N.H.)	1.1 (Hawaii)	4.4 to 1
Alcoholic beverage	1.9	4.1 (N.H.)	1.0 (Kans.)	4.1 to 1
Public utility	0.8	1.0 (3)	0.5 (Alaska)	2.0 to 1
Amusements	0.6	8.0 (Nev.)	0.1 (3)	80 to 1
Individual income	7.5	10.2 (Md.)	4.0 (N. Dak.)	2.6 to 1
Corporation	4.4	5.4 (Penna.)	2.4 (N. Dak.)	2.3 to 1
Motor vehicle	4.2	7.3 (Ill.)	2.3 (N.Y.)	3.2 to 1
Death and gift	1.0	2.2 (Del.)	0.1 (Alaska)	22 to 1
Severance	0.7	9.4 (La.)	(4)	(4)
Nontax revenue sources	21.0	39.2 (Alaska)	14.3 (N.H.)	2.7 to 1

[1] Excluding the District of Columbia, in view of its unique nature.
[2] For definition, see accompanying text.
[3] Two or more States.
[4] Percentage less than 0.05 per cent in several States; high-low range not computed.

large per capita *amount* of potential revenue from the particular source involved.

The detailed appendix tables underlying this summary are designed to enable comparisons between any State's revenue base and that of neighboring or "competing" States. Especially when used in conjunction with figures about actual revenue performance, such information should supply a significant background for fiscal planning and policy determination.

Most of the detailed items recorded in Table 2 are self-explanatory. It will readily be apparent, for instance, that the potential yield of the general sales tax, as imposed in its representative form at the national average rate, would amount to 16.2 per cent of Vermont's total revenue capacity, but only 9.7 per cent of Alaska's.

Beside listing various specific sources, this table also shows comparative data for "personal taxes" and for "business taxes." Comparative figures for these revenue-source groupings appear for individual States in Table G-6. "Personal taxes" are defined in two ways: (1) Comprising all general and selective sales taxes, individual income and earnings taxes, and death and gift taxes; and (2) including in addition local nonfarm residential property taxes. "Business taxes" are presented in two ways: (1) Comprising corporation taxes, severance taxes, and local property taxes on business property; and (2) including in addition local property taxes on farm property.

These groupings are not the same as those applied to tax data in the national income and product accounts. The measures concerning "personal taxes" and "business taxes" afford at best only a very rough reflection of the final placement of tax "burdens." The treatment of sales taxes in this context may be justified on the ground that these—although actually collected from merchants—are generally thought in the main to be passed along to consumers through higher prices. Such taxes also apply to some sales made to business firms (e.g., equipment and construction materials), so that even if there is forward shifting through a price increase, business "consumers" as well as private households are hit at this stage. Similarly, when all local property taxes on nonfarm housing are treated as a part of "personal taxes," no distinction is made between the portions levied respectively against owner-occupied and rental housing; nor is any attention given to the differing economic impact of the portions of the tax that relate to land and structural values, respectively. In treating all local property taxation of farms as an optional element of "business taxes," amounts are included which pertain to farm housing and which might—if separately estimated—logically be classified with "personal taxes" instead.

The comparative data shown for these broad groupings of revenue sources need to be interpreted cautiously, and with due recognition of their limitations. Nevertheless, they are potentially useful and significant.

First, they bring together for convenient summary reference various tax items which at least broadly resemble one another in the extent to which they must in the main be locally borne ("personal taxes") or may allow more geographic shifting of burdens ("business taxes"). Secondly, within each group are particular sources which from a public policy standpoint are often especially close competitors: the general sales tax versus the individual income tax, or corporation taxes versus property taxation of business property. Thirdly, even if this particular grouping may not seem the best for certain kinds of comparative analysis, it illustrates how the kinds of detailed data assembled in the present study could be organized in various alternative ways to focus on specific policy issues.

Statewide Measures of Revenue Effort

The term "relative effort" is used to express, on a percentage basis, the relation between the potential yield of various revenue sources at national average rates, and revenue amounts actually received by State and local governments from corresponding sources in 1966-67. Appendix Tables G-4 through G-7 provide comparative measures for the various States on a summary basis and also separately by level of government and by type of revenue.

Over-all revenue effort. New York State tops the list with an effort index 26 per cent above the nationwide average of 100. At the other extreme is Nevada, with an effort index 23 per cent below average. This indicates an interstate range in 1.6-to-1 in relative revenue effort. If the four States at each end of the spectrum are disregarded, the range is reduced only to 1.4-to-1, from 16 per cent above average in Minnesota to 15 per cent below in Nebraska.

Regional patterns are far less evident for revenue effort than for capacity. The four highest-effort States—Hawaii, New York, Vermont, and Wisconsin—are widely scattered geographically, and the same is true of the four lowest-effort States of Illinois, Nevada, New Hampshire and Texas.

Interstate differences in the assignment of financing responsibility show up strongly when we consider measures of effort separately for State and local government revenue sources. In only nine States are both indexes below par (100); in only seven are both 100 or more. In the remaining 34 States (disregarding the District of Columbia), greater-than-average effort appears for either State sources or local sources, but not for both.

The importance of a strong financing role by the State government can also be observed. For only two of the 22 States showing at least average over-all revenue effort is the index measure for State revenue sources under 100. On the other hand, State-source effort is below par for 16 of the 28 States with an over-all index of less than 100. Or, to illustrate the same point in another way: each of the ten States that rank highest in over-all effort also show greater than average use of State revenue sources, even though only five of them show a local-source effort index of 100 or more.

It might seem reasonable to expect interstate differences in relative revenue effort to mirror, in reverse, differences in the States' revenue capacity. An area with a relatively large financing base should be able to raise even more than an average per capita amount of revenue at a below-par effort rate, while the reverse would be the case for an area with an extremely deficient revenue base. The findings, illustrated by Table 3 do not consistently bear out this expectation. When the 50 States are arranged in terms of relative revenue capacity per capita, into five groups of 10 each, considerable variation in relative effort shows up within each group. High-State, low-State and median levels of effort are rather similar from group to group, subject only to an exception which runs counter to the hypothesis suggested above: the highest effort rate found among the lowest-capacity States is considerably less than in the other groups, and is only slightly above the national-average level.

Examination of the lowest capacity group throws some additional light upon this matter. All ten of these States (nine in the South plus Maine) are considerably less urban than the Nation as a whole. Therefore they presumably require a somewhat less demanding array and volume of governmental services than have to be provided and financed in a more urbanized context. This factor (and perhaps also the "widow's mite" problem—the fact that their relatively slim resources may set a particularly severe constraint upon their attempts at adequate financing) may help to explain why the lowest-capacity States generally exhibit below-average revenue effort.

Another question to be answered about these measures of relative revenue effort is: How do they compare with "effort" measures that, in the absence of organized revenue-capacity estimates, have been built into some existing Federal-State aid programs, and which appear in various pending proposals for Federal revenue sharing? The alternative measure most commonly proposed would relate State-local tax revenue to resident income in the various States.

In 11 States, with 28 per cent of the Nation's population, the two sets of relatives are the same or nearly so—i.e., differing by less than three per cent. These States are:

Indiana	Missouri	Vermont
Iowa	New York	West Virginia
Maine	Tennessee	Wisconsin
Minnesota	Texas	

For 18 States the traditional taxes/income measure, expressed in relation to the U.S. average proportion, apparently *under*-indicates relative revenue effort by three per cent or more. These States, having 44 per cent of the Nation's population, are as follows:

At least 15% lower:

Alaska	16

9 to 14% lower:

Delaware	9
South Carolina	9

6 to 8% lower:

Alabama	6
Connecticut	7
Georgia	7
New Jersey	6
Ohio	8
Pennsylvania	8
Rhode Island	6

TABLE 3.—RELATIVE STATE-LOCAL REVENUE EFFORT WITHIN FIVE GROUPS OF STATES, ARRANGED ACCORDING TO PER CAPITA REVENUE CAPACITY

Capacity group	Relative total revenue effort (U.S. average = 100)			
	Median	Highest State	Lowest State	High-low range
10 highest-capacity States	101.5	126 (N.Y.)	77 (Nev.)	1.6 to 1
Next 10 States	96.2	124 (Hawaii)	85 (Ill.)	1.5 to 1
Next 10 States	95.2	116 (Minn.)	84 (N.H.)	1.4 to 1
Next 10 States	102.3	116 (Vt.)	84 (Texas)	1.4 to 1
10 lowest-capacity States	97.5	102 (Miss.)	83 (Ark.)	1.2 to 1

3 to 5% lower:

District of Columbia	5
Illinois	5
Kentucky	3
Maryland	4
Massachusetts	5
Michigan	3
North Carolina	3
Virginia	5

For 22 States the taxes/income measure appears to over-indicate relative revenue effort by at least three per cent. These States, having 28 per cent of the population, are as follows:

At least 15% higher:

Louisiana	20
Montana	16
Nevada	39
New Mexico	16
Oklahoma	14
Wyoming	48

9 to 14% higher:

Arizona	12
California	11
Florida	10
New Hampshire	12

6 to 8% higher:

Arkansas	6
Colorado	7
Idaho	8
Kansas	7
North Dakota	6
Oregon	7
South Dakota	7
Washington	7

3 to 5% higher:

Hawaii	3
Mississippi	4
Nebraska	5
Utah	4

Many of these differences directly reflect the divergence of estimates of relative revenue capacity from income-level measures for the various States. However, another factor is also involved: the fact that nontax revenue is included here, while the more traditional tax/income ratios do not take account of nontax revenues. This materially affects the relation between the two measures for certain States (such as Alabama, Delaware, Florida, Idaho, and Kentucky) that tap their nontax revenue capacity at considerably more than the average rate, and for others (such as the District of Columbia, Illinois, Maine, Massachusetts, New Jersey, New York, and Rhode Island) which make under-average use of nontax sources, as indicated by Table G-4.

Relative total tax effort. Despite such variations on the nontax side, most States show up about the same whether their relative financing effort is measured solely in terms of taxes or comprehensively by reference to all revenue sources. For 28 States, the two indexes are

TABLE 4.–MEASURES OF RELATIVE EFFORT FOR SELECTED TAX SOURCES: 1966-67

Type of tax	Relative State-local tax effort (actual revenue as a per cent of potential revenue at US..-average rates)		
	Highest State	Lowest State	High-low range
All taxes	138 (N.Y.)	71 (Nev.)	1.9 to 1
"Personal taxes":[1]			
Including residential property	168 (Hawaii)	54 (Neb.)	3.1 to 1
Excluding residential property	228 (Hawaii)	38 (Neb.)	6.1 to 1
"Business taxes":[1]			
Including farm property	140 (Calif.)	46 (W.Va.)	3.0 to 1
Excluding farm property	149 (Idaho)	45 (W.Va.)	3.3 to 1
Property taxes	155 (Minn.)	37 (Ala.)	4.2 to 1
Local property taxes on –			
Nonfarm residential property	181 (S. Dak.)	17 (La.)	10.6 to 1
Business property	165 (Mont.)	24 (Del.)	6.9 to 1
Sales and gross receipts taxes:			
All	215 (Hawaii)	47 (Neb., Ore.)	4.6 to 1
General	277 (Hawaii)	0 (several)	xxx
Selective	160 (Wash.)	70 (Mo.)	2.3 to 1
Individual income	315 (Wis.)	0 (several)	xxx
Corporation	338 (Del.)	8 (Ill.)	42.3 to 1
Motor vehicle	267 (Mass.)	29 (La.)	9.2 to 1
Death and gift	200 (Wash.)	0 (Nev.)	xxx

[1] For definition, see earlier discussion under "Composition of revenue capacity."

within three percentage points of each other. Nine States show relative tax effort at least four points above their over-all effort measure, including two (Hawaii and New York) where the difference is more than 10 points. For 14 States relative tax effort is at least four points below relative total revenue effort; in Delaware the divergence is 12 percentage points.

There is a range of 1.9-to-1 in relative tax effort, from 38 per cent above the national average in New York to 39 per cent below in Nevada. If the four highest- and four lowest-ranking States are disregarded, the range is cut to 1.5-to-1, from 19 per cent above average in Vermont to 20 per cent below in Oklahoma. As in the case of over-all revenue effort, the States near the top and the bottom of the tax-effort spectrum are widely scattered geographically.

For reasons indicated by the earlier discussion of relative total tax capacity, these findings are not subject to close direct comparison with the tax-effort ratios reported by the previous ACIR study covering 1960. Subject to those limitations, however, it may be noted (1) that the interstate tax-effort range indicated here for 1966-67 is materially less extreme than the 2.3-to-1 range indicated in the earlier study, and (2) that many States rank about the same in both presentations.

Type-of-tax comparisons. Relative effort varies to a far greater extent among States for particular types or groupings of taxes than for the composite of all taxes. This is to be expected, of course, for particular taxes represent alternatives to one another: heavy use of some will permit, and is usually associated with, little or no reliance upon various other taxes.

This shows up, for example, in the widely differing role of property taxation in the revenue structures of particular States. Thus it should not be too surprising that while the extreme interstate range in relative total tax effort is 1.9-to-1 the relative-effort range for property taxes is far wider: 4.2-to-1, from 55 per cent above the national average in Minnesota to a little more than one-third of the national average in Alabama. Even if the four highest- and four lowest-ranking States are disregarded, the remaining States show a 2.7-to-1 range, from 37 per cent above to 50 per cent below the national average.

In large part, this reflects the divergence of Southern States from the common pattern of considerable reliance upon property taxation. Of the 16 States in the South, all except one (Maryland) make less than average use of their property tax capacity, and 12 of the 16 show a lower effort index for property taxes than any State elsewhere in the Nation, with the exception of New Mexico. Needless to say, this "under-usage" of the property tax in the South tends to be offset by above-average use of various other revenue sources; this is indicated by the fact that except for Maryland all the Southern States show considerably higher effort measures for taxes as a whole, and for all revenue sources, than they do for the property tax.

Other marked variations in the respective States' use of different kinds of taxes are illustrated in the following table.

Nontax revenue sources account on the average for 21 per cent of all State-local revenue capacity, as follows:

	Per cent
State government sources:	
Current charges—higher education	3.0
Current charges—all other	2.4
Miscellaneous general revenue	2.1
Local government sources:	
Current charges	8.1
Miscellaneous general revenue	3.5
Public utility surpluses	1.9
Total	21.0

There are marked differences in the intensity with which various States tap the financing potential of such sources. This is indicated by the following summary comparison, based on appendix Tables G-4 and G-7:

TABLE 5.—MEASURES OF RELATIVE EFFORT FOR NONTAX REVENUE, BY TYPE: 1966-67

Source	Relative State-local effort (actual revenue as a per cent of potential revenue at U.S.-average rates) Highest State	Lowest State	High-low range
All nontax revenue sources	152 (Del.)	77 (Mass., R.I.)	2.0 to 1
State government sources	153 (Del.)	76 (Ill.)	2.0 to 1
Current charges—higher education	139 (Idaho)	52 (Hawaii)	2.7 to 1
Current charges—all other	218 (Miss.)	51 (Wash.)	4.3 to 1
Miscellaneous general revenue	208 (Del.)	37 (Ark.)	5.6 to 1
Local government sources	137 (Fla., Okla.)	68 (Maine)	2.0 to 1
Current charges	183 (Del.)	56 (Hawaii)	3.3 to 1
Miscellaneous general revenue	115 (Del.)	82 (Ind., Miss.)	1.4 to 1
Public utility surpluses	199 (Okla.)	55 (Nev.)	3.6 to 1

Regional Characteristics

To what extent do interstate differences in revenue capacity and effort seem to run along regional lines? Table 6 deals with comparative fiscal measures in terms of four groups of States, as follows:

9 Northeastern States	*12 North Central States*
Connecticut	Illinois
Maine	Indiana
Massachusetts	Iowa
New Hampshire	Kansas
New Jersey	Michigan
New York	Minnesota
Pennsylvania	Missouri
Rhode Island	Nebraska
Vermont	North Dakota
	Ohio
	South Dakota
	Wisconsin

16 Southern States	*13 Western States*
Alabama	Alaska
Arkansas	Arizona
Delaware	California
Florida	Colorado
Georgia	Hawaii
Kentucky	Idaho
Louisiana	Montana
Maryland	Nevada
Mississippi	New Mexico
North Carolina	Oregon
Oklahoma	Utah
South Carolina	Washington
Tennessee	Wyoming
Texas	
Virginia	
West Virginia	

TABLE 6.–SELECTED COMPARATIVE FISCAL MEASURES FOR REGIONAL GROUPS OF STATES: 1966-67

Item and region	Median	Highest State	Lowest State	High-low range
Relative revenue capacity:				
U.S. . . .	100.5	169 (Nev.)	65 (S.C.)	2.6 to 1
South . . .	80.5	120 (Del.)	65 (S.C.)	1.8 to 1
Northeast . .	97.0	113 (N.Y.)	79 (Maine)	1.4 to 1
North Central .	101.5	118 (Neb.)	93 (Mo.)	1.3 to 1
West . . .	107.0	169 (Nev.)	89 (Utah)	1.9 to 1
Relative tax capacity:				
U.S. . . .	98.0	171 (Nev.)	64 (Miss.)	2.7 to 1
South . . .	80.0	123 (Del.)	64 (Miss.)	1.9 to 1
Northeast . .	98.0	117 (Conn.)	81 (Maine)	1.4 to 1
North Central .	99.5	114 (Ill.)	91 (S.D.)	1.3 to 1
West . . .	104.0	171 (Nev.)	87 (Utah)	2.0 to 1
Relative effort, all revenue sources:				
U.S. . . .	98.8	126 (N.Y.)	77 (Nev.)	1.6 to 1
South . . .	95.8	102 (Miss.)	84 (Tex.)	1.2 to 1
Northeast . .	99.4	126 (N.Y.)	84 (N.H.)	1.5 to 1
North Central .	98.3	116 (Wisc.)	85 (Ill.)	1.4 to 1
West . . .	105.0	124 (Haw.)	77 (Nev.)	1.6 to 1

TABLE 6.–SELECTED COMPARATIVE FISCAL MEASURES FOR REGIONAL GROUPS OF STATES: 1966-67 (Cont'd)

Item and region	Median	Highest State	Lowest State	High-low range
Relative effort, all State government revenue sources:				
U.S. . . .	104.0	181 (Hawaii)	64 (Neb.)	2.8 to 1
South . . .	108.0	139 (Del.)	75 (Texas)	1.9 to 1
Northeast . .	100.0	127 (N.Y.)	71 (N.J.)	1.8 to 1
North Central .	95.0	139 (Wisc.)	64 (Neb.)	2.2 to 1
West . . .	114.0	181 (Hawaii)	67 (Nev.)	2.7 to 1
Relative effort, all taxes:				
U.S. . . .	96.7	138 (N.Y.)	71 (Nev.)	1.9 to 1
South . . .	89.8	103 (Md.)	75 (Tex.)	1.4 to 1
Northeast . .	104.9	138 (N.Y.)	81 (N.H.)	1.7 to 1
North Central .	96.4	124 (Wisc.)	79 (Neb.)	1.6 to 1
West . . .	104.8	135 (Haw.)	71 (Nev.)	1.9 to 1
Relative effort, nontax revenue sources:				
U.S. . . .	104.2	152 (Del.)	77 (Mass.)	2.0 to 1
South . . .	117.0	152 (Del.)	96 (La.)	1.6 to 1
Northeast . .	87.5	105 (N.H.)	77 (Mass.)	1.4 to 1
North Central .	103.3	109 (Ind.)	86 (Ill.)	1.3 to 1
West . . .	103.1	121 (Idaho)	92 (Wash.)	1.3 to 1
Relative effort, "business" taxes (excluding farm property taxes):[1]				
U.S. . . .	93.7	149 (Idaho)	45 (W.Va.)	3.3 to 1
South . . .	88.1	119 (Miss.)	45 (W.Va.)	2.6 to 1
Northeast . .	108.0	135 (N.Y.)	79 (Pa.)	1.7 to 1
North Central .	95.9	139 (Minn.)	62 (Ill.)	2.2 to 1
West . . .	105.8	149 (Idaho)	55 (Wash.)	2.7 to 1
Relative effort, "personal" taxes (Including residential property taxes):[1]				
U.S. . . .	98.3	168 (Haw.)	54 (Neb.)	3.1 to 1
South . . .	93.9	116 (W.Va.)	67 (Tex.)	1.7 to 1
Northeast . .	102.5	145 (N.Y.)	79 (N.H.)	1.8 to 1
North Central .	92.5	123 (Wisc.)	54 (Neb.)	2.3 to 1
West . . .	100.3	168 (Haw.)	60 (Nev.)	2.8 to 1
Relative effort, all property taxes:				
U.S. . . .	100.9	155 (Minn.)	37 (Ala.)	4.2 to 1
South . . .	57.9	105 (Md.)	37 (Ala.)	2.9 to 1
Northeast . .	124.5	141 (Mass.)	82 (Pa.)	1.7 to 1
North Central .	111.5	155 (Minn.)	82 (Mo.)	1.9 to 1
West . . .	103.7	122 (Calif.)	54 (N.M.)	2.3 to 1
Relative effort, local residential property taxes:				
U.S. . . .	88.0	181 (S.D.)	17 (La.)	10.6 to 1
South . . .	52.5	101 (Md.)	17 (La.)	5.9 to 1
Northeast . .	130.0	176 (N.J.)	112 (Maine)	1.6 to 1
North Central .	102.5	181 (S.D.)	77 (Kan.)	2.4 to 1
West . . .	75.0	126 (Colo.)	35 (N.M.)	3.6 to 1

Note: Because of its unique character, the District of Columbia is excluded from these comparative figures.

[1] For definition, see earlier discussion under "Composition of revenue capacity."

The most obvious regional features involve the Southern States, which, compared with those in other parts of the country tend to reflect: (1) A lower level of per capita capacity, both for revenue sources as a whole and for taxes only; (2) Somewhat less over-all tax effort, but greater-than-average use of nontax revenue capacity; (3) Considerably less reliance on property taxation, particularly on local taxation of residential property; and (4) A generally lower level of "business taxes" effort. The Northeastern States run in the opposite direction in several of these respects, especially in showing typically greater-than-average use of property taxation and of "business taxes," and below-average use of nontax revenue capacity.

It can also be observed that relative revenue effort for the State governments generally runs higher in the South and West than in the Northeastern and North Central regions. This is related to the differing record for property tax effort (mainly involving local governments), which is generally highest in the Northeast, with the North Central, Western, and Southern regions ranking lower, in that order.

It is not surprising then that particular comparative measures vary considerably less within any of these four regional groups of States than in the Nation as a whole. Nevertheless, significant differences appear within each region. For example, per capita revenue capacity shows an interstate range of 1.3 to 1 in the North Central area, 1.4 to 1 in the Northeast, 1.8 to 1 in the South, and 1.9 to 1 in the West, and most of the other measures presented in Table 6 reflect even greater diversity within particular regions. As an example, relative effort for local residential property taxes shows an interstate range of 1.6 to 1 in the Northeast, 2.4 to 1 in the North Central region, 3.6 to 1 in the West, and 5.9 to 1 in the South.

Comparative Statewide Tax Measures for 1968-69

As described and presented in Appendix G, updated State-by-State measures of tax capacity and effort have been developed for fiscal 1968-69. Table G-14 presents the results, together with measures of change from the 1966-67 findings shown in other tables.

Relative tax capacity. As might be expected for such a brief interval, the figures indicate little shift in the tax capacity standing of most States. The extreme over-all range is very similar in 1968-69, with Nevada still topping the list at 173 per cent of the national average of per capita tax capacity (two points higher than before), and Mississippi still at the bottom with a 65 per cent index (up one point). Only four States (Alaska, Arizona, Florida, and Texas) moved up in relative tax capacity three percentage points or more, and only six showed a drop of at least three points (Delaware, Idaho, Iowa, Montana, Utah, and Wyoming).

Some tendency toward a lessening of interstate differences in per capita tax capacity can be detected. Of the 22 States that were at or above the national average in 1966-67, only four showed a higher index while 13 had a lower index and five showed no change. On the other hand, of the 29 States that had below-average tax capacity in the earlier year, 13 showed some relative gain and only seven lost ground, while nine showed no change. Altogether, of the 37 States with some change in relative tax capacity in this two-year period, 26 moved closer to the national-average norm, while only 11 moved further away. Of these 11, four improved a position that was already advantageous, and seven dropped further from a level that had been below par in 1966-67. As previously noted, however, most of these shifts were relatively minor, and none involved a change that might be considered drastic.

Relative tax effort. Not surprisingly, much more interstate diversity in trends is found when one looks at tax effort rather than tax capacity. In fact, a shift of at least five percentage points in relative tax effort appears for nearly half (24) the States, including three (California, Michigan, and Nebraska) where the index moved up eight or nine points, and five (Arkansas, Colorado, Delaware, Kansas, and South Carolina) where it dropped by eight or nine points. Only five States showed no change in relative tax effort, while 12 showed an increase and the remaining 34 a decrease.

It needs to be emphasized that the standard used to measure the *relative* tax effort of the respective States went up considerably between 1966-67 and 1968-69. In the Nation as a whole, State-local tax revenue rose from \$313 to \$386 per capita—a percentage change of over 23 per cent, which may be contrasted with the 15 per cent growth of personal income from 1966-1968. In other words, for any state merely to maintain its earlier relative tax-effort position, it had to increase its per capita tax collections considerably, and at a considerably faster rate than the growth in its economic base. The rise in the nationwide standard for effort comparisons was considerably influenced by sizable amounts of revenue-increase in a few major States—particularly California and Michigan, but also Illinois, New York and Virginia. This helps to explain why the States that show a lower tax effort index in 1968-69 than two years earlier outnumber by nearly 3-to-1 those where an upward change is found.

These developments tended generally toward greater interstate diversity in effort. The index of relative tax effort was the same in both years for only five States. Of the 46 showing some change, only 18 moved toward the nationwide norm, while the other 28 moved further away. These 28 included six States that were making above-average tax effort in 1966-67 and moved up further in the next two years, and 22 below-average effort States where the index showed some further drop.

Once more, however, the relative nature of these comparative measures must be recognized. As indicated by Table G-14, the per capita amount of State-local tax revenue rose in every State during this two-year interval, and in 41 of the 51 States the rate of this increase was faster than that for personal income. The exceptions, where tax revenue did not keep pace with the growth of residents' income, were Arkansas, Colorado, Delaware, Kansas, Louisiana, Missouri, North Carolina, Oklahoma, South Carolina, and Utah.

Table 7 summarizes the relative tax-capacity and tax-effort standings of the States in each of the two years considered.

TABLE 7.—DISTRIBUTION OF STATES ACCORDING TO RELATIVE TAX CAPACITY AND RELATIVE TAX EFFORT, 1966-67 and 1968-69

Per cent of U.S. average	Relative per capita tax capacity		Relative tax effort	
	1966-67	1968-69	1966-67	1968-69
Total	51	51	51	51
120 or more	5	5	4	3
110 to 119	5	3	3	4
102 to 109	10	12	11	8
99 to 101	5	7	3	6
90 to 98	13	10	16	9
80 to 89	6	8	10	15
Less than 80	7	6	4	6

Metropolitan-area Findings

Since completion of the 1957 Census of Governments more than a decade ago, specific evidence has repeatedly shown that the per capita financial scale of local government is considerably greater within metropolitan areas than elsewhere. Within the past two years, statistics newly available from the Office of Business Economics have similarly shown that personal income averages nearly 50 percent more per capita within than outside metropolitan areas.[2] Those statistics are supplemented here by measures designed to reflect the revenue-raising capacity of the governments that serve metropolitan areas, and their "revenue effort" as expressed by the relation between such capacity and actual revenue receipts in fiscal 1966-67. The findings are shown for individual SMSA's in Appendix Tables G-8, G-9, and G-10.

Marked inter-area differences are evident for both revenue capacity and relative revenue effort. The range in per capita capacity estimated for all State and local revenue sources is about 3-to-1, from well over $700 in the Reno and Midland (Texas) SMSA's to less than $260 in the Charleston (S.C.), Fayetteville (N.C.), and McAllen-Pharr-Edinburgh (Texas) areas. An even wider range appears for local governments' revenue capacity, as estimated on a U.S.-average-rate basis. The Reno SMSA tops this list also, at $343 per capita, while two SMSA's at the other extreme show local-source capacity of less than $100 per capita, and another 11 areas fall between $100 and $130 per capita. Material differences in per capita revenue capacity are found even among the metropolitan areas located in particular States; the most striking examples appear in Texas, which has SMSA's that show up near both ends of the spectrum. (It should, perhaps, be noted that 12 of the 23 Texas areas are single-county SMSA's.)

It may at first glance seem surprising that, as indicated by Table 8, per capita capacity is less than the nationwide average in a majority of SMSA's, both as to State-local revenue sources as a whole and local government sources alone. However, this is a reminder that the U.S. averages (even though they pertain to the entire Nation, rather than only to metropolitan areas) are strongly influenced by amounts for the more sizable SMSA's, where per capita revenue capacity is typically on the high side.

A range of nearly 2-to-1 is found in the relative State-local revenue effort of individual metropolitan

TABLE 8.—DISTRIBUTION OF 215 SMSA's ACCORDING TO RELATIVE PER CAPITA REVENUE CAPACITY: 1966-67

Relative per capita revenue capacity (U.S. average=100)	State and local government sources			Local government sources only		
	Number	Percent	Cumulative percent	Number	Percent	Cumulative percent
Total	215	100	xxx	215	100	xxx
140 or more . . .	6	3	100	6	3	100
120 to 139 . . .	16	7	97	20	9	97
110 to 119 . . .	36	17	90	26	12	88
105 to 109 . . .	22	10	73	12	6	76
100 to 104 . . .	22	10	63	30	14	70
95 to 99	32	15	53	16	7	56
90 to 94	29	13	38	30	14	49
80 to 89	32	15	24	32	15	35
70 to 79	13	6	9	22	10	20
Less than 70 . . .	7	3	3	21	10	10

Note: This distribution refers to capacity as measured on a U.S.-average-rate basis. Different results would appear, especially for local sources only, if the data were based on State-adjusted capacity estimates.

[2] See *Survey of Current Business*, October 1968, and May 1969.

areas, from 30 percent above the national average level in the New York City and Duluth-Superior SMSA's down to 29 percent below that average in the Texarkana SMSA. Even greater variation is found for relative revenue effort of local governments. The Atlantic City SMSA tops this ranking, at 46 percent above the nationwide norm, while the Texarkana and Lafayette (Louisiana) areas appear at the other extreme, more than 40 percent below that standard.

Again as in the case of revenue capacity, a majority of metropolitan areas show up with *revenue effort* indexes of less than 100, and for a similar reason–i.e., because the nationwide norms are considerably influenced by amounts for some very large areas (such as the New York City SMSA) that have relatively high revenue effort. This helps to explain why, as indicated by Table 9, only 11 percent of the 215 reported areas show a State-local effort index of 110 or more, while 25 percent are below 90; and also why, as to the relative revenue effort of local governments, only 16 percent of these areas show an index of 110 or more, while 37 percent are below the 90 level.

The ten most populous SMSA's account for nearly one-third of the total population of the 215 SMSA's reported here. Within this group of major SMSA's, as indicated by Table 10, marked differences appear in revenue capacity and revenue effort. The table also reflects a phenomenon previously noted in connection with State-area data–the lack of a close correspondence between relative measures of personal income and of revenue capacity. In most instances, the financial capability of the governments serving these areas is less than comparative income statistics would suggest. For the group as a whole (giving equal weight to each of the 10 SMSA's), resident per capita income averages 22 percent above that of the Nation as a whole, but capacity amounts as estimated for State-local sources and for local sources alone exceed related national averages by only 13 and 12 percent, respectively. The per-area difference between relative measures of income and State-local revenue capacity is 11 points; between the measures of income and local-source capacity, is 13 points.

Diversity is also found in the relation between per capita income and revenue capacity measures within the

TABLE 9.–DISTRIBUTION OF 215 SMSA's ACCORDING TO RELATIVE REVENUE EFFORT: 1966-67

Relative revenue effort (U.S. average=100)	State and local government sources: Number	Percent	Cumulative percent	Local government sources only: Number	Percent	Cumulative percent
Total	215	100	xxx	215	100	xxx
120 or more	6	3	100	15	7	100
110 to 119	18	8	97	20	9	93
104 to 109	22	10	89	22	10	84
100 to 103	34	16	78	21	10	73
96 to 99	38	18	62	24	11	63
90 to 95	42	19	45	33	15	52
80 to 89	46	21	25	44	20	37
70 to 79	9	4	4	26	12	17
Less than 70	–	–	–	10	5	5

Note: This distribution refers to effort as measured by reference to capacity calculated on a U.S.-average-rate basis. Different results would appear, especially for local sources only, if the data were based on State-adjusted capacity estimates.

TABLE 10.–MEASURES OF PERSONAL INCOME, REVENUE CAPACITY, ACTUAL REVENUE, AND REVENUE EFFORT FOR THE 10 LARGEST METROPOLITAN AREAS: 1966-67

SMSA	Population, 1966 (000)	Index (U.S. averages = 100): Residents' personal income per capita	Per capita revenue capacity: State and local govt. sources	Per capita revenue capacity: Local govt. sources only	Per capita actual revenue: State and local govts.	Per capita actual revenue: Local govts. only	Relative revenue effort: State and local govts.	Relative revenue effort: Local govts. only
New York	11,458	134	124	138	162	180	130	130
Los Angeles	6,766	131	137	146	140	158	102	108
Chicago	6,712	134	118	121	98	112	83	93
Philadelphia	4,736	109	94	92	95	99	101	107
Detroit	4,074	124	115	117	117	113	102	97
Boston[1]	3,530	115	97	93	115	123	118	132
San Francisco-Oakland	2,946	140	143	160	150	179	105	111
Washington, D.C.	2,615	119	107	112[2]	100	94[2]	93	84[2]
Pittsburgh	2,387	105	92	94	91	91	98	97
St. Louis	2,269	111	101	102	91	101	90	99

[1] Five-county area, as defined in Appendix G.
[2] Treating all non-property tax amounts for the city of Washington, D.C. as "State" revenue

entire group of 215 SMSA's. For the median area, the estimated potential yield of all State and local government revenue sources, estimated on a U.S. average rate basis, is equal to 13.2 percent of all the area residents' personal income (as measured in the national income and product accounts). That is, the proportion is more than this in half these areas, and less in the other half. But the percentage ratio runs from less than 11 in some instances to more than 20 elsewhere. For all 215 reported areas, the coefficient of dispersion from the median ratio is 11 percent. This resembles the variation calculated for statewide relationships between revenue capacity and personal income. A test calculation of the relationship between per capita amounts of *local government* revenue capacity (estimated on a U.S.-average-rate basis) and resident personal income shows, similarly, a coefficient of dispersion of 12 percent.

Table 11 summarizes certain revenue measures for various groups of metropolitan areas.[3] Comparative averages for SMSA's in the South and "non-South" portions of the country indicate that:[4]

[3] It should especially be observed that these index measures in Table 11 are *unweighted* means, representing averages based on ratios calculated separately for individual areas. Hence, the same importance is attached to each area, regardless of its size. It would be possible, instead, to calculate *weighted* ratios based on dollar aggregates for each group of areas. Index ratios of actual revenue, revenue capacity, and revenue effort so calculated would generally run higher than those shown in Table 11. For the entire group of areas reported (the "total" column) ratios of actual per capita revenue so calculated would probably exceed 100.

[4] For this presentation, the "South" comprises 14 States–i.e., all those so designated in the preceding discussion of "Regional Characteristics" except for Delaware and Maryland. SMSA's in those two States, and the Washington, D. C. SMSA, are here included in the "Non-South" group.

TABLE 11.–SUMMARY COMPARATIVE MEASURES OF STATE AND LOCAL GOVERNMENT REVENUE, REVENUE CAPACITY, AND REVENUE EFFORT FOR 215 METROPOLITAN AREAS, BY LOCATION AND POPULATION-SIZE: 1966-67

Item	U.S. average[1]	Index measures for SMSA's (unweighted mean ratios; related U.S. averages = 100): All population sizes of SMSA's – Total	South[2]	Non-south	Area population, 1966 (000): 1,000-plus	500-999	300-499	200-299	100-199	Under 100
Number of areas	xxx	215	81	134	30	36	28	45	56	20
Per capita revenue capacity (on U.S.-average-rate basis):										
State and local sources	$396	100	95	104	113	103	99	96	97	97
State government sources	$195	104	102	106	112	104	102	101	103	109
Local government sources	$201	96	88	102	115	101	96	92	91	85
Per capita actual revenue:										
State and local governments	$396	97	88	103	113	101	96	94	92	89
Local governments only	$201	92	76	101	117	99	90	86	84	78
Relative revenue effort (with capacity estimated on U.S.-average-rate basis):										
State and local governments	100%	97	93	99	100	98	97	98	95	91
Local governments only	100%	95	87	99	102	98	93	93	92	91
Relative revenue effort of local governments (with capacity estimated on State-adjusted basis):										
All local revenue sources	100%	97	94	99	100	99	98	99	95	89
Local property taxes	100%	103	103	104	104	105	104	109	101	95
Local nonproperty taxes	100%	66	65	67	86	71	74	67	54	49
Charges and miscellaneous general revenue	100%	98	92	101	98	98	102	96	97	95
Utility surpluses	100%	105	103	106	100	103	115	107	104	101
Proportion of revenue capacity of local governments represented by:										
Property taxation of –										
Nonfarm residential property	30.2%	98	92	102	105	105	98	98	96	83
Business property	25.3%	107	110	105	109	106	107	105	105	116
Farm property	5.2%	77	78	76	36	38	77	59	112	146
Other local taxes	12.8%	111	116	107	101	107	113	113	112	120
Charges and miscellaneous general revenue sources	22.8%	94	93	94	100	94	94	98	91	86
Utility surpluses	3.7%	100	118	89	82	122	89	106	103	84

[1] Averages shown pertain to the entire U.S., rather than relating only to areas reported here.
[2] SMSA's in 14 Southern States; see text.

- Southern SMSA's average lower than those elsewhere not only in revenue capacity and actual revenue per capita, but also in relative revenue effort. The divergence in each instance is even greater for local government sources alone than for the aggregate of State-local revenue sources.
- Southern SMSA's generally resemble those elsewhere in the proportions of their local government capacity represented by the various revenue components shown in the table, with one exception: because public operation of municipal utilities is somewhat more common in the South than elsewhere, potential utility surpluses make up a larger revenue component in Southern SMSA's.

The comparative averages for population-size groups of metropolitan areas indicate that:

- The 30 largest SMSA's—those with a million inhabitants or more—stand out conspicuously above the others in per capita revenue capacity and actual revenue. Their relative revenue effort also averages higher than that of any other size group, though not dramatically so.
- The four SMSA groups of less than a half-million population resemble one another in State-local revenue capacity per capita, but the less populous areas show less actual revenue and, therefore, a generally lower level of revenue effort. These differences are traceable mainly to the local government portions of capacity and effort. Except for the SMSA's of under 100,000, each size group shows local property tax effort above the national average, with the highest index reported for the areas of 200,000 to 300,000 population.
- Some material differences appear among the several size-groups of SMSA's in the composition of local revenue capacity: with decreasing population size of area, the share contributed by farm property taxes moves up consistently, while the (far larger) proportion contributed by taxation of nonfarm residential property drops off. Perhaps rather surprisingly, the business property tax share of the local revenue base averages about the same for each of the size groups of areas.

These summary measures fail to disclose the considerable variety of revenue characteristics of individual metropolitan areas *within* each reported group. Information on that score can best be obtained by direct examination of detailed appendix Tables G-8 through G-10.

County-area Findings

Comparisons are provided in Table 12 for various groupings of the 666 individual-county areas for which revenue capacity and effort have been measured in this study. Again in this context, Southern areas show up with generally lower levels of revenue capacity, actual revenue, and relative revenue effort than those elsewhere in the Nation.

This table also distinguishes four "types" of counties, and shows summary averages separately for:

108 entire-SMSA counties;
113 central counties of multi-county SMSA's;
203 outlying counties of such SMSA's; and
242 non-SMSA counties of over 50,000 population.

This presentation reflects the limited and rather selective coverage of county areas applied in the present study. Omitted are 81 counties of similar kinds (mostly non-SMSA counties of 50,000 plus) for which acceptable measures of revenue capacity could not be developed, and 2,347 counties or county-equivalent areas which, as of 1966-67, had a population of less than 50,000 and were located outside any metropolitan area. Altogether, the unreported areas have nearly one-quarter of the Nation's population and, given their less urban makeup, undoubtedly involve rather different revenue capacity and effort characteristics than the 666 areas covered in Table 12.

As might be expected, the central counties of major SMSA's top each of the other three groups in both revenue capacity and actual revenue per capita. The contrast is especially marked between these areas and outlying counties of multi-county SMSA's. It is perhaps more surprising, however, that the four types of county areas show little difference in relative State-local revenue effort, when such effort is measured against capacity estimated on a U. S. average-rate basis. That is, in terms of group averages (giving identical weight to each county within each group), larger amounts of actual revenue apparently tend to draw upon a similarly greater revenue base in the central and entire-SMSA counties. This is somewhat less the case for revenue effort of local governments alone (disregarding the State government portion), but even on that score relative revenue effort averages only a few points higher in the most "urban" metropolitan counties than in the other types of county areas reported.

This finding may seem to contradict or at least call into question widespread references to "fiscal disparities within metropolitan areas" as an important aspect of the financing difficulties of local governments. But two points should be emphasized:

1. These summary group averages do not disclose divergences in effort level as among the counties

of any particular SMSA. Yet it is the latter kind of difference that has the most direct bearing upon "fiscal disparities," insofar as these may appear in countywide terms. In other words (especially with the unweighted-mean method used to derive the Table 12 figures), the indicated similarity of relative revenue effort for the two groups of counties in multi-county SMSA's undoubtedly results from a variety of relationships, with outlying counties in some instances running above or equal to their associated "central county" in revenue effort, but in other instances—as has been so commonly alleged—making a less strenuous revenue effort.

2. Even more important, it should be observed that these measures pertain to entire counties, and thus do not reflect variations of capacity and effort *within* such areas. All but a minor fraction of the 113 "central" SMSA counties shown in this table are considerably larger geographically than their metropolitan "central cities." Discussion of localized "fiscal disparities" targets mainly at smaller geographic areas, such as the central city and other parts of the SMSA or its central and outlying counties. (Appendix A discusses some findings about the relative revenue capacity and effort of a number of metropolitan central-city areas.)

When capacity is estimated on a State-adjusted basis, the central metropolitan counties show up with several points more effort, over-all and for the important property tax component, than their associated outlying counties. They also show a considerably higher effort rate for nonproperty taxes.

Table 12 reflects significant differences in the composition of revenue capacity for the several kinds of county areas. In particular, as would be expected, the central metropolitan counties can draw upon a relatively

TABLE 12.—SUMMARY COMPARATIVE MEASURES OF STATE AND LOCAL GOVERNMENT REVENUE, REVENUE CAPACITY, AND REVENUE EFFORT FOR 666 SELECTED COUNTY AREAS, BY LOCATION AND TYPE OF AREA: 1966-67

Item	U.S. average[1]	Index measures for selected counties (unweighted mean ratios; related U.S. averages = 100): All types of selected counties — Total	All types — South[2]	All types — Non-south	Entire-SMSA counties	Within multi-county SMSA's — Central	Within multi-county SMSA's — Non-central	Non-SMSA counties of 50,000-plus
Number of areas	XXX	666	241	425	108	113	203	242
Per capita revenue capacity (on U.S.-average-rate basis):								
State and local sources	$396	92	85	95	101	107	84	87
State government sources	$195	94	90	97	105	111	83	91
Local government sources	$201	89	80	94	96	103	84	84
Per capita actual revenue:								
State and local governments	$396	89	78	95	97	104	80	86
Local governments only	$201	83	64	94	92	98	78	77
Relative revenue effort (with capacity estimated on U.S.-average-rate basis):								
State and local governments	100%	97	93	100	96	97	96	99
Local governments only	100%	93	80	100	95	95	93	91
Relative revenue effort of local governments (with capacity estimated on State-adjusted basis):								
All local revenue sources	100%	96	91	98	96	99	94	96
Local property taxes	100%	103	102	103	102	105	102	103
Local nonproperty taxes	100%	60	59	61	62	73	54	59
Charges and miscellaneous general revenue	100%	100	92	105	96	98	100	104
Utility surpluses	100%	114	126	106	103	110	128	108
Proportion of revenue capacity of local governments represented by:								
Property taxation of –								
Nonfarm residential property	30.2%	101	96	104	99	94	112	96
Business property	25.3%	98	99	97	103	116	86	97
Farm property	5.2%	115	118	113	96	40	154	126
Other local taxes	12.8%	106	111	102	111	113	95	109
Charges and miscellaneous general revenue	22.8%	94	91	95	93	97	92	95
Utility surpluses	3.7%	103	132	87	101	97	90	118

[1] Averages shown pertain to the entire U.S., rather than relating only to the areas reported here.
[2] Counties in 14 States; see text.

larger business property base than the other kinds of reported counties. For the average central county of a multi-county SMSA, the potential of business property taxation is about the same as that of residential (nonfarm) taxation. On the other hand, for the average outlying county of such SMSA's, the business property component is less than two-thirds as large as the residential property component.

Group averages such as those appearing in Table 12 do not reflect specific inter-area differences. Yet variations of that kind are of particular interest and importance, both from the standpoint of grant-in-aid arrangements and of localized "fiscal competition." Appendix Tables G-11 through G-13 supply individual-county data which lend themselves directly to geographic comparisons. Table 13 summarizes certain State-by-State findings regarding the revenue capacity of individual counties. The table reflects data for at least two counties in each of 46 States; none are reported for Alaska or Vermont, and only one each for South Dakota, Wyoming, and the District of Columbia. At least five counties are covered in each of 36 States. In 36 instances also, the reported areas account for at least half the total State population, including 12 cases where this proportion is over 80 percent. For Delaware, New Jersey, and Rhode Island, the reported areas comprise the entire State.

Nationwide, per capita State-local revenue capacity exhibits an extreme range of 6.7-to-1 among the 666 selected county areas, from $823 (over twice the national average) in Midland County, Texas, to $123 in Berkeley County, South Carolina.[5] For local government sources alone, the extreme range is 11-to-1, from $420 per capita in Washoe County, Nevada, to $38 per capita in Berkeley County, South Carolina. One or more reported areas where per capita State-local capacity is less than 60 percent of the national average appear in 15 States, 12 of them in the South. Conversely, a dozen States have at least one reported county area with State-local capacity 40 percent or more over the National average.

For State-local revenue sources, the capacity range among reported areas is at least 2-to-1 in 20 States and at least 1.5-to-1 in 36 of the 46 States for which this

[5]This and the other comparisons given below refer to capacity as measured on a State-adjusted basis for areas within the States. The appendix tables also include data reflecting revenue capacity on a U. S. average-rate basis. The adjusted basis is more directly pertinent for within-State comparisons.

TABLE 13.–INDEXES OF PER CAPITA REVENUE CAPACITY (ON STATE-ADJUSTED BASIS), FOR 666 SELECTED COUNTY AREAS, BY STATES: 1966-67 (U.S. AVERAGE PER CAPITA AMOUNTS = 100)

State	Areas reported		State and local government sources				Local government sources			
	Number	Percent of State population (1966)	Average[1]	Highest	Lowest	Ratio of high to low (=1)	Average[1]	Highest	Lowest	Ratio of high to low (=1)
U.S.	666	76	92	208	31	6.7	87	209	19	11.0
Alabama	18	64	73	90	48	1.9	59	80	35	2.3
Alaska	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Arizona	5	83	99	111	94	1.2	90	106	78	1.4
Arkansas	10	40	78	105	53	2.0	53	77	32	2.4
California	32	93	110	143	85	1.7	127	180	91	2.0
Colorado	10	81	98	145	69	2.1	101	145	66	2.2
Connecticut	7	97	102	120	81	1.5	102	132	70	1.9
Delaware	3	100	102	135	85	1.6	57	80	42	1.9
District of Columbia[2]	1	100	116	116	116	xxx	97	97	97	xxx
Florida	22	85	97	124	67	1.9	107	134	76	1.8
Georgia	14	52	82	118	54	2.2	76	104	45	2.3
Hawaii	2	90	103	105	102	1.0	62	68	56	1.2
Idaho	3	30	87	95	79	1.2	67	80	57	1.4
Illinois	27	85	103	155	76	2.0	116	176	82	2.1
Indiana	32	73	92	117	71	1.6	89	122	64	1.9
Iowa	9	39	105	120	92	1.3	103	113	88	1.3
Kansas	7	46	103	120	57	2.1	108	144	53	2.7
Kentucky	11	44	91	114	47	2.4	69	94	27	3.5
Louisiana	16	65	109	176	63	2.8	66	102	33	3.1
Maine	3	42	87	94	80	1.2	74	84	64	1.3

type of comparison can be made. For local revenue sources alone, the capacity range among reported areas is over 3-to-1 in six States, and at least 2-to-1 in another 21. Only eight of the 46 reportable States show a range in per capita local source capacity of less than 1.5-to-1. In most instances (for 36 of the 46 States), the local-source range among individual county areas is greater than that for combined State and local revenue sources.

How do these intra-State variations compare with those that would appear from some general economic measure, such as personal income? This issue can be much better examined when data regarding resident income become available from the 1970 Census of Population. Pending that, one limited attempt at comparison has been made, drawing upon 1960 Census figures on median family income, and considering only 35 States for which at least five counties of at least 50,000 population could be examined from both the present study and the 1960 Census. On that basis, the inter-county range in State-local capacity as measured here was greater than the range in median family income in 24 of the 35 States. For local government capacity alone, the extreme inter-county range was greater than that indicated by median family income in all the 35 States.

TABLE 13.–INDEXES OF PER CAPITA REVENUE CAPACITY (ON STATE-ADJUSTED BASIS), FOR 666 SELECTED COUNTY AREAS, BY STATES: 1966-67 (U.S. AVERAGE PER CAPITA AMOUNTS = 100) (Continued)

State	Areas reported		State and local government sources				Local government sources			
	Number	Percent of State population (1966)	Average[1]	Highest	Lowest	Ratio of high to low (=1)	Average[1]	Highest	Lowest	Ratio of high to low (=1)
Maryland	13	92	93	118	75	1.6	88	138	67	2.1
Massachusetts	7	68	88	133	69	1.9	90	129	66	2.0
Michigan	25	86	98	126	73	1.7	91	128	68	1.9
Minnesota	9	57	95	134	63	2.1	96	136	54	2.5
Mississippi	9	34	79	110	54	2.0	66	96	43	2.2
Missouri	12	64	91	130	59	2.2	94	145	62	2.3
Montana	3	31	111	127	95	1.3	114	141	84	1.7
Nebraska	4	41	109	130	78	1.7	138	166	109	1.5
Nevada	2	79	176	193	160	1.2	189	209	170	1.2
New Hampshire	3	48	100	107	89	1.2	113	120	104	1.2
New Jersey	21	100	101	144	73	2.0	124	195	81	2.4
New Mexico	5	51	115	188	87	2.2	65	109	44	2.5
New York	38	95	89	133	63	2.1	91	143	59	2.4
North Carolina	35	69	77	119	52	2.3	53	96	23	4.2
North Dakota	3	31	129	167	105	1.6	99	135	80	1.7
Ohio	47	87	86	119	58	2.1	97	144	62	2.3
Oklahoma	10	52	93	142	57	2.5	74	111	36	3.1
Oregon	10	74	102	143	82	1.7	100	131	84	1.6
Pennsylvania	41	91	79	112	59	1.9	75	110	48	2.3
Rhode Island	5	100	80	97	71	1.4	75	86	65	1.3
South Carolina	15	66	66	88	31	2.8	40	53	19	2.8
South Dakota	1	14	112	112	112	xxx	116	116	116	xxx
Tennessee	13	58	85	113	59	1.9	81	110	48	2.3
Texas	40	73	92	208	54	3.9	90	154	49	3.1
Utah	4	77	83	104	67	1.6	70	87	59	1.5
Vermont	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Virginia	12	56	90	130	62	2.1	74	112	52	2.2
Washington	12	83	112	155	82	1.9	89	158	55	2.9
West Virginia	16	63	78	123	42	2.9	53	107	27	4.0
Wisconsin	18	66	93	115	81	1.4	76	97	54	1.8
Wyoming	1	19	121	121	121	xxx	109	109	109	xxx

[1]Unweighted mean of indexes computed for individual areas.
[2]Treating all nonproperty taxes as "State government sources."

The particular "high" and "low" areas involved were also often different for the alternative extreme-range calculations in particular States. This seems to confirm the observation made earlier that the relative revenue capacity of governments in various areas is not closely measured solely by reference to personal income data.

Altogether, then, the reported data show marked within-State differences in local governments' financing capability—even when the comparisons are made in terms of entire counties, and principally the more populous ones. Moreover, these disparities generally exceed those that might be inferred from personal income comparisons alone.

Table 14 summarizes revenue effort findings for the same 666 selected counties, by States. Nationally, the extreme ranges for the reported areas are: 2.5-to-1 for relative State-local revenue effort (from 40 percent above to 44 percent below the national average); 4.9-to-1 for local government revenue effort; and 7-to-1 for local governments' property tax effort.

In 35 of the 49 States concerned, at least one county shows a State-local revenue effort above the national average, and in eight States at least one county has an index of 120 or more. On the other hand, in all but five States (Arizona, Hawaii, Idaho, Minnesota, and Utah), one or more of the reported counties show State-local revenue effort below the nationwide norm of 100, and in nine States the "lowest county" effort ratio is lower than 80.

Except for Texas, where an extreme range of 1.8-to-1 appears, the within-State variation in State-local revenue effort for the reported counties is 1.5-to-1 or less. In 13 of the 46 States for which such a comparison appears, this divergence is less than 1.3-to-1. In considering these modest variations, however, it should be remembered that they are "smoothed out" by the inclusion of State-source as well as local-source effort. Far greater variation occurs in the intensity with which local governments in various counties tap their available revenue base.

In all but seven of the 49 States concerned, at least one reported county shows a local revenue effort above the national average, and in 19 States the "highest county" ratio is more than one-fifth above that average. Conversely, there are only five States where no reported county falls below the nationwide norm for local revenue effort. Even greater diversity appears in Table 14 for local governments' property tax effort. Of the 46 States for which such comparisons can be made, an effort range of at least 1.5-to-1 appears in 31 instances for all local revenue sources and in 36 instances for local property taxes only. The distribution of the 46 States is as follows:

High-low range among reported counties in relative revenue effort of local governments	Number of States: All local revenue sources	Number of States: Local property taxes only
3.0-to-1 or more	1	5
2.5- to 2.9-to-1	–	4
2.0- to 2.4-to-1	11	18
1.5- to 1.9-to-1	19	9
Under 1.5-to-1	15	10
Total	46	46

These comparisons also pertain to entire counties and thus submerge intra-county differences in local governments' revenue effort. A wider range of variations would be shown by data for smaller areas. Even in county-wide terms, however, both the capacity and effort findings show that responsible policymakers at the several governmental levels are well justified in their concern for localized fiscal differences. There is, indeed, much to be "equalized."

TABLE 14.–INDEXES OF REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY) FOR 666 SELECTED COUNTY AREAS, BY STATES: 1966-67

State[1]	State and local governments				Local governments—all revenue sources				Local property taxes only			
	Average[2]	Highest	Lowest	Ratio of high to low (=1)	Average[2]	Highest	Lowest	Ratio of high to low (=1)	Average[2]	Highest	Lowest	Ratio of high to low (=1)
U.S.	97	140	56	2.5	96	171	35	4.9	103	195	28	7.0
Alabama	97	112	85	1.3	95	127	64	2.0	112	195	44	4.4
Alaska	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Arizona	112	121	108	1.1	117	140	108	1.3	134	162	112	1.4
Arkansas	90	100	81	1.2	94	127	69	1.8	116	162	70	2.3
California	110	133	90	1.5	114	154	81	1.9	119	178	78	2.3

TABLE 14.–INDEXES OF REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY) FOR 666 SELECTED COUNTY AREAS, BY STATES: 1966-67 (Continued)

State[1]	State and local governments				Local governments—all revenue sources				Local property taxes only			
	Average[2]	Highest	Lowest	Ratio of high to low (=1)	Average[2]	Highest	Lowest	Ratio of high to low (=1)	Average[2]	Highest	Lowest	Ratio of high to low (=1)
Colorado	110	122	99	1.2	113	136	92	1.5	117	151	88	1.7
Connecticut	92	98	89	1.1	91	103	85	1.2	98	117	91	1.3
Delaware	99	103	95	1.1	92	106	75	1.4	100	135	59	2.3
District of Columbia[3]	85	85	85	xxx	85	85	85	xxx	85	85	85	xxx
Florida	91	101	75	1.3	90	107	64	1.7	89	124	65	1.9
Georgia	98	111	92	1.2	98	125	85	1.5	121	195	80	2.4
Hawaii	123	125	120	1.0	120	128	111	1.2	107	137	78	1.8
Idaho	110	114	105	1.1	115	127	102	1.2	107	129	92	1.4
Illinois	86	94	71	1.3	86	100	61	1.6	91	114	69	1.7
Indiana	99	119	88	1.4	101	139	80	1.7	108	164	76	2.2
Iowa	102	109	90	1.2	99	114	76	1.5	101	118	72	1.6
Kansas	97	113	89	1.3	99	131	84	1.6	109	168	83	2.0
Kentucky	93	99	84	1.2	92	107	66	1.6	103	128	66	1.9
Louisiana	91	100	86	1.2	90	115	72	1.6	99	154	39	3.9
Maine	99	103	97	1.1	96	106	90	1.2	102	111	95	1.2
Maryland	97	111	84	1.3	92	122	64	1.9	95	130	66	2.0
Massachusetts	119	131	99	1.3	126	149	90	1.7	152	195	94	2.1
Michigan	98	118	84	1.4	95	140	70	2.0	96	166	64	2.6
Minnesota	116	140	108	1.3	118	171	101	1.7	120	192	95	2.0
Mississippi	99	106	87	1.2	94	110	66	1.7	114	154	81	1.9
Missouri	89	94	83	1.1	88	98	75	1.3	96	108	85	1.3
Montana	94	99	85	1.2	94	103	78	1.3	107	130	80	1.6
Nebraska	79	88	57	1.5	76	89	45	2.0	88	110	48	2.3
Nevada	78	80	77	1.0	79	82	77	1.1	79	85	72	1.2
New Hampshire	84	87	78	1.1	83	89	73	1.2	82	92	71	1.3
New Jersey	94	110	84	1.3	95	122	79	1.5	94	135	75	1.8
New Mexico	97	101	86	1.2	100	115	64	1.8	110	146	41	3.6
New York	117	131	96	1.4	109	136	71	1.9	136	182	84	2.2
North Carolina	95	105	87	1.2	91	118	65	1.8	98	163	59	2.8
North Dakota	97	98	96	1.0	102	104	101	1.0	101	102	98	1.0
Ohio	85	97	70	1.4	84	106	59	1.8	85	111	59	1.9
Oklahoma	88	100	76	1.3	87	115	61	1.9	95	124	64	1.9
Oregon	99	104	89	1.2	97	108	79	1.4	96	106	73	1.5
Pennsylvania	95	108	87	1.2	90	118	74	1.6	86	121	66	1.8
Rhode Island	101	103	98	1.1	102	106	96	1.1	110	116	103	1.1
South Carolina	99	107	91	1.2	96	118	71	1.7	111	149	65	2.3
South Dakota	97	97	97	xxx	90	90	90	xxx	93	93	93	xxx
Tennessee	86	97	72	1.3	83	105	56	1.9	78	110	46	2.4
Texas	84	101	56	1.8	84	119	35	3.4	91	151	28	5.4
Utah	106	107	103	1.0	101	104	95	1.1	102	112	96	1.2
Vermont	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Virginia	96	110	84	1.3	96	129	58	2.2	112	174	63	2.8
Washington	100	104	93	1.1	97	108	82	1.3	96	119	71	1.7
West Virginia	100	113	85	1.3	101	144	67	2.1	123	188	75	2.5
Wisconsin	114	133	92	1.4	114	166	71	2.3	115	178	59	3.0
Wyoming	83	83	83	xxx	80	80	80	xxx	73	73	73	xxx

[1] As to numbers and population of reported areas, see table 2-13.
[2] Unweighted means of ratios computed for individual areas.
[3] Treating all nonproperty taxes as State government revenue.

Correlation Analysis

While the representative tax or revenue system approach appears the preferred method of measuring fiscal capacity, it is, of course, but one such measure. To determine the relationships between this representative system and two widely used alternative measures, a correlation analysis was performed. That is, per capita estimated revenue capacity from all State-local sources was correlated with per capita personal income and then with a composite per capita measure, reflecting equal weight for potential property tax yield (at U.S. average rates) and personal income. Each of these correlations was performed for three governmental levels—the 51 States (including the District of Columbia, the 666 counties for which necessary data was available, and the 214 SMSA's).

The results of these procedures indicate that there is a moderate to strong relationship among the three approaches to fiscal capacity. Comparisons of per capita estimated revenue capacity from all State-local sources with per capita personal income yielded a correlation coefficient (r, adjusted for degrees of freedom) of .633 at the State level, .727 at the county level and .623 for the SMSA's. When the per capita estimated revenue capacity from all State-local sources was compared with a composite property-income measure, the correlation was strengthened—as expected, since more components of the revenue capacity measure were included in the composite series. For this set of correlations, the coefficients (r, adjusted for degrees of freedom) were .833, .873, .834 at the State, county and SMSA levels.

In both sets of correlations then, the relationships "hold up" at each governmental level that was included in the correlation analysis. It must be emphasized, however, that this would not necessarily or even likely be the case if comparable correlations were performed for more fragmented local governmental entities as variations among the alternative measures can be expected to be more pronounced for smaller jurisdictional units.

This point is illustrated in a third set of correlations even at the county and SMSA levels. When per capita estimated revenue capacity from all State-local sources was compared with per capita estimated State-local tax capacity, an extremely close relationship was found at the State level ($r = .940$). At the county and SMSA level virtually no such relationship was found, the coefficients being .022 and .053 respectively.

Chapter 3

ACTUAL ADJUSTMENT OF GRANTS-IN-AID FOR FISCAL DIFFERENCES

Adjustment of intergovernmental grants to the financial capacity or effort of the recipient has been a part of the American scene for a long time. It has played a big role in State education aids to local school districts. It is a more recent development in Federal welfare aids to States. But it is almost non-existent in direct Federal-local grants.

Where use of fiscal measures has occurred, the concern of the granting government has, till now, been concentrated on capacity rather than on the use made of that capacity. Further, the grants have been overwhelmingly categorical rather than general purpose. The donors of the grants have shown a disposition to worry first about assuring a minimum level of service, and only secondarily about the fiscal ability of the grant-receiving governments to provide it.

The foregoing skeletal generalizations require some fleshing out. The following review of actual practice will not evaluate the entire American grant "system," but will examine only the use of fiscal measures as modifying factors in the flow of intergovernmental dollars.

A Note on Terminology

In intergovernmental affairs, the term "equalization" must be used gingerly. It means different things to different people. To be sure, the fiscal factors being reviewed are equalization factors. However, adjustment of grants for variations in fiscal capacity is only one of several forms of intergovernmental equalization.

Some people think of rectifying uneven tax burdens when they hear of "equalizing aids." That important concept, with its psychological and tax incidence implications, is not the focus here. Some think of equalization as meaning treating everybody alike. Whether "everybody" means each citizen, or each pupil, or each elderly person—it is not the kind of aid feature now under discussion. To others, equalizing aids connotes fairness, or equity, or redistribution of income—either geographically or by income class.

The history of intergovernmental relations in this country suggests a fairly consistent notion of equalization: support for a minimum level of public services without gross variations in the financing effort of recipient jurisdictions. This common meaning involves both program need and fiscal capacity. It is the relation between needs and resources that is to be equalized. This definition underlies much past and present practice in both Federal and State Government aid distributions. Measures of fiscal capacity provide part—but only part—of the yarn from which such equalizing grants are woven. Because fiscal indexes do not measure program need, it was decided that the term equalization should be avoided. Modification of grants to overcome (wholly or partially) differences in the *fiscal capacity* of recipient governments is the topic of this chapter. Therefore, they will be called what they are: capacity-adjusted grants. It is not necessary to coin a comparable new term like "effort-adjusted grants." They do not exist. Although fiscal effort is, in one sense, taken into account by matching grants, and although minimum effort is a required condition of some State school aids, there is no history of modifying grant payments as a reward for relative fiscal effort.

The term "equalization" is not only a word with many meanings, but also an objective reached by many avenues. Financial takeover of a function by a higher level of government may achieve equalization. Flat functional grants involving a fixed number of dollars per welfare case or per pupil work in that direction also: the larger the share of total cost covered by grant dollars, the greater the equalization. Delaware's school aids provide a good illustration. In 1968-9 Delaware provided not a penny of its school aids on a capacity-adjusted basis, whereas the national average was 69 percent of State aids so apportioned. But, the Delaware State Government provided almost twice as large a share of all school costs as the average State (73 percent compared with 41 percent). Clearly, the State of Delaware is achieving a great deal of financial "equalization." Similarly, general purpose grants distributed on the simple basis of population are equalizing, as Walter Heller emphasized some years ago. The equalizing effect in the preceding cases is achieved even if the original collection of revenues going into the grant funds come from a proportional tax structure. Naturally, with a progressive tax structure, the financial equalizing effect is heightened. The result is further intensified when the aid dollars are specifically aimed at poor people or poor areas. When grants make a deliberate allowance for the fiscal poverty of an area, they become the "capacity-adjusted" grants now under review.

Even after the subject has been narrowed to grants that are modified for the fiscal capacity of recipients, a number of alternatives are still possible. Capacity measures can be used as screening devices for determining which governments shall be eligible or ineligible for a grant. They can also be used in a formula to determine how the total grant amount is to be apportioned among recipients, or they can be part of a matching formula. Combinations are another possibility. Capacity allowances can be a feature of grants given to assist narrowly-specified functions, broad grants embracing a number of subfunctions, or unrestricted grants to be used as the receiving unit of government thinks best.

The State Experience

In actual practice, to what extent and in what ways have State Governments and the Federal Government adjusted grants-in-aid on the basis of fiscal capacity?

The States have shown the way in the use of fiscal measures in grant programs. This is both natural and appropriate. The parent States are responsible for the subordinate units they have brought into the world. In fact, each State exercises such pervasive control over local financing that the actual use of fiscal measures in State grants is not so surprising as the limited extent of their usage.

Since the turn of the century, students of educational finance have noted that State school support should take into account the varying fiscal ability of local school districts.[1] Cubberley, in 1906 was one of the first to speak of fiscal "equalization"–suggesting that perhaps as much as five per cent of State educational aids might be distributed to those school districts that were not able to meet the State minimum standards even when they taxed themselves as high as the law allowed. Cubberley suggested that the bulk of State school aids be used in ways that reward districts that offer higher quality services.

In the 1920's George Strayer and Robert Murray Haig formulated a more "modern" approach to distributing school aid for New York's Educational Finance Inquiry Commission. They proposed that State aid be used to provide a basic level of educational programs at uniform local tax rates. The State would mandate a rate of local school taxation which all school districts would have to levy to qualify for aid. It was the rate that would have to be employed in the richest school district of the State to provide enough funds for what was considered a satisfactory minimum offering. The State aids would make up the difference between the locally-raised amount and the amount needed for the foundation level. Then, as now, taxable property values were usually used in State school aid programs as the yardstick for measuring wealth and as the tax base on which the required rate was to be imposed. The New York idea spread, and this sort of program is still in operation in most States today.

The latest development in education aid has been the percentage equalizing grant. It varies State support in accordance with the per pupil property valuation of each school district. After setting the standard share of State support in a district of average property wealth, the formula raises the percentage of State support in school districts of below-average wealth and lowers State support in districts of above-average wealth. This aid plan, which does not concern itself with the relative fiscal effort of the local district, was used in several States as of 1968-69.

Theoretically, the percentage equalizing grant is the most powerful school aid formula of the three in terms of adjusting to local fiscal capacity. If appropriately structured, this aid formula allows for virtually complete State support to the poorest school district and none to the richest. However, as limitations are placed on the inclusiveness of percentage equalizing grants (e.g., limits on the amount of local school expenditures that may be eligible for State aid, as in Massachusetts and New York), the original resource gap is by no means entirely closed.

Out of these historical developments has emerged a pattern manifesting considerable variety in today's school aid formulas. Three general types of distribution systems dominate. Seven States have fixed foundation formulas, whereby each district receives the difference between its mandated property tax effort and a uniform statewide foundation amount of expenditures per pupil. Thirty States have a variable foundation grant. They insist on a required rate of local tax effort and then contribute varying amounts of aid to each district. Five States have a two-stage aid formula: first, a fixed foundation grant to all school districts; then, a variable foundation grant. Seven States use percentage equalizing

[1] See, for example, Charles S. Benson, *The Economics of Public Education,* Boston: Houghton-Mufflin Co., 1961.

grants which vary aid on the basis of the relative fiscal capacity of the local school district.

A few facts and figures are helpful in assessing the evidence of State adjustment of aids for variations in local fiscal capacity.[2] In considering these facts, it is well to keep in mind that States achieve fiscal "equalization" in many other ways besides modifying grants on the basis of relative capacity; and that the dollar amounts involved in capacity-adjusted programs are far greater than the dollar amounts actually applied to reducing local resource variations.

State aid is primarily concentrated in three functional areas: education, highways, and public welfare. Over 75 per cent of all State aid was distributed in these three fields in 1957, 1962, and 1967. State education aid accounts for about 55 per cent of total State education expenditure. State highway aid accounts for 16 per cent of total State highway expenditure, and State welfare aids account for 40 per cent of total State welfare expenditure. In total, all State aid accounts for about 36 per cent of State spending.

As of 1966-67, approximately 37 per cent of all State aid involved some kind of adjustment for local capacity differences. Sixty-nine percent of all State educational aid was so distributed. Put another way, 96 per cent of all fiscally-adjusted aid was in the field of education.

Forty-five States had some capacity-adjusted provision in their educational aid program as of 1966-67. Seven States had this kind of provision in welfare aid; two States had it in aid programs for general local government support; three States had it in highway aids, and six States had such features in other types of programs. Overall, there were four States that did not have an allowance for local capacity in at least one of its grants-in-aid.

Three States distributed more than 70 per cent of their State aid dollars in programs that contained some kind of recognition of variations in local fiscal capacity in 1966-67. Seventeen States distributed more than 50 per cent of their aid on such a basis, but there were twelve States that distributed less than 10 per cent of their State aid in this way.

The more that State grant systems are dominated by education aid programs, the greater the likelihood that the overall grant structure will employ capacity measures. Ten State aid systems distributed more than 60 per cent of their State aid with an allowance for local capacity variations. More than three-quarters of their State aid money was in education aid. States having lower proportions of education aid to total aid had less of their aid dollars distributed on a fiscally-modified basis (for example, Colorado, Maryland, Massachusetts, and Wisconsin).

Numerous bases are utilized for determining the basic or initial amount of aid that is to be adjusted for fiscal variations. The starting point in State school grants is always some measure of functional need. Only after that has been selected and quantified does the question arise of further modification in the light of relative local resources. Some States adjust per pupil expenditures, while others look at school expenditures in terms of teacher salaries or teacher-pupil ratios. Some formulas differentiate between large and small school districts in distributing aid. Some States differentiate on the basis of grade-level. All these weighting factors are variants in determining the foundation level of school expenditure that a State is ready to support.

The effect of adjustments for capacity factors frequently is diluted by other features in the distribution process. Nearly all State aid formulae provide for 'flat grants' and 'save-harmless' provisions. These provisions mean that all school districts, no matter how rich, will receive some grant money. Many States have incentive features in their school aid formulas, designed either to stimulate local spending on education in general or to encourage specific quality features. Since it is likely that high capacity school districts can best respond to such incentives, the result may be to undercut the effect of capacity adjustments.

Most aid formulas set the level of State support well below the average level of school expenditures. Often the foundation program which the State will support is at a level which most local districts have exceeded. With all expenditures above the foundation level being financed entirely from local sources, the effect of the fiscal adjustment is lessened. Especially in periods of inflation, it is difficult for State legislative enactments to keep the foundation level in line with the rising level of educational spending.

The extent to which fiscal differences are recognized in State school aids is affected by the manner in which the formulas measure local capacity. Thus, (1) property base rather than the potential yield of all revenues is the measure of capacity, (2) per pupil amounts are generally computed rather than per capita amounts, and (3) school expenditures rather than total local governmental expenditures become the effort norm. This segregation of school financing does not recognize the interdependence of local fiscal resources. The term "municipal overburden" has been coined to describe the fact that the proportion of local financing

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[2]This section draws upon U.S. Bureau of the Census, Census of Governments, 1957, 1962, 1967, *State Payments to Local Governments,* Washington: U.S. Government Printing Office; Advisory Commission on Intergovernmental Relations, *State Aid to Local Government,* Washington: U.S. Government Printing Office, 1969.

devoted to education tends to be less in the large central city than in suburban areas surrounding it. This divergence is probably explained by the likelihood that disproportionately heavy non-school needs in the big city leave relatively little capacity for school purposes.

The Federal Experience

As of 1969, $21 billion was disbursed in Federal grant-in-aid programs. Federal aid constituted 10.4 per cent of all Federal expenditures and 20.9 per cent of all Federal domestic expenditures in 1969. Between 1958 and 1969 Federal aid rose from $4.9 billion to $20.8 billion, an increase of 324 per cent.

Federal aid remains concentrated in three main functional areas: education, highways, and public welfare. Between 1958 and 1969, over 75 per cent of all Federal aid was in these three categories. During those ten years, Federal aid as a per cent of State-local expenditures increased in education and highways and remained at a constant level in public welfare.

Table 15.–FEDERAL AID AS A PERCENT OF STATE-LOCAL GENERAL EXPENDITURE, IN; TOTAL AND FOR THREE MAJOR FUNCTIONS, SELECTED YEARS, 1958 TO 1968

	1958	1963	1968
All general expenditure	10.7	13.1	17.6
Education	3.9	5.6	10.8
Highways	17.0	26.3	29.3
Public welfare	47.6	49.1	48.0

Source: U.S. Bureau of the Census. *Government Finances.* 1958, 1963, 1968.

As the dollar volume of Federal aid expanded, the number of Federal grant-in-aid programs also increased. Between 1962 and 1969 more than 300 separate Federal grant programs were instituted, increasing the total from 160 in 1962 to approximately 470 by 1969. The larger number of individual programs makes an overall summary view more necessary. Table 16 provides a functional breakdown of Federal grants with an indication of the changes that have occurred over recent years in the relative importance of various components.

Table 16.–FEDERAL AID BY FUNCTIONS, SELECTED YEARS, 1958-1968

Function	Percent Distribution of Federal Aid 1958	1963	1968
Total Federal Aid	100.0	100.0	100.0
Education	13.5	16.3	26.1
Highways	30.6	35.0	23.8
Public Welfare	37.2	32.3	30.0
Health and Hospitals	2.3	2.2	4.0
Natural Resources	2.4	1.9	1.5
Housing and Urban Renewal	2.6	4.4	4.4
Air Transportation	.9	.6	.4
Social Insurance	6.0	4.0	3.3
Others and Unallocable	4.5	3.3	6.5

Source: U.S. Bureau of the Census. *Government Finances.* 1958, 1963, 1968.

All Federal grants are categorical rather than general purpose, and they are predominantly "project grants". There were 107 Federal project grants in 1962 and about 370 in 1969. Formula grants, on the other hand, only increased from 53 programs in 1962 to 99 programs in 1969.[3]

As grant programs proliferated, the level of sophistication in the disbursal of federal aids has risen. Several grants were consolidated into a block grant for health programs. "Incentive" grants were instituted in the area of water pollution control and highway construction, and multifunctional grant programs were instituted in the area of regional and metropolitan development. There have been innovations in the matching ratios of the Federal grant system, with variable matching ratios provided for more than 33 grant programs as of 1968. Moreover, that year there were 148 separate Federal grant programs which had 100 per cent Federal financing.

Capacity adjustments in Federal grants. In 1968, some 25 Federal grant programs disbursed aid with a partial allowance for differences in State-local fiscal capacity. Two of them were in the area of environmental control, eight in education, seven in public health, two in vocational rehabilitation, and six in public welfare. In terms of the Federal budget, this type of aid increased from $1.4 billion in 1962 to $4.0 billion in 1968. As a proportion of total Federal aid dollars, such grants increased from 17.5 per cent of all aids in 1962 to 21.6 per cent in 1968. About 46 per cent of all capacity-adjusted Federal grant dollars were in the field of public welfare in 1962; by 1968, this functional area claimed about 62 per cent of all Federal aid money that sought to make allowance for fiscal differences at the receiving end.

Seven of the capacity-related grant programs were for public facility construction, the other eighteen were for the provision of public services. Five had provisions for adjusting to capacity differences in both allotment and matching requirements; fourteen had such provisions solely with regard to allotment, and six programs had them only in the matching ratios.

[3] "Project grants are allotted in response to specific applications presenting particular proposals for outlays for which assistance is required . . . Grants identified as 'formula' or 'formula apportionment' in the table entries are those in which, by law or administrative regulation, sums of money are allocated among States or their subdivisions according to formulas containing prescribed numerical factors."

Legislative Reference Service, *Federal Programs of Grants-In-Aid to State and Local Governments,* Senate Subcommittee on Intergovernmental Relations, Washington: U.S. Government Printing Office, 1969, pp. 5 and 6.

Six of the above programs allocated all of their funds with some modification for fiscal capacity. The others did not adjust basic minimum allotments or portions for fiscal capacity measures.

The increase in capacity-adjusted Federal aid is reflected in State-local budgets. This kind of Federal aid was only 2.2 per cent of State-local revenue from own sources in 1962. It nearly doubled to 4.0 per cent by 1968. The greatest functional concentration of capacity-adjusted Federal aid is in public welfare. This part of Federal welfare aid amounted to 34 per cent of State-local expenditures from own sources on this service in 1962; by 1968 the proportion had increased to 60 per cent. In fact, two-thirds of the expansion in Federal aids modified for resource differences during those years was in this one functional field.

Personal income is always the measure of fiscal capacity used for adjusting Federal-State grants. There are two broad ways in which this measure was used in the 25 fiscally-modified programs of 1968. One method adjusts the Federal share in the matching formula. Eleven programs used this sort of variable matching formula.[4] The Federal share is varied according to the ratio of State per capita income to national per capita income. In all cases, allowances for capacity differences are restricted to a limited range of the program or project cost. In some instances the range is 50 to 65 per cent, in some it is 33 to 66 per cent, and in one case 50 to 83 per cent.

The other method for using personal income as the basis for adjustment provides for modifying grants on the basis of each State's population, weighted by the ratio of State per capita income to national per capita income. A State's population becomes hypothetically larger as the ratio decreases. This method is normally used for allocating to each State its share of the Federal funds. Thus, it does not affect the matching ratios of the granting and receiving governments. Nineteen grants used this method of fiscal adjustment in 1968. As with the first method, there were often limits on the range within which the variation could take place. Five Federal programs made allowance for capacity differences in both the allocation and the matching parts of the grant.

"Equalization," in the sense of adjusting for the relative fiscal capacity of recipient governments, appears to be a subordinate aim of the present Federal aid structure. The situation has not changed appreciably since the Advisory Commission on Intergovernmental Relations noted in 1964: "In short, the weight of explicit equalization factors in [Federal] grant distribution is not large."[5] Only about 23 per cent of all Federal aid is adjusted on the basis of relative fiscal capacity. Even this estimate is probably an overstatement. Basic guaranteed allotments and the limited range of capacity-related percentages minimize their fiscal-balancing potential.

> "A related point is that the focus of existing [Federal] grants, in so far as there is a common focus, is on service standards, not personal incomes. With the multiplicity of existing conditional grants, each restricted to a defined purpose or governmental service, any important contribution to 'equalization' is in the form of assured support everywhere for nationally defined minimum standards in designated public services."[6]

A certain amount of equalization can be achieved even apart from capacity adjustment. The Federal Government has followed a number of the different paths toward equalization. It would be a mistake, therefore, to measure Congressional interest in equalization, or its achievement of some degree of equalization, solely by Federal aids that use capacity measures.

Effects of fiscal adjustment. To what extent do existing Federal aids operate to the advantage of States with less-than-average revenue capacity, as estimated in this study? Table 17 throws some light on this matter. The table was prepared by: (1) sorting the 50 States into five groups on the basis of per capita revenue capacity; (2) within each group of 10 States, determining the median amount of Federal aid per capita and per $100 of estimated revenue capacity, in total and for each of various functions as reported by the 1967 Census of Governments; and (3) translating these amounts into relatives of U.S. average amounts of Federal aid revenue. Because highway grants are large and are allocated without reference to relative income levels, the table includes a subtotal comparison of all non-highway grants. (The comparison is made in terms of medians, rather than averages, to avoid the possibility that one or a few very large States in any particular group would dominate the results.)

When relative per capita amounts are examined (the top portion of Table 17), only public welfare grants show a consistently inverse relation to revenue capacity. Among the three low-ranking quintiles of States, such a tendency can also be found for Federal aid in total and

[4] "The designation, 'variable matching,' is used most commonly for grants in which the Federal share of program or project expenditures varies among the several States or other recipients in conformity to an index denoting relative fiscal capacity or need." *Ibid.*, p. 7.

[5] ACIR, *The Role of Equalization in Federal Grants,* Washington: U.S. Government Printing Office, 1964, p. 72.

[6] I. M. Labovitz, "Federal Assistance to State and Local Governments," *Federal-State-Local Fiscal Relationships,* Princeton: Tax Institute of America, 1968, p. 29.

Table 17.–FEDERAL AID PAYMENTS, BY FUNCTION, RELATED TO REVENUE CAPACITY: Fiscal 1966-67

			Excluding Highways				
	Total	Highways	Total	Public Welfare	Education	Health	All Other
Per Capita amounts:							
U.S. Average	$77.20[1]	$20.75	$56.45	$22.31	$21.42	$1.77	$10.94[1]
Relative amounts per capita:							
United States	100	100	100	100	100	100	100
Median of 10 highest-capacity States . .	133	152	115	77	114	119	146
Median of next 10 States	93	98	92	73	109	113	101
Median of next 10 States	87	98	92	74	97	102	77
Median of next 10 States	103	120	92	87	104	102	96
Median of 10 lowest-capacity States . .	111	120	107	104	112	141	88
Amount per $100 revenue capacity:							
U.S. Average	$19.49[1]	$ 5.24	$14.25	$ 5.63	$ 5.41	$ .45	$ 2.76[1]
Relative amounts per $100 revenue capacity:							
U.S. Average	100	100	100	100	100	100	100
Median of 10 highest-capacity States . .	114	130	99	59	98	102	116
Median of next 10 States	89	94	88	69	104	107	94
Median of next 10 States	88	99	92	73	96	102	76
Median of next 10 States	115	139	100	92	111	111	105
Median of 10 lowest-capacity States . .	146	156	141	137	150	198	123

[1] Excluding Federal payments for atomic energy research at the University of California.

for most of the reported functional classes. Except for public welfare, however, median per capita aid for the highest-capacity group of States is generally well above the national average. When examined in per capita terms, then, Federal aid arrangements appear to provide limited and selective "extra help" to compensate for interstate differences in revenue capacity.

Even if a low-capacity State receives the same amount per capita as another State with higher capacity, the poorer State can be thought of as benefiting relatively more from the aids. That is, it would find it more difficult to provide equivalent financing from its own revenue base. Suppose one State initially has $200 of revenue capacity per capita and another has $100 per capita. This spread would be reduced relatively if each State receives $100 of Federal aid per capita. Equal per capita amounts would change the original 2-to-1 ratio in public resources to a less dramatic 3-to-2 ratio.

When Federal aid amounts are examined in this light, as indicated in the bottom half of table 3-3, lower-capacity States rather consistently show an extra gain. The "equalizing" tendency shows up most strongly for public welfare, but also to a substantial degree for education and (the far smaller) health grants.

It is relative revenue capacity as measured in the present study that has been used for this summary comparison. But, Federal grant provisions which presently allow for capacity variations do so in terms of personal income. Per capita aid amounts would show up differently if the States were grouped into quintiles on the basis of per capita resident income. In that event, the per capita median amounts of total aid payments would show the following relatives, starting with the richest group: 89, 99, 93, 139, 117–somewhat "better" than the relatives shown for total aid in the top half of Table 17: 133, 93, 87, 103, and 111. This is another way of indicating that the use of income measures and revenue capacity measures often lead to different results.

Although existing Federal grant arrangements do not incorporate specific rewards for relatively high effort, as measured in the present study, they do in many instances include matching provisions that might be expected to operate in that direction. Accordingly, Table 18 summarizes the results of an attempt to see whether there is a tendency for high-effort States to receive more Federal grants per capita than those that are tapping their own revenue resources less strenuously. Some tendency appears for per capita aid amounts to drop off as one looks at successively lower-effort groups of States, particularly for education and the residual class of "all other" grants. However, the indicated differences among the median States of the respective groups are relatively minor.

Altogether, then, these two sets of comparisons suggest only a moderate degree of additional benefits going to relatively low-capacity or high-effort States under Federal grant arrangements operative in 1966-67. More recent data might yield somewhat different results, but there is no reason to expect that they would materially change this conclusion.

Table 18.—FEDERAL AID PAYMENTS BY FUNCTION RELATED TO RELATIVE REVENUE EFFORTS: FISCAL 1966-67

			Excluding Highways				
	Total	Highways	Total	Public Welfare	Education	Health	All Other
Per Capita amounts—U.S. Average. . . .	$77.20[1]	$20.75	$56.45	$22.31	$21.42	$1.77	$10.94[1]
Relative amounts per capita:							
United States	100	100	100	100	100	100	100
Median of 10 highest-effort States . .	123	145	110	94	122	113	112
Median of next 10 States	111	126	97	73	122	96	98
Median of next 10 States	107	106	106	99	109	141	91
Median of next 10 States	91	112	91	76	108	136	88
Median of 10 lowest-effort States . . .	108	117	89	77	95	119	89

[1] Excluding Federal payments for atomic energy research at the University of California.

The Federal grant structure manifests the following characteristics: (1) Adjustments for the relative fiscal resources or relative fiscal effort of the grant-receiver do not play a major role in the total picture; (2) When fiscal adjustments are made, they are on the basis of capacity rather than effort; (3) the measure of capacity is always personal income. On the other hand, the measure of capacity developed in this study tries to view fiscal capacity as the recipient governments see it; that is, in terms of the revenue sources that they actually utilize. In the eight years since the Advisory Commission on Intergovernmental Relations developed this general type of fiscal capacity measure for State areas, no explicit use has been made of the "representative tax system" by the Federal Government. Across the border, however, the Canadian Parliament has adapted this method for use as the basis of a major Federal-Provincial revenue equalization program.

The Canadian Experience[7]

Canada has enacted a very sizeable grant program which distributes funds to the Provinces on the basis of *relative fiscal capacity.* Its definition of capacity comes very close to the *average financing* approach used in this study.

Sizeable differences separate Canada's intergovernmental fiscal structure from that of the United States—including size, history, economic base, number of Provinces, division of governmental responsibilities, public needs and the whole framework of grants that have accumulated in each country over time. But, the similarities would seem to be even more impressive—especially the determination in both the United States and Canada to make a federal system work. Canada enacted its large revenue-sharing program at the same time that revenue-sharing proposals began to be widely discussed in the United States.

Canada has been moving in the direction of fiscal equalization grants to its provinces over a period of some 20 years, especially in the decade since the fourth and final Tax Rental Agreement of 1957. This historical development culminated in the "Federal-Provincial Fiscal Arrangements Act, 1967."

The revenue equalization grant (to use Mr. Clark's term) has a simple objective: to bring the fiscal capacity of resource-poor provinces up to the national average. As he explains it:

> "The formula, which is applicable for a period of five years commencing April 1, 1967, provides for equalizing the yield of all provincial revenues from own sources up to the national average yield. Therefore any province which would not, by imposing the national average rate of taxation to its own tax base, derive national average per capita revenues, is entitled to an equalization grant to make up the deficiency. The formula must be classified as a pure revenue equalization formula. It does not attempt to take account of interprovincial differences in the costs of and needs for public services but rather, in the absence of satisfactory data concerning provincial differences in expenditure needs, assumes that these are equal per head of population."[8]

The amount received by each "needy" province (seven of the ten qualified for equalization in 1968-9) is equal to the amount determined by population size minus the amount its actual tax base can raise at a normal rate. Calculation of Nova Scotia's share of the

[7] This section draws heavily on a lucid monograph prepared by Douglas H. Clark, head of the Public Finance Section of the Federal-Provincial Relations Division of the Government of Canada's Department of Finance, *Fiscal Need and Revenue Equalization Grants,* Toronto: Canadian Tax Foundation, 1969.

[8] Clark, *op. cit.,* p. 38.

grant, for example, involves four steps for each revenue source (e.g., general sales tax):

(1) Determine the per cent of Canada's population that lives in Nova Scotia.

(2) Determine what Nova Scotia's general sales tax yield would be if it taxed sales at the national average rate.

(3) Determine how much Nova Scotia would raise from the sales tax if its share of the nation's taxable sales were the same as its share of the nation's population.

(4) Subtract (2) from (3) to obtain Nova Scotia's entitlement from the revenue equalization grant as far as this one revenue source is concerned.

Sixteen revenue sources are used in the Canadian "representative tax system," and this kind of calculation must be done separately for each. Sometimes a province will have a larger amount in (2) above than in (3). Only the provinces that end up with a net amount in step (4) after adding the 16 calculations together are entitled to grant funds. Calculation of steps (2) and (3), requiring the use of Nova Scotia's general sales tax base may be difficult; it may be that Nova Scotia does not even have a general sales tax. Or, if it does have one, perhaps it exempts fish and fertilizer from the sales tax. The handling of such matters, in the context of the United States, is explained in Chapter 5 of this report.

One other feature of the above calculation deserves mention. *Population* is the yardstick to determine what Nova Scotia's appropriate portion of any tax base "should" be. This would seem to come close to saying that population is the measuring rod or proxy for Nova Scotia's *need* for public revenues. Or, to put it in Mr. Clark's words: "In a revenue equalization formula, it is assumed that expenditure needs per capita are *identical* in all provinces; the distribution of total implicit expenditure need is, therefore, based upon the distribution of total population."[9] The important and necessary task of measuring service need is not part of the scope of the present study. Yet, presentation of fiscal capacity measures in per capita terms could be construed as implying that revenue needs per person are the same everywhere. In fact, per capita figures not only carry an implication that needs are tied directly to population, but also an implication that prices and public costs are everywhere the same. Even in the absence of precise measurement, it is commonly recognized that the costs of public services are not identical in all parts of the Nation, nor in all parts of the same State. For this reason, repeated warning flags have been raised about the use and interpretation of per capita figures. Appendix E illustrates the effects, for State areas, of adjusting for cost differences.

Under the Canadian law, fiscal capacity is measured in terms of a "representative revenue system" that takes account separately of 16 types of sources. The approach of the system is very similar to what was developed for the United States with respect to State-local tax capacity in the 1962 ACIR study. The Canadian measures, like those in the present study, go beyond tax revenue to take account also of the revenue potential of various nontax sources.[10] However, the Canadian calculation of capacity does not include the actual or potential revenues of local governments; estimates are made for provincial governments only. Since the revenue equalization grant is based solely on relative fiscal *capacity*, it is able to disregard inter-provincial differences in the distribution of functional and financial responsibilities between the provinces and their localities.

This has relevance for the United States. State government finances or combined State-local finances relate to co-ordinate governments. That is, they can properly be viewed as jurisdictions having comparable powers and rights. However, when the focus shifts to local areas, the solid anchor of co-ordinate governments is lost. Even within the same State, all local jurisdictions are not co-ordinate in this sense. When interstate comparisons are attempted, the difficulty expands geometrically. The present study handles the problem in two ways: By providing combined State and local measures for local areas and adjusting local capacity measures to fit each State's relative emphasis on different revenue sources.

Appendix E offers an illustration of how the Canadian revenue equalization grant program would apply to the United States. The illustration is in terms of State government capacity and in terms of State plus local government capacity. Appendix E also includes, in the context of revenue equalization grants, a discussion of adjustments for interstate differences in the cost of providing public services.

[9]*Ibid*, p. 27. Italics are in the original.

[10]Nontax sources as treated by the Dominion Bureau of Statistics in compiling data on Provincial government finances, a framework that differs in some respects from the U.S. Census classification system reflected in the present study.

Chapter 4

FEDERAL USES OF FISCAL MEASURES

A sound basis for comparisons of the capacity and effort of various areas and governmental bodies to finance public services is a major objective of this study. Provision of fiscal measures that possess nationwide comparability presupposes an expectation that they will be used by the Federal Government.

It is helpful to know how Milwaukee County relates in financial matters to other Wisconsin counties. From a national viewpoint, however, it is more helpful to know how the fiscal dimensions of Milwaukee County compare with those of other Great Lakes counties that contain large cities: Cook County (Chicago), Wayne County (Detroit), Cuyahoga County (Cleveland) or Erie County (Buffalo). Similarly, there is special merit in being able to compare the fiscal capacity of the youthful Houston SMSA with that of the aging Boston SMSA, or to observe that relative residential property tax effort in Minnesota is ten times greater than in Louisiana. Another case of possible usefulness would be in a Federal grant program for something like higher education. Fiscal measures could broaden Congressional perspective beyond that of the professor who remarked, "New Mexico supports its University very generously, considering that it is a poor State." The Professor probably was thinking of the relatively low per capita income of New Mexico's residents (79 per cent of the U.S. average) when he called New Mexico poor. But, since he was talking about the State's ability to raise money for public education, *fiscal* capacity would be more relevant. In this context, New Mexico looks considerably better (105 per cent of the U.S. average).

Types of Applications

Comparative fiscal measures developed through an average financing approach may have a variety of potential uses for the Federal Government in Federal-State fiscal relations and in Federal-local relations; directly in Federal grant formulas or as informational background; and in general-purpose grants or in categorical grants. Capacity and effort measures can be used simultaneously or separately.

The provision of fiscal *background* information to Congress and to administrators may be the major contribution of the fiscal measures. For project grants the number of applications usually considerably exceeds available Federal funds. Selections must be made. The administering agency needs some basis for deciding which applications to honor. Data on fiscal capacity and effort would be helpful as one of the factors to be weighed.

Fiscal measures also serve the continuous reassessment of responsibilities which a federal system demands. For example, documentation of wide variations in local-area fiscal capacity could help to weigh the suitable Federal role in law enforcement or school support. The measurable extent of State influence on local area finances could be used in discussions about appropriate forms of direct Federal-local financial relations. The measures could aid reconsideration of the assumption, implicit in most Federal grants, that all local areas have equal ability to come up with their matching share.

It would seem that fiscal measures could find direct applicability in the distribution of Federal funds through grant-in-aid programs. The majority of Federal grant dollars go to the 50 State governments. In addition, however, the Federal Government is presently transferring about $2 billion a year directly to local governments through several scores of grant programs. Measures developed through an average financing method could be of service to both Federal-State and Federal-local grant arrangements in several ways initially.

Screening. Either type of measure (capacity or effort) can be used as a cut-off point for eligibility. This is equivalent to asking: Of all possible recipients of Federal aid, which have the strongest fiscal claims? In the case of fiscal effort, the measures provided would serve as a floor or threshold; below a certain amount of relative effort, no area would be eligible to receive funds. In the case of fiscal capacity, either end of the scale could be a screening device. Thus, the Federal Government might eliminate from the list of potential recipients only the very "rich" (e.g. by excluding all areas with relative capacity 115 per cent or more of the nation's average) or it might include among the potential beneficiaries only the very "poor" (e.g. by embracing only those areas with capacity less than 90 per cent of the average).

Ratio adjustment. Without any screening process, the percentage share which the Federal Government contributes can be varied according to the relative fiscal characteristics of potential claimants. For example, an area with a relative capacity that is only 70 per cent of the national average might receive nine-tenths of the project cost, while an area with a relative capacity of 120 might receive only one-half of the cost. Of course, the Federal Government's share reacts in the opposite direction if relative effort is taken as the relevant factor. The higher the area's relative effort, the higher the Federal Government's share of cost.

Combinations. Should there be a desire to accentuate the role of fiscal capacity in a grant program, it could be the basis of a screening procedure and also the basis for adjusting the shared percentage. So also with fiscal effort. As discussed in more detail later, the possibility exists of using both these measures in the same grant formula, but this alternative could lead to unintended results. It is possible, for example, to use fiscal effort as a screening tool and then use fiscal capacity as the instrument for adjusting the sharing ratio. But the separate objective inherent in each measure can permit one of the factors to undercut the effect of the other. Thus, screening on the basis of effort may exclude from aid some of the "poorest" local areas—the very ones which the later injection of the capacity measure is meant to assist more generously. It would be a mistake, nonetheless, to say that this simultaneous use of both is illogical. Conceivably a determination might be made that any area that won't make a reasonable effort to use its own resources (however meager), is not entitled to grant payments.

Partial measures. It also would be possible to use estimated relative capacity from a single revenue source (e.g. taxable property values) as a differentiating factor in the allocation of grants. Similarly, it would be possible to use as a grant basis the relative effort expended on a particular function (e.g. police protection) or the relative effort in raising revenue from a particular source (e.g. sales taxes).

Thus, after noting that 85 per cent of locally-raised funds for education come from the property tax, the Federal Government might choose to relate its school aids to property tax capacity. Similarly, a Federal concern for housing rehabilitation or for home ownership might find expression in a grant allocation that is adjusted for the relative effort a local area makes in exploiting its residential property base. The Department of Transportation may be less interested in a local area's total revenue effort than it is in the area's relative effort on urban mass transit. Thus, in distributing its funds, the Department might treat an area that uses four per cent of its overall capacity for mass transit differently than it treats another area using one per cent of its capacity for that purpose.

Capacity and Effort: Cousins But Not Twins

The relation of fiscal capacity to fiscal effort should now be considered. Each of the measures pursues its own separate objective. There is no logical necessity that the two would reinforce one another in grant usages. As a matter of fact, they often lead in opposite directions.

Adjusting grants for variations in fiscal *capacity* is an attempt to bring into balance the starting point or the basis from which State or local areas provide their public services. A general-purpose grant from the Federal Government modified for overall fiscal capacity is not primarily concerned about the national interest in a particular function nor is it primarily aimed at stimulating lower levels of government to spend on public rather than private purposes. It is simply seeking to give each area a somewhat comparable fiscal starting point in its attempt to provide public services.

A general purpose grant which is adjusted for fiscal *effort,* on the other hand is an attempt to reward those who express a greater preference for spending on public goods rather than to balance the relative starting points. There is no inherent harmony between the two goals. A grant that is adjusted primarily for fiscal capacity attempts to aid the low capacity area, whereas one that is based on relative effort may often be helping the high capacity area. The reason is that the high capacity area is in a much better position to show relatively high effort in terms of the marginal utility of a dollar. Thus, grants based on effort indexes may well lead to making the rich richer and the poor poorer. Capacity adjustments would be expected to have the opposite effect.

That capacity measures and effort measures pull in opposite directions is not just a theoretical possibility. A simple test of the per capita amounts of Federal aid received by each State in 1966-67 showed that would have happened in more than half the States. The question was posed whether the State's aid amount would be increased or decreased if it were adjusted for relative capacity and, again, if it were adjusted for relative effort. In a majority of cases, further adjustment of Federal aids for fiscal capacity would pull them in one direction, while adjustment for fiscal effort would pull them in the opposite direction. The use of either fiscal measure can be solidly defended, but it would be incorrect to think of them as leading in all cases to the same result.

Is there not some way in which these two goals can be combined so that both fiscal measures can be used in the same grant? The two measures can be used simultaneously. However, it is inescapable that the emphasis given to one goal rather than the other will sometimes detract from whichever is subordinated. Shultz and Harriss commented on this:

> "Unfortunately, some states, lacking a clear understanding of the difference between using a small state fund to encourage local effort and a large one to equalize local need and capacity, or restrained by constitutional restrictions and inertia, have grafted elements of equalization piecemeal on grants built originally around small state funds intended to stimulate local effort. The problem of disentangling and rationally combining the two objectives has still to be solved in many, perhaps most, grant systems."[1]

Nonetheless, in the interest of compromise, it is possible to use one of the measures in a screening process and the other measure in the actual allocation formula. For example, it could be determined in advance that only those local areas which have less than the United States average capacity are eligible for a grant. Then, among the eligible local areas, the actual allocation of dollars could be further adjusted on the basis of relative fiscal effort. Or, the process could be done the other way around. In either case, the intended objectives frequently will be working against one another.

Douglas H. Clark, in his monograph on fiscal need and revenue equalization in Canada, refers to the logical priority of capacity-adjusted grants.

> Conditional grants are normally introduced by a central government to induce all provinces or States–whether of higher or lower per capita income–to participate in programs in which there is considered to be a broad national interest. However, in the absence of a general system of fiscal need or revenue equalization grants (capacity-based grants), it will tend to be difficult to induce the lower income provinces to participate since they will have the greatest difficulty in financing their share of the programs. Seen in this light, the two types of grants may complement each other with fiscal need or revenue equalization grants making it financially practicable for lower income provinces or States to participate in the conditional-grants programs.[2]

[1] Shultz, William J. and Harriss, C. Lowell, *American Public Finance*, 8th ed., Englewood Cliffs, N.J.: Prentice-Hall, Inc., 1965, p. 430.

[2] Clark, *Op. Cit.*, p. 10.

In other words, adjustment for fiscal capacity is a separate objective to be achieved for its own sake. Logically, it should be sought independently of national interest in a certain function and independently of stimulating more public spending. If, as Mr. Clark suggests, there also is interest in encouraging governmental spending, then grants based on fiscal effort may well be added separately. But to confuse the latter with the objective of equalization is, to some extent, self defeating.

Adjustment of grants on the basis of effort factors appears to have as its objective the stimulation of public spending. The term "effort" injects emotional overtones into a debate about the desirability of more public spending. Normally, effort is valued as praiseworthy and above-average effort deserves extra praise and reward. Thus, those who are saddened by expansion of government's role find themselves on the defensive before the discussion begins. The same is true of those who worry about rewarding extravagance by adjustments based on effort indexes. So, too, with those who are persuaded that effort factors will only perpetuate inefficient and outmoded governmental units. This last worry rests on the plausible premise that extra-high effort may sometimes reflect an unusual dearth of revenue sources–a sign that local governments should be reorganized to make them fiscally viable.

But it should be recalled that grants based on relative fiscal capacity can also be viewed as a way of stimulating public spending. Some decision makers may feel that the high-capacity area is going to provide good schools without grants, but the low-capacity area will not. Therefore, to give all the education grants to low-capacity areas will be stimulative because more total dollars will be spent on this function than would be spent if grants were made evenly to all areas.

The decision to use a capacity factor or an effort factor for adjusting grants will depend on value judgments. The average financing methodology can assist, perhaps, by raising a few points for reflection. In certain situations capacity-adjusted grants may be preferable. For example, when dealing with the *local* situation, measures of fiscal capacity have certain advantages. Based on national averages, they are not as intertwined with State activity nor as subject to State influence as measures of local-area effort. Both in the taxing powers granted by the State, and in contributions to State-collected revenues, local effort reflects State dominance so pervasively that it might be questionable whether the Federal government is really dealing with the *local* area if it adjusts grants on the basis of effort.

On the other hand, capacity-adjusted grants have hazards of their own. First, since capacity measures are developed in per capita dollar terms, they reflect geographic differences in price levels, but such differences also influence the cost of providing equivalent public services in various areas. Secondly, grants giving extra benefits to low-capacity local areas might tend to encourage and perpetuate undesirable patterns of local government. The basic problem of local government financing in many metropolitan areas is the degree to which the underlying economic unity is split up into relatively small political jurisdictions. Grants adjusted for the fiscal capacity of each of these metropolitan localities (if such data were to be available) might well tend to rigidify, dignify, and perpetuate the splintered unity that is the root of the metropolitan problem. In other words, grants adjusted for relative fiscal capacity might offer just enough balm to especially hard-pressed "low capacity" units to keep them from seeking or accepting a basic realignment of jurisdictional lines.

Potential Recipients

Federal-State grants. In the process of finding a measure of local capacity and effort, comparative State measures were developed. The methodology at the State level drew heavily upon the previous ACIR study. The availability of new data, and the initiation of some new procedures hopefully have made some advances beyond that earlier work.

Measurement of State-area fiscal capacity by an average financing approach offers to the Federal grant system an alternative to personal income. Because the two measures differ from one another by more than 10 per cent in half the States, it does make a difference which of the two is chosen. Because relative effort is defined in terms of capacity, the value of having two alternatives also applies to grants adjusted for fiscal effort.

The average-financing method, at the State level, provides not only another way of looking at overall capacity and effort, but also, by its nature, puts a wealth of detail at the disposal of the Federal Government. The individual components serve to add depth to the overall measure. Beyond that, however, they offer a wide range of ways to adjust Federal grants. It would be possible to concentrate solely on business tax capacity, solely on nontax capacity, solely on residential property tax effort, etc. Further, it would be possible to re-weight the existing components in a Federal-State grant. And, of course, the State fiscal data could be used for screening applications, for allocating funds among the States, or in the matching ratio. Concern about comparative State-wide fiscal measures has grown as a result of current interest in revenue sharing.

Federal-local grants. At present, direct grant payments from the Federal Government to local jurisdictions are a small part of the American intergovernmental structure, but they are growing. It is this growth—both absolute and relative—that makes an average-financing measurement of local areas particularly important. The question of fiscal adjustment is likely to become prominent only if the Federal-local grants become significant. Thus far, most direct grants to localities have had an emergency atmosphere about them. In that context, the spotlight is on program need. However, as Federal-local grants become a more normal, and, perhaps, more sizeable element of the fiscal scene, adjustment in terms of capacity or effort can be expected to receive more attention.

If, indeed, the evolution of Federal grants to localities is close to the stage at which fiscal adjustment becomes a recognized necessity, the time is opportune. The Regional Economics Division of the Office of Business Economics has recently developed personal income estimates for all the counties of the United States. The average financing method of measuring *revenue* capacity and effort presents in the Appendix tables of this report an estimate for all SMSA's and for the 700 most populous county areas of the Nation and for many of our largest cities. Most Federal-local grants end up in the larger areas for which these illustrative fiscal measures have been developed.

As this is the first time that local-area fiscal data have been available on a nationally comparable basis, their initial usefulness at the Federal level is likely to be mainly for the background information that they provide. The average financing method of measurement offers a grasp or feel for the relative fiscal status of major local areas in every part of the country. A new framework exists for Federal consideration of the "urban crisis" or for consideration of the "metropolitan problem." Similarly, a new quantitative basis exists for viewing regional differences, and for examining the wide spectrum of attitudes about taxing and spending in different States and different parts of the Country.

The detailed comparative measures presented in appendix tables G-8 through G-13 also illustrate types of data that, if regularly available on a reasonably current basis, *might* be considered for incorporation directly into certain Federal-local grant formulas. Such possible uses, however, would have to be carefully designed to take account of various problems and limitations. For example: How to deal with local governments in the many less populous county areas for which comparative fiscal measures are less feasible than for those covered in this study? And, how to utilize comprehensive metropolitan- and county-*area* measures for grant arrangements that of necessity involve dealing with particular governmental jurisdictions?

These and other considerations suggest that any attempt to incorporate capacity or effort-adjustment factors into direct Federal-local grant arrangements would need to be made cautiously and selectively.

Availability of nationally comparable sources of information influenced the cut-off points of the present study. As discussed in Chapter 6, serious obstacles stand in the way of efforts to extend such measurement to subcounty areas or individual local governments. Another consideration is the worry about artificially prolonging the life of small jurisdictions that are, perhaps, not fiscally justifiable. In the context of Federal-local grants, this consideration could be important. Grants-in-aid of any kind run this risk. When, however, aids are adjusted for fiscal capacity, the risk increases, for, with such an adjustment, the most financially desperate of the small localities would receive relatively larger payments. In addition, any extension of the average-financing method to less populous units exaggerates the problems of price level differences and of metropolitan balkanization. In recent years, Congress has demonstrated awareness of the economic unity that binds metropolitan areas together. Heavy commuting exaggerates the metropolitan problem in general, but it plays particular havoc with attempts to measure the capacity of each little governmental unit.

What is to be said about *area* fiscal measures in comparison with fiscal measures for individual local jurisdictions? Is the geographical-area approach an advantage or disadvantage as far as Federal-local grants are concerned? Some of each. Since there does not appear to be much merit in measuring small areas, the question of pros and cons narrows down to providing estimates for county and big city areas or for county and big city governments. (In the case of SMSA measures, the dichotomy does not arise, since such governments do not exist).

First, the disadvantages of local area measurement: People are accustomed to thinking in terms of individual units of local government and Washington is accustomed to allocating grants to individual units of local government. This is the way things are. Therefore, to use fiscal measures for geographical areas would be to disrupt existing institutions. Further, since some of our biggest cities show signs of being ungovernable because of sheer size, does it make sense to think and deal in terms of large local areas? Finally, it is precisely among the sub-county governments that the greatest fiscal variations are to be expected; should these more dramatic variations be submerged in countywide or SMSA-wide area measures?

It can be persuasively argued, on the other hand, that the larger geographical area is the appropriate object of fiscal measurement. By thinking and acting in area terms, the Federal Government would disregard (and perhaps help eliminate) the patchwork of overlapping governments. Just as the individual homeowner or plant manager is concerned with his total property tax load rather than how many overlying jurisdictions divide up his tax payment, so a grant distributor should be concerned with the totality of local capacity rather than the myriad combinations of jurisdictions tapping it. Secondly, the area approach tears aside the multi-governmental veil in metropolitan areas and lays bare the single, unified economic base from which public revenues are drawn. In this metropolitan context, even the oft-discussed fiscal disparities between large cities and their satellites are best measured in area terms. For example, to leave educational finances out of this discussion would provide a truncated view; yet, the relevant fiscal measures for education apply to an overlay of separate governments (school districts) that are generally not coterminous with units of general government. The multiplicity and overlapping local governments within a county or SMSA have been criticized so persistently on grounds of logic and equity and good government that a fiscal measure which treats them as a unit could be looked on as a step in the right direction.

Finally, in urbanized counties and SMSA's, for all the cries of panic and crisis, public functions are usually performed in reasonably acceptable fashion. Local finances, not service breakdowns, are the ulcer. For Federal grants to deal individually in an equalizing manner with each of the thousands of local governments is so out of the question that an area treatment, with its implicit coordination of intra-area finances, appears to be preferable. Naturally, everything that has been said of Federal-local fiscal relations would not be equally applicable to State-local relations.

Federal-State-local grants. Both the State area fiscal measures and the local area measures can be of service for Federal aids destined for local areas after passing through the State government. The capacity and effort data stand ready whether the device be a direct pass-through, or a discreet two-stage process, or a revenue sharing "two pot" arrangement, or a flow of funds conditioned upon a proportionate "buy in" by the State government. Should the Federal Government mandate that such local payments be adjusted for fiscal capacity or relative effort, the average financing method offers information about local areas that include a majority of the Nation's population. For the county areas not covered here, the States might serve as distribution agents in Federal-State-local grants. The

State could appropriately be viewed as standing *in loco parentis* for the more thinly-populated, rural counties.

If, however, there were a Federal determination to give the grants to sub-county local jurisdictions rather than local areas, any kind of capacity adjustment or relative effort adjustment seems to be impossible for the foreseeable future. In this connection, it should be recalled that use of an income measure does not escape the area *vs.* jurisdiction question. Whether capacity (and, therefore, relative effort) be measured for an individual jurisdiction by an average financing method or by personal income, the capacity in either case is going to be "tapped" by all overlapping layers of government. Therefore, the net result in both instances is a capacity measure for the geographic *area* encompassed within the jurisdictional borders.

General-Purpose Grants

To date, general-purpose grants have not figured prominently in the Federal system. It may be that the recent interest in revenue sharing will initiate a new direction.

General-purpose grants and fiscal measures have a particular affinity for one another. This does not mean that fiscal adjustments are incompatible with categorical grants. But, the specific objective sought by fiscal adjustments stands out more clearly in general-purpose grants. This is most readily seen in the case of adjustments for capacity. The specific need that such grants seek to meet is the relative inability of an area to raise public funds. This is a need in its own right, independent of housing needs or highway needs. Thus, it is possible to think of a separate grant to deal with this particular need. It is in this sense that fiscal adjustment finds itself so much at home in general or unconditional grants.

It is possible to think of general-purpose grants that make allowances for capacity as an equalizing umbrella over the scores of categorical grants that are aimed at definite functional needs. Or, it is possible to think of such general-purpose grants as a foundation that enables lower levels of government to provide matching shares of categorical grants. It will be recalled that Mr. Clark spoke of revenue equalization grants in this second way when he said ". . . the two types of grants may complement each other with fiscal need or revenue equalization grants making it financially practicable for lower income provinces or States to participate in the conditional-grant programs."[3] Of particular interest in the Canadian revenue equalization grants is not only the fact that they are general-purpose grants, but also the fact that the method used to determine the relative fiscal capacity of the Provinces is closely akin to the average-financing approach. An illustration of how Canada's program might be applied in the United States appears in Appendix E.

What has already been accomplished in Canada has been proposed on this side of the border—not by academicians alone, but by the National Administration and in more than 100 bills introduced in the United States Congress. Most people date modern American interest in Federal general-purpose grants from a proposal by Walter Heller and Joseph Pechman in the early 1960's. They suggested distribution of a share of the Federal individual income tax to the 50 States—no strings attached.

This simple suggestion has since undergone many modifications. Both in its original form and in most of the modified versions, the proposal would find that the average financing method provides a new range of alternatives for sharing Federal funds. If fiscal capacity is thought to be relevant, the data in Appendix G offer substitutes for personal income as a capacity indicator. If a measure of tax capacity is desired, it is available. If revenue capacity is preferred, that is available. If fiscal effort is to be a factor in the distribution, both tax effort and revenue effort ratios are to be found in Appendix Table G-4. Finally, the capacity data and the effort data are presented in two ways, either of which might be of use for Federal-State revenue sharing; for State governments (after the Canadian pattern) and for State areas (the latter including finances of all local subdivisions).

At the present stage of the debate over general-purpose grants (revenue sharing), there is a strong inclination to include in the program a mandatory pass-through provision—an insistence that some of the dollars be re-distributed as general-purpose grants to local units of government. This changes the whole mechanism into a Federal-State-local grant program. The new dimension does not affect the earlier remarks about possible ways of sharing the funds among the 50 States. It simply raises anew the question of an allocation formula—this time for the local government portion. Most existing revenue sharing bills are as specific about the manner in which the funds are to be distributed at the second stage as they are about the first stage sharing.

One way to evaluate the potential usefulness of average-financing measures in the Federal-State-local pattern is to examine two major revenue sharing bills pending in the 90th Congress. "The Intergovernmental Revenue Act of 1969" provides for grants to each State on the basis of the State's population, adjusted for its tax effort. Effort is defined as total State-local tax

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[3] *Ibid.*

collections divided by total personal income. Many of the proposed revenue sharing bills follow this pattern of adjusting the State payments on the basis of effort rather than capacity. The same tendency appears in the formulas for the pass-through shares going to local governments.

This might be thought of as unfortunate. For example, Walter Heller, who launched the idea and had such a large hand in its general acceptance, looked on equalization as a major justification for revenue sharing.[4] At the time, he was talking about a simple per capita basis of sharing with the States. In such an arrangement, equalization occurs because the number of dollars coming back to poor States would be larger relative to the amount of money they originally contributed to Federal income taxes (the source of the shared funds). Adjustment of State shares on the basis of fiscal capacity would be in harmony with this objective. It was capacity adjustments that Dr. Heller had in mind when he spoke of the equalizing effect of per capita distribution as "... an effect that could readily be magnified by simple adjustments in the sharing formula."[5] Adjustments in terms of effort, however, do not deliberately seek this goal of equalization.

The kind of fiscal factor used in the formula also has important implications for the second stage sharing–distribution to local governments. In the proposed "Intergovernmental Revenue Act of 1969," the local governments in question are cities and counties with a population of 50,000 or more. The basis of distribution is the amount of each local jurisdiction's taxes as a percentage of total State-local taxes. Such a factor contains no reference to fiscal capacity and consequently no reference to relative effort as defined in this report. If, however, a decision were made that an average financing definition of relative capacity or of relative effort would be an appropriate factor, measures such as those presented in this study might be employed. The fact that the proposed legislation restricts itself to local governments with populations over 50,000 would seem to fit these data especially well, since they, too, are limited to larger local areas.

A decision to use relative capacity or relative effort as the distribution factors would involve still another kind of change. The average-financing method offers fiscal estimates for local *areas,* not for separate local *jurisdictions.* The proposed revenue sharing legislation would share Federal funds with county and city governments. An average financing approach provides measures, not for county governments, but for county areas that embrace the finances of the county government along with the finances of all the cities, villages, towns, school districts and special districts within the county boundaries. As suggested earlier, there is something to be said for both ways of dealing with sub-State public finances.

If a decision were made to switch to the use of area measures, the problem of sharing funds among separate local governments would not seem insurmountable. For example, distribution among the jurisdictions within a county might be done on the basis of property tax revenue or on the basis of total revenue. Or, after the distribution were once made on the basis of area finances, it would be possible to permit the county government itself to keep the funds–with or without the assumption of new functional responsibilities.

Another major revenue sharing proposal introduced in Congress in 1969 is the "Revenue Sharing Act of 1969." For distribution to each State, the effort formula of the second bill comes closer to the average financing approach. That is, although the denominator of the effort formula remains personal income, the numerator is total *general revenue* raised by the State and its subdivisions. Thus, it includes potential public funds from nontax sources. The pass-through to local governments is similar to the formula in the earlier bill, with the word "revenues" substituted for the word "taxes." However, there is one important change of focus. Instead of dealing only with larger subdivisions, the second bill mandates a redistribution to *all* general-purpose local governments, defined as each municipality, county, and township. Nationally, this group adds up to some 38,000 units. Inclusion of so many units of local government would seem to preclude any adjustment of the passed-through grants in terms of capacity or relative effort. Comparable measures of local capacity (whether in terms of personal income or in terms of revenue potential) will not exist for these many thousands of jurisdictions in the foreseeable future.

If the Federal Government decides on a two-stage process, different kinds of adjustment can be made at each step. This is even more appropriate for a revenue sharing arrangement that divides the Federal grant pie into distinct slices–one for the States and one for local governments. It is conceivable that Congress might stipulate the method of distribution to large counties and permit the State to stipulate the method for smaller counties. This would be consistent with the State's prime responsibility for border adjustments and for local governmental structure.

In this instance, as in so many others, the very presence of a new data tool is likely to give rise to uses not contemplated in advance.

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[4] Walter W. Heller, *New Dimension of Political Economy,* Cambridge: Harvard University Press, 1966, p. 154.

[5] *Ibid.*

Functional Grants

Both Federal-State and Federal-local fiscal relations in the United States consist of many separate functional grant programs. It is particularly important, therefore, to explore the usefulness of an average financing method in this existing kind of intergovernmental system. The applicability of fiscal data to functional grants appears to be of two general types: Average financing measures can be cranked directly into grant distribution formulas; and they provide useful informational background.

Fiscal measures in distribution formulas. Some degree of adjusting for fiscal capacity already exists in a number of Federal-State functional grants, as noted in Chapter 3. The function most subject to equalizing grants is public welfare. The total amount of actual differentiation on the basis of fiscal capacity (measured by income) in Federal-State grants is not great. Whether concern centers on capacity or effort, the average financing method provides a wide array of ready-to-use data. They can be integrated into grant formulas of existing functional programs or they can be fiscal factors in totally new ones. The State measures are more refined and complete than those for local areas. It is in the field of Federal-State fiscal relations, therefore, that an average financing method can be expected to make its most direct and immediate formula contribution.

In Federal grants going to local governments, there has been almost no use of capacity or effort allocators in the actual formulas. The non-availability of local fiscal data may go far to explain this. Average-financing measures partially fill that vacuum.

The most obvious grant formula usage would be to build a local capacity or effort factor specifically into an existing functional program. Urban mass transit would be a potential candidate. Transit is primarily a problem of large urban areas. The fact that the average financing data are given for geographic areas rather than for governmental units is not a serious difficulty in this instance, because the refusal of commuting and of urban transit to "behave" by staying inside municipal borders makes it an area-wide function rather than a municipal one. This is also a reason why transit is increasingly being turned over to an authority that can disregard small-area boundaries. The trend toward transit authorities and special districts has another advantage. It provides a specific recipient to which grants can be made (and to which, in many cases, they are now being made).

In some cases, the county area data may be most useful for the allocation of transit funds, inasmuch as the central county in 1966 contained more than 80 per cent of the metropolitan population in more than three-fourths of the SMSA's. In other cases, the SMSA data would be more appropriate, for less than half of the 30 really big metropolitan areas (where mass transit is most crucial) have 80 per cent of the area population living in the central county. In either instance, the fiscal capacity or the fiscal effort measures could be worked into the allocation formula.

Secondly, it may be decided to grant funds to metropolitan or to county areas on the basis of the relative effort made for some particular service (for example, sanitation). With expenditure data for sanitation as the numerator, the overall fiscal capacity measure in Appendix tables G-8 and G-11 could serve as the denominator of a fraction that might be called a "Sanitation Effort Index." It could be inserted into the allocation formula. In such a formula, the area data might be preferable to figures for individual jurisdictions. Just as overall fiscal effort for the SMSA or county area is a sum of the revenue raised by all the local governments in the area, so it is consistent to aggregate the spending on a single service by all the local units in the area to have an area effort figure for something like sanitation. As an illustration of the concept, measures of relative functional effort for a few specific services are provided in Appendix F for State areas. The procedure lends itself to ready extension to local finances.

Thirdly, grants for education might offer a formula application of the average financing method in Federal-local relations. For example, it is possible that the Federal government might offer a block grant to county areas for this function. That is, without demanding any matching funds, Congress might distribute payments to local areas with the stipulation that the money be applied to education in whatever way the local people judge best. Measures of local fiscal capacity or effort could be helpful allocation factors in formulas for this kind of block grant—whether the area be an SMSA or a county. The local area *vs.* local government problem is not a serious barrier. For one thing, there is agitation afoot for transferring the financing (though not necessarily the administration) of schools up to a broader unit like the county. Even in the absence of such a development, the grant funds could be re-distributed to the school districts within the county in any number of ways. The fact that the county area is completely covered by school districts simplifies the sharing. It is clear that this type of block grant is a halfway house between general purpose grants and conditional grants. In any of the foregoing alternatives, the data provided could be used directly in a formula. The State might serve as distribution agent for that minority of the Nation's school children who are not included in the major local areas covered in this study.

Functional need. Average-financing capacity measures can be thought of as providing an estimate of relative fiscal need. The local area with access to disproportionately large amounts of potential revenue has less fiscal need than an area with access to smaller amounts. No attempt has been made, however, to measure service or functional need. No attempt was made to answer the question: Capacity for what?

Until usable need estimates are available, the implicit assumption in using fiscal capacity measures in grant programs is that service needs per person are the same in all areas, or—to express it another way—that need is perfectly correlated with population.

If comprehensive measures of public service needs are developed in the future, they might profitably be combined with estimated capacity figures such as those presented in this study. For example, suppose that the national average State-local capacity per person is $400, matched by a similar average per capita cost of service needs subject to State-local financing. Then, if County A has $300 per capita capacity and service needs equal to 85 percent of the national average, the financing gap is (.85 x $400) minus $300, or $40 per person, rather than the $100 per person ($400 minus $300) that would appear without taking service-need differences into account.

There is usually less concern about measuring total need than about measuring welfare need, or school need, or sanitation need or public housing need. Here, too, it would be useful to combine such estimates with the capacity data in this report to obtain a fiscal-functional measure of relative needs. For example, County A has a per capita sanitation need of $50 and a total per capita capacity of $500. County B has comparable figures of $20 and $400. County A, with its 10 per cent ratio of need to capacity, would then presumably be more eligible for a Federal sanitation grant than County B, with its 5 per cent ratio.

Non-formula uses. But even apart from direct injection into the distribution formula of a functional grant, it appears that average-financing data can be of considerable usefulness to functional grant programs. This is true of comparative Statewide measures. It may be even more so of the local measures. Local information is now available for the first time. Secondly, fiscal variation is greater at the local level than at the State level. Thirdly, the Congressman and the agency administrator each beholds a bewildering complexity as he looks out from Washington at American local governments. Obviously, he can't do all the things that "need" to be done. There isn't near enough Federal money to go around. Should he just wait for the line to form and give out the funds while they last and then turn away the rest? Should he ration the funds? If so, on what basis? Perhaps he might negotiate with the competing local applicants. But, again, on what basis?

One of the non-formula ways in which capacity and effort estimates can help Federal functional grant programs is by screening the aid applicants. For this purpose, less precision is needed than would be demanded if the fiscal measures were to become part of an allocation formula. Average-financing results can be used to group local areas into broad categories.

But, even beyond formula uses and screening uses, the fiscal data provide perspective to Federal decision makers. In this context, there is value in concentrating on large areas. National perspective would not be sharpened if the decision maker became buried in the fiscal profiles of 80,000 local governments; hence, the focus here on *relatively populous* areas is not too severe a disadvantage. Similarly, a clear national perspective becomes possible only if the confusing tangle of overlapping governments is cut away; hence, the value of dealing with *areas.* There is an analogy with the perspective sought by credit rating houses as they analyze the borrowing capacity of municipalities. They have to know the amount of outstanding debt that is owed by all layers of local government that overlap the municipality being examined. Since the same piece of real estate undergirds the indebtedness of its city, its school district, its county, and its special districts, this viewpoint is eminently sensible. It is the same kind of perspective that a Federal policy maker would find worthwhile.

Kinds of Local Fiscal Measures Useful to the Federal Government

Should local fiscal measures include the local share of State Government finances? The question is a basic one, for it influences the entire approach to measuring local capacity and effort. There are sound reasons both for and against inclusion of State government finances.

The case for including State government finances in local area measures of capacity and effort is an impressive one. The argument is made that State and local finances are so tightly intertwined that any attempt to separate them will distort them. First, a single way of separating finances applied across the country cannot reflect the 50 different ways in which public responsibilities are shared between State governments and their local subdivisions. Second, the same revenue sources are tapped by both levels of government. Third, local effort measures are strongly influenced by what each State government does itself, by what it permits its local units to do to raise revenue, and on how it compels them to spend the revenue raised. Fourth, local capacity measures are supposed to indicate what local areas "can" do; what does this mean if the State withholds the authority to do so?

On the other hand, there are advantages to viewing local area financing without adding in State government figures. First, serious data problems exist. In the absence of available source materials on State capacity and State collections within local areas, indirect proxies have to be used for the majority of State revenues. Second, the detailed and laborious effort to develop sound property estimates (the major local revenue source) would be diluted by submerging this component in estimates of State sales tax capacity and State income tax capacity. Third, differing divisions of functional and financial responsibilities between State and local governments would not affect Federal programs that are adjusted for local capacity; these divisions affect fiscal need and fiscal effort, but not fiscal capacity. Fourth, why would the Federal government want to know how much ability a particular county has to contribute to State revenues? Presumably, a Federal interest in local fiscal measures is based on ability to provide local services, not State services. Fifth, if the case for the inseparable unity of State and local finances is pushed far enough, it seems to be saying that the Federal Government should not have any direct financial dealings with any jurisdiction or area below the State level, and that the Federal Government, therefore, will find little use for this or for any attempt to develop local fiscal measures.

It should now be clear that there is real (but different) value in each form of calculation. Therefore, both forms are presented in Appendix G. Furthermore, because of the great importance in any *effort* measure of differing assignments of responsibility between States and their subdivisions, some of the comparative data in these appendix tables have been adjusted to reflect the preferences that each State displays for various revenue sources.

Chapter 5

METHODS USED TO MEASURE REVENUE CAPACITY AND EFFORT

Throughout this study, the terms "representative financing" and "average financing" have been used to suggest the flavor of the particular approach that has been adopted. The terms reflect a firm resolve to come as close as possible to existing governmental practices in defining fiscal capacity and effort. Actual financing is necessarily measured in terms of current practices. To estimate fiscal capacity in a way that mirrors current use throughout the Nation of various financing sources—that is the real challenge.

Own-source revenue of State and local governments, as defined for this study, totaled $77.6 billion in fiscal 1966-67, and was made up as follows:

	Amount (in millions)	*Per cent*
Total	$77,605	100.0
Taxes	61,321	79.0
Current charges for general-government services	10,482	13.5
Interest earnings on general government fund holdings	1,713	2.2
Miscellaneous general revenue	2,633	3.4
Current surpluses of publicly operated local utilities	1,457	1.9

Chapter 1 indicated in a general way how estimates of revenue capacity have been developed, in terms of these various kinds of sources, for individual States and selected local areas. Following is a more detailed description of the capacity-estimating procedure, and of steps taken to develop related measures of revenue effort.

Defining and Measuring Tax Capacity

Several steps are involved in estimating the relative tax capacity of particular areas. The methodology is based on the 1962 ACIR study dealing with State-area fiscal capacity and effort, which, especially in Chapter 3, covers in some detail the issues, problems, and compromises involved in estimating tax bases.

Estimation procedure. The process of estimating tax capacity of particular areas involves the following steps:

1. Determine the inclusiveness of the term "taxes" and determine which tax classes should be handled separately.
2. Review current State and local practices with regard to each type of tax, to ascertain its predominant or "representative" form.
3. Locate tax-base data for each tax or, in the absence of such data, assemble quantitative information about some measure that could reasonably be taken to represent the actual base.
4. Obtain an average "rate" for each tax by dividing its nationwide yield by the nationwide base or its proxy.
5. Calculate the capacity (potential yield) of each tax class for particular areas (States, SMSA's, and counties) by applying the average rate to the base measure for such areas.
6. Add capacity figures thus developed for particular taxes in each area to arrive at the area's total tax capacity.

Coverage and classification of taxes. As in the earlier ACIR study, the concept of taxes is the same as that reflected in Census Bureau reports on governmental finances, except that it also includes the excess of receipts over expenditures of liquor stores operated by certain States and local governments. Entirely excluded from measurement in this study are State unemployment compensation "taxes," which are an element of insurance trust financing, entirely separate from the support of ordinary State and local government services. Classification of taxes here closely parallels the one applied in the earlier ACIR study of tax capacity and effort, except that State-imposed and locally-imposed taxes are treated separately, in order to distinguish between these elements of tax effort in various areas. Aside from the grouping of some relatively minor components, as detailed in Appendix B, there are only two departures from the Census Bureau's tax classifications: liquor store surpluses were added to "alcoholic beverage sales taxes", as mentioned above; and the Census concept of "property taxes" was narrowed to reflect the representative form of such taxation by excluding the yield of value-based taxes upon motor vehicles (shifted to "motor vehicle taxes") and upon intangible personal property (shifted to "miscellaneous taxes").

Determining the representative form of each tax. In order to estimate the potential yield of a particular kind of tax in various areas, it is obviously necessary to settle on a definition of the tax that can be assumed for each such area. As in the earlier ACIR study, an effort has been made here to define each tax class by considering the nature and coverage of each kind as it is most commonly used. "Most commonly" means the form of the tax as found in States having half or more of the Nation's population, or at least (as in the case of severance taxes), in States that account for half or more of the nationwide tax base involved.

Determining appropriate tax base measures. This is, perhaps, the most difficult part of the entire process. For some tax classes, meaningful base measures can be derived from Federal Government sources that supply figures not only nationally and by States but in sufficient detail also for metropolitan areas and counties. In instances of this kind, it has been possible to estimate potential tax yields simply by reference to such base measures, as obtained for local areas as well as entire States. For some tax components, however, no standard nationwide source supplies the kind of information needed to arrive directly at tax base amounts for local areas. In most such instances, it is nonetheless possible to find or develop a relatively good base measure for entire States. Therefore a two-stage procedure has been followed—first, calculating a State-wide base from available State-by-State figures, and then estimating allocable shares of the Statewide base for particular counties or metropolitan areas by reference to some other measure that can serve as a reasonable stand-in or proxy for the elusive tax-base figures. For some few tax classes a proxy measure has even been used to estimate the State-by-State distribution of the nationwide potential tax base.

How does one decide on the best stand-in or proxy when actual or close-fit base amounts are not available? Sometimes the selection can be based on specific testing, and this has been done in determining some of the within-State proxy measures used. Having a State-by-State distribution of potential base for a particular tax that was quite closely measured (for example, liquor consumption), and two or more possible allocators to estimate local shares of the base (for example, population and personal income), a choice could be made by finding out which of the latter kinds of data showed the more consistent relation to the State-by-State distribution of the tax base. More commonly, however, the choice of proxy measures has been based on collective staff judgment, backed by reference to available data sources and limited illustrative testing.

Applying average "tax rates." The quotation marks are important as a cautionary measure. The national average rate is actually a *tax rate* when tax revenue is being divided by a measure that is really the tax base. It is not really a tax rate, however, when the amount used for this calculation is some measure used as a proxy for the base; in this case, it is simply a ratio between the nationwide tax yield and the base indicator. Although a national average "rate" was calculated and used here in dealing with every kind of tax, this step could just as easily have been replaced by another. In those cases where a single kind of base measure was used for both State- and local-area allocation, the same result would have been achieved by taking each area's percentage of the total base measure and multiplying it by the national amount of revenue collected from that source. Where a two-stage process applied (using different State- and local-area allocators), the calculations could also have been carried out from percentages, rather than by using average rates. It may also be noted that in several instances (for example, personal income taxes, severance taxes, and motor vehicle taxes) State-area capacity measures were built up from rates applied to various portions of the total base, rather than by applying only a single average rate to a comprehensive measure of the tax base.

This procedure for estimating tax capacity is "representative" in two distinct senses. The initial choice of taxes to be examined individually is based on actual tax amounts raised, as recorded by the Bureau of the Census. Second, the selection or development of each tax base measure takes account of predominant State and local government practices as to the coverage and nature of the particular tax. In spite of the effort to make the capacity measure for each tax as representative of present usage as possible, some may still complain that this isn't "average" enough. For example, they may be bothered by the fact that certain taxes are levied in some areas but not elsewhere. This is indeed bothersome, but the problem does not seem crucial. Over three-fourths of all State-local tax revenue comes from tax forms that are found in every State; less than 10 percent, from taxes used in fewer than half the States.

An examination of the allocators and proxies used in this study may raise the question of whether there is excessive straining for closeness to the base, and an excessive straining for subclassification and detail. The straining has been deliberate. In some instances it seemed likely that more summary grouping of taxes might generally yield quite similar results. Also, it was sometimes known that a much simpler proxy was available—simpler both in the sense of easier to use and in the sense of easier to explain. These alternatives might, perhaps, be "just as good" in eight out of ten cases, maybe even nine out of ten cases. However, one major purpose of this entire examination is to find out whether simpler approaches to the measurement of fiscal capacity may be "just as good" in eight cases or in nine cases out of ten. The emphasis on detail will help smoke out the odd situations in order to find out how numerous they are and how odd they are. Only with such knowledge can there be a firm basis for later dispensing with unnecessary detail.

The subclassification of tax types resulted in 23 categories, of which 14 refer to State-imposed taxes and the other nine refer to local taxes. These nine include five kinds of local nonproperty taxes and four property-tax components (residential realty, farms, business property, and vacant lots) for which separate estimates of capacity were developed. While it has been possible also to estimate the amounts of all local property tax revenue derived from each of these components in each entire State, no such source-distribution of actual property tax revenue has been attempted for individual local areas. As a result, the property tax "effort" of particular areas is reported only in summary fashion, reflecting the relationship between all local property tax revenue and the sum of the capacity estimated for all four kinds of taxable property.

Handling particular taxes. The 23 tax classes are listed below. The listing shows the percentage contribution of each class to total State and local tax revenue in 1967. Also shown in each instance is the kind of measure ("allocator") used to represent the tax base, and thereby to calculate the potential yield of the particular kind of tax for various areas. In some instances, as already noted, a single measure was used as an allocator at both the State- and local-area levels, but in many cases it was necessary to employ a two-stage procedure and use different allocators at these respective levels.

A further explanation is given below for those allocators for which a summary designation seems insufficient. The various statistical allocators employed generally related to calendar 1966 or 1967. Further information about certain base measures is provided in Appendix D, and statistical sources are listed in Appendix C.

1. **State general sales taxes** (14.6 percent of S-L tax revenue)
   - State-area allocator: retail sales, with complex adjustments (see below).
   - Local-area allocator: retail sales, with limited adjustments (see below).

State-area allocator. Sales of retail stores, as reported by the 1967 Census of Business, were the starting point in calculating the base for this tax source, but these amounts were considerably modified to arrive at figures that would reflect for each State the form of general sales taxes as most commonly imposed. Briefly, for the State-area allocator, this involved:

- Subtracting a percentage allowance (based on 1963 Census of Business data on sales of various merchandise lines), for retail sales of food products and of "hay, grain, feed and farm supplies;"
- Adding receipts of hotels and motels, etc.
- Deducting estimated allowances for general and selective sales taxes (which are included in the Census of Business figures on retail sales and hotel receipts, where such taxes apply); and
- Adding sales receipts of electric, gas, and telephone utilities.

Notwithstanding these several steps, the resulting State-area measure must be recognized as only a fair facsimile of the base for the "representative" general sales tax. In its usual form, such a tax (together with related "use taxes," imposed by most sales-taxing States) legally applies not only to sales made by retail establishments but also to other sales or purchases "for use or consumption and not for resale." A more precise base measure, then, would also take account of other final sales made by wholesalers, manufacturers, or contractors. The earlier ACIR study included an effort in that direction, by adding to adjusted retail sales the amount of spending by manufacturing establishments for new capital plant, as reported by the periodic Census of Industry. That component is not included in the present study, on the ground that it overstates manufacturers' taxable purchases (the figures cover not only materials and equipment but also the labor costs involved in plant expansion), while providing no reflection of other taxable purchases flowing through non-retail channels, for which corresponding statistics are not available. The inclusion of manufacturers' capital expenditures as part of the assumed general sales tax base would alter only slightly the individual-State estimates made here.

Local-area allocator. Each Statewide base amount, as thus estimated, was allocated to individual local areas by a measure representing total sales of retail stores, minus sales of food stores, plus receipts of hotels and motels. Local-area data were not available for the other adjustments applied at the State level, so the resulting capacity estimates for local areas take no account of within-State variations in the effect upon the "representative" general sales tax of its inclusion of utility sales and its exclusion of sales of various agricultural supplies.

2. **State motor fuel taxes** (7.9 percent of S-L tax revenue)
   State-area allocator: Highway motor fuel consumption, excluding that for Federal Government vehicles.
   Local-area allocator: Service station receipts.
3. **State tobacco taxes** (2.6 percent of S-L tax revenue)
   State-area allocator: Cigarette consumption.
   Local-area allocator: Retail sales, adjusted (same as for general sales taxes).
4. **State alcoholic beverage taxes** (2.4 percent of S-L tax revenue)
   State-area allocator: Consumption of distilled spirits.
   Local-area allocator: Personal income.
5. **State public utility sales taxes** (1.0 percent of S-L tax revenue)
   State-area allocator: Receipts of electric, gas, and telephone utilities.
   Local-area allocator: Earnings in transportation, communications, and electric gas and sanitary services.
6. **State amusement sales taxes (0.8 percent of S-L tax revenue)**
   State-area allocator: Earnings in amusement establishments.[1]
   Local-area allocator: Receipts of amusement establishments.
7. **All other State selective sales taxes** (1.8 percent of S-L tax revenue)
   State-area allocator: Personal income minus Federal individual income tax.
   Local-area allocator: Personal income.

State-area allocator. The income measure used for this component is obviously a proxy that does not directly refer to the tax base itself. There is a material range (approaching 2-to-1) in average per capita personal income in the various States. As regularly calculated and reported by the Office of Business Economics, these income figures reflect the deduction of "personal contributions for social insurance." In allocating the potential yield of miscellaneous State sales taxes, account is taken for the impact of the Federal individual income tax. This adjustment generally tends to narrow the interstate range, but only slightly. For example, to cite extremes: as a result of this adjustment, per capita capacity estimated for low-income Mississippi moves up from 60 percent to 61.9 percent of the national average, and that for high-income Connecticut is cut from 124.5 percent to 121.6 percent. Nevertheless, since the Federal Government's direct "take" out of personal income otherwise tappable for public financing does vary from State to State (from 6.3 to 12.2 percent of all personal income as reported by the Office of Business Economics for 1966), allowance for this variation has seemed proper.

8. **State motor vehicle taxes** (4.2 percent of S-L tax revenue)
   State-area allocator: Private motor-vehicle registrations.
   Local-area allocator: Earnings in automobile repair services.

State-area allocator. Publicly-owned vehicles were excluded, since they generally are subject to no State taxation, or require only a nominal registration fee. Because the amount of State tax per vehicle averages much more for trucks and buses than for ordinary automobiles, the base measure for each State was developed in two parts, one based upon all private motor vehicle registrations and the other upon the number of private trucks and buses registered.

Local-area allocator. Because no comprehensive and comparable figures on motor vehicle registrations existed for individual metropolitan areas and counties, a proxy measure was employed–earnings in automobile repair services. This seems a better indication of the number of vehicles owned in particular areas than other measures, such as the sales receipts of service stations or of automotive dealers, which were available from the Census of Business. Service station sales can be heavily influenced by tourist traffic and the mileage of vehicle use, and automotive sales in any particular county may include a considerable fraction of sales to out-of-county residents. As used here and in connection with other tax base allocators, the term "earnings" refers to payrolls and other labor income, plus proprietors' earnings from non-corporate businesses.

9. **State individual income taxes** (8.1 percent of S-L tax revenue)
   State-area allocator: Taxable income in seven income classes.
   Local-area allocator: Personal income.

State-area allocator. Nearly all States with an income tax apply progressive rates. Therefore, it was necessary to subclassify the base for this kind of tax by income levels, and apply separate rates to each, in order to arrive at an appropriate capacity estimate for each State. Seven classes of "adjusted gross income" were used, as reported by the Internal Revenue Service in its 1966 *Statistics of Income.* These AGI classes ranged from under $1,000 up to $15,000-plus. Legal provisions

[1] Receipts of amusement establishments would probably be a somewhat better State-area allocator, but such data were not yet entirely available from the 1967 Census of Business when State-area estimates were needed for this item. The earnings figures employed generally yield very similar results.

in the States that impose an individual income tax were reviewed to develop a set of weighted average rates by AGI class for these States. These rates were then uniformly adjusted downward so that, if applied to actual amounts of taxable income in all States (including those lacking any such tax in 1967), the resulting total amount would have equalled the actual yield of State individual income taxes in 1966-67.

Local-area allocator. The Internal Revenue Service publishes income statistics by income class for some large metropolitan areas and also for certain groupings of postal "Zipcode" areas. However, it does not assemble such data for all the individual counties and metropolitan areas subject to presentation in the present study. It was necessary, therefore, to shift to another measure for estimating particular local-area shares of the estimated Statewide amounts of individual income tax capacity: the data on "total personal income" now available annually for local areas from the Office of Business Economics. There are at least two faults in this use of such data: Unlike IRS income statistics, the OBE figures are not subclassified by income levels, so that they cannot readily be made to reflect the effect of progression in State income tax laws; and geographically, they reflect earned income on a "where-earned" basis, rather than according to the residence of the income-earners. Although for most entire metropolitan areas and large counties total income "where earned" is very similar to total income "where received," there are some exceptions, and the alternative basis of measurement might be preferable in considering the geographic origin of State revenue from individual income taxation, and the potential yield of this kind of tax in various areas.

These two limitations may tend to offset each other with respect to the central counties of major metropolitan areas. Such counties are likely to be credited with more total income than they would show on a where-received basis, but their relatively high level of per-person income (at least as compared with rural counties) is given less weight than it might merit as a base measure for a progressive State income tax. In any event, since the same allocator is used to estimate both the within-State origin of actual income tax revenue and the location of income tax capacity, inexactness of allocation tends to cancel out in calculating the revenue effort of particular areas. This is true also, of course, for various other types of State taxes, but the point merits special attention with regard to this rather sizable revenue component, for which the within-State allocator used is not the one that might be preferred if other kinds of local-area income data were available.

10. **State death and gift taxes** (1.3 percent of S-L tax revenue)

    State-area allocator: Value of Federally-taxable estates (see Appendix C).

    Local-area allocator: Personal income (where earned).

11. **State corporation taxes** (5.6 percent of S-L tax revenue)

    State-area allocator: Wages and salaries in predominantly corporate kinds of business, and total retail sales.

    Local-area allocator: Private nonfarm wages and salaries.

State-area allocator. About two-thirds of this component concerns State taxes on the net income of corporations. Most of the rest, as detailed in Appendix B, involves what the Census Bureau reports as license taxes on corporations in general. State corporation income taxes are generally at a flat rate, rather than involving graduated rates, so that there is no need in this case to deal with "progression." However, Internal Revenue Service figures on corporation income are of little direct use, since the amounts for companies that do business in more than a single State are, understandably, reported according to their headquarters or place of filing.

Each State that taxes the net income of corporations tries to determine its taxable share of the total income of any company doing business in more than a single State. While practices differ in dealing with interstate companies, the predominant State practice is to make a three-part geographic allocation of taxable corporate income, giving equal weight to corporate property, payrolls, and sales.

Unfortunately, direct State-by-State measures of these three elements of corporate activity are not available. The business property component estimated for the local property tax base might be used if the measure were extended to other business firms, not just corporations. However, those figures include amounts for non-corporate as well as corporate business, involving diverse proportions from State to State. Furthermore, the business sales figures available from such basic sources as the Census of Business and the Census of Manufacturers are geographically arranged according to the location of the establishments involved, rather than in terms of the destination of shipments, which would be the appropriate measure for the sales part of a corporation tax measure.

It seemed necessary, then, to adopt proxy measures that might reasonably reflect each State's share of the total national base for corporate income taxation. For this purpose, one-third weight was given to total retail sales receipts, as an approximate reflection of the final destination of all business sales. In order to take account of both corporate payrolls and corporate property holdings, two-thirds weight was given to payroll amounts for predominantly corporate types of business—i.e., all private businesses exclusive of "farms," "personal services and private households" and "professional, social and related services."

Local-area allocator. For within-State allocation, a somewhat less tailored measure—private nonfarm wages and salaries—has been used. The exclusion of proprietors' earnings (which are included in the allocators used for certain other kinds of taxes) is, of course, designed to take account of the fact that this revenue component relates to corporations rather than to all forms of business operation. In considering the indirect nature of this proxy for corporation income taxes, the point mentioned above regarding individual income taxes should also be noted—that the same within-State allocator is used to estimate each area's share of both actual and potential yields from the State tax involved, so that allocation errors tend to be offsetting in the calculation of relative local-area revenue effort.

12. **State severance taxes** (0.9 percent of S-L taxes)
    State-area allocator: Value of mining production, petroleum and other.
    Local-area allocator: Earnings in mining.

State-area allocator. This type of tax, generally measured by the value of particular kinds of minerals extracted or produced, is used by about half the States and is a major revenue source in only a few. To estimate capacity, petroleum and natural gas, which accounted for more than nine-tenths of all State severance tax collections, were handled separately from other minerals. By relating nationwide yields from State taxes on these two components to their respective production-value totals, separate average rates were obtained, which were applied to value amounts for each State and added to obtain capacity or potential-yield estimates.

13. **State property taxes** (0.8 percent of S-L tax revenue)
    State- and local-area allocator: Capacity estimated for local property tax, commercial and industrial property.

There is no particular "representative" form of State property taxation. Most State governments have some property tax revenue, but for only a few States is it more than a minor financing source. Nationwide, the yield reflects a mix of revenue from "general" State property taxes that apply (usually at a very low rate) to valuations set mainly for local property taxation, plus revenue from various "special" State property taxes that apply only or mainly to business property. The allocator used for this tax component, therefore, has been based directly upon estimates of capacity for local property taxation of commercial and industrial property, which are explained under that heading.

14. **Miscellaneous State taxes not elsewhere classified** (0.8 percent of S-L tax revenue)
    State-area allocator: Personal income minus Federal individual income tax.
    Local-area allocator: Personal income.

15. **Local property tax, residential realty** (19.4 percent of S-L tax revenue)
    State- and local-area allocator: Estimated market value of nonfarm residential property.

A more detailed description of the handling of this and other components of the local property tax is provided in Appendix D. Market value estimates for nonfarm residential property were based mainly on data from the taxable property values phase of the 1967 Census of Governments. For particular State areas, this involved: Using data from the Census of Governments to estimate separately the market value of nonfarm residential realty and "acreage and farms;" comparing this acreage estimate with the value estimated for farm land and buildings by the Department of Agriculture; and adding any excess of the Census-based "acreage and farms" amount over the Agriculture farms amount to the initial estimate for nonfarm residential realty. The Census-based estimates of market value were obtained by dividing assessed valuations for each of the two property classes by the average percentage relation between assessed value and sales price found in the Census of Governments for a sample of such properties that were sold during a six-month period of 1967.

This procedure took account of the fact that the Census category of "nonfarm residential realty" generally is limited to city-lot properties, rather than including also suburban residential properties that appear on assessment rolls in terms of acreage rather than lots. In the few States where the Agriculture Department's farm value estimate equalled or exceeded the total acreage value derivable from Census of Governments data, no adjustment was made in the Census-based estimate for nonfarm residential realty.

For some rural States, the foregoing procedure involved a rather material shift of estimated property values from "acreage and farms" into "nonfarm residential realty." However, in most States and for the Nation as a whole, the resulting adjustments were relatively minor. Accordingly, this process was not repeated at the local-area level. (That presumably could have been done, with considerable effort, by using farm value amounts for 1964 from the Census of Agriculture, adjusted to take account of 1964-66 changes.) Instead, each Statewide estimate of the "adjusted" value of nonfarm residential realty was allocated to particular local areas according to their respective shares of the market value of such property as calculated in the first instance directly from Census of Governments data.

16. **Local property tax, farm property** (3.3 percent of S-L tax revenue)

    State-area allocator: Value of farm realty and selected classes of farm personal property.

    Local-area allocator: Estimated market value of "acreage and farms".

State-area allocator. In most States, local property taxes apply not only to farm realty but also to livestock, crop inventories, and farm equipment. State-by-State estimates of farm land and building values, as reported for 1966 by the Department of Agriculture, were used for the realty portion (about three-fourths) of all potentially taxable farm values. The State-by-State distribution of the various personal-property components were estimated from other Census of Agriculture and Department of Agriculture sources, and added to the realty value figures.

Local-area allocator. Each Statewide estimate of total value of taxable farm property (including personalty) was allocated to particular local areas according to their respective share of the market value of "acreage and farms," estimated from 1967 Census of Governments data as previously described.

17. **Local property tax, vacant lots** (0.8 percent of S-L tax revenue)

    State- and local-area allocator: Estimated market value of vacant lots.

The 1967 Census of Governments also provided figures on assessed valuations and average assessment ratios for this type of taxable real estate, from which estimates of market value were calculated for local areas and (by addition of local-area amounts) for each State.

18. **Local property tax, commercial and industrial property** (16.2 percent of S-L tax revenue)

    State- and local area allocator: Estimated market value indicated by earnings in 56 type-of-business classes.

In every State, local property taxes legally apply to all or substantially all real estate used for commercial or industrial purposes. A few States (including such big ones as New York and Pennsylvania) wholly exempt business holdings of movable equipment. A larger and growing number of States also exempt or give preferential treatment to business inventories. Nonetheless, the "representative" form of local property taxation must still be defined (and this was even more clearly the case in 1966-67, the period to which our illustrative figures relate) as applying not only to real estate but also to business-owned equipment and all or substantially all inventories (including stock in trade and materials in process).

Although certain nationwide figures are available concerning the value of such business property holdings, the geographic distribution of these values is not simply and directly shown by any available statistics. Furthermore, in trying to estimate this part of the property tax base, the sales-ratio approach used to deal with residential property, farms, and vacant lots is of very limited use. Most of the value of business real estate concerns relatively large properties which only rarely change hands in a way to yield a meaningful market-value figure. Although the Census of Governments does report some assessment ratios based on "measurable sales" of commercial and industrial realty, the transactions mainly concern rather small business properties. Furthermore, such figures offer no evidence at all about levels of assessment for personal property, or for public utility property, which usually is valued for local property tax purposes by a State agency, separately from the assessment procedure applied to other property.

In this study, therefore, the potential yield of the local property tax as applied in its "representative" form to business property in various States and local areas has been estimated indirectly, applying a set of proxy measures to each of 56 types of nonfarm business. Briefly, the procedure involved:

1. Using nationwide property-value figures to estimate allocable shares, by type of business, of all local taxation of commercial and industrial property;
2. For each business class, calculating the indicated amount of property tax per dollar of earnings (payrolls and other labor income plus proprietors' business income);
3. Applying these national average ratios to earnings amounts reported by the Office of Business Economics for each of the types of business in various States and local areas; and
4. Adding these detailed figures to arrive at an estimated capacity amount for each such area.

This summary description ignores some important details of the estimating process. More detailed information is provided in Appendix D.

19. **Local general sales taxes** (1.9 percent of S-L tax revenue)

    State- and local-area allocators: Same as for State general sales taxes (item 1, above).

20. **Local selective sales taxes** (1.2 percent of S-L tax revenue)

    State-area allocator: Personal income minus Federal individual income tax.

    Local-area allocator: Personal income.

21. **Local motor vehicle taxes** (1.2 percent of S-L tax revenue)

State- and local-area allocators: Same as for State motor vehicle taxes (item 8, above).

22. **Local income and earnings taxes** (1.4 percent of S-L tax revenue)

State- and local-area allocators: Total earnings.

"Income" taxes are used by local governments in only a few States. In their usual form, such taxes differ in nature from State individual income taxes, which, like the Federal tax, generally impose graduated rates and apply not only to earnings but also to various kinds of "unearned" income, such as interest and dividends. In contrast, most of the local taxes treated here involve a single uniform rate, and apply only to earned income. There are important exceptions, including the District of Columbia and Maryland counties' income taxes. However, the District here is treated as a "State" with regard to its use of nonproperty taxes, and the present Maryland arrangement, involving "piggyback" county supplements to the State income tax, has developed since the 1966-67 period to which our figures relate. For this reason, the capacity measure used for local income and earnings taxes is limited to total earnings, as regularly calculated for various areas by the Office of Business Economics, rather than the broader OBE measure of total personal income.

23. **Miscellaneous local taxes not elsewhere classified** (1.7 percent of S-L tax revenue)

State-area allocator: Personal income minus Federal individual income tax.

Local-area allocator: Personal income.

Of all tax capacity of State and local governments, 40 percent has been allocated among State areas according to estimates of property value; 33 per cent according to measures of trade volume or consumption (evenly split between broad measures of this kind and particular-commodity measures); 21 per cent by broad measures of personal income or earnings; and the remaining six percent on other bases such as motor vehicle taxes and State death and gift taxes. At the within-State level, property-value allocators again account for 40 percent of all State-local tax capacity (but over four-fifths of the capacity estimated for locally-imposed taxes), while about one-fourth is allocated by measures of trade or consumption, and nearly one-third according to measures of income or earnings. As would be expected, these proportions reflect the existing average makeup of State-local taxation arrangements, which include a major role for property taxation and for general and selective sales taxes, and a lesser role for other types of taxes.

Measuring Capacity for Non-Tax Revenue Sources

Current charges. In 1966-67, about one-seventh of all own-source revenue of State and local governments, as defined for this study, came from what the Census Bureau calls "current charges" revenue. For State governments, the proportion was 11 per cent, and for local governments 16 per cent. Such receipts are recorded by the Bureau in considerable detail, according to the particular functions involved. For this study, therefore, the "current charges" capacity of various areas were estimated by calculating the potential yield of such revenue for each of numerous functions and then adding these detailed amounts. The potential yield for each separate item was obtained by multiplying the area's current expenditure for the particular function by the average nationwide relationship between current operation expenditure and current charges revenue for that function. One example of this method was given in Chapter 1. Another may be offered here: In 1966-67, local governments' current expenditure for hospitals amounted to $2,284 million, and their revenue from hospital charges was $1,336 million, or 58.5 per cent as much; accordingly, any area with local hospital operations would be credited with potential revenue, or financing capacity, associated with this function, amounting to 58.5 cents per dollar of current hospital expenditure.

These calculations were applied separately to State and local governments. The estimate of current charges capacity for each State government was allocated to local areas within the State according to its respective proportion of the statewide population total.

Table 19 summarizes the estimating factors thus applied, and shows the relative magnitudes of the various functional classes of charges revenue. It should be emphasized, as in the case of tax categories, that the value of such detailed subclassification cannot be judged simply in terms of the nationwide scale of particular sources. Some items which are relatively insignificant nationally may be of much more importance in certain local areas; the detailed approach is designed to allow for such geographic variations.

Interest earnings. In 1966-67, State and local governments obtained $1,713 million as interest earnings on their general government fund holdings. For State governments, such revenue equalled 3.453 per cent of their total general government holdings (cash, deposits, and securities other than those of insurance trust funds) at the end of the fiscal year. For local governments the corresponding average ratio was 3.263 per cent. The revenue capacity of various areas, then, was estimated by applying these nationwide ratios to the financial holdings data recorded by the Census Bureau for individual State and local governments, respectively. Resulting amounts for individual local governments were summed to area totals, and the capacity estimate for each State

Table 19.—DATA ON CURRENT CHARGES REVENUE OF STATE AND LOCAL GOVERNMENTS IN FISCAL 1966-67, BY FUNCTIONAL CLASS

Functional class	Percent of all S-L current charges revenue	Factor used to estimate revenue capacity[1]
State governments		
State colleges and universities:		
Auxiliary activities	11.6	122.5
Other	10.5	23.5
State toll highways	5.8	39.4
State hospitals and institutions for the handicapped	5.0	21.0
Miscellaneous commercial activities	2.5	152.8[2]
Natural resources	1.6	13.4
Water transport and terminals	0.6	114.0
Regular (non-toll) State highways	0.5	3.2
Education, other than State colleges and universities	0.3	2.9
State airports	0.2	134.2
All other	1.5	10.8[3]
Total, State governments	40.1	xxx
Local governments		
Education, other than colleges and universities	15.3	6.8
Local public hospitals	12.7	58.5
Sewerage	5.4	101.1
Housing and urban renewal	4.4	87.8
Highways and parking facilities	3.3	12.4
Local public airports	2.8	180.3
Local public colleges and universities	2.1	25.6
Local parks and recreation	1.9	22.3
Refuse collection and disposal	1.6	21.0
Water transport and terminals	1.5	177.8
Natural resources	0.6	22.9
All other and unallocable	8.4	23.4[4]
Total, local governments	59.9	xxx

[1] Average nationwide percentage relationship of current charges revenue to current operation expenditure for the particular function(s) involved.

[2] For two States—Alaska and North Dakota—which have miscellaneous commercial activities" that are unusually large relative to total State government finances, this factor was not used; instead, actual charges revenue from such activities was taken as a measure of related revenue capacity. This parallels the treatment applied universally to State government revenue from "rents and royalties."

[3] Charges revenue related to State current operation expenditure for general control, housing and urban renewal, protective inspection and regulation, and "miscellaneous"—i.e., excluding expenditure for State functions involving little or no charges revenue, such as public welfare, correction, police protection, etc.

[4] Charges revenue related to local current operation expenditure for general control, libraries, and "general government not elsewhere classified"—i.e., excluding expenditure for local functions involving little or no charges revenue, such as public welfare, police and fire protection, etc.

government was allocated to local areas on a population basis.

Miscellaneous general revenue (other than interest). The nationwide total of $2,633 million for this category involves diverse sources, including special assessments ($459 million), receipts from the sale of property ($279 million), fines and forfeits, royalties, donations, and so forth. No basis for geographic allocation of potential yield seemed reasonably applicable to such diverse kinds of *local* government revenue. Accordingly, actual 1966-67 amounts of such local revenue were taken to represent this part of the total financing capacity of various areas. Similar handling applied to State government revenue from "rents and royalties," which is rather sizable in a few States though relatively minor in the Nation as a whole ($307 million in 1966-67). For the other $526 million of the State governments' miscellaneous general revenue, capacity was estimated for each State according to its proportion of the nationwide total of personal income minus Federal income tax liabilities. As for other nontax revenue components, the "capacity" amounts thus developed for each State government were allocated to local areas within the State on a population basis.

In summary, then, for about four-fifths of all State-local miscellaneous general revenue, exclusive of interest earnings, it was assumed in effect that capacity equalled actual revenue in each area; or, in other words, that for this component the "revenue effort" of each area was at the average national rate.

This departure from the average-financing-system approach applied to all other sources involved only 2.7 per cent of the national total of State and local government revenue. The desirability of such exceptional handling can be seen by considering a State or local area that in 1966-67 benefited by unusually large receipts from donations, or from oil land leases or royalties. An exaggerated expression of revenue effort would be likely to appear for such an area if miscellaneous-revenue capacity had been estimated instead on some arbitrary basis—e.g., according to population, or personal income.

Utility surpluses. Most municipalities of any size operate a public water-supply system, and many of them also have a publicly-operated electric power, gas supply, or transit system. In some instances also, though less commonly, such public utilities are owned and operated by townships, counties, or special district governments. Except for transit systems, such utility operations usually take in more money than they require for non-capital purposes; that is, it is usual for charge rates to be set high enough to more than cover current operating costs and any interest on utility indebtedness. The converse is true for a majority of governmentally-owned transit systems, which are often operated "in the red" and thus involve public subsidy of urban mass transportation.

In attempting to measure the revenue capacity available to "ordinary government" as a result of such utility operations, we could not use data on net profit, or net income, as these are ordinarily measured for private businesses. Only a limited minority of publicly operated utilities develop such figures (including allowance for depreciation), and the Census Bureau, therefore, reports only a few summary financial items concerning governments' utility finances. For the present study, Census figures were used to estimate the financing potential available from utility surpluses by: (1) Summing nationally, for each type of utility, the excess of revenue over the sum of current operation expenditure plus interest on utility debt for each individual utility which showed any such excess; (2) Determining the relationship of this amount to the national total of current operation expenditure for the particular type of utility; (3) Applying these ratios to the amounts of current operation expenditure for the several types of publicly-operated utilities in each area; and (4) Adding the results to a total area estimate. This involved a special tabulating operation carried out by the Governments Division of the Bureau of the Census, which also supplied "current deficit" totals covering those utilities that in fiscal 1966-67 had less revenue than the sum of their operating expenditure plus interest on debt. The nationwide amounts involved were as follows:

Type of utility	*Amounts (millions of dollars)*			Revenue capacity factor (a as % of c) (d)
	Sum of all current surpluses (a)	*Sum of all current deficits (b)*	*Current operation expenditure (c)*	
Water supply . .	723	68	1,231	58.7
Electric power .	620	29	1,113	55.7
Gas supply . .	71	3	239	29.8
Transit . . .	43	146	870	5.0

Each of the areas reported in this study has been credited with revenue capacity from local utility surpluses in accordance with the factors shown above—58.7 cents per dollar of current operation spending by water supply systems, 55.7 cents per dollar of such spending by electric power systems, 29.8 cents per dollar of such spending by gas supply systems, and 5 cents per dollar of such spending by transit systems. For most States and reported local areas, the bulk of the resulting total revenue capacity estimate results from water supply and electric power utilities. However, at least some trace amount of capacity is included also for gas supply systems in two-thirds of the States, and for transit systems in about half the States.

The calculated total of local utility surpluses in fiscal 1966-67 ($1,457 million) was only 1.9 per cent of all own-source revenue of State and local governments, as defined for this study, and only 3.7 per cent of the own-source revenue of local governments alone. In some metropolitan areas and counties, however, this is a far more significant element of potential or actual financing, as shown by the local-area data.

Measuring Revenue Effort

In this study, the term "effort" refers to the relation between revenue-raising capability and actual amounts of revenue collected. The operations described above gave figures concerning the revenue capacity of various States and local areas, as calculated in terms of national average rates for each of numerous detailed sources (except for certain miscellaneous general revenue, which received distinctive handling as previously described). The detailed capacity amounts were grouped in various ways, and the totals and subtotals were compared with actual revenue amounts, as reported for fiscal 1966-67 by the Census of Governments, to obtain effort measures for individual States and selected local areas.

For the nation as a whole, with this procedure, *actual revenue* for each source is by definition equal to *revenue capacity* for the same source—i.e., its yield at the average nationwide rate applied to a relevant base amount. "Relative effort" for any particular source or group of sources can thus be expressed nationally as 1.0 or 100 per cent. And when actual revenue of a particular area from a particular source or group of sources is compared with revenue capacity of the area, as calculated for the same source(s), the resulting ratio will show how the area compares with national-average practice with respect to the sort of revenue involved.

Where the relative effort ratio pertains to a particular type of tax, it may also be taken to express the relation of the rate of tax within the area to the national average rate. For example, a percentage effort ratio of 75 would indicate a local rate three-fourths of the U.S. average. In any such interpretation, however, one fact needs to be kept in mind. Local divergence from national average usage of a particular tax source may appear because, as actually imposed in a particular State or local area, the tax has a broader or narrower scope than that which has been taken here as the representative form of the tax in estimating its potential yield, rather than actually a difference between the locally-applicable *rate* and that calculated nationally for the representative version of the tax.

When total revenue capacity for various areas is estimated simply by summing the potential yield at national average rates of various detailed sources, as indicated above, the results may in some instances seem anomolous, or of limited direct relevance for policy-making purposes. For example, this approach credits every local area with some financing capability through the use of local income or earnings taxes, even though taxation of this kind is not legally available to local governments in many States. Moreover, as we noted in Chapter 1, there is a good deal of interstate variation in State-local sharing of revenue responsibility, but the simple national-average-rate approach weights various sources according to average U.S. proportions on this score.

To deal with this problem, a second set of local-area capacity measures was developed. This involved for each entire State, using the statewide estimate of *total* State-local revenue capacity, as calculated in terms of average national rates; but in developing adjusted-capacity estimates for particular local areas, revising the weight given to each revenue source to reflect its proportionate contribution to the statewide total of own-source State and local government revenue.[2] Thus, in a State such as Illinois, where in 1966-67 there was no use at all of personal income or earnings taxes, this component did not enter at all into the "adjusted" estimation of revenue capacity for particular areas; and, in turn, other revenue sources were given greater weight for this purpose than they would have from direct use of national average rates.

At first glance, it may seem odd or improper to limit the adjustment of weights for estimating revenue capacity to local-area calculations, rather than also developing "adjusted" capacity estimates for entire States. It might be argued, for example, that since constitutional barriers preclude some States from using personal income taxes, any revenue-raising capability that might be estimated for such taxation cannot be tapped by the governments concerned, and therefore should be ignored in gauging their fiscal capacity. But anyone who pressed this argument would be saying, in effect, that it is impossible to devise any nationally uniform approach to the estimation of revenue-raising capability by reference to existing financial practices of State and local governments. If constitutional differences were taken into account, States with extremely restrictive provisions would show less "capacity" than similar States with broader legal charters. While comparisons so developed might be of some interest and value, they could hardly be a useful tool for Federal-State fiscal arrangements. Moreover, there is a fundamental difference between States—as sovereign entities which have means available to alter their revenue-raising powers, if necessary through constitutional change—and local governments which, as non-sovereign jurisdictions, are subject to the overriding authority of their parent State governments. Hence, it has seemed entirely proper and logical in this study to disregard the effects that existing constitutional or statutory provisions (which are potentially subject to revision) have upon *statewide* revenue-raising capability, even though we do take account of the effects of existing legal and institutional patterns in calculating "adjusted" capacity measures for *local* areas.

As our tabulations show, there is usually little if any difference between the resulting alternative estimates of *total* revenue capacity for particular local areas, as calculated respectively from national-average rates and on an adjusted within-State basis. On the other hand, there is very often—as would be expected—a material difference between the two sets of estimates in the amount of capacity shown respectively for State sources and local government sources. The following figures illustrate, in an extremely abridged form, the difference the adjustment process can make—for two States, Nebraska and West Virginia—in the estimation of localized revenue capacity, where there is a marked

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[2] The revenue capacity of any local area is the sum of amounts calculated for each particular revenue source as follows:

(a) On a U.S.-average rate basis:

$$\frac{\text{Area amount of the relevant allocator}}{\text{Statewide amount of the allocator}} \quad \text{Times} \quad \frac{\text{Estimated statewide capacity at U.S. rates}}{}$$

(b) On a State-adjusted basis:

$$\frac{\text{Area amount of the relevant allocator}}{\text{Statewide amount of the allocator}} \quad \text{Times} \quad \frac{\text{Statewide actual revenue}}{\text{Statewide average index of relative revenue effort}}$$

It will be noted that the last factor in formula (b) (i.e., the State's index of relative revenue effort) must be used in this way as a divisor in order to bring the resulting estimate of revenue capacity for each area into line with the over-all amount of statewide capacity as estimated on a U.S.-average-rate basis. By omitting this division, the capacity amounts estimated for all the areas in a particular State would, instead, total exactly to the statewide sum of actual revenue. For purely intrastate comparisons that would, of course, be appropriate and desirable, and would carry out the principle applied here on a nationwide basis—namely, making aggregate estimated capacity equal to aggregate actual revenue.

From the foregoing, it should be evident that the "State-adjusted" measures shown for individual local areas in Appendix Tables G-8, G-9, G-11, and G-12, can readily be translated into specifically *intra*-State indicators by use of the relative effort indexes shown in the first column of Table G-4—i.e., multiplying the reported local-area *capacity* measures by the statewide index, and dividing the reported local-area *effort* measures by the statewide index. (However, this recalculation procedure cannot properly be applied to reported *interstate* SMSA's simply from the data shown in this report.)

departure from national-average proportions of governmental financing:

Type of revenue	Nebraska: % of revenue capacity* (A)	Nebraska: % of revenue capacity* (B)	Nebraska: Ratio of (B) to (A)	West Virginia: % of revenue capacity* (A)	West Virginia: % of revenue capacity* (B)	West Virginia: Ratio of (B) to (A)
Total . . .	100.0	100.0	xxx	100.0	100.0	xxx
State government sources . . .	42.1	31.9	.76	53.7	66.3	1.23
Sales & gross receipts taxes. .	22.5	13.5	.60	26.5	44.6	1.68
All other . . .	19.6	18.4	.94	27.2	21.7	.80
Local government sources . . .	57.9	68.1	1.18	46.3	33.7	.73
Property taxes . .	32.1	37.5	1.17	31.6	17.7	.56
All other . . .	25.8	30.6	1.18	14.7	16.0	1.09

*(A) refers to proportions based on national average rates for various revenue sources; (B) refers to proportions of actual State-local revenue within each State, used as weights for "adjusted" capacity measures for local areas.

Most of the revenue effort measures presented for local governments are tied to the "adjusted" capacity figures that reflect actual State-local revenue practices of the various States. Accordingly, these detailed figures concerning relative local government effort in individual counties and metropolitan areas provide a meaningful and policy-oriented set of comparative measures. Where they show a material departure from "average" use of a particular kind of local revenue, or for local sources in total (i.e., an effort measure differing considerably from 100), this can properly be interpreted as a result of local government policies and practices which have developed in the context of financing arrangements that prevail within the particular State concerned.

Measuring Revenue Capacity and Effort for Sub-County Areas

The foregoing discussion described methods used to derive comparative figures for States, metropolitan areas, and counties, as presented in Appendix Tables G-1 through G-13 and discussed in Chapter 3. This study also included an exploratory effort to develop corresponding measures for major cities. Those results are presented in Appendix A, together with a detailed description of the estimating methods employed and the data problems encountered. So serious were those problems that it seemed impracticable to develop meaningful comparative measures for more than about half of all the cities of over 100,000 population.

We calculated revenue capacity for each of the 57 within-county cities reported in Appendix A by:

1. Applying to estimated countywide capacity figures for property taxation of various types of property, for general and selective sales taxes, for other taxes, and for State nontax revenue, city/county proportions, respectively, of assessed values for the various types of property, total retail sales, disposable personal income, and population;
2. Calculating the non-tax revenue potential of the city government and each of the other local governments overlying it (by use of the factors previously described for county-area estimates), and estimating the city area's allocable share of such amounts, usually by reference to population data; and
3. Adding the results of these operations.

Similarly, we derived "actual" revenue amounts for each of the reported within-county cities by adding to the revenue of the city government itself the city-area's allocable share of the revenue raised by each of the overlying local governments and of the State government, by use of corresponding kinds of allocating factors. This provided a basis for calculating relative revenue effort for both State and local sources and for local sources alone, and also for indicating the relative revenue-raising role of the city itself and various other governments.

In the absence of official Census population figures for most of these cities for any year later than 1960, an average of Rand-McNally population estimates for 1965 and 1968 was used in each instance, both to calculate the city's share of certain countywide amounts and finally to arrive at summary per capita figures.

As will be evident from this description, the amounts reported for individual within-county cities are subject to considerably greater possibility of estimating error than are the data presented for counties, metropolitan areas, and States.

Chapter 6

THE PROSPECT FOR BETTER AND RECURRENT MEASURES

Until quite recently, the lack of necessary underlying data would have made it completely impracticable to develop the kinds of comparative measures presented in this report—especially for the metropolitan and county areas. To an important extent these measures draw upon economic data series of the Regional Accounts Division, Office of Business Economics, which have become available only within the past year or two. Moreover, only in recent years have statistics on local government finances been obtainable from the Bureau of the Census in a form to permit specialized computer processing, as needed in the preparation of this report.

Even at the State level, it would have been difficult if not impossible to prepare comparative measures of revenue capacity and effort until about a decade ago. The initial ACIR study on this subject was issued in 1962, only three years after completion of the 1957 Census of Governments, which supplied State-by-State figures on State-local finances for the first time since the 1942 Census of Governments.

The new economic series of the Regional Accounts Division are now being maintained on an annual basis. Also, the Bureau of the Census conducts surveys of State and local government finances which provide State-by-State data each year (including estimates based on extensive sample coverage of local governments). These and other Federal statistical developments afford a much better basis for the regular, recurrent measurement of fiscal capacity and effort. On the other hand, three major questions merit some further exploration.

One issue relates to the matter of timeliness. These findings pertain to 1966-67, so that they are already some three years out of date. How serious is this, from the standpoint of their relevance to public policymaking—for example, in connection with Federal grant-in-aid arrangements, and in State fiscal planning? What are the prospects for more timely—perhaps annual—comparative measures of this kind?

A second issue concerns the quality of the illustrative figures presented in this report. To what extent are they subject to limitations of coverage or reliability that might have been avoided if better or more timely sources of basic data had been available? Or, to put the matter more pointedly, what prospective or possible improvements in source data would seem most valuable in any future effort to develop similar measures?

The third question also relates to data sources. What would be involved in extending to additional areas, and especially to smaller ones, the kind of statistical effort undertaken here? This issue will be discussed in two parts: smaller counties; and sub-county areas and specific local governments.

Developing Up-To-Date Recurrent Measures

Part of the three-year time lag reflected in our statistical findings can be traced to the exploratory and one-time nature of this study. The time lag probably could be reduced by at least one-third if, instead, such data were being developed at regular five-year intervals and with adequate advance planning and preparation by an appropriate agency, such as the Governments Division of the Census Bureau. Such five-year timing for benchmark comparisons is suggested by the fact that some of the most important underlying sets of data—particularly those from the Census of Governments and the Census of Business—become available only at five-year intervals. For that reason, it would not be possible to apply directly the estimating methods used in the present study any more often than this.

But if comparative measures of relative capacity and effort were developed only each five years, they would at best reflect conditions existing from about two- to seven-years earlier, and such a time lag would seriously limit their relevance to current public policymaking and fiscal administration. This problem could be met by a two-phase undertaking, involving the development of measures quinquennially, along the lines of the present study, and then the updating of such measures by use of basic data available on an annual basis. Especially at the

State level and for major metropolitan areas, such a suggested annual updating operation is already possible from ongoing Federal statistical series—in particular, the economic data developed by the Regional Accounts Division of the Office of Business Economics and the government finance statistics reported by the Governments Division of the Census Bureau.

This feasibility is illustrated in the concluding portion of this chapter, which presents summary State-by-State measures of tax capacity and effort for fiscal 1968-69. The figures were developed by using appropriate annual economic series to update the respective States' tax capacity estimates for 1966-67, and then using Census Bureau data on State-local tax revenue for fiscal 1968-69 to adjust the weighting for various revenue sources and calculate related effort measures. (By additional use of unpublished Census Bureau data it would have been technically possible—but would have required more time than was available—to broaden this updating effort to deal also with non-tax revenue sources, and thereby to present 1968-69 comparisons of total revenue capacity and effort.) Because the kinds of statistics used to update the earlier capacity estimates are available annually not only for States but also for some metropolitan areas and counties, corresponding calculations could be made for such areas as well.

How "good" would annually updated measures be? A specifically quantified answer could only be made after such statistical efforts had been carried out for several years, when capacity estimates thus first prepared on a trending basis could be directly compared with the results of the more detailed quinquennial effort, as performed when the next sets of underlying detailed source data had become available. Especially for entire States and metropolitan areas, such annually-trended data can be expected to be of acceptable accuracy. The economic makeup of such sizable areas tends to change only gradually, rather than drastically from year to year, so that the relative importance of various components of their governments' revenue capacity is unlikely to shift markedly within a limited number of years. For smaller areas, such as individual counties, the resulting data would probably be somewhat less reliable, but this is true of even the capacity estimates based on detailed data sources.

Comprehensive updating calculations—i.e., covering nontax sources as well as taxes, and deriving effort measures as well as capacity estimates—could now be carried out from existing statistics not only for States but also for the 38 most populous metropolitan areas in the Nation and their 105 component county areas. These areas, with about 40 per cent of the Nation's population, account for a little more than half of all local government finances. At present, Census Bureau surveys of local government finances do not yield annual data specifically for other metropolitan areas and counties. However, the Bureau's operations are being broadened to supply figures for an additional set of areas, beginning with data for fiscal 1969-70. The efforts are expected to more than double (to around 250) the number of annually-reported county areas.

Thus, given periodic benchmark measures of relative fiscal capacity and effort, it should be possible at modest cost to develop related year-by-year measures from existing and prospective basic data sources. Such an undertaking would yield relatively prompt comparative information not only for States but also for a considerable number of metropolitan areas and major counties that include a major fraction of the Nation's population and governmental finances. To develop annual measures for all of the approximately 700 county areas with a population of 50,000 or more, however, would require considerable enlargement of the coverage of annual Census surveys of local government finances.

The Prospect For Better Measures

Despite the care and effort invested in the present study, there can be little doubt that if this kind of task were handled on a regular recurrent basis by some appropriate Federal agency, a better set of comparative measures could be developed. Such an arrangement would permit more intensive consideration of difficult conceptual and estimating issues. It would also permit the utilization of certain types of data which at the time of this study were available only for a year so remote in the past as to be of little or no value. It could also take advantage of relevant additions and improvements in Federal statistical programs as these occur.

It is not possible to anticipate all the gains in quality that might be achieved in future efforts. It is possible, however, to indicate some of the most serious data problems encountered in the present study, in relation to available and prospective statistical sources for nationally-comparable measures. Problems involved in the preparation of corresponding measures within any single State are not considered here. As pointed out in Chapter 8, some individual States may already have access to underlying data for this purpose which are better or more directly relevant than the kinds of statistics available for local areas on a nationwide basis. States which are not in this position may be able to develop an improved data base.

Furthermore, these comments are concerned only with the relatively short run, rather than with data needs that would require widespread changes in existing conditions. Perhaps the best example of this concerns the property tax. As indicated in Appendix D, much of the work on this revenue source has drawn upon the taxable values phase of the periodic Census of Governments. The detail and quality of information developed in that undertaking could be vastly improved if local assessment and tax billing records were less primitive than they are in many areas. But that, in turn, would require widespread drastic change in existing assignments of responsibility for property tax administration. While progress in that direction is being made, it would not be realistic to expect that changes under way will soon permit any fundamental change in the kinds of data that can be assembled on a nationwide basis. Hence, references below to desirable broadening and improvement of the Census Bureau's reporting of property tax data are in the context of what seems feasible under existing conditions.

Most of the discussion in this and the following section has to do with data needs at the State, metropolitan area, or county level. A final section of this chapter deals more specifically with some of the data problems involved in developing measures of fiscal capacity and effort for within-county areas, such as municipalities.

Problems with personal income data. As indicated in Chapter 5, it has been necessary in numerous instances to use indirect or proxy indicators to estimate the geographic allocation of potential yields from various types of taxes, rather than to draw specifically upon tax-base data. Either by specific testing or on a judgmental basis, the proxies so used are considered to be relatively sound for this purpose. In most instances they are believed to yield substantially the same results as would flow from actual tax-base data, if such were available. In the estimated geographic allocation of State government amounts of each particular revenue source, any local area is credited with the same proportion of the statewide total of both capacity (potential yield) and actual revenue, so that any "error" in the proportion used applies to both sides of the equation. Accordingly, for any State where the particular source is being used at the national average rate, the use of too high or too low a proportion would cancel out in the calculation of *relative total revenue effort* for each local area concerned; and even where the Statewide rate for a particular source differs from the national average, double use of the geographic allocator tends to limit the potentially damaging impact of "incorrect" proportions upon over-all revenue effort measures for particular areas.

Nevertheless, one major problem concerning the proxy measures used here deserves attention. Intra-State allocation of capacity (and for State sources, of actual revenue) for various tax sources that altogether supplied about one-seventh of all the own-source revenue of State and local governments in 1966-67, was estimated from personal income data developed by the Regional Accounts Division of the Office of Business Economics. Most of the income amounts involved pertain to earnings, as recorded on a "where-earned" basis, rather than according to the place where the income recipients reside. For most SMSA's and individual counties the amount involved is undoubtedly very similar to that which would appear for income, similarly defined, on a "where received" basis. However, there would be a material difference in some instances, particularly at the county level, due to commuting.

The decennial Census of Population assembles data on income (somewhat differently defined than in the national income and product accounts of the Office of Business Economics). The results are available for local areas on a where-received basis, but at the time of the present study the most recent available data of this nature were from the 1960 Census—sadly out of date. When findings from the 1970 Census are in hand, they will afford an alternative proxy measure which is likely to be better than the OBE "where earned" figures for at least some of the geographic allocations involved. Looking ahead, however, such 1970 Census data will also become less and less relevant as the period after the Census lengthens. This problem might be dealt with as part of a recurrent statistical effort, by joint use of the Census and OBE data. It would be far better if the Congress were to act favorably on pending proposals to authorize a mid-decade Census of Population, so that the interval between benchmark income data would be halved from ten to five years. Such action would also, of course, yield better population figures than those used here for the geographic allocation of actual and potential yield amounts of State nontax revenue, and for the calculation of per capita figures.

The income data developed by the Internal Revenue Service on the basis of individual income tax returns, differ conceptually from either the Census or OBE statistics. The broadest reported measure relates to "adjusted gross income" as defined for tax filing,[1] but figures are also reported for "taxable income". These statistics are especially useful for estimating the revenue potential of State personal income taxes, both because the concept of income involved is similar to that applied in the tax laws of a considerable (and increasing) number of States, and because the IRS reports data in some

[1] "Adjusted gross income" comprises total income from all sources, not specifically excluded from income taxation (does not include tax exempt interest, rental value of owner occupied home value, of home produced food, social security benefits, etc.), but after business cost deductions.

detail by income classes. As indicated in Chapter 5, we took advantage of these factors in estimating the potential yield of personal income taxes in the States under a "representative" version of this type of tax at progressive rates.

For within-State estimates of State income tax capacity and actual yield, however, it was not possible to utilize Internal Revenue Service data. The IRS for some time has published figures for selected major metropolitan areas. It has recently begun to issue data for 837 "Zip Code areas," groups of postal delivery zones. Some of them conform directly or closely to the boundaries of particular large cities or city-counties, but this is not true in most instances. In designating Zip Code areas the Post Office Department is governed mainly by considerations of operating efficiency, not to serve statistical needs. Even if that were possible, however, one might question whether the Internal Revenue Service, with its many other pressing concerns, should be expected to enforce a high measure of consistency in taxpayers' practices in reporting the addresses from which they file returns. Significantly, in its 1966 report of *Zip Code Area Data,* the Internal Revenue Service pointed out:

> Taxpayers were supposed to indicate their home address on their returns. The vast majority did. However, some may have given their business address, the address of the assistor who prepared the return, a post office box in a town other than the one they lived in, or no address at all. Geographic classification had to be based on whatever address was shown on a return. If no address was given, the return was coded for the State in whose district office it was filed . . . as "unallocated" by Zip Code area.[2]

With an increasingly mobile population that includes sizable numbers of college students, retired people, and two-home owners, tax returns are likely to offer a rather imprecise basis for income information on a "where-received" basis. While differences in filing practices may tend to cancel out substantially for States and sizable metropolitan areas, this seems far less likely for individual counties and even sizable cities.

For several reasons, then, the *direct* use of IRS tax-returns data to estimate income for such local areas is subject to important limitations. However, there will be an opportunity to make more effective use of such data when findings on income (even though somewhat differently defined) become available from the 1970 Census of Population. With such information in hand, it might be possible recurrently to forward-trend the Census results by reference to tax-returns data. The reliability of the resulting estimates would be greatly enhanced if provision were made for a mid-decade Population Census. But even in that circumstance, the prospective linkage-type calculations would presumably have to be limited to metropolitan areas and the more populous counties and cities in view of the common lack of a direct fit between local government boundaries and Zip Code areas. As there are fewer than 40,000 such areas in the entire Nation, each of them on the average has a population of more than 5,000 persons; this is a rather large building-block to be used in trying to approximate, geographically, any but a limited minority of the individual counties and municipalities in the Nation. Furthermore, although county areas rarely change, municipalities do alter their boundaries by annexation, so that significant developments of this kind would have to be taken into account in any attempt to extrapolate periodic Census results from income tax returns.

To sum up, the prospect for better estimates of income-related elements of local revenue capacity is good as far as the early future is concerned, for it will be possible to utilize findings from the 1970 Census of Population. For subsequent years also, linkage of the Census results with either or both OBE data and IRS data is likely to be helpful for relatively populous areas, although such trended estimates would probably deteriorate in quality in the absence of a mid-decade Census of Population. For smaller counties, and for all but a limited number of very large cities, however, there seems far less prospect of reasonably close recurrent measures. For such areas the present lack of Census-type data at intervals of less than a decade is an especially serious problem.

This may seem an unduly pessimistic conclusion to the reader who is aware that certain commercial organizations regularly publish estimates of income for numerous local areas. Perhaps the longest-established and best known of such operations is carried out by *Sales Management* magazine, which each year publishes data on "effective buying income" (approximating the national income accounts item, "disposable income") for all counties and all cities of 20,000-plus population. If estimates of this kind can be privately prepared, it may be asked, what should prevent either the use of those data for comparative measures of fiscal capacity, or the development of corresponding recurrent statistics by some appropriate Federal agency?

The answer depends at least in part on whether the resulting comparative fiscal measures are intended solely for general background and informational purposes or whether they are to be specifically relied upon in the operation of ongoing intergovernmental grant programs. In the latter case, it would seem reasonable to expect

[2] Page 90.

reliance upon officially-developed rather than commercially-prepared data, since the latter often require less exacting and objective methods of estimation than generally apply to Federal statistical series. As pointed out in Appendix A, in developing estimates for certain major cities for the present study, certain *Sales Management* income figures and intercensal population figures developed by Rand-McNally, Inc. were used. However, business firms which undertake such estimating operations can hardly be expected to apply the same "full disclosure" principles concerning their statistical methods as are properly demanded of public statistical agencies. Moreover, their results are generally designed to serve market research purposes that can be adequately served with less explicit concern for local government jurisdictional boundaries than should be expected for fiscal measures entering into intergovernmental grant arrangements. The existence of some recurrent privately-prepared estimates of "income" for numerous local areas does not contradict the conclusions stated above concerning prospects on this score for the development of better official measures of relative local fiscal capacity.

The "feed-back" problem. There is some degree of unrealism in using present geographic patterns of economic activity, which to some extent have been influenced by differences in the rates of particular State or local taxes, to estimate the *prospective* yield of various taxes as applied at *nationally uniform rates.*

This problem shows up most clearly for such items as tobacco and liquor sales taxes, for which marked differences in tax rates have undoubtedly affected the volume of transactions in particular areas. Washington, D.C., as an especially small "State area" affords an extreme example: no doubt some of its relatively large "per capita apparent consumption" of liquor and cigarettes is a result of sales to non-District consumers, enhanced by the fact that the District had somewhat lighter taxes in 1966-67 than nearby jurisdictions.

Also of potential consequence, if one accepts the common view of economists as to the influence of property taxation on underlying taxable values, is the effect of marked geographic differences in effective property tax rates upon the base for property taxation. According to generally accepted doctrine, an area with a relatively heavy property tax will have a smaller property tax base, in relation to other measures of its economic status, than an otherwise similar area with a low property tax rate.

It seems likely that the existing geographic pattern of mining activity has been influenced to some extent by interstate differences in rates of severance taxes; if so, this piece of State-local revenue capacity would show a somewhat different distribution than that indicated here *if* a nationally uniform system of severance taxation had actually been in effect, as assumed in deriving estimates for the present study.

It is impossible to gauge how much such "feed-back" processes have affected the revenue capacity estimates. Further exploration of this matter will merit high-priority attention if a Federal agency is given the task of measuring relative fiscal capacity and effort on an ongoing basis.

Measuring property tax capacity. This is another problem area that would especially merit further research and testing. More accurate comparative results in the future are likely to depend partly on the scope and quality of the Census Bureau's assembly of data with regard to taxable property values in the periodic Census of Governments. Special attention should be directed to the business component of property tax capacity. As explained in Appendix D, a complex estimating procedure was devised to deal with this element of governmental revenue in the present study. Most of the data sources so utilized are still being refined and improved, to the benefit of future similar capacity-measuring efforts. But completely aside from that, the estimating procedure used here has involved certain presumptions which, due to limited time and resources, have not been tested.

For example, while this procedure takes account of *inter-industry* differences in the relationship between earnings and taxable property values, it makes no allowance for the effects of differences in this relationship *within* particular-industry groups of business establishments. Further research on that subject might indicate either that such differences are unlikely to involve any marked geographic biases and therefore can reasonably be disregarded (as they have been in this study); or on the other hand, that such differences are so sizable that considerably better measures of business tax capacity might be obtained if ways could be found to take them into account—for example, by seeking more detailed type-of-business breakdowns in the source data employed, or by making allowances in the estimation procedure for such other factors as average size of establishment or rate of business growth.

Efforts to refine and improve the estimation of property tax capacity will be even more significant with regard to local-area measures pertaining to local government than for statewide measures concerned with the revenue of States as well as local governments. As reflected in Appendix Tables G-10 and G-13, in most jurisdictions property taxes make up a major share of the total own-source revenue capacity of local governments, with business property taxes often rivalling or in some instances even exceeding in importance any other revenue component.

Measures for Smaller Counties

About four-fifths of all Americans reside in the counties and metropolitan areas for which these comparative fiscal measures were developed. It was found impracticable to present data for a minor fraction of the selected areas, but those reported account for the bulk of the Nation's population and governmental finances. Nevertheless, there are about three times as many counties out-of-reach of this exploratory effort—those of less than 50,000 population, located outside of metropolitan areas—as there are within its scope. The prospect for developing corresponding kinds of comparative statistics for all or most of those other 2,400 county areas depends on population data, non-property tax capacity, local non-tax revenue capacity, property tax capacity, and actual local government revenue data.

Population data. In the present study, local-area population figures were used in two ways: to estimate the geographic allocation within each State of both the actual and potential yield of the State Government's non-tax revenue sources; and to translate absolute amounts of revenue capacity and actual revenue for each reported local area to a per capita basis. For these steps, 1966 estimates of county and metropolitan area population developed by the Bureau of the Census were used.

With completion of the 1970 Census of Population, a better basis will be available for calculations on a nationwide basis. As the 1970 Census findings become increasingly out of date, however, the situation will deteriorate. The Census Bureau does not expect to repeat its all-county estimating operation. Instead, it has launched a new effort to encourage and aid annual State estimates of county population which the Bureau would republish in accordance with agreed standards and procedures. In addition, the Census Bureau expects to maintain and gradually extend its own development of annual population estimates for major metropolitan areas and their component counties. This effort presently covers the 100 largest SMSA's, comprising 288 counties. Even if it ultimately covers all SMSA's, that would include only about 670 counties, only one-quarter of the Nation's counties. Hence, as the period following the 1970 Census grows, the prospect of reasonably "good" comparative fiscal measures for non-metropolitan counties will in part depend upon the pace of the emergent cooperative Census-State government system, and upon whether or not provision is made for a mid-decade Census of Population.

Nonproperty tax capacity. As indicated in Chapter 5, the statistical series used for this study to estimate the intra-State location of the base for various types of non-property taxes (and also the geographic origin of actual State government revenue from taxes) are generally comprehensive in their geographic coverage. For these revenue components, accordingly, our estimating methods could be applied nationwide, except that for counties of extremely small population there might be problems of disclosure for certain Census of Business data (not encountered here, in dealing with larger counties), and of gaps or possible erratic behavior in certain series from the Regional Accounts Division of the Office of Business Economics.

Local nontax revenue capacity. Current expenditure amounts for related purposes were used to estimate financing potentially available from charges and other nontax revenue sources of local governments. If this procedure were extended to populous counties and to the many smaller ones, the resulting estimates would increasingly be affected by the existence of local governments that geographically comprise all or parts of more than a single county area. The 1967 Census of Governments reported more than 7,000 such units—477 municipalities, 4,361 school districts, and 2,327 special districts. In arriving at county-area aggregates of local government finances, the Census Bureau normally credits all the finances of any such unit to its primary or "headquarters" county. However, in the 1967 Census of Governments, the Bureau prorated adjustments for 36 local governments whose finances made up a considerable proportion of their county-area totals. In the present study, all intercounty local governments have been geographically assigned in their entirety to their headquarters counties. Hence, the data for headquarters counties involve at least a slight overstatement of both potential and actual nontax local government revenue.

It was noted previously that the use of the same allocator to estimate the geographic placement of both capacity and actual revenue for any State government revenue component tended to limit the chance that a faulty measure would damage the resulting over-all measure of relative local revenue effort. A similar condition applies to the effect of inter-county governments upon resulting countywide estimates of capacity and revenue. Where such a government is using a nontax revenue source at the national average rate its headquarters county is credited with exactly the same amount of "extra" capacity or actual revenue (i.e., the amount that with more precise geographic treatment would actually be credited to some outlying county or counties). But where the government is using such a source at a rate greater or less than the average rate, the headquarters county is credited with differing "extra" amounts of revenue capacity and actual revenue, so that its resulting measure of relative total revenue effort is somewhat affected.

Despite their considerable number (nearly one-tenth of all local governments), most inter-county units are relatively minor. The reported findings for metropolitan areas and sizable counties are not *materially* affected by the absence of any attempt to make a multi-county allocation of amounts for such units. However, figures similarly developed for smaller counties would be more widely and seriously subject to possible mis-estimation on this account.

Property tax capacity. As indicated in Tables G-11 to G-13, certain data are not available for about one-tenth of the 747 counties or county-type areas listed there. Most of the gaps have resulted from the lack of adequate information to estimate the potential yield of local property taxation of non-business real estate. For this purpose, as explained in Chapter 5 and Appendix D, Census of Governments findings were used for assessed valuations of residential property, acreage and farms, and vacant lots, and the level of assessment for such kinds of property, as indicated by measurable sales. Census development of such data did not apply to the entire Nation, but covered 1,948 sample areas, including about 1,500 whole counties and nearly 500 townships and cities. About half the counties surveyed had a 1960 population of less than 50,000. This might tempt the conclusion that findings for many of the smaller counties not included in the present study might have been used to derive estimates of property tax capacity.

But, other limitations of the periodic Census of Governments coverage must also be taken into account. The 1967 Census ratio findings were based on a representative sample of arms-length sales that altogether reflected about a million properties sold within a six-month period. All this would indicate a national average of only about one "measurable sale" of realty each six months per 200 persons. On this basis, an area of 10,000 population might be expected to have about 50 sales. At the 1-in-12 sampling rate used in the 1967 Census, however, this would mean only a handful of sample items—far too few to reflect assessment levels specifically for various property classes. Yet nearly 30 per cent of the counties in the Nation have a population of less than 10,000.

Clearly, if methods used in the present study to estimate potential property tax yields for non-business property were to be extended to the smaller counties not treated here, the property-values phase of the Census of Governments would need to be materially expanded, both to deal with additional areas and to expand the sample representation of sales in relatively minor areas. Even considerable enlargement along these lines, however, would probably yield only marginal findings for some extremely small counties. Also, especially burdensome operations would be needed in the eight States where the Census Bureau must refer to property records at township and municipal offices rather than making use of countywide sources.

In its advance planning for the 1972 Census of Governments, the Governments Division of the Bureau is targeting toward additional coverage for taxable values data—reportedly hoping to develop assessment ratio estimates for counties of 25,000 and over rather than stopping at 50,000 population. This would add nearly 600 county areas and would thus about double the number of separately reported counties. It would still exclude 1,800 counties, which, despite their number, have only about one-tenth of the Nation's population.

The business portion of property tax capacity has been estimated for this study by reference to data on earnings originating in various types of business, as developed for individual counties and metropolitan areas by the Office of Business Economics. Those statistics are available annually for substantially all counties in the Nation, so that presumably they could be used for less populous counties. In moving down the size scale, however, the resulting estimates would probably be increasingly questionable because of the chance for more oddities and marked year-to-year variations in the underlying data for particular business classes in small counties.

The problems of developing reasonably sound estimates of property tax capacity for counties less populous than those covered in the present study are extremely serious, in view of the predominant role of the property tax in local government financing and its large share in State-local totals. Faulty estimates for this component would severely damage the quality of any attempted over-all measures.

A possible alternative to *direct* measurement of property tax capacity for relatively small counties, could involve the testing of multiple correlation methods for obtaining estimates of capacity by imputation from other types of data that *are* available for all counties. The property tax capacity figures developed for several hundred counties would lend themselves to such testing, but such efforts have not been feasible within the time constraints of the present study.

Local government revenue data. The Census of Governments provides at quinquennial intervals countywide aggregates of local government revenue, detailed by source. Thus, with the exception of inter-county local governments, it is feasible to obtain the actual revenue amounts, for years ending in "2" and "7", needed to extend measurement of relative effort to smaller counties. However, the situation is very different for inter-census years, when local finance statistics are gathered on only a sample basis. As already noted, the Census Bureau's annual sample coverage now yields county-area findings for only the 38 largest SMSA's and their 105 component counties. While survey coverage is being broadened to report about 250 county areas, much further expansion would be required to obtain inter-census revenue data for even the 747 counties examined in the present study, and even more to develop figures for smaller areas.

The Governments Division of the Census Bureau conducts a quarterly survey of property tax collections which yields data regularly for more than 200 major county areas. This survey–redesigned and expanded–could supply such figures for additional counties at much less cost than would be needed for a corresponding geographic enlargement of the Census Bureau's annual surveys pertaining to all major aspects of local finances–revenue, expenditure, indebtedness, and fund holdings.

Measures For Sub-County Areas And Jurisdictions

From the very outset, it was one important objective of the present study to explore the feasibility of developing meaningful comparative measures of revenue capacity and effort for sub-county areas and individual governmental jurisdictions, as well as for entire States, metropolitan areas and county areas. As noted previously, there are well-nigh insuperable obstacles to developing such measures for wide application in a national context to individual *local governments.* However, it should be possible to develop and use comparative measures for individual local government units *within a State,* employing the kind of estimating methods used here but with adaptations to take account of the State's governmental structure and financial assignments.

For sub-county areas the prognosis is nearly as dismal, at least insofar as widely-applied comparisons are concerned. The feasibility of measuring the relative revenue capacity and effort of such areas was initially tested on cities which had a population of 100,000 or more in 1960, and particularly on the 113 located within a geographically larger county area. (An additional 17 major cities are composite city-counties, and therefore appear in the presentation of county-area statistics.) Major gaps or limitations of available basic data made it impossible to develop comparative fiscal measures for 56 of these areas. For the remaining 57, it was necessary to take account of more than 500 local governments–an average of nearly 10 per city–and for every area to make estimated allocations to the city area (often on an arbitrary or conjectural basis) of financial amounts for various overlying units. The results of those efforts are summarized in Appendix A, with a description of the data sources and estimating methods employed.

At the municipal level, most of the basic data problems mentioned for county areas are compounded many-fold; many of the statistical series available to deal with entire counties are lacking for smaller areas. There is the additional problem of estimating allocation for overlying local governments that serve some non-city territory as well as all or part of the city itself. This problem is complicated by the ongoing phenomenon of municipal annexation. During the 1950-60 decade, according to the 1960 Census of Population, all except five of the 57 cities covered in the test enlarged their territory; in 30 instances the added area included at least 10 per cent of the city's 1960 population and in several instances this proportion was over 50 per cent. Many large cities are already hemmed in by other incorporated places, making it likely that significant changes as a result of annexation are even more common for less populous cities.

Still greater difficulties would appear if, instead of targeting at municipal areas, an effort were made to develop comprehensive measures of revenue capacity and effort for various school district areas. Of the nearly 22,000 school districts in the Nation, as reported by the 1967 Census of Governments, only 3,142 were coterminous with a county, township, or municipality. Thus, even decennial population figures are unavailable for the remaining great majority of school districts. In addition, the problem of allocation for overlying governments, as complicated by the possibility of boundary changes, would have to be faced for school districts as it would in the case of municipal areas.

These findings reflect the great diversity in local government patterns across the Nation. Systematic geographical relationships among major kinds of units–counties, municipalities, townships, school districts, and special districts–tend to be the exception rather than the rule.

In the light of such considerations, there seems little prospect–at least pending widespread significant changes in present local government arrangements–that the kind of effort applied here to 57 major city areas could be extended to yield meaningful comparative measures for more than some very small fraction of the Nation's thousands of municipally-governed areas or school districts.

However, a postscript to this conclusion is emphatically in order. A relatively limited number of very large cities together account for a considerable portion of the Nation's population. Problems of providing and financing adequate governmental services are especially pressing in these major urban centers, and for many of them the issue of city-county or city-metropolitan area relations is of critical concern. In this light, a very strong case can be made for seeking to develop recurrent measures of relative capacity and effort for whichever of these "largest" cities may permit such analysis, despite the fact that corresponding information would not become available for some others or for smaller cities. By focusing upon a rather limited number of areas, the complex data problems might be held within bounds, and an extremely important body of information should result. Something like this suggested selective approach was reflected in the ACIR Report, *Fiscal Balance in the American Federal System,*[3] which included comparative local finance data for the central cities of the 37 largest metropolitan areas, relative to the outlying portions of their respective SMSA's.

Although there is little early prospect for the development of *widely-applied* comparative statistics for city areas (such as those illustrated in Appendix A), consideration should be given to the great potential value of further selective efforts of this nature, targeted especially at very large cities.

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[3]Advisory Commission on Intergovernmental Relations, October 1967, Washington, D.C.

Chapter 7

THE AVERAGE FINANCING SYSTEM AS A SPRINGBOARD

The measures and methodology of the average-financing-system approach can serve as a springboard for further comparative analysis. Two such uses are "simplification" and "reweighting."

Simplification responds to questions such as: Is the complexity and effort entailed in the average-financing-system approach worthwhile? Do so many revenue components need to be treated separately? Might not adequate results be obtained by a much less detailed framework?

What is "adequate" is a matter of judgment, related to the uses intended for the resulting data. A high standard would surely be desirable if the findings were to be built into a grant-in-aid formula. It would be little comfort to a government which was short-changed through imprecise measures in the formula to be told that such instances were unusual. In the age of the computer it is possible to apply complex calculating processes that were formerly impracticable or very costly—often at no greater expense than would be incurred for a seemingly simpler process. Conceivably, then, it might be argued that there should not be any particular concern for simpler approaches to the measurement of fiscal capacity. The aim should be to develop the best possible indicators permitted by available data sources and technology.

But the matter is too important to be thus dismissed. States seek measurement of this kind for their local governments. Civic and taxpayer groups, scholars at universities and colleges are concerned with comparative fiscal measures. Some, who might be reluctant to attempt research in this field, may be encouraged by simplified methods which prove to be a reasonable alternative to a detailed approach. On the other hand, they could also be helped by knowing that the complex method and a seemingly "reasonable" simpler method yield notably different results.

Accordingly, a test comparison has been made of revenue capacity estimates obtained from the average-financing-system approach and from an alternative simpler method.

A second set of comparisons, dealing with reweighting, responds to such questions as: Does not the average-financing-system approach tend to endorse and sanctify existing revenue arrangements, which are widely recognized as faulty? Is it really desirable and proper to weight various sources according to their present relative importance in the State-local revenue system, or should the weighting take account of changes that ought to be made in that system to make it more equitable and productive? Chapter 1 includes a discussion of these questions, and offers reasons for measuring revenue capacity *primarily* from the standpoint of State-local financing as it actually exists. A hypothetical model of an ideal or reformed revenue structure would have to be based on subjective preference rather than on objective practice. The resulting measures of relative capacity would differ, to some indeterminate degree, from measures directly related to existing revenue practices.

Once measures, based on an average-financing-system, have been developed it is possible to explore alternatives from a more informed perspective. The present chapter describes the results of a modest effort to adjust the weights given to certain tax components to obtain alternative measures of total tax capacity. These hypothetical results can then be compared with the tax capacity estimates based on the average-financing-system approach.

This undertaking shows specifically the extent to which the relative capacity of various States and local areas would be altered by the tax changes postulated. It also illustrates the flexibility of the detailed-component method of estimating revenue in obtaining comparative findings based on various kinds of assumptions, by adjusting the weights employed. (For example, if severance taxes were entirely dropped as a potential financing source, Louisiana, New Mexico, Oklahoma, Texas, and Wyoming would show up materially lower in relative revenue capacity than they do in Appendix Table G-1. If such taxes were given a heavier weighting, these States would move up in the standings.)

For simplicity, the alternatives explored have been limited to tax weight adjustments. In each instance the comparison pertains to estimates of relative tax capacity, rather than—as would also be feasible—to estimates of relative total revenue capacity. Proportionate changes in aggregate revenue capacity would be somewhat less than those indicated for tax capacity alone.

Simplification

A simplified approach to the measurement of relative tax capacity would clearly have much to recommend it. It should involve less time and effort and source materials than a complex estimating procedure. It would be easier to explain and easier to understand. This would seem to increase the likelihood that the results would be used. These potential advantages depend on whether the findings from a simplified approach are likely to be "sound."

Methodology. Under the average-financing-system approach, estimates of potential yield were developed separately for each of 23 types of taxes. Under the alternative simplified procedure, these were grouped into four broad classes. For each such grouped class, the geographic allocation of potential yield was based upon a statistical measure. The resulting framework, in relation to the more detailed average-financing-system approach, can be summarized as follows:

Percent of tax revenue	Types of taxes	Measure used for geographic allocation of capacity
19.4	Local property taxes on non-farm residential property (same component under average-financing-system approach)	Total personal income
21.2	All other property taxes (Four components under AFS approach – State property taxes plus local property taxes on business and farm property and vacant lots)	Total private (nongovernmental) earnings
34.3	Sales-related taxes (Nine components under AFS approach – all general and selective sales taxes)	Earnings originating in wholesale and retail trade
25.1	All other taxes (Nine components under AFS approach – classes not shown above)	Total personal income

The selection of geographic allocators was influenced by a desire to use measures that are available annually for States, metropolitan areas, and individual counties.

Potential-yield amounts for each of these four broad tax groupings were developed and summed to obtain an estimate of total tax capacity for each State and a sample set of individual counties. These figures were then compared with tax capacity estimates which had been obtained by the average-financing-system approach. The weight given to each summary class equals the sum of the weights given to its respective components under the detailed AFS procedure. Any difference between the two sets of estimates, then, must be attributable to geographic variations in the underlying makeup of these broad revenue components, or to the use of different allocating bases for the simpler estimating procedure, as compared with the more complex method.

State-area findings. Little would be gained by reproducing the dollar amounts for each broad group or the dollar amounts of the total. What is being tested is the ability of this simplified measure to approach the results of the detailed average-financing-system. The percentage divergence of the simple estimate from the complex estimate is shown for individual states in Table 20.

Table 20.—DIVERGENCE OF TAX CAPACITY ESTIMATES BASED ON A "SIMPLIFIED" APPROACH FROM THOSE CALCULATED IN DETAIL ON AN AVERAGE-FINANCING-SYSTEM BASIS, FOR STATES

Underestimate of 15% or more (7 States):	
	Per cent
Wyoming	-37.4
Nevada	-33.6
Oklahoma	-21.1
New Mexico	-20.8
Louisiana	-18.1
New Hampshire	-18.1
Montana	-17.8
Underestimates of 5 to 14.9% (15 States):	
	Per cent
Arkansas	-14.8
Kansas	-13.8
Florida	-13.5
Mississippi	-12.0
Arizona	-11.1
South Dakota	-10.9
Delaware	-10.6
Nebraska	-10.1
North Dakota	- 9.8
Texas	- 9.4
Idaho	- 8.4
Kentucky	- 8.1
Virginia	- 7.2
West Virginia	- 7.0
California	- 5.0

Table 20 (Continued)

Less than 5% divergence (20 States):

	Per cent
Alabama	- 4.8
Colorado	- 4.7
Iowa	- 4.0
Utah	- 3.3
Vermont	- 2.8
Hawaii	- 2.5
North Carolina	- 2.4
Maine	- 2.2
Washington	- 2.2
Oregon	- 1.4
Maryland	- 0.9
Connecticut	- 0.8
Tennessee	+ 0.1
South Carolina	+ 0.7
Alaska	+ 2.1
Indiana	+ 2.4
Ohio	+ 2.7
Georgia	+ 3.5
Michigan	+ 3.6
New Jersey	+ 3.9

Overestimates of 5% or more (9 States):

	Per cent
Missouri	+ 5.2
Wisconsin	+ 5.7
Minnesota	+ 7.9
Rhode Island	+ 8.1
Pennsylvania	+ 8.6
Illinois	+ 8.8
Massachusetts	+13.6
New York	+14.1
District of Columbia	+15.1

There is considerable divergence between the two sets of estimates. The spread is greater than 15 per cent in eight of the 51 areas and greater than five per cent in 31 of them. The coefficient of variation or average difference between the two figures, for individual States is .1145, or 11 per cent. The findings reflect a standard deviation of .109.

For a larger number of States, the simplified method under-estimates capacity in comparison with the detailed average financing method. The heavy "losers" are the States that have unusually large amounts of capacity in such unevenly-bestowed resources as minerals or amusement taxes. Six of the seven biggest cases of understatement are clearly in this situation. This finding reflects a major advantage of the average financing system: it highlights which areas are unusual and why they are unusual. To bury (and thereby erase) the severance tax capacity of Wyoming and Louisiana under a broad proxy measure is to miss a sizeable element in America's State-local revenue structure. Measuring capacity by detailed components does not merely add delicate refinements; it changes the basic picture.

The next biggest group that lose capacity by switching to a simple approach are the "farm states." Because farmers traditionally show up as relatively low in income, and because an earnings measure was used as a simple proxy for farm property values (along with business property values), it is understandable that the capacity of agricultural States would not show up as well in the simple measure as in the detailed measure that used actual market values of farm property to measure capacity.

In general, the States with relatively high income and few unusual capacity components show up as "richer" with the simple measuring rod. As Table 20 indicates, both the number of States and the extent of divergence are relatively small in which the simple method overestimates tax capacity. However, this group includes a majority of the Nation's most populous and urbanized States, for which the indicated differences could involve sizable dollar amounts of any Federal grant-in-aid arrangement.

Local-area findings. To make a similar comparison at the local level of tax capacity as estimated from detailed type-of-tax components and on a simplified basis, a 1-in-13 random sample was selected from among the 747 county areas listed in Appendix Tables G-11 to G-13. This supplied a sample panel of 51 counties, exclusive of a few areas for which needed basic data were unavailable, as indicated in those tables. The kinds of calculations that had been applied to entire States, were carried out for each area.

Even greater divergence between the two sets of estimates appears at the individual-county level than at the State level. In the average instance, the "simplified" approach yields a county-area capacity figure differing by 18 per cent from the estimate developed from detailed tax components. The average difference for States was 11 per cent. For about one-fourth of all the sample counties, the divergence was at least 20 per cent, and for about one-third it was between 10 and 20 per cent. For only nine of the 51 counties were the two figures within five per cent of one another.

When these 51 areas are subclassified by type, as shown in Table 21, we find clear patterns of divergence. The "simplified" measure generally runs below the more sophisticated capacity estimate among (1) counties that comprise entire metropolitan areas, (2) those that make up an outlying part of a multi-county SMSA, and (3) sizable non-metropolitan counties.

The contrast between the central and outlying portions of multi-county SMSA's is especially obvious. At least one reason for this can be suggested. To estimate capacity for residential property taxes, personal income (on a where-earned basis) was used. The residen-

Table 21. DIVERGENCE OF COUNTYWIDE TAX CAPACITY ESTIMATES BASED ON A "SIMPLIFIED" APPROACH FROM THOSE CALCULATED IN DETAIL ON AN AVERAGE-FINANCING SYSTEM BASIS, BY TYPE OF COUNTY: 1966–67

Divergence of "simplified" estimate from detailed-component estimate	All counties	Entire-SMSA counties	Counties in multi-county SMSA's: Central	Counties in multi-county SMSA's: Non-central	Non-SMSA counties of 50,000-plus
Number of sample counties	51	7	14	13	17
Per cent of sample counties:					
Total	100	100	100	100	100
Plus 20 per cent or more	10	–	36	–	–
Plus 10 to 19.9 per cent	6	–	7	–	12
Plus 5 to 9.9 per cent	10	–	21	8	6
Less than 5 per cent	18	29	14	–	29
Minus 5 to 9.9 per cent	16	29	14	8	18
Minus 10 to 19.9 per cent	27	29	7	38	35
Minus 20 per cent or more	14	14	–	46	–

tial property tax is a major component of the all-tax total. Because in most large SMSA's there is more in-commuting than out-commuting to the central county, the use of income on a where-earned basis results in crediting the central county with greater capacity (and neighboring counties with less) than is obtained from direct measurement of residential property tax capacity through the more sophisticated estimating approach.

The unsatisfactory nature of the simplified method is even more obvious when one compares the results for some well-known areas that happen to fall within the test sample group:

County	Central SMSA city included	Per capita revenue capacity: Detailed component estimate	Per capita revenue capacity: Simplified method estimate	Per capita revenue capacity: Per cent difference
Cook, Ill.	Chicago	$483	$594	+23
Baltimore City	Baltimore	435	556	+28
Hennepin, Minn.	Minneapolis	517	631	+22
Clark, Nev.	Las Vegas	641	386	-40
Essex, N. J.	Newark	475	564	+19
New York City	New York	520	689	+32
Schenectady, N.Y.	Schenectady	367	489	+33
Bucks, Penna.	xxx	353	273	-23

It thus seems even more evident at the local-area level than at the State level that the kind of simplified approach tested does not afford a satisfactory substitute for more complex estimating methods. Perhaps a better fit might be obtained with some alternative "few-factor" procedure, but in view of the data problems reviewed in Chapter 6, the prospect does not appear promising.

Reweighting

More than 20 tax sources were dealt with in the average financing system, providing ample possibilities for changing weights. The separate estimation of capacity for each tax presents an opportunity for fine tuning. Whether the question is what should be or what shall be, the tax components in the average financing system provide a solid framework of what is.

In the present section, three simple reweightings have been performed to serve as an illustration of the possibilities. In this example, all the changes begin and end on the capacity side of the fiscal picture. The question posed is *not*: How much more money could have been raised in 1967 if all the State governments had used income taxes, or sales taxes or some other revenue source, x times as intensively as the national average? Rather, the question is structured: Suppose that the relative role of corporate income taxes and tobacco taxes had been reversed in 1967, so that the weights given to these components of the State-local revenue structure were accordingly different; how would that have changed the total capacity of each State?

The reweighting calculations postulate that State and local governments had obtained three times as much revenue in 1966-67 as they actually did from individual income taxes and death and gift taxes, and that their collections from certain other taxes were correspondingly less. In other words, tax capacity was recalculated with a triple weighting given to the income and death tax components, and the weighting for other sources was cut back enough to keep the resulting nationwide total of tax capacity equal to total tax revenue. Tax capacity of a State or local area would change depending on the relative role of various tax bases in its capacity profile. The net change in tax capacity is under examination.

State-area findings. Tables 22 and 23 present the results of the three reweightings of tax capacity calculated for individual States with the offsetting reduction in tax capacity credited respectively to all property taxes; local residential property taxes; and all State and local tax sources other than individual income and death taxes.

These hypothetical shifts in the State-local tax structure were chosen partly because the State-local revenue structure has been trending in this direction. Individual income taxes rose from 9 to 12 per cent, and property taxes dropped from 43 to 40 per cent of the total tax yield during the past three years. And it is widely argued that the shift should go further, on various grounds: Income and death taxes are generally progressive, whereas the property tax is regressive; in a non-agricultural society, income and death taxes measure ability to pay better than property taxes; residential property taxes are said to be an unconscionable excise tax on the purchase of shelter. The point is not whether the argumentation is convincing or not; that would be a crucial point if the study presented a model revenue system instead of existing conditions. The point is to illustrate how the data developed with the average-financing-system approach can be used to measure relative revenue capacity under various hypothetical or prospective conditions, as well as under those that now exist.

A number of observations can be drawn from these tables.

The percentage changes are generally rather minor. Individual income and death taxes contributed a small part (9.3 per cent) of all State-local tax revenue in 1966-67. Thus, while triple-weighting for these sources may sound "drastic," it involves an adjustment in the geographic allocation of capacity for only 19 per cent of the nationwide all-taxes total. And, of course, for each State the threefold multiplication of estimated potential yield for these particular sources is offset by an assumed reduction in the potential yield from other kinds of taxes–i.e., cut-backs in capacity estimated alternatively for all property taxes (by 46 per cent), for local residential property taxes only (by 97 per cent), or for all State-local taxes other than individual income and death taxes (by 21 per cent).

Under the first and third alternative reweightings, there are about twice as many losers as gainers. In each of these instances, a few very populous States account for most of the net dollar gain in estimated tax capacity, with offsetting reductions spread out over many smaller States. However, under the second reweighting (with capacity reduction assumed only for local property taxes on nonfarm residential property), the States are about evenly divided as to gain or loss. Furthermore, that switch would involve considerably less change in the standings of individual States than either of the other reweightings tested. This indicates a generally close correlation, among the various States, between personal income and the value of nonfarm residential property.

When "all property taxes" are taken as the offsetting capacity element, much more divergence appears. States with high income levels tend to be gainers. However, the converse is not true. It is not the lowest income States that show up as especially heavy losers. Rather, it is the group of States that have a relatively high proportion of their total capacity accounted for by the farm property tax base. Of the ten highest-percentage losers under this reweighting, seven are among the ten States in whose capacity picture farm taxation looms largest.

The greatest divergence is found for the third alternative reweighting, where the offset to the triple weighting for income and death taxes is spread among all other tax sources. This, of course, is not surprising, for with this approach the adjusted capacity estimates reflect a dampening down of unusual tax-base characteristics fully reflected in the average-financing-system approach, which are often not closely related to State income levels.

Local-area findings. Reweighted tax capacity estimates were also developed for the subsample of 51 county areas. In this instance only two alternatives were considered, with the reduction to offset the tripling of income and death tax capacity applied respectively to property taxes as a whole (but not separately for residential property taxes) and to all taxes other than individual income and death taxes. The results are summarized in Table 24.

Again, in this instance, the indicated shifts in tax capacity appear rather modest, although as might be expected they tend to run higher and reach wider extremes among counties than among entire States. When the offsetting capacity reduction applies to property taxes, the areas divide about evenly in gain or loss with reweighting. However, when the offset applies to all taxes other than income and death taxes, the losing areas outnumber the gainers by 2-to-1.

The shifts differ strikingly in different kinds of areas. With both of the reweightings tested, gains in estimated tax capacity show up especially for the central counties of multi-county SMSA's, and losses for most of the outlying counties of metropolitan areas. This is to be expected, in view of the additional weight given in the adjusted capacity estimates to personal income, as available from the Office of Business Economics on a where-earned basis. For other kinds of county areas

Table 22. PER CENT CHANGE IN TAX CAPACITY WITH TRIPLE WEIGHTING FOR INDIVIDUAL INCOME AND DEATH AND GIFT TAX CAPACITY AND OFFSETTING REDUCTION OF WEIGHTS FOR SPECIFIED OTHER TAXES, FOR STATES: 1966–67

State	Reduction of capacity weighting applied to—		
	All property taxes	Local residential property taxes	All taxes other than income and death taxes
Alabama	–2.5	–2.8	–4.3
Alaska	1.3	5.5	0.7
Arizona	–3.9	–2.6	–4.4
Arkansas	–6.8	–4.7	–8.2
California	–1.1	–4.0	0.2
Colorado	–2.2	–0.8	–3.0
Connecticut	7.0	3.1	7.8
Delaware	3.8	3.9	4.9
Dist. of Col.	1.9	–0.1	2.3
Florida	–4.0	–7.3	–3.7
Georgia	–0.8	–0.3	–3.0
Hawaii	–2.4	–4.3	0.1
Idaho	–4.5	2.9	–6.1
Illinois	2.2	2.9	3.0
Indiana	0.1	3.4	–0.8
Iowa	–4.2	1.1	–3.4
Kansas	–5.0	–2.3	–4.4
Kentucky	–3.7	–3.7	–4.7
Louisiana	–3.6	0.5	–6.1
Maine	0.3	–1.7	–1.8
Maryland	5.7	2.0	6.0
Massachusetts	4.1	1.9	3.5
Michigan	2.3	1.4	2.3
Minnesota	–1.2	3.0	–2.8
Mississippi	–6.2	–5.1	–8.0
Missouri	–0.6	1.2	–1.2
Montana	–6.8	1.7	–6.8
Nebraska	–5.2	–1.0	–4.1
Nevada	–3.6	–3.6	–5.7
New Hampshire	–1.3	–4.0	–2.0
New Jersey	3.7	1.7	4.0
New Mexico	–4.2	–	–6.9
New York	3.2	1.0	5.1
North Carolina	–3.4	–3.1	–4.7
North Dakota	–7.2	2.8	–8.2
Ohio	0.8	0.8	1.1
Oklahoma	–6.3	–3.3	–6.6
Oregon	–2.7	–3.1	–2.9
Pennsylvania	2.6	3.5	2.3
Rhode Island	5.9	4.0	4.6
South Carolina	0.7	4.1	–3.8
South Dakota	–8.5	0.7	–8.2
Tennessee	–1.5	–1.0	–3.0
Texas	–1.1	4.2	–3.2
Utah	–5.0	–3.9	–5.4
Vermont	0.3	1.5	–3.0
Virginia	–0.6	–3.5	–0.7
Washington	–1.7	–3.4	–0.4
West Virginia	–2.7	–	–3.5
Wisconsin	–0.4	–0.4	–0.5
Wyoming	–7.6	–1.1	–8.7

presented in Table 24, greater diversity appears in the effects of reweighting upon tax capacity. Especially with the second alternative, however, most of the counties other than those at the center of major metropolitan areas show less capacity than is calculated for them under the average-financing-system approach.

Implications of the test findings. The comparisons described above are purely illustrative, and do not begin to exhaust possible departures from the average-financing-system approach to the measurement of fiscal capacity. Reweightings need not necessarily apply to only particular-tax classes, but could be carried out for groupings of sources. Thus it would be possible to calculate an alternative set of capacity data by changing the relative weights for "personal taxes" and "business taxes," as summarized in Table G-6, or for other combined sets of detailed tax classes.

The development of such "adjusted" capacity measures need not merely be an academic exercise. The

Table 23.–DISTRIBUTION OF STATES ACCORDING TO PERCENT CHANGE IN ESTIMATED TAX CAPACITY WITH TRIPLE WEIGHTING FOR INDIVIDUAL INCOME AND DEATH TAX CAPACITY AND OFFSETTING REDUCTION OF WEIGHTS FOR SPECIFIED OTHER TAXES: 1966-67

Divergence of reweighted capacity estimate from average-financing-system estimate of tax capacity	With reduction of capacity weighting applied to–		
	All property taxes	Local residential property taxes	All taxes other than individual income and death taxes
Plus 6 to 7.9 percent .	1	–	2
Plus 4 to 5.9 percent .	3	4	4
Plus 2 to 3.9 percent .	6	9	5
Less than 2 percent . .	17	21	10
Minus 2 to 3.9 percent .	10	11	12
Minus 4 to 5.9 percent .	7	5	8
Minus 6 to 7.9 percent .	6	–	5
Minus 8 to 8.9 percent .	1	–	5
Average percent divergence	3.3	2.6	4.0

results could lend themselves to policy-making and fiscal administration needs of States and the Federal Government. For example, specifically-planned re-weightings might be used to obtain comparative data on relative revenue capacity and effort that reflect prospective or desired patterns of financing, rather than (as under the average-financing-system approach) reflecting directly the relative importance of various revenue sources at some recent period. Such possibilities are more fully discussed in Chapters 4 and 8.

Table 24.–PERCENT CHANGE IN TAX CAPACITY WITH TRIPLE WEIGHTING FOR INDIVIDUAL INCOME AND DEATH AND GIFT TAX CAPACITY AND OFFSETTING REDUCTION OF WEIGHTS FOR SPECIFIED OTHER TAXES, FOR SAMPLE COUNTY AREAS, BY TYPE: 1966-67

Change in estimated tax capacity	All counties[1]	Entire-SMSA counties	Counties in multi-county SMSA's		Non-SMSA counties of 50,000-plus
			Central	Non-central	
With reduction of capacity weighting applied to property taxes—percent of counties:					
Total	100	100	100	100	100
Plus 10 percent or more	6	0	14	0	6
Plus 5 to 9.9 percent	8	14	14	0	6
Plus 2 to 4.9 percent	14	29	14	8	12
Less than 2 percent	33	0	50	23	41
Minus 2 to 4.9 percent	25	43	7	31	29
Minus 5 to 9.9 percent	14	14	0	38	6
With reduction of capacity weighting applied to all taxes other than income and death and gift taxes—percent of counties:					
Total	100	100	100	100	100
Plus 10 percent or more	4	0	7	0	6
Plus 5 to 9.9 percent	10	0	29	0	6
Plus 2 to 4.9 percent	10	14	14	8	6
Less than 2 percent	27	29	21	15	41
Minus 2 to 4.9 percent	29	29	29	23	35
Minus 5 to 9.9 percent	20	29	0	54	6

[1] As to number and selection of sample counties, see Table 21 and related text discussion.

Chapter 8

POTENTIAL STATE GOVERNMENT USES

Measurements of fiscal capacity and effort are intended for practical use in comparisons across State lines as well as for measuring local capacity and effort within State borders.

The capacity and effort measures in the first seven tables of Appendix G attempt to provide a broader framework for State officials to evaluate fiscal conditions within their States.

The *capacity* measures provide some illustrations. To know, in a general way, that Arkansas is a "poor" State is not particularly helpful to a decision maker in that State. To know, however, (from Appendix Table G-2) that the relative capacity of Arkansas is much stronger in the field of sales taxation than in the field of income taxation is likely to be more helpful. The fiscal measures help in ascertaining how the various types of revenue capacity are distributed within a State. A national perspective for examining this percentage distribution is an advantage; a framework for comparisons with neighboring States is an even bigger advantage. (In this connection, it would be of value for legislators to know whether or not they are making good use of their relatively strong points.) But for many purposes, the detailed revenue-capacity view of the home State might have the most meaning.

For example, if Nebraska and New Jersey were to determine that they derive a larger-than-average percentage of revenues from property taxation, they may weigh the pros and cons of being "out of line" and may consider alternative sources. They would be aided by comparing the relative effort of their own local areas on specific revenue sources with the national average. These comparisons could also be made with local areas of like size around the country, or with those in similar circumstances, or with competing areas—especially in contiguous States. North Dakota might wish to continue the practice of heavier-than-average local financial responsibility, but have doubts about the implications on property taxes on housing. It can compare its relative reliance on this part of the property base with that in local areas elsewhere, especially in some of the neighboring farm States. In more general terms, a State may be much impressed by the argument (heard with increasing frequency) that greater assumption of functional and financial responsibility by State governments will lessen the need to use property taxation so intensively. In this context, a view of the State government capacity figures will offer a quantitative basis for studying alternatives.

The State that finds it is disproportionately strong in State government revenue sources—as compared with local government sources—may consider shifting a larger-than-average share of financial responsibility to the State level. Some State government policy-makers may suggest that the State assume a larger role in raising the non-Federal share of grants-in-aid in a world that sees economic centralization and economic interdependence increase day by day. How might the State take on relatively more fiscal responsibility? The detailed measures in Appendix G facilitate hypothetical reassignments of weights to different revenue sources to aid in answering that question. An illustration of this for all the States rather than a single State, appeared in Chapter 7.

Business taxes and personal taxes. In Appendix Table G-6, certain taxes were grouped under the headings of "Business Taxes" and "Personal Taxes." Although three-quarters of all business taxes are collected by local governments as property taxes, any significant policy decisions about these groupings are likely to be made at the State level.

One reason for grouping taxes under these headings is the industrial development issue. State and local governments manifest broad concern about attracting or driving out business firms by their tax practices. Another reason for the division is "tax burden." It is generally thought that the burden of taxes on business is more likely to be shifted beyond State or local borders than is the burden of personal taxes. A corporate income tax or a local property tax on a corporation's factory is a good example. Economists estimate that part of the tax may be paid by shareholders (lower profits), part paid by employees (lower wages and fewer jobs), and part paid by consumers (higher prices). Thus, Chevrolet purchasers in Des Moines may well be contributing to the cost of a local school in St. Louis (where the Chevrolet assembly plant is located and where it pays property taxes).

The industrial development consideration argues for a policy of low business taxes in order to attract industry, while the tax burden consideration suggests high business taxes in order to shift the final payment of taxes to other parts of the country. Depending on which consideration is found more convincing, a State may decide to increase business taxes or decrease them. The information in Appendix Table G-6 (and in the other State tables) can assist the decision. First, it shows the State's present capacity and effort as compared with other areas. Second, it indicates the quantitative effect of changes in policy.

Suppose that officials in Alabama and California independently concluded that it would be appropriate to utilize business taxes 20 per cent more intensively than the national average. For Alabama, (where business tax effort is 53 per cent of the U.S. average), this would mean more than doubling its business tax revenues, Or, put another way, it would mean that its personal taxes in 1966-7 could have been reduced 23 per cent without any loss of total revenue. In California, the same policy decision would lead to very different results. Since business tax effort in California is well above the national average, a decision to tax business 20 per cent more than the national average would entail a 7.2 per cent increase in personal taxes to keep total revenues unchanged, or else a 3.5 per cent drop in revenues.

Suppose that the National Governors' Conference and the national organizations of State legislators agreed that existing State and local taxes on business should be reduced. This agreement might be based on awareness that competition among States and localities to attract business through tax policy is self-defeating, on the arbitrary (and often unknown) manner in which the final burden of business taxes is shifted, on the impossibility of determining a particular State's "proper" share of a national corporation's total tax payment, on the serious problems associated with local assessment of large business properties. The information in Appendix Tables G-1 through G-6 would permit the Governors and the legislators to measure the effects of such a policy on each State. This information would be essential to making policy implementation both equitable and palatable. This illustration highlights the fact that State officials may find fiscal measures useful not only for making policy decisions within their own States, but also for seeing areas of common interest among the States.

The relative effort measures can be equally informative. They tell a State how its practice compares with practices in other States, where it is "out of line" in its use of its fiscal resources, and where it might look for additional revenue.

Search for new State tax revenues. A first step in the search for new State revenues could be the comparison of State use of tax sources with the national average. "Underutilized" sources would seem to be a reasonable place to start the search for money, for they could produce funds without pushing the State out of line with other States. More helpful would be estimates of which tax sources would bring in the greatest amount of revenue if used at the level that is average around the country. The information would be especially useful if assembled in a form indicating how much additional revenue would be gained.

This section presents State-by-State figures that bear directly upon these questions. Because they reflect conditions as of 1966-67, the data have become somewhat outdated as a result of subsequent changes in tax legislation. Nevertheless, they should illustrate one way that detailed comparative measures of tax capacity and relative tax effort can be drawn upon by States for policy-making purposes.

For each State, Table 25 shows: (1) The percentage increase in total tax revenue that would have occurred if use of all "underutilized" tax sources had been brought up to the national average level (without reducing rates for the other sources already being used at or above the national-average-rate); (2) the number of separate "underutilized" sources; (3) which of the major tax classes show up as part of the "underutilized" group; and (4) the two types of taxes that would yield the most additional revenue with average-rate use.

The examination of below-average effort ratios is *not* meant to indicate the total amount of what is sometimes called "unused tax capacity." Such a term would presumably mean the net amount of additional revenue that a State could raise if it utilized *all* of its potential tax resources at the national average. That is not what is being examined here. If that were the meaning, a State like Iowa, for example, would obviously have no unused capacity, for its overall tax effort index is 104, as reported in Appendix Table G-4. The same would be true for the other 20 States with a tax effort index of 100 or more. Only those sources in which the effort ratio is below 100 are examined here. Tax sources with effort ratios above the national average are disregarded. (This is certainly not to imply that State policy makers can disregard above-average effort ratios in their decisions.) Thus, there is no netting of pluses and minuses. The process is a summation of the minuses.

For the same reason, the information provided in this section does not attempt to indicate which State is "trying harder." Overall tax effort measures provide that

Table 25.–REVENUE POTENTIAL FROM "UNDERUTILIZED" TAX CLASSES, FOR STATES, 1966-7

State	Percent addition to actual revenue	Number of tax classes involved[1]	Major tax classes involved: Nonfarm residential property	Business property	Farm property	General sales	Individual income & earnings	Motor vehicles	Motor fuel	Corporate income
Alabama	38	10	xx	xx	x			x		
Alaska	32	10	x	xx	x	xx				
Arizona	11	13			xx		xx			x
Arkansas	33	10	xx	xx	x					
California	10	11					xx			
Colorado	10	15			x	x		xx	x	x
Connecticut	22	10				x	xx		x	
Delaware	51	13	x	xx	x	xx				
District of Columbia	26	8	xx	x		x			x	
Florida	28	11	xx	x		x	xx			x
Georgia	23	11	xx	xx	x			x		
Hawaii	21	13	xx	xx	x			x		
Idaho	17	12	xx		x	x		xx	x	
Illinois	30	10		xx			xx		x	x
Indiana	18	11							x	xx
Iowa	13	9				xx				xx
Kansas	19	13	xx						x	x
Kentucky	36	10	xx	xx	x			x		
Louisiana	32	10	xx	xx	x		x	x		
Maine	17	8					xx	x		xx
Maryland	10	10			x	xx		x		xx
Massachusetts	14	8				xx				
Michigan	21	11	x				xx	x	x	xx
Minnesota	20	8				xx		xx	x	
Mississippi	25	11	xx		xx		x	x		
Missouri	24	16	x	xx	x		x		x	xx
Montana	31	9	x		xx	xx		x		
Nebraska	49	13	x	x		xx	xx	x		x
Nevada	50	16	xx	x	x	xx	x		x	x
New Hampshire	47	11				xx	xxx	x		x
New Jersey	28	13		x		xx	xx	x	x	x
New Mexico	31	12	xx	xx	x		x	x	x	x
New York	6	8							x	
North Carolina	29	12	xx	xx	x	x		x		
North Dakota	14	11				xx		xx	x	x
Ohio	32	13	x			xx	xx	x		x
Oklahoma	33	14	xx	x	x	xx	x	x		x
Oregon	25	11	x			xx			x	
Pennsylvania	27	10		xx			xx	x		
Rhode Island	17	9					xx			
South Carolina	24	12	xx	xx	x			x		
South Dakota	14	11				x	xx	x	x	xx
Tennessee	26	13	x	xx	x		xx	x		
Texas	40	16	x	x	x	xx	xx	x	x	x
Utah	12	11	xx		xx			x		x
Vermont	21	7				xx			x	x
Virginia	32	11	xx	xx	x	x				
Washington	33	11	xx	x	x		xx			x
West Virginia	32	12	xx	xx	x		x			x
Wisconsin	13	10				xx		x		
Wyoming	49	14	xx		x		xx		x	x

[1] Of 20 type-of-tax classes; see text.
Note: The symbol "xx" indicates sources from which the greatest addition of funds could be collected.

information. This illustration is *not* meant to suggest that every State should use each tax base up to the national average level. It is an illustration of how detailed comparative data may be used by decision makers in their search for revenues. This illustration is based on 20 separate tax sources, which were derived by combining local payroll taxes with State income taxes, local general sales with State general sales taxes, and uniting State and local taxes on motor vehicles.

Table 25 is designed primarily for those seeking information from the viewpoint of their own States but is also useful for the national, or overall, viewpoint. For all the State areas taken together, actual tax revenues in 1966-7 would have been 21 per cent higher if the governments in each State used 100 per cent effort on those particular sources in which effort was below normal. Of that potential 21 per cent increase in tax revenue, about two-thirds would have come from using existing taxes more intensively, and one-third from initiating new taxes. Predictably, general sales taxes and income taxes would provide most of this addition to tax revenue.

In general, States that could add the largest relative amount of funds by further exploitation of certain tax sources are also the States that have the lowest overall tax effort ratios (Appendix Table G-4). Thus, of the ten States with the highest percentage figures in Table 25, seven are in the lowest fifth of all States in terms of relative total tax effort. The picture at the other end is similar: of the ten States that have relatively least to gain from heavier use of "underutilized" tax sources, eight are among the top ten total effort States. This general pattern is not always the case. Delaware, for example, has the largest percentage in Table 25, but there are 14 States with an overall tax effort below Delaware's.

Table 25 suggests that the tax bases that loom largest in the national scene are the ones with the greatest potential for new revenue. The two major potential producers in each State were picked out, totalling 102 items. Ninety of the 102 are in the eight major classes shown in the table. Residential property taxation is singled out 21 times, general sales and individual income taxes each 18 times, and business property taxes 17 times. Eight of the 18 States in which general sales taxes would produce more revenue did not have this kind of tax; the other ten would gain revenue from more intensive use. Individual income and earnings taxes would have had to be newly enacted in 11 of the 18 States in which this source would have provided a major addition to revenues.

In four States, only one of the eight major tax sources is used at sub-normal levels. For two of these States, the picture is especially dismal, inasmuch as their total tax effort ratios are already far above average: 121 per cent for Massachusetts and 138 per cent for New York. The prospects are much brighter elsewhere.

There are three States in which seven of the eight major sources are still open to further utilization: New Mexico, Nevada, and Oklahoma. Texas has all eight major classes available. And in three of these four States, the range of choices is made still more attractive by the fact that their overall tax effort index is well below the national average.

Interstate differences in the number of different tax classes available for further use are significant. Two States have 16 to 20 to pick from while one State at the other extreme has only seven. Even though the relative amounts available from these sources are quite different, a wider range of choices is likely to be more welcome than a narrow range.

The data presented here and in the Appendix Tables also can be used when the policy objective is tax relief. If property tax relief is the target, but there is question of whether it should be directed especially toward home owners or business firms, the debate may be helped by knowing how a particular State compares with others in its exploitation of the residential portion and business portion of the property tax base. The prospect of tax relief in one field almost always necessitates a tax increase in another field, bringing the decision makers back to a search for new revenues.

The policy issue of transferring financial responsibilities from local governments to the State level is related to the tax relief matter. For example, the Advisory Commission on Intergovernmental Relations recommended in 1969 that State governments assume greater responsibility for the financing of education. Implementation of the recommendation would likely entail a notable trade-off among tax sources used by State governments and those used by local governments. In terms of Table 25, it would probably mean a relative easing of local property taxes and a relatively heavier leaning on one or more of the five major tax classes used more generally by State governments. Which of the latter are the most promising candidates for further utilization? Table 25 suggests some starting points for the discussion.

State Use of Local Measures

The fiscal profiles of larger local areas may be treated as a special group for certain purposes, such as the urban crisis—so much of which is grounded in governmental finances. Seven States have more than 30 such major county areas. To determine how they compared among themselves within each State, the measures shown (that include adjustments for within-State patterns of raising revenues) would be especially helpful. In addition to the information in the main tables (Appendix G), some analysis of the State-by-State ranges and variations was presented in Chapter 2 (Tables 10 and 11).

Comparisons around the Nation reveal a wide variation in local capacity measures. In total revenue capacity, there appears among the major counties of the country a range of 6.7 to 1 (from $823 per capita to $123 per capita). For local government revenue sources alone, the range in per capita capacity is even greater, 11-to-1.

Within States, the ranges were narrower. Still, as indicated by Table 13, the capacity range among major counties was at least 2-to-1 in 20 States.

Inasmuch as the Office of Business Economics has begun to make income figures available for all of the Nation's counties, some State officials may wonder if income data might serve as an adequate indicator of fiscal capacity. As discussed in Chapter 2, an investigation of this possibility was made (using 1959 median family income for each county). The results indicate that estimated revenue capacity (as developed here) and personal income data do not fit one another closely, even for the major counties within a single State.

One policy conclusion that clearly emerges from a single State's use of fiscal measures is that the concern now shown in many State aid programs for variation in local fiscal capacity is well-grounded. There is much to "equalize." It is to be expected that the differences in county-area capacity would be still greater if all the counties, even the smallest, were included. The wider variation found in fiscal capacity than in income also carries policy implications for State officials. It seems to indicate that there are greater local differences in ability to support a "public standard of living" than in ability to support a "private standard of living."

Each State would want to decide whether to view the capacity of its local areas in terms of total revenue capacity (as defined in this report) or in terms of property tax capacity. In the vast majority of equalizing school aids, property tax capacity currently is used as the basis of adjustment. The question of which measure to use is not an idle one. For one thing, there are real differences in the relative share of total capacity that is provided by property (Appendix Table G-13). But, when the focus switches to particular-State practices, the relative importance of property taxes diverges very markedly from State to State. As a result, nationwide generalizations about using property tax capacity as equivalent to total local capacity lose much of their validity. Property tax revenue is only about one-fifth of all locally-raised revenues in Alabama, whereas it is more than four-fifths in New Hampshire. Property tax capacity, therefore, might be a reasonably adequate proxy for local fiscal capacity in New Hampshire, but it would be far from adequate in Alabama. For all the States, property taxes provide 62 per cent of all locally-raised revenues.

State Use of Methodology

Many of the difficulties and limitations encountered in a nationwide study of local fiscal capacity and effort do not appear if a similar approach were to be employed within a single State. Cut away at a single stroke is the worrisome adjustment to differing divisions of responsibilities between a State and its subordinate units. In this connection, a one-State study can omit State government finances. Since State revenue sources are so much more numerous than local ones, this reduces the task considerably.

Even after the scope has been reduced to local government sources, still further simplification will occur within an individual State. Instead of looking at more than twenty tax and non-tax revenue sources used by local governments around the country, only the sources actually utilized in the particular State would be included. Then, too, each revenue source can be defined with the precise meaning it has in a single State rather than with an "average" meaning that strives to embrace all States.

Data sources would be more readily available. And they would be available in the form most pertinent to a particular State's needs and preferences. The unique value of an average-financing system lies in the fact that it bases its measurements on existing practices. For sound reasons, it is necessary in a nationwide effort to lump together the existing practices of different kinds of local governments and treat them as if they were a homogeneous group. With State data sources, however, and with adjustment for a particular State's fiscal system, the data for counties or for school districts or for cities can be collected, measured, compared, and interpreted as separate classes. The individual State also has an advantage regarding data sources. Property values provide a good illustration. A major challenge in a national approach to local finances is establishing a sound basis of comparability for property base data. The State can, in theory at least, escape this difficulty. If information on local property assessment and equalization is not in a form that satisfies the State government, it can mandate better procedures and uniformity.

It would be a mistake, however, to conclude that the adaptation of an average financing system to an individual State's local jurisdictions is completely free of problems. For a State policymaker, the desire to deal with an individual local government rather than a local area increases; the overlapping layers of local government, therefore, become more troublesome. The property tax, as a revenue source, becomes much more important when only local finances are considered. Yet, even for a particular State, property capacity yields to careful measurement only with great reluctance. For one thing, the State cannot deal with just the larger local areas as is done in this study; it would need property base data for the smallest subdivision in the State. Even when it does manage to meet this challenge, the State knows that year-to-year variations will increase in importance as smaller areas are included.

The seriousness of the problems encountered in a State's adaptation of an average-financing-system will vary from State to State. One factor that will influence the simplicity or complexity of the task is the structure of local governments. For example, the absence of townships and separate school districts in Virginia, coupled with the fact that counties do not overlap municipalities, greatly facilitates fiscal measurement of individual jurisdictions in that State. On the other hand, New York State not only has many different combinations of overlapping jurisdictions, it also assigns the property assessment function to small sub-county units of government. The development of fiscal measures in New York is made still more difficult by the fact that the property tax base helps support jurisdictions in each class of local government—counties, cities, villages, towns, school districts, and special districts.

Granted that property alone is an incomplete measure of relative local fiscal capacity, the fact remains that property taxes are too large a part of local financing to permit indifference at the State level. The reformers and their descendants who successfully urged State governments to get out of the property tax field are now entreating them (less successfully) to return to it. State statutes and constitutions do, of course, govern and regulate many aspects of local property taxation, but not sufficiently to insure efficiency and equity. Does the methodology developed here for dealing with property tax capacity have any relevance for State officials? At least as far as business property is concerned, the answer may be yes.

Major problems concern the assessment of very large properties that never or rarely are sold. Their size and unusualness make appraisal very difficult to begin with. Then, too, the rarity with which they change hands sets the assessor adrift without the rudder of sales value to aid him. Since State governments are generally responsible for assessing utility properties, the problem now under discussion refers primarily to assessment at the local level of large business properties (industrial and commercial). This difficulty of business property assessment has led to a reluctance among scholars to attempt comparisons of property values and property tax rates among local areas, even apart from any question about the competence of assessing personnel. Yet, "equalizing" State education grants (generally tied to a property valuation factor) are compelled to base the size of aids on just such inter-area comparisons.

To put its school aids on a solid basis, a State may decide to do its own assessment of large business properties or to equalize local assessments of such parcels more carefully. Yet, this only pushes the problem of uniform assessment one step higher. In the absence of sales guidelines, the State still needs some consistent method for dealing with the valuation of large business properties. As explained in Chapter 2, and more especially in Appendix D, a new approach has been developed in this study to deal with this important feature of local finance. The approach basically relates the property value of various types of business establishments to the earnings that originate with them. (Appendix D describes how ratios of earnings to potential tax yield were calculated for 56 different industrial classes.)

The special value of the valuation method used for business property in this project is its *relative* nature. That is, it permits inter-local comparisons because of its consistent procedure applied within the framework of existing tax yields from business property taxation. Thus, there would seem to be special value in using this approach in conjunction with State-local *aids*, where comparability is of the essence.

Re-evaluation of fiscal arrangements. State use of an average-financing-method to measure the fiscal capacity and effort of local areas has a particularly rich potential in the light of each State's sovereign power over its subordinate units. A State can *change* the local financial system whenever that system is judged unsatisfactory. Fiscal capacity, when measured by the revenue system currently operating, is a legal and governmental concept. The size of capacity is, to a considerable degree, affected by economic realities, but its form is a matter of public policy. The public policy in question is primarily State policy—exercised actively through enactment or passively through permission. The methodology developed here, involving as it does separate measurement of individual revenue components, opens up a number of possibilities for State re-evaluation of its entire fiscal system.

1. The results of a detailed average-financing approach offer to State decision-makers background information for a complete re-assessment of local taxing powers. It would, for example, be relatively simple to quantify the effects on each local area of replacing local property levies on business inventories with a one per cent supplement to the State sales tax. With the approach used here, it would be possible to gauge the effects of a heavier emphasis on taxing the land component of business property as compared with improvements. One can also examine the effects and the alternative ways of offering relief in the area of residential property taxes. A State could examine at least in a rough manner the local fiscal effects of changes like these: (a) Transferring certain functions from the municipal level up to the county level; (b) County option to piggyback on the State income or sales tax; (c) A county income tax coupled with a requirement that the revenue be distributed to the school districts within the county.

2. The entire State-local aid system could profitably be re-evaluated in the light of an average-financing-system's detailed information. Both fiscal capacity and effort measures shed light on such re-thinking, especially when they are broken down into the estimated and the actual yield of separate revenue sources. With such information, the State is on more solid footing in weighing relative merits of functional aids, block grants, unconditional sharing, or State takeover of some local function. Seeing the local effects of the existing fiscal structure, the State can take a fresh look at its intergovernmental transfers in the light of equity, mobility, economic development, and urban-rural balance. Such a framework of financial information can be of service in the redistribution of funds from one part of the State to another through the State's grant-in-aid machinery.

Many State governments have long been conscientious about recording and measuring local revenue *yields*. This kind of information becomes more valuable when it is superimposed on uniform statewide measures of local fiscal capacity. Then the yield figures can be translated into relative effort ratios.

3. Each State is concerned about the relationship between economic development and the tax-spending system of its local areas. State officials appreciate the mutual causality of this relation—taxes affect economic activity and economic activity affects taxes. Because of the understandably parochial view of each local jurisdiction in this respect, the State must often serve as referee. The interaction between industrial location and local revenue practices can be better understood by the State and better adjusted by the State when viewed within a representative or average-financing framework.

In the economic development context, the *area* approach is particularly appropriate. This view helps to counteract the narrow outlook of individual jurisdictions within metropolitan areas. A second consideration making the area approach appropriate is the fact that a business firm is primarily concerned with its total tax liability. Whether it pays property taxes to a single jurisdiction (as in Richmond) or to several jurisdictions (as in Minneapolis) is not nearly so important as the overall dollar amount.

State allocation of fiscal capacity. Although State officials may find *area* measures very informative, the fact remains that they must often deal with local governments rather than geographic areas. Thus, even if our methodology were extended to all county areas within a State, this would still leave unanswered the question of further dividing capacity among sub-county jurisdictions. State governments are ahead of us on this; they have already provided some answers to the question. To suggest that a State assign shares of fiscal capacity to all the local governments within a county is neither a radical nor a new idea. States have been "dividing up" local capacity for decades.

The layering of local governments, therefore, is not a barrier to State operational use of fiscal capacity data. The fact that each of three of four overlying governments views the same piece of property as its "own" capacity might seem at first glance to negate the usefulness of estimating potential yield. Someone might say: "What good is it to know that the normal tax yield of this store is $3,600 a year? That does not tell me how much capacity the store adds to the county in which it lies, or to the school district, or to the village. It is meaningless to say that the store adds $3,600 worth of tax capacity to each of them (making its total "tax value" $10,800). And, yet, it is just as meaningless to arbitrarily assign to each of the three governments one-third of the estimated tax yield. Capacity figures provide good and valuable background information, but they do not tell the State decision-makers anything very useful about the capacity of the county government or the village government or the school district government."

The objection suggests it is "meaningless" to arbitrarily divide up the estimated tax yield from the store among the three local jurisdictions. Yet, the States have implicitly been doing it for a long, long time. One way in which they have done it is by legislating that certain classes of local governments may tap a particular kind of revenue source while others may not. For example, some public districts may levy property taxes (e.g. school districts), while others may not (e.g., a transit authority or certain sewerage districts). Or, cities may collect a sales tax from a jewelry shop, but the county and the school district that embrace the store may not do so.

More important, however, than these minor illustrations are property tax limits. These are the main tools which States have used to allocate potential revenue capacity among overlapping units of local government. As of a few years ago, about 20 States had some kind of limits in their constitutions while a larger number had them in their statutes. The State normally sets a top limit on tax rates for some or all of the following: county, the city, the village, the town, and the school district. As an illustration, here is how the New York State constitution divides up local property tax capacity.

methods of redistributing sizeable amounts of money to the local governments within each county.[1]

Nontax components of local fiscal capacity and effort present little difficulty in this whole matter of overlapping local jurisdictions. If the State wishes to measure capacity along the lines of an average financing approach, data about non-tax features are, by their nature, readily allocable to specific jurisdictions. Thus, potential charges associated with county hospitals belong to county government capacity and possible school lunch charges belong to the fiscal capacity of identifiable school districts.

Methodological questions. If some States adapt the average-financing-system methodology to within-State uses, certain questions will have to be raised.

Since an average-financing approach is built entirely on existing fiscal practices, the State's definition of

Table 26.–CONSTITUTIONAL TAX LIMITS OF LOCAL GOVERNMENTS IN NEW YORK STATE

Taxing jurisdiction	Percentage of Five-Year Average Full Valuation of Taxable Real Estate)				
	Tax limit	Overlapping county limit	Overlapping school limit	Overlapping town limit	Total of tax limits
New York City	2.5	–	–	–	2.5
5 other cities of 125,000 or more	2.0	1.5-2.0	–	–	3.5-4.0
56 cities under 125,000	2.0	1.5-2.0	1.25-2.0	–	4.75-6.0
554 villages	2.0	1.5-2.0	No limit	No limit	No limit
928 towns	No limit	1.5-2.0	No limit	No limit	No limit

Source: New York State Temporary Commission on the Constitutional Convention, "Local Finance." Report No. 3, 1967, p. 47. Adapted.

The point to be stressed is not whether this method of dividing up capacity among overlying units is desirable or done well. Rather, the point stressed is that it is far from new. Nor is this assignment of capacity limited to the property tax base. In a number of cases, State governments have decided how the sales tax capacity must be (or may be) shared between a county government and its underlying city governments. Currently, one State has under consideration a program whereby counties will be permitted to impose an income tax, with a credit going to those municipalities within the county that already have a local income tax.

There are still other ways in which States have recognized and faced up to fiscal capacity aspects of overlapping layers of government. For years, Ohio has distributed part of its grants-in-aid to county budget commissions. Each commission is instructed to share the funds with local jurisdictions within the county on a need basis. A recent research report done for the Ohio Select Committee on Tax Revision discusses three other

current practices is much more pertinent than a somewhat artificial blending of 50 different sets of practices. But, this very narrowing of the definition entails its own pitfalls. Perhaps the single State focus is too precise!

Concentration on the usages of a single State accentuates the fact that *fiscal* capacity is a mixture of economic institutions on the one hand and political/legal institutions on the other. Thus, local fiscal capacity means whatever the State Legislature says it means–with assists from the constitution and the courts. The stabilizing influence of 49 other State systems is gone. This forces a choice on any State that uses the average-financing approach. Should the State define local capacity on the basis of "average" local practices or on the basis of "actual" local practices? Think of Ohio.

[1] Bowman, John H., et al., *Report on Local Government Tax Revision in Ohio*, Columbus: Batelle Memorial Institute, 1968 (pp. 63-75).

Municipalities in that State are permitted, but not compelled, to enact income taxes; over 140 cities have done so. If the average approach is applied, Ohio would say that *all* its municipalities have local income tax capacity, even those which never enacted one. Consistently, this would necessitate use of an average rate to measure capacity—a lower rate than actually exists in the municipalities levying the tax. But, in the context of a single State, it would also be reasonable to say that local income tax capacity is either the amount that the top legal rate would produce if the tax were used in all cities or the amount that would be produced if all the State's cities used the income tax at the rate that is average among current users of the tax.

More important, it raises the question: Should local income tax capacity be assigned to the parts of Ohio that lie outside of municipal borders? Since "fiscal" means within the actual reach of governments, no capacity should be assigned to them. Yet, this would seem to invalidate comparisons between a town area and a city area. The basic approach of an average-financing-system demands that the same kinds of capacity be allocated to each local area if comparisons are to be made.

The foregoing discussion is meant simply to point out how strongly the legal components of a fiscal capacity definition come to the fore within a single State. Without any change whatsoever in economic reality, an act of the Ohio State Legislature can "decree" that certain parts of the State have an increase in local fiscal capacity while the rest of the State does not. In developing its own measurement procedures, every State needs to consider feasible ways of dealing with this mixture of economic and legal aspects of fiscal capacity.

There is another point each State must deal with if it adapts the average-financing approach to its own uses. The methods employed in this study were specifically geared to provide a basis for comparisons. The fiscal measures are *relative* measures. The dollar amounts are considered to be of less significance than the relative magnitudes. Within a single State, however, the actual dollar figures would seem to take on more importance. The State may realize that a certain local area has unique needs. For example, it may know that its largest city has certain important expenditure responsibilities that are found nowhere else in the State. To know that this city has a relative fiscal capacity six per cent above the average of all cities in the State would not give the State much guidance as to whether the big city requires extra help. The relative standing of the city in capacity is perhaps less helpful than a dollar measurement of the city's expenditure needs.

A single State must make certain decisions that can be avoided in a national-average methodology. Even if a State decides to measure capacity and effort on an area basis, it is likely to need to include every area in the State, even the smallest. In addition to possible data problems, this necessity detracts somewhat from the relative homogeneity that results in the present report from studying only larger areas. Also, the individual State must be even more concerned than this study about commuting and mobility questions within metropolitan areas—for example, income where earned *vs.* income where received and sales taxes paid by non-residents as well as residents.

In summary, the potential gains far outweigh the problems and challenges. An individual State can reap a rich return from adaptation of an average-financing methodology to fiscal measurement of its subordinate units. Just two examples: (1) States might begin to give greater consideration to the use of general-purpose grants based on fiscal measures; (2) States might offer to the Secretary of the Treasury their own custom-made pass-through arrangement, in accordance, for example, with the provision in the proposed "Intergovernmental Revenue Act of 1969" which says, "To encourage States to take the initiative in strengthening the fiscal position of major cities and counties and to maximize flexibility in the use of the authorized general support payments for meeting the particular needs of differing State-local fiscal systems, the Secretary shall accept an alternative plan for the use of general support funds made available to major cities and counties under this section provided the plan is enacted by the State legislature and conforms to at least one of the following conditions...."

A Prospective Case Study Concerning Indiana

An economist who participated in the present study, Raymond J. Krasniewski of Ohio State University, is undertaking intensive research in the revenue capacity and effort of local governments in the State of Indiana. Although still in process, his investigation promises to illustrate some of the potential benefits and difficulties involved in the use of the average-financing-system approach to develop such comparative measures within a single State. Some highlight facts about the Indiana study methods may therefore be a helpful supplement to the more generalized observations offered above.

Since the Indiana research is concerned solely with own-source revenue of *local* governments, it need not deal with the estimated geographic allocation of State government amounts of revenue and revenue capacity. Furthermore, since there is relatively little local use of nonproperty taxes in Indiana, the measurement task can focus mainly upon the property tax and local governments' nontax revenue sources.

Within this context, *Indiana* average rates were calculated for various components of local revenue capacity (analagous to the *nationwide* average rates applied in the present study, as described in Chapter 5). These average rates were such that, if they were uniformly applicable throughout Indiana, they would have produced the statewide amounts of local revenue actually obtained from the respective sources in 1966-67.

To derive capacity estimates for nontax revenue sources, by county and type of government, and for individual governments, the Indiana average rates were applied to appropriate financial amounts appearing on computer tape records of the 1967 Census of Governments.

For taxable property other than motor vehicles and business property, a similar procedure was applied with Indiana average rates for various type-of-property components, to derive estimates for each of the 45 counties for which assessed-valuation detail was available from the 1967 Census and in summary for the other 47 counties. Since motor vehicles are a fairly significant part of the property tax base in Indiana, this component was retained under this heading (rather than being reclassified, as in the present study), and county-area capacity for motor vehicle taxation was estimated from vehicle registration figures. The business property component was allocated by the nationwide tax/earnings ratios employed for various detailed kinds of business in the present study, subject to a pro-rata adjustment to make the resulting statewide total equal to business property tax yields in Indiana.

From this point on, the Indiana research is concerned with kinds of comparative measures not developed in the present nationwide study–specifically for various kinds of local governments and for some individual jurisdictions. Nontax revenue sources involved little problem, since capacity for them could generally be computed directly from data available specifically for individual governments (except for some limitations in the amount of detail gathered in the 1967 Census for certain governments; for example, the Census did not obtain a separate figure on interest earnings for townships and very small municipalities). But for the predominant property tax, it was necessary to carry out several additional steps, to draw upon State-reported valuation data and to make certain assumptions. These operations concerned the four main types of local governments–counties, municipalities, townships, and school districts–and disregarded special district governments.

The statewide estimate of local property tax capacity was distributed among these four types of governments by reference to their aggregate property tax revenue as reported by the 1967 Census. In turn, these amounts were distributed by county, mainly by reference to State-reported data on assessed valuations and on countywide assessment ratios. (Special treatment applied to the municipal governments: it was presumed that none of their property tax collections came from "acreage and farm" property.) This provided for each county a property tax capacity estimate for the county government itself and for all the municipalities, townships, and school districts within the county. The latter three totals could then be allocated to particular jurisdictions according to assessed valuation amounts appearing in the *Statistical Report* published annually by the Indiana State Board of Accounts. This procedure involves the presumption that taxable valuations are sufifciently uniform or "equalized" within each county to make this final allocation generally reasonable.

Summation of the detailed amounts thus developed provides revenue capacity estimates which can be matched with actual amounts of revenue to derive measures of revenue effort for particular governments and groups of governments.

The capacity and effort measures being prepared in this study will be used as background for a policy-oriented examination of several kinds of grant-in-aid plans, as applicable within Indiana. Special attention is expected to apply to three such distributive arrangements, each of which includes some concern, at least implicitly, for differences in the revenue capacity or effort of various aided governments: (1) The long-established program by which the Federal Government makes grants to local school districts having a sizable proportion of "Federally-connected" pupils; (2) A temporary "property tax relief" arrangement under which Indiana distributed funds to various local governments in the late 1960's; and (3) The "pass-through" distribution contemplated by the Revenue Sharing Act of 1969 (S.2948), now pending in the Congress.

Appendix A
MEASURING REVENUE CAPACITY AND EFFORT FOR SUB-COUNTY AREAS

One objective of the present study was to explore possible methods for determining the relative revenue capacity and effort of sub-county areas. It was recognized from the outset that any such measurement effort would encounter problems. Nevertheless, the widespread interest in and potential significance of such data seemed clearly to justify detailed examination of the problems involved, and an explicit test of appropriate estimating methods. Following is a description of the work done in this direction, together with illustrative statistical findings. This experimental effort dealt with a number of city areas. As noted in Chapter 5, the development of comparative measures for other kinds of sub-county areas, such as school districts, would encounter even more serious difficulties than were faced for this particular experiment.

Coverage and Selection of Areas

Of the 18,000 municipalities in the Nation, all but about 150 are located within a larger area served by a county government. The exceptions comprise some 53 governments that are composite city-counties, plus municipalities in the three States that lack county governments–Alaska, Connecticut, and Rhode Island.

About half of all the people served by municipalities reside in the 130 largest cities (those of 100,000-plus in 1960), and these governments account for about 60 per cent of all municipal revenue and expenditure. For the present study, accordingly, it was initially planned to develop comparative fiscal measures for these particular cities. However, 17 of them are city-counties, which show up along with other counties in appendix tables G-11, G-12, and G-13, so that the *sub-county* measurement effort at first was targeted toward the 113 other largest cities.

For most of these 113 cities (but not for within-county cities of less than 100,000 population) the 1967 Census of Governments had assembled property tax data needed for the estimating procedure that was undertaken, as described below. Nevertheless, we found it impracticable to prepare meaningful comparative measures for about half of this group. In most cases, this was because available data sources did not provide an objective basis for estimating the city's share of countywide property tax capacity. Statistics were developed for 57 within-county cities of 100,000-plus, located in 20 States as follows:

Alabama	2
Arizona	2
Arkansas	1
California	13
Florida	2
Georgia	1
Illinois	3
Kansas	3
Kentucky	1
Missouri	1
Nebraska	2
New Mexico	1
North Carolina	3
Ohio	8
Oklahoma	2
Oregon	1
Pennsylvania	4
Tennessee	3
Utah	1
Washington	3

The findings for these cities, together with related data for city-counties of 100,000-plus, appear in Table A-1 on pages 89 and 90.

Excluded from the presentation are the remaining 56 within-county cities of over 100,000 inhabitants–namely, all those in Connecticut, Indiana, Iowa, Massachusetts, Michigan, Minnesota, Mississippi, New Jersey, New York, Rhode Island, Texas, and Wisconsin, as well as two such cities in Georgia and one each in Alabama, Florida, and Louisiana.

Deriving Estimates of Revenue Capacity

Tax capacity. For each city, the potential yield at national average rates of various kinds of taxes was estimated by reference to countywide tax capacity estimates previously developed by the methods explained in Chapter 5. For all general and selective sales taxes, the city's share of the countywide capacity amount was determined by its fraction of all retail sales in the county, as reported by the 1967 Census of Business. For all other nonproperty taxes, the city's share was determined by its fraction of the entire county's "effective buying income" as estimated for 1966 by *Sales Management* magazine. ("Effective buying income" is a concept that resembles "disposable personal income," as measured in national income and product statistics. The necessity for utilizing such unofficial income data is discussed in Chapter 6.) For property tax capacity, the city-area amount was derived by adding estimates developed separately for nonfarm residential property, acreage and farms (if any within the city), vacant lots, and business property. For each of these categories, the city's share of the countywide total was based upon its fraction of countywide assessed valuations of such property, as reported by the 1967 Census of Governments. As to business property, this included not only locally assessed realty values but also State-assessed values and local assessments of personal property (adjusted, where necessary, to exclude motor vehicles and intangible personalty, as in other portions of the present study).

This estimating procedure obviously rests upon the presumption that, for each of the several major kinds of taxable property, the level of assessment is essentially the same in each of the reported cities as elsewhere in the counties within which they are respectively located. Even if local assessing responsibility rests with a single countywide agency, this may not be the case; rather, there may be some systematic differential of assessment levels. For example, if the city—as is often the case—has relatively more multifamily housing, or more high-value properties, or a quite different mix of taxable business property than the balance of the county, the use of assessed valuations to estimate the city's share of countywide property tax capacity will involve some error unless the assessing agency is actually valuing these various kinds of property at substantially the same fraction of their actual market value (or unless the differences tend to cancel out one another).

The possibility of such systematic differentials is even greater where assessing responsibility is split among sub-county agencies, such as individual municipalities and townships.

A number of States administer "assessment equalization" programs intended to gauge and make appropriate adjustments for assessment-level differences among local areas. The results of such State programs, where effectively carried out, might be used to deal with the problem of intra-county estimation described above. For example, even where very decentralized assessment arrangements apply, valuation data from the Census of Governments for particular city and "balance of county" areas might have been used in those instances where the figures were considered to reflect a "good" or "adequate" job of equalization. That, however, would have required the exercise of more subjective judgment, remote from the actual local scene, than seemed proper for the present study. It was therefore considered necessary to drop from the coverage of this experimental research effort those major cities where assessing responsibility is split among sub-county agencies.

This was the main factor limiting the number of major within-county cities for which comparative fiscal measures appear in table A-1. It may be noted that, for the cities which are being reported, the Census of Governments provided assessment ratio findings for single-family houses, separately for the cities and their respective "balance of county" areas, which tend generally to support the presumption of a substantially uniform assessment level, at least as to this portion of residential property.

Nontax revenue capacity. For nontax revenue sources of the State government, city-area capacity was estimated by reference to the countywide amount previously calculated as described in Chapter 5. The city's share was determined by its proportion of the county's population. Lacking any later official figures than those of the 1960 Census of Population, we made use of county and city population estimates published by Rand McNally, Inc., covering the years 1965 and 1968, and calculated the respective cities' shares from the midpoint of those estimates. Since the countywide estimates of capacity for State nontax revenue sources had also been developed from population data, this means that each city is being credited with the same per capita amount of such capacity as is available in the State as a whole.

For local nontax revenue sources, capacity estimates were developed for each of the local governments serving the respective city areas—i.e., including the city itself, the county government, and each of the school districts and special districts overlying all or any significant portion of the city. This involved the calculation and assembly of potential capacity amounts separately for current charges associated with various functions, interest on fund holdings, other miscellaneous general revenue, and utility surpluses, in the manner described in Chapter 5. Such amounts were summed for each local government, and a summary city-area estimate was obtained by adding together (1) the city government figure; (2) the entire own-source amount for each local government with the same geographic boundaries as the city or operating only within the city; and (3) an allocated portion of the own-source amount for each other overlying unit operating only partly within and partly outside the city.

For the county government and other countywide or multicounty units, this allocation was based on population proportions. For other non-coterminous units, various allocating factors were used, usually pupil enrollment for school districts and geographic area for special districts. Background information needed for such allocations was supplied by the Governments Division of the Bureau of the Census, drawing upon its intensive research and data-gathering with respect to local government structure for the 1967 Census of Governments.

Table A-1

REVENUE CAPACITY AND EFFORT MEASURES FOR 69 SELECTED CITIES OF OVER 100,000 POPULATION: 1966-67

City	Number of local govts.[1]	Est'd. population, 1966 (000)	Per capita revenue capacity (on U.S.-average-rate basis): Amount			Per capita revenue capacity: Relative to U.S. average (100)			Relative revenue effort		Percent of revenue raised by–			
			State and local sources	All local govt. sources	Local prop. taxes only	State and local sources	All local govt. sources	Local prop. taxes only	State and local govts.	Local govts. only	State govt.	City govt.	County govt.	Other local govts.
Birmingham, Ala.	5	329	416	179	115	105	89	92	105	94	61.3	20.9	8.1	9.7
Mobile, Ala.	6	209	351	155	81	89	77	65	106	100	58.0	23.7	5.4	12.9
Phoenix, Ariz.	32	497	459	231	123	116	115	99	109	103	52.7	20.1	6.5	20.7
Tucson, Ariz.	8	229	380	166	74	96	83	59	123	133	52.6	18.8	5.1	23.5
Little Rock, Ark.	13	133	530	253	163	134	126	131	90	71	62.1	16.2	2.6	19.1
Anaheim, Calif.	15	149	527	281	164	133	140	132	114	131	38.8	19.6	11.8	29.8
Berkeley, Calif.	10	117	472	242	147	119	121	118	114	131	40.9	18.8	11.8	28.5
Fresno, Calif.	15	158	483	203	90	122	101	72	114	140	48.5	23.9	9.9	17.7
Glendale, Calif.	5	132	589	305	191	149	152	153	96	97	47.5	20.3	16.5	15.7
Long Beach, Calif.	8	366	629	372	186	159	185	149	98	102	38.5	32.2	14.8	14.5
Los Angeles, Calif.	12	2,694	569	307	184	144	153	148	106	117	40.5	25.2	14.9	19.4
Oakland, Calif.	11	371	547	299	167	138	149	134	107	117	40.4	24.0	12.2	23.4
Pasadena, Calif.	7	122	710	346	206	179	172	165	96	101	48.6	21.3	13.6	16.5
Sacramento, Calif.	22	256	564	312	140	142	155	112	110	121	39.2	19.3	14.6	26.9
San Diego, Calif.	14	630	421	226	123	106	113	99	105	112	42.5	23.8	12.3	21.4
San Jose, Calif.	24	357	455	234	143	115	117	115	112	126	42.2	17.8	14.2	25.8
Santa Ana, Calif.	13	139	460	211	139	116	105	112	101	110	50.3	14.8	13.3	21.6
Torrance, Calif.	8	128	596	278	188	151	138	151	100	110	48.4	13.2	15.5	22.9
Denver, Colo.[2]	6	492	583	273	165	147	136	133	103	107	51.1	27.5	–	21.3
Washington, D.C.[3]	2	764	457	235	155	115	117	125	85	70	36.6	62.1	–	1.3
Jacksonville, Fla.[4]	13	501	400	203	111	101	101	89	95	102	45.3	35.5	–	19.2
Miami, Fla.	6	310	560	284	180	141	141	145	99	108	44.7	22.1	16.0	17.2
St. Petersburg, Fla.	8	196	421	227	121	106	113	97	107	124	37.7	39.9	6.6	15.8
Atlanta, Ga.	8	514	582	(5)	(5)	147	(5)	(5)	94	(5)	53.4	18.8	11.5[6]	16.3
Honolulu, Hawaii[2]	4	500	407	201	137	103	100	110	128	72	72.1	27.9	–	–
Chicago, Ill.	9	3,474	473	248	153	119	124	123	85	97	40.3	28.5	4.6	26.6
Peoria, Ill.	12	129	459	214	145	116	107	116	85	98	46.3	16.1	5.6	32.0
Rockford, Ill.	12	136	511	237	160	129	118	128	86	101	45.5	19.1	4.7	30.7
Kansas City, Kans.	9	137	518	278	167	131	138	134	89	85	48.5	15.0	12.6	23.9
Topeka, Kans.	8	125	458	231	112	116	115	90	104	111	46.3	20.1	7.2	26.4
Wichita, Kans.	7	287	484	224	130	122	112	104	93	93	53.9	18.8	10.0	17.3
Louisville, Ky.	4	386	472	239	125	119	119	100	104	98	51.9	34.0	5.0	9.1
Baton Rouge, La.[2]	6	268	422	179	122	107	89	98	93	88	60.0	19.2	–	20.8
New Orleans, La.[2]	4	628	516	223	137	130	111	110	91	75	64.8	22.3	–	12.9
Baltimore, Md.[2]	1	939	435	199	116	110	99	93	111	118	51.4	48.6	–	–
Boston, Mass.[2]	10	697	354	171	106	89	85	85	129	139	44.8	33.3	–	21.9
Kansas City, Mo.	22	538	458	230	150	116	115	120	91	99	45.0	29.1	4.7[7]	21.2
St. Louis, Mo.[2]	6	750	522	263	144	132	131	116	93	108	41.3	32.0	–	26.7
Lincoln, Nebr.	7	131	488	266	134	123	132	108	87	110	31.4	30.3	7.3	31.0

Table A-1

REVENUE CAPACITY AND EFFORT MEASURES FOR 69 SELECTED CITIES OF OVER 100,000 POPULATION: 1966-67 (Continued)

City	Number of local govts.[1]	Est'd. population, 1966 (000)	Per Capita revenue capacity (on U.S.-average-rate basis): Amount: State and local sources	Amount: All local govt. sources	Amount: Local prop. taxes only	Relative to U.S. average (100): State and local sources	Relative to U.S. average (100): All local govt. sources	Relative to U.S. average (100): Local prop. taxes only	Relative revenue effort: State and local govts.	Relative revenue effort: Local govts. only	Percent of revenue raised by—: State govt.	City govt.	County govt.	Other local govts.
Omaha, Nebr.	14	338	507	275	147	128	137	118	83	98	35.8	16.9	9.8	37.5
Albuquerque, N.M.	6	223	474	189	108	120	94	87	102	86	66.3	21.0	3.4	9.3
New York, N.Y.[2]	3	7,782	520	299	168	131	149	135	133	131	43.3	53.1	–	3.6
Charlotte, N.C.	4	245	487	207	135	123	103	108	109	89	65.5	16.6	17.3	0.6
Greensboro, N.C.	5	132	508	243	152	128	121	122	105	86	60.9	23.2	14.7	1.2
Winston-Salem, N.C.	4	137	509	277	174	129	138	140	100	77	57.9	19.5	21.5	1.1
Akron, Ohio	6	291	425	216	124	107	108	100	94	111	40.0	31.1	6.1	22.8
Canton, Ohio	5	109	414	179	123	105	89	99	87	100	50.2	21.4	4.7	23.7
Cincinnati, Ohio	6	488	503	256	130	127	127	104	101	133	32.9	44.1	4.5	18.6
Cleveland, Ohio	9	811	437	242	151	110	121	121	91	103	37.2	30.6	7.7	24.5
Columbus, Ohio	9	527	391	190	117	99	95	94	88	99	45.0	24.7	6.6	23.7
Dayton, Ohio	9	258	466	233	141	118	116	113	96	117	39.1	28.8	5.9	26.2
Toledo, Ohio	9	360	453	237	151	114	118	121	88	98	41.5	28.1	5.9	24.5
Youngstown, Ohio	7	154	410	200	123	104	100	99	86	93	46.7	22.7	8.3	22.3
Oklahoma City, Okla.	14	359	493	209	131	125	104	105	96	94	58.5	21.8	5.5	14.2
Tulsa, Okla.	8	296	582	246	161	147	123	129	91	86	60.1	16.8	5.8	17.3
Portland, Ore.	10	368	626	301	170	158	150	137	100	101	51.6	21.0	8.0	19.4
Allentown, Pa.	8	111	438	197	132	111	98	106	96	86	59.8	17.4	4.3	18.5
Erie, Pa.	9	137	370	168	106	93	84	85	103	102	54.6	22.4	5.2	17.8
Philadelphia, Pa.[2]	5	2,003	384	191	108	97	95	87	107	115	46.2	38.9	–	14.9
Pittsburgh, Pa.	11	555	454	233	145	115	116	116	103	103	48.2	24.9	8.3	18.6
Scranton, Pa.	8	105	345	164	117	87	82	94	90	76	59.7	17.5	7.2	15.6
Chattanooga, Tenn.	4	125	610	342	133	154	170	107	95	90	46.6	36.1	15.5	1.8
Knoxville, Tenn.	4	185	429	222	109	108	111	88	101	101	48.0	32.6	16.5	2.9
Memphis, Tenn.	4	541	447	253	116	113	126	93	96	95	44.2	35.1	18.7	2.0
Nashville-Davidson, Tenn.[2]	13	441	426	225	116	108	112	93	91	85	51.0	46.3	–	2.7
Salt Lake City, Utah	11	187	480	260	128	121	129	103	113	104	60.6	16.4	7.4	15.6
Seattle, Wash.	7	563	613	320	184	155	159	148	110	84	60.2	21.4	4.9	13.5
Spokane, Wash.	2	169	440	198	115	111	99	92	108	83	65.5	15.2	6.0	13.3
Tacoma, Wash.	7	156	539	299	140	136	149	112	112	84	58.2	22.6	4.6	14.6

[1] Municipal government plus other local government units overlying any or all of its territory.

[2] Entire city-county, as reported also in appendix tables G-11, G-12, and G-13.

[3] Entire city-county; treating all nonproperty tax revenue as "State", and all property tax revenue (as well as municipal nontax revenue) as "city".

[4] Treated here as city-county, to reflect post-1967 structure. "City government" proportion refers to total for Jacksonville and (former) Duval County.

[5] Data not available.

[6] Includes amounts for both DeKalb and Fulton Counties.

[7] Includes data for both Clay and Jackson Counties.

To derive statistics for the 57 within-county city areas listed in table A-1, it was necessary to take account of more than 500 local governments ranging from a very few per area in some instances up to a score or more in some other cases. This over-all count includes the 57 city governments, 54 county governments, and some 175 school districts and 237 special districts. Certain of these latter numerous units, of course, are so small in financial scale, or overlie so little of the city, that they would add no more than trace amounts to city area totals. After inspection of source data, some such units were disregarded in arriving at the estimates being presented.

Measuring Revenue Effort

State Revenue. Amounts of State government revenue originating in each city were calculated by reference to countywide estimates for various sources, previously prepared by methods described in Chapter 5. Each city's share of the countywide amount for all State government revenue from general and selective sales taxes was determined by its fraction of all retail sales in the county, as reported by the 1967 Census of Business. For all other State nonproperty tax revenue, the city's share was determined by its fraction of the entire county's "effective buying income" as estimated for 1966 by *Sales Management* magazine. For State property tax revenue, the city's share was determined by its share of estimated countywide property tax capacity. For nontax revenue of the State government, the city's share of the countywide total was developed from population data, as in the case of the capacity estimates described above for this component.

Local government revenue. Actual revenue amounts were assembled for each of the local governments serving the respective city areas, separately for taxes and nontax sources. For each unit, a determination was made of the portion of all such own-source revenue attributable to the city area, and the resulting amounts were summed by type of government. For nontax sources, the allocation for larger-than-city units made use of the same factors employed to estimate the city's share of capacity, as described above. For taxes, the allocation was generally based where this was possible (always, in the case of the county government) upon the city's share of total net taxable assessed valuations, as reported by the 1967 Census of Governments. In other instances, the tax revenue allocation was based on some other factor, such as area or school enrollment, used also to estimate the city's share of nontax revenue.

The revenue amounts thus accumulated for each city area were compared with the capacity estimates to derive relative effort measures.

Statistical Findings

Estimates thus developed for 57 within-county cities are supplemented in table A-1 by corresponding data for each of the other city-counties of 100,000 which are also reported, but in a somewhat different way, in appendix tables G-11, G-12, and G-13. Even so, this presentation covers only about three-fifths of all the 130 largest cities in the Nation, and, as the foregoing discussion has indicated, the reported areas cannot be viewed as a representative cross-section of all such cities.

Furthermore, as noted earlier, this measurement effort was undertaken mainly as a test of methodology rather than to obtain extensive comparative data, and the results for within-county cities are subject to much more serious statistical limitations than apply to the estimates being reported for metropolitan areas and counties.

For these reasons, only a few highlights from the data are summarized here.

The 69 reported major cities exhibit marked differences in many important respects: local government structure, revenue capacity, revenue effort, and the distribution of revenue-raising responsibilities.

Estimated per capita revenue capacity for combined State and local sources shows a range of over 2-to-1, from $710 for Pasadena, California, down to $345 for Scranton, Pennsylvania. For all local government revenue sources the extreme range is 2.4-to-1, from $372 per capita for Long Beach, California, down to $155 for Mobile, Alabama. Local property tax capacity, similarly estimated on a U.S.-average-rate basis, shows a range of 2.8-to-1 among these major cities, from $206 per capita for Pasadena down to $74 for Tucson, Arizona. Relative to nationwide averages expressed by the figure 100, these variations in per capita capacity run: from 179 down to 87 for State-local sources; from 185 down to 77 for all local government sources; and from 165 down to 59 for local property taxes only.

Twenty of the 69 reported cities are in the South (located in nine of the 14 States so classified in the Chapter 2 discussion of "County-area findings"). Nonetheless, of the 7 cities for which estimated State-local revenue capacity is below the national average, only one (Mobile) is in the South, while the others are located in Arizona (Tucson), Massachusetts (Boston), Ohio (Columbus), and Pennsylvania (Erie, Philadelphia, and Scranton). Similarly, of the eight cities where estimated local government capacity is less than 90 percent of the national average per capita, only three are in the South; and of the nine where local property tax capacity is less than 90 percent of the national average, again only three are Southern cities. This departure from the impression given by county-area comparisons suggests that urban centers in the South (or at least the largest ones) are likely to be fiscally "better off" than whole-county comparisons might suggest, while the opposite is likely to be the case for some cities in other parts of the country.

By comparing the third and fourth columns of table A-1 we find that in most of these 69 selected cities, as in the Nation as a whole, the property tax makes up a major part of local governments' potential revenue base. In nearly a dozen instances, however, this is not so. Some of these "abnormal" patterns can probably be traced at least in part to unusually large concentrations of governmental (i.e., nontaxable) activity and property, as in the case of Tucson, Sacramento, San Diego, Topeka, and Salt Lake City. Some others reflect the potential revenue capacity (as estimated here on a U.S.-average-rate basis) of relatively large utility operations–e.g., Chattanooga, Knoxville, Memphis, and Tacoma. In other instances, even more unusual factors are involved, such as Long Beach's access to sizable lease revenue from publicly-owned oil lands.

Table A-2 summarizes the relative capacity picture for the entire group of 69 selected cities and separately also for the 57 that make up part of a geographically larger county–i.e., those to which the complex estimating procedure described above was applied.

Table A-3 reports on relative revenue effort. The measures comprising both local and State governments show a range among the entire group of 69 cities from 133 percent of the national average in New York City down to only 83 percent in Omaha, Nebraska. For local governments alone, relative effort shows a range from 133 percent of the national average in Tucson (and 131 percent in New York City) down to 71 percent in Little Rock, Arkansas, and 70 percent in Washington, D.C., with this latter ratio influenced by the necessarily special treatment of revenue amounts for Washington.

As indicated by table A-3, practically half these cities (33 of the 69) show an over-all effort index of under 100, and nearly as many (31) have a local effort index of under 100. Reported cities for which the State-local effort index is under 90 consist of Washington, D.C. and 10 others, all located in four States–Illinois, Kansas, Nebraska, and Ohio–where, as shown by appendix table G-4, State government revenue effort in 1966-67 was below the nationwide norm. However, eight of these 11 cities also show a local revenue effort index of under 100.

Table A-3.–DISTRIBUTION OF SELECTED CITIES OF OVER 100,000 POPULATION ACCORDING TO RELATIVE REVENUE EFFORT: 1966-67

Relative revenue effort (actual revenue as percent of revenue capacity)[1]	All 69 selected cities: State and local govern-ments	All 69 selected cities: Local govern-ments only	57 within-county cities (excluding 12 city-counties): State and local govern-ments	57 within-county cities (excluding 12 city-counties): Local govern-ments only
Total	69	68[2]	57	56[2]
120 or more	4	10	1	8
110 to 119	9	11	8	8
105 to 109	11	3	10	2
100 to 104	12	13	11	12
95 to 99	10	9	9	9
90 to 94	12	5	8	5
80 to 89	10	11	9	9
Less than 80	1	6	1	3

[1]With capacity for various revenue sources estimated on a U.S.-average-rate basis.
[2]Excluding Atlanta, Georgia.

Table A-2.–DISTRIBUTION OF SELECTED CITIES OF OVER 100,000 POPULATION ACCORDING TO PER CAPITA REVENUE CAPACITY: 1966-67

Index of relative per capita revenue capacity[1] (U.S. average per capita amounts = 100)	All 69 selected cities: State and local govt. sources	All 69: Local government sources: All	All 69: Local government sources: Property taxes only	57 within-county cities only (excluding 12 city-counties): State and local govt. sources	57: Local government sources: All	57: Local government sources: Property taxes only
Total	69	68[2]	68[2]	57	56[2]	56[2]
150 or more	6	8	3	6	8	3
140 to 149	7	5	5	6	4	5
130 to 139	8	7	7	5	5	5
120 to 129	12	9	8	12	9	7
110 to 119	18	16	12	16	13	9
100 to 109	11	9	10	7	7	10
90 to 99	4	6	14	3	4	11
Less than 90	3	8	9	2	6	6

[1]With capacity for various revenue sources estimated on U.S.-average-rate basis.
[2]Excluding Atlanta, Georgia.

As would be expected because of the interstate variety of State-local revenue arrangements, there is more diversity of relative effort by local governments than for local and State governments considered together. Generally heavier reliance on State revenue sources in the South helps also to account for the fact that 16 of the 19 Southern cities for which local revenue effort is reported show an index of less than 100, while only 10 of these 19 are below-average in the composite measure which takes account also of the States' financing role.[1]

The four right-hand columns of table A-1 supply comparative figures about an aspect of governmental financing in municipal areas that, although generally well-known, has only rarely if ever before been measured explicitly in the manner here attempted: namely, the fact that there are marked inter-city differences in the relative revenue-raising role of various kinds of governments.[2] State-local variations on this score are reflected also in various tables of Appendix G, in terms of statewide, metropolitan area and county statistics. Looking here explicitly at major cities we again find marked diversity, with the State-raised share of all State-local revenue ranging from only 31 percent in Lincoln, Nebraska, up to 72 percent in Honolulu. In 29 of the 69 cities, the State's portion is more than half, and this number includes one or more cities in each of 18 States. The remaining 38 cities (besides Washington, D.C.) where the State government raises less than half of the State-local revenue total include all or most of the reported major cities in each of 11 States.

Even more marked is the variation in the revenue-raising role of individual municipal governments, relative to that of overlying local governments. With only one exception (Baton Rouge), each of the 12 reported municipalities that are composite city-counties accounts for a major part of all the locally-raised revenue of its particular area. However, of the 57 within-county municipal governments shown in table A-1, only 15 collected at least half of the revenue raised from their respective areas by all local governments. At the other extreme were nine of the within-county cities–six in California, plus Peoria, Kansas City (Kansas), and Omaha–where the municipal government's share of the locally-raised total was less than one-third.

Mainly, this variety results from differences in arrangements for local school administration and financing. In Tennessee, the municipal governments have "dependent" school systems that are locally supported from their municipal revenues (with some added support being provided, as for local schools elsewhere, by the State and Federal governments). In North Carolina, the county governments similarly have "dependent" school systems. (Several of the composite city-county governments shown in table A-1 also have "dependent" school systems.) However, for the other within-county cities shown–i.e., all those in States other than North Carolina and Tennessee–local school administration and financing are provided through independent school districts. Generally in those instances the own-source revenue of such school districts makes up most of the share shown in the table for "other local governments," while the remainder pertains to special district governments.

Another factor which obviously affects the respective cities' share of all local government revenue concerns the county governments. As table A-1 shows, counties have a considerably greater financing role in California and several other States (mainly in the South) than in other parts of the Nation.

By referring also to various tables in Appendix G, one can see how capacity and effort measures estimated for a particular city in table A-1 compare with those for the county and metropolitan area with which that city is associated. This is illustrated for the 15 most populous cities in table A-4. However, these comparisons are, of course, influenced by the differing proportions that the respective cities represent of the associated larger areas. With regard both to localized fiscal competition and issues of intergovernmental aid, it is more pertinent to see how the cities compare, in revenue capacity and effort, with nearby territory as such. Accordingly, measures of this kind appear in tables A-5, and A-6. Table A-5 pertains to those nine of the 12 city-counties shown in table A-1 that are part of a multi-county metropolitan area, and compares each city's revenue status with that of the balance of its SMSA. Table A-6 pertains to 50 of the 56 within-county cities listed in table A-1 which are the most populous municipalities of

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[1]The 19 Southern cities cited here exclude Atlanta, for which table A-1 does not show measures of local government capacity and effort, although it does report State-local measures, as well as the percentage distribution of actual revenue by type of government. The composite State-local entries are only moderately affected by the data problems which seemed to preclude the presentation of specific local-government estimates for Atlanta.

[2]The periodic Census of Governments (most recently in Volume 5 of the 1967 Census, *Local Government in Metropolitan Areas*), provides detail by type of government concerning local government finances in individual SMSA's and their component counties. However, the only corresponding kind of type-of government detail for municipal areas that has been reported within the past two decades by the Governments Division of the Bureau of the Census appeared in a nonrecurrent special study, *Local Government Finances in City Areas in 1953*. That study, issued in 1955, covered the Nation's 41 largest cities (those with a 1950 population of 250,000 or more). Those Census Bureau presentations, however, were limited to local governments, while table A-1 here also takes account of estimated amounts of State-raised revenue originating in various cities.

Table A-4.—MEASURES OF LOCAL GOVERNMENT REVENUE CAPACITY AND EFFORT FOR 15 SELECTED CITIES AND THEIR ASSOCIATED COUNTIES AND METROPOLITAN AREAS: 1966-67
(with capacity estimated on U.S.-average-rate basis; U.S. averages = 100)

City[1]	Local government revenue capacity			Local government relative revenue effort		
	City	County area	SMSA[2]	City	County area	SMSA[2]
New York	149	(3)	138	133	(3)	130
Chicago	124	125	121	85	91	93
Los Angeles	153	146	146*	117	108	108*
Philadelphia	95	(3)	92	107	(3)	107
Baltimore	99	(3)	96	111	(3)	104
Cleveland	121	123	120	91	96	97
Washington, D. C.[4]	117	(3)	112	70	(3)	84
St. Louis	131	(3)	102	93	(3)	99
Boston	85	(3)	93	93	(3)	99
San Diego	113	110	110*	112	110	110*
New Orleans	111	(3)	104	91	(3)	70
Seattle	159	157	150	110	75	75
Pittsburgh	116	102	94	103	100	97
Memphis	126	112	108	96	93	93
Columbus (Ohio)	95	98	95	88	94	94

[1] The 15 most populous cities for which local capacity and effort measures appear in table A-1, shown here in descending order of estimated 1966 population.
[2] An asterisk (*) denotes single-county SMSA's.
[3] City-county.
[4] Note special treatment of Washington revenue data, as indicated by footnote 3, table A-1.

Table A-5.—RELATION BETWEEN CITY-AREA AND BALANCE-OF-SMSA MEASURES OF REVENUE CAPACITY, REVENUE, AND RELATIVE REVENUE EFFORT, FOR 9 SELECTED MAJOR CITIES: 1966-67

City[1]	Number of county-type areas in SMSA	Percent relation of city-area measure to balance-of-SMSA measure					
		Per capita revenue capacity		Per capita revenue		Relative revenue effort	
		State and local govts.	Local govts. only	State and local govts.	Local govts. only	State and local govts.	Local govts. only
New York	5	106	108	108	109	102	101
Philadelphia	8	103	103	109	111	106	108
Baltimore	6	111	104	117	118	106	113
Washington, D.C.[2]	10	108	69	98	100	92	126
St. Louis	7	131	129	135	141	103	109
Boston[3]	5	144	107	134	125	93	85
New Orleans	4	107	106	110	113	102	107
Denver	5	108	98	125	121	96	124
Nashville-Davidson	3	107	107	108	108	110	101

[1] The nine city-counties of more than 100,000, reported in table A-1, that are located in multi-county SMSA's.
[2] Data reflect treatment of Washington, D.C. nonproperty tax amounts as "State" revenue.
[3] Five-county "SMSA" as defined in the introduction to Appendix G.

their respective counties, and compares each city's revenue status with that of the balance of its county.[3]

In this context, some of the data hazards previously described become especially troublesome. For example, if the population figures applied overstate or understate the city's share of the larger area, the reported relationship between city and non-city per capita amounts may be materially affected. Accordingly, a check or recalculation of these estimates after final results of the 1970 Census of Population become available—permitting firmer estimates of 1966 population—should be very much indicated.

Table A-5 confirms the common impression that the central cities of major SMSA's generally are making a more strenuous revenue effort than is suburbia. This appears in the table for all but one (Boston) of the nine reported areas for local government effort, and for all but three (Washington, Boston and Denver) for combined State-local effort. Furthermore, these effort

[3] Six California cities (Berkeley, Glendale, Long Beach, Pasadena, Santa Ana, and Torrance) appear in table A-1 but not in table A-6 because they are less populous than one or more other cities in their respective counties.

Table A-6.—RELATION BETWEEN CITY-AREA AND BALANCE-OF-COUNTY MEASURES OF LOCAL GOVERNMENT REVENUE CAPACITY, REVENUE, AND RELATIVE REVENUE EFFORT, FOR 50 SELECTED CITIES OF OVER 100,000 POPULATION: 1966-67

City	Percent relation of city-area measure to balance-of-county measure[1]		
	Revenue capacity per capita	Revenue per capita	Relative revenue effort
Birmingham, Ala.	97	142	146
Mobile, Ala.	90	147	163
Phoenix, Ariz.	102	109	107
Tucson, Ariz.	69*	155*	226
Little Rock, Ark.	166	172	103
Anaheim, Calif.	111**	141**	126
Fresno, Calif.	94	107	114
Los Angeles, Calif.	108	124	114
Oakland, Calif.	116	127	109
Sacramento, Calif.	141	155	110
San Diego, Calif.	105	109	104
San Jose, Calif.	88	97	109
Miami, Fla.	112*	134**	120
St. Petersburg, Fla.	112	148	132
Chicago, Ill.	97	116	120
Peoria, Ill.	108	99	92
Rockford, Ill.	164	167	102
Kansas City, Kans.	317*	202*	64
Topeka, Kans.	106*	156*	148
Wichita, Kans.	97*	107*	110
Louisville, Ky.	105	158	150
Kansas City, Mo.[2]	103	110	107
Lincoln, Neb.	150*	233*	156
Omaha, Neb.	(3)	(3)	89
Albuquerque, N.M.	129*	219*	170
Charlotte, N.C.	81*	135*	166
Greensboro, N.C.	126	153	121
Winston-Salem, N.C.	119	164	137
Akron, Ohio	102	123	121
Canton, Ohio	97**	118**	122
Cincinnati, Ohio	102	197	193
Cleveland, Ohio	96	109	113
Columbus, Ohio	92*	108*	117
Dayton, Ohio	124	168	136
Toledo, Ohio	119*	147*	124
Youngstown, Ohio	102	116	113
Oklahoma City, Okla.	84	106	126
Tulsa, Okla.	73*	135*	184
Portland, Ore.	124*	165*	132
Allentown, Penn.	134	133	99
Erie, Penn.	115	128	111
Pittsburgh, Penn.	122	129	106
Scranton, Penn.	62	55	89
Chattanooga, Tenn.	226	323	143
Knoxville, Tenn.	208*	421*	202
Memphis, Tenn.	199*	236*	119
Salt Lake City, Utah	106	136	128
Seattle, Wash.	104	138	133
Spokane, Wash.	109	165	150
Tacoma, Wash.	176	254	144

[1] Per capita amounts are based on unofficial estimates of population; see text. Areas where the per capita comparisons may be especially subject to error on this account are annoted: a single asterisk denotes cities with at least twice as much estimated population as the balance of the county; a double asterisk denotes cities with an estimated population less than half that of the balance of the county.

[2] Ratios calculated by reference to both counties (Clay and Jackson) in which Kansas City is located.

[3] Data not available, due to exaggeration of "balance of county" amounts by Census attribution to Douglas County of all pertinent amounts for the 12-county Omaha Public Power District.

differences show up even though the central cities' per capita capacity is larger—in all nine instances for State-local sources as a whole, and in seven instances for local government sources alone.

Generally similar findings are provided by table A-6, which compares revenue measures for 50 major within-county cities with those for the balance of their respective counties. Here again, greater per capita capacity usually appears for the central city than for outlying territory (in 37 cases). Here also, we generally find per capita revenue higher in the central city (in 46 cases). And, with only five exceptions, these differences are such that local revenue effort is greater in the city than the average in the remainder of the county.

The city-suburbia differences in revenue effort that are indicated by both tables may seem smaller than those which some other studies have suggested, and the reason is clear. When capacity is measured, as it is here, specifically by reference to governments' potential fiscal reach, the central cities generally show up as being somewhat "better off" than comparisons based only on resident personal income might indicate. This is because the central portion of an SMSA or metropolitan county typically has a larger proportion of the area's taxable property values than of its resident personal income; and, with the average-financing-system for estimating capacity, the property tax is given the heavy weighting indicated by the important role of this source in the Nation's revenue system.

However, central cities' relative fiscal advantage on this score is generally diminishing, as suburbia attracts larger proportions of industry and business and "core" areas increasingly concentrate on governmental, institutional, and other service-type activities which (as illustrated in appendix D) contribute relatively less to the property tax base than do other kinds of economic activity. Moreover, the central cities' usual advantage over suburbia in revenue capacity per capita is usually outrun by extra revenue requirements, so that in most instances they show greater revenue effort than the suburban average (which, it also must be remembered, does not directly reflect any outlying pockets of particularly low revenue effort). Hence, although these comparisons may suggest that the "fiscal plight" of metropolitan central cities has sometimes been inadequately measured, they tend to support rather than contradict the main point—namely, that most such cities are extremely hard-put to keep their fiscal demands reasonably in line with those of neighboring suburbia.

Appendix B
CLASSIFICATION OF STATE-LOCAL TAX REVENUE

The following table shows how nationwide amounts of tax revenue of State and local governments in fiscal 1966-67, as classified for this study, relate to amounts reported for that year by the Bureau of the Census in its *Compendium of Government Finances* (Volume 4, Number 5 of the 1967 Census of Governments) and in further detail for State governments in its related annual report *State Government Finances in 1967.*

In instances where the present study has involved any grouping or adjustment of the most detailed amounts published in those sources, the underlying figures appear below under the heading "Detail."

The total shown here for "All State and local taxes" is slightly greater than that so reported in the Census publications, because of the addition here of the revenue surplus (the excess of revenue over expenditure) of publicly-operated liquor stores, as reported at table items 8 and 44. Indicated totals for "State taxes" and "Local taxes" also differ slightly from the published Census amounts because of the handling of data for the District of Columbia: its revenue from non-property taxes has been treated in this study as involving "State" taxes rather than "local" taxes.

STATE-LOCAL TAX REVENUE IN FISCAL 1966-67, AS CLASSIFIED IN THIS STUDY, IN RELATION TO CENSUS BUREAU CATEGORIES AND REPORTED AMOUNTS

Item no.	Type of tax	Amounts (millions of dollars): Detail	Amounts (millions of dollars): Study Amount	Per cent of: All S-L "own revenue"	Per cent of: S-L taxes
1	**All State and Local Taxes**		61,320.2	79.0	100.0
2	**State taxes**		32,390.8	41.7	52.8
	Sales and gross receipts taxes:				
3	General		8,966.3	11.6	14.6
4	Motor fuel		4,851.9	6.3	7.9
5	Tobacco products		1,620.1	2.1	2.6
	Alcoholic beverages:				
6	Selective sales	1,052.9			
7	Liquor licenses	140.5			
8	Liquor stores surplus[1]	282.8	1,476.2	1.9	2.4
	Public utilities:				
9	Selective sales	608.2			
10	Public utility licenses	31.4	639.6	0.8	1.0
	Amusements:				
11	Parimutuels	423.1			
12	Selective sales	33.3			
13	Amusement licenses	7.2	463.5	0.6	0.8
	Miscellaneous selective sales:				
14	Insurance premiums	877.6			
15	Selective sales NEC	237.7	1,115.3	1.4	1.8
	Motor vehicle taxes:				
16	Motor vehicle licenses	2,153.9			
17	Motor vehicle operators licenses	165.3			
18	Motor vehicle property taxes (see item 28)	227.9	2,547.1	3.3	4.2
19	Individual income taxes		4,958.2	6.4	8.1
20	Death and gift taxes		802.2	1.0	1.3
	Corporation taxes:				
21	Corporation net income	2,241.8			
22	Licenses, corporations in general	610.3			
23	Licenses, occupations and business NEC	360.2			
24	Document and stock transfer	218.4	3,430.7	4.4	5.6
	Severance taxes:				
25	Total	577.1			
26	Minus non-minerals component (see item 35)	-4.1	573.0	0.7	0.9
	Property taxes:				
27	Total	861.5			
	Minus estimated yields from:				
28	Motor vehicles (see item 18)	-227.9			
29	Intangibles (see item 34)	-175.2	458.8	0.6	0.7

STATE-LOCAL TAX REVENUE IN FISCAL 1966-67, AS CLASSIFIED IN THIS STUDY, IN RELATION TO CENSUS BUREAU CATEGORIES AND REPORTED AMOUNTS (Continued)

Item no.	Type of tax	Amounts (millions of dollars) Detail	Study Amount	Per cent of All S-L "own revenue"	S-L taxes
	Miscellaneous taxes:				
30	Hunting and fishing licenses	152.0			
31	"Other licenses	16.6			
32	Poll taxes	5.2			
33	"Other" (non-license) taxes	135.0			
34	Estimated yield, property taxes on intangibles (see item 29)	175.2			
35	Non-minerals component of severance taxes (see item 26)	4.1	488.1	0.6	0.8
36	**Local taxes**		28,929.4	37.3	47.2
	Property taxes:				
37	Total	25,185.7			
	Minus estimated yields from:				
38	Motor vehicles (see item 48)	-611.7			
39	Intangibles (see item 51)	-178.2	24,395.7[2]	31.4	39.8
	Sales and gross receipts taxes:				
40	General		1,157.0	1.5	1.9
	Selective:				
41	Motor fuel	20.2			
42	Tobacco products	106.2			
	Alcoholic beverages:				
43	Selective sales taxes	26.2			
44	Liquor stores surplus[1]	37.5			
45	Public utilities	401.9			
46	Selective sales NEC	147.6	739.6	1.0	1.2
	Motor vehicle taxes:				
47	Motor vehicle licenses	134.6			
48	Motor vehicle property taxes (see item 38)	611.7	746.3	1.0	1.2
49	Income and earnings taxes		852.2	1.1	1.4
	Miscellaneous taxes:				
50	"Other and unallocable" taxes	860.5			
51	Property taxes on intangibles (see item 39)	178.2	1,038.7	1.3	1.7

Note: Detail may not add to total due to rounding. NEC means "not elsewhere classified."

[1] Excess of revenue over expenditure of governmentally-operated liquor stores.

[2] For estimated distribution by major property classes, see Appendix.

Appendix C

DATA SOURCES FOR ESTIMATING REVENUE CAPACITY

Chapter 5 and Appendix D detail the methods used to estimate the potential yield of various revenue sources, at U.S.-average rates, for individual States, metropolitan areas, and counties. Published statistical sources used for that purpose are listed below. In addition, special tabulations of unpublished data were obtained (1) from the Governments Division of the Bureau of the Census, to estimate the potential yield of the property tax and of nontax revenue sources of local governments; and (2) from the Regional Accounts Division of the Office of Business Economics, to estimate potential yields of the following types of taxes:

Alcoholic beverage sales
Corporation
Death and gift
Individual income and earnings
Motor vehicle
Property
Public utility sales
Selective sales taxes not elsewhere classified
Severance
Miscellaneous taxes not elsewhere classified

It should perhaps be emphasized that the listing below refers only to published sources that directly entered into the estimation of revenue capacity for various areas. It thus omits a report of the 1967 Census of Governments--Volume 4, No. 5, *Compendium of Government Finances*—which supplied the basic framework for this effort in the form of detailed actual revenue data for State and local governments. Those figures, as supplemented by special tabulations prepared by the Governments Division of the Bureau of the Census from underlying computer tape records, were associated with the separately-developed estimates of revenue capacity to arrive at the measures of revenue effort which appear in Appendix G.

Published source	*Revenue source(s) involved*
American Gas Association, Inc., *Gas Facts, 1967*	Public utility sales tax
Distilled Spirits Institute, Inc., *Apparent Consumption of Distilled Spirits, by Months and by States, 1968* (1967 data)	Alcoholic beverage sales tax
Edison Electrical Institute, *Statistical Yearbook of the Electric Utility Industry for 1967*	Public utility sales tax General sales tax
Independent Telephone Association, *Annual Statistical Report, 1967*	Public utility sales tax General sales tax
National Tobacco Tax Association, *Comparative Cigarette Tax Collections, . . . Per Capita Consumption by States for 1966* (and . . . for 1967)	Tobacco sales tax
U.S. Dept. of Agriculture, Economic Research Service, *The Balance Sheet of Agriculture, 1967* (Information Bulletin No. 329)	Property tax
___, *Farm Real Estate Market Developments* (CD-70, April, 1968)	Property tax
___, *Taxes Levied on Farm Real Property, 1950-67* (Statistical Bulletin No. 441, July 1969)	Property tax
U.S. Dept. of Agriculture, Statistical Reporting Service, *Livestock and Poultry Inventory, 1967*	Property tax
U.S. Dept. of Commerce, Bureau of the Census, *Census of Business, 1967:* Vol. II, *Retail Trade, Area Statistics;* Vol. VII, *Selected Services, Area Statistics*	General sales tax Tobacco sales tax

Published source	*Revenue source(s) involved*
___, *Census of Business, 1963: Retail Trade, Merchandise Line Sales*	General sales tax Tobacco sales tax
___, *Census of Business, 1967:* Vol. VII, *Selected Services, Area Statistics*	Motor fuel sales tax Amusement sales tax
___, *Census of Governments, 1967:* Vol. II, *Taxable Property Values*	Property tax
___, *State Government Finances in 1967*	State nontax revenue
U.S. Dept. of Commerce, Office of Business Economics, *Survey of Current Business,* August 1968	Amusement sales tax State corporation tax Selective sales taxes, NEC[1] Miscellaneous taxes, NEC[1]
U.S. Federal Communications Commission, *Bell Telephone System, Selected Earnings and Balance Sheet Data . . . 1967*	Public utility sales tax General sales tax
U.S. Dept. of the Interior, Bureau of Mines, *Minerals Yearbook, 1967*	Severance tax
U.S. Dept. of Transportation, Bureau of Public Roads, *Highway Statistics in 1966, 1967*	Motor vehicle taxes Motor fuel tax
U.S. Treasury Dept., Bureau of Internal Revenue, *1965 Business Income Tax Returns*	Property tax
___, Statistics of Income: *1966 Individual Income Tax Returns*	Individual income tax Selective sales taxes, NEC[1] Miscellaneous taxes, NEC[1]
___, *Fiduciary, Gift and Estate Tax Returns, 1959, 1961, 1963*	Death and gift taxes

[1]NEC means "not elsewhere classified."

Appendix D

ESTIMATING REVENUE CAPACITY AND EFFORT FOR LOCAL PROPERTY TAXES

Chapter 5 summarized the major steps involved in developing measures of property tax capacity and effort for States and local areas. Following is a further description of the operations involved, with numbered references to the principal data sources employed, which are listed at the end of this appendix. Also reported below are findings from a comparison of our estimates of taxable property values in a number of California counties with valuations estimated by the California State Board of Equalization.

A. Estimating the composition of property tax revenue.

In the first instance, we estimated, by States, how much of the total yield of the local property tax—as defined for this report—came from various classes of property for which separate capacity estimates were desired. To accomplish this:

1. We deducted from Census-reported totals of local property tax revenue (Source 1) the portion resulting from property taxation of motor vehicles and intangible personal property—components not covered by the "representative" form of the property tax. These deductions were estimated mainly from assessed value data for such property (Source 2), and were carried out separately for the SMSA portion and non-SMSA portion of each State.
2. We deducted also, for the 4 States having "special" local levies on property other than motor vehicles and intangibles, the yield of such taxes (Source 2).
3. We distributed the resulting amount of local government revenue from general property taxes, separately for the SMSA and non-SMSA portion of each State, among the following detailed property classes:
   a. State-assessed utility property
   b. Other State-assessed property
   c. Locally-assessed personal property (other than motor vehicles and intangible personalty)
   d. Locally-assessed commercial and industrial real property
      (d-1) Public utilities
      (d-2) All other
   e. Vacant lots
   f. Other locally assessed real property.

   The amount for each component was determined by its share of the total of net taxable assessed values (other than for motor vehicles and intangibles) as reported in Source 2. Gross valuation amounts shown there for locally assessed real property and vacant lots were used, on the presumption that all exemptions of locally-assessed real property (the difference between gross and net taxable values) pertain to item f, which includes nonfarm residential realty plus acreage and farms. The separation of locally-assessed public utility amounts (item d-1) was based on a special tabulation obtained from the Governments Division, Bureau of the Census.
4. We added the resulting SMSA and non-SMSA amounts, and also the local "special" property tax amounts initially excluded for 4 States (all involving business taxation)—to derive preliminary statewide yield estimates by property class.
5. We further subclassified into "farm" and "nonfarm" the statewide yields estimated for locally assessed personal property (item c), using unpublished Agriculture Department figures on property taxes levied upon farm personal property in 1966. We made a similar subclassification of yields for "other locally assessed real property," using Agriculture Department estimates of 1966 levies against farm real estate (Source 3). The nonfarm portion of personal property yields was taken to involve business property (ignoring minor amounts for household personalty in a few States); and the nonfarm portion of "other locally assessed real property" was taken as the yield from nonfarm residential property.
6. We grouped various detailed yield estimates for each State, and added them to obtain nationwide

amounts of local property tax revenue as follows (in millions):

Nonfarm residential property	$11,919
Farm property (real and personal) . .	2,032
Vacant lots	501
Public utilities	1,892
Non-utility business property . . .	8,053

Nationally and in some States, this procedure probably results in some understatement of the business portion of local property tax yields, and a corresponding overstatement of collections from nonfarm residential property. Developing estimates separately for the SMSA and non-SMSA parts of each State makes allowance for the generally higher rates in metropolitan areas. However, it does not reflect tax-rate differentials *within* metropolitan areas, which usually involve a somewhat higher rate within the core city—where business property makes up relatively more of the tax base—than in suburbia. This likely bias in the yield estimates has only a minor effect on the total property tax capacity estimated for particular areas, since rather similar average rates were attributed to the two property classes involved. However, it does affect the proportions of total revenue capacity attributed to these particular components in the data presented for various areas.

B. Estimating tax rates for non-business property taxes.

As a second step, we determined the average rates of tax which, if applied nationally to nonfarm residential property, farm property, and vacant lots, would have yielded the indicated amounts of local property tax revenue from these respective types of property. To obtain for each State an estimate of the approximate market value of each of these property classes, we used data on gross assessed valuations and assessment ratios (Source 2) in conjunction with Agriculture Department estimates of farm real estate values in 1966 (Source 4), in the manner described in Chapter 2. By adding the individual-State figures and relating them to the nationwide estimates of tax yield described above, we obtained the following results:

	Estimated market value (millions)	*Indicated average local tax rate*
Nonfarm residential property . . .	$750,599	1.588%
Farm property (including taxable personal property . . .	218,533	.929%
Vacant lots	43,926	1.024%

C. Estimating the tax rate for business property.

For reasons detailed in Chapter 2, it was not possible to develop State-by-State estimates of the current market value of taxable non-utility business property. However, nationwide estimates of this nature were assembled (Source 5). For subsequent steps, it was necessary to subclassify the total into three major components. The amounts involved were as follows:

	Estimated market value (billions)
Non utility business, total . . .	$556.2
Land	(96.8)
Inventories	(174.6)
All other (structures and equipment)	(284.8)

This indicates an average local rate of 1.451 per cent for non-utility business property. At first glance, it may seem surprising that this rate is less than the average residential rate of 1.588 per cent, cited above. As already noted, this is probably due in part to some underestimation of business property tax yields. More importantly, however, the market value amounts used to estimate the over-all business tax rate reflect the "representative" form of the property tax, while actual yields are somewhat delimited by the narrower scope of business property taxation that actually applies in certain States, including such big ones as New York, Pennsylvania, and New Jersey. In such instances, exemptions have been provided for business personal property, in favor of other means of taxing business. If a separate average rate were developed for business *real property* only (which has not been attempted in this study), it would probably be at least as high as the indicated average rate for residential real estate.

D. Allocating the yield of non-business property taxation.

For each of the three types of non-business property, the geographic allocation of potential yields at national average rates was based upon estimates of the market value of such property in the respective States and local areas. These estimates were derived from Census data on gross assessed valuations and average assessment ratios for the respective types of property (Source 2 and special Census Bureau tabulations).

E. Allocating the yield of business property taxation.

Geographic allocation of revenue capacity available from local taxation of business property presented special problems, due to the lack of good market-value data for such property at the State or local levels. The scale of business activity in various areas is reflected by data on private nonfarm earnings developed by the Regional Economics Division of the Office of Business Economics. "Earnings" is a broad measure, including not only payrolls but also other labor income and proprietors' business earnings. However, the over-all total of private nonfarm earnings in various areas may not indicate closely their relative amounts of business property, due to (1) differences in the property-earnings relationship as among various businesses and (2) differences in the economic makeup of particular areas. In an effort to minimize the influence of such variations, we dealt separately with each of 56 types of nonfarm business for which local-area earnings data are developed by the Regional Economics Division. The procedure was as follows:

1. We distributed the nationwide market-value amounts of land, inventories, and other taxable holdings of non-utility business (cited at C above) among detailed types of business. This distribution was based upon Internal Revenue Service figures, from business tax returns, as to the book values of land, inventories, and gross depreciable and depletable assets. (Source 6) (Because the IRS data include amounts for business-owned residential property and vacant lots, for which capacity estimates were being separately developed, it was necessary to deduct estimated book-value amounts for these components from the "real estate" class of business.)
2. We translated the resulting property-value estimates from a "company" basis, as reflected in the IRS sources, to an "establishment" basis, by using linkage factors used regularly for a similar purpose by the Office of Business Economics in calculating various components of national income data. This step was necessary because the local-area data used in a later step reflect earnings of businesses classified by kind of establishment rather than by type of company or firm.
3. For each type of non-utility business, we summed the three value components and applied the nationwide business-tax rate indicated at C above, to derive an estimate of potential local property tax yield on an average-rate basis. (The nationwide property tax yield for public utilities had been previously estimated, without any type-of-property distinction, at step A.)
4. We calculated the relationship between the tax yield estimated for each type of business and its nationwide total of earnings, as reported for 1967 by the Office of Business Economics.
5. We applied these ratios (tax amount per dollar of earnings) to earnings amounts originating in the several types of businesses, as recorded by the Regional Economics Division for various States and local areas, and summed the products to obtain a single summary estimate of the potential yield of local property taxation of business for each such area.

The importance of subclassification in using data on earnings to estimate the potential yield of business property taxation for various areas is suggested by the following figures. They show the average tax/earnings relationship, nationwide, for each of various industry classes:

Industry class	*Local property tax (at over-all average U.S. percentage rate) per dollar of earnings*
Manufacturing	2.42%
Mining	9.25
Contract construction . .	0.99
Transportation, communication and public utilities	5.66
Wholesale and retail trade	2.40
Finance, insurance and real estate	3.27
Services	1.20

These are the broad classes of non-farm business for which earnings data are available in published form for particular metropolitan areas and counties. The underlying more detailed categories that were dealt with separately for the present study involve, understandably, even more diversity of tax/earnings ratios.

The importance of subclassification can also be illustrated in another way. The following distribution shows how individual-State estimates of business property tax capacity developed for this study differ from those that would result if such capacity were calculated merely by reference to total private nonfarm earnings—i.e., taking no account of the diverse industrial mix of the respective States:

Per cent of difference	*Number of States*
Plus 20 per cent or more	9
Plus 10 to 19 per cent	6
Plus 5 to 9 per cent	5
Less than 5 per cent (+ or –)	20
Minus 5 to 9 per cent	4
Minus 10 to 19 per cent	7
Total (including D.C.)	51

Thus, in nearly half the States the two kinds of measures differ by at least 10 per cent, and in only 20 States are they within less than 5 per cent of each other.

F. Calculation of effort measures.

The results of the foregoing operations were used, together with totals of actual local property tax revenue in various local areas (Source 1 data, obtained from the Census Bureau in tape-recorded form), to calculate "relative effort" measures for the local property tax, for individual States and local areas. At the State level, such measures were developed separately for each of the four major estimating components, but for local areas only a single summary measure of property tax effort was calculated.

G. Relation to earlier ACIR capacity-effort study.

The procedures described above resemble in some important respects those used in the earlier ACIR study of tax capacity and effort. New departures here with regard to the property tax include: (1) the development of local-area as well as State-by-State measures; (2) a specific focus here upon local property taxation, with separate treatment accorded to State-imposed property taxes; (3) the use of distinctive average rates for four components of the property tax to estimate potential yield, rather than of a single over-all average rate, as in the earlier study; and (4) the use here of detailed earnings data to estimate the geographic allocation of business property tax capacity.

H. Test of property-tax capacity findings for California counties.

Property-value estimates resulting from the foregoing procedure for certain California counties have been compared with valuations estimated by the California State Board of Equalization. The Board's figures comprise all locally assessed property, but exclude public utilities, so a similar delimitation was applied to figures used for this purpose from the present study.

Thirty-four California counties were potentially subject to review–i.e., all those with a 1966 population of at least 50,000. However, one of these was dropped because of inadequate ratio findings from the Census of Governments. Of the remainder, 10 were more directly subject to comparison, since for each of these the Board of Equalization had developed "full-value" estimates specifically for the assessment year of 1966, by expanding 1966 assessed valuations on the basis of its appraisals of a scientific sample of locally assessable properties. For each of the other 23 selected counties, such State measures were specifically available for either 1965 or 1967, but not for 1966. However, by reference to various indicators, the Board regularly "trends" its appraisal-based findings for individual counties. The Board's trend indicators were therefore used to adjust its 1965 or 1967 estimates for particular counties to a 1966 basis, to facilitate comparison with this study's figures for that year.

For the 10 counties most directly subject to comparative examination, the two sets of valuation estimates were substantially identical in total–i.e., within 0.2 per cent over-all. For individual counties in this group, our estimates ranged from 110 per cent down to 77 per cent of the State Board figures. The median-county relationship was 97.1 per cent, and the average departure from this relationship was 8.5 percentage points, or 8.7 per cent. As might be expected, each of the 3 most extreme departures involved a relatively small county.

For the entire group of 33 selected counties, values estimated by the present study totaled 7.2 per cent above those of the State Board of Equalization, but one very large county contributed much of the divergence. If it were excluded, the excess in total would be only 3.3 per cent. The median-county relationship was exactly 100 per cent, and the average individual-county departure from this was 10.6 per cent. For all except 6 of the 33 counties, the two value estimates were within 15 per cent of each other. Of the State's 10 most populous counties, only 3 showed a divergence between the two estimates of more than 10 per cent.

It would, of course, be unreasonable to expect a perfect fit between two sets of data so independently developed. Some of the apparent disparities can in part be traced to methodological differences. In general, however, the degree of correspondence between the two sets of data seems encouraging, especially when it is noted that approximately one-third of all the values being estimated pertain to business property, which involves especially difficult problems of evaluation.

I. Principal data sources (cited by number above).

1. U.S. Bureau of the Census, *Compendium of Government Finances* (Vol. 4, No. 5, 1967 Census of Governments).

2. U.S. Bureau of the Census, *Taxable Property Values* (Vol. 2, 1967 Census of Government).
3. Economic Research Service, U.S. Department of Agriculture, *Taxes Levied on Farm Real Property, 1950-67* (Statistical Bulletin No. 441, July 1969).
4. Economic Research Service, U.S. Department of Agriculture. *Farm Real Estate Market Developments* (CD-70, April 1968).
5. Unpublished estimates for 1966 from the "Flow of Funds and Balance Sheet Study" being carried out under the direction of Dr. Raymond W. Goldsmith. Sponsored by the National Bureau of Economic Research, this project is to adjust and update statistics shown for the period up to 1958 in Raymond W. Goldsmith, *The National Wealth of the United States in the Postwar Period* (Princeton University Press, 1962). Underlying methodology is described in that volume.
6. Internal Revenue Service, *Statistics of Income: 1965 Business Income Tax Returns.*

Appendix E

U.S. DIMENSIONS OF CANADIAN - TYPE "REVENUE EQUALIZATION GRANTS"

A program of "revenue equalization grants" that was recently enacted in Canada was described in Chapter 3. Under that program, fiscal capacity of each of the 10 Canadian Provinces (corresponding to our States) is defined and measured in a manner that is very similar to the "average-financing-system" approach employed in the present study. Thus, the estimates obtained in this study permit, for illustrative purposes, a test application of the Canadian arrangement to the United States.

The "Federal-Provincial Fiscal Arrangements Act, 1967" provides for a grant to each of the Canadian Provinces whose potential revenues from Provincial government sources would be less than the national average in per capita terms. This same system is here applied to the United States; table E-1 shows the resulting distribution if such a Federal-State arrangement had been operative in 1967.

Three other sets of illustrative figures are also presented and discussed below. Table E-2 shows the distribution that would have applied in 1967 under a similar program designed to "equalize" aggregate revenue capacity of both State and local governments, rather than only that of the State governments. The other tabulations show estimates for grant programs also taking account of aggregate State-local revenue capacity but with adjustments made for interstate differences in governmental costs, as indicated by pay rates of State and local government employees (table E-3) and by statewide averages of personal income (table E-4).

Grants Adjusted for State Government Capacity

This type of Federal "revenue equalization grant" would not make payments to all State governments, but only to those that have revenue capacity per capita that is below the national average. For each such State, the grant would be the amount needed to make up this difference. Thus, filling this kind of gap has nothing to do with the capacity gap some speak of when they refer to "unused capacity." Also, since the measurement of capacity is done on an average financing basis, nothing that an individual State government does would enlarge or reduce its entitlement, except insofar as its revenue practices affect the national picture.

Table E-1.—ESTIMATED 1966-67 DISTRIBUTION OF FEDERAL GRANTS TO STATE GOVERNMENTS HAVING BELOW-AVERAGE REVENUE CAPACITY*

State	Per capita amount (dollars)	Amount ($ million)	Per cent of U.S. total
U.S.	–	1,809	100.0
Mississippi	63	148	8.2
Alabama	52	184	10.2
Tennesse	45	176	9.7
Arkansas	45	88	4.9
South Carolina	44	116	6.4
West Virginia	42	77	4.3
Kentucky	38	120	6.6
North Carolina	37	186	10.3
Georgia	34	152	8.4
Virginia	29	128	7.1
Pennsylvania	20	238	13.2
Maine	18	18	1.0
Missouri	12	56	3.1
Wisconsin	12	51	2.8
Utah	12	12	.7
Idaho	10	7	.4
South Dakota	4	3	.2
Florida	4	25	1.4
Massachusetts	3	14	.8
Vermont	2	1	.1
Iowa	1	4	.2
Arizona	1	2	.1
Maryland	1	3	.2

*Amounts needed to make up the difference between the per capita revenue capacity of each State government and the nationwide per capita average for State government revenue sources.

If it had been operative in fiscal 1966-67, a program of this kind—very closely resembling the Canadian arrangement—would have involved payments to 23 States, ranging in amount from $63 per capita for Mississippi down to only about $1 per capita for Iowa, Arizona, and Maryland. Given the strong upward trend in State revenue, the cost would probably have been about 30 per cent greater in fiscal 1968-69, or around $2.3 billion. This sum is only about four times as much as the $573 million Canada distributed that fiscal year to its seven below-average-capacity Provincial governments, despite the fact that the own-source revenue of the State governments in the United States is about seven times as great as the own-source revenue of the Canadian Provincial governments. The comparison can be expressed in another way: Canada's distribution has equalled around $8 to $9 annually per $100 of own-source Provincial revenue, while the corresponding ratio here would be less than $5 per $100 of own-source State government revenue. It would thus appear that such an arrangement in this country would be relatively less costly to the central government than it is in Canada, and would benefit a smaller proportion of the Nation: here, 23 out of 50 States, with 39 per cent of the total population (excluding the District of Columbia); in Canada, seven out of 10 Provinces, having 48 per cent of the total population.

The per capita amounts of aid in table E-1 take on a new dimension when they are considered as a percentage of unaided State government capacity. This type of program would supplement Mississippi's capacity by almost one-half (48 per cent). Four other States would find their capacity increased by at least 30 per cent. The seven States receiving grants of $4 or less per capita would find that their capacity had been supplemented by only two per cent or less. Although Pennsylvania would receive the largest amount of dollars, the payment would be a less significant addition (12 per cent) to its own pre-grant capacity than for each of the 10 States ranking above it in table E-1.

The regional picture is strikingly clear. The ten States that would be eligible for the largest per capita amounts (the same 10 that would receive the largest percentage addition to their own capacity) are, without exception, in the South. Altogether, these 10 would be entitled to 76 per cent of the funds. The other 13 eligible States are geographically scattered.

As emphasized above, this kind of "revenue equalization grant" is not contingent upon any particular degree of revenue effort by the aided governments. Nevertheless, it may be of interest to consider whether the States that would receive the grants are at least average in this respect. The proper basis of comparison seems to be State government revenue effort (Appendix G-4). In 1966-67, 18 of the 23 eligible State governments were making an effort at least equal to the national average. Thus, this particular grant program would not appear to suffer from having the two kinds of fiscal measures (capacity and effort) point in opposite directions.

Grants Adjusted for State-Local Revenue Capacity

The data assembled in this study permit an alternative test application of the Canadian approach to State *and local* revenue capacity. As noted in Chapter 4, there is much to be said for having the Federal Government view the finances of a State and all its subdivisions as a unit. As illustrated here, the program could still operate as a Federal-State arrangement; the inclusion of local finances in the calculation would not automatically make it a Federal-State-local program.

Table E-2 shows the dimensions of a grant program designed to bring up to the national average level the per capita revenue capacity of State and local governments in all the States where it was below par. As the table shows, such a program would be more than twice as costly as that previously discussed, which sought only to equalize revenue capacity of State governments. In 1966-67, the broader grant arrangement would have distributed about $4.6 billion among 25 States. (The corresponding total for 1968-69 would probably have been about $5.8 billion.) This sum equals about $7 per $100 of own-source of State and local governments—a materially higher ratio than that noted above (less than $5 per $100) for grants designed to equalize only the revenue capacity of State governments as such.

Table E-2.—ESTIMATED 1966-67 DISTRIBUTION OF FEDERAL GRANTS TO STATES HAVING BELOW-AVERAGE STATE-LOCAL REVENUE CAPACITY*

State	Per capita amount (dollars)	Amount ($ million)	Per cent of U.S. total
U.S.	–	4,636	100.0
South Carolina	137	356	7.7
Mississippi	133	310	6.7
West Virginia	111	202	4.4
Alabama	110	388	8.4
Arkansas	102	201	4.3
North Carolina	95	473	10.2
Kentucky	89	282	6.1
Maine	83	82	1.8
Georgia	78	346	7.5
Tennessee	76	295	6.4
Virginia	72	324	7.0
Vermont	59	24	.5
Pennsylvania	54	627	13.5
Rhode Island	43	39	.8
Utah	43	43	.9
Idaho	34	24	.5
Missouri	29	131	2.8
South Dakota	19	13	.3
Wisconsin	16	65	1.4
Texas	15	159	3.4
Ohio	12	122	2.6
Massachusetts	11	59	1.3
Indiana	9	43	.9
Maryland	7	26	.6
Minnesota	1	2	[1]

*Amounts needed to make up the difference between the per capita State-local revenue capacity of each State and the nationwide per capita average for all State and local revenue sources.
[1] Less than ½ of 1%.

As would be expected, most of the same States appear here as in Table E-1, and in roughly the same order. The heavy concentration of Southern States at the top of the per capita list remains. The percentage addition to capacity arising from the hypothetical grants is even more impressive for these poorest States. Eleven States would find their capacity expanded by more than 20 per cent; the top two–South Carolina and Mississippi–by 50 per cent.

Granted the basic similarity between the tables, notable differences do appear. For one thing, five new States join the eligibility list, while three are dropped. Far more important are the changes in the size of entitlements. In the shift from State source capacity to State-local capacity, South Carolina finds its grant jump from $44 per capita to $137, and Vermont enjoys a spurt from $2 per capita to $59. The percentages of pre-grant capacity represented by the Federal aid payments are equally impressive: the $116 million payable to South Carolina in table E-1 equalled 30 per cent of its State-source capacity, while the $356 million it would receive under the broader program reflected in table E-2 is equal to 53 per cent of its State-local capacity. For Vermont, the corresponding shift is from one per cent to 17 per cent.

Another difference between the two alternative hypothetical grant programs appears in the findings as to relative revenue effort made by the States involved. In the second case, State-local effort is a more appropriate yardstick than effort from State sources alone. Of the 25 States eligible for revenue equalizing grants under the broader program, only nine were making above average effort in 1966-67, as compared with 18 of 23 when only State government capacity and effort were considered. This abrupt switch is another way of saying that in most low capacity States, State sources are tapped intensively, while local revenue sources are utilized to a less than average degree. This can be seen with great clarity in the third column of appendix table G-4, where only six of the 25 States listed in table E-2 are shown with an effort above the U.S. average for local revenue sources. This finding is but another reflection of a regional pattern commented on in Chapter 2, namely, the tendency in Southern States for local revenue sources (and especially local taxes) to be utilized at below-average rates.

Some observers might question a grant arrangement which thus seemed especially to favor areas where available revenue sources are not being severely tapped. Others, however, may counter that this is not inappropriate, on the ground that any particular level of "relative revenue effort" is likely to involve more burden or sacrifice for a State with small revenue capacity per capita than for others which are better off on that score. In any event, as emphasized above, it is a built-in feature of the revenue-equalizing grant approach that differences in effort be disregarded in determining the allocation of funds.

Grants Adjusted for Governmental Cost Levels

At various points in this study, warnings have been offered about possible misuse of simple per capita comparisons of revenue capacity. In the monograph concerning grant arrangements which was discussed in Chapter 3, Mr. Clark noted that "in a revenue equalization formula, it is assumed that expenditure needs per capita are *identical* in all provinces....."[1] As the author also observed, however, this assumption is obviously not realistic. Areas are likely to differ in their public expenditure needs per capita for two kinds of reasons: (1) because of differences in the nature, scope and intensity of public services they require, on account of natural conditions (topography, climate, etc.), demographic conditions (population composition, urbanization, etc.), and economic conditions (income distribution, level of employment, etc.); and (2) because of geographic differences in price levels for the services and goods utilized by governments to carry out their responsibilities.

An effort to avoid the assumption of identical expenditure needs per capita in the design of grant-in-aid arrangements would, in its most precise form, call for a determination of the cost in various areas of providing a defined set of those public services for which financial equalization was desired, so as to have a dollar measure of "fiscal need" with which relevant amounts of financing capacity could be compared. That, however, is a heroic challenge. As pointed out in Chapter 1 of this report, specifications for the present study did not contemplate any attempt to determine the relative fiscal need of various areas. The problems involved in any such effort would, in their complexity, completely dwarf the more manageable task which *has been* undertaken, to develop comparative measures of revenue capacity and effort.

Nonetheless, two points deserve emphasis. First, the "actual revenue" amounts which have entered into the calculation of effort in this study may be viewed as a reflection of fiscal need–or, perhaps more precisely, as reflecting the interpretation of and response to such need by State and local governments. Secondly, while it would be extremely difficult to translate into dollar terms the many variables that affect the scope and intensity of public services, information *is* available to indicate geographic differences in cost level for at least a

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[1] Douglas H. Clark, *op. cit.*, p. 27.

major element of State-local expenditure—salaries and wages.

Accordingly, Census Bureau figures on earnings of full-time State and local government employees have been used, in effect as a proxy "unit-cost" measure, to develop estimates for still another version of revenue equalization grants. This hypothetical plan, like that summarized above in table E-2, would be designed to assist States where aggregate per capita revenue capacity from both State and local government sources is below-average. In this case, however, the target amount of "revenue need" used to calculate the grant eligibility of any State was adjusted to take account of one-half of the difference between average monthly earnings of full-time State and local government employees in the particular State and the corresponding national earnings average for all such employees.[2]

An example may clarify the methodology. Public employees' earnings in Alabama averaged 76 per cent of the national average. It was therefore assumed, in effect, that any given amount of governmental revenue in Alabama was actually "worth" more in terms of public buying power to the extent of half this divergence. Therefore, the amount of "revenue need" that would have resulted by assuming for this State the nationwide average per capita amount was reduced by 12 per cent (from $1,395 million to $1,228 million). Deducting from this adjusted target figure Alabama's revenue capacity of $1,007 million led to the indicated grant amount of $221 million, or $63 per capita—materially less, because of the adjustment procedure, than its allocation under the simpler revenue equalization formula summarized in table E-2.

The "halving" of earning-rate differences in carrying out these calculations was obviously arbitrary, but may be rationalized on two grounds. In the first place, while wages and salaries make up a considerable fraction of State and local government expenditure (42 per cent in 1968), and regional differences in public pay rates probably resemble cost level differences in some other spending components as well, this is not the case for all State-local outlays. Secondly, part of the regional variation in public pay rates is likely to be associated with differences in training, competence, and productivity of the employees concerned. For both these reasons, then, it seemed proper to discount earnings differences, rather than using them directly as a proxy for interstate variations in the "unit cost" of State and local government.

[2]The pay rate calculations were based on data for October 1968, the latest period for which needed figures had been reported by the Bureau of the Census at the time these estimates were developed. The earnings average for each State was not taken directly from the Census source, but was specially calculated in such a way as to eliminate the influence upon the average of interstate differences in the proportions of employees engaged in various functions, and in teaching versus nonteaching positions, as reported separately by the Census Bureau for public schools and for institutions of higher education.

In most instances, this price-level adjustment was relatively limited, involving a change in estimated "revenue need" of less than 10 per cent in all except 9 States. For 7 of these—all in the South—the estimate was lowered, while for the other two it was raised.

The results of these calculations for an adjusted system of revenue equalization grants are summarized in table E-3.

Table E-3.—ESTIMATED 1966-67 DISTRIBUTION OF FEDERAL GRANTS TO STATES HAVING BELOW-AVERAGE STATE-LOCAL REVENUE CAPACITY, WITH ADJUSTMENTS FOR GOVERNMENTAL COST LEVELS INDICATED BY PUBLIC EMPLOYEES' PAY RATES

State	Per capita amount (dollars)	Amount ($ million)	Per cent of U.S. total
U.S.	xxx	3,071	100.0
South Carolina	89	232	7.6
West Virginia	74	134	4.4
Mississippi	71	166	5.4
North Carolina	69	345	11.2
Alabama	63	221	7.2
Virginia	54	244	7.9
Kentucky	53	169	5.5
Maine	52	51	1.7
Pennsylvania	50	581	18.9
Vermont	44	18	.6
Arkansas	43	84	2.7
Rhode Island	36	32	1.0
Georgia	34	152	4.9
Tennessee	30	118	3.8
Wisconsin	25	106	3.5
Utah	21	21	.7
Massachusetts	17	91	3.0
Maryland	15	55	1.8
Michigan	13	109	3.5
Minnesota	13	45	1.5
Missouri	7	32	1.0
Ohio	6	60	2.0
Arizona	2	4	.1
New Jersey	[1]	1	[2]

[1]Less than $.50.
[2]Less than ½ of 1%.

This type of revenue equalization grant program would have cost $3.1 billion for fiscal 1966-67 (or presumably some $4.1 billion two years later), which is about 30 per cent less than the amount estimated for a program making no allowance for cost-level differences. Again about half of all the States would be eligible for aid, but this group of 24 includes three (Arizona, Michigan and New Jersey) that did not qualify under the unadjusted plan outlined in table E-2, while it does not include four States (Idaho, Indiana, South Dakota, and

Texas) that would be covered under that plan. There is a general similarity in the States heading each list, with eight of the top 10 located in the South here, as compared with nine out of 10 in table E-2. However, the share of the total distribution going to Southern States is less on this basis—61 per cent, as compared with nearly 73 per cent under the unadjusted plan. For most of the States showing up here as well as in table E-2, the cost-level adjustment would result in a lesser grant. However, the adjustment would increase the grants going to Massachusetts, Minnesota, and Wisconsin, where public employees' earnings run somewhat above the U.S. average.

At first glance, the foregoing kind of revenue-equalization grant arrangement might seem to have much to recommend it. However, it is subject to at least one extremely serious limitation. Unlike the "unadjusted" distributional plans previously examined, this one would *not* be unaffected by the financial practices of State and local governments. Quite the contrary for governments in those States where unadjusted revenue capacity averages less per capita than in the nation as a whole. For those States, the kind of formula outlined would in effect afford a 100-per cent Federal subsidy for higher pay rates to public employees. And even States moderately above the national per capita average of (unadjusted) revenue capacity would, under this arrangement, become eligible for some aid by upping their employees' pay rates.

These effects of the grant plan could be lessened, of course, by cutting back the allowance for pay-rate differences from one-half to some smaller fraction. However, if the cutback was only minor, it would not have much effect; and if it was severe, it would tend to nullify the intended effort to provide a cost-level adjustment as part of the grant arrangement. Accordingly, an alternative method has been devised and tested, under which differences in governmental cost levels are inferred from average *per capita personal income* in the respective States. With this approach, it is being presumed in effect that the average income level for the entire resident population of a State can be used as a proxy for the probable or reasonable rate of earnings for public employees there. Hence, the reasons offered above for "halving" of interstate differences in public pay rates in order to allow for variations in the unit cost of government also apply in this instance.

Table E-4 summarizes the distribution of revenue-equalization grants under this alternative formula. For each aided State, the allocation is the sum needed to bring its revenue capacity up to the estimated amount of its "revenue need"—obtained by (1) figuring how much revenue it would require in terms of the nationwide per capita average of State-local revenue and (2) then adjusting this sum up or down by one-half of the percentage difference between per capita personal income within the State and in the Nation as a whole.

Table E-4. ESTIMATED 1966-67 DISTRIBUTION OF FEDERAL GRANTS TO STATES HAVING BELOW-AVERAGE STATE-LOCAL REVENUE CAPACITY, WITH ADJUSTMENTS FOR GOVERNMENTAL COST LEVELS INDICATED BY STATEWIDE AVERAGES OF PERSONAL INCOME

State	Per capita amount (dollars)	Amount ($ million)	Per cent of U.S. total
U.S.	xxx	2,895	xxx
South Carolina	75	195	6.7
West Virginia	58	105	3.6
Pennsylvania	54	627	21.7
Mississippi	52	121	4.2
Maine	50	49	1.7
Alabama	49	172	5.9
Rhode Island	49	44	1.5
Virginia	47	212	7.3
North Carolina	45	224	7.7
Kentucky	41	130	4.5
Arkansas	40	78	2.7
Georgia	37	166	5.7
Vermont	37	15	.5
Massachusetts	31	170	5.9
Tennessee	27	103	3.6
Maryland	24	87	3.0
Missouri	18	80	2.8
New Jersey	16	112	3.9
Wisconsin	16	65	2.2
Indiana	14	69	2.4
Connecticut	12	36	1.2
Utah	10	10	.3
Illinois	2	25	.9

As indicated by the table, this sort of revenue equalization program would have cost $2.9 billion for fiscal 1966-67 (or presumably some $3.8 billion two years later), or somewhat less than the plan summarized in table E-3. Grants would go to 23 States, including three (Connecticut, Illinois, and Indiana) not eligible under that plan, but excluding four others (Arizona, Michigan, Minnesota, and Ohio) for which table E-3 showed minor amounts. There is considerable similarity in the identity and ranking of the States that would be aided under this and the "cost-level-adjusted" plan previously outlined. This, of course, might reasonably be expected; it reflects the fact that interstate differences in State-local pay rates generally tend to parallel those in the overall level of personal income.

Again in this instance, 10 of the aided States are in the South. However, their grants would generally be somewhat less, and the South's proportion of the total distribution under this formula would be 52 per cent, as compared with 61 per cent under the cost-adjusted plan previously examined and nearly 73 per cent under the simple allocation system summarized in table E-2.

Concluding Observations

Two final comments are in order.

In the first place, it should be emphasized that the foregoing sets of estimates are not offered as policy proposals. Their presentation should not be interpreted as being intended to justify the desirability of one or another of the grant arrangements described above. Rather, these figures are intended solely to illustrate how the revenue capacity estimates prepared in this study can be utilized to gauge the dimensions of various forms of capacity-equalizing grants, generally modeled after Canada's established system, that might merit consideration in the United States.

Secondly, the hypothetical plans presented here do not exhaust the alternative arrangements for which corresponding kinds of estimates could be made. For example, the scope of the financing "capacity" to be considered for equalization might be narrowed to take account only of taxes, rather than including also nontax revenue sources of State and local governments; or perhaps broadened, to deal with over-all fiscal capacity including debt issuance in addition to revenue, possibly along the lines examined in Appendix F. Again, some alternative and possibly better way might be designed to allow for interstate differences in governmental price levels than those reflected in tables E-3 and E-4, above. It is hoped that the background data in this report, together with the illustrative estimates presented in this appendix, may aid fiscal scholars and responsible policymakers in their further consideration of such matters.

Appendix F

TAKING DEBT CAPACITY AND BORROWING INTO ACCOUNT

At any particular time, a portion of the revenue capacity of State and local governments is in a sense committed or "mortgaged" for the amortization of debt they had previously incurred. For example, at the beginning of fiscal 1966-67, these governments had total general government debt (i.e., excluding that for local utilities) amounting to $90 billion, which gave rise during the fiscal year to debt service requirements of about $7.2 billion, including $3 billion for interest and $4.2 billion of maturing long term debt to be retired.

Such debt service commitments would be irrelevant to the measurement of relative financing capability if they represented everywhere the same fraction of total revenue capacity. But this is emphatically not the case. In Delaware, for example, amortization requirements for general State and local government debt in fiscal 1966-67 amounted to more than one fourth of statewide revenue capacity, as estimated in this study; on the other hand, for South Dakota—with relatively little debt outstanding—this proportion was only about 3 per cent.

One might take account of such variations by deducting debt service requirements from total revenue capacity to arrive at an adjusted measure reflecting "currently available" revenue capacity. Because of variations in their debt background, the relative standing of numerous States would be materially altered by such calculations: those with a large amount of previously incurred debt (in relation to their revenue capacity) would show up less well off and those with little debt better off than in terms of revenue capacity alone.

Such an "adjusted revenue capacity" measure would involve a lop-sided and incomplete concern for the fiscal implications of indebtedness, by treating debt service requirements only as a negative factor and not taking account on the other hand of the financing potentially available from debt issuance. But this background does suggest one possible approach to the problem that was briefly mentioned early in this study—namely, whether it may be possible and desirable to devise comparative measures of financing capacity and effort that encompass not only governmental revenue but also borrowing. This matter was discussed in Chapter 1 as follows:

> ". . . . A considerable part of the capital outlay of local governments is financed in the first instance by debt issuance, and the same is true to a lesser extent for State government outlays. Debt financing might be viewed as one form of governmental effort—at least a short-run alternative to the raising of the same amount of revenue. And although debt issuance permits the postponement of the burdens flowing immediately from taxes or public charges, it does involve a sort of sacrifice by the jurisdiction involved—a reduction in its further borrowing power and the acceptance of a future drain upon its resources for debt service. A major argument for trying to take account of the borrowing component of State-local financing is that this would permit the subclassification of "effort" along functional lines. On the other hand, to do that would imply that borrowed funds can be readily interchanged with governmental revenues, and that is not so; bonds are usually issued to finance particular capital outlays, and cannot be diverted to other purposes. Furthermore, borrowing supplies only a rather minor part of all State-local financing, and special problems arise in trying to measure relative debt capacity. Accordingly, in the present study capacity and effort have been measured and reported mainly in terms of revenue alone, although an appendix section takes a look at broader measures that also take account of financing by debt issuance."

Estimating Over-all Fiscal Capacity

In addition to the $77.6 billion that State and local governments obtained in fiscal 1966-67 from taxes and other "own revenue" sources, as defined in this study, they also obtained $8.7 billion by borrowing for general-government purposes.[1] The sum of the two amounts, $86.4 billion, may be taken as the total of general government financing provided that year from State and local sources—nine-tenths of it obtained by

[1] This is the sum of the increase in general debt outstanding for all the governments that experienced such an increase in fiscal 1966-67. A larger amount would appear if one took account on a gross basis of all general debt issued. However, the debt-change approach applied here at the individual government level seems preferable, since some of the long-term debt issues were to refinance indebtedness previously outstanding.

revenue-raising and the other one-tenth through borrowing.

Even though borrowing involves a rather different kind of governmental "effort" than the raising of revenue, there is some value in considering the two together, especially so that the outgo side of State-local finances can be examined in relation to an aggregate measure of capacity. Available data sources do not indicate how much of State-local expenditure for various functions is financed from borrowing, as distinct from revenue. But if these two kinds of financing are taken together, it is possible to develop comparative measures of relative effort in functional terms.

However, we must then face the problem: How does one estimate the over-all financing capability of State and local governments, to provide a measure that reflects not only their revenue potential but also their debt-incurring capacity?

It is well to recall that we are concerned with relative rather than absolute measures. We are not trying to determine the maximum total *amount* of State and local government financing that would conceivably be possible in particular areas or in the Nation as a whole, but, rather, to gauge the financing capability of various areas in *comparative* terms. Our starting point in dealing with revenue was to presume that the standard of comparison should be amounts actually raised by State and local governments, so that by definition, for the Nation as a whole, revenue capacity equalled actual revenue. Similarly for total financing from State and local government sources our standard for comparison is actual performance, so that for the Nation as a whole over-all fiscal capacity is taken as equal to the sum of actual revenue and borrowing, which amounted in fiscal 1966-67 to $86.4 billion, or $441 per capita. Furthermore, since borrowing by State and local governments that year was equal to 11.3 per cent of all the revenue they raised, this *over-all* capacity amount equals 111.3 per cent of the $77.6 billion of *revenue* capacity.[2]

It would clearly be improper, however, simply to apply this factor uniformly to the revenue capacity estimated for various areas, in effect crediting each with an allowance for borrowing capability equal to 11.3 per cent of their revenue capacity. For, as noted above, previous borrowing had already established diverse requirements for debt service representing a potential charge against available financial resources. Or, to express the matter in another way, *total* debt-carrying capacity had already been partly utilized, to a widely differing extent in particular areas.

To deal with this problem, a procedure was devised which takes account of pre-existing indebtedness in estimating the over-all financing capability of State and local governments in particular areas. With this procedure, as carried out on a State-by-State basis for 1966-67, total fiscal capacity is calculated by reference to revenue capacity, but with an allowance for any divergence of annual debt service requirements from the amount of such requirements that would apply if general debt in the particular State were at a national-average level.

The amortization rate used to calculate debt service requirements is necessarily arbitrary. We have assumed a rate of 8 per cent of total outstanding debt (at the beginning of the fiscal year) as the amount needed to pay interest and retire maturing indebtedness. Actual State-local interest expenditure on general debt in fiscal 1966-67 amounted to 3.4 per cent of beginning-of-year general debt. Several Census Bureau studies have indicated that a little under five per cent of all State and local long-term debt comes due for retirement annually. But since our over-all ratio applies to the sum of short-term and long-term general debt, it seemed proper to reduce the allowance for scheduled debt retirement to 4.6 per cent, making the aggregate assumed rate for debt service eight per cent.

The estimating procedure can be illustrated by the figures below for the State of Iowa, where, at the beginning of fiscal 1966-67, State-local indebtedness was relatively low in relation to revenue capacity, and for New York, where the opposite condition existed. (Amounts shown are in millions of dollars.)

	Iowa	*New York*
a. General debt at beginning of year	532.8	14,731.6
b. Estimated revenue capacity .	1,131.7	8,029.0
c. Debt service requirements with average debt load (.0926* x b)	104.8	743.7
d. Debt service requirements with actual debt load (.08 x a) . .	42.6	1,178.5
e. Item b plus c minus d . . .	1,193.9	7,594.2
f. Estimated total fiscal capacity (1.113** x e)	1,328.5	8,450.6
g. Ratio of total fiscal capacity to revenue capacity (f/b) . .	1.174	1.053

*Eight per cent of assumed debt equal to 1.1158 times revenue capacity (the U.S. average proportion).

**The national average ratio of fiscal capacity to revenue capacity.

[2]This relationship, of course, is not unchanging over time. The proportion of State-local financing represented by borrowing was somewhat less in fiscal 1966-67 than in all or most years of the preceding decade. This ratio dropped off further in the next fiscal year, rose again in fiscal 1968-69, and, due to the money market difficulties of recent months, was probably at a materially lower level the following year.

With this approach, some margin for borrowing was found in every State; that is, total fiscal capacity was greater than revenue capacity in all instances. This would not always be the case, however, if a corresponding procedure had been applied to 1966-67 data for smaller areas, such as counties. With the estimating factors applied, no borrowing margin would have appeared for any area where the amount of general debt to be serviced was at least 2.4 times the area's revenue capacity. To the extent of any such excess, with this method of calculation, total fiscal capacity would actually show up as *less* than revenue capacity. At the other extreme, an area with no outstanding general debt at all would, with this estimating procedure, show up with total fiscal capacity about 22 per cent greater than its revenue capacity.

The term "borrowing capacity" has been used above. However, both because of the greater irregularity from year to year in debt issuance than in revenue flows, and because–as noted above–it is possible with the estimating approach used here to find a negative difference between total fiscal capacity and revenue capacity, it is more appropriate to focus attention on the broader measure as such, rather than to treat the difference between the two as a borrowing capacity measure with which actual debt issuance during a particular year might be directly compared.

Estimates of total fiscal capacity and of relative total fiscal effort (expressing the relation of actual revenue plus borrowing to total fiscal capacity) have been developed for State areas, and appear with related measures in table F-1. Corresponding data have not been assembled for metropolitan areas or individual counties, both because of time limitations and because of the tentative and exploratory nature of the estimating procedures employed. However, there would appear to be no serious technical obstacle to the development of such local-area measures. Debt figures needed for that purpose to supplement the kinds of revenue statistics detailed in the main body of this report are available from Census sources, and, although it would be necessary to estimate the geographic allocation of the State debt amounts involved, that presumably could be handled properly by reference to the allocations determined for State government revenue.

Highlights of State-Area Findings

In over-all fiscal capacity, as estimated here, individual States ranged in 1966-67 from a high of $763 per capita (Nevada) down to $292 per capita (Mississippi). This closely resembles the 2.6-to-1 range measured for revenue capacity alone. Most States, in fact, show up quite similarly on both bases of comparison. When each of the two measures is expressed on an index basis in relation to related national averages, they are within two percentage points of one another for 25 States. However, some divergences are rather sizable. For example, certain States with relatively little debt move up noticably when capacity is measured on an over-all basis rather than only in terms of revenue–Iowa from 103 to 109 per cent of the national average, South Dakota from 95 to 102 per cent, and Wyoming from 148 to 154 per cent. Heavily indebted States show the opposite kind of shift–Delaware dropping from 120 to 108 per cent of the national average and New York 113 to 107. Eight other heavily-indebted States drop off by three to five percentage points, while 13 States with less-than-average debt loads appear three to five per cent better off in terms of over-all fiscal capacity than in terms of revenue capacity only.

Also because of differences in the volume of outstanding debt in relation to revenue capacity, there is a considerable range in the extent to which total fiscal capacity exceeds revenue capacity–from practically nothing in high-debt Delaware up to a differential of more than 15 per cent in Idaho, Iowa, Nebraska, North Dakota, South Dakota, and Wyoming. For most States, however, this differential is not far from the national average of 11 per cent.

Total actual financing by State and local governments in 1966-67 (revenue plus borrowing) ranged from $719 per capita in Alaska down to $306 per capita in Mississippi. This is somewhat wider than the 2-to-1 interstate range observed for per capita revenue alone. However, there seems no general tendency for greater variation in one or the other of these measures: Seven States were at least 20 per cent above the per capita national average of total financing, similar in number to the eight States found to be at least 20 per cent above the revenue average; again, nine States were at least 20 per cent below the total-financing average, resembling the count of 10 found to be at least 20 per cent below the per capita average for revenue financing alone.

The sixth column of table F-1 provides a measure of "relative total fiscal effort," expressing the percentage relationship of actual revenue plus borrowing in each State to its estimated total fiscal capacity. Nineteen States show greater-than-average effort (a figure of more than 100), two exactly average, and 30 below-average effort. This is practically the same as the distribution found for revenue effort alone (20, 2, and 29 States, respectively). Moreover, the extreme range for relative total fiscal effort (from 132 in Alaska down to 79 in Nebraska) resembles that found for relative revenue effort alone (from 126 in New York down to 77 in Nevada).

However, while many States show up about the same on both comparative standards, there are numerous significant shifts. For example, Idaho and South Dakota, having relatively little outstanding debt and engaging in only limited new borrowing in 1966-67, drop several points—Idaho from 108 for revenue effort alone down to 98 for "total fiscal effort," and South Dakota from 105 down to 93. On the other hand, those States with a greater-than-average volume of beginning debt and/or of new borrowing in 1966-67 move up materially when effort is calculated comprehensively—for example, Alaska from 106 for revenue effort alone to 132 for total effort, Connecticut from 93 to 103, Delaware from 102 to 120, Kentucky from 93 to 111, and Oklahoma from 88 to 102. When attention is directed at total fiscal effort rather than revenue effort alone, an upward shift of five to nine percentage points is found for six additional States, and a drop of five to nine points for 13 others. For the remaining 25 States, the two measures of relative effort are within four points of each other.

The seventh and eighth columns of the table show the percentage relationship to each State's estimated total fiscal capacity of its actual 1966-67 revenue and borrowing, respectively. Borrowing ranged from over 20 per cent of total fiscal capacity in Alaska, Kentucky, Oklahoma, and Vermont down to less than five per cent in Hawaii, Montana, South Dakota, Utah, and West Virginia. Revenue alone, as a percentage of total fiscal capacity, ranged from 117 in Hawaii down to 68 in Nevada. As would be expected, extensive borrowing is generally associated with a high level of total fiscal effort: of the 19 States with an above-average index of total effort, 14 show borrowing equal to at least 10 per cent of their estimated over-all fiscal capacity (the national average proportion).

The four final columns of table F-1 illustrate one potential use for the kind of comprehensive capacity measure developed for this presentation. As previously noted, it is not possible for existing data sources to determine how much State-local expenditure for various purposes is financed from current revenues, as distinct from borrowings (or, for that matter, from carried-over fund balances). It is possible, however—as has been done in preparing this table—at least to approximate closely the amounts of expenditure for various purposes that were financed from State and local government sources, by deducting from gross spending for the particular functions involved the intergovernmental revenue received for such purposes from the Federal Government. But since the resulting "own-source" expenditure figures include some amounts financed from borrowing, they cannot properly be compared with a capacity measure that solely reflects revenue-raising capability. Instead, a more meaningful calculation of relative effort for various functions can be made by reference to a broader standard which takes account of both revenue and borrowing capacity.

Nationally, the functions for which comparative effort measures appear in table F-1 accounted in 1966-67 for about two-thirds of all expenditure financed from State and local government sources.[3] Education is by far the most costly or "greatest effort" function in every State. However, as the table shows, there are material differences from State to State in the relation between spending from State-local resources for this function and total fiscal capacity. Even greater variations in relative effort appear for the other functional categories reported. The following figures provide a summary picture of this diversity:

	Measure of functional effort (expenditure from State-local sources as a percent of over-all fiscal capacity)				
Function(s)	*U.S. average*	*Median State*	*Highest State**	*Lowest State**	*High-low range*
Education. . .	39	39	62 (Utah)	26 (Nev.)	2.5 to 1
Highways . . .	11	13	27 (Vt.)	7 (Nev.)	4.1 to 1
Public welfare, health & hospitals . . .	12	10	20 (N.Y.)	6 (N.D.)	3.5 to 1
Police and fire protection . .	5	4	8 (N.Y.)	2 (N.D.)	3.8 to 1

*Excluding the District of Columbia, in view of its unique nature.

It should especially be noted that the functional effort measures are related to estimated total fiscal capacity, rather than to an aggregate of actual financing or expenditure. Accordingly, States that rank very high in capacity (Nevada and Wyoming being notable examples) may exhibit a relatively low effort index for one or more functional classes even though a quite different impression would be given by more traditional kinds of data, such as comparisons of per capita expenditure or of the proportions of all expenditure applied to particular purposes. Similarly at the other extreme of the range, such very low-capacity States as Mississippi and South Carolina may show up materially

[3]The word expenditure is used here broadly to cover not only what the Census Bureau reports as general expenditure but also various other requirements financed from revenue and borrowing as defined for the present study, including: deficits of locally-operated public utilities; contributions to employee retirement systems; reduction of general debt (by governments with such a net reduction in 1966-67); and additions to fund balances (by governments experiencing such an addition).

"better" in this kind of presentation than in more traditional kinds of comparisons.

However, a point made elsewhere in this study should again be strongly emphasized in this context. The word "effort" as it is most commonly used generally connotes something good. Students, athletes, and employees are encouraged to apply themselves wholeheartedly—to make the best effort of which they are capable. Lacking some better brief term that might not have such a subjective flavor, we have used the word "effort" in the present report to designate the relationship between actual financing amounts or (in this appendix section) actual expenditure amounts and certain calculated measures of financing capability. *But a high level of "effort" as thus reported is not necessarily better in any abstract or moral sense than an average or lower level.* Rather, it is likely to reflect the influence of many factors that currently or as a result of historical development tend to affect the level of governmental financing and the amount of resources applied to particular public services in various areas.

This is illustrated by the interstate range in relative fiscal effort for police and fire protection. It is not surprising, in view of the especially urban need for such services, that most rural States show a low effort measure for them. By the same token, no particular virtue should necessarily be credited to the highly urban States that show high effort for police and fire protection. For the other functions reported in table F-1, interstate differences in popular preferences probably have a more important influence on reported effort levels. But basic environmental factors undoubtedly also play a major role—e.g., population density, in relation to highway needs and spending; the proportion of elderly inhabitants, in relation to welfare and health requirements; the proportion of school-age population, in relation to public education requirements. And long-established institutional factors are similarly important, as illustrated by the widely differing degree to which public universities and colleges (accounting for a material fraction of all State-local spending for education) are supplemented in various parts of the Nation by private institutions of higher education.

As discussed elsewhere in this report, measured differences in relative effort, in total or for specified purposes, might well be taken into account in the design of particular grant-in-aid arrangements. Such uses, however, would presumably include also an attempt to measure service needs to be financed. In that broader context, one might well conceive of the setting of some desirable or minimum effort level as a standard for comparison or distinction among potential grant recipients. But—to repeat—it is important to recognize that in the absence of relevant measures of needs to be served, "relative effort" should be viewed as a neutral indicator that does not directly denote what particular level of financing should be aimed at or expected.

Concluding Observations

Certain reservations may be noted concerning the kinds of measures discussed in this appendix that do not apply to the revenue capacity and effort data presented in the main body of this study.

As indicated in Chapter 1, we believe that a strong case can be made for estimating revenue capacity by an average-financing-system approach, measuring the potential yield of various sources and in effect weighting each detailed element of capacity according to its relative importance in the existing State-local revenue system. Further, we believe that such an approach can and should go beyond taxes to take account also of non-tax revenue sources. Thus, while the particular methods we have used to estimate the financing capacity available from particular sources might be questioned and perhaps desirably modified, we believe the basic concepts involved can be strongly defended, and that the results lend themselves very well to the measurement of relative revenue effort in total and for various kinds of revenue sources.

In contrast, when one tries, as we have here, to go further and broaden the concepts of capacity and effort to take account of borrowing as well as revenue, far more problematic issues are encountered. Since borrowing involves a very different kind of "effort" than the raising of revenue, one must be cautious in combining or relating these two elements.

For one thing, as already noted, borrowed funds are generally available only for specific capital outlays and are not readily interchangeable with other resources. Moreover, a comprehensive measure of relative fiscal capacity that includes adjustments for debt-service requirements is—at least over time—directly affected by the financing practices of the governments in any particular area, while this is not so for measures of relative *revenue* capacity (except to the extent that such localized practices influence nationwide proportions that enter into the weights used to estimate revenue capacity on an average-financing-system basis). As illustrated by the figures in table F-1, a background of extensive previous borrowing tends to depress the relative over-all capacity of some States. Especially if such comparative measures were being considered for use in an intergovernmental aid program, it might be argued that this feature would offer an incentive for fiscal improvidence, since those areas which borrowed heavily would show up as having less fiscal capacity than would otherwise be the case.

Table F-1.–OVER-ALL FISCAL CAPACITY AND EFFORT OF STATE AND LOCAL GOVERNMENTS, AND RELATED MEASURES, BY STATES: 1966-67

	Per capita over-all fiscal capacity		Per cent relation of fiscal capacity to revenue capacity	Per capita total financing (revenue plus borrowing)		Per cent relation to over-all fiscal capacity of –						
									Expenditure from State-local sources for selected functions[3]			
	Amount	Relative to U.S. average		Amount	Relative to U.S. average	Revenue plus borrowing[1]	Revenue[2]	Borrowing[2]	Education	Highways	Public welfare, health and hospitals	Police and fire protection
U.S.	441	100	111	441	100	100	90	10	39	11	12	5
Alabama	312	71	109	332	75	106	89	18	44	13	11	4
Alaska	544	124	106	719	163	132	99	33	42	15	10	5
Arizona	458	104	115	472	107	103	94	9	46	12	6	5
Arkansas	336	76	115	313	71	93	77	16	34	12	9	3
California	556	126	112	575	130	103	94	10	38	10	14	6
Colorado	486	110	115	482	109	99	94	6	45	10	13	4
Connecticut	457	104	106	473	107	103	88	15	36	11	10	6
Delaware	477	108	100	572	130	120	102	18	48	23	9	3
Dist. of Columbia	523	119	114	428	97	82	75	7	21	5	18	10
Florida	460	104	113	414	94	90	82	8	32	11	9	5
Georgia	356	81	112	365	83	102	87	15	38	10	13	4
Hawaii	437	99	107	522	118	119	117	3	42	10	13	7
Idaho	422	96	117	415	94	98	93	6	38	14	9	4
Illinois	486	110	113	398	90	82	75	7	32	8	10	5
Indiana	444	101	115	400	91	90	85	5	44	9	10	4
Iowa	481	109	117	474	108	99	89	10	40	18	10	3
Kansas	482	109	115	437	99	91	85	6	37	13	9	3
Kentucky	331	75	108	368	84	111	86	25	39	17	9	4
Louisiana	439	100	110	422	96	96	83	13	39	15	11	4
Maine	355	81	114	340	77	96	89	6	39	18	10	5
Maryland	420	95	108	449	102	107	94	12	42	11	12	6
Massachusetts	415	94	108	474	108	114	104	10	34	8	17	8
Michigan	468	106	113	465	106	99	89	10	47	9	13	5
Minnesota	438	99	111	494	112	113	104	8	48	16	13	4
Mississippi	292	66	111	306	69	105	92	13	40	15	12	4
Missouri	421	95	115	357	81	85	78	6	36	9	10	5
Montana	480	109	115	414	94	86	82	4	38	13	7	3
Nebraska	539	122	116	424	96	79	73	6	30	12	7	3
Nevada	763	173	114	623	141	82	68	14	26	7	9	6
New Hampshire	451	102	113	382	87	85	75	10	36	15	9	4
New Jersey	456	104	111	441	100	97	85	12	33	9	9	7
New Mexico	479	108	115	437	99	91	83	8	44	8	8	3
New York	470	107	105	610	138	130	119	10	45	11	20	8
North Carolina	348	79	115	347	79	100	84	16	40	13	9	4
North Dakota	521	118	116	475	108	91	85	6	37	15	6	2
Ohio	433	98	113	372	84	86	77	9	35	11	10	4
Oklahoma	459	104	113	468	106	102	78	24	37	12	11	3
Oregon	497	113	113	488	111	98	90	9	46	13	9	5
Pennsylvania	369	84	108	376	85	102	92	10	41	12	10	5
Rhode Island	377	85	107	377	85	100	93	7	40	19	14	8
South Carolina	300	68	116	295	67	98	86	12	40	11	9	4
South Dakota	448	102	119	415	94	93	89	4	42	18	6	3
Tennessee	358	81	112	330	75	92	80	12	36	13	11	4
Texas	428	97	112	361	82	84	74	10	36	13	7	4
Utah	382	87	108	401	91	105	102	3	62	9	8	4
Vermont	381	86	113	478	108	125	103	23	52	27	10	4
Virginia	363	82	112	334	76	92	84	8	38	14	9	4
Washington	549	125	113	543	123	99	90	9	39	13	9	4
West Virginia	317	72	111	293	67	92	89	3	43	19	10	3
Wisconsin	430	98	113	480	109	112	103	9	48	18	13	6
Wyoming	680	154	116	606	137	89	73	16	39	15	9	3

[1] In the text discussion, these indexes are referred to as reflecting "relative total fiscal effort."
[2] Because of rounding, components will not always exactly equal percentage shown for "revenue plus borrowing."
[3] Total State-local expenditure minus intergovernmental revenue from the Federal Government for the function(s) specified (including, for the District of Columbia, allocable portions of the Federal general-support payment).

It may also be noted that the ability of an area or government to carry any particular amount of long-term debt depends upon what its situation will be during the whole period that interest and debt-retirement obligations must be met, rather than depending simply or solely upon its situation at the time the debt is issued. Yet, as has been indicated, our method for calculating borrowing capacity primarily rests upon a measure of revenue capacity, which mainly measures current conditions.

It is important to note the qualifying word "mainly." Property taxes account for nearly one-third of all State-local revenue as considered in this study, and the bulk of the property tax base consists of real estate. Because of its long life (perpetual, in the case of land), the value of this element of revenue capacity rests heavily on expectations concerning the future. Thus, our revenue capacity estimates do include a considerable element of anticipations.

From this, one might perhaps argue that borrowing or debt-carrying capacity should be estimated solely by reference to the property tax base, or that this element should be given additional weight in obtaining an adjusted revenue capacity figure to be used for this purpose. Or perhaps some other estimating method could be devised that would be better than the approach we have employed.

The present study has not dealt in depth with these problems, but they clearly merit further examination. It is hoped that this exploratory effort to develop illustrative measures which take account of the debt-carrying element of fiscal capacity and effort will encourage fiscal scholars and analysts to pursue the matter more fully.

COMPARATIVE MEASURES OF REVENUE CAPACITY AND EFFORT FOR STATES, METROPOLITAN AREAS, AND SELECTED COUNTIES

Several sets of data appear in this Appendix. Tables G-1 through G-7 cover entire States (and the District of Columbia), tables G-8 through G-10 refer to individual metropolitan areas, and tables G-11 through G-13 provide data for individual county areas. In all of these 13 tables, the reported statistics relate to fiscal 1966-67, and reflect the concepts described in chapter 1 and the data sources and calculating methods explained in chapter 5 and related technical Appendixes B, C, and D. The final table (G-14) provides comparative State-area measures for fiscal 1968-69, which were developed in the manner described below.

This statistical appendix is supplemented by various presentations in other parts of the report, especially the figures for selected major cities that appear in Appendix A, and the comparative State-by-State measures of "over-all fiscal capacity and effort" shown in Appendix F. Also, chapter 2 summarizes some highlights of the detailed data provided here.

Local-Area Data (Tables G-8 Through G-13)

Most of the 218 areas listed in tables G-8, G-9, and G-10 are standard metropolitan statistical areas ("SMSA's"), as so designated by the Bureau of the Budget at the beginning of calendar 1967. (The geographic composition of each area is described in the Bureau of the Budget report, *Standard Metropolitan Statistical Areas, 1967*.) At that date, there were 228 such areas in the United States proper, plus three in Puerto Rico. The lesser count here results from the substitution of certain county-defined "economic areas" in New England, in lieu of the larger number of "SMSA's" in that part of the Nation.[1] This adjustment in geographic coverage was made necessary by the dearth of relevant economic statistics for New England metropolitan areas, which are defined by the Bureau of the Budget in terms of city and town boundaries rather than, as elsewhere, in terms of entire counties.

For three of the New England areas listed, it was found impracticable to derive comparative revenue capacity estimates. Accordingly, data are being presented for 215 "metropolitan areas," of the 218 named in the tables.

Tables G-11, G-12, and G-13 list 747 counties or county-type areas, including all those located within metropolitan areas as described above, plus the 299 non-metropolitan counties which, according to Census Bureau estimates, had a 1966 population of 50,000 or more. Of the entire group of 747 counties listed, 80 are outlying metropolitan-area counties of under 50,000 population.

Comparative measures of revenue capacity and effort are being presented for 666 of the 747 counties listed. For most of the 81 areas which are annotated "data not available," the limiting factor was the lack of needed property tax detail (including assessment ratios for particular types of property) from the 1967 Census of Governments. Although certain of the omissions involve quite populous counties, most of the unreported areas are relatively small. In a few instances (including Fulton and Dade Counties in Georgia, and several areas in Virginia), it was necessary to combine two or more counties or county-type areas because such geographic combinations apply to certain economic measures, obtained from the Regional Accounts Division of the Office of Business Economics, which were utilized for estimating purposes in this study.

It seems likely that the figures reported for large counties are generally somewhat "better" than those presented for less populous areas. As indicated in Chapter 5, certain of the geographic allocators used to estimate capacity for particular revenue sources are themselves estimates that are probably subject to relatively greater error or aberration for small areas than for larger ones. Also, as discussed in Chapter 6, the "actual" amounts of local government revenue used to calculate relative revenue effort for any particular

[1] The 13 listed New England areas are as follows: Boston, Mass.–Essex, Middlesex, Norfolk, Plymouth, Suffolk Counties. Bridgeport-Norwalk-Stamford, Conn.–Fairfield County. Fall River-New Bedford, Mass.–Bristol County. Hartford-New Britain, Conn.–Hartford County. Lewiston-Auburn, Maine–Androscoggin County. Manchester, N.H.–Hillsborough County. New Haven-Waterbury-Meriden, Conn.–New Haven County. New London-Groton-Norwich, Conn.–New London County. Pittsfield, Mass.–Berkshire County. Portland, Maine–Cumberland County. Providence-Pawtucket-Warwick, R.I.–Bristol, Kent, Providence Counties. Springfield-Chicopee-Holyoke, Mass. – Hampden, Hampshire Counties. Worcester-Fitchburg-Leominster, Mass.–Worcester County.

county include all the own-source revenue of any multi-county governments headquartered there. The lack of any adjustment on this score is more likely to affect the reported findings for small areas than for larger ones.

State-Area Data for 1968-69 (Table G-14)

The figures shown in table G-14 reflect an updating of the State-by-State estimates of tax capacity that were initially developed in detail for fiscal 1966-67 in the manner described in Chapter 5. To derive these updated tax capacity estimates, figures on State-local finances in fiscal 1968-69 (obtained in advance of their publication by the Bureau of the Census in its annual report, *Governmental Finances in 1968-69*) were used in conjunction with the earlier estimates, and with various economic data available from the Office of Business Economics, as follows.

1. For consistency with the 1966-67 data, the Census total of tax revenue was adjusted to include as part of "sales taxes" the net excess of revenue over expenditure of publicly operated liquor stores.
2. The revised tax revenue total was grouped into three major components–property taxes, general and selective sales taxes, and all other taxes.
3. This grouping was adjusted to shift from the property tax group to "all other taxes" an estimated amount for revenue from property taxes on motor vehicles and on intangible personal property, and to allocate the remainder respectively between local residential taxes and all other property taxes. These adjustments were based on the proportions which had been calculated in detail for 1966-67 as to these several components of the Census-reported total of property tax revenue for that earlier year–4.6, 45.6, and 49.8 per cent respectively.
4. For both 1966-67 and 1968-69, each State's share of the nationwide potential yield, at national average rates, of the four major components of tax revenue was estimated by reference to available economic indicators covering reference base periods two years apart, as follows:

   Local residential property taxes
   All other property taxes
   General and selective sales taxes
   All other taxes
   Total residents' personal income
   Total private (nongovernmental) earnings
   Earnings originating in wholesale and retail trade
   Total residents' personal income

5. For each State these estimates were summed to a pair of totals, and the ratio of the 1968-69 total to the 1966-67 total was calculated.
6. This ratio was applied to the 1966-67 estimate of the total tax capacity of each State, as previously developed in detail by the average-financing-system approach, to obtain an updated tax capacity estimate for fiscal 1968-69.

The resulting estimates of tax capacity were then compared with actual tax revenue amounts for 1968-69 (as defined in this study), to derive relative effort measures, State by State. Related per capita and percentage change figures were also calculated for presentation in table G-14.

It will be observed that the updating procedure outlined above makes use of the "simplified" approach to the calculation of total tax capacity that was discussed in Chapter 7 and found questionable as an alternative to more detailed estimating methods. In this instance, however, a few measures are being used to gauge *changes* in tax capacity, rather than the actual dollar amounts of such capacity. The reasonableness of the approach for this purpose rests upon the presumption that institutional factors which make the two approaches yield differing results for any individual State in some particular year (such as 1966-67) are not likely to change much within a fairly limited period, such as the two-year interval dealt with here.

This estimating method automatically reflects changes over time in the relative nationwide importance of State-local property taxes, sales-related taxes, and other taxes. As dealt with here, these proportions were as follows:

	1966-67	*1968-69*
Property taxes	40.5%	38.0%
Sales-related taxes	25.2%	27.1%
All other taxes	34.3%	34.9%

However, the procedure includes no allowance for possible shifts in the makeup of property tax revenue by class of property. Nor does it take account of compositional changes within the other two broad tax groupings. During the two-year period involved here, the share of the sales tax group represented by "general sales taxes" went up from 48.1 to 51.8 per cent, with offsetting declines for various types of selective sales taxes. In the "all other taxes" grouping, individual income and earnings taxes went up from 37.6 to 43 per cent, with the share of most other components off somewhat.

Test calculations indicate that for most States the results of this method for updating estimates of tax capacity are quite similar to those that would be obtained merely by reference to changes in total personal income. This is not surprising, in view of the predominant role of that measure in the procedure actually employed.

Table G-1.—ESTIMATED REVENUE CAPACITY AND ACTUAL REVENUE OF STATE AND LOCAL GOVERNMENTS, AND PERSONAL INCOME, BY STATES: 1966-67

States	Per capita amounts					Index measures (per capita amounts as percent of U.S. average)					Percent departure of income index from revenue capacity index
	All revenue sources		Taxes only		Residents' personal income (1966)	All revenue sources		Taxes only		Residents' personal income (1966)	
	Estimated capacity	Actual revenue	Estimated capacity	Actual revenue		Estimated capacity	Actual revenue	Estimated capacity	Actual revenue		
United States, Total	396	396	313	313	2,980	100	100	100	100	100	XXX
Alabama	286	277	219	194	2,055	72	70	70	62	69	–4
Alaska	511	541	311	324	3,473	129	137	99	104	117	–10
Arizona	399	431	298	325	2,561	101	109	95	104	86	–14
Arkansas	293	260	241	200	2,037	74	66	77	64	68	–7
California	496	521	387	417	3,490	125	131	124	133	117	–6
Colorado	424	455	326	345	2,901	107	115	104	110	97	–9
Connecticut	433	402	366	340	3,710	109	101	117	109	125	+14
Delaware	476	485	384	345	3,451	120	123	123	110	116	–4
Dist. of Columbia	457	390	378	341	3,856	115	98	121	109	129	+12
Florida	407	376	325	274	2,654	103	95	104	88	89	–13
Georgia	318	311	249	230	2,371	80	79	80	73	80	–1
Hawaii	410	511	310	417	3,090	104	129	99	133	104	–
Idaho	361	391	286	299	2,408	91	99	91	96	81	–12
Illinois	432	366	357	301	3,555	109	92	114	96	119	+9
Indiana	387	379	311	296	3,056	98	96	99	95	103	+5
Iowa	409	426	325	337	3,013	103	108	104	108	101	–2
Kansas	420	408	328	315	2,895	106	103	105	101	97	–8
Kentucky	307	285	249	212	2,256	78	72	80	68	76	–2
Louisiana	398	364	295	265	2,273	101	92	94	85	76	–24
Maine	313	318	254	267	2,482	79	80	81	85	83	+5
Maryland	389	397	317	326	3,235	98	100	101	104	109	+11
Massachusetts	385	432	305	371	3,291	97	109	98	119	110	+14
Michigan	415	419	326	325	3,258	105	106	104	104	109	+4
Minnesota	395	457	297	354	2,898	100	115	95	113	97	–3
Mississippi	263	269	201	197	1,765	66	68	64	63	59	–11
Missouri	367	330	304	263	2,816	93	83	97	84	95	+2
Montana	417	395	330	308	2,668	105	100	105	98	90	–15
Nebraska	466	394	344	270	2,943	118	100	110	86	99	–16
Nevada	670	517	536	382	3,478	169	131	171	122	117	–31
New Hampshire	400	338	343	278	2,834	101	85	110	89	95	–6

Table G-1.—ESTIMATED REVENUE CAPACITY AND ACTUAL REVENUE OF STATE AND LOCAL GOVERNMENTS, AND PERSONAL INCOME, BY STATES: 1966-67 (Cont'd)

States	Per capita amounts					Index measures (per capita amounts as percent of U.S. averages)					Percent departure of income index from revenue capacity index
	All revenue sources		Taxes only		Residents' personal income (1966)	All revenue sources		Taxes only		Residents' personal income (1966)	
	Estimated capacity	Actual revenue	Estimated capacity	Actual revenue		Estimated capacity	Actual revenue	Estimated capacity	Actual revenue		
New Jersey	412	387	335	324	3,460	104	98	107	104	116	+12
New Mexico	416	397	293	269	2,360	105	100	94	86	79	–25
New York	447	562	339	469	3,558	113	142	108	150	119	+6
North Carolina	301	293	245	230	2,284	76	74	78	74	77	+1
North Dakota	449	444	287	278	2,441	113	112	92	89	82	–28
Ohio	384	333	314	257	3,089	97	84	100	82	104	+7
Oklahoma	406	357	319	254	2,480	102	90	102	81	83	–19
Oregon	440	445	331	334	2,947	111	112	106	107	99	–11
Pennsylvania	342	339	285	282	2,983	86	85	91	90	100	+16
Rhode Island	353	351	284	297	3,062	89	89	91	95	103	+15
South Carolina	259	259	202	196	2,046	65	65	64	63	69	+5
South Dakota	377	396	284	303	2,471	95	100	91	97	83	–13
Tennessee	320	287	243	212	2,235	81	72	78	68	75	–7
Texas	381	318	307	231	2,577	96	80	98	74	87	–10
Utah	353	389	271	302	2,490	89	98	87	97	84	–6
Vermont	337	392	275	328	2,664	85	99	88	105	89	+5
Virginia	335	307	270	243	2,608	85	77	86	78	88	+4
Washington	486	495	351	370	3,227	123	125	112	118	108	–12
West Virginia	285	283	234	226	2,176	72	72	75	72	73	+2
Wisconsin	380	441	294	363	2,976	96	111	94	116	100	+4
Wyoming	587	500	441	347	2,781	148	126	141	111	93	–37

Table G-2. – PERCENTAGE DISTRIBUTION, BY SOURCE, OF ESTIMATED REVENUE CAPACITY OF STATE AND LOCAL GOVERNMENTS, BY STATES: 1966-67

States	Percent of estimated total revenue capacity							Ratio of individual-state percentage of capacity to U.S. average percentage for the same revenue source					
		State and local tax sources[1]						State and local tax sources					
	Total	Sales and gross receipts	Property	Individual income and earnings	Corporation	Other taxes	Nontax sources[2]	Sales and gross receipts	Property	Individual income and earnings	Corporation	Other taxes	Nontax sources
United States, Total	100.0	27.1	32.0	7.5	4.4	8.0	21.0	100	100	100	100	100	100
Alabama	100.0	28.6	28.7	6.3	4.2	8.6	23.6	106	90	84	94	108	112
Alaska	100.0	20.2	23.8	7.0	3.0	6.8	39.2	74	74	94	68	85	187
Arizona	100.0	27.1	30.1	5.7	3.7	8.0	25.4	100	94	76	83	100	121
Arkansas	100.0	30.8	32.2	5.2	3.8	10.1	17.9	114	101	69	86	126	85
California	100.0	25.6	33.7	7.3	4.0	7.4	22.0	94	105	97	90	93	105
Colorado	100.0	27.5	30.4	6.4	3.8	8.8	23.1	101	95	86	85	110	110
Connecticut	100.0	26.5	34.4	10.1	5.3	8.2	15.5	98	108	135	121	103	74
Delaware	100.0	26.7	33.7	8.2	4.4	7.6	19.4	98	105	109	99	95	92
Dist. of Columbia	100.0	34.4	34.0	6.9	3.0	4.3	17.4	127	106	91	69	54	83
Florida	100.0	29.5	33.4	6.0	3.7	7.3	20.1	109	104	79	83	91	96
Georgia	100.0	30.3	28.6	6.8	4.5	7.9	21.9	112	89	90	101	99	104
Hawaii	100.0	23.6	34.6	7.7	3.5	6.1	24.5	87	108	102	80	76	117
Idaho	100.0	29.5	30.3	5.7	3.8	9.8	20.9	109	94	76	87	123	100
Illinois	100.0	27.4	34.5	8.9	5.1	6.8	17.3	101	108	119	116	85	82
Indiana	100.0	28.4	31.8	7.8	5.2	7.0	19.8	105	99	104	117	88	94
Iowa	100.0	26.8	34.2	6.4	3.9	8.1	20.6	99	107	85	88	101	98
Kansas	100.0	24.5	33.5	5.8	3.6	10.7	21.9	90	104	78	82	134	104
Kentucky	100.0	29.5	31.9	6.2	4.1	9.4	18.9	109	100	83	94	118	90
Louisiana	100.0	23.1	26.9	5.1	3.4	15.5	26.0	85	84	68	76	194	124
Maine	100.0	31.6	29.6	6.4	4.6	9.0	18.8	117	92	86	104	113	90
Maryland	100.0	27.5	32.6	10.2	4.5	6.8	18.4	101	102	136	102	85	88
Massachusetts	100.0	28.1	30.7	8.7	5.1	6.7	20.7	104	96	115	116	84	99
Michigan	100.0	26.8	31.4	8.6	5.1	6.6	21.5	99	98	115	114	83	102
Minnesota	100.0	28.1	28.4	6.5	4.4	7.8	24.8	104	89	86	98	98	118
Mississippi	100.0	28.9	29.2	4.9	3.7	9.8	23.5	107	91	66	83	123	112

See footnotes at end of table.

Table G-2. – PERCENTAGE DISTRIBUTION, BY SOURCE, OF ESTIMATED REVENUE CAPACITY OF STATE AND LOCAL GOVERNMENTS, BY STATES: 1966-67 (Cont'd)

States	Percent of estimated total revenue capacity							Ratio of individual-state percentage of capacity to U.S. average percentage for the same revenue source					
		State and local tax sources[1]						State and local tax sources					
	Total	Sales and gross receipts	Property	Individual income and earnings	Corporation	Other taxes	Nontax sources[2]	Sales and gross receipts	Property	Individual income and earnings	Corporation	Other taxes	Nontax sources
Missouri	100.0	30.2	32.7	7.3	4.6	7.9	17.3	111	102	98	104	99	83
Montana	100.0	27.1	33.1	5.3	3.3	10.3	20.9	100	103	70	74	129	100
Nebraska	100.0	24.8	32.5	5.5	3.1	8.1	26.0	91	101	74	71	101	124
Nevada	100.0	35.5	29.7	5.4	3.4	6.0	20.0	131	93	73	78	75	95
New Hampshire	100.0	32.9	33.8	7.2	4.5	7.3	14.3	122	105	96	102	91	68
New Jersey	100.0	27.2	32.8	9.1	5.3	7.0	18.6	100	103	121	120	88	89
New Mexico	100.0	24.3	25.5	4.8	2.9	12.8	29.7	90	79	64	66	160	142
New York	100.0	23.8	33.2	8.5	4.5	5.9	24.1	88	104	113	102	74	115
North Carolina	100.0	30.6	31.4	6.4	4.6	8.3	18.7	113	98	85	104	104	89
North Dakota	100.0	22.8	25.6	4.0	2.4	9.0	36.2	84	80	53	55	113	172
Ohio	100.0	27.6	33.5	8.3	5.1	7.3	18.2	102	105	111	116	91	87
Oklahoma	100.0	25.6	32.2	5.2	3.2	12.3	21.5	94	101	69	73	154	102
Oregon	100.0	26.9	30.8	6.5	4.0	7.1	24.7	99	96	87	90	89	118
Pennsylvania	100.0	28.3	32.9	8.7	5.4	7.9	16.8	105	103	117	121	99	80
Rhode Island	100.0	28.6	29.6	8.7	5.1	8.3	19.7	106	92	115	114	104	94
South Carolina	100.0	33.2	24.5	6.5	4.8	8.7	22.3	122	76	87	108	109	106
South Dakota	100.0	26.9	32.3	4.6	2.8	8.8	24.6	99	101	62	63	110	117
Tennessee	100.0	28.5	28.9	6.5	4.3	7.8	24.0	105	90	87	98	98	114
Texas	100.0	28.0	29.5	6.5	3.9	12.6	19.5	103	92	86	88	158	93
Utah	100.0	26.4	31.3	5.9	3.9	9.3	23.2	97	98	79	89	116	111
Vermont	100.0	34.2	27.8	6.5	4.8	8.2	18.5	126	87	87	108	103	88
Virginia	100.0	29.9	33.8	8.0	4.3	7.4	16.6	110	106	107	96	93	79
Washington	100.0	23.0	31.3	6.9	3.8	7.1	27.9	85	98	93	87	89	133
West Virginia	100.0	29.0	32.4	6.8	4.7	9.4	17.7	107	101	91	107	118	85
Wisconsin	100.0	27.0	31.2	7.4	4.7	7.0	22.7	100	97	98	106	88	108
Wyoming	100.0	22.6	29.9	4.2	2.5	16.0	24.8	83	93	56	55	200	118

[1] For additional detail, see table G-3; "Other" taxes here includes motor vehicle, severance, and death and gift taxes (all shown separately in table G-3), as well as "miscellaneous taxes."

[2] For additional detail, see table G-7.

Table G-3.—PERCENT OF ESTIMATED TOTAL REVENUE CAPACITY OF STATE AND LOCAL GOVERNMENTS REPRESENTED BY SELECTED TYPES OF TAXES, BY STATES: 1966-67

States	General sales and gross receipts	Selective sales and gross receipts[1]						Local property taxes[2]			Motor vehicle	Severance	Death and gift
		Motor fuel	Tobacco products	Alcoholic beverages	Public utility	Amuse-ments	Other	Nonfarm residential property	Commercial and indus-trial property	Farm property			
United States, Total	13.0	6.3	2.1	1.9	0.8	0.6	2.4	15.3	12.8	2.6	4.2	0.7	1.0
Alabama	13.0	8.6	2.2	1.4	0.9	0.2	2.3	14.0	11.5	2.4	6.1	0.2	0.5
Alaska	9.7	3.3	1.7	2.6	0.5	0.2	2.2	8.8	12.8	0.9	3.3	1.6	0.1
Arizona	13.1	7.0	2.0	1.6	0.9	0.4	2.1	13.4	11.1	3.9	5.1	0.5	0.8
Arkansas	14.6	9.2	2.3	1.3	1.0	0.3	2.3	13.6	10.2	6.7	7.0	0.7	0.4
California	12.0	5.4	1.8	2.0	0.8	1.4	2.3	18.4	11.6	2.2	3.9	0.5	1.2
Colorado	13.6	6.5	2.0	1.9	0.8	0.5	2.2	13.4	11.7	4.3	5.6	0.8	0.8
Connecticut	12.5	5.4	2.2	2.5	0.7	0.5	2.7	19.8	13.1	0.4	3.8	([3])	2.1
Delaware	12.5	5.9	2.2	2.5	0.8	0.5	2.3	16.1	15.3	1.1	3.6	([3])	2.2
Dist. of Columbia	14.7	4.2	4.0	7.7	1.6	0.4	1.8	17.9	14.4	–	1.9	–	1.8
Florida	14.4	6.6	2.2	2.8	0.8	0.7	2.1	18.7	10.3	2.1	4.5	0.1	1.1
Georgia	14.1	8.5	2.2	1.9	0.8	0.4	2.4	13.2	12.2	2.3	5.4	0.1	0.7
Hawaii	12.8	4.0	1.1	2.0	0.7	0.6	2.4	18.0	11.4	2.0	3.5	([3])	0.6
Idaho	14.9	8.1	1.8	1.3	1.0	0.3	2.2	8.5	10.6	10.4	7.3	0.2	0.5
Illinois	13.7	5.4	2.2	2.2	0.9	0.5	2.6	15.9	14.4	3.0	3.3	0.2	1.2
Indiana	14.0	7.3	2.4	1.2	0.9	0.3	2.5	12.2	14.1	3.8	4.8	0.1	0.7
Iowa	13.5	6.9	1.8	1.1	0.8	0.2	2.4	12.0	9.5	12.0	5.3	0.1	0.8
Kansas	11.7	6.8	1.6	1.0	0.8	0.3	2.2	13.8	10.5	8.4	6.0	2.1	1.0
Kentucky	13.2	7.9	3.0	1.8	0.9	0.3	2.4	15.2	12.0	3.9	6.0	0.6	0.7
Louisiana	11.0	5.6	2.0	1.6	0.8	0.3	1.8	9.8	13.7	2.2	4.0	9.4	0.6
Maine	14.5	8.4	2.9	2.3	0.8	0.2	2.6	15.8	11.7	1.1	5.2	([3])	1.7
Maryland	13.2	5.9	2.1	2.3	0.8	0.6	2.6	18.7	11.8	1.1	3.7	([3])	1.0
Massachusetts	13.8	5.6	2.2	2.5	0.9	0.5	2.7	16.5	12.7	0.2	3.2	([3])	1.3
Michigan	13.0	6.3	2.1	1.6	0.8	0.4	2.5	15.7	13.3	1.1	3.8	0.1	0.8
Minnesota	14.0	6.7	1.9	2.0	0.8	0.4	2.4	10.3	12.4	4.9	5.0	0.2	0.7
Mississippi	13.1	9.2	2.1	1.3	0.9	0.1	2.2	13.1	9.6	5.7	6.3	1.2	0.5
Missouri	14.6	7.5	2.5	1.9	0.9	0.4	2.5	14.1	13.6	4.1	4.8	0.1	1.1
Montana	13.3	7.3	1.9	1.5	0.8	0.2	2.1	8.9	10.7	12.8	6.5	1.6	0.6
Nebraska	12.5	6.3	1.6	1.4	0.7	0.2	2.1	12.3	8.3	11.2	5.2	0.3	0.9
Nevada	14.8	5.6	1.8	3.1	0.6	8.0	1.6	14.2	11.7	1.9	3.6	0.2	0.8
New Hampshire	14.3	6.3	4.8	4.1	0.7	0.5	2.3	18.5	9.9	0.6	4.2	([3])	1.1

See footnotes at the end of table.

Table G-3.–PERCENT OF ESTIMATED TOTAL REVENUE CAPACITY OF STATE AND LOCAL GOVERNMENTS REPRESENTED BY SELECTED TYPES OF TAXES, BY STATES: 1966-67 (Cont'd)

States	General sales and gross receipts	Selective sales and gross receipts[1]						Local property taxes[2]			Motor vehicle	Severance	Death and gift
		Motor fuel	Tobacco products	Alcoholic beverages	Public utility	Amuse-ments	Other	Nonfarm residential property	Commercial and indus-trial property	Farm property			
New Jersey	13.0	5.6	2.1	2.4	0.8	0.6	2.7	17.4	13.9	0.3	3.5	([3])	1.3
New Mexico	10.9	7.8	1.6	1.3	0.7	0.3	1.8	9.1	9.9	4.9	5.2	5.6	0.4
New York	11.8	3.8	1.8	2.1	0.8	1.0	2.5	17.6	14.0	0.4	2.3	([3])	1.6
North Carolina	14.1	8.6	2.5	1.9	0.7	0.3	2.5	14.7	12.5	3.0	5.7	([3])	0.7
North Dakota	11.9	5.6	1.5	1.4	0.6	0.1	1.8	5.6	6.1	13.3	6.1	1.2	0.4
Ohio	13.4	6.4	2.3	1.6	1.0	0.4	2.5	16.1	14.5	1.6	4.1	0.1	1.0
Oklahoma	11.8	7.6	1.9	1.3	0.8	0.2	2.0	13.0	12.7	5.5	6.1	3.9	0.7
Oregon	13.1	6.7	2.5	1.5	0.7	0.3	2.2	15.0	11.6	3.3	4.7	0.1	0.6
Pennsylvania	14.0	6.2	2.4	1.7	0.9	0.4	2.8	14.9	16.1	0.8	4.3	0.2	1.2
Rhode Island	13.5	6.0	2.7	2.3	0.8	0.6	2.8	15.7	12.4	0.2	4.3	([3])	1.9
South Carolina	14.7	9.4	2.5	2.9	0.9	0.2	2.6	9.0	12.1	2.6	6.0	([3])	0.7
South Dakota	13.0	7.5	1.8	1.6	0.7	0.3	2.2	8.3	6.7	16.7	6.4	0.1	0.5
Tennessee	13.7	8.0	2.3	1.3	0.8	0.2	2.2	13.4	11.8	2.7	5.2	0.1	0.6
Texas	13.5	7.9	2.0	1.3	0.9	0.3	2.2	9.7	14.1	4.5	5.3	4.7	0.9
Utah	13.0	7.5	1.2	1.1	0.8	0.5	2.3	14.1	12.9	3.3	5.4	1.4	0.5
Vermont	16.2	8.0	2.5	3.3	0.8	0.8	2.6	12.2	11.6	3.0	4.8	0.1	1.2
Virginia	13.9	7.5	2.6	2.2	0.8	0.3	2.6	18.7	12.1	1.9	4.4	0.1	0.8
Washington	11.6	5.5	1.3	1.6	0.7	0.3	2.1	16.2	11.4	2.4	4.5	([3])	0.7
West Virginia	13.4	7.6	2.6	1.5	1.0	0.4	2.5	13.2	16.9	1.1	5.2	1.4	0.7
Wisconsin	13.0	6.3	1.9	2.1	0.8	0.3	2.5	14.9	12.1	3.0	4.1	([3])	0.9
Wyoming	10.1	7.2	1.5	1.2	0.7	0.3	1.5	9.2	12.1	7.8	5.1	9.1	0.5

Note: not included here, but shown separately in table G-2, are individual income taxes and corporation taxes.

[1] Except for "other," the particular categories shown pertain only to State-imposed taxes.
[2] Totaling somewhat less than the property tax percentage shown in table G-2, which also includes State property taxes and local property taxes on vacant lots.
[3] Less than 0.05 percent.

Table G-4.–SUMMARY MEASURES OF RELATIVE REVENUE EFFORT IN INDIVIDUAL STATES, BY LEVEL OF GOVERNMENT: 1966-67 (PERCENT RELATION OF ACTUAL REVENUE TO REVENUE CAPACITY ESTIMATED AT NATIONAL AVERAGE RATES)

States	All revenue sources			Taxes			Nontax sources		
	Total	State government	Local governments	Total	State government	Local governments	Total	State government	Local governments
Alabama	97	114	80	89	115	56	124	110	131
Alaska	106	118	88	104	132	72	108	101	127
Arizona	108	118	99	109	118	100	104	118	96
Arkansas	89	109	68	83	112	49	114	87	132
California	105	96	113	108	96	120	95	95	95
Colorado	107	101	114	106	98	115	113	115	111
Connecticut	93	87	99	93	84	103	92	105	81
Delaware	102	139	62	90	136	40	152	153	151
Dist. of Columbia	85	101[1]	70[1]	90	101[1]	74[1]	62	XXX	62
Florida	92	88	96	84	88	81	124	88	137
Georgia	98	106	90	92	107	73	117	94	127
Hawaii	124	181	70	135	208	68	93	109	74
Idaho	108	121	94	105	123	84	121	115	124
Illinois	85	73	96	84	73	97	86	76	91
Indiana	98	96	100	95	92	99	109	117	103
Iowa	104	104	104	104	104	103	106	106	106
Kansas	97	94	100	96	94	98	101	95	105
Kentucky	93	113	72	85	110	57	126	130	123
Louisiana	91	107	70	90	111	60	96	93	102
Maine	102	101	103	105	101	110	88	102	68
Maryland	102	106	99	103	105	100	99	107	95
Massachusetts	112	104	121	121	106	139	77	87	72
Michigan	101	108	94	100	107	92	106	115	101
Minnesota	116	114	118	119	113	127	104	116	98
Mississippi	102	120	84	98	120	71	116	121	114
Missouri	90	84	96	86	82	91	106	97	111
Montana	95	86	103	93	81	106	100	109	92
Nebraska	85	64	100	78	56	101	102	117	98
Nevada	77	67	88	71	65	80	101	85	107
New Hampshire	84	69	103	81	61	104	104	115	92

Table G-4.–SUMMARY MEASURES OF RELATIVE REVENUE EFFORT IN INDIVIDUAL STATES, BY LEVEL OF GOVERNMENT: 1966-67 (PERCENT RELATION OF ACTUAL REVENUE TO REVENUE CAPACITY ESTIMATED AT NATIONAL AVERAGE RATES) (Cont'd)

States	All revenue sources			Taxes			Nontax sources		
	Total	State government	Local governments	Total	State government	Local governments	Total	State government	Local governments
New Jersey	94	71	117	97	68	129	82	88	78
New Mexico	95	114	68	92	122	52	103	97	115
New York	126	127	124	138	133	143	86	99	80
North Carolina	97	122	70	94	127	55	110	93	124
North Dakota	99	98	100	97	90	104	102	109	89
Ohio	87	76	97	82	71	94	108	113	107
Oklahoma	88	98	76	80	96	61	118	103	137
Oregon	101	104	98	101	102	100	102	114	95
Pennsylvania	99	100	98	99	102	96	98	86	105
Rhode Island	99	97	103	105	101	110	77	79	75
South Carolina	100	118	75	97	124	55	109	91	127
South Dakota	105	92	118	107	87	126	100	108	92
Tennessee	90	99	81	87	99	72	98	97	98
Texas	84	75	93	75	71	80	118	99	131
Utah	110	124	95	111	127	95	106	116	96
Vermont	116	123	108	119	120	118	103	136	68
Virginia	95	105	84	90	103	76	119	121	118
Washington	102	135	74	106	150	62	92	81	98
West Virginia	100	123	73	96	127	61	114	104	124
Wisconsin	116	139	95	124	142	103	90	119	76
Wyoming	85	78	94	79	72	87	105	97	115

[1] Treating all nonproperty taxes as "State" and all property taxes as "local".

Table G-5.–MEASURES OF RELATIVE STATE-LOCAL TAX EFFORT IN INDIVIDUAL STATES, BY TYPE OF TAX: 1966-67
(PERCENT RELATION OF ACTUAL TAX REVENUE TO TAX CAPACITY ESTIMATED AT NATIONAL AVERAGE RATES)

States	Sales and gross receipts taxes			Property taxes				Individual income taxes[2]	Motor vehicle taxes[3]	Corporation taxes[4]	Severance taxes[4]	Death and gift taxes[4]	All other taxes
					Local taxes on –								
	All	General	Selective	All property taxes[1]	Nonfarm residential property	Commercial and industrial property	Farm property						
Alabama	140	156	127	37	28	35	23	96	39**	117	66	42	186
Alaska	81	39	120	63	93	46	20	238	119*	178	195	108	159
Arizona	122	152	95	114	107	120	37	73	113**	78	–	33	61
Arkansas	106	106	107	48	39	58	55	104	101**	131	110	26	90
California	99	126	76	122	106	151	137	74	110**	131	2	106	73
Colorado	93	106	80	122	126	134	95	147	53*	99	18	152	73
Connecticut	95	93	97	110	119	100	144	–	147**	126	–	146	15
Delaware	52	–	98	42	62	24	41	271	99	338	–	124	64
Dist. of Columbia	76	80	73	74	72	78	–	194	111	136	–	102	253
Florida	104	87	120	79	72	89	94	–	99	79	12	42	162
Georgia	111	121	101	68	60	81	55	105	82**	114	–	33	121
Hawaii	215	277	141	60	62	54	63	280	89	128	–	88	36
Idaho	93	87	100	99	44	154	89	216	71	142	37	138	102
Illinois	106	124	88	94	101	82	131	–	158*	8	–	87	73
Indiana	93	112	75	107	104	109	119	106	117**	20	14	102	53
Iowa	85	74	97	116	105	125	125	147	112	35	–	127	94
Kansas	90	106	75	104	77	130	109	128	105**	85	3	70	47
Kentucky	99	105	94	50	51	44	50	196	52**	120	4	124	131
Louisiana	119	129	110	48	17	68	23	48	29	140	158	60	160
Maine	119	123	116	129	112	141	214	–	109*	24	–	96	61
Maryland	91	74	108	105	101	104	80	151	72	66	–	128	105
Massachusetts	73	44	101	141	166	114	230	149	267**	166	–	140	29
Michigan	118	148	89	103	97	104	145	20	81	67	20	76	273
Minnesota	53	–	106	155	169	132	141	270	81	128	807	138	53
Mississippi	143	177	115	59	27	114	33	34	98**	126	140	52	103
Missouri	87	105	70	82	85	79	85	110	131**	37	1	54	89
Montana	53	–	105	113	87	165	79	158	89**	104	75	158	134
Nebraska	47	–	95	118	94	88	112	–	87**	16	39	59	181
Nevada	70	54	81	74	60	98	61	–	108*	24	9	–	407
New Hampshire	59	–	104	122	139	131	179	14	98*	15	–	116	87

See footnotes at the end of table.

Table G-5.–MEASURES OF RELATIVE STATE-LOCAL TAX EFFORT IN INDIVIDUAL STATES, BY TYPE OF TAX: 1966-67
(PERCENT RELATION OF ACTUAL TAX REVENUE TO TAX CAPACITY ESTIMATED AT NATIONAL AVERAGE RATES) (Cont'd)

States	Sales and gross receipts taxes			Property taxes				Individual income taxes[2]	Motor vehicle taxes[3]	Corporation taxes[4]	Severance taxes[4]	Death and gift taxes[4]	All other taxes
	All	General	Selective	All property taxes[1]	Local taxes on – Nonfarm residential property	Commercial and industrial property	Farm property						
New Jersey	86	56	113	137	176	91	176	4	100	67	–	150	58
New Mexico	131	171	98	54	35	60	23	57	81	80	132	60	145
New York	117	114	120	125	127	125	160	274	115	169	–	92	43
North Carolina	100	95	104	55	52	60	59	196	81*	191	–	128	92
North Dakota	78	69	87	123	132	138	110	96	67	82	100	52	84
Ohio	85	69	101	94	85	107	106	36	78	36	–	44	157
Oklahoma	94	74	111	63	52	77	62	62	87	91	117	190	65
Oregon	47	–	90	113	99	121	158	273	88	114	–	166	79
Pennsylvania	111	114	108	82	121	47	109	66	69	174	–	130	196
Rhode Island	115	114	115	116	130	102	154	–	173**	133	–	98	52
South Carolina	115	115	116	57	30	79	52	142	71**	168	–	62	69
South Dakota	102	93	111	138	181	157	111	–	88	27	73	134	73
Tennessee	118	132	105	67	75	65	50	11	75	146	–	146	71
Texas	74	47	99	89	89	94	55	–	88*	44	116	72	58
Utah	116	137	95	104	75	124	72	189	86**	89	68	142	82
Vermont	71	–	135	140	142	130	177	279	156	85	–	124	135
Virginia	90	66	112	59	57	59	72	165	143*	109	–	70	158
Washington	203	247	160	66	52	67	95	–	111**	21	–	200	85
West Virginia	154	183	129	55	53	58	57	77	113*	15	–	118	214
Wisconsin	71	47	93	128	121	109	175	315	92	148	–	164	58
Wyoming	85	103	71	104	42	147	56	–	106*	9	1	46	221

Note: For a composite measure of relative over-all tax effort, see table G-4.

[1] Including property tax components not shown separately.
[2] Including local payroll and earnings taxes.
[3] In States where motor vehicles are subject to property taxation, estimated amounts of such revenue have been included in calculating "motor vehicle taxes" effort. A double asterisk denotes States where at least one-third of all motor vehicle tax revenue is of this nature, and a single asterisk denotes some lesser proportion of such revenue.
[4] These categories pertain to State-imposed taxes only.

Table G-6.—CAPACITY AND EFFORT MEASURES FOR "BUSINESS TAXES" AND "PERSONAL TAXES," BY STATES: 1966-67

States	Percent of estimated total revenue capacity					Measures of relative effort (percent relation of actual revenue to estimated revenue capacity)				
	"Business taxes"		"Personal taxes"			"Business taxes"		"Personal taxes"		
	Including local taxes on farm property	Excluding local taxes on farm property [1]	Total	Local nonfarm residential property taxes	Other "personal taxes"[2]	Including local taxes on farm property	Excluding local taxes on farm property [1]	Total	Local nonfarm residential property taxes	Other "personal taxes"[2]
United States, Total	20.6	18.0	50.9	15.3	35.6	100	100	100	100	100
Alabama	18.3	15.9	49.4	14.0	35.4	53	57	101	28	131
Alaska	18.2	17.3	36.0	8.8	27.3	79	82	115	93	122
Arizona	19.1	15.2	47.0	13.4	33.6	92	106	108	107	112
Arkansas	21.4	14.7	50.1	13.6	36.5	72	79	87	39	105
California	18.3	16.1	52.4	18.4	34.0	140	141	98	106	94
Colorado	20.5	16.2	48.1	13.4	34.7	115	120	110	126	104
Connecticut	18.8	18.5	58.5	19.8	38.7	108	107	89	119	73
Delaware	20.7	19.6	53.2	16.1	37.1	91	93	92	62	105
Dist. of Columbia	17.5	17.5	60.9	17.9	43.0	88	88	89	72	96
Florida	16.1	14.0	55.2	18.7	36.6	87	86	80	72	85
Georgia	19.0	16.7	50.9	13.2	37.7	85	89	96	60	108
Hawaii	16.9	14.9	49.9	18.0	31.9	70	71	168	62	228
Idaho	25.0	14.6	44.2	8.5	35.7	124	149	100	44	114
Illinois	22.8	19.8	53.3	15.9	37.5	71	62	86	101	80
Indiana	23.2	19.4	49.1	12.2	36.9	91	85	98	104	96
Iowa	25.4	13.4	46.1	12.0	34.1	111	98	100	105	98
Kansas	24.6	16.2	45.1	13.8	31.2	106	104	90	77	96
Kentucky	20.6	16.8	51.7	15.2	36.5	59	61	97	51	116
Louisiana	28.7	26.5	38.6	9.8	28.8	102	109	83	17	105
Maine	17.5	16.3	55.5	15.8	39.7	115	108	102	112	99
Maryland	17.4	16.3	57.4	18.7	38.7	93	94	106	101	108
Massachusetts	18.0	17.9	54.5	16.5	38.1	130	129	115	166	93
Michigan	19.6	18.5	51.9	15.7	36.1	96	94	95	97	94
Minnesota	21.8	16.9	45.6	10.3	35.3	139	139	111	169	95
Mississippi	20.2	14.4	47.4	13.1	34.3	95	119	98	27	126
Missouri	22.3	18.2	52.7	14.1	38.6	72	69	89	85	90
Montana	28.3	15.5	41.8	8.9	32.9	114	143	75	87	72
Nebraska	22.9	11.7	43.5	12.3	31.3	90	68	54	94	38
Nevada	17.7	15.3	55.9	14.2	41.7	78	80	60	60	59
New Hampshire	15.0	14.4	59.8	18.5	41.3	97	94	79	139	52

Table G-6.–CAPACITY AND EFFORT MEASURES FOR "BUSINESS TAXES" AND "PERSONAL TAXES," BY STATES: 1966-67 (Cont'd)

States	Percent of estimated total revenue capacity					Measures of relative effort (percent relation of actual revenue to estimated revenue capacity)				
	"Business taxes"		"Personal taxes"			"Business taxes"		"Personal taxes"		
	Including local taxes on farm property	Excluding local taxes on farm property [1]	Total	Local nonfarm residential property taxes	Other "personal taxes"[2]	Including local taxes on farm property	Excluding local taxes on farm property[1]	Total	Local nonfarm residential property taxes	Other "personal taxes"[2]
New Jersey	19.6	19.3	54.9	17.4	37.6	86	85	102	176	68
New Mexico	23.4	18.5	38.6	9.1	29.6	72	85	98	35	118
New York	18.9	18.6	51.4	17.6	33.8	136	135	145	127	155
North Carolina	20.1	17.1	52.4	14.7	37.6	90	95	99	52	117
North Dakota	23.0	9.8	32.8	5.6	27.1	114	120	89	132	80
Ohio	21.4	19.8	52.9	16.1	36.9	90	88	77	85	73
Oklahoma	25.4	19.8	44.5	13.0	31.5	81	87	79	52	91
Oregon	18.9	15.6	49.0	15.0	34.0	126	119	94	99	92
Pennsylvania	22.4	21.6	53.2	14.9	38.3	80	78	107	121	101
Rhode Island	17.6	17.4	54.8	15.7	39.1	112	111	101	130	89
South Carolina	19.4	16.9	49.4	9.0	40.3	97	104	103	30	119
South Dakota	26.3	9.6	40.4	8.3	32.1	114	119	107	181	88
Tennessee	18.9	16.2	49.1	13.4	35.7	81	86	92	75	99
Texas	27.2	22.7	45.1	9.7	35.9	84	90	67	89	61
Utah	21.4	18.2	47.0	14.1	32.8	106	112	113	75	129
Vermont	19.4	16.4	54.2	12.2	41.9	126	117	113	142	105
Virginia	22.0	19.7	68.8	18.7	46.4	72	72	90	57	105
Washington	17.6	15.2	46.9	16.2	30.7	61	55	121	52	157
West Virginia	24.1	23.1	49.7	13.2	36.5	46	45	116	53	139
Wisconsin	19.7	16.8	50.1	14.9	35.2	128	120	123	121	124
Wyoming	31.4	23.6	36.6	9.2	27.3	71	77	64	42	71

[1] Comprising corporation taxes, severance taxes, and local property taxes on business property.
[2] Comprising general and selective sales taxes, individual income and earnings taxes, and death and gift taxes.

Table G-7.–CAPACITY AND EFFORT MEASURES FOR NONTAX REVENUE SOURCES OF STATE AND LOCAL GOVERNMENTS, BY STATES: 1966-67

States	Percent of estimated total revenue capacity						Measures of relative effort (percent relation of actual revenue to estimated revenue capacity)					
	State governments			Local governments			State governments			Local governments		
	Current charges		Miscellaneous general revenue	Current charges	Miscellaneous general revenue	Public utility surpluses	Current charges		Miscellaneous general revenue	Current charges	Miscellaneous general revenue	Public utility surpluses
	Higher education	Other					Higher education	Other				
United States, Total	3.0	2.4	2.1	8.1	3.5	1.9	100	100	100	100	100	100
Alabama	4.2	1.9	1.7	7.8	4.9	3.0	106	170	50	162	91	112
Alaska	3.9	10.2	13.6	4.6	4.2	2.7	71	64	121	170	102	91
Arizona	5.2	2.1	1.9	8.5	4.1	3.6	119	97	136	83	97	126
Arkansas	4.3	1.4	1.5	5.8	3.3	1.6	104	92	37	165	83	119
California	2.2	1.4	2.2	9.4	4.3	2.5	69	99	118	89	110	92
Colorado	6.4	1.6	1.8	7.3	3.7	2.2	114	113	120	110	99	136
Connecticut	1.6	3.3	1.9	5.7	2.1	0.8	90	114	102	70	111	78
Delaware	3.5	2.6	3.6	5.3	2.9	1.4	117	124	208	183	115	106
Dist. of Columbia	–	–	–	13.5	2.7	1.2	XXX	XXX	XXX	60	99	–
Florida	1.8	2.1	1.6	8.8	3.7	2.2	88	88	87	145	99	172
Georgia	2.8	1.6	2.3	9.6	3.6	2.0	115	92	71	135	97	147
Hawaii	4.8	6.1	2.3	5.6	4.2	1.5	52	127	176	56	104	58
Idaho	3.7	1.9	2.8	7.6	3.5	1.3	139	60	121	140	85	134
Illinois	2.4	1.9	1.3	7.3	2.9	1.4	78	81	65	84	96	119
Indiana	5.2	1.7	1.7	7.2	1.9	2.1	119	139	91	117	82	74
Iowa	4.8	1.2	1.8	7.2	3.8	1.9	99	127	111	122	88	80
Kansas	4.4	2.2	1.6	6.6	4.6	2.4	101	117	47	118	89	99
Kentucky	2.9	2.6	2.1	6.1	3.5	1.6	127	132	134	152	88	87
Louisiana	3.6	2.2	9.7	5.6	3.6	1.3	92	85	95	103	93	120
Maine	3.7	5.4	1.7	5.2	1.8	0.9	123	76	138	58	93	75
Maryland	2.5	2.6	1.4	6.9	4.1	0.8	92	133	87	86	106	115
Massachusetts	1.6	3.8	1.5	8.9	2.6	2.3	80	101	58	68	86	72
Michigan	4.9	1.3	1.3	8.7	3.7	1.5	99	119	167	98	106	100
Minnesota	4.9	1.4	3.0	8.0	5.8	1.9	104	148	120	96	102	90
Mississippi	5.3	1.8	1.3	9.3	4.0	1.9	104	218	54	132	82	93
Missouri	2.6	1.2	1.5	6.9	3.3	1.7	113	86	79	118	99	103
Montana	4.5	1.5	3.7	6.1	4.4	0.8	119	88	107	94	90	87
Nebraska	2.8	1.2	1.7	5.9	5.4	9.1	115	128	114	128	92	82
Nevada	1.6	3.3	1.0	9.1	4.0	1.0	101	66	123	119	95	55
New Hampshire	3.5	3.1	1.0	4.8	1.4	0.6	126	84	179	92	99	81

See footnotes at the end of table.

Table G-7.–CAPACITY AND EFFORT MEASURES FOR NONTAX REVENUE SOURCES OF STATE AND LOCAL GOVERNMENTS, BY STATES: 1966-67 (Cont'd)

States	Percent of estimated total revenue capacity						Measures of relative effort (percent relation of actual revenue to estimated revenue capacity)					
	State governments			Local governments			State governments			Local governments		
	Current charges		Miscellaneous general revenue	Current charges	Miscellaneous general revenue	Public utility surpluses	Current charges		Miscellaneous general revenue	Current charges	Miscellaneous general revenue	Public utility surpluses
	Higher education	Other					Higher education	Other				
New Jersey	1.4	4.2	1.8	7.9	2.5	0.9	109	90	68	74	91	70
New Mexico	6.8	1.2	11.4	6.2	2.6	1.5	85	76	106	131	88	95
New York	1.2	4.8	1.6	12.4	3.0	1.0	108	97	98	75	102	85
North Carolina	4.4	1.5	2.4	5.8	2.5	2.0	99	99	79	140	99	112
North Dakota	5.4	15.2	2.8	5.1	6.7	1.0	116	104	125	87	92	84
Ohio	2.6	1.4	1.4	7.1	4.1	1.5	131	121	70	115	101	81
Oklahoma	6.0	2.9	3.1	5.4	2.7	1.3	107	112	87	146	88	199
Oregon	5.6	1.6	2.7	8.4	4.5	1.9	93	137	143	91	106	88
Pennsylvania	1.7	3.0	1.7	6.5	2.9	0.9	111	74	81	107	106	89
Rhode Island	3.1	6.2	1.7	5.9	1.8	1.0	93	66	98	59	104	119
South Carolina	3.8	5.0	2.1	7.1	2.5	1.7	105	91	66	129	93	169
South Dakota	6.4	4.2	2.5	5.8	4.2	1.5	101	119	106	90	83	128
Tennessee	2.7	1.0	1.3	8.1	3.3	7.6	101	96	87	124	110	66
Texas	3.0	0.9	3.9	6.7	3.1	2.0	94	112	99	134	99	171
Utah	7.8	1.4	2.6	6.3	2.8	2.3	105	172	120	96	103	85
Vermont	5.5	2.3	1.7	5.1	2.0	2.0	132	97	204	59	97	62
Virginia	3.2	2.8	1.6	5.4	2.3	1.4	107	139	117	118	94	159
Washington	3.6	3.9	2.1	8.4	5.3	4.7	90	51	121	109	105	69
West Virginia	4.8	2.6	1.7	5.8	2.1	0.7	97	115	108	144	84	67
Wisconsin	4.8	1.1	1.4	9.4	4.1	1.8	99	162	152	68	102	58
Wyoming	5.1	1.4	7.0	7.6	2.7	0.9	81	80	113	123	92	116

Note: For corresponding measures comprising nontax revenue sources in total, see table G-4.

Table G-8 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR METROPOLITAN AREAS: 1966-67

SMSA	1966 population (000)	State and local govt. revenue (excluding Federal aid)				Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources									
		Per capita amounts		Relative to U.S. per capita		Per capita, S-L sources		Relative to U.S. averages per capita					
								S-L sources		State sources		Local sources	
		Total	Local sources	Total	Local sources	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
1-BIRMINGHAM, ALA	737	342	138	86	69	358	340	90	86	94	108	87	64
2-GADSDEN, ALA	96	290	110	73	55	298	300	75	76	78	95	73	57
3-HUNTSVILLE, ALA	231	333	157	84	78	323	331	82	84	76	93	87	74
4-MOBILE, ALA	386	313	128	79	64	322	315	81	79	85	98	78	61
5-MONTGOMERY, ALA	209	303	100	77	50	327	325	83	82	92	108	73	58
6-TUSCALOOSA, ALA	122	269	110	68	55	265	274	67	69	71	84	63	55
7-PHOENIX, ARIZ	841	472	229	119	114	436	438	110	111	107	116	114	106
8-TUCSON, ARIZ	316	419	199	106	99	372	380	94	96	95	105	93	87
9-FORT SMITH, ARK.-OKLA	152	274	93	69	46	305	311	77	79	88	105	67	53
10-LITTLE ROCK-N. L. ROCK, ARK	313	355	135	90	67	402	399	102	101	105	127	98	75
11-PINE BLUFF, ARK	88	247	85	62	42	280	272	71	69	77	93	64	45
12-ANAHEIM-...., CAL	1,163	475	274	120	136	465	466	117	118	107	98	127	137
13-BAKERSFIELD, CAL	323	514	315	130	157	495	477	125	121	122	97	128	143
14-FRESNO, CAL	411	464	272	117	135	407	410	103	104	101	94	105	113
15-LOS ANGELES-LONG BEACH, CAL	6,766	554	317	140	158	542	542	137	137	128	116	146	157
16-OXNARD-VENTURA, CAL	337	431	274	109	137	380	372	96	94	88	76	104	111
17-SACRAMENTO, CAL	753	505	303	127	151	464	466	117	118	106	98	128	137
18-SALINAS-MONTEREY, CAL	228	450	254	114	126	449	447	113	113	106	96	121	130
19-SAN BERNARDINO-...., CAL	1,037	460	277	116	138	426	427	108	108	97	89	117	126
20-SAN DIEGO, CAL	1,180	427	243	108	121	412	407	104	103	98	90	110	115
21-SAN FRANCISCO-OAKLAND, CAL	2,946	594	359	150	179	567	570	143	144	126	115	160	172
22-SAN JOSE, CAL	923	514	301	130	150	470	475	119	120	111	104	126	136
23-SANTA BARBARA, CAL	252	434	242	110	121	431	426	109	108	104	94	113	121
24-STOCKTON, CAL	281	520	328	131	163	502	498	127	126	101	94	151	157
25-VALLEJO-NAPA, CAL	242	379	207	96	103	365	359	92	91	92	84	93	97
26-COLORADO SPRINGS, COL	182	442	227	112	113	408	414	103	105	106	103	100	106
27-DENVER, COL	1,078	478	242	121	120	448	447	113	113	120	113	106	113
28-PUEBLO, COL	118	364	179	92	89	359	367	91	93	91	89	90	96
29-BRIDGEPORT-...., CONN	760	425	231	107	115	464	474	117	120	114	107	120	132
30-HARTFORD-NEW BRITAIN, CONN	783	445	234	112	116	460	453	116	115	126	117	107	112
31-NEW HAVEN-...., CONN	709	399	200	101	99	436	438	110	111	116	110	104	111
32-NEW LONDON-...., CONN	221	338	159	85	79	394	369	99	93	108	99	91	88
33-WILMINGTON, DEL.-N.J.-MD	473	492	165	124	82	483	484	122	122	127	165	117	80
34-WASHINGTON, D.C.-MD.-VA	2,615	396	189	100	94	425	420	107	106	103	114	112	99
35-FORT LAUDERDALE-...., FLA	466	405	222	102	110	462	454	117	115	104	102	129	127
36-JACKSONVILLE, FLA	501	381	208	96	104	400	417	101	105	101	96	101	115
37-MIAMI, FLA	1,084	462	251	117	125	501	492	126	124	122	117	131	131
38-ORLANDO, FLA	377	356	188	90	94	386	389	98	98	97	93	98	103
39-PENSACOLA, FLA	225	285	146	72	73	320	317	81	80	83	77	78	83
40-TALLAHASSEE, FLA	85	366	215	93	107	369	395	93	100	89	84	98	115

Table G-8 — STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR METROPOLITAN AREAS: 1966-67 (Cont'd.)

SMSA	1966 population (000)	State and local govt. revenue (excluding Federal aid)				Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources							
		Per capita amounts		Relative to U.S. per capita		Per capita, S-L sources		Relative to U.S. averages per capita					
								S-L sources		State sources		Local sources	
		Total	Local sources	Total	Local sources	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
41-TAMPA-ST. PETERSBURG, FLA......	881	379	214	96	106	351	386	99	97	96	91	101	103
42-WEST PALM BEACH, FLA...........	288	462	288	117	143	468	458	118	116	102	97	134	134
43-ALBANY, GA.....................	89	330	158	83	79	331	343	84	87	85	90	83	83
44-ATLANTA, GA....................	1,257	428	197	108	98	440	432	111	109	115	121	108	98
45-AUGUSTA, GA.-S.C...............	259	313	128	79	64	325	331	82	84	85	96	79	71
46-COLUMBUS, GA.-ALA..............	259	284	128	72	64	282	286	71	72	74	82	68	63
47-MACON, GA......................	204	331	150	84	75	333	340	84	86	87	95	81	77
48-SAVANNAH, GA...................	188	355	170	90	85	362	362	91	91	91	97	92	86
49-HONOLULU, HAWAII...............	582	520	145	131	72	407	414	103	105	106	154	100	56
50-BOISE CITY, IDAHO..............	100	432	162	109	81	386	377	98	95	116	128	80	64
51-BLOOMINGTON-NORMAL, ILL........	96	394	209	100	104	415	438	105	110	119	112	91	109
52-CHAMPAIGN-URBANA, ILL..........	150	345	209	87	104	390	415	99	105	93	82	104	127
53-CHICAGO, ILL...................	6,712	387	226	98	112	466	460	118	116	115	98	121	134
54-DECATUR, ILL...................	124	343	188	87	93	427	428	108	108	109	94	107	122
55-PEORIA, ILL....................	329	368	208	93	104	423	424	107	107	111	97	103	117
56-ROCKFORD, ILL..................	257	359	200	91	100	429	420	108	106	114	96	102	115
57-SPRINGFIELD, ILL...............	159	343	181	87	90	433	443	109	112	108	98	110	125
58-ANDERSON, IND..................	135	361	170	91	85	371	359	94	91	102	100	86	81
59-EVANSVILLE, IND.-KY............	224	357	153	90	76	385	379	97	96	108	108	87	84
60-FORT WAYNE, IND................	264	413	186	104	93	449	441	113	111	125	119	102	104
61-GARY-HAMMOND-E. CHICAGO, IND...	632	430	240	108	120	425	422	107	107	104	99	110	114
62-INDIANAPOLIS, IND..............	1,028	425	210	107	105	431	429	109	108	116	113	102	104
63-LAFAYETTE-W. LAFAYETTE, IND....	103	350	149	88	74	357	357	90	90	104	105	77	76
64-MUNCIE, IND....................	122	323	137	82	68	355	353	90	89	100	97	80	81
65-SOUTH BEND, IND................	272	383	184	97	92	386	385	97	97	107	104	89	90
66-TERRE HAUTE, IND...............	170	373	178	94	89	353	356	89	90	101	102	78	78
67-CEDAR RAPIDS, IOWA.............	152	475	227	120	113	464	453	117	115	123	122	111	108
68-DAVENPORT-...., IOWA-ILL.......	352	391	212	99	106	435	429	110	108	109	98	110	118
69-DES MOINES, IOWA...............	274	503	245	127	122	490	474	124	120	129	127	118	113
70-DUBUQUE, IOWA..................	88	328	138	83	69	373	365	94	92	97	94	92	91
71-SIOUX CITY, IOWA-NEB...........	115	449	206	113	102	463	459	117	116	123	122	111	110
72-WATERLOO, IOWA.................	127	434	215	110	107	435	426	110	108	110	108	110	108
73-TOPEKA, KANS...................	151	445	240	113	120	438	442	111	112	107	108	114	115
74-WICHITA, KANS..................	394	434	208	110	104	472	476	119	120	124	119	114	122
75-LEXINGTON, KY..................	163	397	146	100	73	424	414	107	104	114	139	100	71
76-LOUISVILLE, KY.-IND............	784	427	194	108	97	437	435	110	110	110	128	111	92
77-BATON ROUGE, LA................	268	394	157	99	78	422	395	107	100	124	132	89	68
78-LAFAYETTE, LA..................	104	533	125	135	62	580	620	146	157	173	229	121	87
79-LAKE CHARLES, LA...............	135	411	155	104	77	449	447	114	113	124	143	103	84
80-MONROE, LA.....................	112	346	122	87	61	387	378	98	96	116	126	80	66

Table G-8 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR METROPOLITAN AREAS: 1966-67 (Cont'd.)

SMSA	1966 population (000)	State and local govt. revenue (excluding Federal aid)				Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources							
		Per capita amounts		Relative to U.S. per capita		Per capita, S-L sources		Relative to U.S. averages per capita					
								S-L sources		State sources		Local sources	
		Total	Local sources	Total	Local sources	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
81-NEW ORLEANS, LA.................	1,043	430	146	109	73	481	466	121	118	139	159	104	78
82-SHREVEPORT, LA..................	287	389	107	98	54	436	433	110	109	137	158	84	63
83-LEWISTON-AUBURN,MAINE...........	89	309	119	78	59	317	315	80	80	97	96	64	64
84-PORTLAND, MAINE.................	194	383	177	97	88	370	370	93	94	104	104	83	84
85-BALTIMORE, MD...................	1,962	412	200	104	100	393	394	99	100	103	107	96	93
86-BOSTON, MASS....................	3,530	454	248	115	123	386	378	97	96	102	94	93	97
87-FALL RIVER-N.BEDFORD, MASS.(1).	416												
88-PITTSFIELD, MASS. (1).........	145												
89-SPRINGFIELD-...., MASS. (1)....	554												
90-WORCESTER-...., MASS............	610	391	207	99	103	338	336	85	85	91	84	80	85
91-ANN ARBOR, MICH.................	204	427	186	108	93	414	418	105	105	113	122	97	89
92-BAY CITY, MICH..................	113	381	172	96	86	389	394	98	99	96	106	100	93
93-DETROIT, MICH...................	4,074	465	228	117	113	457	453	115	114	113	120	117	109
94-FLINT, MICH.....................	471	464	242	117	121	418	418	106	106	105	113	106	99
95-GRAND RAPIDS, MICH..............	505	405	174	102	87	414	412	104	104	109	117	100	91
96-JACKSON, MICH...................	137	367	153	93	76	385	382	97	97	103	108	91	85
97-KALAMAZOO, MICH.................	189	409	181	103	90	411	410	104	104	108	116	100	92
98-LANSING, MICH...................	349	446	222	113	111	384	393	97	99	103	114	91	85
99-MUSKEGON-M. HEIGHTS, MICH......	153	373	167	94	83	383	379	97	96	99	104	95	87
100-SAGINAW, MICH..................	211	389	173	98	86	391	389	99	98	104	110	94	87
101-DULUTH-SUPERIOR, MINN.-WISC....	269	496	225	125	112	383	414	97	105	97	120	96	89
102-MINNEAPOLIS-ST. PAUL, MINN.....	1,621	527	249	133	124	477	486	120	123	123	123	118	122
103-JACKSON, MISS..................	251	404	173	102	86	406	402	102	102	105	116	100	88
104-KANSAS CITY, MO.-KANS..........	1,201	396	211	100	105	432	426	109	108	110	103	108	112
105-ST. JOSEPH, MO.................	93	284	138	72	69	331	329	84	83	88	83	79	83
106-ST. LOUIS, MO.-ILL.............	2,269	359	203	91	101	400	396	101	100	100	90	102	109
107-SPRINGFIELD, MO................	141	358	186	90	93	390	404	98	102	101	98	96	106
108-BILLINGS, MONT.................	81	427	221	108	110	492	501	124	127	132	111	117	141
109-GREAT FALLS, MONT..............	81	431	233	109	116	446	440	113	111	122	107	103	115
110-LINCOLN, NEB...................	154	395	267	100	133	457	451	115	114	104	78	126	149
111-OMAHA, NEB.-IOWA...............	511	405	256	102	128	473	467	120	118	107	87	131	148
112-LAS VEGAS, NEV.................	236	487	261	123	130	641	633	162	160	170	150	154	170
113-RENO, NEV......................	108	608	343	154	171	742	763	187	193	196	176	179	209
114-MANCHESTER, N.H................	209	323	168	82	84	425	415	107	105	121	94	94	115
115-ATLANTIC CITY, N.J.............	182	420	251	106	125	393	387	99	98	113	92	86	103
116-JERSEY CITY, N.J...............	620	383	245	97	122	395	354	100	89	104	76	95	103
117-NEWARK, N.J....................	1,874	419	263	106	131	459	453	116	114	115	85	117	143
118-PATERSON-CLIFTON-PASSAIC, N.J..	1,319	386	232	98	116	433	450	109	114	111	84	107	143
119-TRENTON, N.J...................	301	385	233	97	116	407	394	103	99	112	83	94	116
120-ALBUQUERQUE, N.M...............	289	429	143	108	71	434	429	110	108	130	154	90	64

[1] Data not available; see text.

Table G-8 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR METROPOLITAN AREAS: 1966-67 (Cont'd.)

SMSA	1966 population (000)	State and local govt. revenue (excluding Federal aid)				Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources							
		Per capita amounts		Relative to U.S. per capita		Per capita, S-L sources		Relative to U.S. averages per capita					
								S-L sources		State sources		Local sources	
		Total	Local sources	Total	Local sources	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
121-ALBANY-SCHENECTADY-TROY, N.Y...	703	425	181	107	90	320	382	96	97	104	99	88	94
122-BINGHAMTON, N.Y.-PA............	298	446	227	113	113	367	364	93	92	93	91	92	93
123-BUFFALO, N.Y...................	1,324	465	231	117	115	394	395	100	100	97	96	102	104
124-NEW YORK, N.Y..................	11,458	641	361	162	180	492	493	124	125	110	114	138	135
125-ROCHESTER, N.Y.................	818	505	236	128	118	436	439	110	111	113	110	107	112
126-SYRACUSE, N.Y..................	612	428	199	108	99	376	377	95	95	97	94	93	97
127-UTICA-ROME, N.Y................	350	367	158	93	78	334	330	84	83	89	85	80	81
128-ASHEVILLE, N.C.................	145	328	102	83	51	354	349	89	88	96	119	83	58
129-CHARLOTTE, N.C.................	371	452	160	114	79	437	444	110	112	120	154	101	71
130-DURHAM, N.C....................	177	326	119	82	59	346	332	87	84	89	109	85	59
131-FAYETTEVILLE, N.C..............	195	251	87	63	44	238	248	60	63	71	87	49	39
132-GREENSBORO-W. S.-H. PT., N.C...	576	409	160	103	80	416	415	105	105	100	131	110	79
133-RALEIGH, N.C...................	202	357	129	90	64	330	340	83	86	96	120	71	52
134-WILMINGTON, N.C................	96	331	122	83	61	328	330	83	83	86	110	79	57
135-FARGO-MOORHEAD, N.D.-MINN......	111	540	249	136	124	539	533	136	135	155	152	117	118
136-AKRON, OHIO....................	653	359	211	91	105	397	396	100	100	99	87	101	112
137-CANTON, OHIO...................	357	301	161	76	80	371	366	94	92	96	83	91	101
138-CINCINNATI, OHIO-KY.-IND.......	1,354	369	218	93	108	407	409	103	103	97	88	108	118
139-CLEVELAND, OHIO................	2,048	384	232	97	116	445	445	112	112	105	90	120	134
140-COLUMBUS, OHIO.................	857	327	180	83	90	384	380	97	96	99	87	95	105
141-DAYTON, OHIO...................	807	342	196	86	98	392	385	99	97	100	86	98	108
142-HAMILTON-MIDDLETOWN, OHIO......	210	336	204	85	101	377	369	95	93	91	78	99	107
143-LIMA, OHIO.....................	173	294	155	74	77	368	369	93	93	94	83	92	104
144-LORAIN-ELYRIA, OHIO............	243	318	188	80	94	356	352	90	89	87	77	92	101
145-MANSFIELD, OHIO................	128	323	176	81	88	378	369	95	93	100	87	91	100
146-SPRINGFIELD, OHIO..............	150	291	152	73	76	340	340	86	86	92	82	80	89
147-STEUBENVILLE-...., OHIO-W.VA...	167	298	133	75	66	379	364	96	92	88	90	103	94
148-TOLEDO, OHIO-MICH..............	668	347	191	88	95	403	406	102	103	100	90	104	115
149-YOUNGSTOWN-WARREN, OHIO........	524	310	172	78	86	372	371	94	94	93	82	95	106
150-LAWTON, OKLA...................	105	275	92	70	46	308	311	78	79	95	107	61	51
151-OKLAHOMA CITY, OKLA............	587	427	183	108	91	458	452	116	114	128	143	103	86
152-TULSA, OKLA....................	441	461	183	116	91	527	522	133	132	146	162	121	103
153-EUGENE, ORE....................	200	431	220	109	110	420	416	106	105	105	107	108	104
154-PORTLAND, ORE.-WASH............	914	484	228	122	114	487	481	123	121	122	129	124	114
155-SALEM, ORE.....................	172	376	181	95	90	372	372	94	94	98	99	90	89
156-ALLENTOWN-...., PA.-N.J........	522	350	168	88	84	367	369	93	93	96	94	90	92
157-ALTOONA, PA....................	138	280	119	71	59	308	307	78	78	82	84	74	72
158-ERIE, PA.......................	256	338	155	85	77	338	342	85	86	92	95	79	78
159-HARRISBURG, PA.................	393	352	158	89	79	356	365	90	92	98	101	82	84
160-JOHNSTOWN, PA..................	269	258	113	65	56	270	265	68	67	75	75	62	59

Table G-8 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR METROPOLITAN AREAS: 1966-67 (Cont'd.)

SMSA	1966 population (000)	State and local govt. revenue (excluding Federal aid): Per capita amounts		Relative to U.S. per capita		Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources: Per capita, S-L sources		Relative to U.S. averages per capita: S-L sources		State sources		Local sources	
		Total	Local sources	Total	Local sources	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
161-LANCASTER, PA.	295	330	138	83	69	355	364	90	92	96	99	83	85
162-PHILADELPHIA, PA.-N.J.	4,736	375	198	95	99	372	370	94	93	96	92	92	94
163-PITTSBURGH, PA.	2,387	360	182	91	91	366	363	92	92	91	92	94	92
164-READING, PA.	290	342	157	86	78	358	358	90	90	94	96	87	85
165-SCRANTON, PA.	226	274	114	69	57	293	298	74	75	81	83	67	68
166-WILKES-BARRE-HAZLETON, PA.	343	244	95	62	47	271	271	68	68	77	78	61	59
167-YORK, PA.	309	308	124	78	62	325	330	82	83	92	95	73	72
168-PROVIDENCE-...., R.I.	742	362	164	91	82	364	366	92	92	104	102	80	83
169-CHARLESTON, S.C.	313	243	75	61	37	246	240	62	61	74	86	50	36
170-COLUMBIA, S.C.	308	303	94	77	47	317	304	80	77	93	107	67	47
171-GREENVILLE, S.C.	273	334	97	84	48	325	329	82	83	101	122	63	45
172-SIOUX FALLS, S.D.	93	433	209	109	104	442	445	112	112	131	109	93	116
173-CHATTANOOGA, TENN.-GA.	295	373	183	94	91	413	409	104	103	97	108	111	99
174-KNOXVILLE, TENN.	394	315	147	80	73	357	350	90	88	87	96	93	81
175-MEMPHIS, TENN.-ARK.	751	376	202	95	100	392	395	99	100	90	100	108	99
176-NASHVILLE, TENN.	521	361	177	91	88	397	396	100	100	96	106	104	95
177-ABILENE, TEX.	123	285	124	72	62	349	344	88	87	108	99	69	75
178-AMARILLO, TEX.	173	360	200	91	100	394	388	100	98	113	98	87	98
179-AUSTIN, TEX.	254	351	223	89	111	361	391	91	99	92	79	90	118
180-BEAUMONT-...., TEX.	311	367	214	93	107	454	465	115	117	104	93	125	141
181-BROWNSVILLE-...., TEX.	151	229	130	58	65	257	261	65	66	70	61	60	71
182-CORPUS CHRISTI, TEX.	286	353	193	89	96	390	411	99	104	104	98	94	109
183-DALLAS, TEX.	1,362	364	188	92	94	447	439	113	111	125	108	101	114
184-EL PASO, TEX.	346	241	123	61	61	290	283	73	71	85	72	62	71
185-FORT WORTH, TEX.	636	331	168	84	84	404	391	102	99	117	100	88	97
186-GALVESTON-TEXAS CITY, TEX.	160	363	239	92	119	420	442	106	112	88	76	124	146
187-HOUSTON, TEX.	1,739	380	189	96	94	478	483	121	122	128	117	114	127
188-LAREDO, TEX.	76	215	92	54	46	277	261	70	66	85	75	55	57
189-LUBBOCK, TEX.	190	283	143	72	71	339	328	86	83	100	86	71	80
190-MCALLEN-PHARR-EDINBURG, TEX.	204	212	118	54	59	212	215	54	54	62	58	45	51
191-MIDLAND, TEX.	67	645	206	163	102	728	823	184	208	239	270	130	147
192-ODESSA, TEX.	93	505	246	127	123	504	548	127	138	156	159	99	119
193-SAN ANGELO, TEX.	74	248	116	63	58	315	299	80	75	92	81	67	70
194-SAN ANTONIO, TEX.	829	262	139	66	69	308	324	78	82	88	76	68	88
195-SHERMAN-DENISON, TEX.	78	264	134	67	67	326	316	82	80	92	80	73	80
196-TEXARKANA, TEX.-ARK.	100	234	84	59	42	330	318	83	80	92	90	75	71
197-TYLER, TEX.	94	304	137	77	68	381	378	96	96	111	103	81	89
198-WACO, TEX.	150	257	126	65	63	323	304	82	77	95	80	69	73
199-WICHITA FALLS, TEX.	133	346	171	87	85	375	379	95	96	115	107	75	84
200-OGDEN, UTAH	123	388	148	98	74	360	361	91	91	98	112	85	72

Table G-8 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR METROPOLITAN AREAS: 1966-67 (Cont'd.)

SMSA	1966 population (000)	State and local govt. revenue (excluding Federal aid): Per capita amounts		State and local govt. revenue (excluding Federal aid): Relative to U.S. per capita		Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources: Per capita, S-L sources		Relative to U.S. averages per capita: S-L sources		State sources		Local sources	
		Total	Local sources	Total	Local sources	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
201-PROVO-OREM, UTAH	127	301	125	76	62	287	284	73	72	71	82	74	62
202-SALT LAKE CITY, UTAH	526	413	169	104	84	387	386	98	98	101	113	95	82
203-LYNCHBURG, VA	122	313	123	79	61	319	325	80	82	92	103	70	62
204-NEWPORT NEWS-HAMPTON, VA	277	303	132	76	66	308	312	78	79	82	92	74	66
205-NORFOLK-PORTSMOUTH, VA	639	341	171	86	85	307	319	78	81	82	92	73	70
206-RICHMOND, VA	511	391	163	99	81	424	428	107	108	110	123	104	94
207-ROANOKE, VA	178	378	158	95	79	387	396	98	100	107	119	89	82
208-SEATTLE-EVERETT, WASH	1,235	572	225	145	112	557	552	141	139	131	175	150	105
209-SPOKANE, WASH	266	447	140	113	70	412	431	104	109	113	154	95	65
210-TACOMA, WASH	362	434	166	110	82	422	425	107	107	101	135	112	80
211-CHARLESTON, W.VA	241	382	139	97	69	372	370	94	94	100	125	87	63
212-HUNTINGTON-...., W.VA.-KY.-OHIO	253	317	114	80	57	341	341	86	86	89	108	83	65
213-WHEELING, W.VA.-OHIO	185	320	129	81	64	331	338	84	85	89	102	78	70
214-GREEN BAY, WIS	138	409	156	103	78	353	351	89	89	96	112	83	66
215-KENOSHA, WIS	114	425	181	107	90	353	362	89	91	88	108	90	75
216-MADISON, WIS	265	460	192	116	96	403	396	102	100	103	119	101	82
217-MILWAUKEE, WIS	1,334	537	241	136	120	435	436	110	110	104	130	115	90
218-RACINE, WIS	157	439	176	111	88	372	381	94	96	94	116	94	76

Table G-9 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR METROPOLITAN AREAS: 1965-67

SMSA	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
				Local governments only				
	State and local government	Local governments only	State and local governments	All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
1-BIRMINGHAM, ALA.	96	79	100	106	123	88	110	108
2-GADSDEN, ALA.	97	75	97	96	102	126	79	32
3-HUNTSVILLE, ALA.	103	90	101	105	118	129	87	103
4-MOBILE, ALA.	97	82	99	104	135	102	94	42
5-MONTGOMERY, ALA.	93	68	93	86	85	77	88	144
6-TUSCALOOSA, ALA.	101	87	98	100	101	79	105	211
7-PHOENIX, ARIZ.	108	100	108	108	112	82	110	117
8-TUCSON, ARIZ.	113	107	110	113	129	92	91	92
9-FORT SMITH, ARK.-OKLA.	90	69	88	87	109	27	89	55
10-LITTLE ROCK-N. L. ROCK, ARK.	88	69	89	89	105	28	100	84
11-PINE BLUFF, ARK.	88	66	91	94	103	42	101	71
12-ANAHEIM-...., CAL.	102	107	102	100	102	97	98	80
13-BAKERSFIELD, CAL.	104	122	108	109	113	97	103	54
14-FRESNO, CAL.	114	129	113	119	131	100	98	135
15-LOS ANGELES-LONG BEACH, CAL.	102	108	102	100	98	117	99	103
16-OXNARD-VENTURA, CAL.	113	131	116	123	135	88	101	84
17-SACRAMENTO, CAL.	109	118	108	111	116	104	107	89
18-SALINAS-MONTEREY, CAL.	100	105	101	97	95	86	110	104
19-SAN BERNADINO-...., CAL.	108	118	108	109	113	99	109	76
20-SAN DIEGO, CAL.	104	110	105	105	106	92	108	96
21-SAN FRANCISCO-OAKLAND, CAL.	105	111	104	104	102	94	113	126
22-SAN JOSE, CAL.	109	119	108	111	113	91	105	160
23-SANTA BARBARA, CAL.	101	106	102	99	102	83	99	96
24-STOCKTON, CAL.	104	108	104	104	122	93	83	161
25-VALLEJO-NAPA, CAL.	104	111	106	106	109	83	103	202
26-COLORADO SPRINGS, COL.	108	113	107	106	117	34	112	97
27-DENVER, COL.	107	113	107	106	103	142	102	133
28-PUEBLO, COL.	101	98	99	92	93	103	94	64
29-BRIDGEPORT-...., CONN.	92	96	90	87	92	7	99	132
30-HARTFORD-NEW BRITAIN, CONN.	97	109	98	104	117	7	96	92
31-NEW HAVEN-...., CONN.	92	95	91	90	98	6	87	129
32-NEW LONDON-...., CONN.	86	87	92	90	98	7	81	69
33-WILMINGTON, DEL.-N.J.-MD.	102	70	102	102	101	98	103	107
34-WASHINGTON, D.C.-MD.-VA.	93	84	94	95	100	73	94	66
35-FORT LAUDERDALE-...., FLA.	88	85	89	87	71	146	99	111
36-JACKSONVILLE, FLA.	95	102	91	90	96	64	68	118
37-MIAMI, FLA.	92	95	94	95	96	87	97	83
38-ORLANDO, FLA.	92	96	92	91	90	74	99	93
39-PENSACOLA, FLA.	89	93	90	88	84	53	92	185
40-TALLAHASSEE, FLA.	99	110	93	93	84	61	95	120

Table G-9 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR METROPOLITAN AREAS: 1965-67 (Cont'd.)

SMSA	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
				Local governments only				
	State and local government	Local governments only	State and local governments	All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
41-TAMPA-ST. PETERSBURG, FLA......	97	105	98	103	96	122	106	123
42-WEST PALM BEACH, FLA...........	99	107	101	107	124	103	88	43
43-ALBANY, GA.....................	100	95	96	95	124	26	101	88
44-ATLANTA, GA....................	97	91	99	101	118	44	103	92
45-AUGUSTA, GA.-S.C...............	96	80	94	89	103	34	88	169
46-COLUMBUS, GA.-ALA..............	101	94	100	102	103	67	119	66
47-MACON, GA......................	100	92	97	97	117	64	93	69
48-SAVANNAH, GA...................	98	92	98	98	123	46	82	150
49-HONOLULU, HAWAII...............	128	72	125	128	137	118	113	130
50-BOISE CITY, IDAHO..............	112	101	114	127	129	104	122	207
51-BLOOMINGTON-NORMAL, ILL........	95	114	90	96	113	33	98	89
52-CHAMPAIGN-URBANA, ILL..........	88	100	83	82	79	48	115	87
53-CHICAGO, ILL...................	83	93	84	84	89	71	75	87
54-DECATUR, ILL...................	80	88	80	77	80	36	90	140
55-PEORIA, ILL....................	87	101	87	89	98	35	97	86
56-ROCKFORD, ILL..................	84	97	86	86	95	40	92	132
57-SPRINGFIELD, ILL...............	79	82	77	72	69	40	94	114
58-ANDERSON, IND..................	97	98	101	104	108	7	113	115
59-EVANSVILLE, IND.-KY............	93	88	94	91	100	15	83	151
60-FORT WAYNE, IND................	92	91	94	89	103	3	99	83
61-GARY-HAMMOND-E. CHICAGO, IND...	101	108	102	105	119	8	71	130
62-INDIANAPOLIS, IND..............	99	102	99	100	115	4	91	97
63-LAFAYETTE-W. LAFAYETTE, IND....	98	96	98	98	104	9	99	88
64-MUNCIE, IND....................	91	86	92	84	92	5	82	44
65-SOUTH BEND, IND................	99	103	100	102	118	5	95	67
66-TERRE HAUTE, IND...............	106	114	105	114	126	9	107	13
67-CEDAR RAPIDS, IOWA.............	102	102	105	105	109	34	93	233
68-DAVENPORT-....., IOWA-ILL......	90	96	91	89	84	46	127	77
69-DES MOINES, IOWA...............	103	103	106	108	118	56	85	153
70-DUBUQUE, IOWA..................	98	75	90	76	72	40	92	206
71-SIOUX CITY, IOWA-NEB...........	97	92	98	93	99	62	76	91
72-WATERLOO, IOWA.................	100	98	102	99	100	26	99	168
73-TOPEKA, KANS...................	102	105	101	104	115	31	104	128
74-WICHITA, KANS..................	92	91	91	85	94	19	107	46
75-LEXINGTON, KY..................	94	73	96	102	116	98	75	111
76-LOUISVILLE, KY.-IND............	98	87	98	104	103	135	95	73
77-BATON ROUGE, LA................	93	88	100	115	125	135	74	115
78-LAFAYETTE, LA..................	92	51	86	72	39	116	100	85
79-LAKE CHARLES, LA...............	91	75	92	92	123	55	76	27
80-MONROE, LA.....................	89	75	92	92	124	13	93	188

Table G-9 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR METROPOLITAN AREAS: 1965-67 (Cont'd.)

SMSA	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
				Local governments only				
	State and local government	Local governments only	State and local governments	All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
81-NEW ORLEANS, LA.................	89	70	92	94	72	119	107	59
82-SHREVEPORT, LA..................	89	64	90	86	123	25	84	148
83-LEWISTON-AUBURN,MAINE..........	97	93	98	93	101	16	74	73
84-PORTLAND, MAINE................	104	106	103	106	111	15	106	147
85-BALTIMORE, MD..................	105	104	105	107	110	117	93	123
86-BOSTON, MASS...................	118	132	120	127	155	9	110	125
87-FALL RIVER-N.BEDFORD, MASS.(1).								
88-PITTSFIELD, MASS. (1)..........	138	200	153	240	375	14	97	161
89-SPRINGFIELD-...., MASS. (1)....								
90-WORCESTER-...., MASS...........	116	128	117	121	143	8	134	90
91-ANN ARBOR, MICH................	103	96	102	104	116	23	90	102
92-BAY CITY, MICH.................	98	86	97	92	103	10	90	28
93-DETROIT, MICH..................	102	97	103	104	104	143	100	95
94-FLINT, MICH....................	111	114	111	122	116	214	116	258
95-GRAND RAPIDS, MICH.............	98	87	98	95	94	14	107	127
96-JACKSON, MICH..................	95	84	96	90	95	12	94	23
97-KALAMAZOO, MICH................	100	90	100	98	101	14	101	215
98-LANSING, MICH..................	116	121	113	130	143	12	119	144
99-MUSKEGON-M. HEIGHTS, MICH......	97	88	98	95	100	22	94	144
100-SAGINAW, MICH.................	100	92	100	99	95	182	92	116
101-DULUTH-SUPERIOR, MINN.-WISC....	130	117	120	125	135	56	116	85
102-MINNEAPOLIS-ST. PAUL, MINN.....	111	105	109	102	97	97	115	126
103-JACKSON, MISS..................	100	87	100	98	147	43	80	152
104-KANSAS CITY, MO.-KANS..........	92	97	93	94	96	71	100	110
105-ST. JOSEPH, MO.................	86	87	86	83	87	46	101	0
106-ST. LOUIS, MO.-ILL.............	90	99	91	92	100	76	86	75
107-SPRINGFIELD, MO................	92	96	89	88	91	27	98	137
108-BILLINGS, MONT.................	87	94	85	78	80	17	114	138
109-GREAT FALLS, MONT..............	97	112	98	101	111	36	115	118
110-LINCOLN, NEB...................	87	106	88	89	110	35	85	55
111-OMAHA, NEB.-IOWA...............	86	97	87	86	92	27	94	109
112-LAS VEGAS, NEV.................	76	84	77	77	72	99	76	86
113-RENO, NEV......................	82	96	80	82	85	83	78	0
114-MANCHESTER, N.H................	76	89	78	73	71	51	84	139
115-ATLANTIC CITY, N.J.............	107	146	109	121	118	190	105	54
116-JERSEY CITY, N.J...............	97	123	108	119	135	97	80	130
117-NEWARK, N.J....................	91	112	93	92	98	78	72	57
118-PATERSON-CLIFTON-PASSAIC, N.J..	89	108	86	81	81	78	84	81
119-TRENTON, N.J...................	94	123	98	100	100	108	95	148
120-ALBUQUERQUE, N.M...............	99	80	100	110	146	97	91	2

[1] Data not available; see text.

Table G-9 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR METROPOLITAN AREAS: 1965-67 (Cont'd.)

SMSA	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
				Local governments only				
	State and local government	Local governments only	State and local governments	All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
121-ALBANY-SCHENECTADY-TROY, N.Y....	112	103	111	96	129	10	129	42
122-BINGHAMTON, N.Y.-PA.............	121	123	123	122	127	84	157	57
123-BUFFALO, N.Y....................	118	113	118	111	122	73	117	89
124-NEW YORK, N.Y...................	130	130	130	133	126	165	126	165
125-ROCHESTER, N.Y..................	116	110	115	105	111	86	113	122
126-SYRACUSE, N.Y...................	114	106	114	102	126	20	135	85
127-UTICA-ROME, N.Y.................	110	98	111	97	120	7	140	128
128-ASHEVILLE, N.C..................	93	61	94	88	103	77	88	7
129-CHARLOTTE, N.C..................	104	78	102	112	123	59	113	124
130-DURHAM, N.C.....................	94	70	98	100	111	58	97	48
131-FAYETTEVILLE, N.C...............	106	89	101	110	135	69	99	118
132-GREENSBORO-W. S.-H. PT., N.C....	98	73	95	101	105	49	106	116
133-RALEIGH, N.C....................	108	90	105	123	159	60	86	284
134-WILMINGTON, N.C.................	101	76	100	106	120	86	84	243
135-FARGO-MOORHEAD, N.D.-MINN.......	100	106	101	105	106	125	97	168
136-AKRON, OHIO.....................	91	104	91	94	95	98	90	93
137-CANTON, OHIO....................	81	88	82	79	74	91	88	142
138-CINCINNATI, OHIO-KY.-IND........	91	100	90	92	90	101	92	102
139-CLEVELAND, OHIO.................	86	97	86	86	101	19	78	68
140-COLUMBUS, OHIO..................	85	94	86	85	83	108	81	100
141-DAYTON, OHIO....................	87	100	89	90	93	83	88	73
142-HAMILTON-MIDDLETOWN, OHIO.......	89	102	91	94	86	113	99	150
143-LIMA, OHIO......................	80	83	80	74	68	58	96	141
144-LORAIN-ELYRIA, OHIO.............	89	102	90	93	107	14	82	119
145-MANSFIELD, OHIO.................	85	96	87	88	92	60	87	151
146-SPRINGFIELD, OHIO...............	86	94	86	85	79	104	89	116
147-STEUBENVILLE-...., OHIO-W.VA....	79	65	82	71	77	30	68	150
148-TOLEDO, OHIO-MICH...............	86	91	85	83	72	112	100	90
149-YOUNGSTOWN-WARREN, OHIO.........	83	91	84	81	85	88	72	41
150-LAWTON, OKLA....................	89	75	88	90	94	15	104	113
151-OKLAHOMA CITY, OKLA.............	93	88	95	105	106	145	98	86
152-TULSA, OKLA.....................	87	75	88	89	90	53	89	120
153-EUGENE, ORE.....................	103	102	104	106	103	61	105	155
154-PORTLAND, ORE.-WASH.............	99	92	101	100	103	122	91	105
155-SALEM, ORE......................	101	100	101	101	97	73	118	122
156-ALLENTOWN-...., PA.-N.J.........	95	93	95	91	84	93	113	113
157-ALTOONA, PA.....................	91	80	91	82	74	82	113	114
158-ERIE, PA........................	100	98	99	99	108	75	101	83
159-HARRISBURG, PA..................	99	96	96	94	78	102	129	166
160-JOHNSTOWN, PA...................	96	91	97	96	90	91	114	114

Table G-9 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR METROPOLITAN AREAS: 1965-67 (Cont'd.)

SMSA	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
				Local governments only				
	State and local government	Local governments only	State and local governments	All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
161-LANCASTER, PA..................	93	82	91	81	72	73	130	103
162-PHILADELPHIA, PA.-N.J...........	101	107	101	104	103	117	99	94
163-PITTSBURGH, PA..................	98	97	99	99	103	84	101	106
164-READING, PA....................	96	90	95	92	98	55	111	99
165-SCRANTON, PA....................	93	84	92	83	88	75	77	35
166-WILKES-BARRE-HAZLETON, PA......	90	78	90	79	91	44	82	81
167-YORK, PA........................	95	85	93	86	78	76	127	129
168-PROVIDENCE-...., R.I...........	100	102	99	98	112	11	94	101
169-CHARLESTON, S.C................	99	74	101	105	126	34	89	185
170-COLUMBIA, S.C..................	96	70	100	99	106	29	107	281
171-GREENVILLE, S.C................	103	76	102	106	132	38	83	127
172-SIOUX FALLS, S.D................	98	112	97	90	93	52	101	116
173-CHATTANOOGA, TENN.-GA...........	90	82	91	92	102	100	92	58
174-KNOXVILLE, TENN.................	83	79	90	91	88	97	86	102
175-MEMPHIS, TENN.-ARK..............	96	93	95	101	105	125	93	88
176-NASHVILLE, TENN.................	91	84	91	93	99	108	78	95
177-ABILENE, TEX....................	82	89	83	82	87	49	96	44
178-AMARILLO, TEX...................	91	115	93	102	105	34	106	187
179-AUSTIN, TEX.....................	97	123	90	94	100	23	80	114
180-BEAUMONT-...., TEX..............	81	85	79	76	76	39	83	64
181-BROWNSVILLE-...., TEX...........	89	107	88	92	107	23	85	93
182-CORPUS CHRISTI, TEX.............	90	103	86	88	95	35	91	69
183-DALLAS, TEX.....................	81	93	83	83	87	39	77	115
184-EL PASO, TEX....................	83	98	85	87	103	46	72	86
185-FORT WORTH, TEX.................	82	96	85	86	87	33	98	93
186-GALVESTON-TEXAS CITY, TEX......	86	96	82	81	91	54	74	39
187-HOUSTON, TEX....................	79	93	79	74	76	36	81	56
188-LAREDO, TEX.....................	78	83	82	80	89	42	75	95
189-LUBBOCK, TEX....................	84	100	86	89	101	23	70	115
190-MCALLEN-PHARR-EDINBURG, TEX....	100	131	98	115	151	66	95	50
191-MIDLAND, TEX....................	89	79	78	69	65	43	92	107
192-ODESSA, TEX.....................	100	124	92	103	127	31	98	29
193-SAN ANGELO, TEX.................	79	86	83	82	85	55	69	135
194-SAN ANTONIO, TEX................	85	101	81	79	95	17	68	85
195-SHERMAN-DENISON, TEX............	81	92	84	84	83	43	93	99
196-TEXARKANA, TEX.-ARK.............	71	56	73	59	53	48	90	9
197-TYLER, TEX......................	80	84	80	77	75	40	99	46
198-WACO, TEX.......................	79	91	85	86	93	35	88	82
199-WICHITA FALLS, TEX..............	92	114	91	101	111	41	110	57
200-OGDEN, UTAH.....................	108	87	107	103	105	57	121	164

Table G-9 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR METROPOLITAN AREAS: 1965-67 (Cont'd.)

SMSA	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
				Local governments only				
	State and local government	Local governments only	State and local governments	All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
201-PROVO-OREM, UTAH	105	85	106	101	97	94	124	89
202-SALT LAKE CITY, UTAH	107	89	107	103	110	67	100	97
203-LYNCHBURG, VA	98	88	96	99	107	96	70	147
204-NEWPORT NEWS-HAMPTON, VA	98	89	97	100	107	96	92	96
205-NORFOLK-PORTSMOUTH, VA	111	116	107	122	107	130	136	114
206-RICHMOND, VA	92	78	91	87	90	84	77	102
207-ROANOKE, VA	95	89	95	96	101	97	81	115
208-SEATTLE-EVERETT, WASH	103	75	104	107	105	116	100	135
209-SPOKANE, WASH	108	73	104	108	119	90	107	20
210-TACOMA, WASH	103	73	102	103	110	131	102	49
211-CHARLESTON, W.VA	103	79	103	110	118	75	117	156
212-HUNTINGTON-....., W.VA.-KY.-OHIO	93	69	93	87	90	56	101	58
213-WHEELING, W.VA.-OHIO	97	82	95	92	103	47	99	64
214-GREEN BAY, WIS	116	94	117	118	116	74	133	90
215-KENOSHA, WIS	121	100	117	120	122	97	121	21
216-MADISON, WIS	114	95	116	117	111	102	140	73
217-MILWAUKEE, WIS	123	104	123	133	140	120	109	151
218-RACINE, WIS	118	93	115	114	113	95	122	95

Table G-10 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR METROPOLITAN AREAS: 1966-67

SMSA	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
1-BIRMINGHAM, ALA	31.4	31.7	2.3	14.3	17.3	3.0	104	125	43	112	76	82
2-GADSDEN, ALA	29.6	30.8	3.1	13.0	21.0	2.5	98	121	60	102	92	67
3-HUNTSVILLE, ALA	29.9	14.0	3.0	11.9	25.4	15.9	99	55	57	93	111	430
4-MOBILE, ALA	30.7	25.3	3.9	14.7	22.4	3.1	102	100	74	115	98	83
5-MONTGOMERY, ALA	40.4	21.7	1.4	15.4	18.6	2.6	134	86	28	120	81	70
6-TUSCALOOSA, ALA	30.2	23.9	2.0	13.8	28.5	1.8	100	94	38	108	125	47
7-PHOENIX, ARIZ	28.6	19.0	5.1	12.7	24.5	10.0	95	75	98	99	108	271
8-TUCSON, ARIZ	28.5	24.0	1.0	15.9	28.3	2.3	94	95	20	124	124	61
9-FORT SMITH, ARK.-OKLA	33.3	22.9	6.5	16.7	17.7	2.8	110	90	125	131	78	76
10-LITTLE ROCK-N. L. ROCK, ARK	34.6	23.4	2.4	16.3	18.9	4.4	115	92	46	127	83	120
11-PINE BLUFF, ARK	31.6	30.1	9.0	15.7	13.6	.1	105	119	172	122	60	3
12-ANAHEIM-...., CAL	41.8	17.6	4.1	10.6	21.3	4.6	138	69	79	83	93	125
13-BAKERSFIELD, CAL	21.6	25.0	12.0	12.2	27.9	1.2	72	99	230	95	123	34
14-FRESNO, CAL	22.2	17.7	14.6	12.0	31.5	2.0	73	70	281	94	138	53
15-LOS ANGELES-LONG BEACH, CAL	34.8	24.4	.4	12.5	21.5	6.4	115	96	8	97	94	172
16-OXNARD-VENTURA, CAL	35.6	15.7	9.3	10.9	25.5	3.1	118	62	178	85	112	84
17-SACRAMENTO, CAL	29.9	15.5	5.4	12.1	31.0	6.0	99	61	103	95	136	163
18-SALINAS-MONTEREY, CAL	35.8	15.1	10.2	13.2	25.4	.2	119	60	196	103	112	6
19-SAN BERNADINO-...., CAL	30.8	16.1	9.7	13.3	25.0	5.1	102	63	187	104	110	137
20-SAN DIEGO, CAL	32.5	16.3	6.0	12.2	28.4	4.6	108	64	116	95	125	125
21-SAN FRANCISCO-OAKLAND, CAL	36.7	24.5	.9	10.8	24.6	2.5	122	97	17	84	108	67
22-SAN JOSE, CAL	35.7	20.2	3.7	11.0	26.5	2.8	118	80	71	86	116	77
23-SANTA BARBARA, CAL	37.7	17.7	5.3	12.5	23.3	3.5	125	70	102	98	102	94
24-STOCKTON, CAL	18.4	13.8	9.9	8.5	48.3	1.0	61	54	190	67	212	28
25-VALLEJO-NAPA, CAL	35.5	14.0	7.6	12.7	27.6	2.5	118	55	146	100	121	69
26-COLORADO SPRINGS, COL	28.4	14.1	4.4	14.8	23.1	15.3	94	56	84	115	102	412
27-DENVER, COL	30.5	28.3	2.5	14.8	21.2	2.7	101	112	47	115	93	73
28-PUEBLO, COL	31.1	25.1	7.9	12.3	19.3	4.4	103	99	152	96	85	118
29-BRIDGEPORT-...., CONN	47.7	23.4	1.2	12.5	15.0	.3	158	92	24	98	66	7
30-HARTFORD-NEW BRITAIN, CONN	35.1	29.3	.3	14.8	18.6	1.9	116	116	6	116	82	51
31-NEW HAVEN-...., CONN	36.0	29.5	.3	14.1	16.8	1.4	126	116	5	110	74	38
32-NEW LONDON-...., CONN	29.2	33.2	.3	14.4	12.4	10.5	97	131	6	112	54	284
33-WILMINGTON, DEL.-N.J.-MD	33.2	34.0	1.3	12.5	17.8	1.2	110	134	25	98	78	33
34-WASHINGTON, D.C.-MD.-VA	45.4	19.3	1.5	9.3	22.5	1.9	150	76	30	73	99	52
35-FORT LAUDERDALE-...., FLA	43.4	14.5	3.6	13.6	23.3	1.7	144	57	68	107	102	45
36-JACKSONVILLE, FLA	28.8	23.6	.7	13.9	21.1	12.0	95	93	13	109	93	325
37-MIAMI, FLA	33.6	26.7	2.4	13.8	21.8	1.7	111	105	46	108	96	46
38-ORLANDO, FLA	36.3	18.8	5.1	14.9	17.5	7.4	120	74	97	117	77	201
39-PENSACOLA, FLA	35.0	22.1	2.2	13.9	23.9	2.9	116	87	42	109	105	79
40-TALLAHASSEE, FLA	30.8	11.3	4.7	14.1	27.7	11.4	102	44	91	110	122	309

Table G-10 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR METROPOLITAN AREAS: 1966-67 (Cont'd.)

SMSA	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
41-TAMPA-ST. PETERSBURG, FLA......	36.6	20.0	1.5	13.1	26.9	1.9	121	79	30	102	118	51
42-WEST PALM BEACH, FLA...........	42.4	14.9	4.9	12.4	22.7	2.7	140	59	94	97	100	73
43-ALBANY, GA.....................	25.7	17.6	1.6	14.9	27.7	12.6	85	70	30	117	122	340
44-ATLANTA, GA....................	28.1	30.7	1.2	14.2	22.7	3.0	93	121	24	111	100	81
45-AUGUSTA, GA.-S.C...............	22.2	26.9	2.7	14.7	31.8	1.6	74	106	53	115	140	44
46-COLUMBUS, GA.-ALA..............	32.7	18.7	1.1	15.0	29.4	3.1	108	74	22	117	129	83
47-MACON, GA......................	28.7	21.1	.3	15.1	30.7	4.2	95	83	6	118	135	112
48-SAVANNAH, GA...................	24.0	30.2	.5	13.2	29.7	2.4	79	119	10	103	131	66
49-HONOLULU, HAWAII...............	39.2	24.0	1.2	15.9	16.9	2.8	130	95	23	124	74	77
50-BOISE CITY, IDAHO..............	25.7	28.2	8.3	20.7	17.0	.1	85	111	159	162	75	4
51-BLOOMINGTON-NORMAL, ILL........	28.9	24.4	11.2	15.2	17.9	2.5	96	96	214	118	78	69
52-CHAMPAIGN-URBANA, ILL..........	27.3	13.3	26.2	12.0	19.7	1.4	91	52	504	94	87	39
53-CHICAGO, ILL...................	33.0	29.9	.9	12.9	20.5	2.7	109	118	17	101	90	73
54-DECATUR, ILL...................	23.8	33.0	12.2	13.3	16.2	1.5	79	130	234	104	71	40
55-PEORIA, ILL....................	32.3	29.0	6.8	14.0	16.7	1.2	107	114	131	109	73	32
56-ROCKFORD, ILL..................	33.5	31.0	3.3	14.4	16.8	1.1	111	122	63	113	74	30
57-SPRINGFIELD, ILL...............	29.0	23.3	10.3	12.9	15.6	8.9	96	92	197	101	69	240
58-ANDERSON, IND..................	30.1	24.7	4.0	14.6	13.8	12.8	100	98	77	114	60	346
59-EVANSVILLE, IND.-KY............	27.1	33.7	2.5	15.3	17.5	4.0	90	133	48	119	77	108
60-FORT WAYNE, IND................	26.4	30.6	3.6	16.9	15.6	6.9	88	121	68	132	69	185
61-GARY-HAMMOND-E. CHICAGO, IND...	25.3	43.5	2.2	12.3	15.6	1.2	84	172	42	96	68	32
62-INDIANAPOLIS, IND..............	27.1	29.6	3.7	14.9	19.3	5.4	90	117	71	116	85	145
63-LAFAYETTE-W. LAFAYETTE, IND....	27.9	31.7	8.7	15.7	14.3	1.7	92	125	167	123	63	46
64-MUNCIE, IND....................	26.9	32.9	6.9	15.9	17.3	.2	89	130	132	125	76	5
65-SOUTH BEND, IND................	26.3	29.4	5.4	15.6	18.5	4.8	87	116	103	122	81	128
66-TERRE HAUTE, IND...............	21.5	29.5	7.8	15.0	25.1	1.1	71	116	149	117	110	28
67-CEDAR RAPIDS, IOWA.............	31.8	30.5	5.6	15.6	14.8	1.8	105	120	107	122	65	48
68-DAVENPORT-...., IOWA-ILL.......	30.1	27.9	7.3	12.7	20.5	1.4	100	110	140	99	90	38
69-DES MOINES, IOWA...............	30.0	28.2	2.0	15.2	22.4	2.3	99	111	38	119	98	62
70-DUBUQUE, IOWA..................	30.5	27.0	13.7	13.1	13.9	1.8	101	107	262	102	61	49
71-SIOUX CITY, IOWA-NEB...........	22.9	26.1	15.8	16.0	15.9	3.4	76	103	303	125	70	91
72-WATERLOO, IOWA.................	27.0	29.9	6.8	13.4	18.5	4.4	89	118	130	104	81	118
73-TOPEKA, KANS...................	27.4	22.4	3.1	12.1	32.4	2.6	91	88	59	95	142	72
74-WICHITA, KANS..................	26.1	29.1	6.0	15.5	21.8	1.6	86	115	114	121	96	44
75-LEXINGTON, KY..................	40.9	25.8	5.8	15.1	12.4	.0	135	102	111	118	54	1
76-LOUISVILLE, KY.-IND............	29.3	29.5	1.6	13.6	24.1	1.9	97	116	31	107	106	51
77-BATON ROUGE, LA................	26.6	38.2	.7	16.3	17.9	.2	88	151	14	128	79	6
78-LAFAYETTE, LA..................	20.0	34.8	17.4	9.0	13.9	4.9	66	137	334	70	61	132
79-LAKE CHARLES, LA...............	18.0	43.1	2.4	10.2	26.0	.4	60	170	46	80	114	10
80-MONROE, LA.....................	25.5	27.5	3.0	16.2	22.7	5.1	84	109	57	126	100	139

Table G-10 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR METROPOLITAN AREAS: 1966-67 (Cont'd.)

SMSA	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility sur-pluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility sur-pluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
81-NEW ORLEANS, LA	26.9	34.4	.6	14.1	21.3	2.6	89	136	12	110	94	70
82-SHREVEPORT, LA	26.4	34.4	3.3	14.9	18.9	2.2	87	136	64	116	83	59
83-LEWISTON-AUBURN, MAINE	40.5	26.7	.7	18.0	12.2	1.9	134	105	14	141	53	51
84-PORTLAND, MAINE	39.4	26.8	.6	15.2	15.9	2.0	131	106	12	119	70	54
85-BALTIMORE, MD	31.1	29.5	1.2	13.4	23.6	1.3	103	116	22	104	104	35
86-BOSTON, MASS	27.9	27.4	.1	14.3	26.0	4.3	92	108	2	111	114	117
87-FALL RIVER-N.BEDFORD, MASS.(1)												
88-PITTSFIELD, MASS. (1)												
89-SPRINGFIELD-...., MASS. (1)												
90-WORCESTER-...., MASS	27.6	28.8	.5	14.2	24.9	4.0	91	114	10	111	109	107
91-ANN ARBOR, MICH	31.0	25.1	3.8	14.8	22.3	2.8	103	99	74	116	98	77
92-BAY CITY, MICH	40.0	21.3	2.7	10.5	18.7	6.8	132	84	52	82	82	184
93-DETROIT, MICH	32.2	27.0	.9	12.7	24.5	2.7	107	106	18	100	108	72
94-FLINT, MICH	24.8	24.4	.8	17.8	30.7	1.3	82	96	16	139	135	36
95-GRAND RAPIDS, MICH	30.5	26.0	1.5	13.4	25.2	3.4	101	103	28	105	111	93
96-JACKSON, MICH	27.0	32.2	2.1	15.2	22.0	1.6	90	127	40	119	96	43
97-KALAMAZOO, MICH	33.7	31.2	2.3	13.9	17.9	1.0	111	123	43	109	79	28
98-LANSING, MICH	20.9	22.9	3.1	13.4	29.1	10.7	69	90	59	104	128	290
99-MUSKEGON-M. HEIGHTS, MICH	27.4	32.3	.0	12.0	26.4	1.9	91	127	0	94	116	52
100-SAGINAW, MICH	21.7	33.8	2.5	13.2	26.2	2.7	72	133	47	103	115	73
101-DULUTH-SUPERIOR, MINN.-WISC	11.1	39.6	1.3	13.0	27.9	7.0	37	156	25	102	123	190
102-MINNEAPOLIS-ST. PAUL, MINN	28.0	29.1	.8	14.0	26.5	1.6	93	115	16	110	116	43
103-JACKSON, MISS	32.0	21.8	3.6	15.1	25.7	1.8	106	86	69	118	113	49
104-KANSAS CITY, MO.-KANS	31.0	31.1	1.9	13.1	18.4	4.5	103	123	36	103	81	121
105-ST. JOSEPH, MO	27.8	33.6	3.6	14.1	20.8	.0	92	133	70	110	91	0
106-ST. LOUIS, MO.-ILL	31.2	32.2	1.4	13.3	20.3	1.6	103	127	26	104	89	44
107-SPRINGFIELD, MO	26.5	23.7	6.2	13.7	17.3	12.6	88	93	119	107	76	340
108-BILLINGS, MONT	25.1	29.4	7.6	15.1	20.5	2.3	83	116	145	118	90	63
109-GREAT FALLS, MONT	22.2	19.5	15.7	15.9	24.6	2.0	74	77	302	124	108	55
110-LINCOLN, NEB	31.5	17.6	6.5	11.2	23.8	9.3	104	70	125	88	104	251
111-OMAHA, NEB.-IOWA	28.6	21.6	4.8	12.0	18.3	14.8	95	85	92	93	80	401
112-LAS VEGAS, NEV	33.5	24.6	1.5	13.5	24.4	2.5	111	97	29	106	107	68
113-RENO, NEV	31.8	21.8	1.4	12.1	32.7	.1	105	86	28	95	144	3
114-MANCHESTER, N.H	37.9	26.1	1.3	22.0	11.6	1.1	125	103	26	172	51	29
115-ATLANTIC CITY, N.J	30.3	26.3	1.5	16.3	24.3	1.3	100	104	30	127	107	34
116-JERSEY CITY, N.J	18.2	37.5	.0	14.0	28.5	1.8	60	148	0	109	125	48
117-NEWARK, N.J	33.1	29.7	.2	13.1	22.0	1.9	109	117	4	102	97	52
118-PATERSON-CLIFTON-PASSAIC, N.J	43.3	26.0	.4	13.1	15.5	1.7	144	103	7	102	68	45
119-TRENTON, N.J	32.7	27.2	.7	15.4	22.1	1.9	108	107	14	121	97	50
120-ALBUQUERQUE, N.M	28.5	21.6	5.0	18.7	23.0	3.1	94	85	96	147	101	85

[1] Data not available; see text.

Table G-10 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR METROPOLITAN AREAS: 1966-67 (Cont'd.)

SMSA	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
121-ALBANY-SCHENECTADY-TROY, N.Y...	34.0	27.1	1.3	14.0	21.5	2.2	112	107	24	109	95	60
122-BINGHAMTON, N.Y.-PA............	31.9	22.6	1.6	11.5	30.0	2.3	106	89	31	90	132	62
123-BUFFALO, N.Y..................	30.9	29.0	1.0	12.3	24.6	2.2	102	114	18	96	108	60
124-NEW YORK, N.Y.................	32.3	25.9	.1	10.5	29.6	1.6	107	102	2	82	130	44
125-ROCHESTER, N.Y................	33.7	24.2	1.6	12.4	25.2	3.0	111	95	30	97	111	81
126-SYRACUSE, N.Y.................	33.8	27.0	1.3	12.6	22.9	2.4	112	106	25	98	101	66
127-UTICA-ROME, N.Y...............	31.5	24.0	1.7	12.4	28.1	2.3	104	95	33	97	124	62
128-ASHEVILLE, N.C................	36.2	25.4	5.7	13.7	13.6	5.4	120	100	109	107	60	147
129-CHARLOTTE, N.C................	29.7	32.4	3.9	17.4	14.6	2.0	98	128	74	136	64	53
130-DURHAM, N.C...................	34.4	29.6	3.8	14.2	16.4	1.5	114	117	73	111	72	41
131-FAYETTEVILLE, N.C.............	21.2	18.6	4.0	19.4	24.6	12.4	70	73	76	151	108	334
132-GREENSBORO-W. S.-H. PT., N.C...	28.5	32.0	3.9	12.8	20.6	2.2	94	126	76	100	91	60
133-RALEIGH, N.C..................	22.2	29.6	6.2	17.2	23.0	1.8	74	117	119	135	101	49
134-WILMINGTON, N.C...............	33.7	27.1	2.9	14.5	20.7	1.0	112	107	57	113	91	28
135-FARGO-MOORHEAD, N.D.-MINN......	17.9	18.0	12.7	18.2	29.7	3.5	59	71	245	142	130	94
136-AKRON, OHIO...................	33.3	26.1	1.7	13.1	23.2	2.7	110	103	32	102	102	73
137-CANTON, OHIO..................	31.5	35.1	3.4	14.3	14.2	1.5	104	138	64	112	62	40
138-CINCINNATI, OHIO-KY.-IND.......	30.3	26.6	.8	11.7	28.4	2.1	100	105	16	91	125	58
139-CLEVELAND, OHIO...............	32.7	28.9	1.0	12.8	21.5	3.1	108	114	19	100	94	84
140-COLUMBUS, OHIO................	35.6	26.3	1.2	13.4	20.6	2.9	118	104	23	105	90	79
141-DAYTON, OHIO..................	33.7	26.1	2.6	13.6	20.7	3.4	112	103	49	107	91	91
142-HAMILTON-MIDDLETOWN, OHIO......	33.3	28.4	1.5	12.2	17.5	7.2	110	112	28	95	77	194
143-LIMA, OHIO....................	27.6	27.1	11.1	13.0	19.3	1.8	91	107	214	102	85	49
144-LORAIN-ELYRIA, OHIO............	34.8	27.0	2.5	13.7	18.6	3.4	115	106	48	107	82	91
145-MANSFIELD, OHIO...............	36.9	27.4	2.5	14.9	15.5	2.9	122	108	48	116	68	77
146-SPRINGFIELD, OHIO.............	34.0	24.9	3.8	14.6	21.3	1.5	112	98	72	114	94	41
147-STEUBENVILLE-...., OHIO-W.VA...	29.1	41.5	1.2	10.8	15.7	1.6	96	164	24	85	69	44
148-TOLEDO, OHIO-MICH..............	28.6	29.7	4.6	13.8	21.0	2.2	95	117	88	108	92	61
149-YOUNGSTOWN-WARREN, OHIO........	29.1	33.1	2.1	13.8	18.0	3.7	96	131	41	108	79	101
150-LAWTON, OKLA..................	35.7	12.6	6.4	20.9	23.2	1.2	118	50	123	163	102	33
151-OKLAHOMA CITY, OKLA............	34.6	25.6	3.7	16.2	17.9	2.0	114	101	70	127	79	55
152-TULSA, OKLA...................	27.5	39.1	3.0	13.2	15.3	1.9	91	154	58	103	67	51
153-EUGENE, ORE...................	30.7	22.3	6.1	11.4	21.7	7.8	102	88	117	89	95	210
154-PORTLAND, ORE.-WASH............	31.6	24.5	1.9	12.4	25.8	3.8	105	97	36	97	113	101
155-SALEM, ORE....................	34.8	17.8	10.9	12.4	22.1	1.9	115	70	210	97	97	52
156-ALLENTOWN-...., PA.-N.J........	32.7	34.6	.9	13.3	16.7	1.8	108	136	17	104	74	48
157-ALTOONA, PA...................	33.8	34.8	1.0	13.7	14.8	1.8	112	137	20	107	65	49
158-ERIE, PA......................	29.3	32.8	1.2	14.5	20.1	2.1	97	129	23	113	88	57
159-HARRISBURG, PA................	35.8	29.0	.9	14.6	18.6	1.1	119	114	18	114	81	31
160-JOHNSTOWN, PA.................	26.8	37.6	1.8	13.7	16.5	3.6	89	149	34	107	72	96

Table G-10 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR METROPOLITAN AREAS: 1966-67 (Cont'd.)

SMSA	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
161-LANCASTER, PA	36.4	28.6	3.6	15.5	13.5	2.4	121	113	69	121	59	66
162-PHILADELPHIA, PA.-N.J.	30.0	31.5	1.1	13.9	21.8	1.6	99	124	21	109	96	44
163-PITTSBURGH, PA	28.6	34.5	1.7	12.9	19.7	2.6	95	136	33	100	86	71
164-READING, PA	31.0	32.9	1.7	13.9	18.0	2.5	103	130	33	108	79	69
165-SCRANTON, PA	38.3	29.4	.2	15.3	16.3	.4	127	116	4	120	71	12
166-WILKES-BARRE-HAZLETON, PA	34.6	34.1	.6	15.2	14.8	.7	115	135	11	119	65	19
167-YORK, PA	32.4	33.7	3.3	15.4	14.5	.8	107	133	62	120	64	20
168-PROVIDENCE-...., R.I.	34.0	29.8	.2	16.0	17.8	2.2	112	118	4	125	78	59
169-CHARLESTON, S.C.	27.4	27.4	2.9	19.1	20.8	2.4	91	108	55	149	92	65
170-COLUMBIA, S.C.	28.9	24.0	4.7	18.5	22.9	1.0	96	95	90	145	101	27
171-GREENVILLE, S.C.	22.9	35.9	1.5	19.5	16.3	3.9	76	142	30	152	71	105
172-SIOUX FALLS, S.D.	25.0	26.4	9.0	20.3	16.3	2.9	83	104	173	159	72	78
173-CHATTANOOGA, TENN.-GA.	22.8	25.8	.4	11.7	20.2	19.1	76	102	8	91	89	516
174-KNOXVILLE, TENN	26.3	27.5	2.4	12.7	14.4	16.7	87	109	47	100	63	451
175-MEMPHIS, TENN.-ARK	27.4	21.0	.9	11.6	22.7	16.4	91	83	16	91	100	444
176-NASHVILLE, TENN	27.8	22.2	1.7	12.6	21.3	14.5	92	88	32	98	93	392
177-ABILENE, TEX	22.6	31.2	7.8	16.6	17.6	4.3	75	123	150	130	77	115
178-AMARILLO, TEX	23.6	25.8	5.3	15.6	27.4	2.2	78	102	102	122	120	61
179-AUSTIN, TEX	25.7	14.7	3.3	13.5	26.0	16.8	85	58	63	106	114	455
180-BEAUMONT-...., TEX	16.9	49.8	3.1	10.1	17.8	2.2	56	197	60	79	78	61
181-BROWNSVILLE-...., TEX	18.3	18.3	11.6	14.6	30.6	6.7	60	72	222	114	135	182
182-CORPUS CHRISTI, TEX	19.9	31.9	5.8	12.4	25.5	4.5	66	126	111	97	112	122
183-DALLAS, TEX	26.9	33.3	1.9	15.7	18.5	3.7	89	131	37	123	81	100
184-EL PASO, TEX	24.6	27.3	1.9	17.5	24.5	4.3	82	108	36	137	108	115
185-FORT WORTH, TEX	24.6	33.5	1.5	16.0	21.5	2.9	82	132	29	125	94	77
186-GALVESTON-TEXAS CITY, TEX	27.4	26.5	3.6	10.0	30.6	2.0	91	105	68	78	134	54
187-HOUSTON, TEX	21.4	38.5	5.0	13.4	20.0	1.7	71	152	96	105	88	47
188-LAREDO, TEX	19.0	19.4	20.7	17.0	21.1	2.8	63	76	398	133	93	76
189-LUBBOCK, TEX	30.7	22.6	4.8	18.2	16.8	6.9	102	89	92	143	74	186
190-MCALLEN-PHARR-EDINBURG, TEX	17.4	19.1	11.4	12.7	36.2	3.2	58	76	219	99	159	86
191-MIDLAND, TEX	3.5	70.5	.1	11.0	13.0	1.9	12	278	3	86	57	50
192-ODESSA, TEX	3.6	50.0	.3	13.0	28.6	4.6	12	197	5	101	125	124
193-SAN ANGELO, TEX	24.7	26.0	15.1	14.5	16.5	3.3	82	103	289	113	72	90
194-SAN ANTONIO, TEX	23.9	19.7	1.4	16.4	24.2	14.4	79	78	28	128	106	389
195-SHERMAN-DENISON, TEX	21.7	25.5	10.0	15.4	24.7	2.7	72	101	192	121	109	72
196-TEXARKANA, TEX.-ARK	32.8	25.2	8.6	14.8	15.6	3.1	108	99	164	116	68	84
197-TYLER, TEX	21.4	37.7	5.7	15.5	17.5	2.2	71	149	109	122	77	59
198-WACO, TEX	25.5	23.9	11.3	18.4	18.0	2.9	84	95	217	144	79	77
199-WICHITA FALLS, TEX	21.2	31.4	3.7	16.4	23.1	4.3	70	124	70	128	101	117
200-OGDEN, UTAH	30.6	21.9	7.1	15.9	21.2	3.4	101	86	137	124	93	91

Table G-10 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR METROPOLITAN AREAS: 1966-67 (Cont'd.)

SMSA	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
201-PROVO-OREM, UTAH................	32.4	22.8	6.9	10.9	18.3	8.8	107	90	132	85	80	237
202-SALT LAKE CITY, UTAH............	32.8	29.1	4.6	13.6	16.2	3.7	109	115	88	106	71	100
203-LYNCHBURG, VA...................	31.2	34.3	1.9	16.3	14.3	2.0	103	135	36	128	63	54
204-NEWPORT NEWS-HAMPTON, VA........	37.5	24.4	1.0	15.4	19.9	1.9	124	96	19	120	87	51
205-NORFOLK-PORTSMOUTH, VA..........	35.3	20.6	.9	16.0	24.9	2.2	117	81	17	125	109	60
206-RICHMOND, VA....................	31.0	34.7	2.0	15.0	13.0	4.2	103	137	39	117	57	114
207-ROANOKE, VA.....................	31.4	31.8	1.6	16.1	16.3	2.7	104	126	32	126	72	74
208-SEATTLE-EVERETT, WASH...........	32.0	25.1	2.1	11.7	22.1	7.1	106	99	39	91	97	193
209-SPOKANE, WASH...................	32.3	26.7	2.2	15.0	19.7	4.1	107	105	42	117	86	110
210-TACOMA, WASH....................	31.8	18.2	2.1	11.7	25.8	10.4	105	72	40	91	113	282
211-CHARLESTON, W.VA................	27.0	40.4	.5	15.7	16.1	.4	89	160	9	122	71	10
212-HUNTINGTON-...., W.VA.-KY.-OHIO	30.2	36.4	1.4	13.8	17.3	.8	100	144	28	108	76	22
213-WHEELING, W.VA.-OHIO............	28.0	31.0	3.4	14.7	18.6	4.4	93	123	65	115	81	118
214-GREEN BAY, WIS..................	24.8	34.2	2.0	14.6	22.3	2.1	82	135	38	115	98	56
215-KENOSHA, WIS....................	37.8	21.8	2.9	13.5	21.4	2.5	125	86	55	106	94	68
216-MADISON, WIS....................	37.8	19.5	1.9	13.3	25.0	2.5	125	77	36	104	110	69
217-MILWAUKEE, WIS..................	28.0	26.4	.6	13.1	29.6	2.2	93	104	12	103	130	60
218-RACINE, WIS.....................	29.3	27.5	3.2	13.9	24.1	2.0	97	108	62	109	106	53

Table G-11 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR SELECTED COUNTIES: 1966-67

County	1966 population (000)	State and local govt. revenue (excluding Federal aid): Per capita amounts: Total	Per capita amounts: Local sources	Relative to U.S. per capita: Total	Relative to U.S. per capita: Local sources	Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources: Per capita, S-L sources (A)	Per capita, S-L sources (B)	Relative to U.S. averages per capita: S-L sources (A)	S-L sources (B)	State sources (A)	State sources (B)	Local sources (A)	Local sources (B)
1-BALDWIN, ALA.	54	246	69	62	34	273	274	69	69	75	94	63	45
2-CALHOUN, ALA.	101	278	112	70	56	278	282	70	71	76	88	64	55
3-COLBERT, ALA. (1)	51												
4-CULLMAN, ALA. (1)	51												
5-DALLAS, ALA.	57	247	93	62	46	248	262	63	66	67	82	59	51
6-ELMORE, ALA.	34	160	45	41	22	192	189	49	48	50	61	48	35
7-ETOWAH, ALA.	96	290	110	73	55	298	300	75	76	78	95	73	57
8-HOUSTON, ALA.	56	344	140	87	70	356	358	90	90	97	108	83	73
9-JEFFERSON, ALA.	645	358	144	90	72	375	354	95	89	99	113	91	66
10-LAUDERDALE, ALA.	68	279	140	70	70	285	290	72	73	65	74	79	73
11-LEE, ALA. (1)	60												
12-LIMESTONE, ALA. (1)	43												
13-MADISON, ALA.	189	360	171	91	85	350	356	88	90	81	100	95	80
14-MARSHALL, ALA.	57	236	93	60	46	241	255	61	64	62	76	60	53
15-MOBILE, ALA.	331	324	138	82	69	330	321	83	81	86	99	80	64
16-MONTGOMERY, ALA.	175	331	110	84	55	354	352	89	89	101	117	78	62
17-MORGAN, ALA.	77	328	143	83	71	357	348	90	88	79	98	101	78
18-RUSSELL, ALA.	49	226	131	57	65	191	201	48	51	41	50	55	52
19-SHELBY, ALA.	34	250	116	63	58	277	266	70	67	64	71	76	63
20-TALLADEGA, ALA.	69	255	118	65	59	251	259	63	65	60	73	67	59
21-TUSCALOOSA, ALA.	122	269	110	68	55	265	274	67	69	71	84	63	55
22-WALKER, ALA.	57	219	80	55	40	226	233	57	59	62	74	52	44
23-GREATER ANCHORAGE, ALASKA (1)													
24-COCHISE, ARIZ.	58	416	199	105	99	378	372	95	94	96	103	95	85
25-COCONINO, ARIZ. (1)	58												
26-MARICOPA, ARIZ.	841	472	229	119	114	436	438	110	111	107	116	114	106
27-PIMA, ARIZ.	316	419	199	106	99	372	380	94	96	95	105	93	88
28-PINAL, ARIZ.	64	409	208	103	104	415	379	105	96	86	95	123	96
29-YUMA, ARIZ.	57	464	219	117	109	389	384	98	97	109	117	87	78
30-CRAIGHEAD, ARK.	52	270	102	68	51	294	295	74	74	79	97	70	53
31-CRAWFORD, ARK.	24	188	58	48	29	201	210	51	53	62	75	40	32
32-CRITTENDEN, ARK.	52	283	103	71	51	252	283	64	72	80	104	48	40
33-GARLAND, ARK. (1)	51												
34-JEFFERSON, ARK.	88	247	85	62	42	280	272	71	69	77	93	64	45
35-MILLER, ARK.	34	254	82	64	41	296	289	75	73	80	100	69	47
36-MISSISSIPPI, ARK.	76	209	88	53	44	208	219	53	55	56	70	49	41
37-PULASKI, ARK.	281	367	141	93	70	412	410	104	104	109	131	99	77
38-SALINE, ARK.	32	249	86	63	43	322	308	81	78	76	94	86	62
39-SEBASTIAN, ARK.	74	366	126	92	63	411	415	104	105	114	138	94	72
40-UNION, ARK. (1)	50												

See footnotes at end of table.

Table G-11 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	1966 population (000)	State and local govt. revenue (excluding Federal aid)				Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources							
		Per capita amounts		Relative to U.S. per capita		Per capita, S-L sources		Relative to U.S. averages per capita					
								S-L sources		State sources		Local sources	
		Total	Local sources	Total	Local sources	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
41-WASHINGTON, ARK.	73	327	116	93	58	352	368	89	93	101	122	77	65
42-ALAMEDA, CAL.	1,023	518	302	131	150	496	493	125	124	115	106	136	143
43-BUTTE, CAL.	105	411	243	104	121	378	378	95	96	90	82	101	109
44-CONTRA COSTA, CAL.	511	509	340	129	169	433	437	109	110	90	83	128	138
45-FRESNO, CAL.	411	464	272	117	135	408	411	103	104	101	94	105	113
46-HUMBOLDT, CAL.	101	485	296	122	147	400	398	101	100	100	92	103	108
47-IMPERIAL, CAL. (1)	78												
48-KERN, CAL.	323	514	315	130	157	495	477	125	121	122	97	128	143
49-KINGS, CAL.	67	398	249	100	124	341	337	86	85	93	72	89	98
50-LOS ANGELES, CAL.	6,766	554	317	140	158	542	542	137	137	128	116	146	157
51-MARIN, CAL.	187	516	327	130	163	486	484	123	122	97	92	147	152
52-MENDOCINO, CAL.	51	407	227	103	113	434	452	110	114	94	88	124	140
53-MERCED, CAL.	107	481	320	121	159	372	370	94	93	85	79	102	107
54-MONTEREY, CAL.	228	450	254	114	126	449	447	113	113	106	96	121	130
55-NAPA, CAL.	78	367	207	93	103	371	372	94	94	86	78	101	109
56-ORANGE, CAL.	1,163	475	274	120	136	465	466	117	118	107	98	127	137
57-PLACER, CAL.	76	575	382	145	190	468	482	118	122	101	94	134	149
58-RIVERSIDE, CAL.	413	476	294	120	146	469	475	119	120	98	89	138	150
59-SACRAMENTO, CAL.	593	504	300	127	149	470	470	119	119	107	100	130	137
60-SAN BERNARDINO, CAL.	624	449	266	113	133	397	396	100	100	97	89	104	111
61-SAN DIEGO, CAL.	1,180	427	243	108	121	412	407	104	103	98	90	110	115
62-SAN FRANCISCO, CAL. (1)	710												
63-SAN JOAQUIN, CAL.	281	520	328	131	163	502	498	127	126	101	94	151	157
64-SAN LUIS OBISPO, CAL.	97	466	288	118	144	384	382	97	96	94	87	100	106
65-SAN MATEO, CAL.	515	561	346	142	172	561	565	142	143	116	105	166	180
66-SANTA BARBARA, CAL.	252	434	242	110	121	431	427	109	108	104	94	114	121
67-SANTA CLARA, CAL.	923	514	301	130	150	470	475	119	120	111	104	126	136
68-SANTA CRUZ, CAL.	112	468	293	118	146	433	434	109	110	94	86	125	133
69-SHASTA, CAL.	75	605	403	153	201	446	455	113	115	106	99	119	131
70-SOLANO, CAL.	165	385	207	97	103	363	353	92	89	94	87	89	91
71-SONOMA, CAL.	192	437	258	110	129	401	397	101	100	94	87	108	113
72-STANISLAUS, CAL.	186	530	324	134	161	421	427	106	108	107	101	106	115
73-TULARE, CAL.	189	448	284	113	141	377	377	95	95	87	80	103	110
74-VENTURA, CAL.	337	431	274	109	137	380	372	96	94	88	76	104	111
75-YOLO, CAL.	83	446	257	113	128	423	427	107	108	99	92	114	123
76-ADAMS, COL.	154	297	148	75	74	272	272	69	69	74	71	63	66
77-ARAPAHOE, COL.	131	474	276	120	137	361	387	96	98	98	95	95	101
78-BOULDER, COL.	102	422	230	107	114	379	387	96	98	94	92	97	104
79-DENVER, COL.	492	598	292	151	146	583	576	147	145	159	146	136	145
80-EL PASO, COL.	182	442	227	112	113	408	414	103	105	106	103	100	106

See footnotes at end of table.

Table G-11 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY

County	1966 population (000)	State and local govt. revenue (excluding Federal aid): Per capita amounts: Total	Per capita amounts: Local sources	Relative to U.S. per capita: Total	Relative to U.S. per capita: Local sources	Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources: Per capita, S-L sources (A)	Per capita, S-L sources (B)	Relative to U.S. averages per capita: S-L sources (A)	S-L sources (B)	State sources (A)	State sources (B)	Local sources (A)	Local sources (B)
81-JEFFERSON, COL..................	199	351	172	89	86	330	335	83	85	90	86	77	84
82-LARIMER, COL....................	76	454	271	115	135	374	387	94	98	90	87	99	108
83-MESA, COL.......................	53	430	237	109	118	387	385	98	97	100	92	96	102
84-PUEBLO, COL.....................	118	364	179	92	89	359	367	91	93	91	89	90	96
85-WELD, COL.......................	78	449	263	113	131	374	374	94	95	91	89	98	100
86-FAIRFIELD, CONN.................	760	425	231	107	115	464	474	117	120	114	107	120	132
87-HARTFORD, CONN..................	783	445	234	112	116	460	454	116	115	126	117	107	112
88-LITCHFIELD, CONN................	134	352	185	89	92	390	397	99	100	99	92	98	108
89-MIDDLESEX, CONN.................	108	333	171	84	85	361	366	91	92	95	89	87	96
90-NEW HAVEN, CONN.................	709	399	200	101	99	436	438	110	111	116	110	104	111
91-NEW LONDON, CONN................	221	338	159	85	79	394	369	99	93	108	99	91	88
92-TOLLAND, CONN. (1)..............	93												
93-WINDHAM, CONN...................	78	297	128	75	64	332	322	84	81	99	93	68	70
94-KENT, DEL.......................	79	336	79	85	39	336	336	85	85	106	129	64	42
95-NEW CASTLE, DEL.................	357	553	171	140	85	530	535	134	135	137	192	131	80
96-SUSSEX, DEL.....................	78	328	74	83	37	368	347	93	88	98	128	88	49
97-DISTRICT OF COLUMBIA............	806	390	(4)	99	(4)	457	(4)	115	(4)	(4)	(4)	(4)	(4)
98-ALACHUA, FLA....................	95	329	185	83	92	328	342	83	86	84	80	82	93
99-BAY, FLA........................	66	317	157	80	78	339	339	86	86	93	88	78	83
100-BREVARD, FLA...................	213	345	184	87	91	427	416	108	105	99	89	116	120
101-BROWARD, FLA...................	466	405	222	102	110	462	454	117	115	104	102	129	127
102-DADE, FLA......................	1,084	462	251	117	125	501	492	126	124	122	117	131	131
103-DUVAL, FLA.....................	501	381	208	96	104	400	418	101	105	101	96	101	115
104-ESCAMBIA, FLA..................	193	292	148	74	74	326	324	82	82	87	80	78	83
105-HILLSBOROUGH, FLA..............	449	367	197	93	98	386	383	97	97	99	94	96	99
106-LAKE, FLA......................	65	294	170	74	85	320	331	81	84	73	68	88	98
107-LEE, FLA.......................	77	376	202	95	101	439	420	111	106	101	96	121	116
108-LEON, FLA......................	88	366	215	93	107	369	395	93	100	89	84	98	115
109-MANATEE, FLA...................	75	375	234	95	116	373	381	94	96	83	78	105	114
110-MARION, FLA....................	64	349	186	88	92	378	422	95	107	90	91	100	122
111-MONROE, FLA....................	53	307	165	78	82	391	410	99	104	88	79	109	128
112-OKALOOSA, FLA..................	77	235	116	59	58	281	281	71	71	71	66	71	76
113-ORANGE, FLA....................	308	381	198	96	99	412	416	104	105	105	101	103	109
114-PALM BEACH, FLA................	288	462	289	117	143	468	458	118	116	102	97	134	134
115-PINELLAS, FLA..................	432	391	232	99	115	396	389	100	98	93	89	107	108
116-POLK, FLA......................	228	326	179	82	89	368	371	93	94	90	82	96	105
117-SANTA ROSA, FLA................	32	254	139	64	69	295	294	74	74	69	64	80	85
118-SARASOTA, FLA..................	95	459	252	116	125	479	482	121	122	114	115	128	128
119-SEMINOLE, FLA..................	69	245	141	62	70	268	264	68	67	61	58	74	76
120-VOLUSIA, FLA. (1)..............	0												

See footnotes at end of table.

Table G-11 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	1966 population (000)	State and local govt. revenue (excluding Federal aid): Per capita amounts: Total	Per capita amounts: Local sources	Relative to U.S. per capita: Total	Relative to U.S. per capita: Local sources	Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources: Per capita, S-L sources (A)	Per capita, S-L sources (B)	Relative to U.S. averages per capita: S-L sources (A)	S-L sources (B)	State sources (A)	State sources (B)	Local sources (A)	Local sources (B)
121-BIBB, GA.	149	366	168	92	84	364	370	92	94	96	104	88	84
122-CHATHAM, GA.	188	355	170	90	85	362	362	91	91	91	97	92	86
123-CHATTAHOOCHEE, GA. (1)	15												
124-CLARKE, GA. (1)	54												
125-CLAYTON, GA.	74	245	111	62	55	271	259	69	65	67	70	70	61
126-COBB, GA.	166	346	163	87	81	379	372	96	94	89	96	103	92
127-DE KALB, GA. (2)	0												
128-DOUGHERTY, GA.	89	330	158	83	79	332	343	84	87	85	90	83	83
129-FLOYD, GA.	72	333	166	84	83	329	331	83	84	81	87	86	80
130-FULTON, GA. (3)	960	466	214	118	106	476	468	120	118	126	132	115	104
131-GLYNN, GA. (1)	51												
132-GWINNETT, GA.	57	250	132	63	66	213	226	54	57	56	62	52	53
133-HALL, GA.	55	337	163	85	81	353	351	89	89	83	91	96	86
134-HOUSTON, GA.	55	238	100	60	50	249	259	63	65	64	72	62	59
135-LOWNDES, GA. (1)	52												
136-MUSCOGEE, GA.	194	313	137	79	68	317	318	80	80	85	92	76	69
137-RICHMOND, GA.	173	339	153	96	76	345	354	87	89	89	97	85	82
138-WALKER, GA.	49	198	78	50	39	211	213	53	54	57	63	49	45
139-WHITFIELD, GA.	52	347	172	88	86	315	337	79	85	84	92	75	78
140-HAWAII, HAWAII	63	484	152	122	76	428	404	108	102	92	137	123	68
141-HONOLULU, HAWAII	582	520	145	131	72	407	414	103	105	106	154	100	56
142-ADA, IDAHO	100	432	162	109	81	386	377	98	95	116	128	80	64
143-BONNEVILLE, IDAHO	52	363	163	92	81	331	345	84	87	75	95	92	80
144-CANYON, IDAHO	61	347	133	88	66	317	312	80	79	90	102	71	57
145-ADAMS, ILL.	70	304	163	77	81	353	362	89	91	96	86	83	97
146-BOONE, ILL.	24	435	217	110	108	527	612	133	155	129	132	137	176
147-CHAMPAIGN, ILL.	150	345	209	87	104	390	415	99	105	93	82	104	127
148-COOK, ILL.	5,400	395	229	100	114	483	472	122	119	119	100	125	138
149-DE KALB, ILL.	64	359	223	91	111	389	396	98	100	95	83	102	117
150-DU PAGE, ILL.	401	389	235	98	117	393	425	99	107	93	93	106	121
151-HENRY, ILL.	52	331	190	84	94	360	395	91	100	89	86	93	114
152-JACKSON, ILL. (1)	55												
153-KANE, ILL.	243	353	201	89	100	397	397	100	100	103	92	97	109
154-KANKAKEE, ILL.	92	321	158	81	79	361	375	91	95	105	99	78	91
155-KNOX, ILL.	61	336	187	85	93	377	380	95	96	102	90	89	101
156-LAKE, ILL.	343	351	211	89	105	405	410	102	104	97	85	107	122
157-LA SALLE, ILL.	109	362	192	91	96	440	449	111	113	117	103	106	123
158-MCHENRY, ILL.	99	342	211	86	105	381	391	96	99	90	79	102	118
159-MCLEAN, ILL.	96	394	209	100	104	415	438	105	111	119	112	91	109
160-MACON, ILL.	124	343	188	87	93	427	428	108	108	109	94	107	122

... table.

Table G-11 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	1966 population (000)	State and local govt. revenue (excluding Federal aid): Per capita amounts		State and local govt. revenue (excluding Federal aid): Relative to U.S. per capita		Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources: Per capita, S-L sources		Relative to U.S. averages per capita: S-L sources		State sources		Local sources	
		Total	Local sources	Total	Local sources	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
161-MADISON, ILL.	244	303	179	77	89	383	370	97	94	91	75	102	111
162-PEORIA, ILL.	196	388	211	98	105	435	447	110	113	116	107	104	118
163-ROCK ISLAND, ILL.	164	375	225	95	112	445	429	112	108	110	91	114	125
164-ST. CLAIR, ILL.	271	274	159	69	79	304	301	77	76	79	70	74	82
165-SANGAMON, ILL.	159	343	181	87	90	433	443	109	112	108	98	110	125
166-STEPHENSON, ILL.	51	322	192	81	96	357	370	90	94	90	78	90	108
167-TAZEWELL, ILL.	108	333	201	84	100	416	388	105	98	107	80	103	116
168-VERMILION, ILL.	96	303	169	76	84	367	360	93	91	97	81	88	101
169-WHITESIDE, ILL.	63	386	240	98	119	403	413	102	104	99	89	104	119
170-WILL, ILL.	226	314	179	79	89	370	383	93	97	90	82	97	111
171-WINNEBAGO, ILL.	233	351	198	89	99	419	400	106	101	113	93	99	109
172-WOODFORD, ILL.	25	370	222	93	110	352	398	89	101	89	90	89	111
173-ALLEN, IND.	264	413	186	104	93	449	441	113	111	125	119	102	104
174-BARTHOLOMEW, IND.	55	474	264	120	132	460	459	116	116	115	110	118	122
175-BOONE, IND.	30	360	194	91	97	349	359	88	91	83	87	93	94
176-CLARK, IND.	68	331	149	84	74	361	373	91	94	96	95	87	93
177-CLAY, IND.	24	316	158	80	79	282	291	71	73	81	83	62	64
178-DEARBORN, IND.	29	388	237	98	118	334	332	84	84	80	79	89	89
179-DELAWARE, IND.	122	323	137	82	68	355	353	90	89	100	97	80	81
180-ELKHART, IND.	122	381	163	96	81	426	420	107	106	119	114	96	98
181-FLOYD, IND.	54	328	181	83	90	301	307	76	78	76	77	76	78
182-GRANT, IND.	80	358	162	90	81	383	381	97	96	103	102	90	90
183-HAMILTON, IND.	45	343	194	87	97	309	323	78	82	73	78	83	85
184-HANCOCK, IND.	31	375	184	95	92	396	423	100	107	100	100	100	114
185-HENDRICKS, IND.	48	314	177	79	88	301	317	76	80	69	72	83	88
186-HENRY, IND. (1)	53												
187-HOWARD, IND.	79	407	189	103	94	447	444	113	112	117	114	109	110
188-JOHNSON, IND.	50	383	188	97	93	369	385	93	97	96	102	90	93
189-LAKE, IND.	526	443	248	112	123	439	434	111	110	108	102	113	117
190-LA PORTE, IND.	106	369	167	93	83	372	374	94	94	107	105	82	84
191-MADISON, IND.	135	361	170	91	85	371	359	94	91	102	100	86	81
192-MARION, IND.	749	457	222	116	110	470	461	119	117	129	123	108	110
193-MARSHALL, IND.	33	379	193	96	96	358	368	90	93	96	97	85	89
194-MONROE, IND.	81	279	108	71	54	310	309	78	78	89	90	68	66
195-MORGAN, IND.	39	292	155	74	77	275	291	70	74	70	72	70	75
196-PORTER, IND.	76	339	190	86	95	330	341	83	86	76	78	91	94
197-ST. JOSEPH, IND.	240	384	183	97	91	390	387	98	98	108	105	89	90
198-SHELBY, IND.	37	314	153	79	76	322	333	81	84	81	84	82	84
199-SULLIVAN, IND.	21	366	218	93	109	297	308	75	78	77	78	73	78
200-TIPPECANOE, IND.	103	350	149	88	74	357	357	90	90	104	105	77	76

See footnotes at end of table.

Table G-11 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	1966 population (000)	State and local govt. revenue (excluding Federal aid): Per capita amounts: Total	Per capita amounts: Local sources	Relative to U.S. per capita: Total	Relative to U.S. per capita: Local sources	Revenue capacity: Per capita, S-L sources (A)	Per capita, S-L sources (B)	Relative to U.S. averages per capita: S-L sources (A)	S-L sources (B)	State sources (A)	State sources (B)	Local sources (A)	Local sources (B)
201-VANDERBURGH, IND.	165	373	158	94	79	403	397	102	100	116	112	88	88
202-VERMILLION, IND.	16	320	172	81	86	271	280	69	71	76	77	61	64
203-VIGO, IND.	109	398	175	100	87	397	397	100	100	116	117	85	84
204-WARRICK, IND.	25	284	143	72	71	302	300	76	76	77	74	75	78
205-WAYNE, IND.	79	369	163	93	81	409	395	103	100	109	108	98	92
206-BLACK HAWK, IOWA	127	434	215	110	107	435	426	110	108	110	108	110	108
207-CLINTON, IOWA	55	428	237	108	119	410	392	104	99	95	94	112	104
208-DUBUQUE, IOWA	88	328	138	83	69	373	365	94	92	97	94	92	91
209-JOHNSON, IOWA	61	383	183	97	91	372	370	94	93	97	99	91	88
210-LINN, IOWA	152	475	227	120	113	464	453	117	115	123	122	111	108
211-POLK, IOWA	274	503	245	127	122	490	474	124	120	129	127	118	113
212-POTTAWATTAMIE, IOWA	84	373	189	94	94	368	364	93	92	93	91	93	93
213-SCOTT, IOWA	136	432	205	109	102	451	441	114	111	116	112	112	111
214-STORY, IOWA (1)	53												
215-WOODBURY, IOWA	103	457	205	115	102	465	459	117	116	123	124	112	109
216-BUTLER, KANS.	37	421	242	106	120	481	473	121	119	112	95	130	144
217-DOUGLAS, KANS. (1)	52												
218-JOHNSON, KANS.	191	374	208	95	104	382	371	96	94	87	88	106	99
219-LEAVENWORTH, KANS.	54	256	138	65	69	226	227	57	57	59	62	55	53
220-RENO, KANS.	62	415	214	105	106	421	431	106	109	104	106	109	112
221-SEDGWICK, KANS.	356	435	205	110	102	471	477	119	120	126	122	112	119
222-SHAWNEE, KANS.	151	445	240	113	120	438	442	111	112	107	108	114	115
223-WYANDOTTE, KANS.	194	401	201	101	100	435	440	110	111	109	105	110	117
224-BOONE, KY.	26	319	98	81	49	392	358	99	90	114	122	85	59
225-BOYD, KY.	53	344	105	87	52	437	412	110	104	108	132	112	76
226-CAMPBELL, KY.	88	282	127	71	63	284	286	72	72	72	86	72	59
227-CRITTENDEN, KY. (1)	8												
228-DAVIESS, KY.	75	412	202	104	101	411	415	104	105	97	116	110	94
229-FAYETTE, KY.	163	397	146	100	73	424	414	107	104	114	139	100	71
230-HARDIN, KY. (1)	79												
231-HENDERSON, KY.	34	337	137	85	68	356	350	90	88	88	111	91	67
232-JEFFERSON, KY.	662	445	199	112	99	456	452	115	114	114	136	117	94
233-KENTON, KY.	123	281	106	71	53	311	300	78	76	83	97	74	55
234-MCCRACKEN, KY.	56	368	128	93	64	418	413	105	104	113	132	98	77
235-PIKE, KY.	66	157	36	40	18	198	186	50	47	62	67	39	27
236-WARREN, KY.	54	349	150	88	75	365	377	92	95	88	110	96	81
237-ACADIA, LA. (1)	52												
238-BOSSIER, LA.	61	270	75	68	37	295	294	75	74	98	110	52	40
239-CADDO, LA.	226	421	116	106	58	473	471	120	119	147	171	93	69
240-CALCASIEU, LA.	135	411	155	104	77	449	447	114	113	124	143	103	84

See footnotes at end of table.

Table G-11 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	1966 population (000)	State and local govt. revenue (excluding Federal aid): Per capita amounts		Relative to U.S. per capita		Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources: Per capita, S-L sources		Relative to U.S. averages per capita: S-L sources		State sources		Local sources	
		Total	Local sources	Total	Local sources	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
241-EAST BATON ROUGE, LA............	268	394	157	99	78	422	395	107	100	124	132	89	68
242-IBERIA, LA....................	58	440	97	111	48	421	490	106	124	146	192	68	57
243-JEFFERSON, LA.................	289	402	122	101	61	466	449	118	113	133	157	103	71
244-LAFAYETTE, LA.................	104	533	125	135	62	580	620	146	157	173	229	121	87
245-LAFOURCHE, LA.................	65	431	135	109	67	427	463	108	117	130	166	86	70
246-ORLEANS, LA...................	650	471	166	119	83	516	505	130	128	151	171	111	86
247-OUACHITA, LA..................	112	346	122	87	61	387	379	98	96	116	126	81	66
248-RAPIDES, LA. (1)..............	119												
249-ST. BERNARD, LA...............	46	250	94	63	47	320	275	81	69	78	88	84	52
250-ST. LANDRY, LA................	84	284	83	72	41	298	314	75	79	98	113	54	47
251-ST. MARY, LA..................	59	604	153	152	76	606	697	153	176	184	252	123	102
252-ST. TAMMANY, LA...............	58	252	90	64	45	282	261	71	66	84	90	59	42
253-TANGIPAHOA, LA................	67	223	56	56	28	260	251	66	63	87	94	45	33
254-TERREBONNE, LA................	73	531	136	134	68	525	589	133	149	163	221	103	78
255-VERNON, LA. (1)...............	59												
256-ANDROSCOGGIN, MAINE...........	89	309	119	78	59	317	315	80	80	97	96	64	64
257-AROOSTOOK, MAINE (1)..........	98												
258-CUMBERLAND, MAINE.............	194	383	177	97	88	370	370	94	94	104	104	83	84
259-KENNEBEC, MAINE (1)...........	91												
260-PENOBSCOT, MAINE..............	126	332	134	84	67	341	343	86	87	100	100	73	74
261-YORK, MAINE (1)...............	106												
262-ALLEGANY, MD..................	86	401	193	101	96	381	381	96	96	100	104	92	88
263-ANNE ARUNDEL, MD..............	260	307	122	78	61	341	341	86	86	90	93	82	79
264-BALTIMORE, MD.................	565	383	203	97	101	369	373	93	94	87	91	99	97
265-BALTIMORE CITY, MD............	923	484	235	122	117	435	436	110	110	121	125	99	96
266-CARROLL, MD...................	63	250	89	63	44	297	296	75	75	79	81	71	69
267-CECIL, MD.....................	53	255	89	65	44	287	299	72	75	79	84	67	67
268-FREDERICK, MD.................	83	321	133	81	66	322	322	81	81	91	95	71	69
269-HARFORD, MD...................	103	285	106	72	53	304	313	77	79	85	90	69	68
270-HOWARD, MD....................	49	408	258	103	129	426	424	108	107	72	75	142	138
271-MONTGOMERY, MD................	440	474	246	120	123	470	467	119	118	112	114	126	121
272-PRINCE GEORGES, MD............	555	355	178	90	88	370	367	93	93	87	89	100	96
273-WASHINGTON, MD................	101	409	186	103	93	380	382	96	96	108	112	84	82
274-WICOMICO, MD..................	54	359	133	91	66	379	375	96	95	111	113	81	77
275-BARNSTABLE, MASS. (1).........	82												
276-BERKSHIRE, MASS. (1)..........	145												
277-BRISTOL, MASS. (1)............	416												
278-ESSEX, MASS. (1)..............	615												
279-FRANKLIN, MASS................	57	365	190	92	95	302	289	76	73	87	80	66	66
280-HAMPDEN, MASS. (1)............	442												

See footnotes at end of table.

Table G-11 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	1966 population (000)	State and local govt. revenue (excluding Federal aid): Per capita amounts: Total	Per capita amounts: Local sources	Relative to U.S. per capita: Total	Relative to U.S. per capita: Local sources	Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources: * Per capita, S-L sources (A)	* Per capita, S-L sources (B)	Relative to U.S. averages per capita: S-L sources (A)	S-L sources (B)	State sources (A)	State sources (B)	Local sources (A)	Local sources (B)
281-HAMPSHIRE, MASS.	113	317	170	80	85	306	320	77	81	74	67	81	94
282-MIDDLESEX, MASS.	1,321	428	237	108	118	354	356	89	90	94	87	85	92
283-NORFOLK, MASS.	576	424	248	107	124	349	350	88	88	89	80	88	96
284-PLYMOUTH, MASS.	303	359	209	91	104	281	274	71	69	79	69	63	69
285-SUFFOLK, MASS.	714	609	309	154	154	556	526	140	133	144	137	137	129
286-WORCESTER, MASS.	610	391	207	99	103	338	336	85	85	91	84	80	85
287-ALLEGAN, MICH.	61	289	123	73	62	302	309	76	78	76	84	77	72
288-BAY, MICH.	113	381	172	96	86	389	394	98	99	96	105	100	93
289-BERRIEN, MICH.	166	373	152	94	76	386	391	98	99	104	112	91	86
290-CALHOUN, MICH.	143	397	168	100	84	397	397	100	100	109	116	92	84
291-CLINTON, MICH. (1)	45												
292-EATON, MICH.	56	306	129	77	64	335	351	85	89	78	90	91	88
293-GENESEE, MICH.	424	478	250	121	124	431	430	109	109	109	116	109	101
294-INGHAM, MICH.	248	517	267	131	133	432	438	109	111	116	127	102	95
295-JACKSON, MICH.	137	367	153	93	76	385	382	97	97	103	108	91	85
296-KALAMAZOO, MICH.	139	409	181	103	90	411	410	104	104	108	116	100	92
297-KENT, MICH.	393	417	174	105	86	425	423	107	107	115	123	100	91
298-LAPEER, MICH.	43	336	175	85	87	308	318	78	80	74	82	81	79
299-LENAWEE, MICH.	80	371	161	94	80	380	397	96	100	99	107	93	94
300-MACOMB, MICH.	555	387	179	98	89	444	445	112	112	97	106	127	119
301-MARQUETTE, MICH.	68	296	134	75	67	364	353	92	89	84	82	99	96
302-MIDLAND, MICH.	56	488	244	123	121	500	499	126	126	118	124	134	128
303-MONROE, MICH.	112	264	108	67	54	276	290	70	73	72	79	67	68
304-MUSKEGON, MICH.	153	373	167	94	83	383	379	97	96	99	104	95	87
305-OAKLAND, MICH.	806	441	206	111	103	450	457	114	115	107	119	120	111
306-OTTAWA, MICH.	113	365	176	92	88	374	375	95	95	89	96	100	94
307-SAGINAW, MICH.	211	389	173	98	86	391	389	99	98	104	110	94	87
308-ST. CLAIR, MICH.	115	359	163	91	81	347	354	88	89	91	99	85	80
309-SHIAWASSEE, MICH.	60	291	114	74	57	331	338	84	85	83	90	85	81
310-VAN BUREN, MICH.	55	330	158	83	79	312	322	79	81	79	87	78	75
311-WASHTENAW, MICH.	204	427	186	108	93	414	418	105	105	113	122	97	89
312-WAYNE, MICH.	2,714	488	244	123	122	461	453	116	115	118	123	115	106
313-ANOKA, MINN.	128	326	189	82	94	298	301	75	76	67	60	83	91
314-BLUE EARTH, MINN. (1)	51												
315-CLAY, MINN.	43	382	210	97	105	341	329	86	83	85	76	87	89
316-DAKOTA, MINN.	109	384	210	97	105	332	347	84	88	78	77	89	98
317-HENNEPIN, MINN.	825	566	255	143	127	517	521	131	132	139	138	122	125
318-OLMSTEAD, MINN.	73	531	289	134	144	405	379	102	96	116	107	89	84
319-RAMSEY, MINN.	433	572	275	144	137	510	529	129	134	125	132	132	136
320-ST. LOUIS, MINN.	226	520	240	131	119	391	430	99	109	100	124	98	94

See footnotes at end of table.

Table G-11 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	1966 population (000)	State and local govt. revenue (excluding Federal aid)				Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources							
		Per capita amounts		Relative to U.S. per capita		Per capita, S-L sources		Relative to U.S. averages per capita					
								S-L sources		State sources		Local sources	
		Total	Local sources	Total	Local sources	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
321-STEARNS, MINN.	91	309	147	78	73	269	249	68	63	81	72	55	54
322-WASHINGTON, MINN.	67	338	183	85	91	296	314	75	79	70	69	79	90
323-BOLIVAR, MISS.	58	215	86	54	43	219	212	55	54	55	65	56	43
324-FORREST, MISS.	59	356	128	90	64	366	372	92	94	100	115	85	74
325-HARRISON, MISS.	142	303	117	77	58	302	302	76	76	83	94	70	59
326-HINDS, MISS.	212	442	194	112	97	433	435	109	110	112	125	107	96
327-JACKSON, MISS.	74	348	166	88	83	359	353	91	89	81	91	100	87
328-JONES, MISS.	59	314	131	79	65	300	314	76	79	81	92	70	67
329-LAUDERDALE, MISS.	76	302	108	76	54	303	310	77	78	86	97	68	60
330-LEFLORE, MISS. (1)	50												
331-LOWNDES, MISS. (1)	53												
332-RANKIN, MISS.	39	193	60	49	30	253	222	64	56	66	67	62	45
333-WASHINGTON, MISS.	78	303	140	77	70	294	287	74	73	71	82	78	64
334-BOONE, MO.	69	338	183	85	91	359	372	91	94	90	88	91	99
335-BUCHANAN, MO.	93	284	138	72	69	331	329	84	83	88	83	79	83
336-CAPE GIRARDEAU, MO. (1)	50												
337-CASS, MO.	41	220	119	56	59	256	260	65	66	58	57	71	74
338-CLAY, MO.	105	405	212	102	105	451	442	114	112	120	110	108	113
339-FRANKLIN, MO.	51	251	102	63	51	297	301	75	76	88	85	62	67
340-GREENE, MO.	141	358	186	90	93	390	404	98	102	101	98	96	106
341-JACKSON, MO.	642	417	224	105	112	466	458	118	116	121	110	114	121
342-JASPER, MO.	81	317	157	80	78	352	354	89	89	96	91	82	88
343-JEFFERSON, MO.	85	203	106	51	53	232	233	59	59	58	56	59	62
344-PLATTE, MO. (1)	26												
345-PULASKI, MO. (1)	55												
346-ST. CHARLES, MO.	75	250	122	63	61	274	276	69	70	74	73	65	67
347-ST. LOUIS, MO.	850	332	179	84	89	369	370	93	94	91	87	95	100
348-ST. LOUIS CITY, MO.	693	495	285	122	142	522	514	132	130	132	114	131	145
349-CASCADE, MONT.	81	431	233	109	116	446	440	113	111	122	107	103	115
350-MISSOULA, MONT.	54	373	175	94	87	376	378	95	95	125	107	66	84
351-YELLOWSTONE, MONT.	81	427	221	108	110	492	501	124	127	132	111	117	141
352-DAKOTA, NEB.	12	382	210	96	105	445	456	112	115	118	104	107	126
353-DOUGLAS, NEB.	373	445	294	112	146	523	513	132	130	117	92	147	166
354-LANCASTER, NEB.	154	395	267	100	133	457	451	115	114	104	78	126	149
355-SARPY, NEB.	53	176	99	44	49	295	310	74	78	62	47	87	109
356-CLARK, NEV.	236	487	261	123	130	641	633	162	160	170	150	154	170
357-WASHOE, NEV.	108	608	343	154	171	742	763	187	193	196	176	179	209
358-GRAFTON, N.H.	50	368	215	93	107	414	422	105	107	116	93	94	120
359-HILLSBOROUGH, N.H.	209	323	168	82	84	425	415	107	105	121	94	94	115
360-MERRIMACK, N.H. (1)	75												

See footnotes at end of table.

Table G-11 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	1966 population (000)	State and local govt. revenue (excluding Federal aid): Per capita amounts		Relative to U.S. per capita		Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources: Per capita, S-L sources		Relative to U.S. averages per capita: S-L sources		State sources		Local sources	
		Total	Local sources	Total	Local sources	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
361-ROCKINGHAM, N.H. (1)	116												
362-STRAFFORD, N.H.	65	304	183	77	91	349	353	88	89	94	74	82	104
363-ATLANTIC, N.J.	182	420	251	106	125	393	387	99	98	113	92	86	103
364-BERGEN, N.J.	867	398	241	100	120	441	472	111	119	111	85	112	152
365-BURLINGTON, N.J.	292	276	158	70	79	294	288	74	73	85	64	64	81
366-CAMDEN, N.J.	442	407	254	103	126	386	371	97	94	105	83	90	104
367-CAPE MAY, N.J.	56	509	342	129	170	500	570	126	144	112	91	140	195
368-CUMBERLAND, N.J.	124	316	173	80	86	358	334	90	84	102	78	79	90
369-ESSEX, N.J.	980	442	279	112	139	475	450	120	114	120	89	120	138
370-GLOUCESTER, N.J.	156	288	179	73	89	317	321	80	81	78	60	82	102
371-HUDSON, N.J.	620	383	245	97	122	395	354	100	89	104	76	96	103
372-HUNTERDON, N.J.	64	368	223	93	111	372	399	94	101	98	79	90	122
373-MERCER, N.J.	301	385	233	97	116	407	394	103	99	112	83	94	116
374-MIDDLESEX, N.J.	520	376	236	95	117	412	408	104	103	104	77	105	129
375-MONMOUTH, N.J.	412	368	229	93	114	359	382	91	96	95	76	87	117
376-MORRIS, N.J.	346	377	252	95	125	383	415	97	105	91	69	102	140
377-OCEAN, N.J.	160	404	263	102	131	410	478	104	121	95	77	113	163
378-PASSAIC, N.J.	452	365	215	92	107	416	409	105	103	112	82	99	124
379-SALEM, N.J.	63	344	195	87	97	383	347	97	88	107	81	86	94
380-SOMERSET, N.J.	186	378	238	96	119	389	416	98	105	99	76	98	133
381-SUSSEX, N.J.	69	368	259	93	129	331	374	84	94	77	60	90	128
382-UNION, N.J.	547	406	243	102	121	478	480	121	121	121	88	120	153
383-WARREN, N.J.	72	315	186	80	93	355	360	90	91	95	70	84	111
384-BERNALILLO, N.M.	289	429	143	108	71	424	429	110	108	130	154	90	64
385-CHAVES, N.M.	53	372	116	94	58	388	379	98	96	117	138	79	55
386-DONA ANA, N.M.	71	384	127	97	63	389	380	98	96	119	138	78	55
387-LEA, N.M.	50	643	140	162	70	716	745	181	188	209	270	153	109
388-SANTA FE, N.M.	51	339	94	86	47	337	346	85	87	111	132	59	44
389-ALBANY, N.Y.	287	456	184	115	92	422	430	107	109	114	111	99	107
390-BROOME, N.Y.	221	500	261	126	130	403	397	102	100	101	97	103	103
391-CATTARAUGUS, N.Y.	83	372	168	94	84	327	318	83	80	88	83	77	77
392-CAYUGA, N.Y.	75	386	194	97	97	302	296	76	75	82	78	70	71
393-CHAUTAUQUA, N.Y.	150	415	196	105	98	382	372	96	94	94	89	99	99
394-CHEMUNG, N.Y.	106	401	173	101	86	354	354	90	90	97	93	82	87
395-CLINTON, N.Y.	74	303	132	76	66	277	263	70	66	75	70	65	63
396-COLUMBIA, N.Y. (1)	52												
397-DUTCHESS, N.Y.	215	390	176	99	88	356	361	90	91	89	87	91	95
398-ERIE, N.Y.	1,088	464	228	117	114	391	392	99	99	98	96	100	102
399-FULTON, N.Y.	54	321	141	81	70	264	261	67	66	78	73	56	59
400-GENESEE, N.Y.	60	409	182	103	91	361	359	91	91	98	93	84	89

See footnotes at end of table.

Table G-11 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	1966 population (000)	State and local govt. revenue (excluding Federal aid)				Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources							
		Per capita amounts		Relative to U.S. per capita		Per capita, S-L sources		Relative to U.S. averages per capita					
								S-L sources		State sources		Local sources	
		Total	Local sources	Total	Local sources	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
401-HERKIMER, N.Y.	68	393	198	99	98	331	326	83	82	82	80	85	85
402-JEFFERSON, N.Y.	90	414	206	105	103	331	321	84	81	93	85	75	77
403-LIVINGSTON, N.Y.	51	326	143	82	71	288	281	73	71	80	74	65	68
404-MADISON, N.Y.	58	351	179	89	89	304	292	77	74	77	70	77	77
405-MONROE, N.Y.	656	533	259	135	129	452	457	114	116	112	112	116	119
406-MONTGOMERY, N.Y.	58	353	152	89	76	301	298	76	75	86	82	66	69
407-NASSAU, N.Y.	1,413	580	317	146	158	466	458	118	116	113	108	122	123
408-NEW YORK, N.Y.	8,019	690	392	174	195	520	525	131	133	114	122	149	143
409-NIAGARA, N.Y.	235	469	244	119	121	409	408	103	103	93	92	114	114
410-ONEIDA, N.Y.	282	359	148	91	74	333	331	84	84	89	86	79	81
411-ONONDAGA, N.Y.	459	463	212	117	105	410	415	104	105	105	102	103	107
412-ONTARIO, N.Y.	77	361	151	91	75	326	323	82	81	94	86	71	77
413-ORANGE, N.Y.	207	395	179	100	89	360	358	91	91	93	88	89	93
414-ORLEANS, N.Y.	38	314	135	79	67	269	263	68	66	79	73	57	60
415-OSWEGO, N.Y.	96	313	150	79	75	258	249	65	63	72	67	58	59
416-OTSEGO, N.Y. (1)	56												
417-RENSSELAER, N.Y. (1)	152												
418-ROCKLAND, N.Y.	195	420	235	106	117	371	362	94	91	81	75	106	107
419-ST. LAWRENCE, N.Y.	113	336	157	85	78	303	296	76	75	78	73	75	77
420-SARATOGA, N.Y.	102	335	160	85	80	348	341	88	86	76	71	99	101
421-SCHENECTADY, N.Y.	162	451	208	114	103	367	375	93	95	98	99	87	91
422-STEUBEN, N.Y.	103	363	146	92	73	377	377	95	95	92	88	99	102
423-SUFFOLK, N.Y.	960	420	237	106	118	341	330	86	83	82	74	90	92
424-SULLIVAN, N.Y.	51	541	262	137	130	487	478	123	121	132	114	114	127
425-TIOGA, N.Y.	44	335	150	85	75	280	279	71	71	77	75	65	66
426-TOMPKINS, N.Y.	75	436	220	110	110	371	361	94	91	93	88	95	94
427-ULSTER, N.Y.	134	416	202	105	101	350	348	88	88	93	88	84	88
428-WARREN, N.Y. (1)	52												
429-WASHINGTON, N.Y. (1)	55												
430-WAYNE, N.Y.	74	365	148	92	74	333	328	84	83	98	88	70	77
431-WESTCHESTER, N.Y.	871	575	313	145	156	470	468	119	118	110	107	127	129
432-ALAMANCE, N.C.	94	324	112	82	56	307	317	77	80	85	112	70	49
433-BRUNSWICK, N.C.	21	183	51	46	25	213	204	54	52	60	70	47	34
434-BUNCOMBE, N.C.	145	328	102	83	51	354	349	89	88	96	119	83	58
435-BURKE, N.C.	62	251	78	63	39	299	288	75	73	72	91	78	55
436-CABARRUS, N.C.	73	298	74	75	37	341	345	86	87	90	119	82	57
437-CALDWELL, N.C. (1)	57												
438-CATAWBA, N.C.	87	360	104	91	52	374	379	94	96	106	135	83	57
439-CLEVELAND, N.C.	70	281	97	71	48	293	290	74	73	76	97	72	50
440-CRAVEN, N.C.	63	259	67	65	33	273	280	69	71	85	101	53	41

See footnotes at end of table.

Table G-11 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	1966 population (000)	State and local govt. revenue (excluding Federal aid): Per capita amounts: Total	Per capita amounts: Local sources	Relative to U.S. per capita: Total	Relative to U.S. per capita: Local sources	Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources: Per capita, S-L sources (A)	Per capita, S-L sources (B)	Relative to U.S. averages per capita: S-L sources (A)	S-L sources (B)	State sources (A)	State sources (B)	Local sources (A)	Local sources (B)
441-CUMBERLAND, N.C.	195	251	87	63	44	259	260	65	66	71	87	60	45
442-DAVIDSON, N.C.	95	266	88	67	44	282	282	71	71	75	94	67	49
443-DURHAM, N.C.	124	377	143	95	71	395	382	100	96	100	123	99	70
444-EDGECOMBE, N.C.	54	227	74	57	37	228	236	57	60	62	81	53	39
445-FORSYTH, N.C.	210	441	185	111	92	458	456	116	115	101	135	130	96
446-GASTON, N.C.	137	309	96	78	48	310	325	78	82	84	112	73	53
447-GUILFORD, N.C.	272	442	172	112	86	431	434	109	110	110	143	108	78
448-HALIFAX, N.C.	61	224	70	57	35	228	230	58	58	66	81	49	36
449-IREDELL, N.C.	71	279	91	70	46	294	294	74	74	77	99	72	50
450-JOHNSTON, N.C.	61	259	100	65	50	266	263	67	67	73	84	62	50
451-LENOIR, N.C.	58	286	101	72	50	304	303	77	77	79	98	74	56
452-MECKLENBURG, N.C.	322	481	168	122	84	459	469	116	119	127	165	105	73
453-NASH, N.C.	64	312	129	79	64	293	297	74	75	81	96	67	54
454-NEW HANOVER, N.C.	75	375	141	95	70	366	369	92	93	96	123	89	64
455-ONSLOW, N.C.	102	191	31	48	16	199	210	50	53	67	84	34	23
456-ORANGE, N.C.	53	207	63	52	31	231	217	58	55	64	76	53	34
457-PITT, N.C.	76	258	89	65	44	303	294	76	74	79	89	74	60
458-RANDOLPH, N.C.	70	250	68	63	34	284	280	72	71	76	96	68	46
459-ROBESON, N.C.	90	199	60	50	30	228	218	58	55	64	73	52	37
460-ROCKINGHAM, N.C.	72	288	104	73	52	303	296	77	75	78	97	75	53
461-ROWAN, N.C.	89	276	85	70	43	298	292	75	74	82	101	69	48
462-SAMPSON, N.C. (1)	50												
463-SURRY, N.C.	53	306	92	77	46	323	325	82	82	93	113	71	52
464-UNION, N.C.	49	262	105	66	52	294	281	74	71	69	83	79	59
465-WAKE, N.C.	202	357	129	90	64	372	363	94	92	96	120	92	64
466-WAYNE, N.C.	90	246	95	62	47	251	251	64	63	66	80	61	48
467-WILKES, N.C. (1)	51												
468-WILSON, N.C.	61	284	92	72	46	317	315	80	80	86	101	74	59
469-YADKIN, N.C.	24	215	84	54	42	255	232	64	58	63	69	65	48
470-CASS, N.D.	68	640	274	162	136	663	662	168	167	199	200	137	135
471-GRAND FORKS, N.D.	67	407	172	103	85	396	415	100	105	123	128	77	82
472-WARD, N.D.	61	442	161	112	80	455	460	115	116	150	154	80	80
473-ALLEN, OHIO	112	318	167	80	83	397	395	100	100	102	89	99	110
474-ASHTABULA, OHIO	95	301	163	76	81	347	355	88	90	89	82	87	97
475-ATHENS, OHIO (1)	58												
476-BELMONT, OHIO	83	219	116	55	58	274	275	69	70	68	61	70	78
477-BUTLER, OHIO	210	336	204	85	101	377	369	95	93	91	78	99	107
478-CLARK, OHIO	150	291	152	73	76	340	340	86	86	92	82	80	89
479-CLERMONT, OHIO	90	193	103	49	51	227	230	57	58	55	54	59	62
480-COLUMBIANA, OHIO	107	238	122	60	61	281	283	71	71	76	69	66	74

See footnotes at end of table.

Table G-11 — STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	1966 population (000)	State and local govt. revenue (excluding Federal aid): Per capita amounts: Total	Per capita amounts: Local sources	Relative to U.S. per capita: Total	Relative to U.S. per capita: Local sources	Revenue capacity, estimated (A) at U.S.—average rates for various sources and (B) with weighting adjusted to reflect particular—State proportions of yield from various sources: Per capita, S-L sources (A)	Per capita, S-L sources (B)	Relative to U.S. averages per capita: S-L sources (A)	S-L sources (B)	State sources (A)	State sources (B)	Local sources (A)	Local sources (B)
481-CRAWFORD, OHIO (1)	52												
482-CUYAHOGA, OHIO	1,737	396	237	100	118	462	461	117	116	111	94	123	138
483-DARKE, OHIO	51	237	125	60	62	290	294	73	74	72	66	74	82
484-DELAWARE, OHIO	39	241	134	61	67	276	280	70	71	69	63	70	78
485-ERIE, OHIO	76	324	181	82	90	352	390	99	98	97	84	102	112
486-FAIRFIELD, OHIO	69	270	153	68	76	332	331	84	84	77	69	91	98
487-FRANKLIN, OHIO	778	336	184	85	92	355	390	100	99	102	90	98	107
488-GEAUGA, OHIO	58	245	144	62	72	278	279	70	71	63	59	77	82
489-GREENE, OHIO	113	275	170	69	84	285	291	72	73	68	62	76	84
490-HAMILTON, OHIO	917	420	263	106	131	467	471	118	119	109	93	126	144
491-HANCOCK, OHIO	62	281	144	71	72	405	402	102	102	96	81	108	122
492-HURON, OHIO (1)	51												
493-JEFFERSON, OHIO	99	256	136	65	68	339	340	86	86	81	71	90	101
494-LAKE, OHIO	180	353	231	89	115	389	400	98	101	80	73	116	129
495-LAWRENCE, OHIO	57	218	115	55	57	261	272	66	69	65	61	67	76
496-LICKING, OHIO	104	281	151	71	75	330	331	83	84	86	76	81	91
497-LORAIN, OHIO	243	318	188	80	94	356	352	90	89	87	77	92	101
498-LUCAS, OHIO	476	373	215	94	107	437	438	110	111	107	94	114	127
499-MAHONING, OHIO	299	321	175	81	87	389	388	98	98	98	87	99	109
500-MARION, OHIO	64	321	188	81	94	369	374	93	95	90	79	96	110
501-MEDINA, OHIO	73	295	185	75	92	308	312	78	79	71	65	85	92
502-MIAMI, OHIO	82	280	158	71	79	348	343	88	87	83	72	93	101
503-MONTGOMERY, OHIO	578	370	211	93	105	425	415	107	105	111	94	104	115
504-MUSKINGUM, OHIO	81	258	130	65	65	302	302	76	76	83	76	69	77
505-PICKAWAY, OHIO	39	243	141	61	70	279	289	71	73	66	60	75	85
506-PORTAGE, OHIO	111	290	177	73	88	289	297	73	75	71	67	74	83
507-PREBLE, OHIO	35	246	131	62	65	282	296	71	75	69	68	73	81
508-PUTNAM, OHIO	31	235	129	59	64	312	323	79	82	70	63	87	100
509-RICHLAND, OHIO	129	323	176	81	88	378	369	95	93	100	87	91	100
510-ROSS, OHIO	63	245	127	62	63	301	301	76	76	78	70	74	82
511-SANDUSKY, OHIO	58	305	167	77	83	347	347	88	88	91	82	85	93
512-SCIOTO, OHIO	83	283	124	71	62	318	328	80	83	96	94	65	72
513-SENECA, OHIO	60	293	162	74	81	347	346	88	87	89	77	86	97
514-STARK, OHIO	357	301	161	76	80	371	366	94	92	96	83	91	101
515-SUMMIT, OHIO	542	373	219	94	109	419	416	106	105	104	92	107	118
516-TRUMBULL, OHIO	224	296	170	75	85	350	349	88	88	87	75	89	101
517-TUSCARAWAS, OHIO	78	284	154	72	77	328	324	83	82	87	77	79	86
518-VAN WERT, OHIO	29	267	135	67	57	319	322	81	81	86	78	75	85
519-WARREN, OHIO	81	224	130	56	65	241	248	61	63	56	55	65	69
520-WASHINGTON, OHIO	56	269	149	68	74	325	327	82	83	78	71	86	94

See footnotes at end of table.

Table G-11 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	1966 population (000)	State and local govt. revenue (excluding Federal aid): Per capita amounts		Relative to U.S. per capita		Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources: Per capita, S-L sources		Relative to U.S. averages per capita: S-L sources		State sources		Local sources	
		Total	Local sources	Total	Local sources	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
521-WAYNE, OHIO	83	313	199	79	99	341	345	86	87	79	68	93	106
522-WOOD, OHIO	80	304	162	77	81	377	381	95	96	92	83	98	109
523-CANADIAN, OKLA	30	301	122	76	61	358	381	101	96	97	104	104	88
524-CLEVELAND, OKLA	73	273	138	69	69	263	274	66	69	71	79	62	60
525-COMANCHE, OKLA	105	275	92	70	46	308	311	78	79	95	107	61	51
526-CREEK, OKLA	43	262	97	66	49	292	301	74	76	86	96	62	57
527-GARFIELD, OKLA	55	374	156	94	77	470	451	119	114	118	128	120	101
528-LE FLORE, OKLA	32	190	57	48	28	210	225	53	57	69	78	38	36
529-MUSKOGEE, OKLA	62	322	156	81	78	322	342	81	87	88	97	75	77
530-OKLAHOMA, OKLA	484	458	193	116	96	491	483	124	122	139	155	109	90
531-OSAGE, OKLA	30	264	91	67	45	342	347	86	88	88	101	85	74
532-SEQUOYAH, OKLA. (1)	22												
533-TULSA, OKLA	368	501	201	127	100	572	564	144	142	158	175	131	111
534-CLACKAMAS, ORE	146	331	171	83	85	321	326	81	82	76	81	86	84
535-COOS, ORE	54	433	204	109	102	458	486	116	123	110	116	121	129
536-DOUGLAS, ORE	72	385	188	97	94	366	386	92	97	94	100	91	95
537-JACKSON, ORE	91	394	198	99	99	386	377	98	95	101	99	94	92
538-LANE, ORE	200	431	220	109	110	420	416	106	105	105	107	108	104
539-LINN, ORE	65	396	182	100	91	359	415	101	105	104	108	97	102
540-MARION, ORE	141	392	191	99	95	385	379	97	96	102	102	92	90
541-MULTNOMAH, ORE	533	572	267	144	133	571	565	144	143	148	154	141	131
542-POLK, ORE	31	307	134	77	67	315	339	80	86	76	87	83	84
543-WASHINGTON, ORE	126	360	174	91	87	362	359	91	91	92	94	90	87
544-ADAMS, PA	54	254	114	64	57	251	257	63	65	72	73	55	57
545-ALLEGHENY, PA	1,608	393	206	99	102	394	391	100	99	96	97	102	100
546-ARMSTRONG, PA	77	243	104	61	52	267	268	68	68	72	72	63	63
547-BEAVER, PA	203	318	153	80	76	355	346	90	87	86	86	93	89
548-BERKS, PA	290	342	157	86	78	358	358	90	90	94	96	87	85
549-BLAIR, PA	138	280	119	71	59	308	307	78	78	82	84	74	72
550-BRADFORD, PA	56	255	119	64	59	268	271	68	68	69	70	66	67
551-BUCKS, PA	357	367	193	93	96	353	363	89	92	87	90	92	93
552-BUTLER, PA	120	288	124	73	62	313	312	79	79	83	85	75	73
553-CAMBRIA, PA	192	269	120	68	60	296	278	72	70	77	77	68	63
554-CARBON, PA	51	253	118	64	59	260	260	66	66	70	70	62	61
555-CENTRE, PA	93	252	112	64	56	263	272	67	69	71	73	62	65
556-CHESTER, PA	255	296	142	75	71	323	328	82	83	79	80	83	86
557-CLEARFIELD, PA	77	250	106	63	53	268	268	68	68	75	75	61	61
558-COLUMBIA, PA	57	251	102	63	51	268	271	68	69	75	77	60	60
559-CRAWFORD, PA	80	329	131	83	65	337	343	85	87	98	103	73	71
560-CUMBERLAND, PA	140	361	166	91	83	344	363	87	92	96	101	79	83

See footnotes at end of table.

Table G-11 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	1966 population (000)	State and local govt. revenue (excluding Federal aid): Per capita amounts		Relative to U.S. per capita		Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources: Per capita, S-L sources		Relative to U.S. averages per capita: S-L sources		State sources		Local sources	
		Total	Local sources	Total	Local sources	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
561-DAUPHIN, PA.	226	362	160	91	80	378	383	95	97	103	105	89	89
562-DELAWARE, PA.	591	310	146	78	73	337	338	85	85	84	85	86	86
563-ERIE, PA.	256	338	155	85	77	338	342	85	86	92	95	79	78
564-FAYETTE, PA. (1)	161												
565-FRANKLIN, PA.	96	273	112	69	56	297	302	75	76	82	84	68	69
566-INDIANA, PA.	75	250	103	63	51	264	263	67	67	77	76	57	57
567-LACKAWANNA, PA.	226	274	114	69	57	293	298	74	75	81	83	67	68
568-LANCASTER, PA.	295	330	138	83	69	355	364	90	92	96	99	83	85
569-LAWRENCE, PA.	110	286	132	72	66	295	296	74	75	78	80	70	70
570-LEBANON, PA.	94	304	127	77	63	346	351	87	89	90	92	85	85
571-LEHIGH, PA.	241	352	146	89	73	369	377	93	95	102	107	84	84
572-LUZERNE, PA.	343	244	95	62	47	271	271	68	68	77	78	61	59
573-LYCOMING, PA.	114	328	159	83	79	328	338	83	85	85	88	81	83
574-MCKEAN, PA.	54	287	139	73	69	330	316	83	80	78	77	88	83
575-MERCER, PA.	127	319	144	81	72	340	342	86	86	89	91	83	82
576-MONTGOMERY, PA.	591	406	184	103	92	440	445	111	112	112	115	111	110
577-NORTHAMPTON, PA.	209	359	188	91	94	369	362	93	92	88	89	98	94
578-NORTHUMBERLAND, PA.	101	249	100	63	50	258	254	65	64	76	77	54	52
579-PERRY, PA. (1)	27												
580-PHILADELPHIA, PA.	2,052	409	220	103	110	384	378	97	96	99	98	95	93
581-SCHUYLKILL, PA. (1)	163												
582-SOMERSET, PA.	76	230	95	58	47	229	233	58	59	68	70	48	48
583-SUSQUEHANNA, PA.	33	230	105	58	53	242	252	61	64	64	65	58	63
584-VENANGO, PA.	63	255	113	64	56	278	271	70	69	73	73	67	64
585-WASHINGTON, PA.	213	271	124	69	62	277	274	70	69	77	77	63	62
586-WESTMORELAND, PA.	361	284	129	72	64	300	301	76	76	79	81	72	71
587-YORK, PA.	255	319	127	81	63	341	346	86	87	96	100	77	75
588-BRISTOL, R.I.	42	311	170	78	84	301	301	76	76	79	73	74	79
589-KENT, R.I.	131	309	138	78	69	310	316	78	80	90	88	67	72
590-NEWPORT, R.I.	83	286	138	72	69	294	279	74	71	85	76	64	65
591-PROVIDENCE, R.I.	569	378	169	95	84	381	382	96	97	109	108	83	86
592-WASHINGTON, R.I.	73	315	155	80	77	314	308	79	78	89	82	70	73
593-AIKEN, S.C.	86	260	78	66	39	286	284	72	72	76	93	69	51
594-ANDERSON, S.C.	105	269	68	68	34	285	275	72	70	89	103	55	37
595-BERKELEY, S.C.	50	112	27	28	13	132	123	33	31	38	43	29	19
596-CHARLESTON, S.C.	263	268	84	68	42	268	262	68	66	81	94	55	39
597-DARLINGTON, S.C.	57	227	58	57	29	264	250	67	63	83	87	50	40
598-FLORENCE, S.C.	94	257	70	65	35	262	259	66	66	83	96	50	36
599-GREENVILLE, S.C.	221	355	103	90	52	347	343	88	88	108	129	68	48
600-GREENWOOD, S.C. (1)	51												

See footnotes at end of table.

Table G-11 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	1966 population (000)	State and local govt. revenue (excluding Federal aid)				Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources							
		Per capita amounts		Relative to U.S. per capita		Per capita, S-L sources		Relative to U.S. averages per capita					
								S-L sources		State sources		Local sources	
		Total	Local sources	Total	Local sources	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
601-HORRY, S.C.	74	243	60	61	30	290	261	73	66	79	94	67	39
602-LAURENS, S.C. (1)	53												
603-LEXINGTON, S.C.	72	244	73	62	36	236	233	60	59	74	88	46	31
604-ORANGEBURG, S.C.	72	258	97	65	48	256	267	65	67	69	83	61	52
605-PICKENS, S.C.	52	248	68	63	34	233	250	59	63	74	92	44	35
606-RICHLAND, S.C.	236	321	101	81	50	342	326	86	82	99	113	74	53
607-SPARTANBURG, S.C.	173	323	116	82	58	295	307	75	78	87	107	62	49
608-SUMTER, S.C.	77	217	54	55	27	217	219	55	55	71	83	40	28
609-YORK, S.C.	86	280	114	71	57	244	263	62	66	70	85	53	48
610-MINNEHAHA, S.D.	93	433	209	109	104	442	445	112	112	131	109	93	116
611-PENNINGTON, S.D. (1)	0												
612-ANDERSON, TENN.	62	260	106	66	53	382	361	97	91	82	88	110	94
613-BLOUNT, TENN.	60	220	82	55	41	295	287	74	73	70	79	78	67
614-DAVIDSON, TENN.	441	389	191	98	95	426	424	108	107	103	114	112	101
615-GIBSON, TENN. (1)	50												
616-HAMILTON, TENN.	247	408	204	103	102	453	448	114	113	105	117	124	110
617-KNOX, TENN.	272	349	171	88	85	365	362	92	91	92	102	92	81
618-MADISON, TENN.	64	341	180	86	90	359	377	91	95	81	92	100	99
619-MONTGOMERY, TENN.	60	275	132	70	66	292	302	74	76	74	82	74	71
620-RUTHERFORD, TENN.	64	192	68	48	34	232	233	59	59	63	71	54	48
621-SHELBY, TENN.	698	383	209	97	104	403	403	102	102	91	100	112	104
622-SULLIVAN, TENN.	128	309	136	78	68	369	357	93	90	91	99	95	82
623-SUMNER, TENN.	47	210	102	53	51	237	242	60	61	56	62	64	60
624-WASHINGTON, TENN.	70	251	102	64	51	321	320	81	81	75	85	87	76
625-WILSON, TENN.	33	220	96	56	48	261	262	66	66	64	71	68	61
626-ARCHER, TEX.	6	489	225	124	112	510	541	129	137	152	162	106	112
627-BELL, TEX.	119	183	77	46	38	238	226	60	57	76	65	45	49
628-BEXAR, TEX.	795	265	140	67	70	311	327	79	83	88	76	69	88
629-BOWIE, TEX.	66	223	85	56	42	349	333	88	84	99	85	78	84
630-BRAZORIA, TEX.	94	410	249	104	124	477	465	121	117	109	99	132	135
631-BRAZOS, TEX. (1)	51												
632-CAMERON, TEX.	151	229	130	58	65	257	261	65	66	70	61	60	71
633-COLLIN, TEX.	53	247	147	62	73	323	323	82	82	70	61	93	101
634-DALLAS, TEX.	1,160	390	202	98	100	474	465	120	117	134	115	106	119
635-DENTON, TEX.	67	223	115	56	57	304	312	77	79	76	66	78	91
636-ECTOR, TEX.	93	505	246	127	123	504	548	127	138	156	159	99	119
637-ELLIS, TEX.	45	210	98	53	49	267	257	68	65	80	69	55	61
638-EL PASO, TEX.	346	241	123	61	61	290	283	73	71	85	72	62	71
639-FORT BEND, TEX.	48	276	151	70	75	293	285	74	72	82	77	66	68
640-GALVESTON, TEX.	160	363	239	92	119	420	442	106	112	88	76	124	146

See footnotes at end of table.

Table G-11 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	1966 population (000)	State and local govt. revenue (excluding Federal aid): Per capita amounts: Total	Per capita amounts: Local sources	Relative to U.S. per capita: Total	Relative to U.S. per capita: Local sources	Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources: Per capita, S-L sources (A)	Per capita, S-L sources (B)	Relative to U.S. averages per capita: S-L sources (A)	S-L sources (B)	State sources (A)	State sources (B)	Local sources (A)	Local sources (B)
641-GRAYSON, TEX.	78	264	134	67	67	326	316	82	80	92	80	73	80
642-GREGG, TEX.	74	389	189	98	94	423	424	107	107	132	123	82	92
643-GUADALUPE, TEX.	34	207	107	52	53	249	254	63	64	68	62	57	67
644-HARRIS, TEX.	1,532	384	188	97	93	490	496	124	125	131	120	116	130
645-HIDALGO, TEX.	204	212	118	54	59	212	216	54	54	62	58	45	51
646-JEFFERSON, TEX.	247	388	228	98	114	486	501	123	126	108	98	137	154
647-JOHNSON, TEX.	40	236	120	60	60	289	282	73	71	83	71	64	71
648-JONES, TEX.	20	258	115	65	57	340	321	86	81	96	88	77	75
649-KAUFMAN, TEX.	31	188	84	47	42	270	258	68	65	72	64	64	67
650-LIBERTY, TEX.	32	339	149	85	74	358	381	90	96	115	116	66	77
651-LUBBOCK, TEX.	190	283	143	72	71	339	328	86	83	100	86	71	80
652-MCLENNAN, TEX.	150	257	126	65	63	324	304	82	77	95	80	69	73
653-MIDLAND, TEX.	67	645	206	163	102	729	823	184	208	239	270	130	147
654-MONTGOMERY, TEX.	33	301	171	76	85	317	324	80	82	83	80	77	84
655-NUECES, TEX.	236	377	207	95	103	410	434	104	110	110	104	98	115
656-ORANGE, TEX.	64	286	163	72	81	332	330	84	83	87	76	81	91
657-POTTER, TEX.	121	459	266	116	132	459	455	116	115	136	118	96	111
658-RANDALL, TEX.	52	130	46	33	23	243	231	61	58	57	51	65	65
659-SAN PATRICIO, TEX.	50	239	127	60	63	297	298	75	75	75	69	75	82
660-SMITH, TEX.	94	304	137	77	68	381	378	96	96	111	103	81	89
661-TARRANT, TEX.	597	337	171	85	85	412	398	104	100	119	102	89	99
662-TAYLOR, TEX.	103	293	125	74	62	355	353	90	89	112	103	68	76
663-TOM GREEN, TEX.	74	248	116	63	58	315	299	80	75	92	81	67	70
664-TRAVIS, TEX.	254	351	223	89	111	361	391	91	99	92	79	90	118
665-VICTORIA, TEX. (1)	53												
666-WEBB, TEX.	76	215	92	54	46	277	261	70	66	85	75	55	57
667-WICHITA, TEX.	126	340	168	86	84	370	373	93	94	114	105	73	83
668-DAVIS, UTAH	97	274	112	69	56	269	265	68	67	63	75	72	59
669-SALT LAKE, UTAH	440	440	181	111	90	410	410	104	104	109	121	99	87
670-UTAH, UTAH	127	301	125	76	62	287	284	73	72	71	82	74	62
671-WEBER, UTAH	123	388	148	98	74	360	361	91	91	98	112	85	72
672-CHITTENDEN, VT. (1)	85												
673-ALEXANDRIA CITY, VA. (2)	0												
674-AMHERST, VA. (1)	27												
675-ARLINGTON, VA. (3)	287	484	211	122	105	525	512	133	130	132	148	133	112
676-CAMPBELL, VA. (3)	95	362	145	91	72	361	370	91	94	104	118	78	70
677-CHESAPEAKE CITY, VA. (3)	500	374	193	95	96	322	339	81	87	86	99	77	75
678-CHESTERFIELD, VA.	116	229	103	58	51	258	248	65	63	57	68	73	58
679-FALLS CHURCH CITY, VA. (2)	0												
680-FAIRFAX, VA. (3)	407	351	192	89	95	359	339	91	84	79	87	102	84

See footnotes at end of table.

Table G-11 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	1966 population (000)	State and local govt. revenue (excluding Federal aid): Per capita amounts: Total	Per capita amounts: Local sources	Relative to U.S. per capita: Total	Relative to U.S. per capita: Local sources	Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources: Per capita, S-L sources (A)	Per capita, S-L sources (B)	Relative to U.S. averages per capita: S-L sources (A)	S-L sources (B)	State sources (A)	State sources (B)	Local sources (A)	Local sources (B)
681-FAIRFAX CITY, VA. (2)	0												
682-HAMPTON CITY, VA. (2)	0												
683-HANOVER, VA.	34	291	63	74	31	360	349	91	88	111	124	72	54
684-HENRICO, VA. (3)	361	453	192	114	96	484	494	122	124	127	140	117	108
685-LOUDOUN, VA.	34	353	137	89	68	353	392	89	99	102	116	76	82
686-LYNCHBURG CITY, VA. (2)	0												
687-NEWPORT NEWS CITY, VA. (2)	0												
688-NORFOLK CITY, VA. (2)	0												
689-PITTSYLVANIA, VA. (1)	0												
690-PORTSMOUTH CITY, VA. (2)	0												
691-PRINCE WILLIAM, VA.	86	256	118	65	59	254	254	64	64	67	74	62	54
692-RICHMOND CITY, VA. (2)	0												
693-ROANOKE, VA. (3)	178	378	158	95	79	387	396	98	100	107	118	89	82
694-ROANOKE CITY, VA. (2)	0												
695-VIRGINIA BEACH CITY, VA.	139	222	90	56	45	253	244	64	62	66	72	61	52
696-YORK, VA. (3)	277	303	132	76	66	308	312	78	78	82	93	74	66
697-BENTON, WASH.	64	446	210	113	105	486	448	123	113	100	119	145	107
698-CLARK, WASH.	110	403	177	102	88	441	417	111	105	90	114	132	97
699-COWLITZ, WASH.	63	579	276	146	137	611	614	154	155	116	152	191	158
700-GRAYS HARBOR, WASH.	59	452	183	114	91	493	487	125	123	104	135	145	111
701-KING, WASH.	1,025	604	236	152	117	586	582	148	147	139	185	157	110
702-KITSAP, WASH.	92	319	99	80	49	327	326	83	82	85	111	80	55
703-PIERCE, WASH.	362	434	166	110	82	422	425	107	107	101	135	112	80
704-SNOHOMISH, WASH.	209	418	171	106	85	414	405	105	102	93	124	116	81
705-SPOKANE, WASH.	266	447	140	113	70	412	431	104	109	113	154	95	65
706-THURSTON, WASH.	65	401	132	101	66	393	405	99	102	100	135	98	70
707-WHATCOM, WASH.	76	416	144	105	72	392	407	99	103	100	137	99	69
708-YAKIMA, WASH.	151	372	113	94	56	353	372	89	94	97	131	82	58
709-BROOKE, W.VA.	28	282	110	71	55	292	274	74	69	73	88	74	50
710-CABELL, W.VA.	109	405	133	102	66	393	405	99	102	109	140	90	66
711-FAYETTE, W.VA.	56	211	63	53	31	209	209	53	53	63	76	43	30
712-HANCOCK, W.VA.	40	414	143	105	71	538	487	136	123	116	140	156	107
713-HARRISON, W.VA.	76	319	87	80	43	339	338	86	85	95	119	76	53
714-KANAWHA, W.VA.	241	382	139	97	69	372	370	94	94	100	125	87	63
715-LOGAN, W.VA.	53	209	53	53	27	228	217	58	55	72	80	44	30
716-MCDOWELL, W.VA.	59	205	77	52	38	195	182	49	46	62	66	36	27
717-MARION, W.VA.	65	312	113	79	56	340	340	86	86	88	103	84	70
718-MARSHALL, W.VA.	37	281	107	71	53	297	277	75	70	77	90	73	51
719-MERCER, W.VA.	65	293	90	74	45	276	287	70	73	81	105	59	41
720-MONONGALIA, W.VA.	59	309	112	78	56	302	312	76	79	81	101	72	57

See footnotes at end of table.

Table G-11 – STATE AND LOCAL GOVERNMENT REVENUE AND REVENUE CAPACITY, FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	1966 population (000)	State and local govt. revenue (excluding Federal aid): Per capita amounts		State and local govt. revenue (excluding Federal aid): Relative to U.S. per capita		Revenue capacity, estimated (A) at U.S.–average rates for various sources and (B) with weighting adjusted to reflect particular–State proportions of yield from various sources: Per capita, S-L sources		Relative to U.S. averages per capita: S-L sources		State sources		Local sources	
		Total	Local sources	Total	Local sources	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
721-OHIO, W.VA.	65	473	159	120	79	423	455	107	115	123	162	92	69
722-RALEIGH, W.VA.	72	247	71	63	35	234	242	59	61	74	91	44	32
723-WAYNE, W.VA.	39	176	73	44	37	179	168	45	42	45	53	46	32
724-WOOD, W.VA.	81	377	144	95	71	381	390	96	98	94	120	98	77
725-BROWN, WIS.	138	409	156	103	78	353	351	89	89	96	112	83	66
726-DANE, WIS.	265	460	192	116	96	403	396	102	100	103	119	101	82
727-DODGE, WIS.	65	333	138	84	69	352	362	89	92	73	86	105	96
728-DOUGLAS, WIS.	43	375	148	95	73	338	330	85	83	84	100	86	67
729-EAU CLAIRE, WIS.	58	461	166	117	83	425	421	107	106	111	131	104	83
730-FOND DU LAC, WIS.	80	425	180	107	90	324	319	82	81	93	108	71	54
731-JEFFERSON, WIS.	55	416	193	105	96	340	331	86	84	82	99	89	69
732-KENOSHA, WIS.	114	425	181	107	90	353	362	89	91	88	108	90	75
733-LACROSSE, WIS.	77	394	135	100	67	362	360	91	91	98	115	85	68
734-MANITOWOC, WIS.	79	404	182	102	91	342	335	86	85	79	98	93	72
735-MARATHON, WIS.	92	359	133	91	66	333	332	84	84	84	100	84	68
736-MILWAUKEE, WIS.	1,041	576	262	145	131	454	456	115	115	110	139	119	92
737-OUTAGAMIE, WIS. (1)	0												
738-OZAUKEE, WIS.	45	397	177	100	88	380	384	96	97	78	97	113	97
739-RACINE, WIS.	157	439	176	111	88	372	381	94	96	94	116	94	76
740-ROCK, WIS. (1)	0												
741-SHEBOYGAN, WIS. (1)	0												
742-WALWORTH, WIS. (1)	0												
743-WASHINGTON, WIS.	54	433	177	109	88	366	360	92	91	96	114	89	69
744-WAUKESHA, WIS.	194	385	162	97	81	367	366	93	92	85	99	101	86
745-WINNEBAGO, WIS.	118	437	148	110	74	395	398	100	101	104	128	96	74
746-WOOD, WIS.	63	418	156	106	78	381	363	96	92	97	116	95	68
747-LARAMIE, WY.	60	398	175	101	87	459	480	116	121	129	134	103	109

[1] Data not available; see text.
[2] Combined with another area for presentation; see footnote 3.
[3] Includes data for two or more areas. Such combinations are as follows:
Fulton County, Georgia: includes DeKalb County;
Arlington County, Virginia: includes Alexandria City;
Campbell County, Virginia: includes Lynchburg City;
Chesapeake City, Virginia: includes Norfolk and Portsmouth Cities;
Fairfax County, Virginia: includes Falls Church and Fairfax Cities;
Henrico County, Virginia: includes Richmond City;
Roanoke County, Virginia: includes Roanoke City;
York County, Virginia: includes Hampton and Newport News Cities.
[4] Because of the unique nature of the District of Columbia, certain items called for by the tabulation are not relevant to it.

Table G-12 — RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR SELECTED COUNTIES: 1966-67

County	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
				Local governments only				
	State and local government	Local governments only	State and local governments	All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
1-BALDWIN, ALA.	90	54	90	76	119	32	71	92
2-CALHOUN, ALA.	100	87	99	101	105	57	128	142
3-COLBERT, ALA. (1)								
4-CULLMAN, ALA. (1)								
5-DALLAS, ALA.	100	79	95	91	135	71	88	47
6-ELMORE, ALA.	83	47	85	64	75	41	68	84
7-ETOWAH, ALA.	97	75	97	96	102	126	79	32
8-HOUSTON, ALA.	97	84	96	95	44	68	106	203
9-JEFFERSON, ALA.	95	79	101	108	120	90	115	112
10-LAUDERDALE, ALA.	98	88	96	96	130	82	93	90
11-LEE, ALA. (1)								
12-LIMESTONE, ALA. (1)								
13-MADISON, ALA.	103	89	101	106	120	132	85	103
14-MARSHALL, ALA.	98	78	93	87	78	75	113	59
15-MOBILE, ALA.	98	85	101	107	138	110	96	28
16-MONTGOMERY, ALA.	93	70	94	89	86	80	90	148
17-MORGAN, ALA.	92	71	94	91	90	90	105	64
18-RUSSELL, ALA.	118	119	112	127	125	76	143	88
19-SHELBY, ALA.	90	76	94	91	195	32	79	61
20-TALLADEGA, ALA.	102	88	99	101	141	56	101	127
21-TUSCALOOSA, ALA.	101	87	98	100	101	79	105	210
22-WALKER, ALA.	97	76	94	89	118	76	85	78
23-GREATER ANCHORAGE, ALASKA (1)								
24-COCHISE, ARIZ.	110	104	112	116	148	50	101	23
25-COCONINO, ARIZ. (1)								
26-MARICOPA, ARIZ.	108	100	108	108	112	82	110	117
27-PIMA, ARIZ.	113	107	110	113	129	92	91	92
28-PINAL, ARIZ.	99	85	108	108	120	14	138	64
29-YUMA, ARIZ.	120	125	121	140	162	39	161	181
30-CRAIGHEAD, ARK.	92	72	91	96	105	26	93	125
31-CRAWFORD, ARK.	94	72	90	92	144	4	76	44
32-CRITTENDEN, ARK.	112	107	100	127	162	39	116	123
33-GARLAND, ARK. (1)								
34-JEFFERSON, ARK.	88	66	91	94	103	42	101	71
35-MILLER, ARK.	86	59	88	86	90	52	89	0
36-MISSISSIPPI, ARK.	100	89	95	106	151	49	85	160
37-PULASKI, ARK.	89	70	90	91	109	28	102	84
38-SALINE, ARK.	77	50	81	69	70	27	79	0
39-SEBASTIAN, ARK.	89	67	88	87	103	30	96	78
40-UNION, ARK. (1)								

See footnotes at end of table.

Table G-12 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
				Local governments only				
	State and local government	Local governments only	State and local governments	All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
41-WASHINGTON, ARK..................	93	75	89	89	120	10	99	77
42-ALAMEDA, CAL..................	104	111	105	105	111	96	103	29
43-BUTTE, CAL..................	109	120	109	111	121	94	91	96
44-CONTRA COSTA, CAL..............	117	132	116	123	128	94	118	87
45-FRESNO, CAL..................	114	129	113	119	131	100	98	135
46-HUMBOLDT, CAL..................	121	143	122	136	158	107	99	94
47-IMPERIAL, CAL. (1)..............								
48-KERN, CAL..................	104	122	108	109	113	97	103	53
49-KINGS, CAL..................	117	139	118	127	158	83	86	222
50-LOS ANGELES, CAL..............	102	108	102	100	98	117	99	103
51-MARIN, CAL..................	106	111	107	107	110	85	100	156
52-MENDOCINO, CAL..............	94	91	90	81	78	100	88	75
53-MERCED, CAL..................	129	156	130	148	178	83	118	229
54-MONTEREY, CAL..............	100	105	101	97	95	86	110	104
55-NAPA, CAL..................	99	102	99	94	93	93	92	166
56-ORANGE, CAL..................	102	107	102	100	102	97	98	80
57-PLACER, CAL..................	123	142	119	128	99	275	167	141
58-RIVERSIDE, CAL..............	101	106	100	98	96	97	119	53
59-SACRAMENTO, CAL..............	107	115	107	109	119	84	102	84
60-SAN BERNARDINO, CAL............	113	128	113	120	128	101	101	158
61-SAN DIEGO, CAL..............	104	110	105	105	106	92	108	96
62-SAN FRANCISCO, CAL. (1)........								
63-SAN JOAQUIN, CAL..............	104	108	104	104	122	93	83	160
64-SAN LUIS OBISPO, CAL..........	121	144	122	135	157	121	78	249
65-SAN MATEO, CAL..............	100	104	99	96	91	97	117	62
66-SANTA BARBARA, CAL............	101	106	102	99	102	83	99	96
67-SANTA CLARA, CAL..............	109	119	108	111	113	91	105	160
68-SANTA CRUZ, CAL..............	108	117	108	109	109	95	113	142
69-SHASTA, CAL..................	136	168	133	154	129	288	180	97
70-SOLANO, CAL..................	106	116	109	113	120	78	106	217
71-SONOMA, CAL..................	109	119	110	114	118	91	111	114
72-STANISLAUS, CAL..............	126	152	124	141	136	87	161	213
73-TULARE, CAL..................	119	137	119	129	143	92	116	80
74-VENTURA, CAL..................	113	131	116	123	135	88	101	84
75-YOLO, CAL..................	105	112	104	104	109	100	82	305
76-ADAMS, COL..................	109	116	109	111	120	25	115	72
77-ARAPAHOE, COL..............	125	145	122	136	151	120	123	27
78-BOULDER, COL..................	111	118	109	110	103	114	112	224
79-DENVER, COL..................	103	107	104	101	88	194	97	201
80-EL PASO, COL..................	108	113	107	106	117	34	111	97

See footnotes at end of table.

Table G-12 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
	State and local government	Local governments only	State and local governments	Local governments only: All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
81-JEFFERSON, COL.	107	111	105	102	117	18	92	36
82-LARIMER, COL.	121	136	117	125	137	22	129	116
83-MESA, COL.	111	123	112	115	112	93	131	105
84-PUEBLO, COL.	101	98	99	92	93	103	94	64
85-WELD, COL.	120	133	120	131	131	22	149	276
86-FAIRFIELD, CONN.	92	96	90	87	92	7	99	132
87-HARTFORD, CONN.	97	109	98	103	117	7	96	92
88-LITCHFIELD, CONN.	90	94	89	85	91	6	75	97
89-MIDDLESEX, CONN.	92	98	91	89	97	5	89	73
90-NEW HAVEN, CONN.	92	95	91	90	98	6	87	129
91-NEW LONDON, CONN.	86	87	92	90	98	7	81	69
92-TOLLAND, CONN. (1)								
93-WINDHAM, CONN.	89	93	92	91	96	5	116	71
94-KENT, DEL.	100	61	100	94	135	55	74	85
95-NEW CASTLE, DEL.	104	65	103	106	107	102	106	109
96-SUSSEX, DEL.	89	42	95	75	59	146	85	125
97-DISTRICT OF COLUMBIA	85	(4)	85	(4)	(4)	(4)	(4)	(4)
98-ALACHUA, FLA.	100	113	96	99	108	81	102	84
99-BAY, FLA.	93	100	93	95	77	144	93	190
100-BREVARD, FLA.	81	79	83	76	74	71	79	97
101-BROWARD, FLA.	88	85	89	87	71	146	99	111
102-DADE, FLA.	92	95	94	95	96	87	97	83
103-DUVAL, FLA.	95	102	91	90	96	64	67	118
104-ESCAMBIA, FLA.	90	94	90	88	87	55	87	186
105-HILLSBOROUGH, FLA.	95	102	96	99	90	101	109	121
106-LAKE, FLA.	92	96	89	86	106	75	71	56
107-LEE, FLA.	86	84	89	87	75	107	117	131
108-LEON, FLA.	99	110	93	93	84	61	95	120
109-MANATEE, FLA.	101	111	98	103	114	79	97	56
110-MARION, FLA.	92	92	83	76	68	58	100	53
111-MONROE, FLA.	79	75	75	64	79	41	80	42
112-OKALOOSA, FLA.	83	81	84	76	72	76	95	19
113-ORANGE, FLA.	92	96	91	91	90	74	95	95
114-PALM BEACH, FLA.	99	107	101	107	124	103	88	43
115-PINELLAS, FLA.	99	108	101	107	102	147	102	124
116-POLK, FLA.	89	93	88	85	90	80	81	77
117-SANTA ROSA, FLA.	86	87	86	82	65	37	114	148
118-SARASOTA, FLA.	96	98	95	98	96	93	101	143
119-SEMINOLE, FLA.	91	95	93	93	85	74	117	5
120-VOLUSIA, FLA. (1)								

See footnotes at end of table.

Table G-12 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
				Local governments only				
	State and local government	Local governments only	State and local governments	All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
121-BIBB, GA.	101	95	95	100	118	65	96	88
122-CHATHAM, GA.	95	92	98	98	123	46	82	150
123-CHATTAHOOCHEE, GA. (1)								
124-CLARKE, GA. (1)								
125-CLAYTON, GA.	90	78	95	91	123	25	89	0
126-COBB, GA.	91	79	93	88	80	29	121	85
127-DE KALB, GA. (2)								
128-DOUGHERTY, GA.	100	95	96	95	124	26	100	88
129-FLOYD, GA.	101	96	100	103	115	48	111	68
130-FULTON, GA. (3)	98	93	100	102	123	46	100	103
131-GLYNN, GA. (1)								
132-GWINNETT, GA.	117	128	111	125	195	75	106	85
133-HALL, GA.	96	85	96	94	90	33	112	123
134-HOUSTON, GA.	96	80	92	85	113	60	83	52
135-LOWNDES, GA. (1)								
136-MUSCOGEE, GA.	99	90	98	99	101	72	112	59
137-RICHMOND, GA.	98	90	96	93	121	33	83	304
138-WALKER, GA.	94	79	93	87	127	13	77	39
139-WHITFIELD, GA.	110	115	103	109	142	32	122	92
140-HAWAII, HAWAII	113	61	120	111	78	158	158	124
141-HONOLULU, HAWAII	128	72	125	128	137	118	113	130
142-ADA, IDAHO	112	101	114	127	129	104	122	182
143-BONNEVILLE, IDAHO	110	88	105	102	92	104	74	166
144-CANYON, IDAHO	110	94	111	117	101	100	151	234
145-ADAMS, ILL.	86	98	84	84	96	30	78	87
146-BOONE, ILL.	82	79	71	61	70	12	106	102
147-CHAMPAIGN, ILL.	88	100	83	82	79	48	115	87
148-COOK, ILL.	82	91	83	83	88	74	72	85
149-DE KALB, ILL.	92	109	91	95	99	48	99	154
150-DU PAGE, ILL.	99	111	92	97	102	54	103	84
151-HENRY, ILL.	92	101	84	83	78	47	134	58
152-JACKSON, ILL. (1)								
153-KANE, ILL.	89	103	89	92	99	45	85	146
154-KANKAKEE, ILL.	89	101	86	87	100	28	102	61
155-KNOX, ILL.	89	105	88	92	95	57	90	154
156-LAKE, ILL.	87	98	86	86	90	56	90	91
157-LA SALLE, ILL.	82	90	81	77	77	39	115	80
158-MCHENRY, ILL.	90	103	87	89	92	50	97	98
159-MCLEAN, ILL.	95	114	90	96	113	33	98	88
160-MACON, ILL.	80	88	80	77	80	36	90	139

See footnotes at end of table.

Table G-12 — RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
				Local governments only				
	State and local government	Local governments only	State and local governments	All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
161-MADISON, ILL....................	79	87	82	80	82	46	98	51
162-PEORIA, ILL.....................	89	101	87	89	99	36	96	51
163-ROCK ISLAND, ILL................	84	98	87	89	82	46	131	84
164-ST. CLAIR, ILL..................	90	106	91	96	96	62	126	26
165-SANGAMON, ILL...................	79	82	77	72	69	40	94	114
166-STEPHENSON, ILL.................	90	106	87	88	93	40	110	56
167-TAZEWELL, ILL...................	80	97	86	86	93	31	101	102
168-VERMILION, ILL..................	83	95	84	84	87	42	101	93
169-WHITESIDE, ILL..................	96	115	94	100	114	36	104	86
170-WILL, ILL.......................	85	92	82	80	85	42	84	127
171-WINNEBAGO, ILL..................	84	100	88	91	99	46	91	134
172-WOODFORD, ILL...................	105	124	93	100	110	39	89	63
173-ALLEN, IND......................	92	91	94	89	103	3	99	83
174-BARTHOLOMEW, IND................	103	112	103	108	102	4	135	517
175-BOONE, IND......................	103	104	100	102	110	5	117	35
176-CLARK, IND......................	92	86	89	80	77	3	111	22
177-CLAY, IND.......................	112	127	109	122	151	25	118	1
178-DEARBORN, IND...................	116	133	117	133	139	8	129	142
179-DELAWARE, IND...................	91	85	92	84	92	5	81	43
180-ELKHART, IND....................	90	84	91	83	88	3	102	78
181-FLOYD, IND......................	109	119	107	115	106	17	135	0
182-GRANT, IND......................	93	90	94	90	93	12	96	37
183-HAMILTON, IND...................	111	117	106	114	109	74	129	22
184-HANCOCK, IND....................	95	92	88	80	87	2	112	155
185-HENDRICKS, IND..................	104	106	99	100	97	16	120	112
186-HENRY, IND. (1).................								
187-HOWARD, IND.....................	91	86	92	85	95	5	101	75
188-JOHNSON, IND....................	104	103	99	101	94	15	127	120
189-LAKE, IND.......................	101	109	102	106	121	6	63	136
190-LA PORTE, IND...................	99	102	99	100	116	4	74	124
191-MADISON, IND....................	97	98	101	104	108	7	112	115
192-MARION, IND.....................	97	102	99	100	121	3	77	98
193-MARSHALL, IND...................	106	113	103	108	147	5	88	28
194-MONROE, IND.....................	90	79	90	81	82	7	94	94
195-MORGAN, IND.....................	106	111	100	103	92	6	156	85
196-PORTER, IND.....................	103	104	99	101	97	91	113	88
197-ST. JOSEPH, IND.................	98	102	99	101	115	5	96	75
198-SHELBY, IND.....................	97	93	94	91	76	20	138	103
199-SULLIVAN, IND...................	123	150	119	139	163	5	132	61
200-TIPPECANOE, IND.................	98	96	98	98	104	9	99	88

See footnotes at end of table.

Table G-12 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
				Local governments only				
	State and local government	Local governments only	State and local governments	All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
201-VANDERBURGH, IND.	92	90	94	89	96	7	95	151
202-VERMILLION, IND.	118	140	114	134	164	6	119	3
203-VIGO, IND.	100	103	100	103	115	5	94	52
204-WARRICK, IND.	94	94	95	92	109	5	32	198
205-WAYNE, IND.	90	83	93	88	90	7	52	191
206-BLACK HAWK, IOWA	100	98	102	99	100	26	99	168
207-CLINTON, IOWA	104	105	109	114	111	61	123	87
208-DUBUQUE, IOWA	88	75	90	76	72	40	92	206
209-JOHNSON, IOWA	103	100	104	103	106	41	103	104
210-LINN, IOWA	102	102	105	105	109	34	93	233
211-POLK, IOWA	103	103	106	108	118	56	85	153
212-POTTAWATTAMIE, IOWA	102	101	102	101	105	57	93	76
213-SCOTT, IOWA	96	91	98	92	88	47	118	104
214-STORY, IOWA (1)								
215-WOODBURY, IOWA	98	92	99	94	99	69	79	89
216-BUTLER, KANS.	88	92	89	84	83	28	101	91
217-DOUGLAS, KANS. (1)								
218-JOHNSON, KANS.	98	98	101	104	104	42	119	191
219-LEAVENWORTH, KANS.	113	125	113	131	168	56	91	93
220-RENO, KANS.	99	98	96	95	97	38	92	378
221-SEDGWICK, KANS.	92	91	91	86	95	19	108	30
222-SHAWNEE, KANS.	102	105	101	104	115	31	104	127
223-WYANDOTTE, KANS.	92	91	91	86	98	17	73	107
224-BOONE, KY.	81	58	89	82	101	10	95	19
225-BOYD, KY.	79	47	84	68	66	31	113	55
226-CAMPBELL, KY.	99	89	99	107	128	58	105	105
227-CRITTENDEN, KY. (1)								
228-DAVIESS, KY.	100	91	99	107	107	67	114	130
229-FAYETTE, KY.	94	73	96	102	116	98	75	92
230-HARDIN, KY. (1)								
231-HENDERSON, KY.	95	75	96	102	124	52	61	149
232-JEFFERSON, KY.	97	85	98	106	107	142	91	75
233-KENTON, KY.	91	71	94	95	109	77	82	114
234-MCCRACKEN, KY.	88	65	89	83	101	70	88	45
235-PIKE, KY.	79	47	85	66	78	9	91	0
236-WARREN, KY.	95	78	92	92	91	56	117	30
237-ACADIA, LA. (1)								
238-BOSSIER, LA.	92	71	92	94	154	46	88	7
239-CADDO, LA.	89	62	89	84	119	21	83	177
240-CALCASIEU, LA.	91	75	92	92	123	55	76	27

See footnotes at end of table.

Table G-12 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
				Local governments only				
	State and local government	Local governments only	State and local governments	All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
241–EAST BATON ROUGE, LA.	93	98	100	115	125	135	74	115
242–IBERIA, LA.	105	72	90	84	98	52	94	56
243–JEFFERSON, LA.	86	59	89	85	39	120	117	173
244–LAFAYETTE, LA.	92	51	86	72	39	116	100	85
245–LAFOURCHE, LA.	101	78	93	97	109	85	82	121
246–ORLEANS, LA.	91	75	93	97	82	122	103	15
247–OUACHITA, LA.	89	75	91	91	124	13	93	187
248–RAPIDES, LA. (1)								
249–ST. BERNARD, LA.	78	55	91	90	113	54	80	3
250–ST. LANDRY, LA.	95	77	90	88	97	78	84	98
251–ST. MARY, LA.	100	62	87	75	56	63	101	86
252–ST. TAMMANY, LA.	89	77	96	106	110	73	125	57
253–TANGIPAHOA, LA.	86	62	89	83	116	70	59	140
254–TERREBONNE, LA.	101	66	90	87	76	96	74	155
255–VERNON, LA. (1)								
256–ANDROSCOGGIN, MAINE	97	93	98	93	101	16	74	73
257–AROOSTOOK, MAINE (1)								
258–CUMBERLAND, MAINE	104	106	103	106	111	15	106	147
259–KENNEBEC, MAINE (1)								
260–PENOBSCOT, MAINE	97	91	97	90	95	13	95	133
261–YORK, MAINE (1)								
262–ALLEGANY, MD.	105	104	105	109	86	10	211	68
263–ANNE ARUNDEL, MD.	90	74	90	77	78	51	79	151
264–BALTIMORE, MD.	104	102	103	104	107	65	109	0
265–BALTIMORE CITY, MD.	111	118	111	122	127	161	84	134
266–CARROLL, MD.	84	62	84	64	66	17	89	42
267–CECIL, MD.	89	67	86	66	77	20	58	88
268–FREDERICK, MD.	100	92	100	96	111	14	115	38
269–HARFORD, MD.	94	76	91	77	85	26	91	129
270–HOWARD, MD.	96	91	96	93	87	191	98	0
271–MONTGOMERY, MD.	101	98	101	101	95	129	115	126
272–PRINCE GEORGES, MD.	96	88	97	92	94	38	107	68
273–WASHINGTON, MD.	107	110	107	114	130	11	130	129
274–WICOMICO, MD.	95	82	96	86	88	30	137	56
275–BARNSTABLE, MASS. (1)								
276–BERKSHIRE, MASS. (1)								
277–BRISTOL, MASS. (1)								
278–ESSEX, MASS. (1)								
279–FRANKLIN, MASS.	121	143	126	143	171	18	86	117
280–HAMPDEN, MASS. (1)								

See footnotes at end of table.

Table G-12 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
			State and local governments	Local governments only				
	State and local government	Local governments only		All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
281-HAMPSHIRE, MASS................	103	105	99	90	94	12	111	87
282-MIDDLESEX, MASS................	121	139	120	128	150	9	108	127
283-NORFOLK, MASS..................	121	141	121	129	149	7	137	115
284-PLYMOUTH, MASS.................	128	163	131	149	195	9	106	35
285-SUFFOLK, MASS..................	110	113	116	120	164	9	93	261
286-WORCESTER, MASS................	116	128	117	121	143	8	134	90
287-ALLEGAN, MICH..................	96	80	93	85	86	17	97	55
288-BAY, MICH......................	98	86	97	92	103	10	91	28
289-BERRIEN, MICH..................	96	83	95	88	97	13	88	44
290-CALHOUN, MICH..................	100	91	100	99	105	18	101	105
291-CLINTON, MICH. (1).............								
292-EATON, MICH....................	91	71	87	74	64	16	111	140
293-GENESEE, MICH..................	111	114	111	123	118	225	112	267
294-INGHAM, MICH...................	120	130	118	140	166	11	123	144
295-JACKSON, MICH..................	95	84	96	90	95	12	94	23
296-KALAMAZOO, MICH................	100	90	100	98	101	14	101	215
297-KENT, MICH.....................	98	87	99	95	97	14	106	113
298-LAPEER, MICH...................	109	107	106	111	85	13	144	84
299-LENAWEE, MICH..................	98	96	94	85	81	7	113	101
300-MACOMB, MICH...................	87	70	87	75	72	32	101	61
301-MARQUETTE, MICH................	81	67	84	70	70	9	80	59
302-MIDLAND, MICH..................	98	91	98	95	98	10	91	205
303-MONROE, MICH...................	96	81	91	80	86	38	62	82
304-MUSKEGON, MICH.................	97	88	98	95	100	22	94	144
305-OAKLAND, MICH..................	98	85	97	92	93	30	104	47
306-OTTAWA, MICH...................	98	88	97	94	83	12	111	139
307-SAGINAW, MICH..................	100	92	100	99	95	182	91	116
308-ST. CLAIR, MICH................	103	96	101	102	107	22	103	75
309-SHIAWASSEE, MICH...............	88	67	86	70	68	7	84	195
310-VAN BUREN, MICH................	106	100	103	104	101	30	133	42
311-WASHTENAW, MICH................	103	96	102	104	116	23	90	102
312-WAYNE, MICH....................	106	106	108	115	117	181	99	112
313-ANOKA, MINN....................	109	113	108	103	95	192	120	98
314-BLUE EARTH, MINN. (1)..........								
315-CLAY, MINN.....................	112	120	116	117	114	166	95	213
316-DAKOTA, MINN...................	116	117	111	107	106	129	103	206
317-HENNEPIN, MINN.................	109	104	109	101	96	74	124	171
318-OLMSTEAD, MINN.................	131	162	140	171	192	32	122	233
319-RAMSEY, MINN...................	112	103	108	101	99	131	104	84
320-ST. LOUIS, MINN................	133	122	121	127	139	47	117	86

See footnotes at end of table.

Table G-12 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	With capacity estimated at U.S.–average rates for various sources: State and local government	With capacity estimated at U.S.–average rates for various sources: Local governments only	With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources: State and local governments	Local governments only: All local revenue sources	Local governments only: Local property tax	Local governments only: Local non-property taxes	Local governments only: Changes and miscel. general revenue	Local governments only: Utility surpluses
321-STEARNS, MINN..................	115	135	124	135	141	64	122	184
322-WASHINGTON, MINN...............	114	115	108	102	100	83	117	40
323-BOLIVAR, MISS..................	98	77	101	100	135	67	86	67
324-FORREST, MISS..................	97	75	96	86	92	47	114	96
325-HARRISON, MISS.................	100	83	100	98	129	52	100	119
326-HINDS, MISS....................	102	91	102	101	154	46	79	156
327-JACKSON, MISS..................	97	83	99	95	81	49	156	33
328-JONES, MISS....................	105	92	100	97	117	53	104	63
329-LAUDERDALE, MISS...............	100	80	97	90	114	56	90	60
330-LEFLORE, MISS. (1).............								
331-LOWNDES, MISS. (1).............								
332-RANKIN, MISS...................	76	48	87	66	82	20	108	32
333-WASHINGTON, MISS...............	103	90	106	110	125	59	118	142
334-BOONE, MO......................	94	100	91	92	87	25	117	136
335-BUCHANAN, MO...................	86	87	86	83	87	46	101	0
336-CAPE GIRARDEAU, MO. (1)........								
337-CASS, MO.......................	86	83	85	81	85	26	87	80
338-CLAY, MO.......................	90	98	91	93	97	28	132	42
339-FRANKLIN, MO...................	85	82	83	75	95	7	88	178
340-GREENE, MO.....................	92	96	89	88	91	27	98	137
341-JACKSON, MO....................	90	98	91	92	90	90	97	107
342-JASPER, MO.....................	90	95	90	89	106	35	96	66
343-JEFFERSON, MO..................	88	89	87	85	100	7	91	51
344-PLATTE, MO. (1)................								
345-PULASKI, MO. (1)...............								
346-ST. CHARLES, MO................	91	94	90	91	104	36	85	135
347-ST. LOUIS, MO..................	90	94	90	90	108	29	80	70
348-ST. LOUIS CITY, MO.............	93	108	94	98	99	119	82	86
349-CASCADE, MONT..................	97	112	98	101	111	36	114	117
350-MISSOULA, MONT.................	99	132	99	103	130	32	91	0
351-YELLOWSTONE, MONT..............	87	94	85	78	80	17	114	138
352-DAKOTA, NEB....................	86	97	84	83	97	50	51	94
353-DOUGLAS, NEB...................	85	100	87	88	95	27	97	110
354-LANCASTER, NEB.................	87	105	88	89	110	35	85	55
355-SARPY, NEB.....................	60	57	57	45	48	12	60	90
356-CLARK, NEV.....................	76	84	77	77	72	99	76	86
357-WASHOE, NEV....................	82	96	80	82	85	83	78	0
358-GRAFTON, N.H...................	89	114	87	89	92	75	74	42
359-HILLSBOROUGH, N.H..............	76	89	78	73	71	51	84	139
360-MERRIMACK, N.H. (1)............								

See footnotes at end of table.

Table G-12 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
			State and local governments	Local governments only				
	State and local government	Local governments only		All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
361-ROCKINGHAM, N.H. (1)								
362-STRAFFORD, N.H.	87	111	86	87	82	61	109	128
363-ATLANTIC, N.J.	107	146	109	121	118	190	105	54
364-BERGEN, N.J.	90	107	84	79	78	86	81	89
365-BURLINGTON, N.J.	94	123	96	98	89	102	139	89
366-CAMDEN, N.J.	105	140	110	122	102	81	198	199
367-CAPE MAY, N.J.	102	122	89	87	77	164	116	156
368-CUMBERLAND, N.J.	88	109	95	95	97	57	107	116
369-ESSEX, N.J.	93	116	98	101	114	77	65	36
370-GLOUCESTER, N.J.	91	108	90	87	85	102	98	83
371-HUDSON, N.J.	97	128	108	119	135	97	80	130
372-HUNTERDON, N.J.	99	123	92	91	94	72	77	533
373-MERCER, N.J.	94	123	98	100	100	108	95	148
374-MIDDLESEX, N.J.	91	112	92	91	86	141	96	62
375-MONMOUTH, N.J.	103	132	96	98	97	115	98	80
376-MORRIS, N.J.	98	122	91	89	90	79	89	103
377-OCEAN, N.J.	99	116	85	80	75	174	89	101
378-PASSAIC, N.J.	88	108	89	86	88	65	90	76
379-SALEM, N.J.	90	113	99	103	97	158	96	51
380-SOMERSET, N.J.	97	121	91	89	88	87	98	177
381-SUSSEX, N.J.	111	143	98	100	102	127	80	166
382-UNION, N.J.	85	101	84	79	79	81	82	68
383-WARREN, N.J.	89	110	88	84	79	64	134	228
384-BERNALILLO, N.M.	99	80	100	110	146	97	91	2
385-CHAVES, N.M.	96	73	98	105	111	77	107	213
386-DONA ANA, N.M.	99	81	101	115	126	60	131	116
387-LEA, N.M.	90	46	86	64	41	43	101	224
388-SANTA FE, N.M.	101	78	98	106	128	123	74	0
389-ALBANY, N.Y.	108	92	106	86	108	10	147	46
390-BROOME, N.Y.	124	126	126	126	128	97	163	56
391-CATTARAUGUS, N.Y.	114	108	117	108	150	5	129	82
392-CAYUGA, N.Y.	128	137	130	135	178	52	127	120
393-CHAUTAUQUA, N.Y.	109	99	111	99	121	5	136	113
394-CHEMUNG, N.Y.	113	105	113	100	103	88	105	130
395-CLINTON, N.Y.	109	102	115	104	142	35	95	109
396-COLUMBIA, N.Y. (1)								
397-DUTCHESS, N.Y.	110	96	108	92	115	13	114	59
398-ERIE, N.Y.	119	114	118	112	124	80	107	86
399-FULTON, N.Y.	121	126	123	120	176	17	108	117
400-GENESEE, N.Y.	113	108	114	102	100	99	111	124

See footnotes at end of table.

Table G-12 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
			State and local governments	Local governments only				
	State and local government	Local governments only		All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
401-HERKIMER, N.Y.	119	116	121	116	152	6	164	47
402-JEFFERSON, N.Y.	125	137	129	133	143	113	145	39
403-LIVINGSTON, N.Y.	113	109	116	106	147	5	109	39
404-MADISON, N.Y.	115	115	120	116	141	7	165	118
405-MONROE, N.Y.	118	111	117	108	105	111	113	133
406-MONTGOMERY, N.Y.	117	114	118	110	162	4	121	37
407-NASSAU, N.Y.	124	129	127	128	167	9	107	64
408-NEW YORK, N.Y.	133	131	131	136	112	222	128	216
409-NIAGARA, N.Y.	115	107	115	107	115	42	147	100
410-ONEIDA, N.Y.	108	93	108	91	113	7	132	157
411-ONONDAGA, N.Y.	113	102	112	98	118	22	133	85
412-ONTARIO, N.Y.	111	106	112	97	133	6	124	86
413-ORANGE, N.Y.	110	100	110	96	124	9	116	29
414-ORLEANS, N.Y.	117	119	120	113	176	6	115	17
415-OSWEGO, N.Y.	121	128	126	127	182	7	126	48
416-OTSEGO, N.Y. (1)								
417-RENSSELAER, N.Y. (1)								
418-ROCKLAND, N.Y.	113	110	116	109	127	15	122	50
419-ST. LAWRENCE, N.Y.	111	105	113	102	125	6	161	33
420-SARATOGA, N.Y.	96	81	98	79	90	17	95	33
421-SCHENECTADY, N.Y.	123	119	120	114	160	11	112	51
422-STEUBEN, N.Y.	96	73	96	71	84	5	126	63
423-SUFFOLK, N.Y.	123	131	127	128	160	13	126	141
424-SULLIVAN, N.Y.	111	114	113	102	140	3	137	92
425-TIOGA, N.Y.	120	116	120	114	153	5	137	96
426-TOMPKINS, N.Y.	117	115	121	116	138	6	180	64
427-ULSTER, N.Y.	119	120	120	114	154	6	128	28
428-WARREN, N.Y. (1)								
429-WASHINGTON, N.Y. (1)								
430-WAYNE, N.Y.	110	105	111	96	142	3	103	90
431-WESTCHESTER, N.Y.	122	123	123	121	157	12	114	35
432-ALAMANCE, N.C.	105	79	102	113	119	49	112	202
433-BRUNSWICK, N.C.	86	53	89	74	102	9	50	0
434-BUNCOMBE, N.C.	93	61	94	88	103	77	88	7
435-BURKE, N.C.	84	50	87	71	73	41	93	49
436-CABARRUS, N.C.	87	45	87	65	67	12	113	26
437-CALDWELL, N.C. (1)								
438-CATAWBA, N.C.	96	62	95	90	94	49	108	99
439-CLEVELAND, N.C.	96	68	97	96	104	15	97	109
440-CRAVEN, N.C.	95	63	93	81	114	39	70	64

See footnotes at end of table.

Table G-12 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
			State and local governments	Local governments only				
	State and local government	Local governments only		All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
441-CUMBERLAND, N.C.	97	73	97	96	92	69	99	118
442-DAVIDSON, N.C.	94	65	94	89	94	6	109	110
443-DURHAM, N.C.	95	72	99	101	116	48	100	41
444-EDGECOMBE, N.C.	100	70	96	95	92	93	94	111
445-FORSYTH, N.C.	96	71	97	96	90	58	110	120
446-GASTON, N.C.	100	65	95	91	106	14	83	104
447-GUILFORD, N.C.	103	79	102	110	128	47	100	120
448-HALIFAX, N.C.	98	71	98	98	114	80	81	80
449-IREDELL, N.C.	95	63	95	91	91	44	83	129
450-JOHNSTON, N.C.	99	80	98	100	98	37	114	107
451-LENOIR, N.C.	94	68	94	90	93	56	79	120
452-MECKLENBURG, N.C.	105	80	103	114	128	59	113	128
453-NASH, N.C.	106	95	105	118	163	115	82	103
454-NEW HANOVER, N.C.	102	79	102	110	123	90	89	242
455-ONSLOW, N.C.	96	45	91	69	92	25	86	64
456-ORANGE, N.C.	89	59	95	91	90	114	82	565
457-PITT, N.C.	85	60	88	74	98	45	70	55
458-RANDOLPH, N.C.	88	50	89	74	73	36	89	71
459-ROBESON, N.C.	87	58	91	81	75	19	91	139
460-ROCKINGHAM, N.C.	95	69	97	97	111	39	88	123
461-ROWAN, N.C.	92	62	94	89	79	87	104	186
462-SAMPSON, N.C. (1)								
463-SURRY, N.C.	95	65	94	88	88	42	102	94
464-UNION, N.C.	89	66	93	88	69	52	114	117
465-WAKE, N.C.	96	70	98	101	108	60	86	283
466-WAYNE, N.C.	98	78	98	100	100	64	103	134
467-WILKES, N.C. (1)								
468-WILSON, N.C.	89	62	90	78	89	78	67	74
469-YADKIN, N.C.	84	64	93	87	59	8	151	0
470-CASS, N.D.	96	100	97	101	102	107	97	80
471-GRAND FORKS, N.D.	103	110	98	104	102	59	113	114
472-WARD, N.D.	97	100	96	101	98	58	105	195
473-ALLEN, OHIO	80	84	81	76	68	56	103	157
474-ASHTABULA, OHIO	87	94	85	84	89	70	74	46
475-ATHENS, OHIO (1)								
476-BELMONT, OHIO	80	82	79	74	78	20	86	53
477-BUTLER, OHIO	89	102	91	94	86	113	99	150
478-CLARK, OHIO	86	94	86	85	79	104	89	115
479-CLERMONT, OHIO	85	87	84	82	90	18	87	27
480-COLUMBIANA, OHIO	85	91	84	82	86	50	87	74

See footnotes at end of table.

Table G-12 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
				Local governments only				
	State and local government	Local governments only	State and local governments	All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
481-CRAWFORD, OHIO (1)								
482-CUYAHOGA, OHIO	86	96	86	85	101	19	76	68
483-DARKE, OHIO	92	84	81	76	82	15	83	70
484-DELAWARE, OHIO	87	96	86	86	93	15	98	85
485-ERIE, OHIO	83	89	83	80	86	18	90	92
486-FAIRFIELD, OHIO	81	84	82	78	75	52	99	69
487-FRANKLIN, OHIO	85	94	86	85	82	114	80	99
488-GEAUGA, OHIO	88	94	88	88	100	10	74	96
489-GREENE, OHIO	97	111	95	100	110	13	109	91
490-HAMILTON, OHIO	90	104	89	91	87	112	91	103
491-HANCOCK, OHIO	69	66	70	59	59	12	78	147
492-HURON, OHIO (1)	102	133	100	116	167	16	91	110
493-JEFFERSON, OHIO	75	75	75	67	70	46	62	125
494-LAKE, OHIO	91	99	88	89	95	27	93	52
495-LAWRENCE, OHIO	83	86	80	75	65	49	100	60
496-LICKING, OHIO	85	93	85	83	88	51	84	65
497-LORAIN, OHIO	89	102	90	93	107	14	82	119
498-LUCAS, OHIO	85	94	85	84	69	125	107	91
499-MAHONING, OHIO	82	88	83	80	84	100	67	9
500-MARION, OHIO	87	98	86	85	78	69	109	29
501-MEDINA, OHIO	96	108	95	100	111	42	91	97
502-MIAMI, OHIO	80	85	82	78	80	17	95	114
503-MONTGOMERY, OHIO	87	101	89	91	94	98	84	54
504-MUSKINGUM, OHIO	86	93	85	84	82	92	84	146
505-PICKAWAY, OHIO	87	94	84	83	88	13	90	185
506-PORTAGE, OHIO	100	119	97	106	109	87	104	91
507-PREBLE, OHIO	87	89	83	80	85	30	81	76
508-PUTNAM, OHIO	75	74	73	64	60	67	84	83
509-RICHLAND, OHIO	85	96	87	88	92	60	87	151
510-ROSS, OHIO	81	85	81	77	76	73	75	206
511-SANDUSKY, OHIO	88	98	88	89	92	73	89	82
512-SCIOTO, OHIO	89	95	86	86	92	44	82	182
513-SENECA, OHIO	84	94	85	83	79	102	85	91
514-STARK, OHIO	91	88	82	79	74	91	88	142
515-SUMMIT, OHIO	89	102	90	92	93	99	88	93
516-TRUMBULL, OHIO	85	94	85	84	87	71	81	80
517-TUSCARAWAS, OHIO	87	97	88	89	89	12	121	117
518-VAN WERT, OHIO	84	90	83	79	85	56	69	133
519-WARREN, OHIO	93	100	90	93	92	58	102	112
520-WASHINGTON, OHIO	82	85	82	79	78	58	87	126

See footnotes at end of table.

Table G-12 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
				Local governments only				
	State and local government	Local governments only	State and local governments	All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
521-WAYNE, OHIO....................	92	106	91	93	92	28	107	192
522-WOOD, OHIO.....................	81	82	80	74	79	46	69	88
523-CANADIAN, OKLA.................	76	58	79	69	64	49	92	44
524-CLEVELAND, OKLA................	104	111	100	115	124	149	105	95
525-COMANCHE, OKLA.................	89	75	88	90	94	15	104	113
526-CREEK, OKLA....................	90	78	87	86	97	35	78	80
527-GARFIELD, OKLA.................	80	65	83	77	73	131	75	64
528-LE FLORE, OKLA.................	90	75	85	78	122	34	56	30
529-MUSKOGEE, OKLA.................	100	104	94	101	112	127	91	99
530-OKLAHOMA, OKLA.................	93	88	95	107	107	150	98	87
531-OSAGE, OKLA....................	77	53	76	61	65	21	60	62
532-SEQUOYAH, OKLA. (1)............								
533-TULSA, OKLA....................	88	76	89	91	91	55	92	132
534-CLACKAMAS, ORE.................	103	99	102	102	106	88	96	46
535-COOS, ORE......................	95	84	89	79	73	77	97	115
536-DOUGLAS, ORE...................	105	103	100	98	98	50	104	61
537-JACKSON, ORE...................	102	105	104	108	102	79	127	133
538-LANE, ORE......................	103	102	104	106	103	61	105	155
539-LINN, ORE......................	99	93	95	89	91	80	87	0
540-MARION, ORE....................	102	103	103	106	101	77	120	156
541-MULTNOMAH, ORE.................	100	95	101	101	102	153	93	132
542-POLK, ORE......................	97	81	90	80	78	53	99	40
543-WASHINGTON, ORE................	99	96	100	99	103	63	101	43
544-ADAMS, PA......................	101	103	99	99	82	101	140	297
545-ALLEGHENY, PA..................	100	100	101	102	110	85	98	105
546-ARMSTRONG, PA..................	91	83	91	82	71	110	90	38
547-BEAVER, PA.....................	90	81	92	85	79	69	121	113
548-BERKS, PA......................	96	90	95	92	98	55	111	99
549-BLAIR, PA......................	91	80	91	82	74	82	113	114
550-BRADFORD, PA...................	95	90	94	89	83	92	110	46
551-BUCKS, PA......................	104	105	101	103	103	63	134	104
552-BUTLER, PA.....................	92	82	92	85	75	81	123	138
553-CAMBRIA, PA....................	94	89	97	95	91	82	116	112
554-CARBON, PA.....................	97	95	97	96	85	104	113	144
555-CENTRE, PA.....................	95	90	93	86	66	122	107	80
556-CHESTER, PA....................	92	85	90	82	85	53	103	144
557-CLEARFIELD, PA.................	93	86	93	87	80	69	124	120
558-COLUMBIA, PA...................	94	84	93	85	71	101	113	60
559-CRAWFORD, PA...................	98	90	96	92	89	86	111	25
560-CUMBERLAND, PA.................	105	106	99	100	74	145	154	191

See footnotes at end of table.

Table G-12 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
			State and local governments	Local governments only				
	State and local government	Local governments only		All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
561-DAUPHIN, PA.	96	90	95	90	81	80	119	167
562-DELAWARE, PA.	92	85	92	85	95	33	95	215
563-ERIE, PA.	100	98	99	99	108	75	101	83
564-FAYETTE, PA. (1)								
565-FRANKLIN, PA.	92	82	90	81	84	45	115	69
566-INDIANA, PA.	95	90	95	90	95	62	104	68
567-LACKAWANNA, PA.	93	84	92	83	88	75	77	35
568-LANCASTER, PA.	93	82	91	81	72	73	130	103
569-LAWRENCE, PA.	97	93	97	94	95	75	107	167
570-LEBANON, PA.	89	74	87	74	71	36	116	165
571-LEHIGH, PA.	96	86	94	87	79	98	101	78
572-LUZERNE, PA.	90	78	90	79	91	44	82	81
573-LYCOMING, PA.	100	98	97	95	70	122	129	246
574-MCKEAN, PA.	87	79	91	84	77	71	122	134
575-MERCER, PA.	94	86	93	87	78	82	129	162
576-MONTGOMERY, PA.	92	83	91	83	92	35	97	131
577-NORTHAMPTON, PA.	97	95	99	99	93	92	121	139
578-NORTHUMBERLAND, PA.	96	92	98	96	94	85	113	121
579-PERRY, PA. (1)								
580-PHILADELPHIA, PA.	107	115	108	118	121	166	77	47
581-SCHUYLKILL, PA. (1)								
582-SOMERSET, PA.	100	100	98	98	86	126	106	129
583-SUSQUEHANNA, PA.	95	90	91	84	87	53	100	0
584-VENANGO, PA.	91	84	94	88	84	78	110	88
585-WASHINGTON, PA.	98	98	99	99	103	85	103	84
586-WESTMORELAND, PA.	95	89	95	90	93	89	114	111
587-YORK, PA.	94	83	92	84	78	72	124	93
588-BRISTOL, R.I.	103	115	103	106	116	19	71	0
589-KENT, R.I.	100	103	98	96	103	14	102	117
590-NEWPORT, R.I.	97	107	102	105	112	27	138	43
591-PROVIDENCE, R.I.	99	101	99	98	113	10	94	99
592-WASHINGTON, R.I.	100	111	102	106	107	21	128	267
593-AIKEN, S.C.	91	57	91	76	65	43	110	29
594-ANDERSON, S.C.	94	61	98	92	111	25	104	33
595-BERKELEY, S.C.	85	46	91	71	80	29	62	178
596-CHARLESTON, S.C.	100	77	102	108	131	34	92	185
597-DARLINGTON, S.C.	86	58	91	73	113	12	60	136
598-FLORENCE, S.C.	98	69	99	97	104	44	97	180
599-GREENVILLE, S.C.	102	76	102	107	134	38	80	159
600-GREENWOOD, S.C. (1)								

See footnotes at end of table.

Table G-12 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
				Local governments only				
	State and local government	Local governments only	State and local governments	All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
601-HORRY, S.C.	94	44	93	77	76	37	90	25
602-LAURENS, S.C. (1)								
603-LEXINGTON, S.C.	103	80	105	118	124	50	126	107
604-ORANGEBURG, S.C.	101	80	97	92	93	53	117	62
605-PICKENS, S.C.	107	78	99	98	124	30	98	68
606-RICHLAND, S.C.	94	68	99	96	102	27	105	338
607-SPARTANBURG, S.C.	110	93	105	117	145	51	116	42
608-SUMTER, S.C.	100	69	99	96	118	50	81	122
609-YORK, S.C.	115	107	107	118	149	29	118	98
610-MINNEHAHA, S.D.	98	112	97	90	93	52	100	115
611-PENNINGTON, S.D. (1)								
612-ANDERSON, TENN.	68	48	72	56	46	42	74	116
613-BLOUNT, TENN.	74	52	76	61	60	40	73	77
614-DAVIDSON, TENN.	91	85	92	94	103	112	75	95
615-GIBSON, TENN. (1)								
616-HAMILTON, TENN.	90	82	91	93	100	106	93	60
617-KNOX, TENN.	96	92	97	105	110	118	90	104
618-MADISON, TENN.	95	90	90	91	67	91	109	93
619-MONTGOMERY, TENN.	94	89	91	93	64	91	110	144
620-RUTHERFORD, TENN.	93	63	82	71	86	30	55	98
621-SHELBY, TENN.	95	93	95	100	104	126	93	87
622-SULLIVAN, TENN.	84	71	86	83	77	109	74	102
623-SUMNER, TENN.	89	80	87	84	62	79	112	147
624-WASHINGTON, TENN.	78	59	79	67	64	47	75	83
625-WILSON, TENN.	84	71	84	78	77	40	84	103
626-ARCHER, TEX.	96	106	90	100	112	80	80	92
627-BELL, TEX.	77	86	81	78	93	33	86	22
628-BEXAR, TEX.	85	101	81	79	96	16	67	85
629-BOWIE, TEX.	64	55	67	51	43	46	90	9
630-BRAZORIA, TEX.	86	94	88	92	110	25	64	72
631-BRAZOS, TEX. (1)								
632-CAMERON, TEX.	99	107	88	92	107	23	85	93
633-COLLIN, TEX.	77	79	77	72	61	79	101	57
634-DALLAS, TEX.	82	95	84	84	90	36	77	130
635-DENTON, TEX.	73	74	71	63	66	48	54	73
636-ECTOR, TEX.	100	124	92	103	127	31	98	29
637-ELLIS, TEX.	79	88	82	80	86	83	94	5
638-EL PASO, TEX.	83	98	85	87	103	46	72	86
639-FORT BEND, TEX.	94	114	97	111	137	97	71	81
640-GALVESTON, TEX.	86	96	82	81	91	54	74	39

See footnotes at end of table.

Table G-12 — RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	With capacity estimated at U.S.—average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular—State proportions of yield from various sources					
				Local governments only				
	State and local government	Local governments only	State and local governments	All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
641-GRAYSON, TEX.	81	92	84	84	83	43	92	98
642-GREGG, TEX.	92	114	92	102	112	42	97	116
643-GUADALUPE, TEX.	83	93	82	80	81	77	76	89
644-HARRIS, TEX.	78	80	77	72	73	35	82	56
645-HIDALGO, TEX.	100	130	98	114	151	66	94	49
646-JEFFERSON, TEX.	80	93	77	74	74	36	82	62
647-JOHNSON, TEX.	82	94	84	84	68	85	114	44
648-JONES, TEX.	76	75	80	77	73	122	74	62
649-KAUFMAN, TEX.	70	65	73	63	58	76	70	71
650-LIBERTY, TEX.	95	112	89	97	117	97	80	53
651-LUBBOCK, TEX.	84	100	86	89	101	23	70	115
652-MCLENNAN, TEX.	79	91	85	86	93	35	88	82
653-MIDLAND, TEX.	89	79	78	69	65	43	92	107
654-MONTGOMERY, TEX.	95	110	93	102	98	172	115	18
655-NUECES, TEX.	92	106	87	90	96	33	92	80
656-ORANGE, TEX.	86	100	87	89	95	50	85	94
657-POTTER, TEX.	100	138	101	119	143	32	107	175
658-RANDALL, TEX.	54	35	56	35	28	46	82	0
659-SAN PATRICIO, TEX.	80	84	80	78	90	55	78	19
660-SMITH, TEX.	80	84	80	77	75	40	99	46
661-TARRANT, TEX.	82	96	85	86	88	31	96	96
662-TAYLOR, TEX.	83	92	83	82	89	33	100	40
663-TOM GREEN, TEX.	79	96	83	82	85	55	69	135
664-TRAVIS, TEX.	97	123	90	94	100	23	80	114
665-VICTORIA, TEX. (1)								
666-WEBB, TEX.	78	83	82	80	89	42	75	95
667-WICHITA, TEX.	92	114	91	101	110	37	112	56
668-DAVIS, UTAH	102	77	103	95	96	69	91	136
669-SALT LAKE, UTAH	107	91	107	104	112	67	102	87
670-UTAH, UTAH	105	85	106	101	97	94	124	88
671-WEBER, UTAH	108	87	107	103	105	57	120	164
672-CHITTENDEN, VT. (1)								
673-ALEXANDRIA CITY, VA. (2)								
674-AMHERST, VA. (1)								
675-ARLINGTON, VA. (3)	92	79	95	95	117	64	81	42
676-CAMPBELL, VA. (3)	100	93	98	103	112	103	69	167
677-CHESAPEAKE CITY, VA. (3)	116	125	110	129	114	131	144	127
678-CHESTERFIELD, VA.	88	71	92	88	91	60	62	228
679-FALLS CHURCH CITY, VA. (2)								
680-FAIRFAX, VA. (3)	98	94	104	113	139	77	90	55

See footnotes at end of table.

Table G-12 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
			State and local governments	Local governments only				
	State and local government	Local governments only		All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
681-FAIRFAX CITY, VA. (2)...........								
682-HAMPTON CITY, VA. (2)...........								
683-HANOVER, VA.....................	81	44	84	58	63	34	71	0
684-HENRICO, VA. (3)................	94	82	92	88	91	88	80	89
685-LOUDOUN, VA.....................	100	90	90	84	174	23	52	60
686-LYNCHBURG CITY, VA. (2).........								
687-NEWPORT NEWS CITY, VA. (2).....								
688-NORFOLK CITY, VA. (2)...........								
689-PITTSYLVANIA, VA. (1)...........								
690-PORTSMOUTH CITY, VA. (2)........								
691-PRINCE WILLIAM, VA..............	101	96	101	108	145	58	95	64
692-RICHMOND CITY, VA. (2)..........								
693-ROANOKE, VA. (3)................	98	89	96	97	101	97	81	115
694-ROANOKE CITY, VA. (2)...........								
695-VIRGINIA BEACH CITY, VA.........	88	73	91	86	81	127	61	0
696-YORK, VA. (3)...................	99	89	97	100	107	96	92	96
697-BENTON, WASH....................	92	72	100	97	74	69	127	100
698-CLARK, WASH.....................	91	67	96	90	100	68	76	121
699-COWLITZ, WASH...................	95	72	94	87	100	85	83	72
700-GRAYS HARBOR, WASH..............	92	63	93	82	71	126	79	113
701-KING, WASH......................	103	75	104	107	107	116	99	136
702-KITSAP, WASH....................	98	62	96	90	91	69	97	92
703-PIERCE, WASH....................	103	73	102	103	110	131	102	49
704-SNOHOMISH, WASH.................	101	74	103	106	95	118	109	130
705-SPOKANE, WASH...................	102	73	104	108	119	90	107	20
706-THURSTON, WASH..................	102	67	99	94	97	93	87	165
707-WHATCOM, WASH...................	106	73	102	103	104	133	98	64
708-YAKIMA, WASH....................	105	69	100	97	87	64	122	183
709-BROOKE, W.VA....................	97	74	103	109	137	22	90	112
710-CABELL, W.VA....................	103	74	100	101	111	81	95	124
711-FAYETTE, W.VA...................	101	73	101	103	158	12	58	28
712-HANCOCK, W.VA...................	77	46	85	67	75	10	70	229
713-HARRISON, W.VA..................	94	56	94	82	90	44	98	52
714-KANAWHA, W.VA...................	103	79	103	110	118	75	117	156
715-LOGAN, W.VA.....................	92	61	96	87	116	3	84	0
716-MCDOWELL, W.VA..................	105	105	113	144	188	24	142	36
717-MARION, W.VA....................	92	67	92	81	90	47	80	123
718-MARSHALL, W.VA..................	95	73	101	105	130	43	84	183
719-MERCER, W.VA....................	106	76	102	108	134	27	110	25
720-MONONGALIA, W.VA................	102	77	99	98	121	21	95	168

See footnotes at end of table.

Table G-12 – RELATIVE REVENUE EFFORT (ACTUAL REVENUE AS PERCENT OF REVENUE CAPACITY), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	With capacity estimated at U.S.–average rates for various sources		With weighting for estimates of revenue capacity adjusted to reflect particular–State proportions of yield from various sources					
				Local governments only				
	State and local government	Local governments only	State and local governments	All local revenue sources	Local property tax	Local non-property taxes	Changes and miscel. general revenue	Utility surpluses
721-OHIO, W.VA.	112	86	104	114	139	65	117	51
722-RALEIGH, W.VA.	106	80	102	110	140	37	116	49
723-WAYNE, W.VA.	98	90	105	113	139	7	118	53
724-WOOD, W.VA.	99	73	97	93	84	55	114	85
725-BROWN, WIS.	116	94	117	118	116	74	132	90
726-DANE, WIS.	114	95	116	117	111	102	140	73
727-DODGE, WIS.	95	66	92	71	59	115	175	50
728-DOUGLAS, WIS.	111	85	114	110	109	248	109	0
729-EAU CLAIRE, WIS.	108	80	110	100	96	112	117	71
730-FOND DU LAC, WIS.	131	126	133	166	178	98	130	345
731-JEFFERSON, WIS.	122	107	125	139	153	128	113	58
732-KENOSHA, WIS.	121	100	117	120	122	97	121	21
733-LACROSSE, WIS.	109	79	109	99	90	170	120	194
734-MANITOWOC, WIS.	118	97	120	127	121	80	134	181
735-MARATHON, WIS.	108	78	108	97	99	136	95	12
736-MILWAUKEE, WIS.	127	109	126	142	153	117	109	221
737-OUTAGAMIE, WIS. (1)								
738-OZAUKEE, WIS.	105	78	103	91	88	87	101	130
739-RACINE, WIS.	118	93	115	114	113	95	121	95
740-ROCK, WIS. (1)								
741-SHEBOYGAN, WIS. (1)								
742-WALWORTH, WIS. (1)								
743-WASHINGTON, WIS.	118	99	120	128	142	114	97	48
744-WAUKESHA, WIS.	105	80	105	94	89	152	113	95
745-WINNEBAGO, WIS.	110	76	110	99	100	79	105	63
746-WOOD, WIS.	110	82	115	115	128	79	85	98
747-LARAMIE, WY.	87	85	83	80	73	63	99	158

[1] Data not available; see text.

[2] Combined with another area for presentation; see footnote 3.

[3] Includes data for two or more areas. Such combinations are as follows:
- Fulton County, Georgia: includes DeKalb County;
- Arlington County, Virginia: includes Alexandria City;
- Campbell County, Virginia: includes Lynchburg City;
- Chesapeake City, Virginia: includes Norfolk and Portsmouth Cities;
- Fairfax County, Virginia: includes Falls Church and Fairfax Cities;
- Henrico County, Virginia: includes Richmond City;
- Roanoke County, Virginia: includes Roanoke City;
- York County, Virginia: includes Hampton and Newport New Cities.

[4] Because of the unique nature of the District of Columbia, certain items called for by the tabulation are not relevant to it.

Table G-13 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR SELECTED COUNTIES: 1966-67

County	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility sur-pluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility sur-pluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
1-BALDWIN, ALA.	29.9	14.5	21.8	11.9	13.8	8.0	99	57	419	93	61	217
2-CALHOUN, ALA.	33.7	23.2	.8	16.1	23.2	3.1	111	91	15	126	102	84
3-COLBERT, ALA. (1)												
4-CULLMAN, ALA. (1)												
5-DALLAS, ALA.	25.3	22.6	4.7	13.8	32.0	1.6	84	89	89	108	140	45
6-ELMORE, ALA.	46.4	13.4	7.8	9.0	21.0	2.4	154	53	149	70	92	65
7-ETOWAH, ALA.	29.6	30.8	3.1	13.0	21.0	2.5	98	121	60	102	92	67
8-HOUSTON, ALA.	20.5	18.5	8.4	16.2	26.4	10.0	68	73	162	127	116	269
9-JEFFERSON, ALA.	31.3	32.7	2.2	14.9	15.9	3.0	104	129	42	116	70	80
10-LAUDERDALE, ALA.	26.7	11.3	3.7	11.0	31.6	15.7	88	44	72	86	139	425
11-LEE, ALA. (1)												
12-LIMESTONE, ALA. (1)												
13-MADISON, ALA.	31.1	14.6	2.3	11.9	24.8	15.3	103	58	43	93	109	415
14-MARSHALL, ALA.	24.8	16.6	7.4	12.4	22.9	15.8	82	66	143	97	101	428
15-MOBILE, ALA.	30.8	26.7	1.6	15.0	23.5	2.5	102	105	30	117	103	66
16-MONTGOMERY, ALA.	39.6	22.7	.7	16.1	18.3	2.6	131	89	13	126	80	71
17-MORGAN, ALA.	22.7	22.4	8.9	9.9	21.7	14.4	75	89	171	77	95	390
18-RUSSELL, ALA.	27.2	8.4	3.0	7.8	48.0	5.5	90	33	57	61	211	149
19-SHELBY, ALA.	28.4	18.4	4.8	9.5	35.0	3.9	94	73	92	74	154	106
20-TALLADEGA, ALA.	21.2	25.8	3.1	10.4	33.3	6.2	70	102	59	81	146	168
21-TUSCALOOSA, ALA.	30.2	23.9	2.0	13.9	28.5	1.8	100	94	38	108	125	48
22-WALKER, ALA.	33.9	22.4	.8	10.9	28.6	3.3	112	89	16	86	125	89
23-GREATER ANCHORAGE, ALASKA (1)												
24-COCHISE, ARIZ.	17.7	26.1	11.5	14.0	27.1	3.4	59	103	221	110	119	93
25-COCONINO, ARIZ. (1)												
26-MARICOPA, ARIZ.	28.6	19.0	5.1	12.7	24.5	10.0	95	75	98	99	108	271
27-PIMA, ARIZ.	28.5	23.9	1.0	15.9	28.3	2.3	94	95	20	124	124	62
28-PINAL, ARIZ.	5.4	29.8	30.3	8.6	17.8	8.1	18	118	581	67	78	220
29-YUMA, ARIZ.	23.0	17.4	6.7	18.1	33.6	1.3	76	69	129	141	148	34
30-CRAIGHEAD, ARK.	30.7	17.2	11.5	17.0	13.0	10.5	102	68	220	133	57	285
31-CRAWFORD, ARK.	33.6	15.7	14.0	15.1	16.8	4.9	111	62	268	118	74	132
32-CRITTENDEN, ARK.	13.8	18.6	15.2	15.6	25.0	11.8	46	73	292	122	110	320
33-GARLAND, ARK. (1)												
34-JEFFERSON, ARK.	31.6	30.1	9.0	15.7	13.6	.1	105	119	172	122	60	3
35-MILLER, ARK.	41.3	16.9	9.2	13.2	17.5	.0	137	74	177	103	77	0
36-MISSISSIPPI, ARK.	22.5	16.7	14.2	15.0	31.4	.2	75	66	272	117	138	5
37-PULASKI, ARK.	34.8	22.7	1.7	16.7	19.3	4.9	115	90	33	131	85	132
38-SALINE, ARK.	33.4	30.7	9.1	11.9	14.9	.1	110	121	174	93	66	1
39-SEBASTIAN, ARK.	33.5	26.4	2.9	18.3	16.5	2.4	111	104	55	143	73	65
40-UNION, ARK. (1)												

See footnotes at end of table.

Table G-13 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
41-WASHINGTON, ARK.	32.2	19.1	5.4	19.8	20.2	3.2	107	76	104	155	89	88
42-ALAMEDA, CAL.	34.8	22.1	.3	11.1	27.4	4.2	115	87	7	87	120	114
43-BUTTE, CAL.	35.3	15.4	10.9	10.1	24.4	3.8	117	61	210	79	107	103
44-CONTRA COSTA, CAL.	38.1	21.8	2.6	8.6	28.1	.9	126	86	49	67	123	24
45-FRESNO, CAL.	22.2	17.7	14.6	12.0	31.5	2.0	73	70	281	93	138	53
46-HUMBOLDT, CAL.	27.2	23.0	1.5	13.4	31.7	3.1	90	91	29	105	139	83
47-IMPERIAL, CAL. (1)												
48-KERN, CAL.	21.6	25.0	12.0	12.2	27.9	1.3	72	99	230	95	123	34
49-KINGS, CAL.	16.5	16.6	15.4	10.6	39.4	1.4	55	66	295	83	173	39
50-LOS ANGELES, CAL.	34.8	24.4	.4	12.5	21.5	6.4	115	96	8	97	94	172
51-MARIN, CAL.	50.2	11.4	2.6	11.4	21.9	2.5	166	45	50	89	96	69
52-MENDOCINO, CAL.	23.4	17.2	24.5	10.0	20.6	4.2	78	68	471	78	90	114
53-MERCED, CAL.	20.9	9.6	16.4	10.2	42.3	.6	69	38	314	80	186	16
54-MONTEREY, CAL.	35.8	15.1	10.2	13.2	25.4	.2	119	60	196	103	112	6
55-NAPA, CAL.	39.3	16.1	10.8	11.1	20.4	2.3	130	64	207	87	90	63
56-ORANGE, CAL.	41.8	17.6	4.1	10.6	21.3	4.6	138	69	79	83	93	125
57-PLACER, CAL.	31.5	15.3	13.9	10.2	26.5	2.7	104	60	267	79	116	72
58-RIVERSIDE, CAL.	28.1	12.4	17.7	10.3	23.5	8.0	93	49	339	81	103	217
59-SACRAMENTO, CAL.	29.5	15.7	2.8	12.2	32.5	7.1	98	62	54	96	143	193
60-SAN BERNARDINO, CAL.	33.2	19.3	2.7	15.9	26.4	2.5	110	76	52	125	116	67
61-SAN DIEGO, CAL.	32.5	16.3	6.0	12.2	28.4	4.6	108	64	116	95	125	125
62-SAN FRANCISCO, CAL. (1)												
63-SAN JOAQUIN, CAL.	18.4	13.8	9.9	8.5	48.4	1.0	61	54	190	67	212	28
64-SAN LUIS OBISPO, CAL.	27.6	13.8	10.0	13.9	30.9	3.8	91	55	192	108	136	103
65-SAN MATEO, CAL.	41.1	23.7	1.5	9.6	22.5	1.6	136	94	28	75	99	44
66-SANTA BARBARA, CAL.	37.7	17.7	5.3	12.5	23.4	3.5	125	70	102	98	103	94
67-SANTA CLARA, CAL.	35.7	20.2	3.7	11.0	26.5	2.9	118	80	71	86	116	77
68-SANTA CRUZ, CAL.	42.1	13.2	7.2	11.3	24.0	2.2	139	52	139	88	105	60
69-SHASTA, CAL.	21.8	18.3	13.0	11.6	28.9	6.5	72	72	249	90	127	176
70-SOLANO, CAL.	33.5	12.8	5.9	13.6	31.5	2.7	111	51	113	106	138	72
71-SONOMA, CAL.	43.2	14.0	4.1	11.1	25.0	2.7	143	55	78	87	110	72
72-STANISLAUS, CAL.	22.4	16.7	10.6	12.5	33.9	3.8	74	66	204	98	149	103
73-TULARE, CAL.	19.7	11.7	17.3	10.0	39.9	1.3	65	46	333	79	175	36
74-VENTURA, CAL.	35.5	15.7	9.3	10.9	25.5	3.1	118	62	178	85	112	84
75-YOLO, CAL.	30.8	14.0	16.8	13.2	24.4	.8	102	55	322	103	107	22
76-ADAMS, COL.	35.7	19.5	9.0	13.3	18.1	4.5	118	77	173	104	79	121
77-ARAPAHOE, COL.	42.4	12.6	1.1	12.5	27.4	3.9	140	50	22	98	120	106
78-BOULDER, COL.	34.0	18.3	15.3	11.6	17.5	3.4	112	72	295	90	77	91
79-DENVER, COL.	23.7	36.1	.0	16.1	22.0	2.0	78	143	0	126	97	53
80-EL PASO, COL.	28.3	14.1	4.4	14.8	23.2	15.2	94	56	84	115	102	412

See footnotes at end of table.

Table G-13 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility sur-pluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility sur-pluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
81-JEFFERSON, COL....................	45.2	19.0	1.7	13.6	17.0	3.4	150	75	33	106	75	91
82-LARIMER, COL....................	29.0	11.0	13.6	9.5	26.7	9.4	99	44	261*	74	117	253
83-MESA, COL....................	24.0	26.7	7.9	11.3	27.0	3.2	79	105	151	88	119	85
84-PUEBLO, COL....................	31.1	25.1	7.9	12.3	19.3	4.4	103	99	152	96	85	118
85-WELD, COL....................	22.0	12.5	24.9	10.2	29.0	1.4	73	49	478	80	127	38
86-FAIRFIELD, CONN....................	47.7	23.4	1.2	12.5	15.0	.3	158	92	24	98	66	7
87-HARTFORD, CONN....................	35.0	29.3	.3	14.8	18.6	1.9	116	116	6	116	82	51
88-LITCHFIELD, CONN....................	50.4	20.9	2.7	12.1	13.5	.4	167	83	51	95	59	11
89-MIDDLESEX, CONN....................	51.0	22.0	.2	13.1	12.4	1.1	169	87	4	103	55	31
90-NEW HAVEN, CONN....................	39.0	29.4	.3	14.1	16.8	1.4	126	116	5	110	74	38
91-NEW LONDON, CONN....................	29.2	33.2	.3	14.4	12.4	10.5	97	131	6	112	55	284
92-TOLLAND, CONN. (1)..............												
93-WINDHAM, CONN....................	36.1	31.9	.6	16.9	13.1	1.3	120	126	12	132	57	36
94-KENT, DEL....................	19.4	23.5	5.3	16.8	20.2	14.9	64	93	101	132	89	402
95-NEW CASTLE, DEL....................	34.6	33.3	1.1	12.1	17.6	1.3	114	131	22	95	77	36
96-SUSSEX, DEL....................	36.7	27.6	7.9	11.3	11.2	5.3	121	109	151	88	49	144
97-DISTRICT OF COLUMBIA. (4).......												
98-ALACHUA, FLA....................	33.2	12.7	3.3	13.6	26.7	10.5	110	50	63	106	117	285
99-BAY, FLA....................	32.7	20.3	.2	14.8	30.0	2.0	108	80	4	116	132	54
100-BREVARD, FLA....................	33.7	17.3	6.2	17.5	22.3	3.1	112	68	118	137	98	83
101-BROWARD, FLA....................	43.4	14.5	3.6	13.6	23.3	1.7	144	57	68	107	102	45
102-DADE, FLA....................	33.6	26.7	2.4	13.8	21.8	1.7	111	105	46	108	96	46
103-DUVAL, FLA....................	28.8	23.5	.7	13.9	21.1	12.0	95	93	13	109	93	325
104-ESCAMBIA, FLA....................	33.9	23.4	1.7	14.4	23.6	3.0	112	92	32	113	104	81
105-HILLSBOROUGH, FLA....................	29.9	25.8	1.7	13.4	27.8	1.4	99	102	32	105	122	38
106-LAKE, FLA....................	37.2	12.0	12.4	11.3	16.7	10.3	123	47	238	89	74	279
107-LEE, FLA....................	40.3	16.9	2.8	25.4	13.7	1.0	134	67	54	198	60	27
108-LEON, FLA....................	30.9	11.3	4.7	14.1	27.7	11.4	102	44	91	110	122	308
109-MANATEE, FLA....................	37.5	12.1	2.7	10.5	36.1	1.2	124	48	51	82	158	32
110-MARION, FLA....................	20.1	13.6	9.0	14.0	30.9	12.3	67	54	173	109	136	332
111-MONROE, FLA....................	31.1	11.7	3.9	17.4	17.6	18.2	103	46	75	136	77	493
112-OKALOOSA, FLA....................	39.1	10.6	2.1	14.3	29.2	4.5	130	42	41	112	128	123
113-ORANGE, FLA....................	35.5	19.6	5.1	14.8	16.7	8.4	117	78	97	116	73	226
114-PALM BEACH, FLA....................	42.4	14.9	4.9	12.4	22.7	2.7	140	59	94	97	100	73
115-PINELLAS, FLA....................	42.8	14.5	1.4	12.8	26.1	2.4	142	57	27	100	115	64
116-POLK, FLA....................	30.0	21.9	6.9	14.0	19.0	7.6	101	87	132	109	84	205
117-SANTA ROSA, FLA....................	40.5	13.9	5.2	12.6	25.2	2.6	134	55	99	99	111	70
118-SARASOTA, FLA....................	43.8	13.5	1.3	14.2	26.4	.8	145	53	25	111	116	21
119-SEMINOLE, FLA....................	41.6	13.7	5.0	15.5	22.6	1.6	138	54	96	121	99	43
120-VOLUSIA, FLA. (1)..............												

See footnotes at end of table.

Table G-13 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
121-BIBB, GA.	27.3	24.3	.3	15.6	29.9	2.6	90	96	6	122	131	70
122-CHATHAM, GA.	24.0	30.2	.5	13.2	29.7	2.4	79	119	10	103	131	66
123-CHATTAHOOCHEE, GA. (1)												
124-CLARKE, GA. (1)												
125-CLAYTON, GA.	45.5	12.4	4.4	11.4	22.1	4.2	151	49	85	89	97	114
126-COBB, GA.	31.5	25.0	4.6	11.3	22.4	5.3	104	99	88	88	99	142
127-DE KALB, GA. (2)												
128-DOUGHERTY, GA.	25.0	17.6	1.6	14.9	27.9	12.6	85	69	30	116	122	340
129-FLOYD, GA.	32.0	24.0	.6	12.4	28.1	2.8	106	95	12	97	124	76
130-FULTON, GA. (3)												
131-GLYNN, GA. (1)												
132-GWINNETT, GA.	21.3	15.6	5.0	11.1	34.9	12.1	71	62	96	87	153	327
133-HALL, GA.	27.9	20.3	8.6	12.4	28.1	2.7	92	80	166	97	123	73
134-HOUSTON, GA.	34.1	8.7	.1	12.9	34.1	10.1	113	35	3	101	150	272
135-LOWNDES, GA. (1)												
136-MUSCOGEE, GA.	34.3	20.8	.7	15.2	26.4	2.7	114	82	14	119	116	72
137-RICHMOND, GA.	22.5	21.6	2.4	15.7	36.5	1.3	75	85	47	123	160	34
138-WALKER, GA.	33.1	26.9	1.1	12.5	14.8	11.6	110	106	21	97	65	314
139-WHITFIELD, GA.	12.0	31.6	.6	14.6	23.9	17.3	40	125	12	114	105	466
140-HAWAII, HAWAII	20.2	15.8	12.2	21.9	27.6	2.3	67	62	234	171	121	61
141-HONOLULU, HAWAII	39.2	24.0	1.2	15.9	16.9	2.8	130	95	23	124	74	77
142-ADA, IDAHO	25.6	28.2	8.3	20.7	17.0	.2	85	111	159	162	75	4
143-BONNEVILLE, IDAHO	25.5	21.1	10.7	13.6	17.7	11.4	85	83	205	106	78	308
144-CANYON, IDAHO	24.3	21.0	17.5	15.7	20.2	1.3	80	83	337	123	89	35
145-ADAMS, ILL.	27.1	24.9	14.0	15.7	16.2	2.0	90	98	269	123	71	54
146-BOONE, ILL.	35.2	25.1	12.5	14.7	11.5	.9	116	99	241	115	51	24
147-CHAMPAIGN, ILL.	27.3	13.3	26.2	12.0	19.7	1.4	91.	52	504	94	87	39
148-COOK, ILL.	31.3	31.2	.2	13.1	21.3	2.9	104	123	4	102	94	75
149-DE KALB, ILL.	33.0	19.3	13.3	11.0	22.1	1.3	109	76	255	86	97	36
150-DU PAGE, ILL.	49.3	17.7	.5	11.4	18.9	2.1	163	70	10	89	83	57
151-HENRY, ILL.	25.0	15.6	26.0	10.3	19.4	3.7	83	62	500	81	85	100
152-JACKSON, ILL. (1)												
153-KANE, ILL.	39.3	25.3	2.6	13.3	15.0	4.5	130	100	49	104	66	123
154-KANKAKEE, ILL.	28.9	29.5	8.0	16.5	16.1	1.0	96	116	154	129	71	27
155-KNOX, ILL.	26.6	26.1	11.2	13.1	19.0	4.0	88	103	215	102	83	108
156-LAKE, ILL.	43.5	21.0	3.2	13.2	17.0	2.0	144	83	62	103	75	54
157-LA SALLE, ILL.	26.4	26.1	14.7	12.9	16.7	3.2	88	103	282	101	73	86
158-MCHENRY, ILL.	38.6	23.0	9.9	12.4	14.7	1.5	128	91	190	97	65	39
159-MCLEAN, ILL.	28.9	24.4	11.2	15.2	17.9	2.6	96	96	214	118	79	69
160-MACON, ILL.	23.6	32.9	12.2	13.3	16.2	1.5	79	130	234	104	71	40

See footnotes at end of table.

Table G-13 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –						Property taxation of –					
	Nonfarm residential property	Business property	Farm property	Other local taxes	Charges and miscel. general revenue	Utility surpluses	Nonfarm residential property	Business property	Farm property	Other local taxes	Charges and miscel. general revenue	Utility surpluses
161-MADISON, ILL.	27.1	40.2	4.0	10.9	16.2	1.7	90	159	77	85	71	45
162-PEORIA, ILL.	32.0	30.1	4.9	14.6	17.9	.5	106	119	94	114	78	13
163-ROCK ISLAND, ILL.	32.0	26.6	2.5	12.0	25.1	1.7	106	105	49	94	110	47
164-ST. CLAIR, ILL.	31.4	30.3	3.1	14.0	19.2	2.0	104	119	60	109	84	54
165-SANGAMON, ILL.	29.0	23.3	10.3	12.9	15.6	8.9	96	92	197	101	69	240
166-STEPHENSON, ILL.	29.5	20.1	19.1	12.4	17.7	1.2	98	79	367	97	78	32
167-TAZEWELL, ILL.	32.0	30.8	6.1	13.3	14.9	2.3	108	122	117	104	66	62
168-VERMILION, ILL.	26.0	28.5	14.3	13.5	16.7	1.0	86	113	274	105	73	27
169-WHITESIDE, ILL.	25.7	22.8	10.1	12.2	26.2	3.0	85	90	194	96	115	81
170-WILL, ILL.	25.1	36.2	11.8	11.1	14.4	1.5	83	143	226	86	63	40
171-WINNEBAGO, ILL.	33.2	31.8	1.9	14.4	17.5	1.2	110	126	37	112	77	31
172-WOODFORD, ILL.	33.7	9.3	28.1	11.5	15.5	1.9	112	37	539	90	68	52
173-ALLEN, IND.	26.4	30.6	3.6	16.9	15.6	6.9	88	121	68	132	69	185
174-BARTHOLOMEW, IND.	23.2	26.7	10.5	13.5	25.3	.8	77	105	201	106	111	21
175-BOONE, IND.	24.4	13.2	18.4	9.7	23.7	10.7	81	52	353	76	104	289
176-CLARK, IND.	25.2	29.7	6.4	12.2	25.9	.7	83	117	123	95	114	18
177-CLAY, IND.	13.1	19.7	12.2	13.8	35.1	6.1	44	78	233	108	154	165
178-DEARBORN, IND.	15.9	27.2	6.2	9.1	29.7	11.9	53	107	119	71	130	321
179-DELAWARE, IND.	26.9	32.9	6.9	15.9	17.3	.2	89	130	132	125	76	5
180-ELKHART, IND.	24.7	35.2	4.7	17.1	16.3	1.9	82	139	90	134	72	51
181-FLOYD, IND.	25.1	23.7	7.7	10.0	33.5	.0	83	93	147	78	147	0
182-GRANT, IND.	25.5	28.7	14.2	14.4	14.1	3.2	84	113	273	113	62	85
183-HAMILTON, IND.	36.8	14.6	15.7	10.0	22.7	.1	122	58	301	78	100	4
184-HANCOCK, IND.	20.3	13.9	22.2	14.5	22.7	6.4	67	55	425	113	100	173
185-HENDRICKS, IND.	41.1	12.1	12.4	8.7	24.6	1.0	136	48	239	68	108	28
186-HENRY, IND. (1)												
187-HOWARD, IND.	23.0	33.4	8.9	14.3	19.4	.1	79	132	171	112	85	2
188-JOHNSON, IND.	36.2	18.2	7.9	11.3	25.0	1.4	120	72	152	88	110	38
189-LAKE, IND.	24.3	45.4	1.7	12.6	14.8	1.2	80	179	33	98	65	32
190-LA PORTE, IND.	31.3	29.1	5.3	15.9	14.6	3.8	104	115	101	124	64	102
191-MADISON, IND.	30.1	24.7	4.0	14.6	13.8	12.8	100	98	77	114	61	346
192-MARION, IND.	25.4	33.8	.4	16.2	18.0	6.2	84	134	7	127	79	167
193-MARSHALL, IND.	14.7	20.7	12.1	14.5	30.2	7.7	49	82	232	113	133	209
194-MONROE, IND.	33.2	22.4	8.0	15.4	16.6	4.3	110	89	154	120	73	117
195-MORGAN, IND.	33.5	14.3	15.8	10.7	24.3	1.4	111	57	304	83	107	38
196-PORTER, IND.	34.2	26.5	6.2	9.6	22.2	1.3	113	105	119	75	98	35
197-ST. JOSEPH, IND.	27.8	30.5	4.5	15.7	17.0	4.4	92	120	87	123	75	119
198-SHELBY, IND.	30.3	19.0	17.6	10.6	22.4	.1	100	75	337	83	98	2
199-SULLIVAN, IND.	13.6	17.1	16.3	12.7	39.8	.6	45	67	313	99	175	16
200-TIPPECANOE, IND.	27.9	31.7	8.7	15.7	14.3	1.7	92	125	167	123	63	46

See footnotes at end of table.

Table G-13 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
201-VANDERBURGH, IND.	27.2	35.1	.7	17.1	17.9	2.0	90	139	13	134	79	55
202-VERMILLION, IND.	19.4	18.2	13.7	15.0	31.6	2.1	64	72	263	117	139	56
203-VIGO, IND.	24.2	34.1	5.0	16.2	20.3	.2	80	134	96	127	89	6
204-WARRICK, IND.	25.7	36.4	9.1	10.5	17.4	.9	85	144	175	82	76	25
205-WAYNE, IND.	26.8	22.7	5.2	13.4	13.1	12.8	89	113	100	105	58	347
206-BLACK HAWK, IOWA	27.0	29.9	6.8	13.4	18.5	4.4	89	118	130	104	81	118
207-CLINTON, IOWA	24.2	17.9	11.9	10.3	35.4	.3	80	71	228	81	155	9
208-DUBUQUE, IOWA	30.5	27.0	13.7	13.1	13.9	1.8	101	107	262	102	61	49
209-JOHNSON, IOWA	35.9	14.7	15.0	13.2	19.3	1.8	119	58	287	103	85	50
210-LINN, IOWA	31.8	30.5	5.6	15.6	14.8	1.8	105	120	107	122	65	48
211-POLK, IOWA	30.0	28.2	2.0	15.2	22.4	2.3	99	111	38	119	98	62
212-POTTAWATTAMIE, IOWA	23.5	23.4	19.1	13.0	17.8	3.1	78	92	367	102	78	85
213-SCOTT, IOWA	29.5	33.4	7.2	14.3	15.4	.3	98	132	138	111	67	8
214-STORY, IOWA (1)												
215-WOODBURY, IOWA	23.4	26.3	15.8	16.4	16.1	2.1	77	104	303	128	70	58
216-BUTLER, KANS.	19.0	39.2	12.3	8.4	17.5	3.7	63	155	236	65	77	100
217-DOUGLAS, KANS. (1)												
218-JOHNSON, KANS.	52.1	16.3	4.1	9.6	15.5	2.3	173	64	80	75	68	63
219-LEAVENWORTH, KANS.	28.0	13.9	8.3	12.8	28.2	8.7	93	55	160	100	124	235
220-RENO, KANS.	23.5	21.9	22.8	12.1	18.6	1.0	78	87	438	94	82	28
221-SEDGWICK, KANS.	27.0	27.9	5.2	16.3	22.3	1.4	89	110	99	128	98	37
222-SHAWNEE, KANS.	27.4	22.3	3.1	12.1	32.4	2.6	91	88	59	94	142	72
223-WYANDOTTE, KANS.	29.1	29.1	.2	13.3	15.9	12.3	97	115	4	104	70	334
224-BOONE, KY.	33.7	22.7	9.6	14.9	18.5	.6	111	90	183	116	81	17
225-BOYD, KY.	26.7	45.0	1.6	12.9	12.3	1.4	88	178	31	101	54	38
226-CAMPBELL, KY.	39.9	20.5	2.4	12.3	23.2	1.6	132	81	46	97	102	45
227-CRITTENDEN, KY. (1)												
228-DAVIESS, KY.	28.4	24.6	3.8	11.5	20.0	11.6	94	97	73	90	88	314
229-FAYETTE, KY.	40.9	25.8	5.3	15.1	12.4	.1	135	102	110	118	54	2
230-HARDIN, KY. (1)												
231-HENDERSON, KY.	27.4	25.1	7.0	9.6	15.8	15.2	91	99	134	75	69	411
232-JEFFERSON, KY.	29.9	29.8	.9	13.9	23.5	2.1	99	118	18	109	103	56
233-KENTON, KY.	43.6	22.9	.9	13.4	16.2	2.8	145	90	17	104	71	76
234-MCCRACKEN, KY.	25.1	29.0	2.6	14.6	16.1	12.7	83	114	50	114	71	343
235-PIKE, KY.	25.1	38.8	5.7	17.4	12.7	.3	83	153	109	136	56	7
236-WARREN, KY.	23.5	16.8	7.1	10.5	32.3	9.8	78	66	135	82	142	266
237-ACADIA, LA. (1)												
238-BOSSIER, LA.	29.4	23.6	5.5	14.5	24.1	2.8	97	93	106	113	106	75
239-CADDO, LA.	25.9	36.0	3.0	14.9	18.1	2.1	86	142	57	117	79	56
240-CALCASIEU, LA.	18.0	43.0	2.4	10.2	26.0	.4	60	170	46	80	114	10

See footnotes at end of table.

Table G-13 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
241-EAST BATON ROUGE, LA............	26.6	38.2	.7	16.3	17.9	.2	88	151	14	128	79	6
242-IBERIA, LA......................	15.6	40.5	7.3	12.6	23.7	.4	52	160	140	98	104	11
243-JEFFERSON, LA...................	31.6	30.6	.6	14.6	20.0	2.6	105	121	12	114	88	71
244-LAFAYETTE, LA...................	20.0	34.8	17.4	9.0	13.9	4.9	66	137	334	70	61	132
245-LAFOURCHE, LA...................	12.1	35.4	12.9	8.8	25.3	5.4	40	140	248	69	111	147
246-ORLEANS, LA.....................	24.0	36.9	.4	14.2	21.9	2.6	79	146	8	111	96	71
247-OUACHITA, LA....................	25.5	27.5	3.0	16.1	22.8	5.1	84	109	57	126	100	139
248-RAPIDES, LA. (1)................												
249-ST. BERNARD, LA.................	37.4	33.6	1.9	8.9	14.9	3.4	124	132	36	70	65	93
250-ST. LANDRY, LA..................	20.7	26.0	8.5	12.0	27.4	5.4	68	103	164	94	120	146
251-ST. MARY, LA....................	13.9	46.1	2.2	7.7	27.3	2.8	46	182	42	60	120	77
252-ST. TAMMANY, LA.................	37.3	15.4	4.4	14.3	28.1	.6	123	61	85	112	123	15
253-TANGIPAHOA, LA..................	28.8	18.1	11.3	17.8	22.0	1.9	95	72	218	139	96	52
254-TERREBONNE, LA..................	17.2	41.4	10.0	8.7	17.9	4.7	57	164	193	68	79	127
255-VERNON, LA. (1).................												
256-ANDROSCOGGIN, MAINE.............	40.5	26.7	.7	18.0	12.2	1.9	134	105	14	141	53	51
257-AROOSTOOK, MAINE (1)............												
258-CUMBERLAND, MAINE...............	39.4	26.8	.6	15.2	15.9	2.0	131	106	12	119	70	54
259-KENNEBEC, MAINE (1).............												
260-PENOBSCOT, MAINE................	37.3	28.6	.4	16.4	15.8	1.5	123	113	8	128	69	40
261-YORK, MAINE (1).................												
262-ALLEGANY, MD....................	20.6	33.2	1.1	13.1	29.6	2.4	68	131	21	103	130	64
263-ANNE ARUNDEL, MD................	46.7	17.3	2.9	13.2	18.5	1.3	155	68	55	104	81	36
264-BALTIMORE, MD...................	38.9	25.9	1.3	10.1	23.7	.0	129	102	25	79	104	0
265-BALTIMORE CITY, MD..............	20.5	37.5	.0	15.5	24.4	2.0	68	148	0	122	107	54
266-CARROLL, MD.....................	50.0	19.2	6.5	12.2	11.6	.5	166	76	124	96	51	15
267-CECIL, MD.......................	40.3	22.9	3.0	15.1	17.7	.9	134	91	58	118	78	24
268-FREDERICK, MD...................	38.3	19.9	6.8	15.2	17.3	2.5	127	78	131	119	76	68
269-HARFORD, MD.....................	43.9	15.9	3.8	17.0	18.3	1.1	145	62	74	133	81	30
270-HOWARD, MD......................	35.0	9.2	3.4	7.7	41.6	3.1	116	36	65	60	182	84
271-MONTGOMERY, MD..................	56.5	14.8	2.2	12.5	13.1	.9	187	59	43	98	57	25
272-PRINCE GEORGES, MD..............	42.4	12.2	2.5	11.3	28.9	2.7	141	48	48	89	127	72
273-WASHINGTON, MD..................	31.6	30.1	1.6	15.3	16.0	5.5	105	119	30	120	70	149
274-WICOMICO, MD....................	32.7	27.6	3.7	18.5	16.0	1.4	108	109	72	145	70	38
275-BARNSTABLE, MASS. (1)...........												
276-BERKSHIRE, MASS. (1)............												
277-BRISTOL, MASS. (1)..............												
278-ESSEX, MASS. (1)................												
279-FRANKLIN, MASS..................	26.4	28.6	1.0	16.1	24.4	3.5	87	113	19	126	107	94
280-HAMPDEN, MASS. (1)..............												

See footnotes at end of table.

Table G-13 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
281-HAMPSHIRE, MASS.	45.2	17.7	4.3	11.8	16.2	4.8	150	70	83	92	71	129
282-MIDDLESEX, MASS.	35.7	25.7	.1	13.9	20.4	4.2	118	101	1	109	90	114
283-NORFOLK, MASS.	37.1	21.7	.2	12.9	22.6	5.4	123	86	4	101	99	146
284-PLYMOUTH, MASS.	32.6	20.2	.7	16.6	23.6	6.3	108	80	14	130	104	170
285-SUFFOLK, MASS.	11.1	34.9	.0	14.8	36.6	2.6	37	138	0	116	161	70
286-WORCESTER, MASS.	27.6	28.9	.5	14.2	25.0	4.0	91	114	10	111	110	107
287-ALLEGAN, MICH.	44.6	18.1	3.2	14.4	17.2	2.6	148	71	61	112	75	71
288-BAY, MICH.	40.1	21.3	2.7	10.5	18.6	6.8	132	84	52	82	82	184
289-BERRIEN, MICH.	24.2	27.4	4.5	14.3	25.5	4.1	80	108	87	112	112	110
290-CALHOUN, MICH.	24.0	31.7	1.6	14.4	25.5	2.8	79	125	32	112	112	75
291-CLINTON, MICH. (1)												
292-EATON, MICH.	49.7	11.4	8.7	8.7	20.4	1.0	165	45	167	68	90	28
293-GENESEE, MICH.	25.2	25.4	.1	13.5	29.4	1.4	84	100	1	145	129	37
294-INGHAM, MICH.	15.6	25.4	1.2	14.0	30.4	13.3	52	100	23	110	134	359
295-JACKSON, MICH.	27.0	32.2	2.1	15.2	22.0	1.6	89	127	40	119	97	44
296-KALAMAZOO, MICH.	33.7	31.2	2.3	13.9	17.9	1.0	111	123	43	109	79	28
297-KENT, MICH.	29.7	27.8	1.4	14.2	24.7	2.2	98	110	27	111	109	59
298-LAPEER, MICH.	20.2	13.3	9.5	9.3	46.8	.9	67	53	182	73	205	24
299-LENAWEE, MICH.	17.7	24.0	20.7	12.2	23.8	1.5	59	95	397	96	105	41
300-MACOMB, MICH.	50.9	19.1	1.3	11.3	15.3	2.1	168	76	25	88	67	57
301-MARQUETTE, MICH.	25.6	36.4	2.3	9.0	18.9	7.7	85	144	45	71	83	209
302-MIDLAND, MICH.	19.9	50.0	1.3	10.6	16.0	2.2	66	198	25	83	70	59
303-MONROE, MICH.	25.4	21.3	21.2	12.1	18.2	1.8	84	84	407	95	80	49
304-MUSKEGON, MICH.	27.4	32.3	.0	12.0	26.4	1.9	91	127	0	94	116	52
305-OAKLAND, MICH.	40.5	20.9	2.3	12.0	21.3	3.0	134	83	44	94	93	80
306-OTTAWA, MICH.	33.4	19.7	1.6	10.4	27.0	7.8	111	78	32	81	119	210
307-SAGINAW, MICH.	21.7	33.8	2.5	13.2	26.2	2.7	72	133	47	103	115	73
308-ST. CLAIR, MICH.	27.7	28.3	5.9	12.4	23.4	2.3	92	112	114	97	103	62
309-SHIAWASSEE, MICH.	40.8	20.4	8.1	12.2	17.3	1.2	135	80	156	96	76	32
310-VAN BUREN, MICH.	23.6	19.6	7.2	10.9	32.4	7.3	78	73	138	85	142	199
311-WASHTENAW, MICH.	31.6	25.1	3.8	14.8	22.3	2.8	103	99	74	116	98	77
312-WAYNE, MICH.	25.4	30.6	.4	13.3	27.6	2.7	84	121	8	104	121	73
313-ANOKA, MINN.	38.3	13.9	2.0	8.3	33.6	3.9	127	55	38	65	148	107
314-BLUE EARTH, MINN. (1)												
315-CLAY, MINN.	21.4	14.5	14.6	10.2	31.3	8.0	71	57	280	80	137	215
316-DAKOTA, MINN.	32.2	26.0	6.7	9.8	24.3	1.0	107	102	129	76	107	28
317-HENNEPIN, MINN.	28.0	31.4	.3	15.6	23.4	1.2	93	124	6	122	103	32
318-OLMSTEAD, MINN.	12.1	26.2	8.7	16.1	27.7	9.3	40	103	166	126	121	252
319-RAMSEY, MINN.	24.5	28.3	.1	13.1	31.9	2.0	81	112	2	102	140	55
320-ST. LOUIS, MINN.	9.7	41.0	1.1	12.8	27.2	8.2	32	162	22	100	119	222

See footnotes at end of table.

Table G-13 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
321-STEARNS, MINN.	20.3	25.9	10.0	15.0	25.4	3.4	67	102	193	117	112	92
322-WASHINGTON, MINN.	36.0	23.9	6.3	10.3	22.1	1.5	119	94	120	80	97	39
323-BOLIVAR, MISS.	27.0	13.5	18.3	11.8	27.7	1.7	89	53	351	92	122	47
324-FORREST, MISS.	34.9	22.0	3.6	15.0	23.0	1.7	115	87	69	118	101	45
325-HARRISON, MISS.	36.4	17.0	2.1	20.6	22.5	1.4	121	67	40	161	99	39
326-HINDS, MISS.	32.1	22.5	1.2	15.0	27.2	2.0	106	89	23	117	120	53
327-JACKSON, MISS.	30.5	29.3	1.6	12.9	21.8	3.9	101	116	31	101	96	106
328-JONES, MISS.	25.6	28.3	3.8	13.8	26.5	2.0	85	112	73	108	117	54
329-LAUDERDALE, MISS.	32.1	24.1	3.6	17.0	21.0	2.2	106	95	69	133	92	58
330-LEFLORE, MISS. (1)												
331-LOWNDES, MISS. (1)												
332-RANKIN, MISS.	31.3	15.1	26.2	16.3	10.7	.6	104	59	502	127	47	15
333-WASHINGTON, MISS.	27.1	19.3	13.0	12.0	26.6	3.0	90	72	249	94	117	82
334-BOONE, MO.	28.8	12.0	10.0	13.6	27.2	8.4	96	47	191	106	120	228
335-BUCHANAN, MO.	27.9	33.6	3.6	14.1	20.8	.0	92	133	70	110	91	0
336-CAPE GIRARDEAU, MO. (1)												
337-CASS, MO.	27.5	9.7	26.0	9.0	23.2	4.6	91	38	498	71	102	124
338-CLAY, MO.	33.5	24.3	4.8	13.6	21.5	2.3	111	96	93	106	95	62
339-FRANKLIN, MO.	29.2	23.8	10.4	16.1	18.2	2.3	97	94	200	126	80	63
340-GREENE, MO.	26.5	23.7	6.2	13.7	17.3	12.6	88	93	119	107	76	340
341-JACKSON, MO.	25.9	37.6	.3	14.1	19.0	3.1	86	148	6	110	84	84
342-JASPER, MO.	26.7	26.5	4.7	14.0	24.1	3.9	89	105	91	110	106	106
343-JEFFERSON, MO.	42.3	21.7	7.0	11.9	15.4	1.6	140	86	134	93	68	44
344-PLATTE, MO. (1)												
345-PULASKI, MO. (1)												
346-ST. CHARLES, MO.	37.6	22.6	9.4	12.7	15.2	2.4	125	89	181	99	67	66
347-ST. LOUIS, MO.	47.2	26.0	.5	12.9	12.7	.8	156	103	9	101	56	21
348-ST. LOUIS CITY, MO.	17.2	37.3	.0	14.3	29.0	2.2	57	147	0	112	127	60
349-CASCADE, MONT.	22.2	19.4	15.7	15.9	24.8	2.1	73	77	301	124	109	56
350-MISSOULA, MONT.	11.5	37.7	2.5	22.7	25.7	.0	38	149	47	177	113	0
351-YELLOWSTONE, MONT.	25.1	29.4	7.6	15.1	20.5	2.3	83	116	145	118	90	63
352-DAKOTA, NEB.	18.5	24.6	15.9	12.6	14.2	14.2	61	97	306	98	62	385
353-DOUGLAS, NEB.	28.8	22.5	.7	11.6	18.8	17.7	95	89	14	90	82	478
354-LANCASTER, NEB.	31.5	17.6	6.5	11.2	23.8	9.3	104	70	125	88	105	252
355-SARPY, NEB.	34.9	8.3	28.3	14.6	13.2	.8	116	33	542	114	58	21
356-CLARK, NEV.	33.5	24.6	1.5	13.5	24.4	2.5	111	97	29	106	107	68
357-WASHOE, NEV.	31.8	21.8	1.4	12.1	32.7	.1	105	86	28	95	144	3
358-GRAFTON, N.H.	45.5	19.8	1.9	17.9	13.1	1.8	151	78	36	140	57	48
359-HILLSBOROUGH, N.H.	37.9	26.1	1.3	22.0	11.6	1.1	125	103	26	172	51	29
360-MERRIMACK, N.H. (1)												

See footnotes at end of table.

Table G-13 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility sur-pluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility sur-pluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
361-ROCKINGHAM, N.H. (1)............												
362-STRAFFORD, N.H..................	41.0	20.3	.4	16.1	20.3	2.0	136	80	7	126	89	54
363-ATLANTIC, N.J...................	30.3	26.3	1.5	16.3	24.3	1.3	100	104	30	127	107	34
364-BERGEN, N.J.....................	46.9	24.0	.4	12.5	15.3	1.0	155	95	7	98	67	26
365-BURLINGTON, N.J.................	35.8	24.3	1.0	15.8	21.8	1.4	119	96	18	124	96	37
366-CAMDEN, N.J.....................	28.8	26.0	.1	14.0	27.7	3.2	95	103	2	110	122	87
367-CAPE MAY, N.J...................	49.4	13.8	.2	11.1	23.9	1.7	163	54	3	87	105	45
368-CUMBERLAND, N.J.................	22.6	32.8	2.2	16.5	18.2	7.7	75	130	43	129	80	208
369-ESSEX, N.J......................	27.3	30.3	.1	13.5	26.5	2.3	91	119	2	106	116	63
370-GLOUCESTER, N.J.................	30.8	37.4	1.9	10.8	17.4	1.6	102	148	37	85	76	44
371-HUDSON, N.J.....................	18.2	37.5	.0	14.0	28.5	1.8	60	148	0	109	125	48
372-HUNTERDON, N.J..................	39.9	22.2	5.7	15.6	16.4	.2	132	88	109	122	72	5
373-MERCER, N.J.....................	32.7	27.2	.7	15.4	22.1	1.9	108	107	14	121	97	50
374-MIDDLESEX, N.J..................	31.7	32.3	.8	12.7	20.2	2.3	105	128	15	100	89	63
375-MONMOUTH, N.J...................	44.8	18.2	1.0	13.6	21.3	1.2	148	72	20	106	94	32
376-MORRIS, N.J.....................	44.3	22.2	1.0	12.0	17.7	2.9	147	88	19	94	78	77
377-OCEAN, N.J......................	52.0	13.8	.6	13.7	18.7	1.2	172	54	12	107	82	32
378-PASSAIC, N.J....................	35.6	30.4	.3	14.4	16.0	3.2	118	120	7	113	70	87
379-SALEM, N.J......................	16.7	47.5	1.6	14.3	19.4	.5	55	187	31	112	85	14
380-SOMERSET, N.J...................	43.6	24.2	2.4	14.3	15.0	.4	144	96	46	112	66	11
381-SUSSEX, N.J.....................	48.6	15.0	3.0	11.8	20.4	1.1	161	59	59	92	90	31
382-UNION, N.J......................	37.2	32.9	.1	12.9	16.3	.7	123	130	1	101	72	19
383-WARREN, N.J.....................	39.0	31.0	2.0	12.4	15.6	.1	129	122	38	97	68	2
384-BERNALILLO, N.M.................	28.5	21.6	5.0	18.7	23.0	3.1	94	85	96	147	101	85
385-CHAVES, N.M.....................	24.3	20.9	15.0	15.7	20.9	3.2	81	83	288	123	92	86
386-DONA ANA, N.M...................	19.4	12.1	27.8	13.7	23.4	3.5	64	48	534	107	103	95
387-LEA, N.M........................	17.3	45.0	8.3	9.5	18.3	1.7	57	178	159	74	80	47
388-SANTA FE, N.M...................	32.6	20.7	7.4	16.7	22.7	.0	108	82	141	131	100	0
389-ALBANY, N.Y.....................	32.9	29.6	1.5	14.4	18.9	2.5	109	117	29	113	83	69
390-BROOME, N.Y.....................	31.1	22.9	.9	11.3	31.1	2.7	103	90	17	89	137	73
391-CATTARAUGUS, N.Y................	23.9	26.3	2.1	12.5	31.3	3.9	79	104	40	98	137	104
392-CAYUGA, N.Y.....................	27.9	21.0	3.7	13.1	31.8	2.6	92	83	71	102	140	69
393-CHAUTAUQUA, N.Y.................	28.4	21.1	5.0	11.7	25.8	8.0	94	83	96	91	113	217
394-CHEMUNG, N.Y....................	31.1	29.0	1.1	13.1	23.4	2.3	103	115	21	103	103	61
395-CLINTON, N.Y....................	25.6	19.7	3.6	12.1	28.9	10.2	85	78	68	95	127	275
396-COLUMBIA, N.Y. (1)..............												
397-DUTCHESS, N.Y...................	38.9	26.9	2.3	11.4	19.0	1.5	129	106	45	89	83	41
398-ERIE, N.Y.......................	31.0	29.3	.6	12.9	24.2	2.1	103	115	11	101	106	56
399-FULTON, N.Y.....................	30.6	26.1	.2	14.3	25.9	2.8	101	103	5	112	114	76
400-GENESEE, N.Y....................	31.4	25.5	6.0	12.0	23.0	2.1	104	101	116	94	101	56

See footnotes at end of table.

Table G-13 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
401-HERKIMER, N.Y.	25.3	20.1	3.9	12.2	35.0	3.5	84	80	76	96	154	94
402-JEFFERSON, N.Y.	26.0	23.7	3.2	12.6	31.3	3.2	86	94	62	98	137	87
403-LIVINGSTON, N.Y.	30.1	22.8	7.1	12.7	24.6	2.8	100	90	136	99	108	76
404-MADISON, N.Y.	39.0	12.7	3.9	10.1	31.4	2.9	129	50	75	79	138	77
405-MONROE, N.Y.	34.8	24.6	.6	11.6	25.5	3.0	115	97	12	90	112	81
406-MONTGOMERY, N.Y.	27.7	25.6	3.0	13.6	26.9	3.3	92	101	57	106	118	89
407-NASSAU, N.Y.	47.6	19.3	.0	11.9	20.0	1.3	158	76	0	93	88	34
408-NEW YORK, N.Y.	27.8	29.1	.0	10.0	32.4	1.7	92	111	0	78	142	46
409-NIAGRA, N.Y.	30.2	27.5	2.4	10.0	27.0	2.8	100	109	47	78	119	76
410-ONEIDA, N.Y.	33.0	24.9	1.2	12.6	26.3	2.0	109	98	23	99	116	53
411-ONONDAGA, N.Y.	34.3	28.3	.8	12.8	21.4	2.4	114	112	15	100	94	64
412-ONTARIO, N.Y.	31.6	21.7	8.8	13.2	22.2	2.5	105	86	168	103	98	69
413-ORANGE, N.Y.	40.9	20.8	3.5	12.1	20.7	2.0	135	82	67	94	91	54
414-ORLEANS, N.Y.	26.2	18.8	7.8	13.7	28.4	5.2	87	74	149	107	125	141
415-OSWEGO, N.Y.	25.2	27.2	3.7	12.1	29.2	2.5	84	107	71	95	128	68
416-OTSEGO, N.Y. (1)												
417-RENSSELAER, N.Y. (1)												
418-ROCKLAND, N.Y.	42.7	20.1	1.1	13.9	21.9	.3	141	79	21	109	96	9
419-ST. LAWRENCE, N.Y.	26.6	31.5	3.8	11.0	25.1	1.9	88	124	73	86	110	52
420-SARATOGA, N.Y.	52.2	16.3	2.9	8.2	19.1	1.2	173	64	57	64	84	32
421-SCHENECTADY, N.Y.	31.4	30.0	.1	13.3	23.4	1.8	104	118	2	104	103	50
422-STEUBEN, N.Y.	42.1	26.7	2.0	9.8	16.4	2.9	139	105	39	77	72	79
423-SUFFOLK, N.Y.	47.6	14.6	1.1	13.6	21.5	1.6	158	58	21	107	94	42
424-SULLIVAN, N.Y.	34.3	25.3	5.6	12.8	19.1	2.9	114	100	108	100	84	78
425-TIOGA, N.Y.	28.4	22.4	6.7	12.3	29.6	.6	94	89	129	96	130	16
426-TOMPKINS, N.Y.	31.8	19.7	2.2	10.3	33.6	2.4	105	78	41	80	148	65
427-ULSTER, N.Y.	36.4	24.6	1.9	13.2	22.2	1.7	121	97	36	103	98	45
428-WARREN, N.Y. (1)												
429-WASHINGTON, N.Y. (1)												
430-WAYNE, N.Y.	26.5	23.5	9.3	14.5	23.7	2.5	88	93	178	113	104	68
431-WESTCHESTER, N.Y.	42.0	22.1	.3	11.2	22.6	1.8	139	87	5	88	99	50
432-ALAMANCE, N.C.	30.9	28.8	5.8	14.6	18.0	1.9	102	114	111	114	79	51
433-BRUNSWICK, N.C.	40.4	14.6	9.8	19.2	16.0	.0	134	58	188	150	70	0
434-BUNCOMBE, N.C.	36.2	25.4	5.7	13.7	13.6	5.4	120	100	109	107	60	147
435-BURKE, N.C.	41.0	19.3	9.5	11.9	10.5	7.9	136	76	181	93	46	212
436-CABARRUS, N.C.	30.8	30.9	6.5	14.2	8.5	9.1	102	122	124	111	37	246
437-CALDWELL, N.C. (1)												
438-CATAWBA, N.C.	31.0	33.3	3.4	18.4	11.0	2.9	103	131	65	144	49	80
439-CLEVELAND, N.C.	37.2	26.8	1.8	12.7	10.3	11.2	123	106	35	100	45	301
440-CRAVEN, N.C.	26.5	17.3	4.8	21.5	19.2	10.7	88	68	92	168	84	290

See footnotes at end of table.

Table G-13 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
441-CUMBERLAND, N.C.	31.8	15.2	5.9	16.8	20.1	10.1	105	60	114	131	88	274
442-DAVIDSON, N.C.	34.3	22.1	6.4	16.7	11.6	9.3	114	87	123	126	51	252
443-DURHAM, N.C.	31.6	33.6	1.8	13.8	17.4	1.9	105	133	34	108	77	50
444-EDGECOMBE, N.C.	26.7	29.0	6.8	15.1	15.2	7.3	88	114	130	118	67	196
445-FORSYTH, N.C.	25.3	37.[illegible]	2.8	10.0	23.2	.9	84	149	55	78	102	26
446-GASTON, N.C.	29.2	31.2	2.7	14.8	14.9	7.3	97	123	51	116	65	197
447-GUILFORD, N.C.	29.9	29.2	2.5	15.1	19.8	3.5	99	115	48	118	87	94
448-HALIFAX, N.C.	24.1	25.0	16.0	14.6	17.5	2.8	80	99	307	114	77	75
449-IREDELL, N.C.	36.4	24.4	4.5	14.3	12.3	8.1	121	96	86	112	54	218
450-JOHNSTON, N.C.	27.6	15.7	10.9	13.2	25.6	6.9	91	62	210	103	113	186
451-LENOIR, N.C.	24.6	28.9	5.6	14.0	16.5	10.4	82	114	107	109	72	282
452-MECKLENBURG, N.C.	29.3	34.2	2.8	18.2	14.2	1.3	97	135	54	142	62	34
453-NASH, N.C.	19.7	23.6	5.5	13.2	20.8	17.2	65	93	105	103	91	465
454-NEW HANOVER, N.C.	32.5	28.8	1.9	14.3	21.2	1.2	108	114	37	112	93	32
455-ONSLOW, N.C.	35.7	14.2	4.9	31.4	11.9	2.0	118	56	93	245	52	53
456-ORANGE, N.C.	46.7	12.3	12.6	16.2	12.1	.1	155	49	241	127	53	3
457-PITT, N.C.	23.0	17.6	8.4	14.8	18.2	18.0	76	70	161	116	80	487
458-RANDOLPH, N.C.	32.7	24.1	15.3	14.3	11.4	2.2	108	95	293	112	50	60
459-ROBESON, N.C.	35.4	15.2	15.9	13.3	14.5	5.7	117	60	304	104	63	155
460-ROCKINGHAM, N.C.	30.2	33.3	5.1	12.9	17.5	1.0	100	131	98	101	77	27
461-ROWAN, N.C.	32.7	28.0	7.4	16.9	13.8	1.1	108	111	143	132	61	31
462-SAMPSON, N.C. (1)												
463-SURRY, N.C.	28.8	25.4	5.3	16.8	22.1	1.5	96	100	102	131	97	41
464-UNION, N.C.	33.3	16.3	13.3	10.7	18.4	8.0	110	64	255	84	81	216
465-WAKE, N.C.	34.6	22.9	9.7	13.7	17.8	1.4	115	90	185	107	78	38
466-WAYNE, N.C.	25.3	17.1	12.9	14.0	28.8	1.9	84	67	249	110	127	51
467-WILKES, N.C. (1)												
468-WILSON, N.C.	24.5	25.0	4.4	13.3	13.9	18.9	81	99	85	104	61	511
469-YADKIN, N.C.	44.4	6.6	16.2	12.1	19.9	.9	147	26	311	94	87	23
470-CASS, N.D.	16.5	19.4	12.0	21.4	29.1	1.7	55	76	231	167	128	45
471-GRAND FORKS, N.D.	18.8	17.6	10.3	14.1	36.4	2.8	62	70	198	110	160	77
472-WARD, N.D.	19.5	19.4	7.8	20.9	30.2	2.3	65	76	149	163	133	62
473-ALLEN, OHIO	30.4	30.9	3.1	13.4	20.5	1.7	101	122	60	104	90	46
474-ASHTABULA, OHIO	29.3	32.2	6.1	12.7	19.0	.9	97	127	116	99	83	23
475-ATHENS, OHIO (1)												
476-BELMONT, OHIO	28.2	26.0	6.9	10.9	21.5	6.6	93	103	132	85	94	179
477-BUTLER, OHIO	33.3	28.4	1.5	12.2	17.5	7.2	110	112	28	95	77	194
478-CLARK, OHIO	33.9	24.9	3.8	14.6	21.3	1.5	112	98	72	114	94	41
479-CLERMONT, OHIO	49.4	13.0	5.9	10.7	17.1	3.8	164	52	114	83	75	104
480-COLUMBIANA, OHIO	23.6	25.0	15.2	14.8	17.1	4.3	78	99	291	115	75	117

See footnotes at end of table.

Table G-13 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
481-CRAWFORD, OHIO (1)												
482-CUYAHOGA, OHIO	32.0	30.6	.0	13.3	21.0	3.1	106	121	1	104	92	85
483-DARKE, OHIO	24.6	16.8	25.8	12.5	15.7	4.6	81	66	495	98	69	125
484-DELAWARE, OHIO	34.2	17.6	16.0	12.7	17.1	2.4	113	70	307	99	75	66
485-ERIE, OHIO	33.5	27.9	7.5	12.6	15.7	2.8	111	110	143	99	65	76
486-FAIRFIELD, OHIO	39.7	22.5	2.8	11.2	18.9	4.9	131	89	53	88	83	132
487-FRANKLIN, OHIO	35.6	26.7	.5	13.5	20.6	3.0	118	106	10	106	91	81
488-GEAUGA, OHIO	52.4	16.4	5.6	9.8	15.5	.3	173	65	107	76	68	9
489-GREENE, OHIO	39.6	12.0	4.4	11.1	30.5	2.5	131	47	84	87	134	68
490-HAMILTON, OHIO	27.4	28.5	.0	11.7	30.6	1.8	91	112	0	91	135	48
491-HANCOCK, OHIO	25.9	36.2	11.7	12.2	12.5	1.5	86	143	226	95	55	42
492-HURON, OHIO (1)												
493-JEFFERSON, OHIO	34.4	35.4	1.4	11.1	16.0	1.8	114	140	28	87	70	47
494-LAKE, OHIO	34.7	18.2	7.4	9.2	28.0	2.5	115	72	143	72	123	68
495-LAWRENCE, OHIO	30.2	27.9	1.0	10.8	28.7	1.4	100	110	19	85	126	38
496-LICKING, OHIO	31.2	32.0	4.8	13.0	17.0	2.1	103	126	92	101	75	56
497-LORAIN, OHIO	34.8	27.0	2.5	13.7	18.6	3.4	115	106	48	107	82	91
498-LUCAS, OHIO	30.1	31.9	.8	13.7	21.8	1.8	100	126	15	107	96	49
499-MAHONING, OHIO	30.1	31.5	2.5	14.2	18.5	3.3	100	124	49	111	81	89
500-MARION, OHIO	33.4	29.9	1.0	11.1	24.2	.4	110	118	19	87	106	12
501-MEDINA, OHIO	36.8	16.3	8.6	9.8	22.6	5.9	122	64	165	77	99	159
502-MIAMI, OHIO	33.3	21.4	10.0	11.2	13.6	10.4	110	85	192	88	60	281
503-MONTGOMERY, OHIO	32.8	29.3	.6	14.5	20.1	2.7	108	116	11	114	88	73
504-MUSKINGUM, OHIO	31.3	29.3	6.4	14.5	16.4	1.7	105	116	122	113	72	46
505-PICKAWAY, OHIO	36.0	23.4	6.2	10.2	23.0	1.1	119	92	120	80	101	31
506-PORTAGE, OHIO	32.0	18.0	10.2	12.0	25.9	1.7	106	71	196	94	114	47
507-PREBLE, OHIO	36.6	10.6	21.5	8.8	21.2	1.1	121	42	413	69	93	31
508-PUTNAM, OHIO	19.1	14.2	40.4	11.4	14.2	1.6	60	56	775	89	63	44
509-RICHLAND, OHIO	36.9	27.4	2.5	14.9	15.5	2.9	122	108	48	116	68	77
510-ROSS, OHIO	35.1	29.9	1.9	12.2	19.7	1.1	116	118	37	96	87	31
511-SANDUSKY, OHIO	34.2	23.2	8.7	13.1	17.0	3.8	113	91	168	102	75	103
512-SCIOTO, OHIO	33.9	29.3	.2	13.6	21.0	2.0	112	116	4	107	92	53
513-SENECA, OHIO	21.7	27.5	15.2	20.1	14.3	1.2	72	109	291	157	63	33
514-STARK, OHIO	31.5	35.1	3.4	14.3	14.2	1.5	104	138	64	112	62	40
515-SUMMIT, OHIO	33.5	27.3	.4	13.2	22.8	2.8	111	108	8	103	100	76
516-TRUMBULL, OHIO	27.7	35.6	1.6	13.2	17.4	4.4	92	141	30	103	77	120
517-TUSCARAWAS, OHIO	31.3	29.5	2.7	13.7	18.3	4.4	104	117	53	107	80	120
518-VAN WERT, OHIO	25.3	24.1	15.0	13.5	19.6	2.6	84	95	288	105	86	70
519-WARREN, OHIO	46.4	13.7	5.5	8.5	22.4	3.5	154	54	105	66	99	95
520-WASHINGTON, OHIO	41.3	27.6	.6	14.2	14.9	1.4	137	109	12	111	65	37

See footnotes at end of table.

Table G-13 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
521-WAYNE, OHIO....................	29.6	25.2	6.4	10.6	24.8	3.5	98	100	123	83	109	94
522-WOOD, OHIO....................	21.6	23.2	15.0	16.5	17.9	5.8	72	91	287	129	79	156
523-CANADIAN, OKLA.................	21.4	13.4	39.6	9.3	14.4	1.9	71	53	759	73	63	52
524-CLEVELAND, OKLA................	41.5	10.1	7.0	10.2	28.3	3.0	137	40	133	80	124	80
525-COMANCHE, OKLA.................	35.7	12.6	6.4	20.9	23.2	1.2	118	50	123	163	102	33
526-CREEK, OKLA....................	25.5	27.6	15.3	9.7	19.2	2.8	84	109	293	76	84	74
527-GARFIELD, OKLA.................	27.7	26.2	20.9	10.1	13.1	2.0	92	104	401	79	57	53
528-LE FLORE, OKLA.................	25.0	18.2	11.8	15.5	24.4	5.2	83	72	226	121	107	141
529-MUSKOGEE, OKLA.................	26.4	21.0	4.5	12.8	32.9	2.5	87	83	86	100	145	67
530-OKLAHOMA, OKLA.................	34.8	27.7	1.2	17.2	17.2	2.0	115	109	24	134	76	53
531-OSAGE, OKLA....................	26.9	27.0	17.0	10.1	13.0	6.0	89	107	326	79	57	162
532-SEQUOYAH, OKLA. (1)............												
533-TULSA, OKLA....................	27.6	40.3	1.6	13.7	15.2	1.6	91	159	31	107	67	44
534-CLACKAMAS, ORE.................	46.5	16.9	4.4	10.2	18.4	3.6	154	67	84	80	81	98
535-COOS, ORE......................	21.7	24.6	20.1	10.6	20.0	3.0	72	97	385	83	88	82
536-DOUGLAS, ORE...................	23.8	26.4	15.3	9.8	23.7	1.1	79	104	293	77	104	31
537-JACKSON, ORE...................	34.5	22.1	6.3	10.9	22.3	3.9	114	87	121	85	98	105
538-LANE, ORE......................	30.7	22.3	6.1	11.4	21.7	7.8	102	88	117	89	96	211
539-LINN, ORE......................	26.0	25.4	16.7	11.4	20.1	.5	86	100	320	89	88	12
540-MARION, ORE....................	34.7	17.7	10.4	12.9	22.7	1.5	115	70	201	101	100	42
541-MULTNOMAH, ORE.................	28.0	28.0	.5	13.8	27.8	1.9	93	110	10	108	122	52
542-POLK, ORE......................	35.2	18.2	13.3	9.9	19.5	3.8	116	72	255	78	86	104
543-WASHINGTON, ORE................	38.7	18.5	7.4	11.7	18.6	5.1	128	73	142	91	82	137
544-ADAMS, PA......................	31.2	26.8	7.8	15.5	17.7	1.0	103	106	150	121	78	27
545-ALLEGHENY, PA..................	27.8	33.9	1.6	12.9	21.1	2.7	92	134	30	101	93	73
546-ARMSTRONG, PA..................	37.2	31.6	.5	13.0	17.1	.6	123	125	10	101	75	17
547-BEAVER, PA.....................	27.5	42.0	.4	12.3	15.4	2.4	91	166	8	96	68	64
548-BERKS, PA......................	31.0	32.9	1.7	13.9	18.0	2.5	103	130	33	108	79	69
549-BLAIR, PA......................	33.8	34.8	1.0	13.7	14.9	1.8	112	137	20	107	65	49
550-BRADFORD, PA...................	34.1	27.7	6.5	12.4	17.8	1.4	113	109	125	97	78	39
551-BUCKS, PA......................	38.2	22.4	7.9	12.0	17.7	1.8	126	88	151	94	78	50
552-BUTLER, PA.....................	31.1	37.1	2.6	13.6	14.6	1.0	103	146	51	106	64	26
553-CAMBRIA, PA....................	24.2	41.8	.9	13.4	15.7	4.0	80	165	17	105	69	109
554-CARBON, PA.....................	33.2	31.5	1.7	13.2	15.7	4.7	110	124	33	103	69	126
555-CENTRE, PA.....................	37.4	25.4	2.3	13.3	20.7	.9	124	100	43	104	91	26
556-CHESTER, PA....................	39.0	27.5	6.7	11.7	14.4	.7	129	109	129	92	63	18
557-CLEARFIELD, PA.................	34.0	30.2	2.5	13.8	17.7	1.8	113	119	48	108	78	49
558-COLUMBIA, PA...................	32.9	33.4	3.1	14.5	15.0	1.1	109	132	59	113	66	30
559-CRAWFORD, PA...................	25.8	32.4	3.9	14.3	21.3	2.3	85	128	74	112	94	63
560-CUMBERLAND, PA.................	45.7	22.3	1.6	13.5	16.2	.7	151	88	30	106	71	20

See footnotes at end of table.

Table G-13 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility sur-pluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility sur-pluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
561-DAUPHIN, PA	30.9	33.1	.4	15.0	19.4	1.3	102	130	7	117	85	34
562-DELAWARE, PA	41.0	31.3	.0	13.4	13.6	.7	136	124	0	105	60	18
563-ERIE, PA	29.3	32.8	1.2	14.5	20.1	2.1	97	129	23	113	88	57
564-FAYETTE, PA. (1)												
565-FRANKLIN, PA	28.6	22.9	4.1	14.7	19.1	10.6	95	91	78	115	84	286
566-INDIANA, PA	36.6	26.3	1.8	16.1	18.2	1.0	121	104	35	126	80	27
567-LACKAWANNA, PA	38.3	29.4	.2	15.3	16.3	.4	127	116	4	120	71	12
568-LANCASTER, PA	36.4	28.6	3.6	15.5	13.5	2.4	121	113	69	121	59	66
569-LAWRENCE, PA	35.1	33.1	.4	13.1	16.4	2.0	116	131	7	102	72	55
570-LEBANON, PA	37.2	30.6	2.2	12.5	16.1	1.4	123	121	41	98	71	38
571-LEHIGH, PA	34.4	30.6	1.2	15.4	16.6	1.8	114	121	23	121	73	47
572-LUZERNE, PA	34.6	34.1	.6	15.2	14.8	.7	115	135	11	119	65	19
573-LYCOMING, PA	35.8	27.3	1.7	12.7	21.6	.9	119	108	33	99	95	24
574-MCKEAN, PA	29.9	42.2	1.6	10.5	14.3	1.4	99	167	31	82	63	39
575-MERCER, PA	34.3	35.4	2.4	13.5	13.0	1.5	113	140	45	105	57	41
576-MONTGOMERY, PA	42.2	29.1	.3	13.6	13.8	1.0	140	115	6	106	60	27
577-NORTHAMPTON, PA	29.2	39.5	.3	11.5	17.3	2.3	97	156	5	90	76	62
578-NORTHUMBERLAND, PA	23.5	38.0	1.7	17.2	18.2	1.3	78	150	33	135	80	36
579-PERRY, PA. (1)												
580-PHILADELPHIA, PA	20.4	35.7	.0	14.7	27.3	1.9	68	141	0	115	120	51
581-SCHUYLKILL, PA. (1)												
582-SOMERSET, PA	36.1	22.8	5.1	14.9	19.4	1.8	119	90	97	116	85	48
583-SUSQUEHANNA, PA	47.9	19.8	2.6	12.9	16.8	.0	159	78	50	101	74	0
584-VENANGO, PA	27.8	38.4	.8	13.1	17.2	2.7	92	151	16	103	76	73
585-WASHINGTON, PA	30.1	33.5	2.9	13.8	18.2	1.4	100	132	56	108	80	38
586-WESTMORELAND, PA	33.4	33.5	2.9	12.6	14.7	2.9	111	132	56	99	64	79
587-YORK, PA	32.6	34.7	2.6	15.3	14.0	.7	108	137	49	120	62	20
588-BRISTOL, R.I	51.2	22.3	.6	12.6	13.1	.1	170	88	12	99	58	2
589-KENT, R.I	47.9	20.4	.3	14.9	14.2	2.2	159	81	7	116	62	61
590-NEWPORT, R.I	43.1	15.6	1.2	18.3	17.8	4.0	143	62	24	143	78	108
591-PROVIDENCE, R.I	30.2	32.1	.1	16.4	18.8	2.3	100	127	3	128	83	63
592-WASHINGTON, R.I	45.5	20.0	2.0	17.7	13.6	1.1	151	79	39	139	60	30
593-AIKEN, S.C	21.5	40.4	3.5	12.2	20.0	2.5	71	159	67	95	88	68
594-ANDERSON, S.C	29.7	31.1	6.4	20.4	11.9	1.5	95	123	123	160	52	39
595-BERKELEY, S.C	39.1	18.3	9.0	11.4	21.8	.5	129	72	172	89	96	14
596-CHARLESTON, S.C	26.2	28.3	2.2	19.9	20.8	2.6	87	112	43	155	91	70
597-DARLINGTON, S.C	15.8	31.0	12.3	23.5	16.9	.6	52	122	236	184	74	16
598-FLORENCE, S.C	22.6	34.0	4.4	18.2	19.4	1.3	75	134	85	143	85	35
599-GREENVILLE, S.C	24.1	35.9	1.4	19.6	16.2	2.9	80	141	27	154	71	77
600-GREENWOOD, S.C. (1)												

See footnotes at end of table.

Table G-13 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	Percent of estimated revenue capacity of local governments (cross-total equals 100.0): Property taxation of – Nonfarm residential property	Business property	Farm property	Other local taxes	Charges and miscel. general revenue	Utility surpluses	Ratio of particular–area percentage to U.S. average percentage for the same revenue sources: Property taxation of – Nonfarm residential property	Business property	Farm property	Other local taxes	Charges and miscel. general revenue	Utility surpluses
601-HORRY, S.C.	40.7	15.4	10.1	15.8	17.5	.6	135	61	193	123	77	16
602-LAURENS, S.C. (1)												
603-LEXINGTON, S.C.	26.7	31.5	7.1	15.6	17.5	1.5	89	124	136	122	77	41
604-ORANGEBURG, S.C.	11.7	19.9	14.6	11.4	28.1	14.3	39	78	280	89	123	386
605-PICKENS, S.C.	15.4	36.6	2.4	18.4	16.6	10.7	51	144	47	144	73	289
606-RICHLAND, S.C.	29.3	22.6	4.2	19.1	23.9	.9	97	89	81	149	105	24
607-SPARTANBURG, S.C.	17.4	33.1	1.5	15.7	28.6	3.5	58	131	29	123	126	95
608-SUMTER, S.C.	22.8	26.8	6.8	21.1	20.2	2.4	76	106	130	165	89	64
609-YORK, S.C.	8.7	34.2	.5	14.9	31.3	10.4	29	135	10	116	137	282
610-MINNEHAHA, S.D.	25.1	26.4	9.0	20.3	16.3	2.9	83	104	173	159	72	79
611-PENNINGTON, S.D. (1)												
612-ANDERSON, TENN.	23.6	44.7	.2	10.2	13.5	7.8	78	177	4	80	59	212
613-BLOUNT, TENN.	30.6	31.7	2.4	11.4	8.8	15.1	101	125	46	89	39	409
614-DAVIDSON, TENN.	27.2	23.1	.7	12.8	20.8	15.3	90	91	14	100	91	414
615-GIBSON, TENN. (1)												
616-HAMILTON, TENN.	22.0	25.7	.4	11.6	20.6	19.7	73	101	8	91	91	531
617-KNOX, TENN.	26.2	22.0	3.0	13.7	15.7	19.4	87	87	58	107	69	525
618-MADISON, TENN.	18.7	17.0	6.0	12.6	32.8	12.8	62	67	115	98	144	347
619-MONTGOMERY, TENN.	26.9	15.0	4.2	14.3	27.5	12.1	89	59	81	112	121	326
620-RUTHERFORD, TENN.	30.4	15.1	8.8	14.9	15.0	15.7	101	60	169	117	66	425
621-SHELBY, TENN.	27.8	21.1	.4	11.5	22.6	16.6	92	83	8	90	99	448
622-SULLIVAN, TENN.	28.4	39.5	2.8	12.2	11.2	5.9	94	156	53	96	49	159
623-SUMNER, TENN.	38.3	11.2	11.0	11.0	27.4	1.1	127	44	211	86	120	31
624-WASHINGTON, TENN.	40.0	16.5	.7	11.3	14.1	17.5	132	65	13	89	62	473
625-WILSON, TENN.	25.3	15.3	9.9	11.9	23.1	14.5	84	61	189	93	101	391
626-ARCHER, TEX.	9.6	32.9	24.2	11.8	19.7	1.7	32	130	465	92	87	47
627-BELL, TEX.	25.6	20.7	4.7	20.8	22.3	5.9	85	82	90	163	98	160
628-BEXAR, TEX.	23.9	19.8	1.0	16.5	24.1	14.7	79	78	20	129	106	396
629-BOWIE, TEX.	28.9	28.1	8.2	15.5	14.7	4.6	95	111	158	122	65	124
630-BRAZORIA, TEX.	14.0	29.7	26.7	10.3	17.9	1.4	46	117	512	81	79	37
631-BRAZOS, TEX. (1)												
632-CAMERON, TEX.	18.3	18.3	11.6	14.6	30.6	6.7	60	72	222	114	135	182
633-COLLIN, TEX.	32.7	10.9	19.3	9.1	20.4	7.6	108	43	371	71	90	204
634-DALLAS, TEX.	26.6	35.6	.3	16.1	18.2	3.2	88	140	7	126	80	87
635-DENTON, TEX.	26.1	11.1	12.4	15.2	25.1	10.1	87	44	238	119	110	272
636-ECTOR, TEX.	3.6	50.0	.3	13.0	28.6	4.6	12	197	5	101	125	124
637-ELLIS, TEX.	20.1	23.7	11.9	14.3	23.7	6.4	67	94	228	111	104	172
638-EL PASO, TEX.	24.6	27.3	1.9	17.5	24.5	4.3	82	108	36	137	108	115
639-FORT BEND, TEX.	17.4	22.5	22.8	12.2	23.7	1.4	58	89	437	96	104	38
640-GALVESTON, TEX.	27.4	26.5	3.6	10.0	30.6	2.0	91	105	68	78	134	54

See footnotes at end of table.

Table G-13 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
641-GRAYSON, TEX.	21.7	25.5	10.0	15.4	24.8	2.7	72	101	192	120	109	72
642-GREGG, TEX.	14.4	38.2	2.8	20.1	22.2	2.3	48	151	53	157	98	61
643-GUADALUPE, TEX.	23.4	17.1	13.0	11.3	28.2	7.0	78	67	249	88	124	190
644-HARRIS, TEX.	22.1	39.6	2.9	13.6	20.0	1.7	73	156	56	106	88	46
645-HIDALGO, TEX.	17.3	19.1	11.4	12.7	36.4	3.2	57	75	219	99	160	86
646-JEFFERSON, TEX.	16.6	51.9	2.7	9.7	16.7	2.4	55	205	52	76	73	65
647-JOHNSON, TEX.	22.6	26.4	8.4	12.6	26.8	3.3	75	104	161	98	118	90
648-JONES, TEX.	12.0	19.8	34.9	13.4	16.1	3.7	40	78	671	105	71	100
649-KAUFMAN, TEX.	39.2	12.1	17.3	13.8	14.2	3.4	130	48	332	108	63	93
650-LIBERTY, TEX.	10.4	36.3	9.6	13.5	23.5	6.7	34	143	183	106	103	181
651-LUBBOCK, TEX.	30.7	22.6	4.8	18.2	16.8	6.9	102	89	92	143	74	186
652-MCLENNAN, TEX.	25.5	23.9	11.3	18.4	18.0	2.9	84	94	217	144	79	78
653-MIDLAND, TEX.	3.5	70.5	.1	11.0	13.0	1.9	12	278	3	86	57	50
654-MONTGOMERY, TEX.	17.8	22.7	18.2	13.9	24.5	2.8	59	90	350	109	108	75
655-NUECES, TEX.	19.1	33.0	4.0	12.6	27.0	4.2	63	130	77	99	119	115
656-ORANGE, TEX.	19.3	36.4	5.7	12.7	24.7	1.2	64	144	109	99	108	32
657-POTTER, TEX.	12.9	30.6	2.6	17.0	33.9	2.9	43	121	51	133	149	78
658-RANDALL, TEX.	60.4	9.5	14.5	10.4	5.2	.0	200	37	278	81	23	0
659-SAN PATRICIO, TEX.	24.5	25.0	16.7	11.0	16.6	6.2	81	99	321	86	73	168
660-SMITH, TEX.	21.4	37.7	5.7	15.5	17.5	2.2	71	149	109	122	77	59
661-TARRANT, TEX.	24.7	33.9	1.2	16.1	21.2	2.8	82	134	23	126	93	77
662-TAYLOR, TEX.	24.7	33.4	1.8	17.9	17.9	4.4	82	132	35	140	78	118
663-TOM GREEN, TEX.	24.7	26.0	15.1	14.5	16.5	3.3	82	103	289	113	72	90
664-TRAVIS, TEX.	25.7	14.7	3.3	13.5	26.0	16.8	85	58	63	106	114	455
665-VICTORIA, TEX. (1)												
666-WEBB, TEX.	19.0	19.4	20.7	17.0	21.2	2.8	63	76	398	133	93	76
667-WICHITA, TEX.	21.9	31.2	2.2	16.9	23.2	4.5	73	123	42	132	102	121
668-DAVIS, UTAH	35.6	19.1	6.9	10.3	22.6	5.6	118	75	132	81	99	151
669-SALT LAKE, UTAH	32.4	30.5	4.2	14.1	15.3	3.4	107	120	81	110	67	93
670-UTAH, UTAH	32.3	22.7	6.9	10.9	18.4	8.8	107	90	132	85	81	238
671-WEBER, UTAH	30.6	21.9	7.1	15.8	21.2	3.4	101	86	137	124	93	91
672-CHITTENDEN, VT. (1)												
673-ALEXANDRIA CITY, VA. (2)												
674-AMHERST, VA. (1)												
675-ARLINGTON, VA. (3)	48.7	23.4	.0	14.1	12.4	1.3	161	92	0	111	55	35
676-CAMPBELL, VA. (3)	28.2	36.9	1.5	17.1	14.4	1.9	94	146	29	134	63	50
677-CHESAPEAKE CITY, VA. (3)	31.3	22.5	.5	16.0	27.2	2.4	104	89	11	125	120	66
678-CHESTERFIELD, VA.	41.5	30.3	4.1	10.2	11.4	2.4	137	120	79	80	50	66
679-FALLS CHURCH CITY, VA. (2)												
680-FAIRFAX, VA. (3)	55.9	12.1	3.2	10.6	16.4	1.7	185	48	61	83	72	47

See footnotes at end of table.

Table G-13 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
681-FAIRFAX CITY, VA. (2)...........												
682-HAMPTON CITY, VA. (2)...........												
683-HANOVER, VA.....................	61.2	14.4	7.5	10.6	6.3	.0	203	57	144	83	27	1
684-HENRICO, VA. (3)................	27.2	36.7	1.3	16.2	13.7	4.8	90	145	25	127	60	130
685-LOUDOUN, VA.....................	37.4	17.0	7.0	23.8	14.3	.6	124	67	134	186	63	15
686-LYNCHBURG CITY, VA. (2).........												
687-NEWPORT NEWS CITY, VA. (2)......												
688-NORFOLK CITY, VA. (2)...........												
689-PITTSYLVANIA, VA. (1)...........												
690-PORTSMOUTH CITY, VA. (2)........												
691-PRINCE WILLIAM, VA..............	43.3	12.5	7.9	12.6	19.9	3.9	143	49	151	98	87	104
692-RICHMOND CITY, VA. (2)..........												
693-ROANOKE, VA. (3)................	31.4	31.8	1.6	16.0	16.3	2.7	104	126	32	125	72	74
694-ROANOKE CITY, VA. (2)...........												
695-VIRGINIA BEACH CITY, VA.........	53.5	12.1	2.5	16.1	14.5	1.3	177	48	48	126	64	36
696-YORK, VA. (3)...................	37.5	24.4	1.0	15.4	19.9	1.9	124	96	19	120	87	51
697-BENTON, WASH....................	23.2	18.9	3.2	8.6	24.9	21.2	77	75	61	67	109	573
698-CLARK, WASH.....................	32.1	17.6	2.5	8.1	27.5	12.2	106	70	47	63	121	331
699-COWLITZ, WASH...................	16.5	18.3	4.5	7.4	40.0	13.3	55	72	85	58	176	360
700-GRAYS HARBOR, WASH..............	21.4	18.6	9.7	11.0	26.7	12.6	71	73	185	86	117	341
701-KING, WASH......................	31.6	26.2	1.9	11.9	22.2	6.2	105	103	37	93	97	167
702-KITSAP, WASH....................	44.3	11.8	6.9	14.8	19.1	3.1	147	46	133	115	84	84
703-PIERCE, WASH....................	31.8	18.2	2.1	11.7	25.8	10.4	105	72	40	91	113	282
704-SNOHOMISH, WASH.................	34.3	17.9	3.0	9.9	21.5	13.5	113	70	58	77	95	364
705-SPOKANE, WASH...................	32.3	26.7	2.2	15.0	19.7	4.1	107	105	42	117	87	111
706-THURSTON, WASH..................	35.7	19.1	4.4	13.2	26.5	1.0	118	75	85	103	116	28
707-WHATCOM, WASH...................	34.7	22.8	4.5	12.0	22.5	3.6	115	90	85	94	99	98
708-YAKIMA, WASH....................	32.5	19.2	10.3	14.8	21.8	1.3	108	76	198	115	96	36
709-BROOKE, W.VA....................	30.5	39.6	2.5	11.8	14.0	1.6	101	156	47	92	62	44
710-CABELL, W.VA....................	31.1	36.6	.9	15.8	15.6	.1	103	144	18	124	69	2
711-FAYETTE, W.VA...................	29.7	36.4	1.5	15.6	14.8	1.9	98	144	29	122	65	51
712-HANCOCK, W.VA...................	21.0	51.0	.6	10.1	16.0	1.4	69	201	11	79	70	38
713-HARRISON, W.VA..................	33.3	34.0	1.1	16.1	11.8	3.7	110	134	21	126	52	99
714-KANAWHA, W.VA...................	27.0	40.4	.5	15.7	16.1	.4	89	160	9	122	71	10
715-LOGAN, W.VA.....................	19.2	49.5	2.2	15.1	14.0	.0	64	195	43	118	62	0
716-MCDOWELL, W.VA..................	11.8	54.4	1.1	15.4	16.7	.4	39	215	22	121	74	11
717-MARION, W.VA....................	25.1	33.2	1.0	12.7	25.0	3.1	83	131	18	99	110	85
718-MARSHALL, W.VA..................	26.7	41.2	2.1	13.9	13.7	2.4	88	163	41	109	60	66
719-MERCER, W.VA....................	35.6	31.9	1.3	16.8	14.1	.4	118	126	24	131	62	11
720-MONONGALIA, W.VA................	35.1	26.0	.8	13.7	21.8	2.6	116	103	15	107	96	70

See footnotes at end of table.

Table G-13 – COMPOSITION OF LOCAL GOVERNMENT REVENUE CAPACITY (ESTIMATED AT U.S.–AVERAGE RATES), FOR SELECTED COUNTIES: 1966-67 (Cont'd.)

County	Percent of estimated revenue capacity of local governments (cross-total equals 100.0)						Ratio of particular–area percentage to U.S. average percentage for the same revenue sources					
	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses	Property taxation of –			Other local taxes	Charges and miscel. general revenue	Utility surpluses
	Nonfarm residential property	Business property	Farm property				Nonfarm residential property	Business property	Farm property			
721-OHIO, W.VA.	28.5	31.4	.5	18.7	17.9	3.0	94	124	11	147	78	82
722-RALEIGH, W.VA.	27.7	34.9	1.1	19.7	16.4	.4	92	137	20	154	72	12
723-WAYNE, W.VA.	36.9	24.9	4.6	12.5	19.2	1.8	122	98	89	98	85	50
724-WOOD, W.VA.	27.9	35.0	.7	12.2	22.4	1.8	92	138	14	95	99	48
725-BROWN, WIS.	24.[illegible]	34.2	2.0	14.6	22.3	2.1	82	135	38	115	98	56
726-DANE, WIS.	37.3	19.5	1.9	13.3	25.0	2.5	125	77	36	104	110	69
727-DODGE, WIS.	44.9	14.5	12.6	7.9	14.0	6.1	149	57	242	62	61	166
728-DOUGLAS, WIS.	19.8	31.3	2.1	14.6	32.3	.0	65	124	40	114	142	0
729-EAU CLAIRE, WIS.	30.0	29.5	1.2	12.6	24.0	2.7	99	116	24	98	105	72
730-FOND DU LAC, WIS.	25.7	28.7	1.0	16.1	27.6	.9	85	113	20	126	121	25
731-JEFFERSON, WIS.	27.1	20.9	3.5	11.1	29.7	7.6	90	83	68	87	131	205
732-KENOSHA, WIS.	37.[illegible]	21.8	2.9	13.5	21.4	2.5	125	86	55	106	94	69
733-LACROSSE, WIS.	34.6	26.2	.4	13.2	24.0	1.5	115	104	8	103	106	40
734-MANITOWOC, WIS.	28.0	20.0	5.2	10.3	24.7	11.7	93	79	101	81	109	317
735-MARATHON, WIS.	32.3	23.6	3.6	13.8	24.9	1.8	107	93	69	108	109	50
736-MILWAUKEE, WIS.	25.4	27.9	.0	13.2	31.6	2.0	84	110	0	103	139	53
737-OUTAGAMIE, WIS. (1)												
738-OZAUKEE, WIS.	37.4	20.5	4.2	13.3	20.3	4.3	124	81	81	104	89	115
739-RACINE, WIS.	29.3	27.5	3.2	13.9	24.1	2.0	97	108	62	109	106	53
740-ROCK, WIS. (1)												
741-SHEBOYGAN, WIS. (1)												
742-WALWORTH, WIS. (1)												
743-WASHINGTON, WIS.	29.1	20.4	4.2	15.8	23.5	6.9	96	81	81	124	103	187
744-WAUKESHA, WIS.	42.3	19.9	2.8	12.0	20.8	2.3	140	78	55	94	91	61
745-WINNEBAGO, WIS.	26.7	31.4	.5	15.3	20.9	5.2	88	124	10	120	92	141
746-WOOD, WIS.	18.3	29.7	.3	12.5	25.1	14.1	61	117	5	98	110	382
747-LARAMIE, WY.	26.8	24.8	13.0	13.2	20.8	1.5	89	98	249	103	91	42

[1] Data not available; see text.
[2] Combined with another area for presentation; see footnote 3.
[3] Includes data for two or more areas. Such combinations are as follows:
Fulton County, Georgia: includes DeKalb County;
Arlington County, Virginia: includes Alexandria City;
Campbell County, Virginia: includes Lynchburg City;
Chesapeake City, Virginia: includes Norfolk and Portsmouth Cities;
Fairfax County, Virginia: includes Falls Church and Fairfax Cities;
Henrico County, Virginia: includes Richmond City;
Roanoke County, Virginia: includes Roanoke City;
York County, Virginia: includes Hampton and Newport News Cities.
[4] Because of the unique nature of the District of Columbia, certain items called for by the tabulation are not relevant to it.

Table G-14.—MEASURES OF STATE-LOCAL TAX CAPACITY AND TAX EFFORT FOR STATES: 1968-69

State	Per capita amounts			Index measures (per capita amounts as per cent of U.S. averages)				Per cent change 1966-67 to 1968-69[1]			
	Tax capacity	Tax revenue	Personal income (1968)	Tax capacity	Tax revenue	Personal income (1968)	Relative tax effort[2]	Per capita tax capacity	Per capita tax revenue	Per capita personal income	Relative tax effort
U.S.	386	386	3,421	100	100	100	100	23.3	23.3	14.8	–
Alabama	270	227	2,337	70	59	68	84	23.3	17.0	13.7	– 5.1
Alaska	403	399	4,146	104	103	121	99	29.6	23.1	19.4	– 5.0
Arizona	381	393	3,027	99	102	88	103	27.9	20.9	18.2	– 5.8
Arkansas	299	222	2,322	77	58	68	74	24.1	11.0	14.0	–10.5
California	472	547	3,968	122	142	116	116	22.0	31.2	13.7	7.5
Colorado	398	392	3,340	103	102	98	98	22.1	13.6	15.1	– 6.8
Connecticut	451	397	4,256	117	103	124	88	23.2	16.8	14.7	– 5.4
Delaware	465	377	3,795	120	98	111	81	21.1	9.3	10.0	–10.0
Dist. of Columbia	465	426	4,464	120	110	130	92	23.0	24.9	15.8	1.4
Florida	419	338	3,191	109	88	93	81	28.9	23.4	20.2	– 4.7
Georgia	314	273	2,781	81	71	81	87	26.1	18.7	17.3	– 5.7
Hawaii	381	492	3,513	99	127	103	129	22.9	18.0	13.7	– 4.1
Idaho	338	340	2,668	88	88	78	100	18.2	13.7	10.8	– 4.1
Illinois	431	376	3,981	112	97	116	87	20.7	24.9	12.0	3.4
Indiana	375	338	3,412	97	88	100	90	20.6	14.2	11.6	– 5.5
Iowa	385	395	3,265	100	102	95	103	18.5	17.2	8.4	– .9
Kansas	405	351	3,303	105	91	97	87	23.5	11.4	14.1	– 9.7
Kentucky	312	278	2,645	81	72	77	89	25.3	31.1	17.2	5.1
Louisiana	364	301	2,634	94	78	77	83	23.4	13.6	15.9	– 8.0
Maine	316	321	2,824	82	83	83	102	24.4	20.2	13.8	– 3.2
Maryland	398	416	3,742	103	108	109	105	25.6	27.6	15.7	1.9
Massachusetts	382	455	3,835	99	118	112	119	25.2	22.6	16.5	– 2.0
Michigan	404	439	3,675	105	114	107	109	23.9	35.1	12.8	9.0
Minnesota	367	413	3,341	95	107	98	112	23.6	16.7	15.3	– 5.6
Mississippi	252	245	2,081	65	63	61	98	25.4	24.4	17.9	–
Missouri	373	304	3,257	97	79	95	81	22.7	15.6	15.7	– 5.8
Montana	391	356	2,942	101	92	86	91	18.5	15.6	10.3	– 2.6
Nebraska	416	361	3,239	108	94	95	87	20.9	33.7	10.1	10.7
Nevada	669	475	3,957	173	123	116	71	24.8	24.3	13.8	– .6
New Hampshire	422	325	3,259	109	84	95	77	23.0	16.9	15.0	– 4.8
New Jersey	410	411	3,954	106	106	116	100	22.4	26.9	14.3	3.5
New Mexico	355	324	2,651	92	84	77	91	21.2	20.4	12.3	– .9
New York	418	580	4,151	108	150	121	139	23.3	23.7	16.7	.4
North Carolina	308	267	2,664	80	69	78	87	25.7	16.1	16.6	– 7.9
North Dakota	352	333	2,730	91	86	80	95	22.6	19.8	11.8	– 2.4
Ohio	387	318	3,509	100	82	103	82	23.2	23.7	13.6	.6
Oklahoma	392	290	2,880	102	75	84	74	22.9	14.2	16.1	– 7.2
Oregon	401	406	3,317	104	105	97	101	21.1	21.6	12.6	.4
Pennsylvania	350	346	3,419	91	90	100	99	22.8	22.7	14.6	– .4
Rhode Island	355	380	3,549	92	98	104	107	25.0	27.9	15.9	2.1
South Carolina	254	227	2,380	66	59	70	89	25.7	15.8	16.3	– 8.0
South Dakota	349	353	2,876	90	91	84	101	22.9	16.5	16.4	– 5.2
Tennessee	302	254	2,579	78	66	75	84	24.3	19.8	15.4	– 3.2
Texas	388	280	3,029	101	73	89	72	26.4	21.2	17.5	– 4.0
Utah	326	337	2,790	84	87	82	104	20.3	11.6	12.0	– 7.1
Vermont	339	394	3,072	88	102	90	116	23.3	20.1	15.3	– 2.6
Virginia	337	323	3,068	87	84	90	96	24.8	32.9	17.6	6.7
Washington	424	434	3,688	110	112	108	102	20.8	17.3	14.3	– 2.9
West Virginia	284	269	2,470	74	70	72	95	21.4	19.0	13.5	– 1.7
Wisconsin	358	441	3,363	93	114	98	123	21.8	21.5	13.0	– .2
Wyoming	530	413	3,190	137	107	93	78	20.2	19.0	14.7	– .8

[1] For related 1966-67 data, see table G-1.
[2] Tax revenue as a percent of tax capacity.

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