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Fiscal Research Center

Financing Georgia's Future IV

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I. OVERVIEW AND KEY FINDINGS

This report documents Georgia's major state and local revenue sources and highlights the key trends in state finances over the 18-year period from fiscal year (FY) 1998 to FY 2015. This period provides a comprehensive overview of changing fiscal patterns in the wake of two national recessions (2001 and 2008-09) that significantly affected the trajectory of subnational finances in the United States. Accompanying those events were changes to underlying economic structures, demographics, demands on government, and pressures on state and local finances.¹ This report documents major state and local revenue sources over that period.² Its purpose is to serve as an encyclopedia of recent trends in Georgia's state and local finances. In doing so, this report provides a foundation for future discourse around government finance in Georgia.

Trends in State and Local Finances (Total) – 1998-2015

- Georgia's own-source total revenue (per capita) in 2015 increased by 1.2 percentage points compared to its level in 1998, but declined by 8.8 percentage points relative to personal income.
- Total taxes decreased per capita and relative to personal income (by 0.5% and 9.5%, respectively).
 - Sales tax decreased by 10.7% on a per capita basis and 18.9% as a percentage of personal income.
 - License taxes increased by 40.3% on a per capita basis but did not change significantly as a percentage of personal income.
- Total charges by state and local governments increased per capita and relative to personal income (by 18.7% and 7.4%, respectively).
- Intergovernmental transfers increased per capita and relative to personal income (by 12.6% and 1.6%, respectively).
- Major state and local tax rankings have fallen on a per-capita basis and relative to personal income.

¹ This report focuses only on fiscal trends and does not discuss underlying factors that shape these trends. See Pathak and Wallace (2017) for a detailed discussion of underlying factors that have influenced Georgia's finances.

² For a detailed overview of other nonrevenue indicators, see the Fiscal Research Center's annual rankings report by Buschman and Kavoori (2018). Some revenue indicators and rankings in Buschman and Kavoori may not exactly match those cited in this report because this report uses the latest population estimates from the Census Bureau, which were not available at the time of preparation of the rankings report.

- Among the 50 states, Georgia's ranking in combined state and local own-source revenues fell from 35th to 48th on per capita basis and from 39th to 45th relative to personal income.
- Total taxes fell from 29th to 43rd on a per capita basis and from 37th to 43rd relative to personal income.

Trends in State Finances (State Government Only) – 1998-2015

- State government's own-source total revenue as a percentage of personal income in 2015 was 85.9% of its level in 1998.
- Total state taxes decreased per capita and relative to personal income (by 8.0% and 17.5%, respectively).
 - Individual income tax in real dollars decreased by 1.7% per capita and by 11.5% relative to personal income.
 - General state sales tax decreased by 18.2% per capita and by 25.0% relative to personal income.
 - Corporate income tax declined by 26.9% per capita and by 50.0% relative to personal income.
- State charges increased per capita and relative to personal income (by 25.4% and 12.5%, respectively).
- Intergovernmental transfers increased per capita and relative to personal income (by 31.8% and 17.9%, respectively).
- Major state tax rankings have fallen on a per capita basis and relative to personal income.
 - In 2015, the state government's own-source revenue collection ranked behind all other states on a per capita basis and was 48th relative to personal income.
 - Individual income tax fell from 16th to 25th on a per capita basis and from 17th to 24th relative to personal income.
 - State sales taxes fell from 42nd to 45th on a per capita basis and from 40th to 43rd relative to personal income.

Trends in Local Finances (Local Governments Only) – 1998-2015

- Local governments raised more own-source revenue on a per capita basis in 2015 than in 1998. However, revenue as a percentage of personal income witnessed a minor decline.

- Local general own-source revenue in 2015 was 107% of its level in 1998 on per capita basis and 97% of its level in 1998, relative to personal income.
- Major taxes increased per capita and relative to personal income.
 - Property tax increased by 15.8% per capita and by 4.2% relative to personal income.
 - General sales tax increased by 3.3% per capita and declined by 7.7% relative to personal income.
- Charges increased per capita and relative to personal income (by 16.0 % and 5.3%, respectively).
- Intergovernmental transfers decreased per capita and relative to personal income (by 3.3% and 12.1%, respectively).
- Major local tax rankings have risen and fallen on a per capita basis and relative to personal income.
 - From 1998 to 2015, Georgia's ranking in own-source revenue of local governments declined from 17th to 28th on a per capita basis and 11th to 15th as a percentage of personal income.
 - Property tax fell from 31st to 32nd on a per capita basis but rose from 34th to 30th relative to personal income.
 - Sales taxes fell from 4th to 8th on a per capita basis and from 5th to 7th relative to personal income.

II. SUMMARY OF GEORGIA REVENUE SOURCES

This section summarizes state and local government revenue in Georgia, how it has changed over time, and how it compares with other states. Revenue is examined in terms of the per capita real amount and as a percentage of total personal income. Each measure is calculated for major sources of state and local revenue in 1998 and 2015, and comparative rankings with other states are provided. The local level of government includes counties, municipalities, school boards and special districts. Data are from the U.S. Census Bureau and presented in real 2015 dollars (adjusted using the U.S. Bureau of Economic Analysis (BEA) gross domestic product (GDP) deflator). Per capita data are calculated using population data from the BEA. 2015 is the latest year for which all data are available.³

³ In our discussion, we highlight percentage changes in fiscal outcomes across years. These estimates are calculated using multiplication of actual revenue estimates up to multiple decimal places. Recalculations using only one or two decimal digits may result in rounding errors, particularly for smaller values.

Table 1 presents per-capita and percent-income measures of Georgia's own-source revenue and intergovernmental revenue. Table 2 shows Georgia's national rankings for each measure of each revenue category, with higher rankings indicating higher levels relative to other state or local governments in the United States. General own-source revenue includes income, sales and property taxes in addition to various fees and charges (but does not include utility or insurance fees and charges).

		----- Per Capita -----		- Percentage of Personal Income -	
		1998*	2015	1998	2015
General Own-Source Revenue	Total	\$5,088	\$5,148	13.7%	12.5%
	State	\$2,629	\$2,516	7.1%	6.1%
	Local	\$2,459	\$2,632	6.6%	6.4%
Total Taxes	Total	\$3,539	\$3,520	9.5%	8.6%
	State	\$2,103	\$1,934	5.7%	4.7%
	Local	\$1,436	\$1,586	3.9%	3.9%
Total Charges	Total	\$1,005	\$1,193	2.7%	2.9%
	State	\$283	\$355	0.8%	0.9%
	Local	\$723	\$839	1.9%	2.0%
Intergovernmental Transfers	Total	\$2,271	\$2,557	6.1%	6.2%
	State	\$1,030	\$1,357	2.8%	3.3%
	Local	\$1,241	\$1,200	3.3%	2.9%

*2015 dollars

Table 2. Georgia's State and Local Revenue – National Rankings

		----- Per Capita -----		- Percentage of Personal Income -	
		1998	2015	1998	2015
General Own-Source Revenue	Total	35	48	39	45
	State	44	50	43	48
	Local	17	28	11	15
Total Taxes	Total	29	43	37	43
	State	40	46	40	41
	Local	23	29	19	21
Total Charges	Total	29	36	31	28
	State	46	48	44	44
	Local	17	14	17	14
Intergovernmental Transfers	Total	38	37	36	42
	State	40	48	38	42
	Local	30	39	33	34

Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

- In terms of real revenue per capita, from 1998 to 2015:
 - State and local taxes decreased by 0.5%
 - State taxes decreased by 8.0%
 - Local taxes increased by 10.5%
 - State and local charges increased by 18.7%
 - State charges increased by 25.4%
 - Local charges increased by 16.0%
 - State and local intergovernmental revenue increased by 12.6%
 - State intergovernmental revenue increased by 31.8%
 - Local intergovernmental revenue decreased by 3.3%

- In terms of revenue as a percentage of personal income, from 1998 to 2015:
 - State and local taxes decreased by 9.5%
 - State taxes decreased by 17.5%
 - Local taxes remain unchanged
 - State and local charges increased by 7.4%
 - State charges increased by 12.5%
 - Local charges increased by 5.3%
 - State and local intergovernmental revenue increased by 1.6%
 - State intergovernmental revenue increased by 17.9%
 - Local intergovernmental revenue decreased by 12.1%
- As a share of total state and local revenue, from 1998 to 2015:
 - State and local taxes decreased from 69.6% to 68.4%
 - State taxes decreased from 41.3% to 37.6%
 - Local taxes increased from 28.2% to 30.8%
 - State and local charges increased from 19.8% to 23.2%
 - State charges increased from 5.6% to 6.9%
 - Local charges increased from 14.2% to 16.3%
 - State and local intergovernmental revenue increased from 44.6% to 49.7%
 - State intergovernmental revenue increased from 20.2% to 26.4%
 - Local intergovernmental revenue decreased from 24.4% to 23.3%

Table 3 shows per-capita and percent-income measures of Georgia's major tax sources. Table 4 shows Georgia's national rankings for each measure of each tax revenue category, with higher rankings indicating higher revenue levels relative to other state and local governments in the United States.

Table 3. Georgia's Tax Revenue – Summary

		----- Per Capita -----		- Percentage of Personal Income -	
		1998*	2015	1998	2015
Total Taxes	Total	\$3,539	\$3,520	9.5%	8.6%
	State	\$2,103	\$1,934	5.7%	4.7%
	Local	\$1,436	\$1,586	3.9%	3.9%
Individual Income Tax	State	\$965	\$949	2.6%	2.3%
Corporate Income Tax	State	\$134	\$98	0.4%	0.2%
Property Tax	Local	\$900	\$1,042	2.4%	2.5%
Sales Taxes	Total	\$1,392	\$1,243	3.7%	3.0%
	State	\$906	\$741	2.4%	1.8%
	Local	\$486	\$502	1.3%	1.2%
License Taxes	Total	\$72	\$101	0.2%	0.2%
	State	\$72	\$61	0.2%	0.1%
	Local	\$0	\$40	0.0%	0.1%

*2015 dollars

Table 4. Georgia's Tax Revenue – National Rankings

		----- Per Capita -----		- Percentage of Personal Income -	
		1998	2015	1998	2015
Total Taxes	Total	29	43	37	42
	State	40	46	40	41
	Local	23	29	20	21
Individual Income Tax	State	16	25	17	24
Corporate Income Tax	State	24	39	29	36
Property Tax	Local	31	32	34	30
Sales Taxes	Total	22	42	22	38
	State	42	45	40	43
	Local	4	8	5	7
License Taxes	Total	48	50	48	48
	State	48	50	48	49
	Local	32	24	28	21

Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

- In terms of revenue per capita, from 1998 to 2015:
 - State and local taxes decreased by 0.5%
 - State taxes decreased by 8.0%
 - State individual income tax decreased by 1.7%
 - State sales taxes decreased by 18.2%
 - Local taxes increased by 10.4%
 - Local property tax increased by 15.8%
 - Local sales taxes increased by 3.3%
- In terms of revenue as a percentage of personal income, from 1998 to 2015:
 - State and local taxes decreased by 9.5%
 - State taxes decreased by 17.5%
 - State individual income tax decreased by 11.5%
 - State sales taxes decreased by 25.0%
 - Local taxes remained unchanged
 - Local property tax increased by 4.2%
 - Local sales taxes decreased by 7.7%
- As a share of total state and local tax revenue, from 1998 to 2015:
 - State taxes decreased from 59.4% to 54.9%
 - State individual income tax decreased from 27.3% to 27.0%
 - State sales taxes decreased from 25.6% to 21.0%
 - Local taxes increased from 40.6% to 45.1%
 - Local property tax increased from 25.4% to 29.6%
 - Local sales taxes increased from 13.7% to 14.3%

III. STATE OWN-SOURCE REVENUE IN GEORGIA

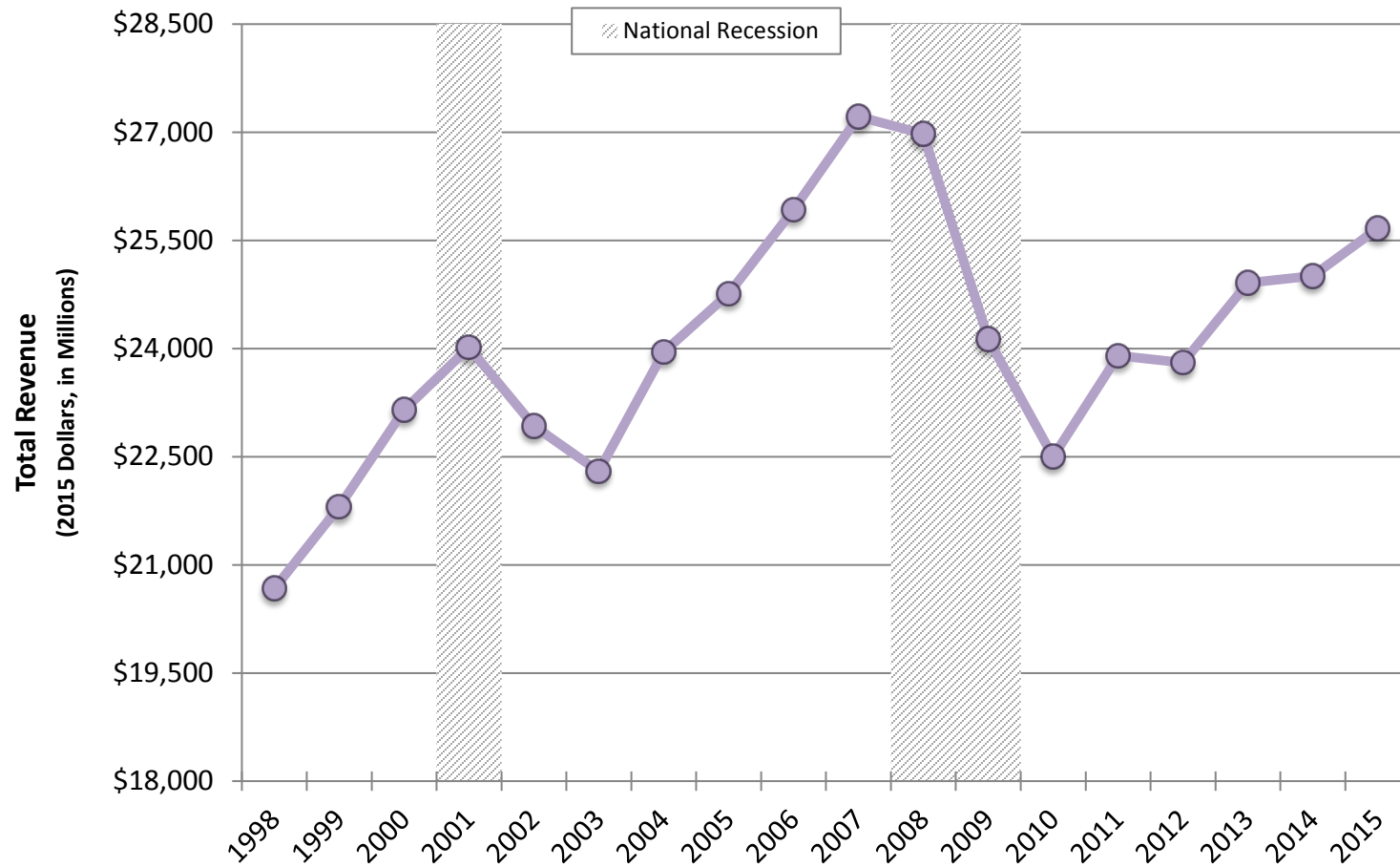
This section discusses Georgia's state revenue trends from 1998 to 2015. Revenue is examined in terms of the total real amount (adjusted to 2015 dollars using the BEA GDP deflator), the per capita real amount (in 2015 dollars), and as a percentage of total personal income. Per-capita and percent-income measures are shown on the same chart, with both vertical axes scaled identically relative to the 1998 value of their respective measures. Percent change in per capita and percent income from the preceding year is also examined. Periods of national recession are noted in relation to each measure.

Figures 1-3 describe how state general own-source revenue (i.e., excluding intergovernmental transfers) has changed from 1998 to 2015. Figure 1 shows total revenue; Figure 2 shows revenue per capita and revenue as a percentage of total personal income; and Figure 3 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total own-source revenue:
 - Increased before and decreased during the 2001 recession, decreased then increased between recessions, and then decreased during and increased after the 2008-09 recession
 - Increased overall by 24.2% from 1998 to 2015
 - Peaked in 2007 and decreased by 5.7% from 2007 to 2015
 - Troughed in 1998
- Per capita own-source revenue:
 - Increased before and decreased during the 2001 recession, decreased then increased between recessions, and then decreased during and increased after the 2008-09 recession
 - Decreased overall by 4.3% from 1998 to 2015
 - Peaked in 2007 and decreased by 13.6% from 2007 to 2015
 - Troughed in 2010 and increased by 8.6% from 2010 to 2015

- Own-source revenue as a percentage of personal income:
 - Increased before and decreased during the 2001 recession, decreased then increased between recessions, and then decreased during and remained flat after the 2008-09 recession
 - Decreased overall by 13.3% from 1998 to 2015
 - Peaked in 2001 and decreased by 15.4% from 2001 to 2015
 - Troughed in 2010
 - As the state recovered from the Great Recession, the revenue did not keep pace with rebounding incomes during 2014-15.

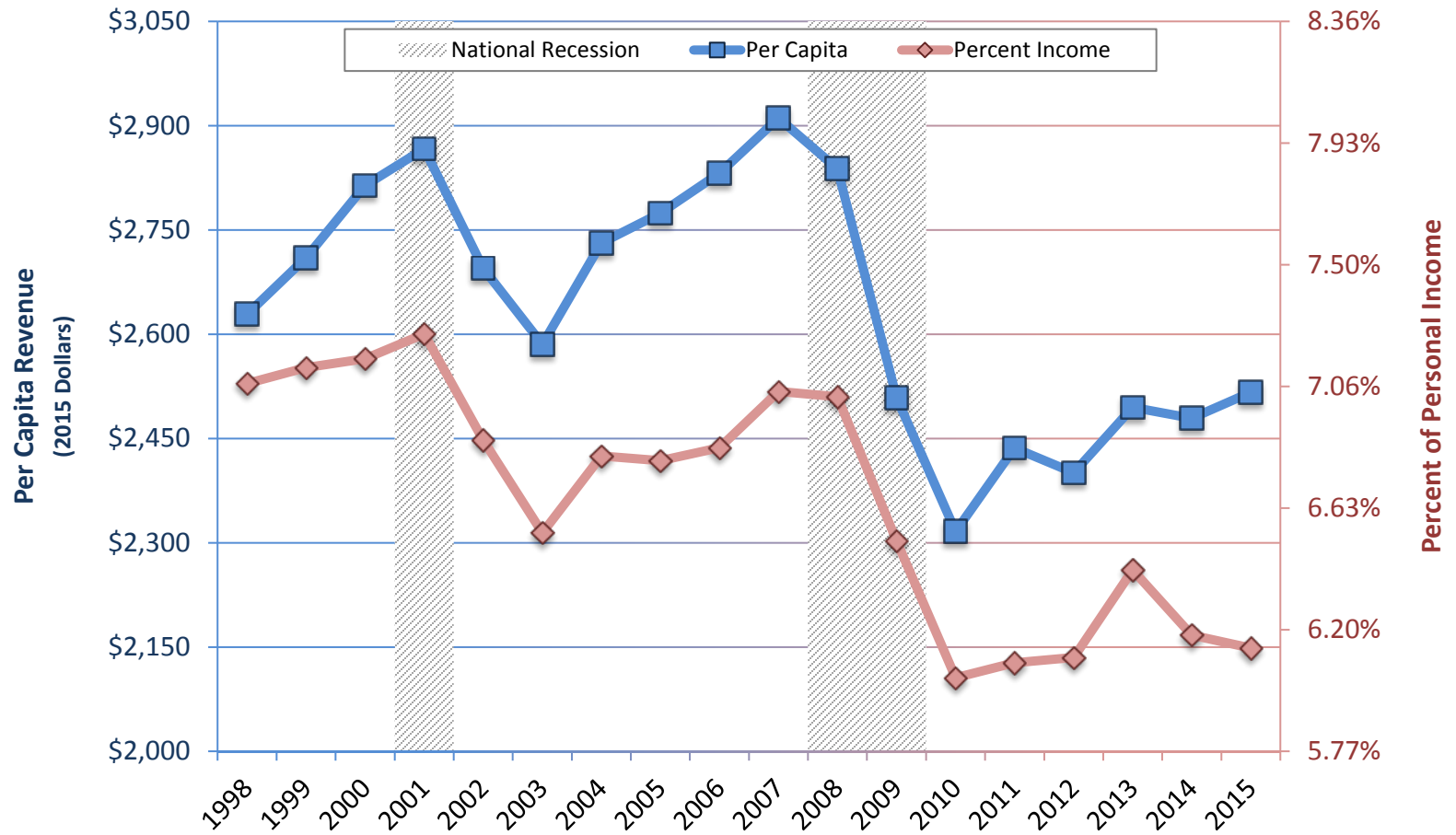
Figure 1. Georgia – State Revenue
General Own-Source – Total



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

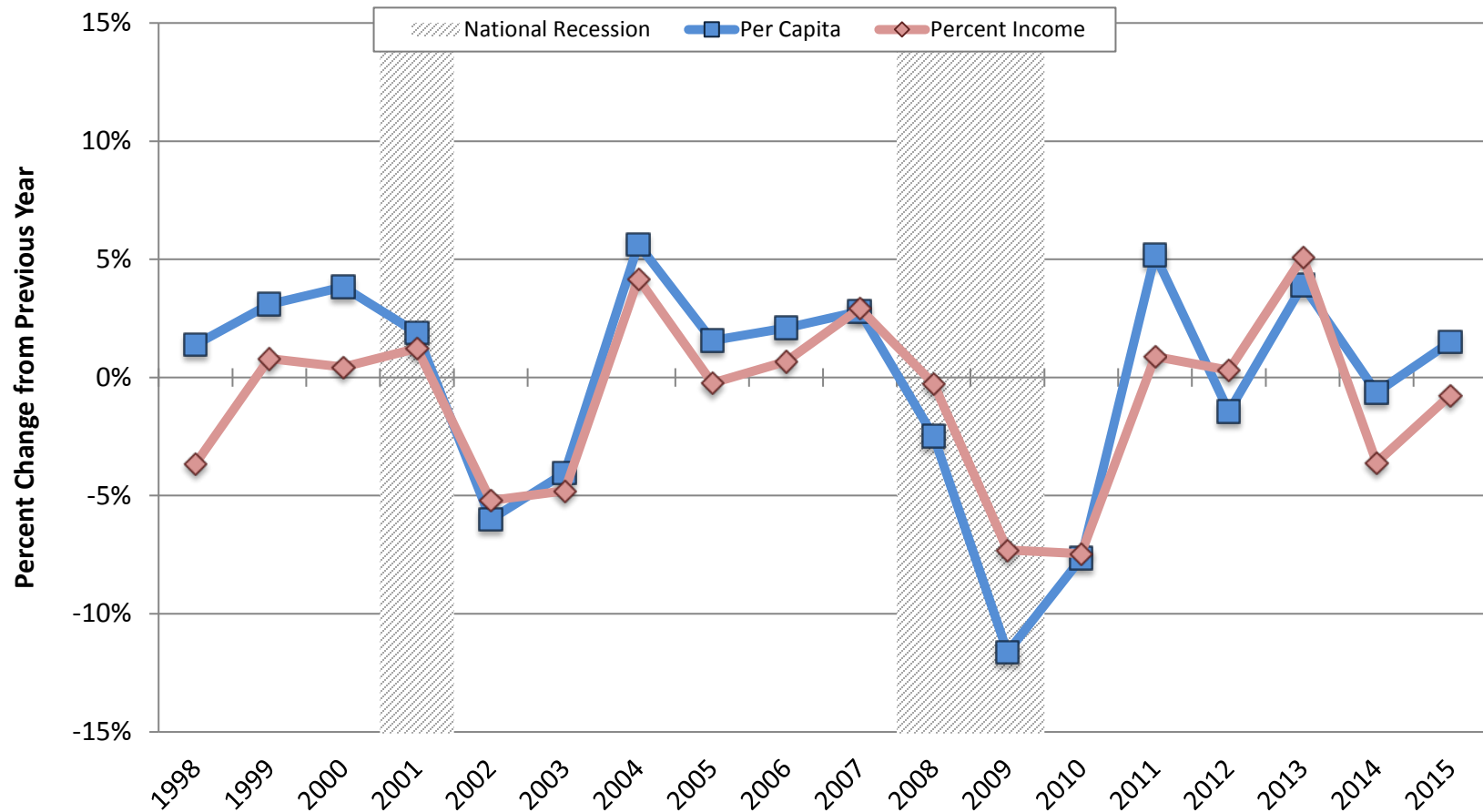
Figure 2. Georgia – State Revenue

General Own-Source – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 3. Georgia – State Revenue
General Own-Source – Annual Change



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

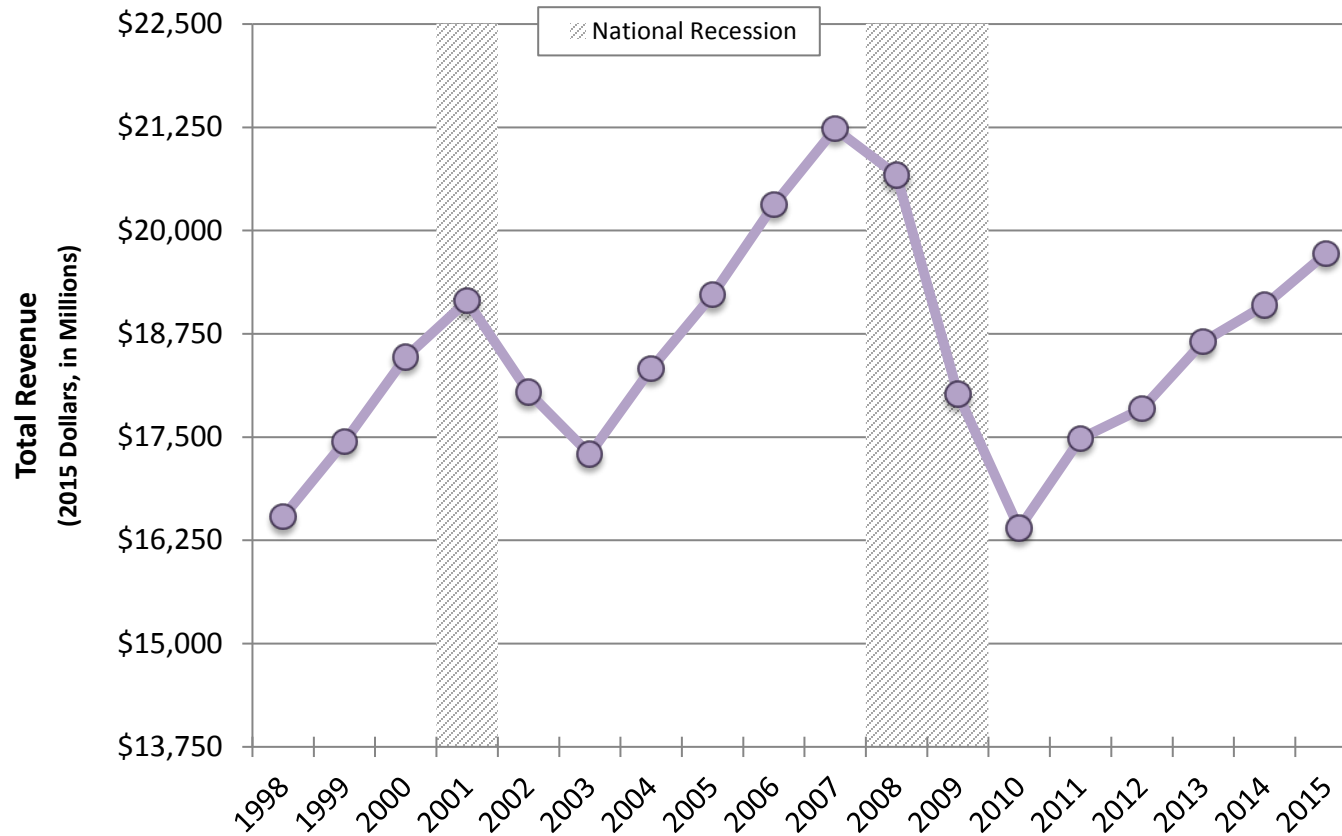
A. State Tax Revenue

This section discusses tax revenue for Georgia's state government. Figures 4-6 describe how state revenue raised by taxes changed from 1998 to 2015. Figure 4 shows total tax revenue; Figure 5 shows tax revenue per capita and taxes as a percentage of total personal income; and Figure 6 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total tax revenue:
 - Increased before and decreased during the 2001 recession, decreased then increased between recessions, and then decreased during and increased after the 2008-09 recession
 - Increased overall by 19.3% from 1998 to 2015
 - Peaked in 2007 and decreased by 7.1% from 2007 to 2015
 - Troughed in 2010 and increased by 20.3% from 2010 to 2015
- Per capita tax revenue:
 - Increased before and decreased during the 2001 recession, decreased then increased between recessions, and then decreased during and increased after the 2008-09 recession
 - Decreased overall by 8.0% from 1998 to 2015
 - Peaked in 2001 and decreased by 15.4% from 2001 to 2015
 - Troughed in 2010 and increased by 14.6% from 2010 to 2015 fueled by the economic recovery during the last five years
- Tax revenue as a percentage of personal income:
 - Remained flat before and decreased during the 2001 recession, decreased then increased between recessions, and then decreased during and increased after the 2008-09 recession before flattening out in the recent years
 - Decreased overall by 16.7% from 1998 to 2015
 - Peaked in 2001 and decreased by 18.5% from 2001 to 2015
 - Troughed in 2010 and increased by 7.3% from 2010 to 2015

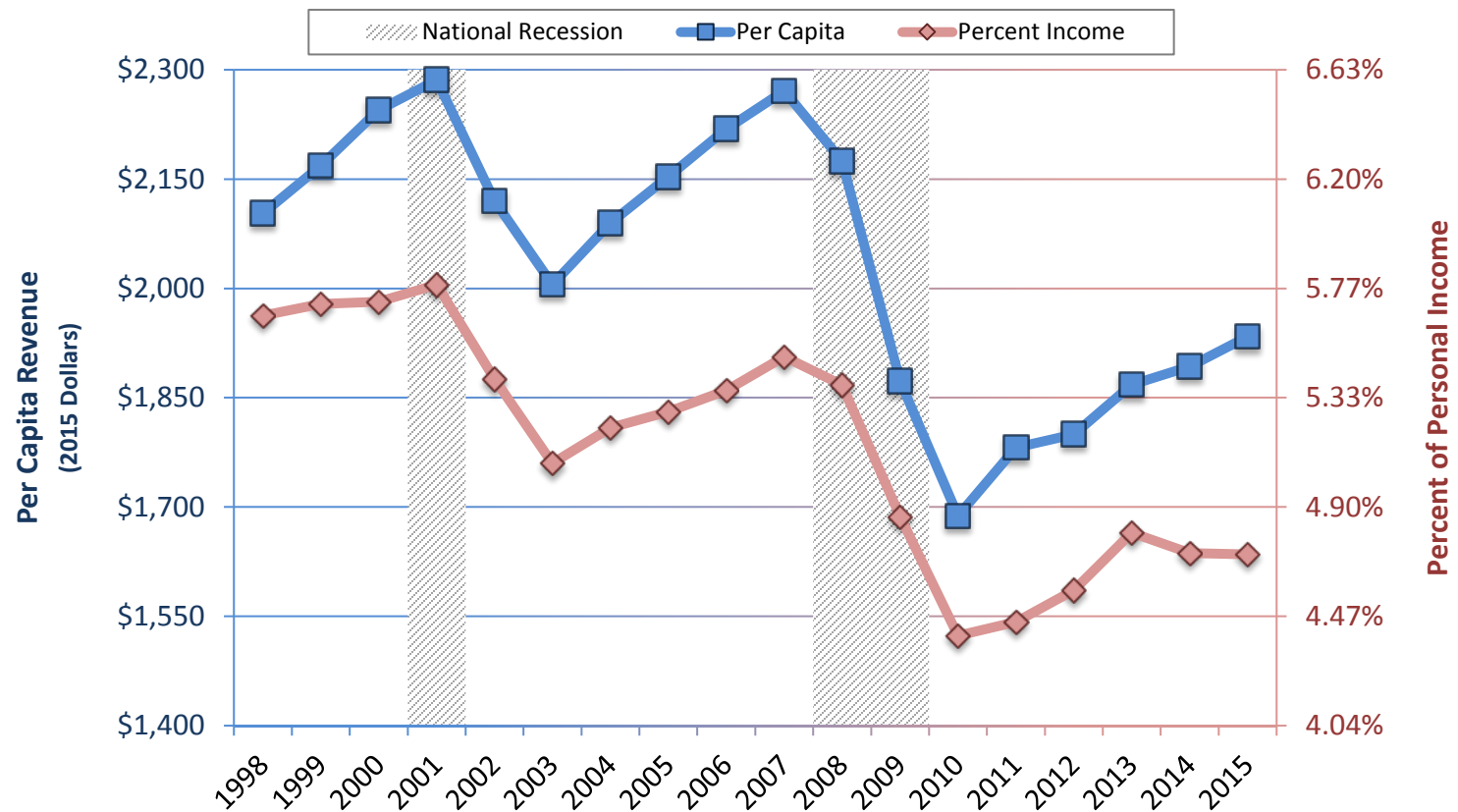
Figure 4. Georgia – State Revenue

Total Taxes – Total



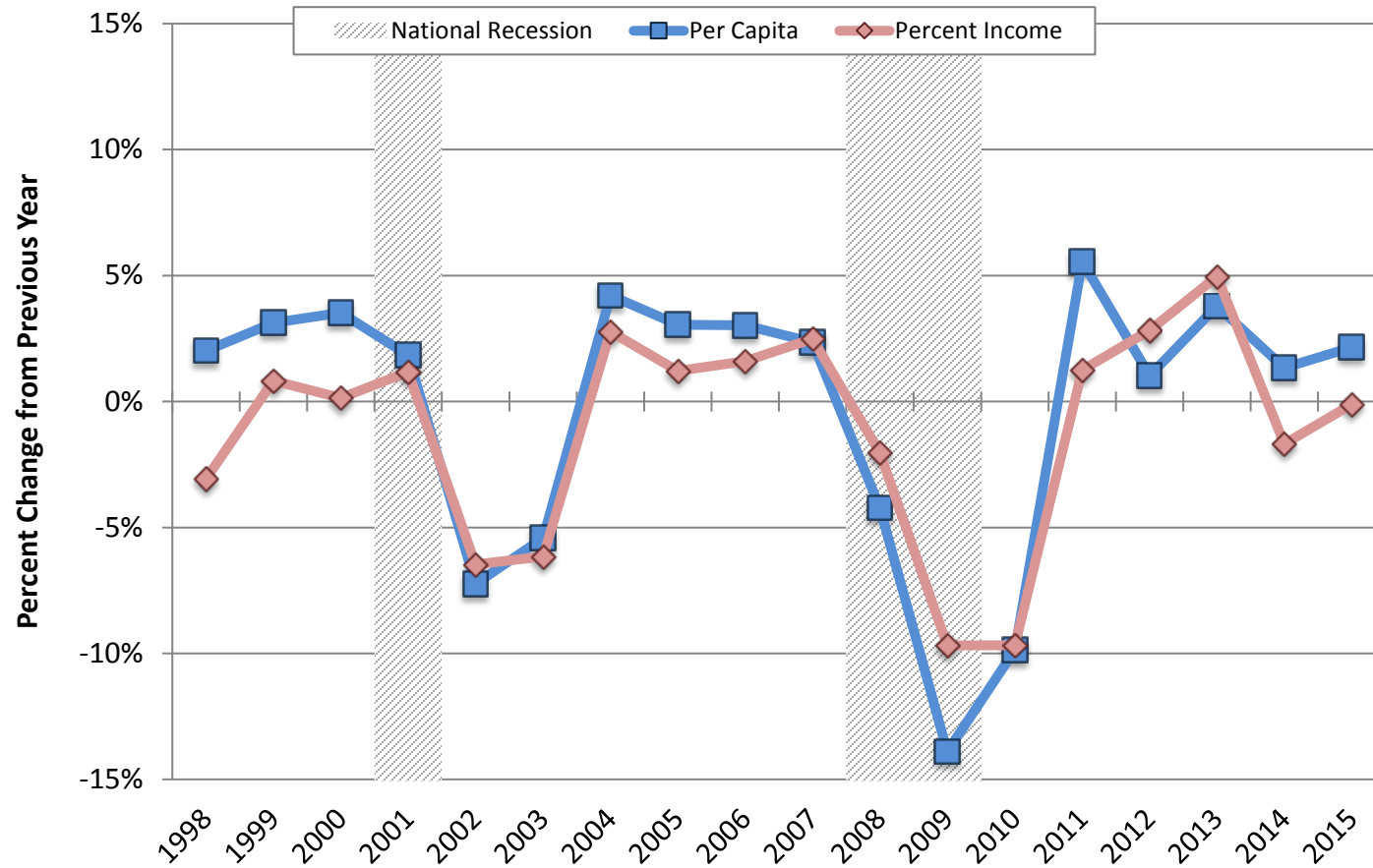
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 5. Georgia – State Revenue
Total Taxes – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 6. Georgia – State Revenue
Total Taxes – Annual Change



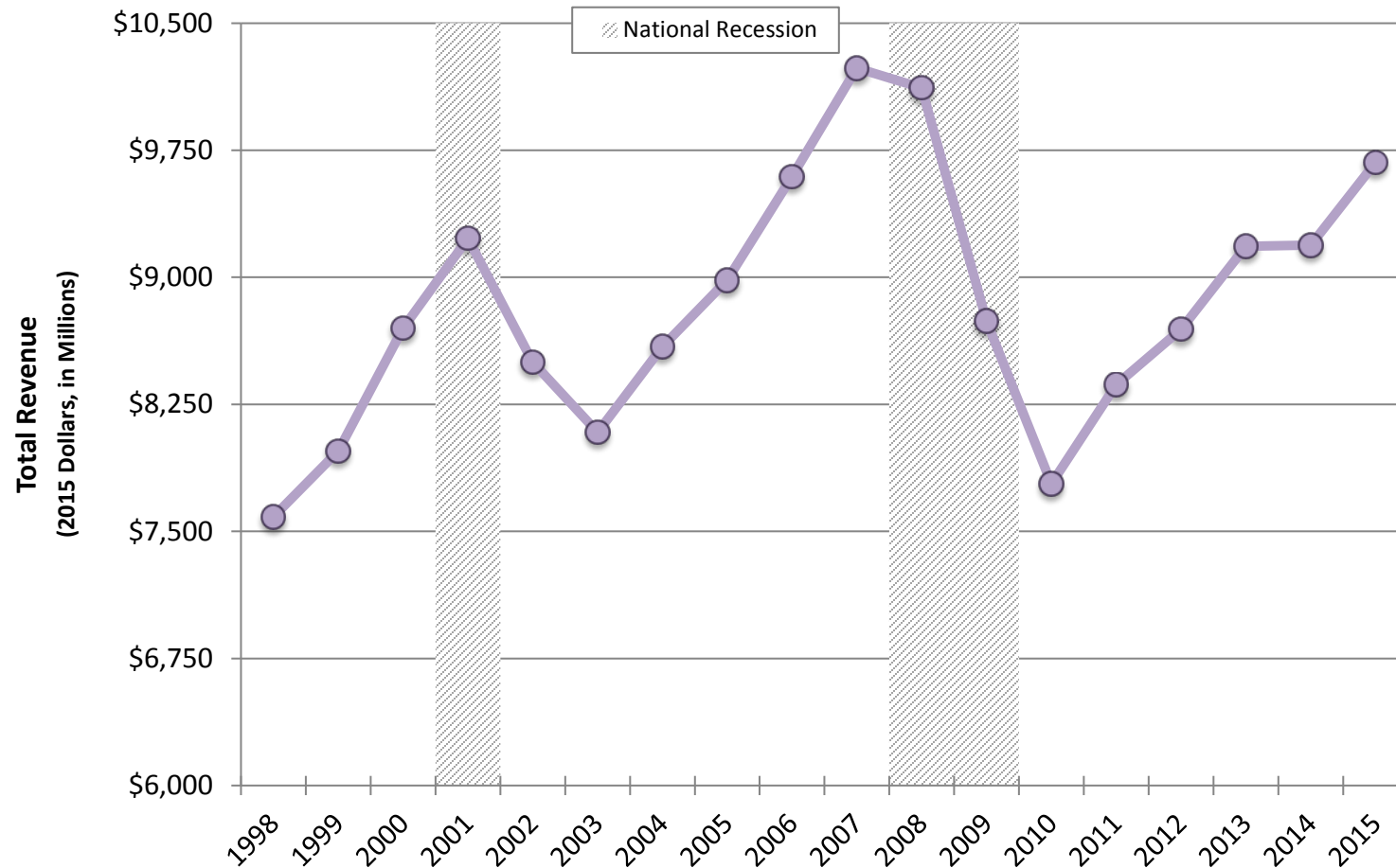
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

1. Individual income tax

Figures 7-9 show how state revenue raised by individual income tax has changed from 1998 to 2015. Figure 7 shows total revenue; Figure 8 shows revenue per capita and revenue as a percentage of total personal income; and Figure 9 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total revenue:
 - Increased before and decreased during the 2001 recession, decreased then increased between recessions, and then decreased during and increased after the 2008-09 recession
 - Increased overall by 27.6% from 1998 to 2015
 - Peaked in 2007 and decreased by 5.4% from 2007 to 2015
- Per capita revenue:
 - Increased before and decreased during the 2001 recession, decreased then increased between recessions, and then decreased during and increased after the 2008-09 recession
 - Decreased overall by 1.6% from 1998 to 2015
 - Peaked in 2001 and decreased by 13.9% from 2001 to 2015
 - Troughed in 2010 and increased by 18.5% from 2010 to 2015
- Revenue as a percentage of personal income:
 - Increased before and decreased during the 2001 recession, decreased then increased between recessions, and then decreased during and increased after the 2008-09 recession
 - Decreased overall by 10.9% from 1998 to 2015
 - Peaked in 2001 and decreased by 17.0% from 2001 to 2015
 - Troughed in 2010 and increased by 11.0% from 2010 to 2015

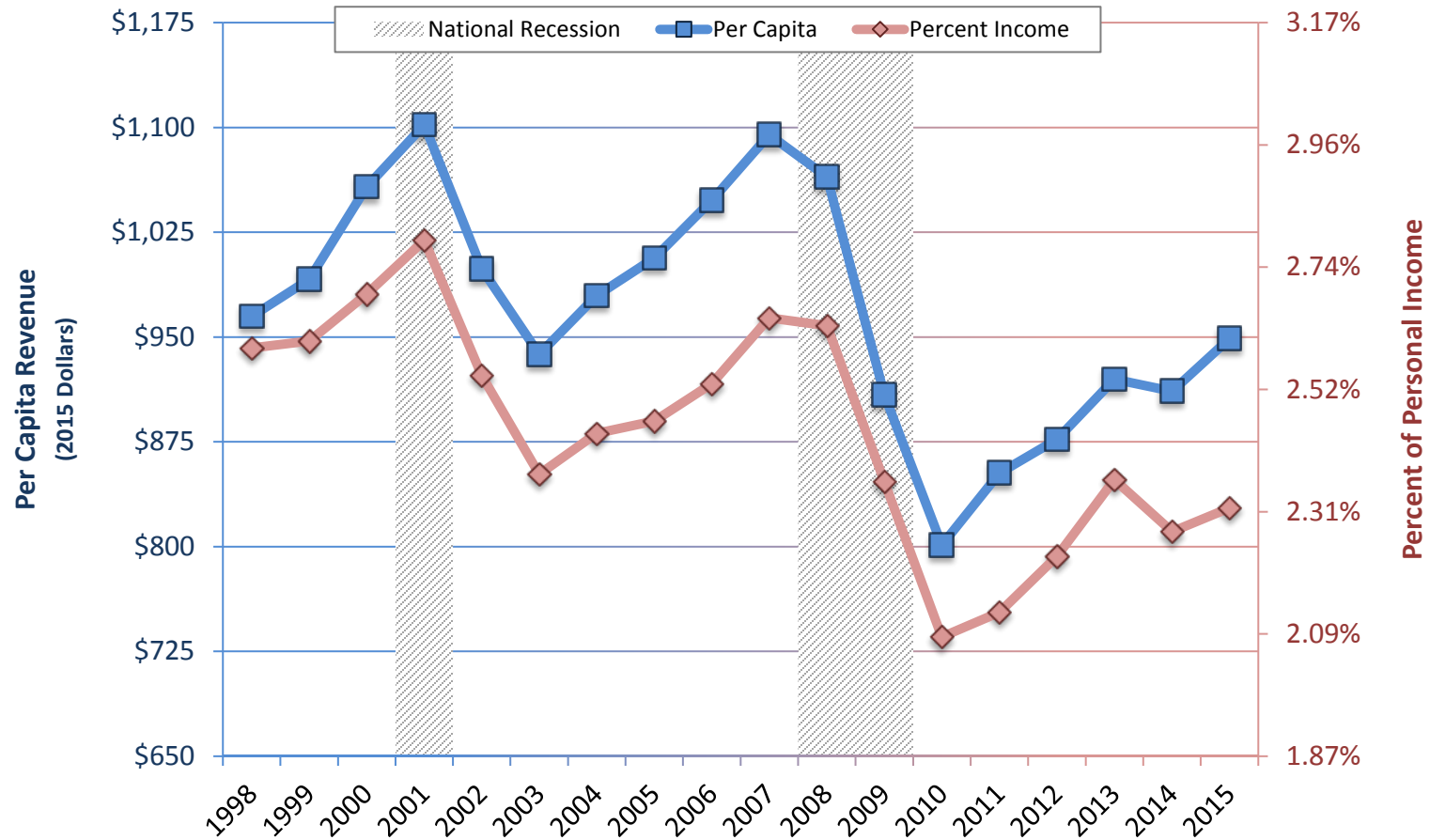
Figure 7. Georgia – State Revenue
Individual Income Tax – Total



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

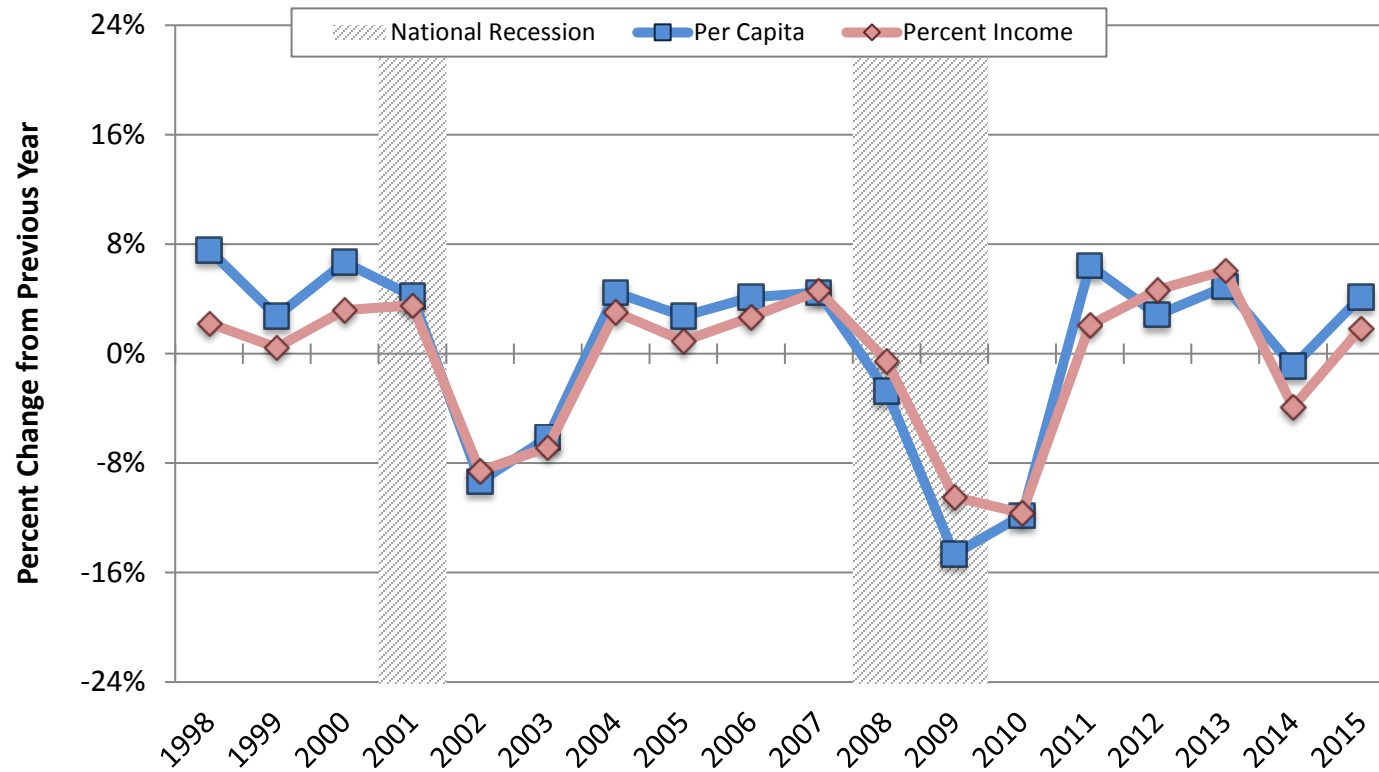
Figure 8. Georgia – State Revenue

Individual Income Tax – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 9. Georgia – State Revenue
Individual Income Tax – Annual Change



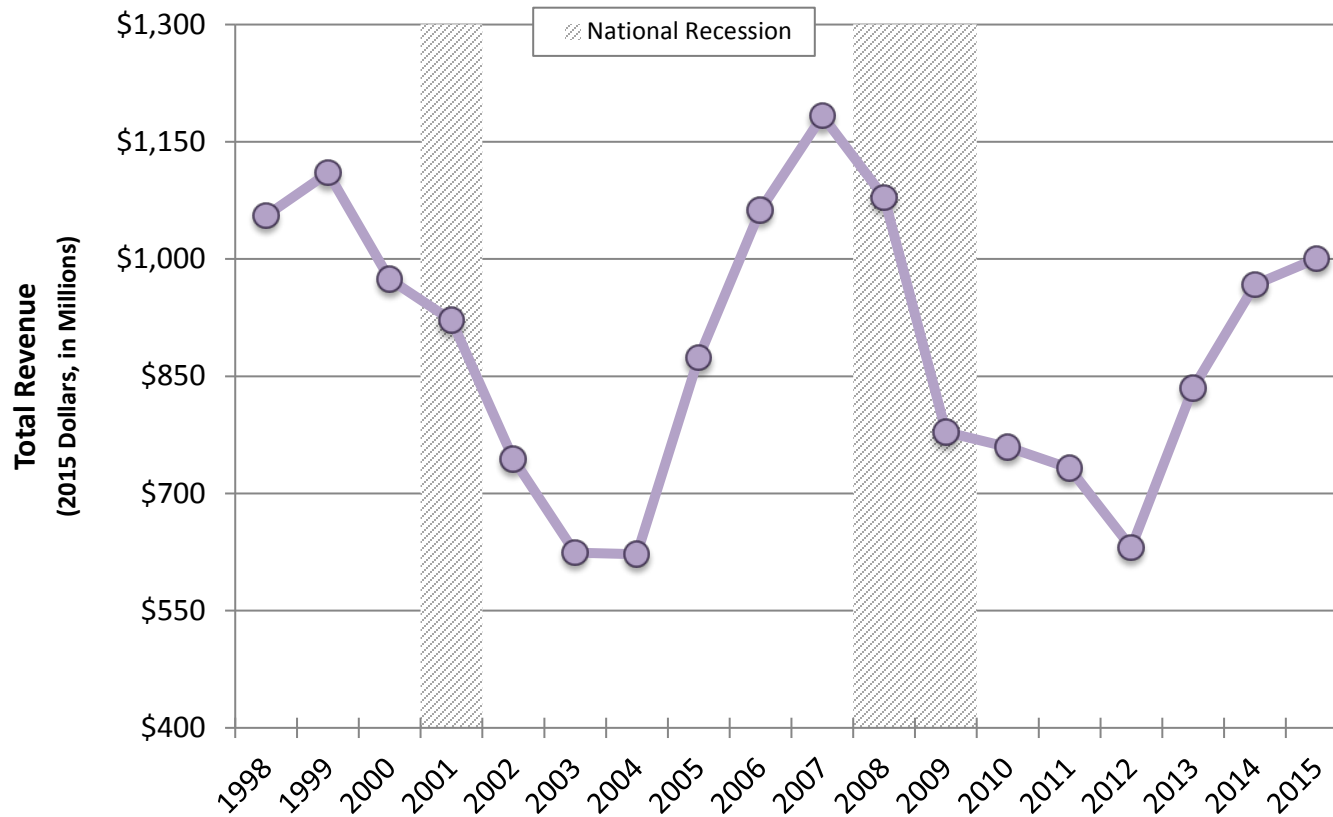
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

2. Corporate income tax

Figures 10-12 describe how state revenue raised by corporate income tax has changed from 1998 to 2015. Figure 10 shows total revenue; Figure 11 shows revenue per capita and revenue as a percentage of total personal income; and Figure 12 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total revenue:
 - Decreased before and during the 2001 recession, decreased then increased between recessions, and then increased marginally in the wake of the Great Recession since 2012
 - Decreased overall by 5.2% from 1998 to 2015
 - Peaked in 2007 and decreased by 15.4% from 2007 to 2015
 - Troughed in 2004 and increased by 60.8% from 2004 to 2015
- Per capita revenue:
 - Decreased before and during the 2001 recession, decreased then increased between recessions, decreased during the 2008-09 recession, but recovered after 2012
 - Decreased overall by 26.9% from 1998 to 2015
 - Peaked in 1999 and decreased by 28.9% from 1999 to 2015
- Revenue as a percentage of personal income:
 - Decreased before and during the 2001 recession, decreased then increased between recessions, and then decreased during and after the 2008-09 recession
 - Decreased overall by 33.8% from 1998 to 2015
 - Peaked in 1999 and decreased by 34.2% from 1999 to 2015
 - Troughed in 2012 and increased by 48.0% from 2012 to 2015

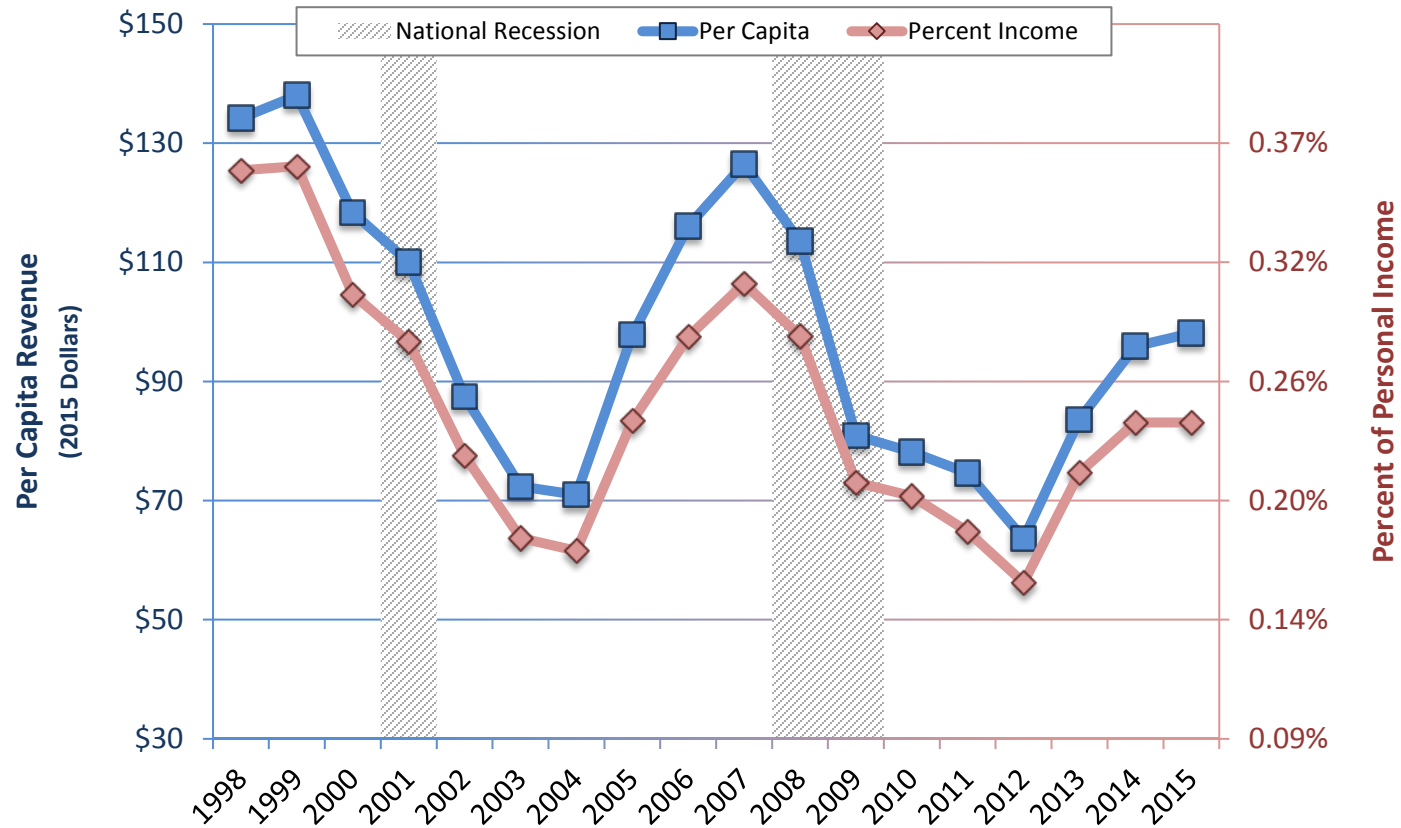
Figure 10. Georgia – State Revenue
Corporate Income Tax – Total



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

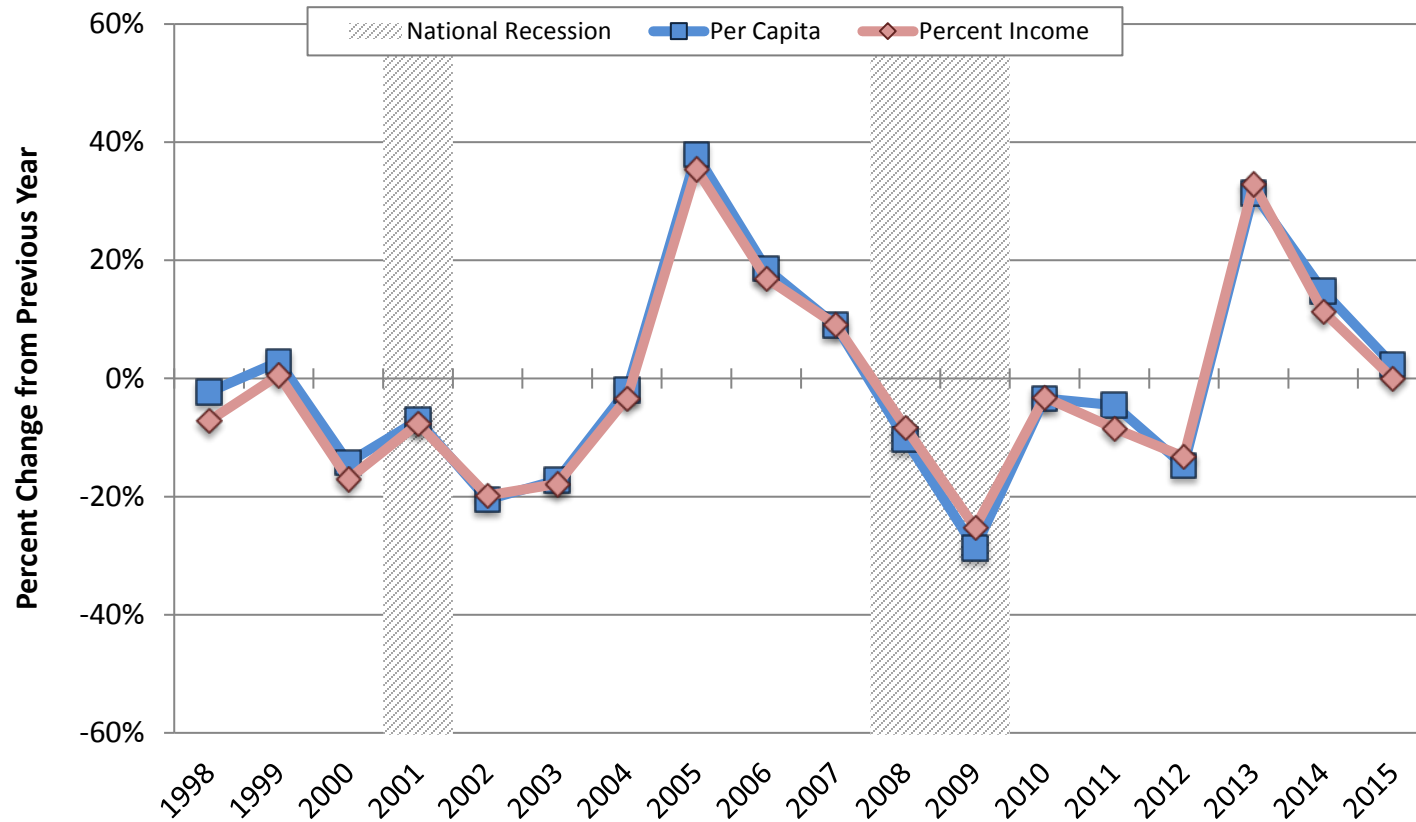
Figure 11. Georgia – State Revenue

Corporate Income Tax – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 12. Georgia – State Revenue
Corporate Income Tax – Annual Change



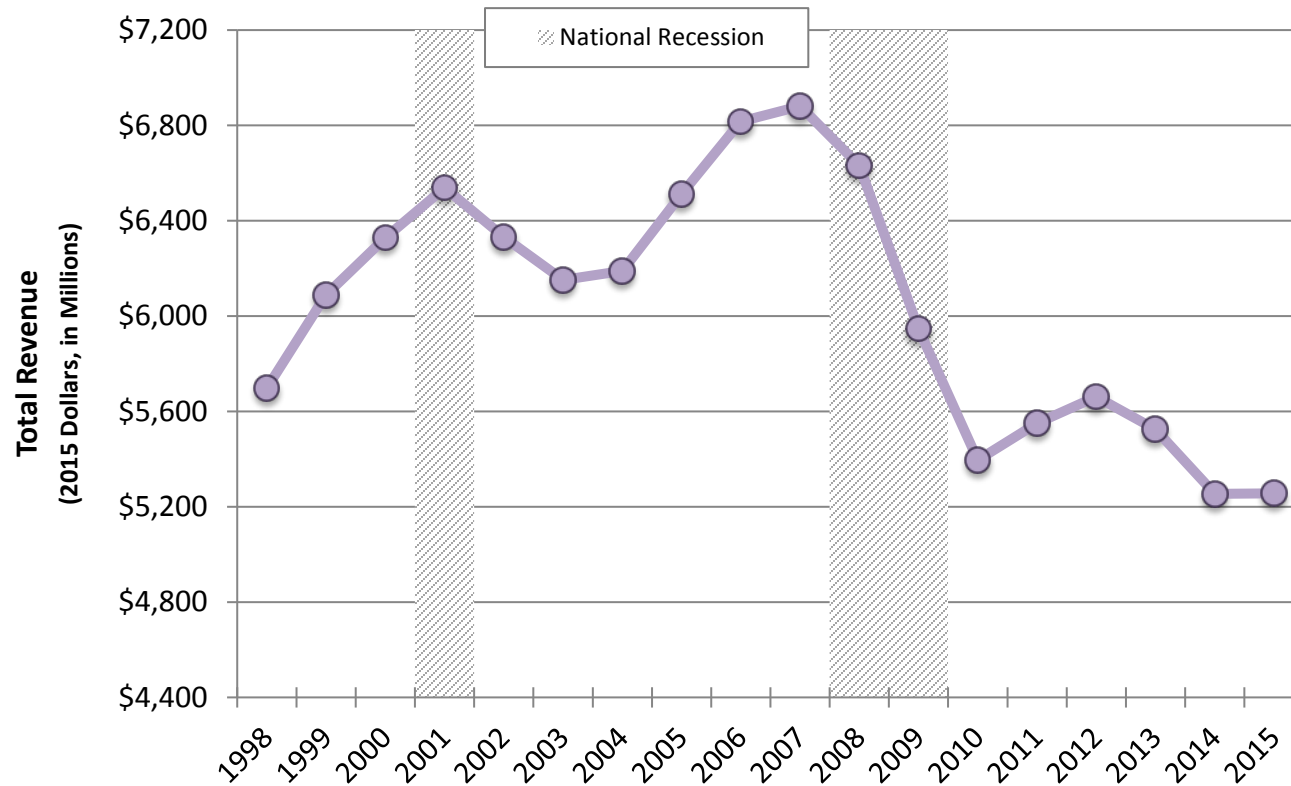
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

3. General sales tax

Figures 13-15 describe how state revenue raised by general sales tax has changed from 1998 to 2015. Figure 13 shows total revenue; Figure 14 shows revenue per capita and revenue as a percentage of total personal income; and Figure 15 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total revenue:
 - Increased before and decreased during the 2001 recession, decreased then increased between recessions, and then decreased during and has shown a minor overall decrease during the post-recession period
 - Decreased overall by 7.7% from 1998 to 2015
 - Peaked in 2007 and decreased by 23.6% from 2007 to 2015
 - Troughed in 2014
- Per capita revenue:
 - Increased before and decreased during the 2001 recession, decreased then increased between recessions, and then decreased during and increased after the 2008-09 recession
 - Decreased overall by 28.9% from 1998 to 2015
 - Peaked in 2001 and decreased by 34.0% from 2001 to 2015
 - Troughed in 2015
- Revenue as a percentage of personal income:
 - Remained flat before and decreased during the 2001 recession, decreased then remained flat between recessions, and then decreased after the 2008-09 recession
 - Decreased overall by 35.6% from 1998 to 2015
 - Peaked in 1999 and decreased by 36.9% from 1999 to 2015
 - Troughed in 2015

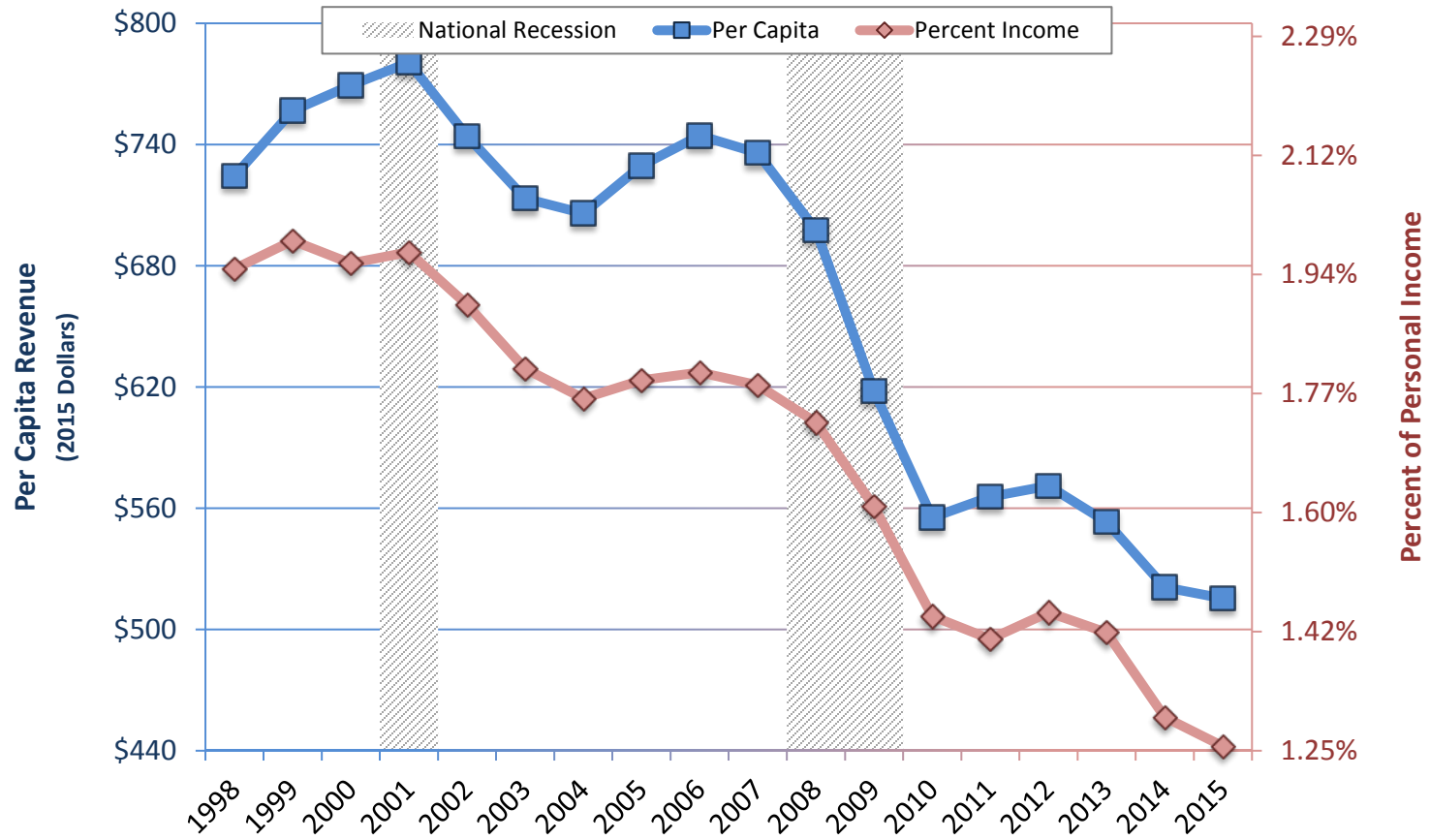
Figure 13. Georgia – State Revenue
General Sales Tax – Total



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

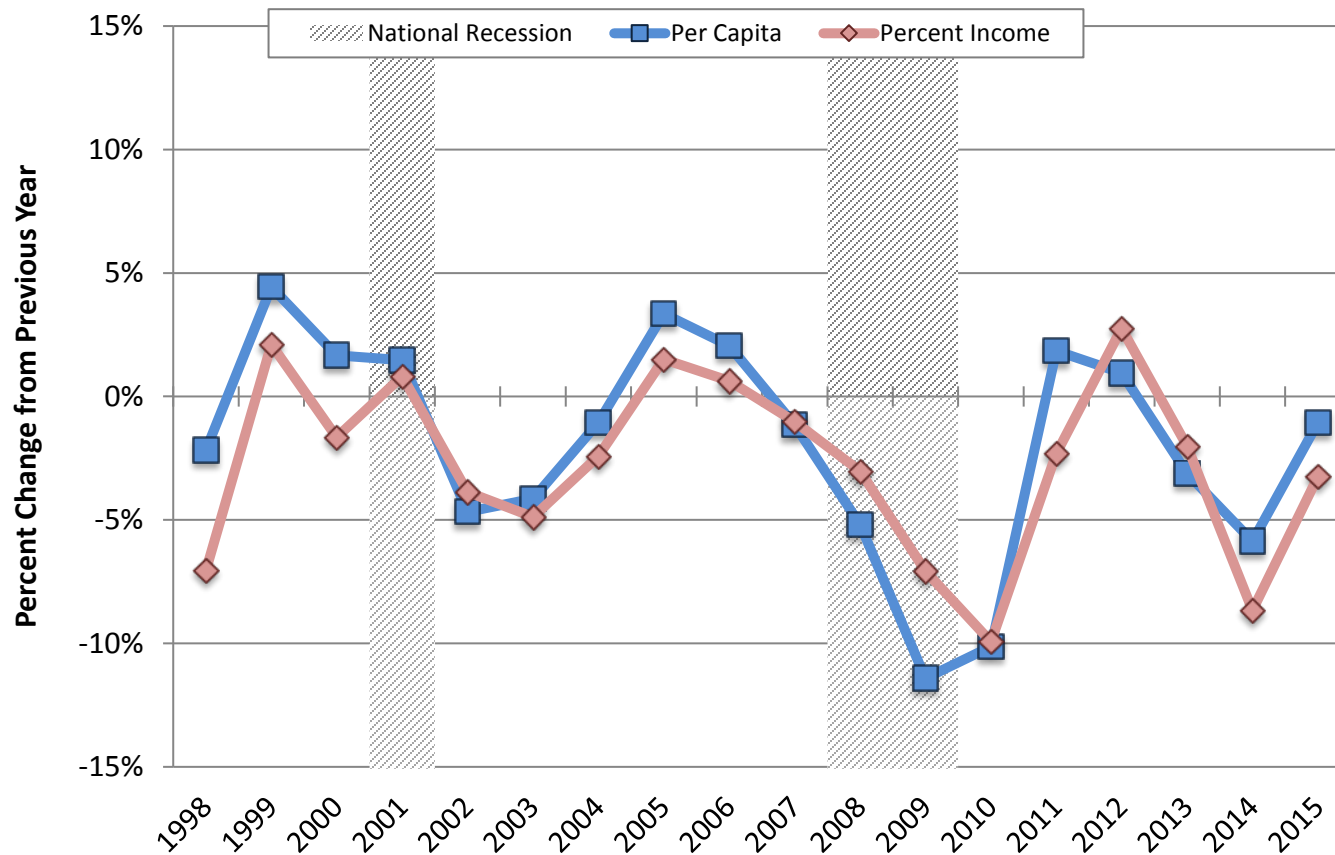
Figure 14. Georgia – State Revenue

General Sales Tax – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 15. Georgia – State Revenue
General Sales Tax – Annual Change



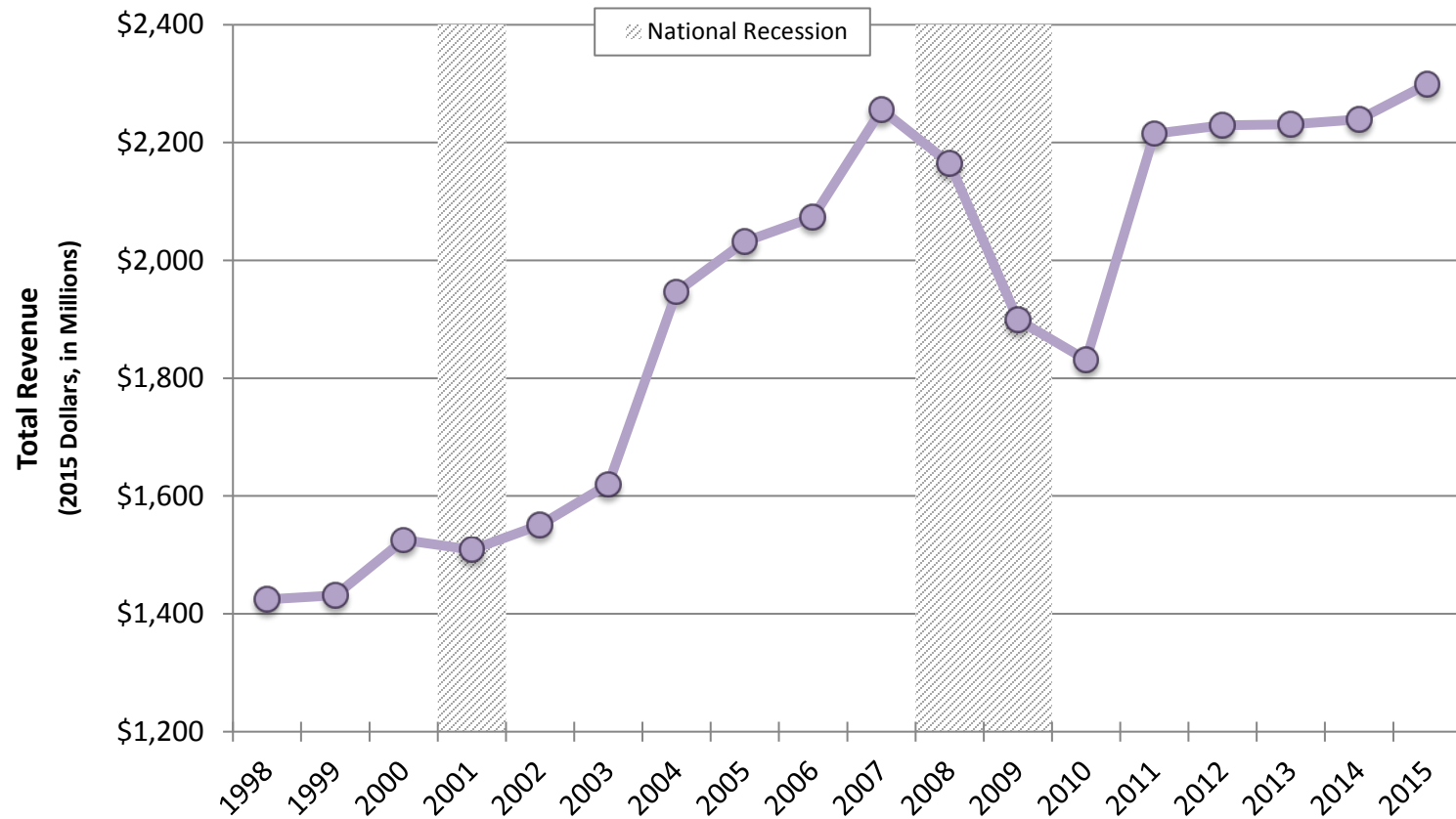
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

4. Selective sales taxes

Figures 16-18 describe how state revenue raised by selective sales taxes (motor fuels, alcohol, tobacco and others) has changed from 1998 to 2015. Figure 16 shows total revenue; Figure 17 shows revenue per capita and revenue as a percentage of total personal income; and Figure 18 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total revenue:
 - Increased before and remained flat during the 2001 recession, increased between recessions, and then decreased during and increased after the 2008-09 recession
 - Increased overall by 61.4% from 1998 to 2015
 - Peaked in 2015
 - Troughed in 1998
- Per capita revenue:
 - Increased before and decreased during the 2001 recession, increased between recessions, and then decreased during and increased after the 2008-09 recession
 - Increased overall by 24.4% from 1998 to 2015
 - Peaked in 2007 and decreased by 6.6% from 2007 to 2015
 - Troughed in 1999 and increased by 26.7% from 1999 to 2015
- Revenue as a percentage of personal income:
 - Decreased before and during the 2001 recession, increased between recessions, and then decreased during and increased and decreased after the 2008-09 recession
 - Increased overall by 12.7% from 1998 to 2015
 - Peaked in 2007 and decreased by 5.9% from 2007 to 2015
 - Troughed in 2001 and increased by 20.6% from 2001 to 2015

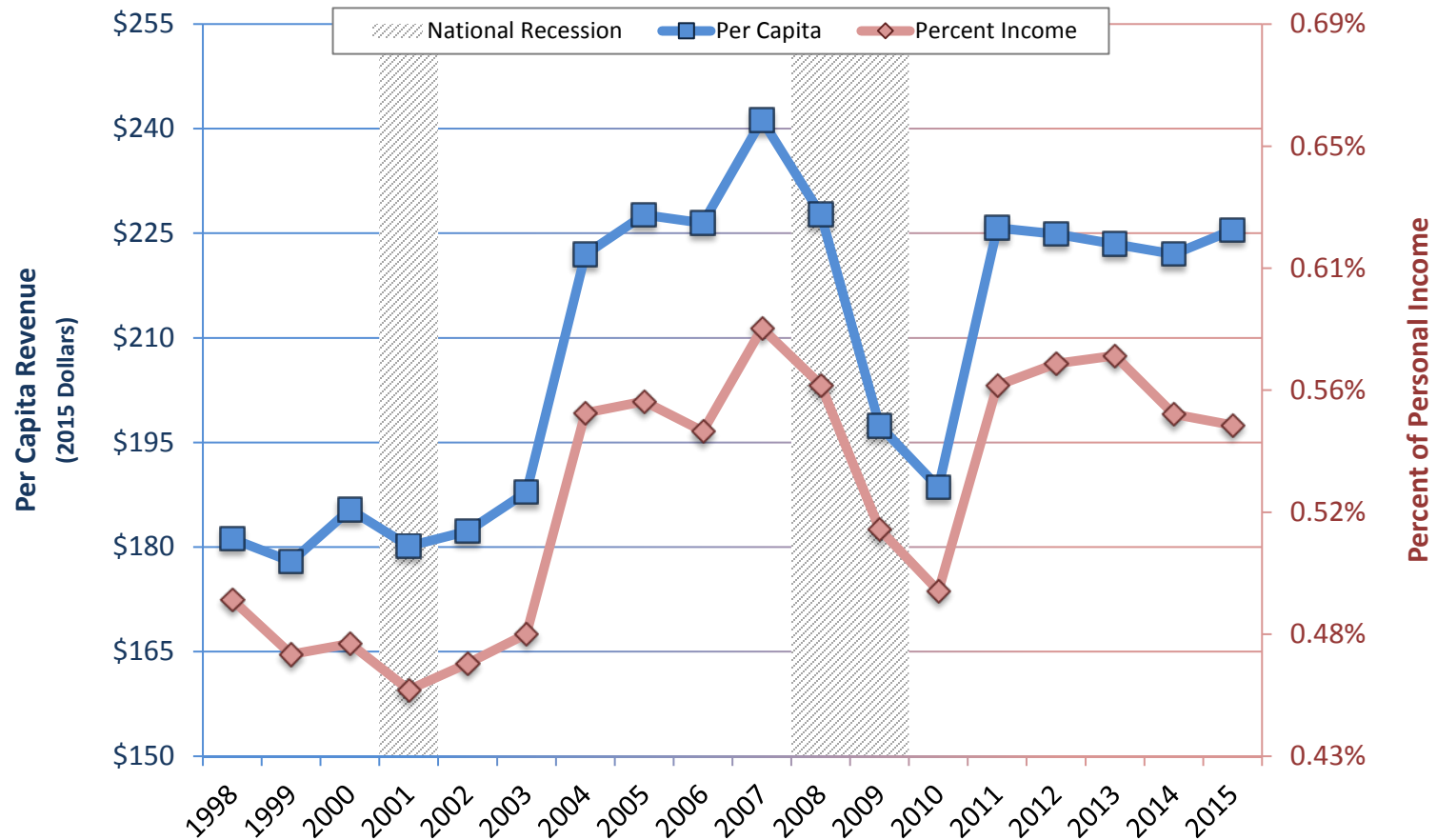
Figure 16. Georgia – State Revenue
Select Sales Taxes – Total



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

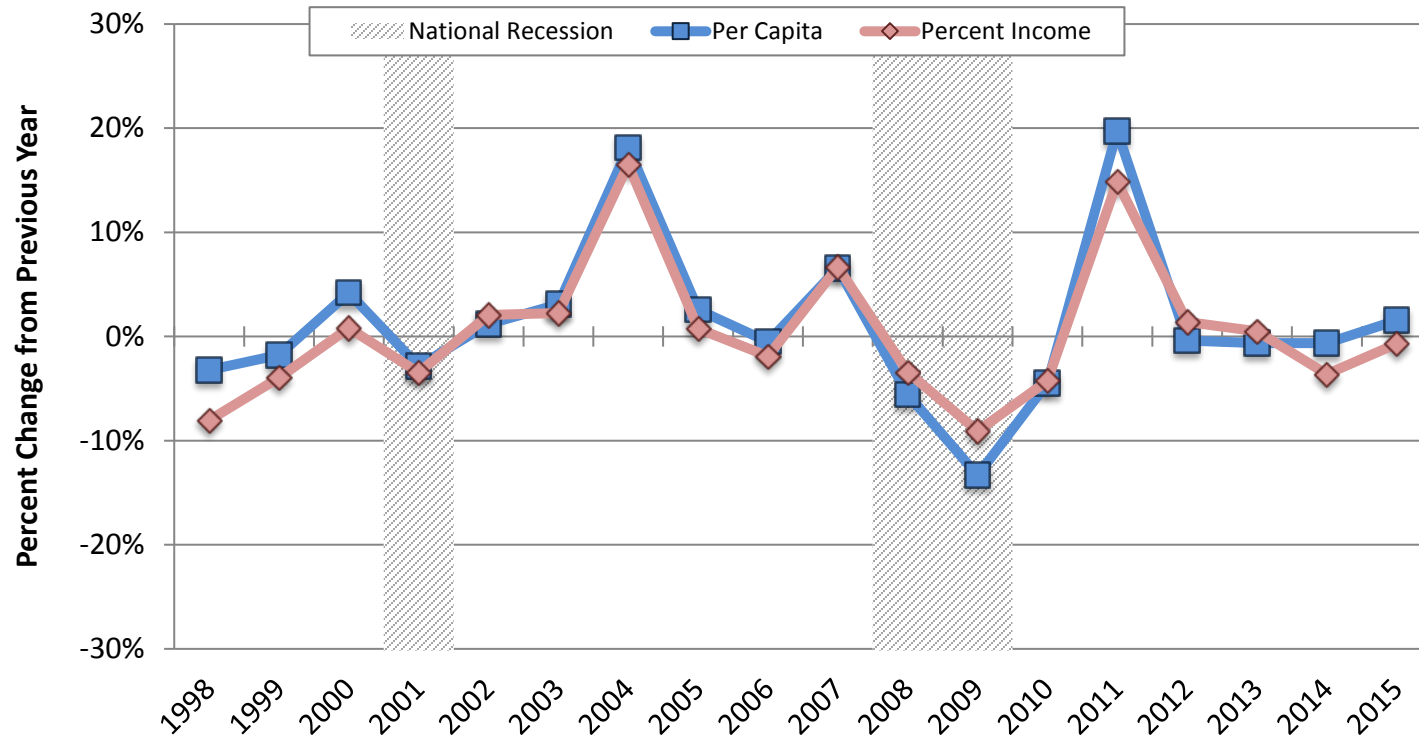
Figure 17. Georgia – State Revenue

Select Sales Taxes – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 18. Georgia – State Revenue
Select Sales Taxes – Annual Change



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

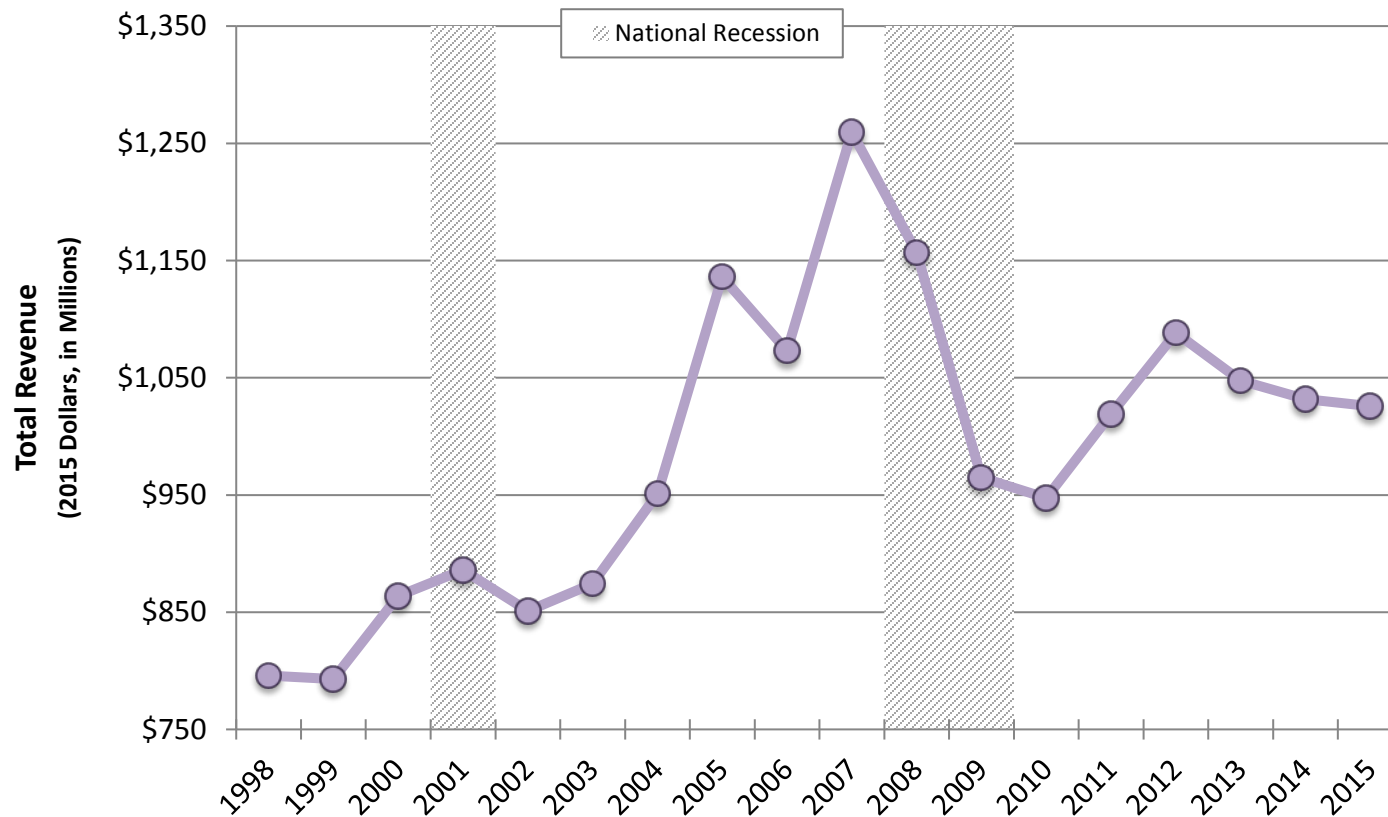
5. Fuel tax

Figures 19-21 describe how state revenue raised by the fuel tax (a major component of selective sales tax revenue) has changed from 1998 to 2015. Figure 19 shows total revenue; Figure 20 shows revenue per capita and revenue as a percentage of total personal income; and Figure 21 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total revenue:
 - Increased before and remained flat during the 2001 recession, increased between recessions, and then decreased during and increased after the 2008-09 recession before flattening out in the recent years
 - Increased overall by 28.9% from 1998 to 2015
 - Peaked in 2007 and decreased by 18.6% from 2007 to 2015
 - Troughed in 1999 and increased by 29.4% from 1999 to 2015
- Per capita revenue:
 - Increased before and decreased during the 2001 recession, increased between recessions, and then decreased during and increased after the 2008-09 recession and then flattened out
 - Decreased overall by 0.6% from 1998 to 2015
 - Peaked in 2007 and decreased by 25.3% from 2007 to 2015
 - Troughed in 2010 and increased by 3.1% from 2010 to 2015
- Revenue as a percentage of personal income:
 - Decreased before and during the 2001 recession, increased between recessions, and then decreased during and increased after the 2008-09 recession before decreasing in the recent years
 - Decreased overall by 10.0% from 1998 to 2015
 - Peaked in 2007 and decreased by 24.8% from 2007 to 2015
 - Troughed in 2015

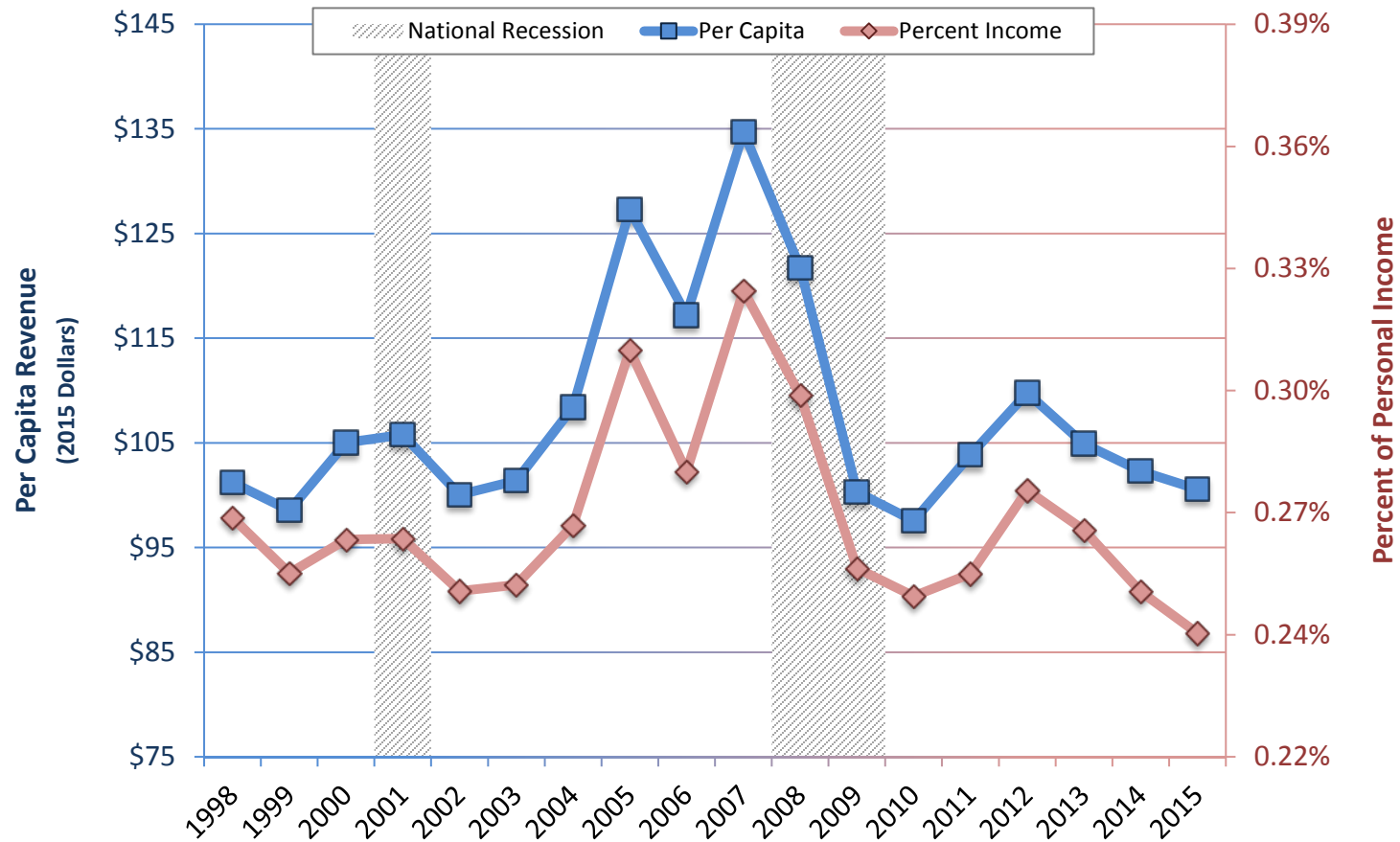
Figure 19. Georgia – State Revenue

Fuel Tax – Total



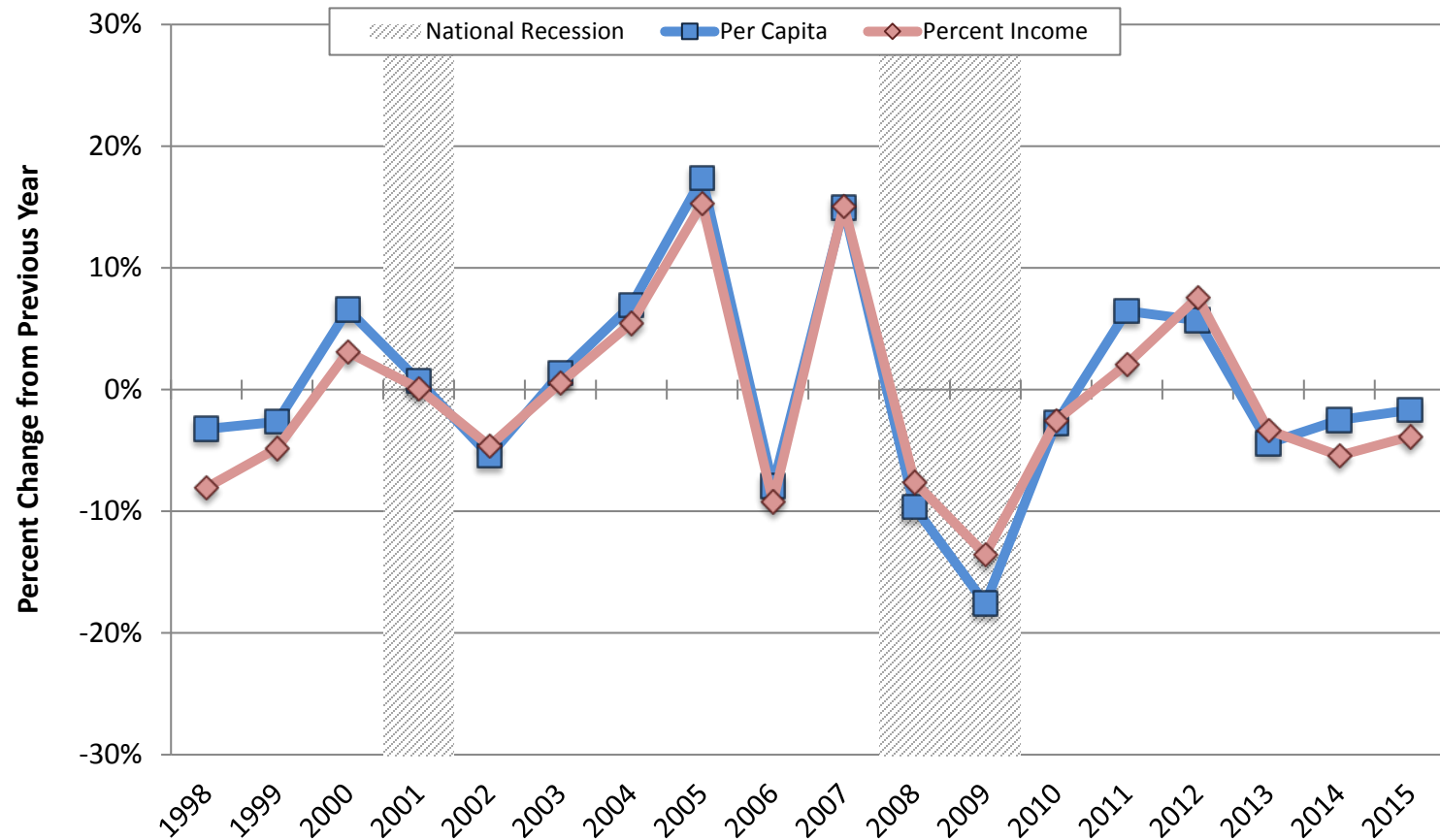
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 20. Georgia – State Revenue
Fuel Tax – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 21. Georgia – State Revenue
Fuel Tax – Annual Change



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

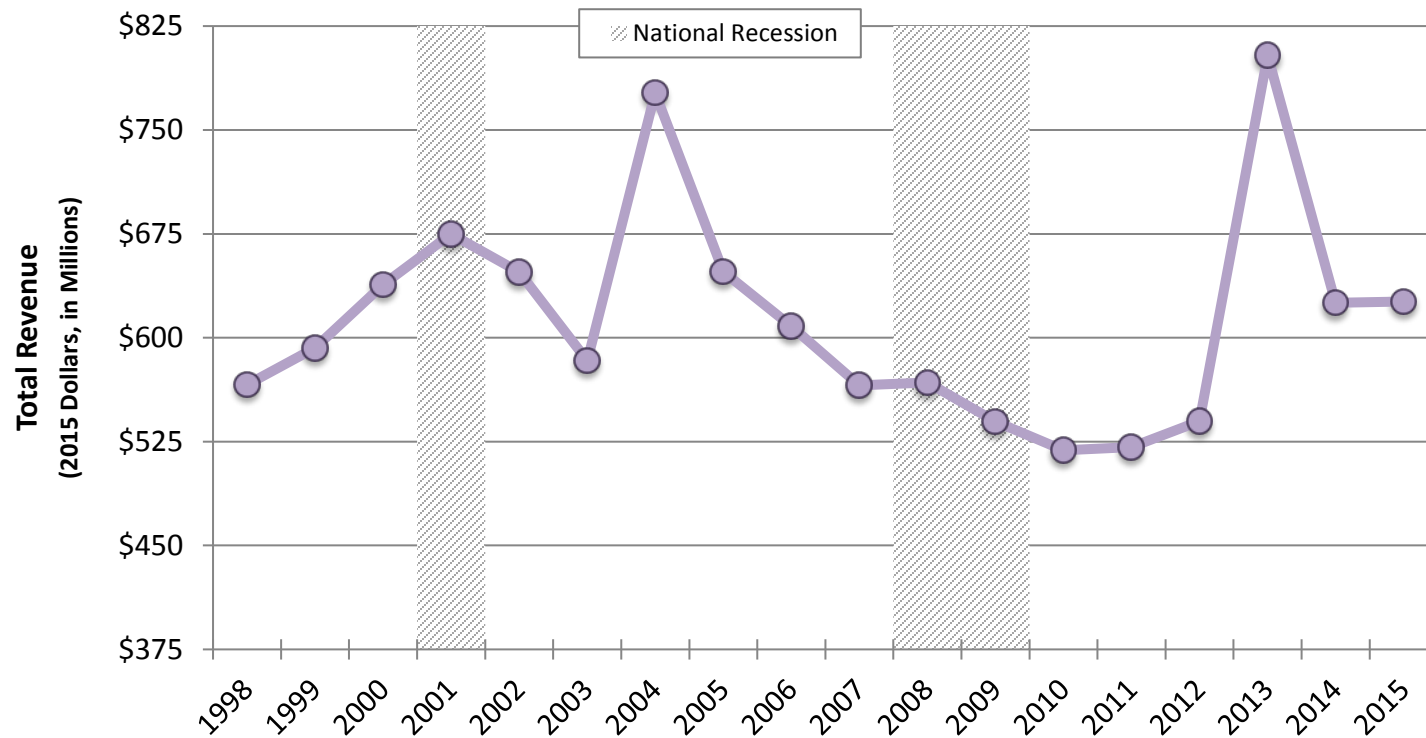
6. License taxes

Figures 22-24 describe how state revenue raised by license taxes has changed from 1998 to 2015. Figure 21 shows total revenue; Figure 22 shows revenue per capita and revenue as a percentage of total personal income; and Figure 23 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total revenue:
 - Increased before and decreased during the 2001 recession, increased then decreased between recessions, and then decreased during and increased after the 2008-09 recession
 - Increased overall by 10.6% from 1998 to 2015
 - Peaked in 2013 and decreased by 22.1% from 2013 to 2015
 - Troughed in 2010 and increased by 20.7% from 2010 to 2015
- Per capita revenue:
 - Increased before and decreased during the 2001 recession, increased then decreased between recessions, and then decreased during and remained flat after the 2008-09 recession
 - Decreased overall by 14.7% from 1998 to 2015
 - Peaked in 2004 and decreased by 30.7% from 2004 to 2015
 - Troughed in 2011 and increased by 15.6% from 2011 to 2015
- Revenue as a percentage of personal income:
 - Increased before and decreased during the 2001 recession, increased then decreased between recessions, remained flat during and decreased after the 2008-09 recession
 - Decreased overall by 22.8% from 1998 to 2015
 - Peaked in 2004 and decreased by 32.3% from 2004 to 2015
 - Troughed in 2011 and increased by 12.9% from 2011 to 2015

Figure 22. Georgia – State Revenue

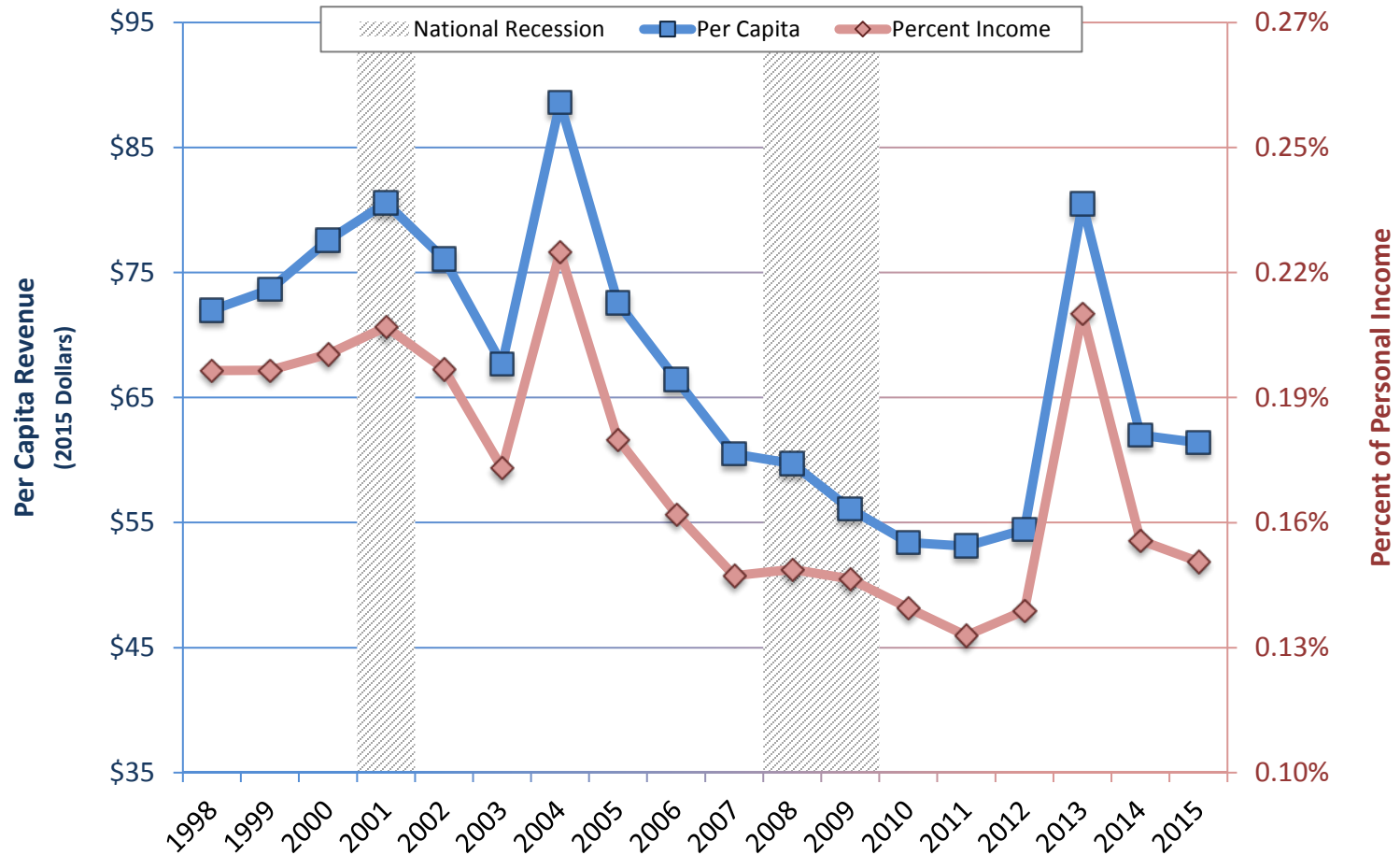
License Taxes – Total



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

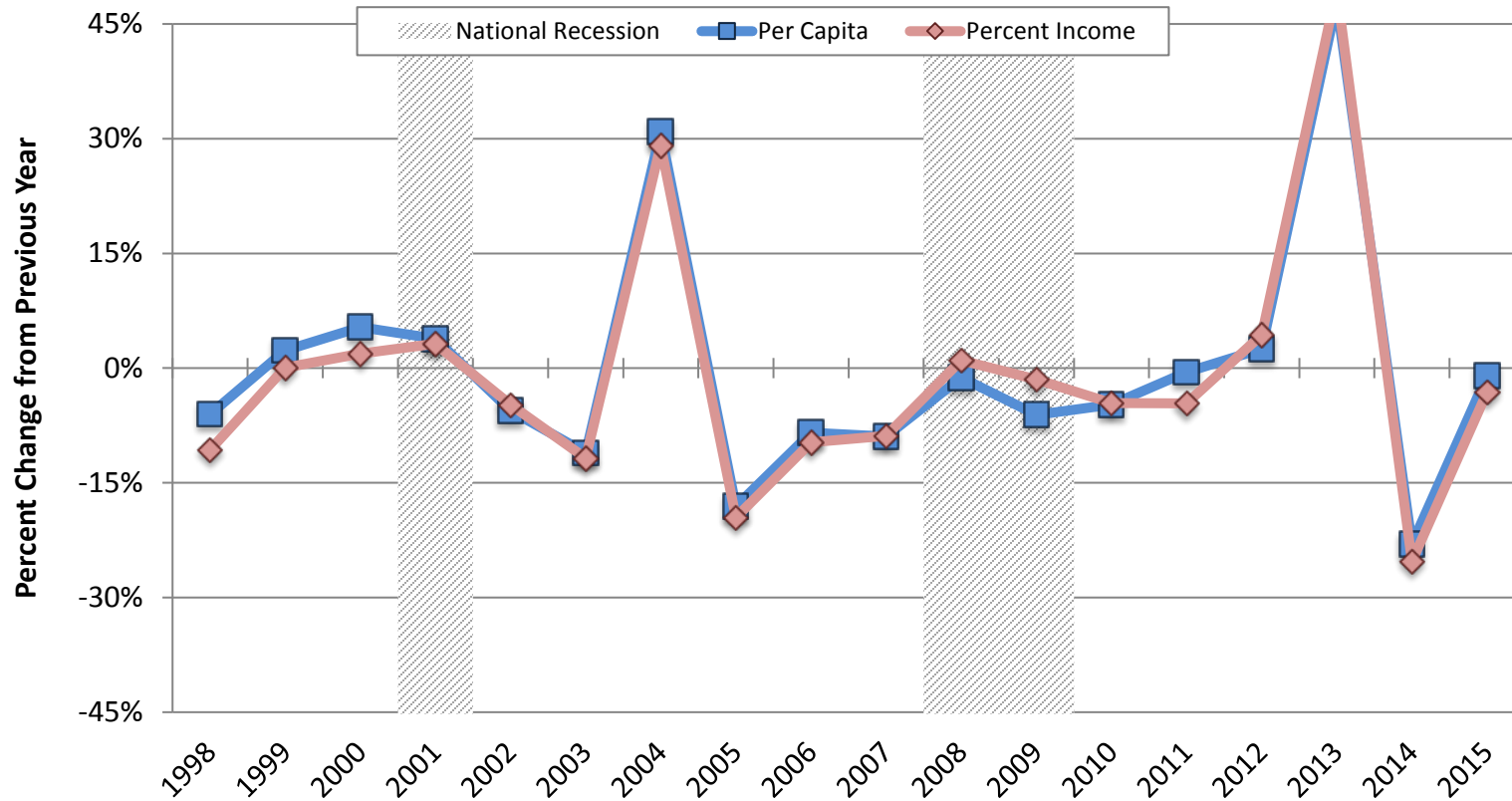
Figure 23. Georgia – State Revenue

License Taxes – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 24. Georgia – State Revenue
License Taxes – Annual Change



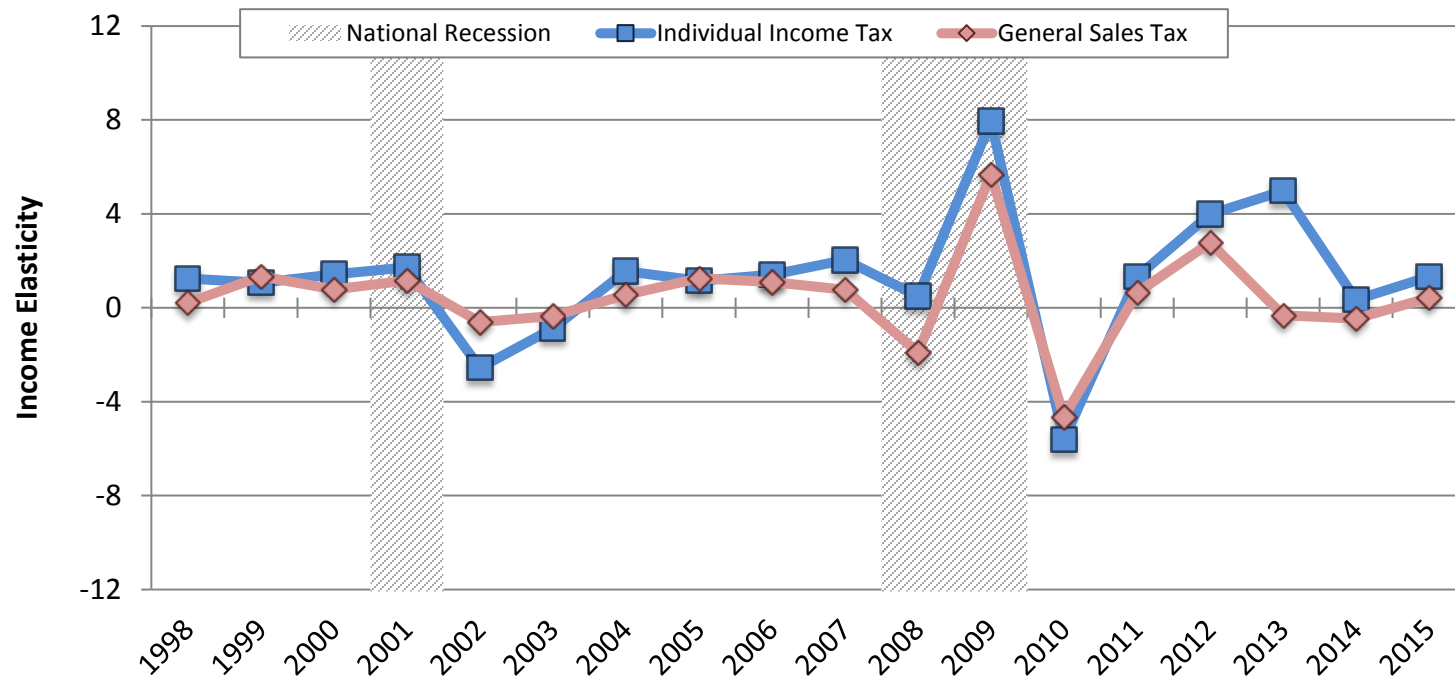
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

7. Income elasticities of major state taxes

Income elasticity of revenue measures the responsiveness of revenue to changes in total personal income. The elasticity is measured as the ratio of the percentage change in revenue to the percentage change in income. For example, an elasticity of 2 means that a 1 percent increase in personal income results in a revenue increase of 2 percent. Figure 25 shows the annual income elasticities of the state individual income tax and general sales tax from 1998 to 2015.

- Elasticities for both taxes:
 - Had positive values in the low single digits before recessions and after recovery
 - Became negative in response to each recession and took two to three years to recover
 - Increased then decreased in response to the 2008-09 recession, resulting from a concurrent decrease in revenue and income in 2009, followed by a decrease in revenue and an increase in income in 2010
- General sales tax elasticity was almost always smaller in magnitude than individual income tax elasticity. Possible causes include the following:
 - Consumption-smoothing behavior during relatively high- and low-income periods limits general sales tax volatility.
 - The individual income tax's progressive structure causes the distribution of rates to change as incomes change, whereas the general sales tax rate remains constant regardless of changes in incomes.

Figure 25. Georgia – State Revenue
Income Elasticities of Major Taxes



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

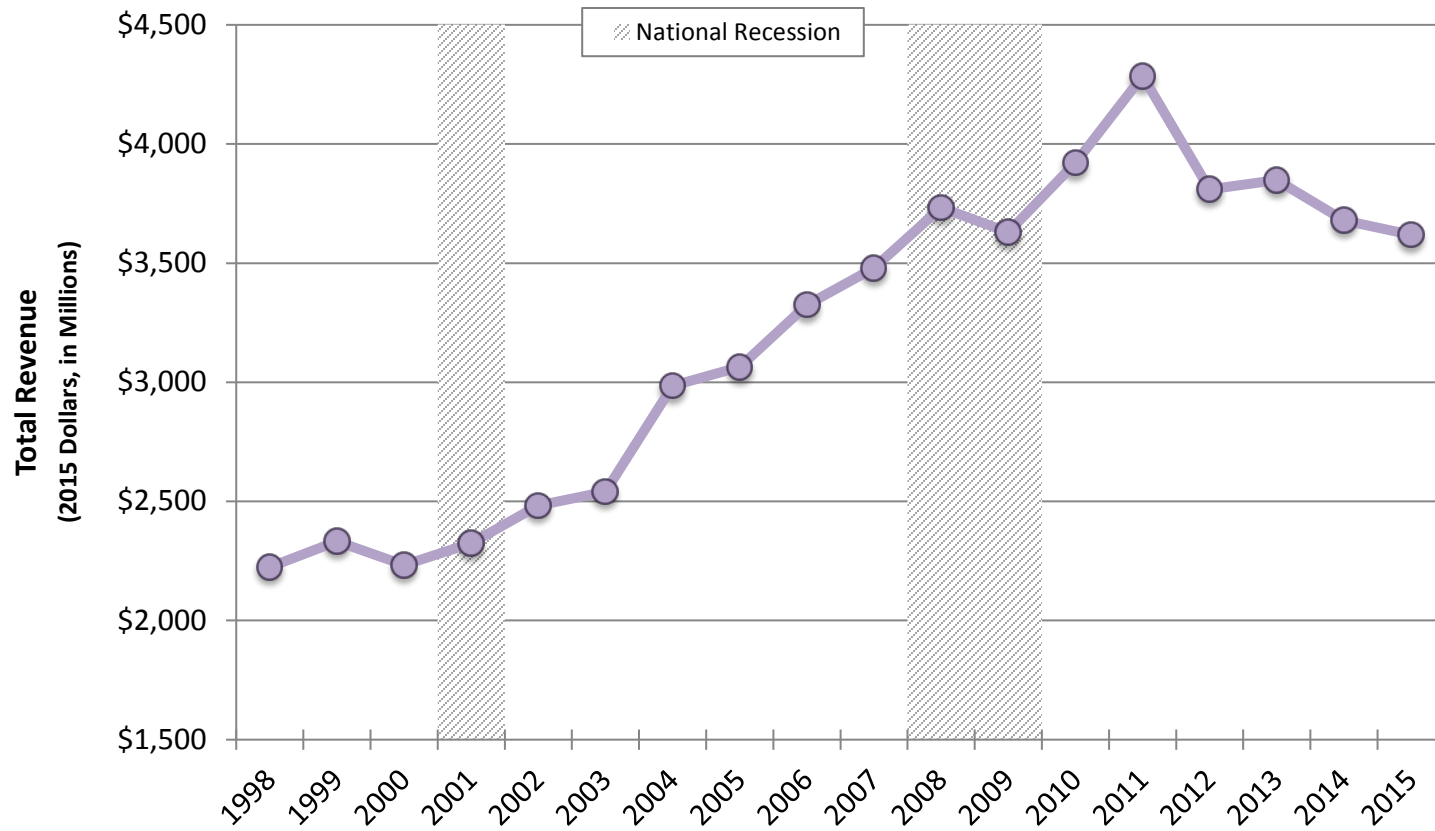
B. State Charge Revenue

This section discusses user charge revenue for Georgia's state government. Figures 26-28 describe how state revenue raised by user charges has changed from 1998 to 2015. Figure 26 shows total revenue; Figure 27 shows revenue per capita and revenue as a percentage of total personal income; and Figure 28 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total charge revenue:
 - Remained flat before and increased during the 2001 recession, increased between recessions, and then increased during and decreased after the 2008-09 recession
 - Increased overall by 62.7% from 1998 to 2015
 - Peaked in 2011 and decreased by 15.5% from 2011 to 2015
 - Troughed in 1998
- Per capita charge revenue:
 - Decreased before and increased during the 2001 recession, increased between recessions, and then increased during and decreased after the 2008-09 recession
 - Increased overall by 25.5% from 1998 to 2015
 - Peaked in 2011 and decreased by 18.8% from 2011 to 2015
 - Troughed in 2000 and increased by 30.8% from 2000 to 2015
- Charge revenue as a percentage of personal income:
 - Decreased before and increased during the 2001 recession, increased between recessions, and then increased during and decreased after the 2008-09 recession
 - Increased overall by 13.6% from 1998 to 2015
 - Peaked in 2011 and decreased by 20.7% from 2011 to 2015
 - Troughed in 2000 and increased by 25.2% from 2000 to 2015

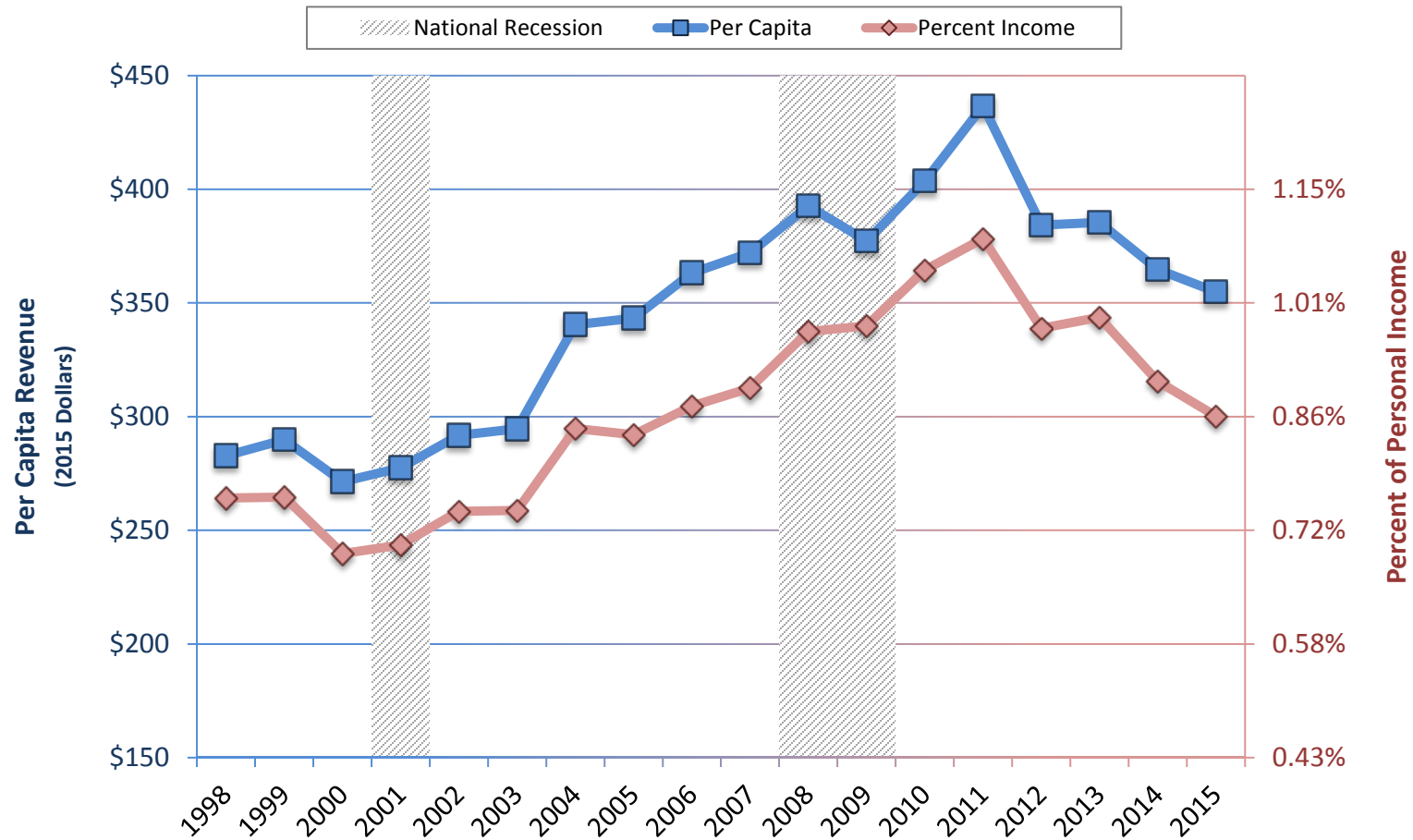
Figure 26. Georgia – State Revenue

Total Charges – Total



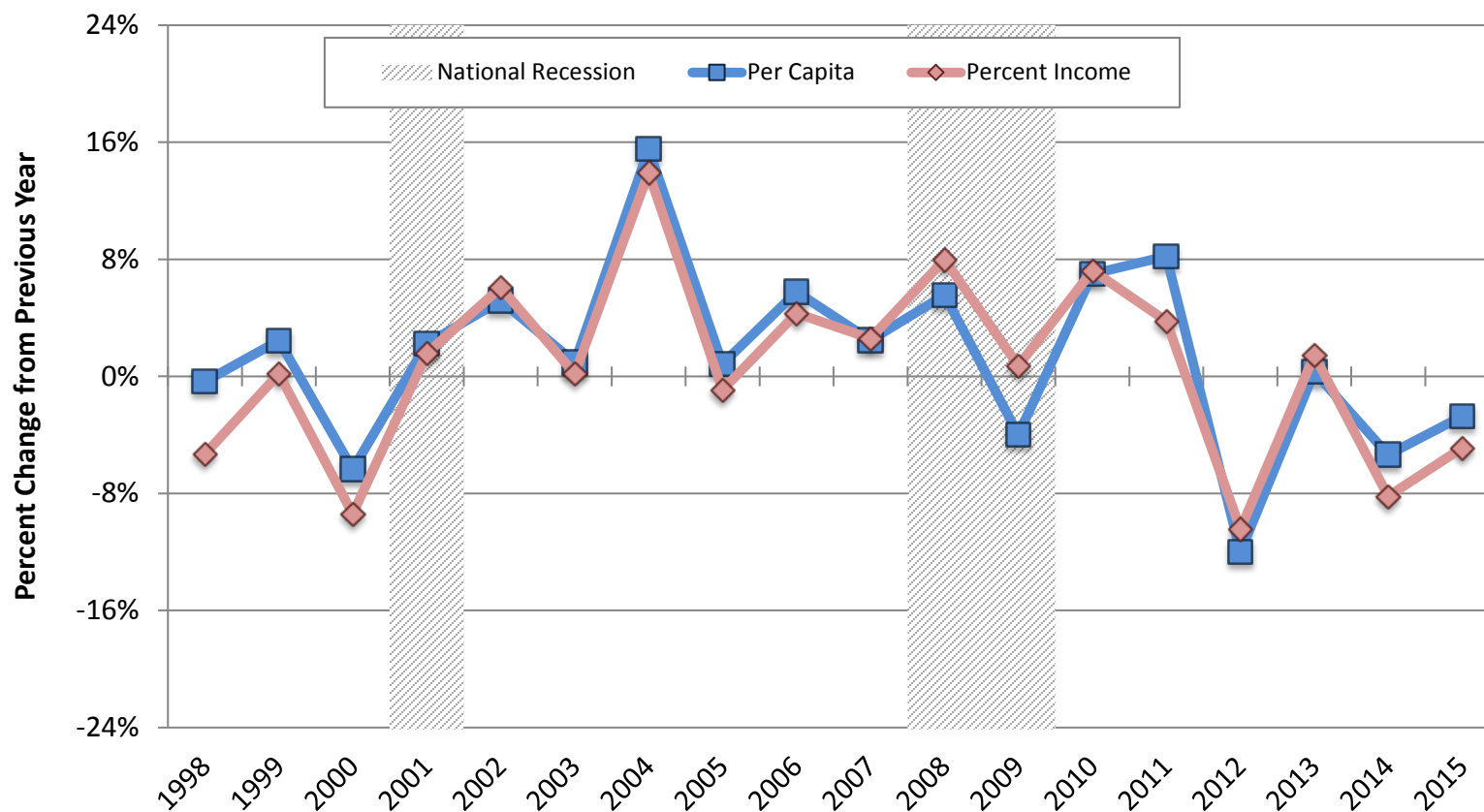
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 27. Georgia – State Revenue
Total Charges – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 28. Georgia – State Revenue
Total Charges – Annual Change



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

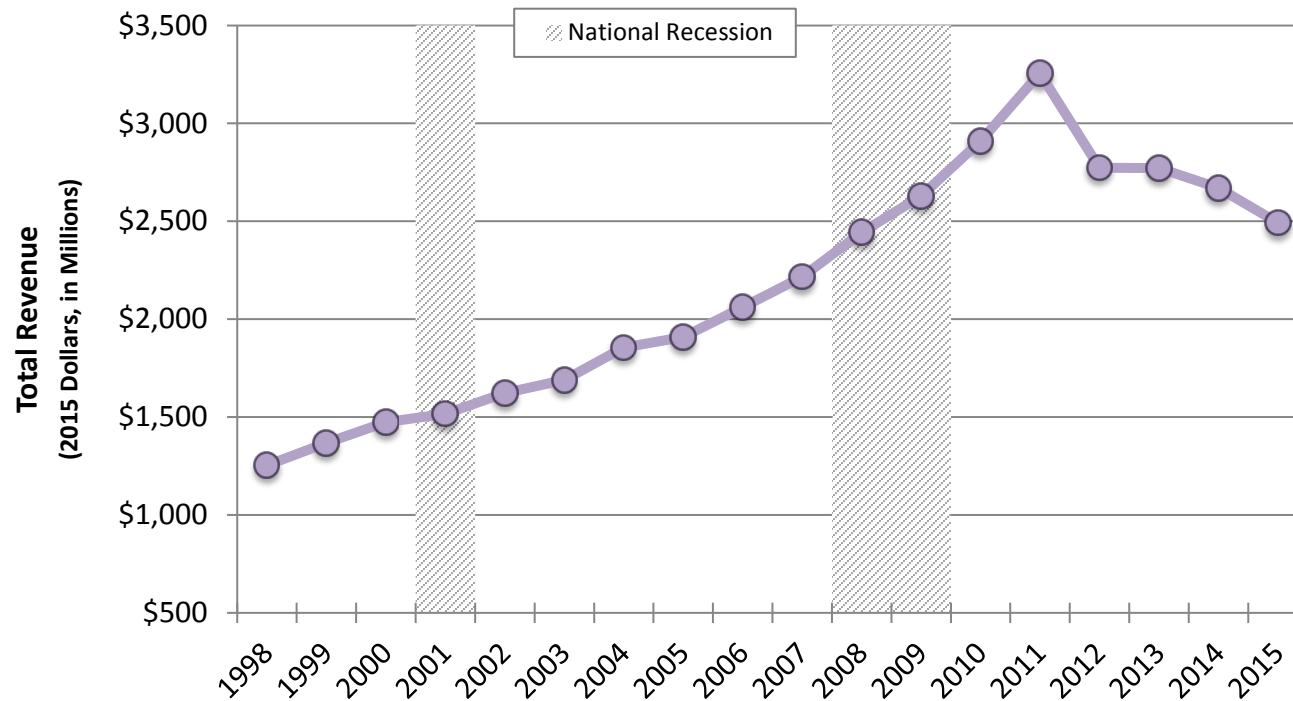
1. Higher education charges

Figures 29-31 describe how state revenue raised by higher education charges has changed from 1998 to 2015. Figure 29 shows total revenue; Figure 30 shows revenue per capita and revenue as a percentage of total personal income; and Figure 31 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total revenue:
 - Increased before and during the 2001 recession, increased between recessions, and then increased during and decreased after the 2008-09 recession
 - Increased overall by 98.8% from 1998 to 2015
 - Peaked in 2011 and decreased by 23.4% from 2011 to 2015
 - Troughed in 1998
- Per capita revenue:
 - Increased before and during the 2001 recession, increased between recessions, and then increased during and decreased after the 2008-09 recession
 - Increased overall by 53.3% from 1998 to 2015
 - Peaked in 2011 and decreased by 26.4% from 2011 to 2015
 - Troughed in 1998
- Revenue as a percentage of personal income:
 - Increased before and during the 2001 recession, increased between recessions, and then increased during and decreased after the 2008-09 recession
 - Increased overall by 38.8% from 1998 to 2015
 - Peaked in 2011 and decreased by 28.1% from 2011 to 2015
 - Troughed in 1998

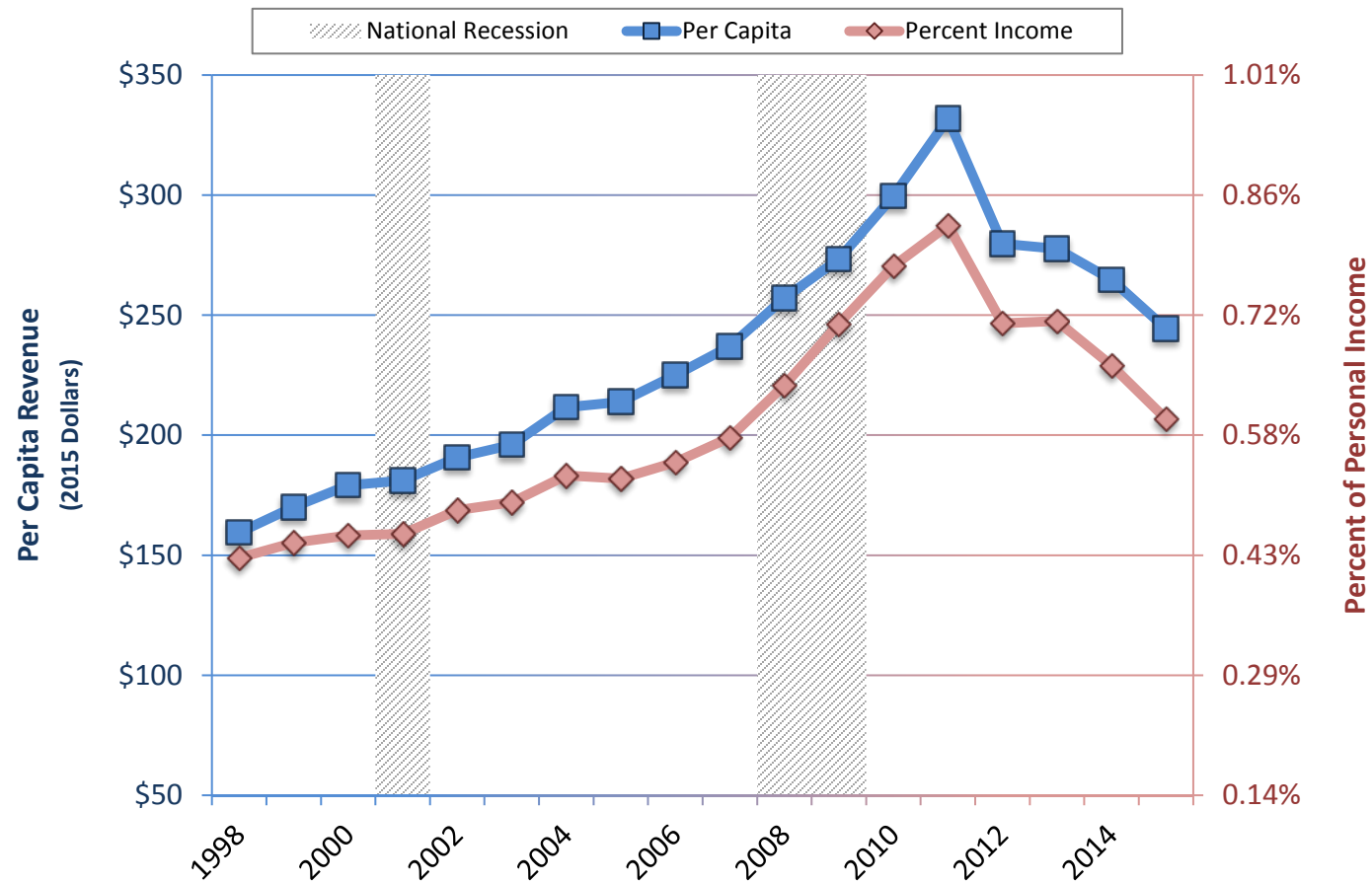
Figure 29. Georgia – State Revenue

Higher Education Charges – Total



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

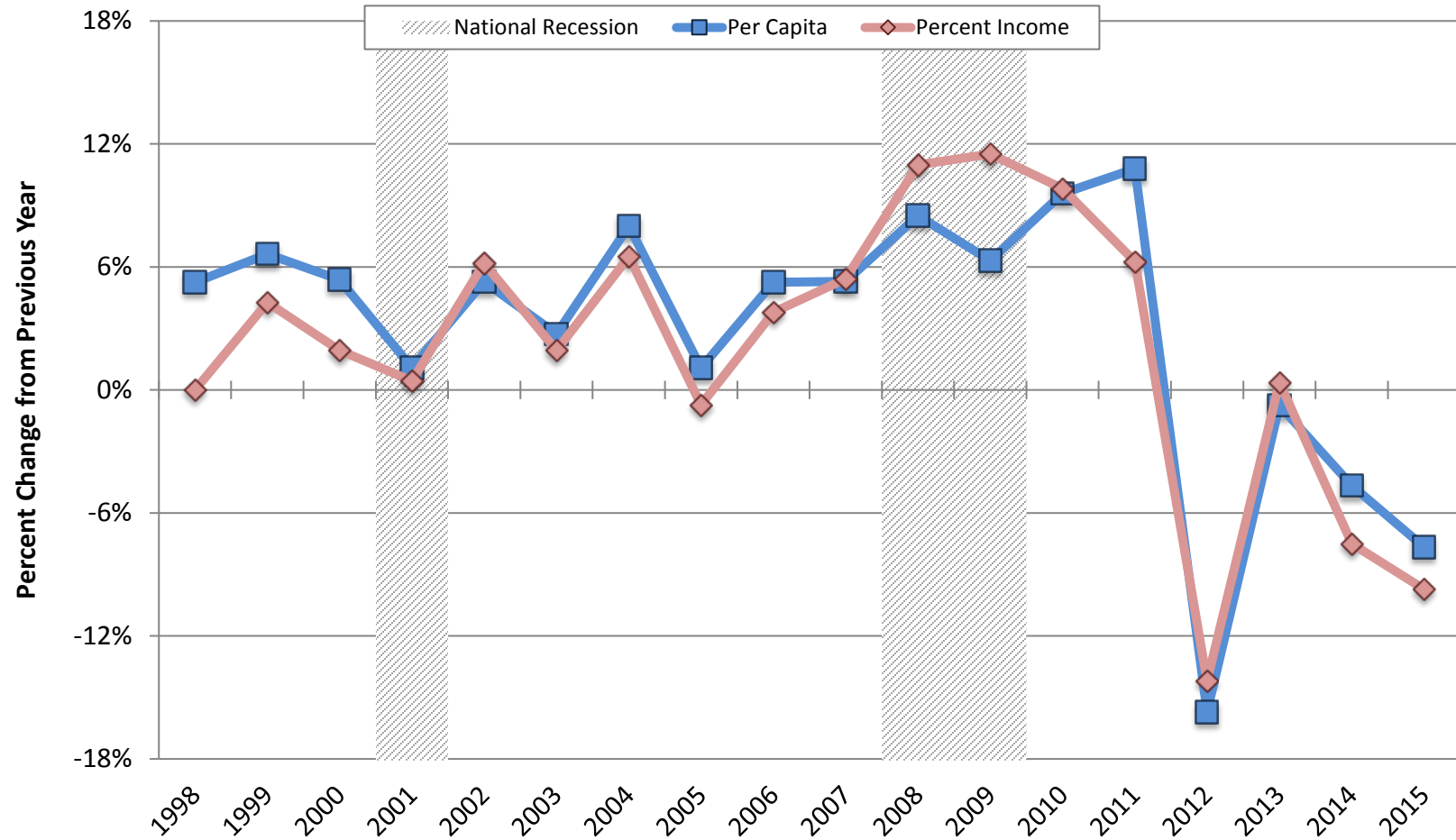
Figure 30. Georgia – State Revenue
Higher Education Charges –
Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 31. Georgia – State Revenue

Higher Education Charges – Annual Change



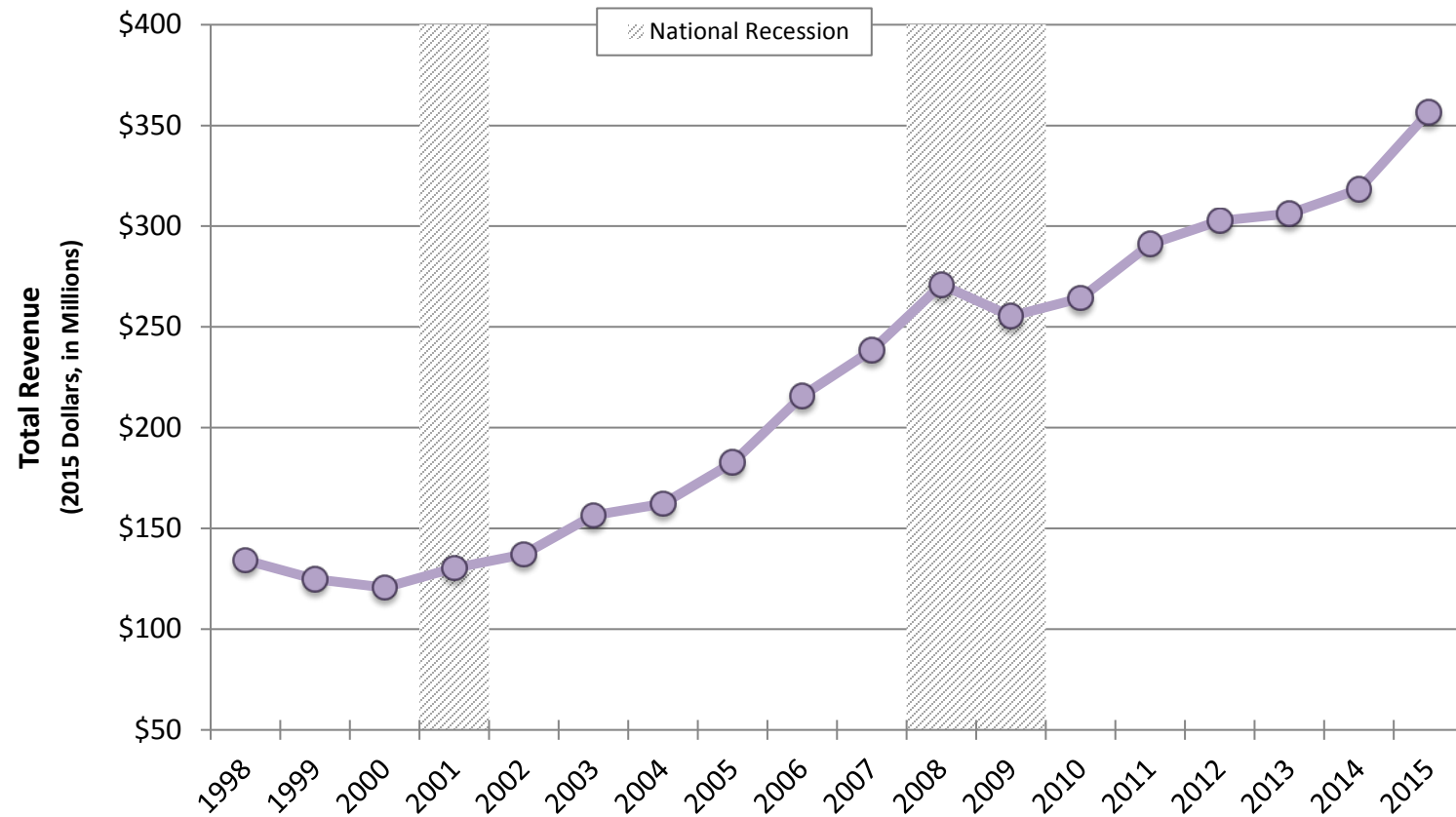
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

2. Water transport charges

Figures 32-34 describe how state revenue raised by water transport charges has changed from 1998 to 2015. Figure 32 shows total revenue; Figure 33 shows revenue per capita and revenue as a percentage of total personal income; and Figure 34 shows the percentage change from the previous year in per-capita and percent-income measures.

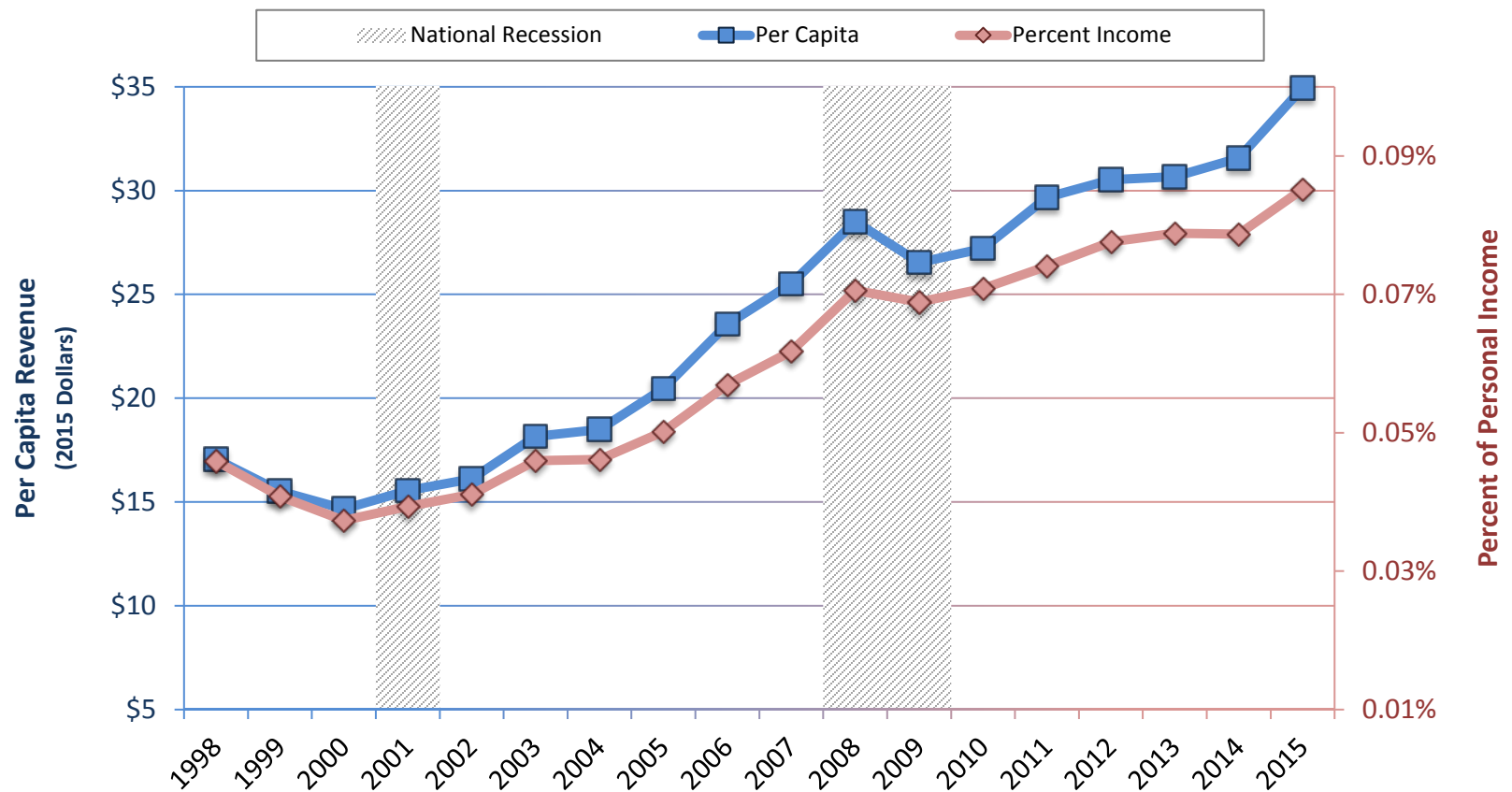
- Total revenue:
 - Decreased before and increased during the 2001 recession, increased between recessions, and then remained flat during and increased after the 2008-09 recession
 - Increased overall by 165.6% from 1998 to 2015
 - Peaked in 2015
 - Troughed in 2000 and increased by 195.5% from 2000 to 2015
- Per capita revenue:
 - Decreased before and increased during the 2001 recession, increased between recessions, and then remained flat during and increased after the 2008-09 recession
 - Increased overall by 104.8% from 1998 to 2015
 - Peaked in 2015
 - Troughed in 2000 and increased by 138.3% from 2000 to 2015
- Revenue as a percentage of personal income:
 - Decreased before and increased during the 2001 recession, increased between recessions, and then remained flat during and increased after the 2008-09 recession
 - Increased overall by 85.5% from 1998 to 2015
 - Peaked in 2015
 - Troughed in 2000 and increased by 128.2% from 2000 to 2015

Figure 32. Georgia – State Revenue
Water Transport Charges – Total



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

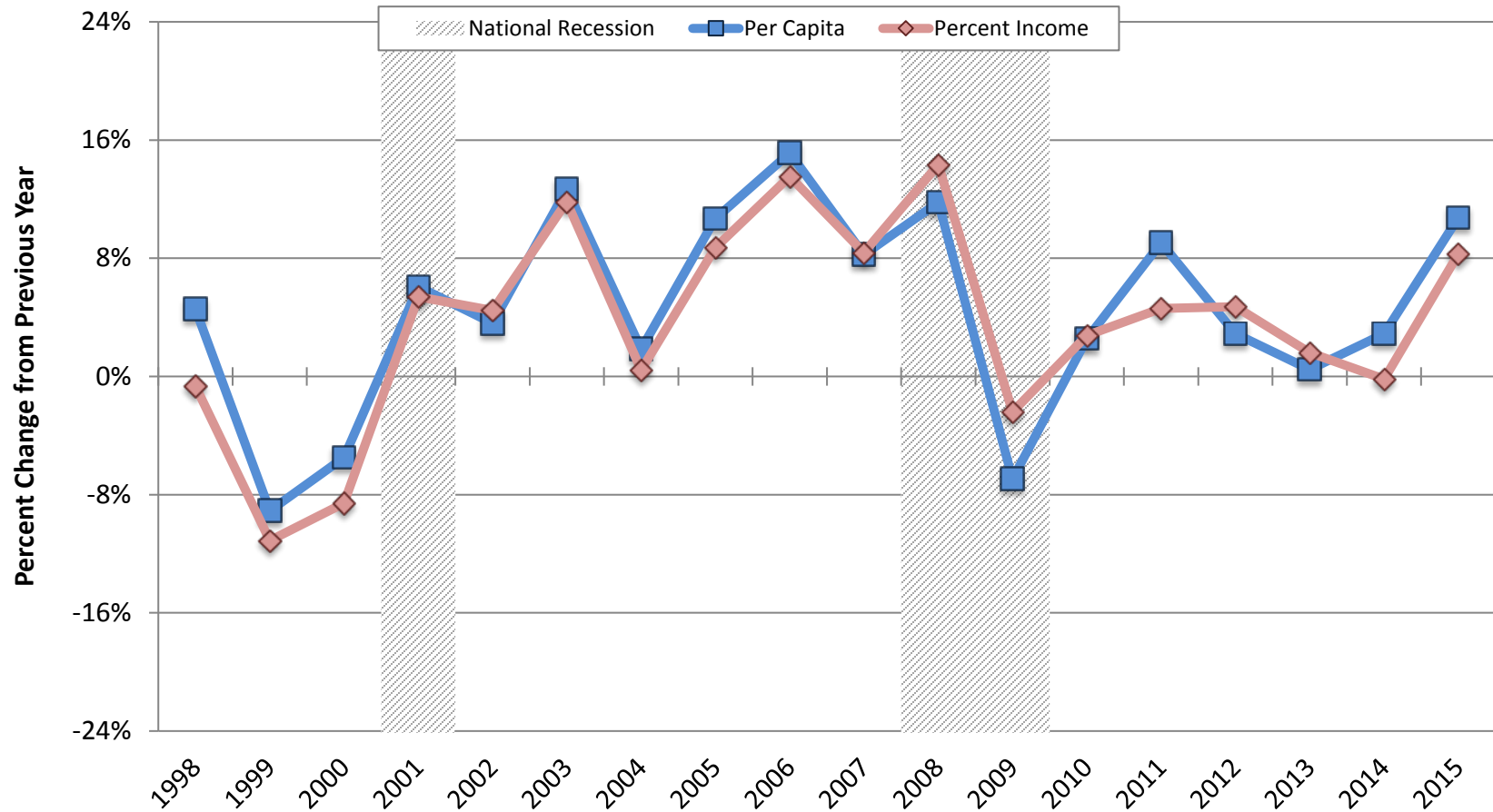
Figure 33. Georgia – State Revenue
Water Transport Charges – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 34. Georgia – State Revenue

Water Transport Charges – Annual Change



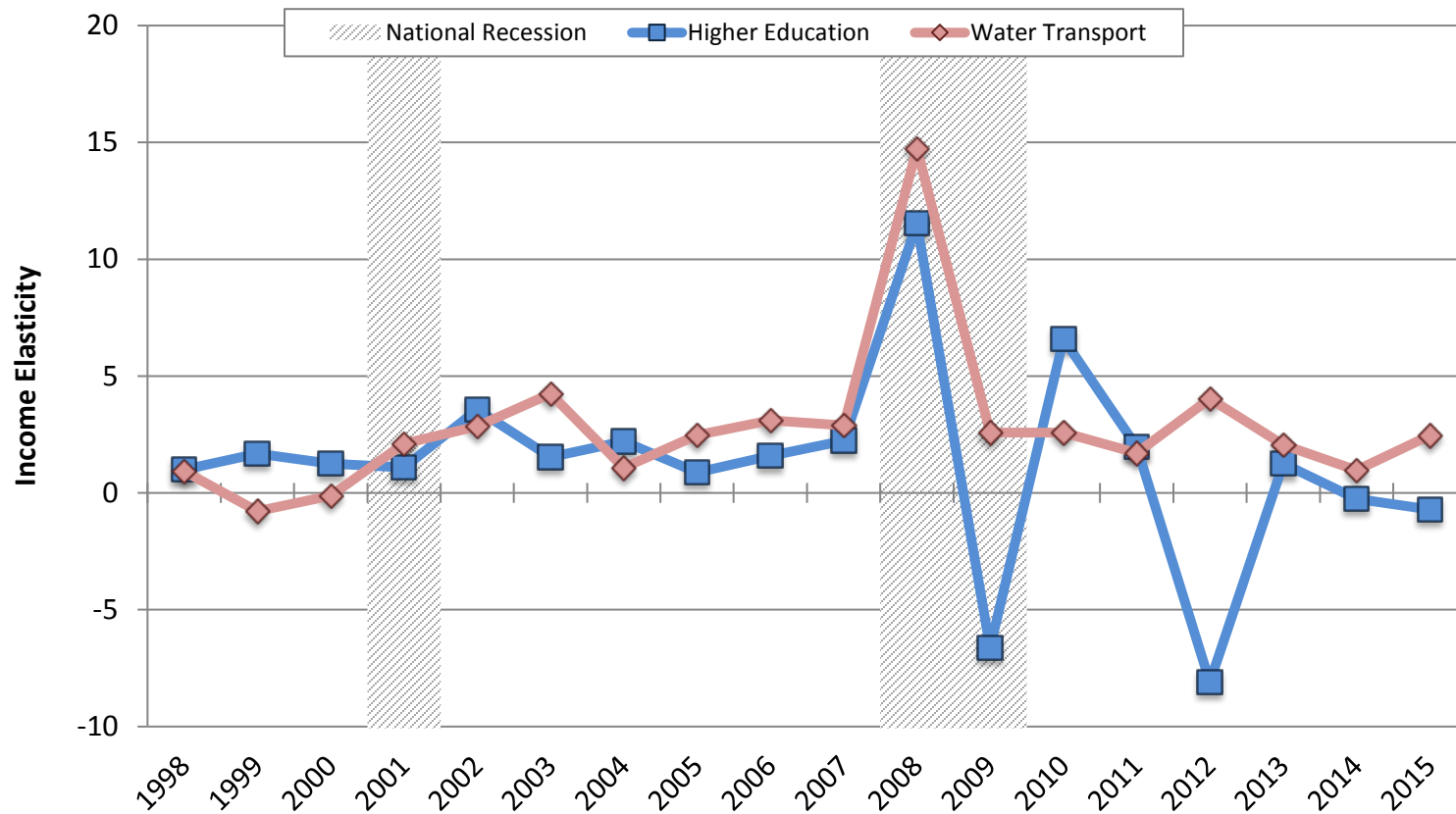
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

3. Income elasticities of major state charges

Income elasticity of revenue measures the responsiveness of revenue to changes in total personal income. The elasticity is measured as the ratio of the percentage change in revenue to the percentage change in income. For example, an elasticity of 2 means that a 1 percent increase in personal income results in a revenue increase of 2 percent. Figure 35 shows the annual income elasticities of state higher education and water transport charges from 1998 to 2015.

- Higher education charge elasticity consistently had low, positive values until the 2008-09 recession when its magnitude increased.
 - The negative value in 2009 reflects increased charges and decreased income.
 - In the recent years, the higher education charge elasticity has become negative.
- Water transport charge elasticity initially became negative, but had low positive values from the 2001 recession on.
 - It remained positive in 2009, indicating that water transport charges decreased as income decreased.
 - In the aftermath of the Great Recession, it resumed the low positive values.

Figure 35. Georgia – State Revenue
Income Elasticities of Major Charges



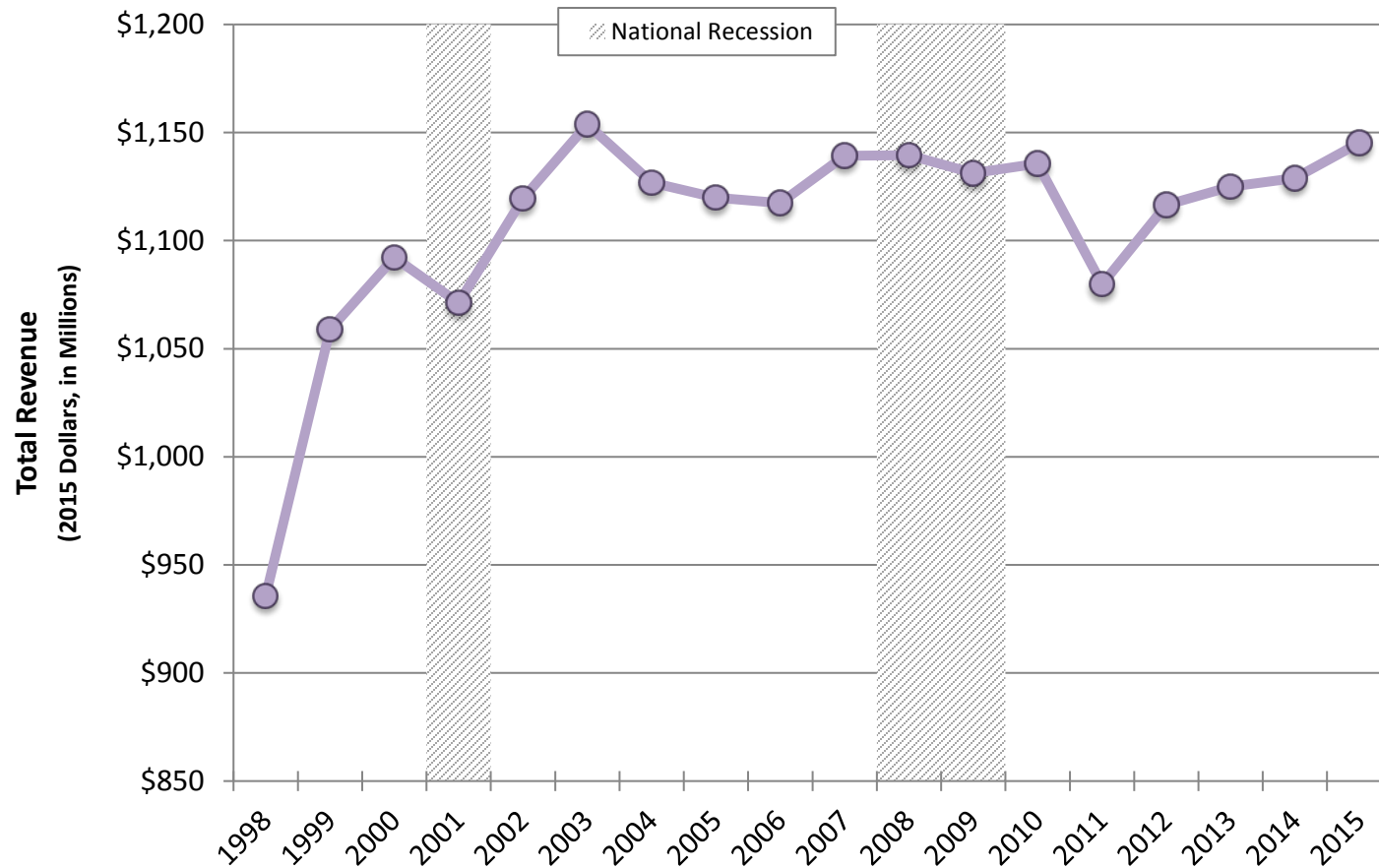
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

C. State Lottery Revenue

This section discusses lottery revenue for Georgia's state government. Figures 36-38 describe how state revenue raised by the lottery has changed from 1998 to 2015. Figure 36 shows total revenue; Figure 37 shows revenue per capita and revenue as a percentage of total personal income; and Figure 38 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total lottery revenue:
 - Increased before and decreased during the 2001 recession, increased then decreased between recessions, and then remained flat during and has increased in the recent years
 - Increased overall by 22.4% from 1998 to 2015
 - Peaked in 2003 and has almost regained that level – an overall decline of 0.8% from 2003 to 2015
 - Troughed in 1998
- Per capita lottery revenue:
 - Increased before and decreased during the 2001 recession, increased then decreased between recessions, and then remained flat during and decreased after the 2008-09 recession
 - Decreased overall by 5.6% from 1998 to 2015
 - Peaked in 2003 and decreased by 16.1% from 2003 to 2015
 - Troughed in 2011 and increased by 2.0% from 2011 to 2015
- Lottery revenue as a percentage of personal income:
 - Increased before and decreased during the 2001 recession, increased then decreased between recessions, and then increased during and decreased after the 2008-09 recession
 - Decreased overall by 14.5% from 1998 to 2015
 - Peaked in 1999 and decreased by 21.0% from 1999 to 2015
 - Troughed in 2015

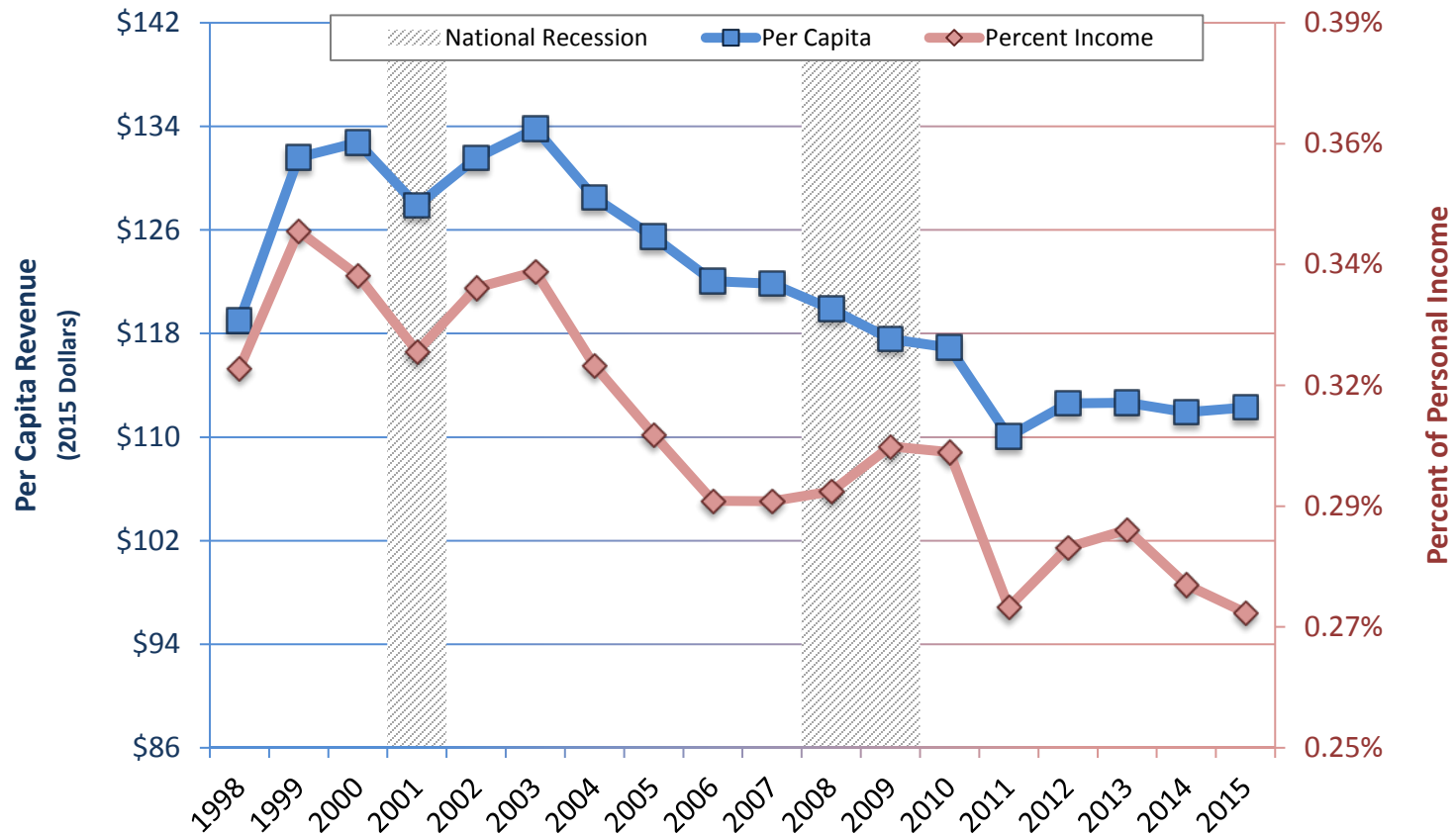
Figure 36. Georgia – State Revenue
Lottery Revenue – Total



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

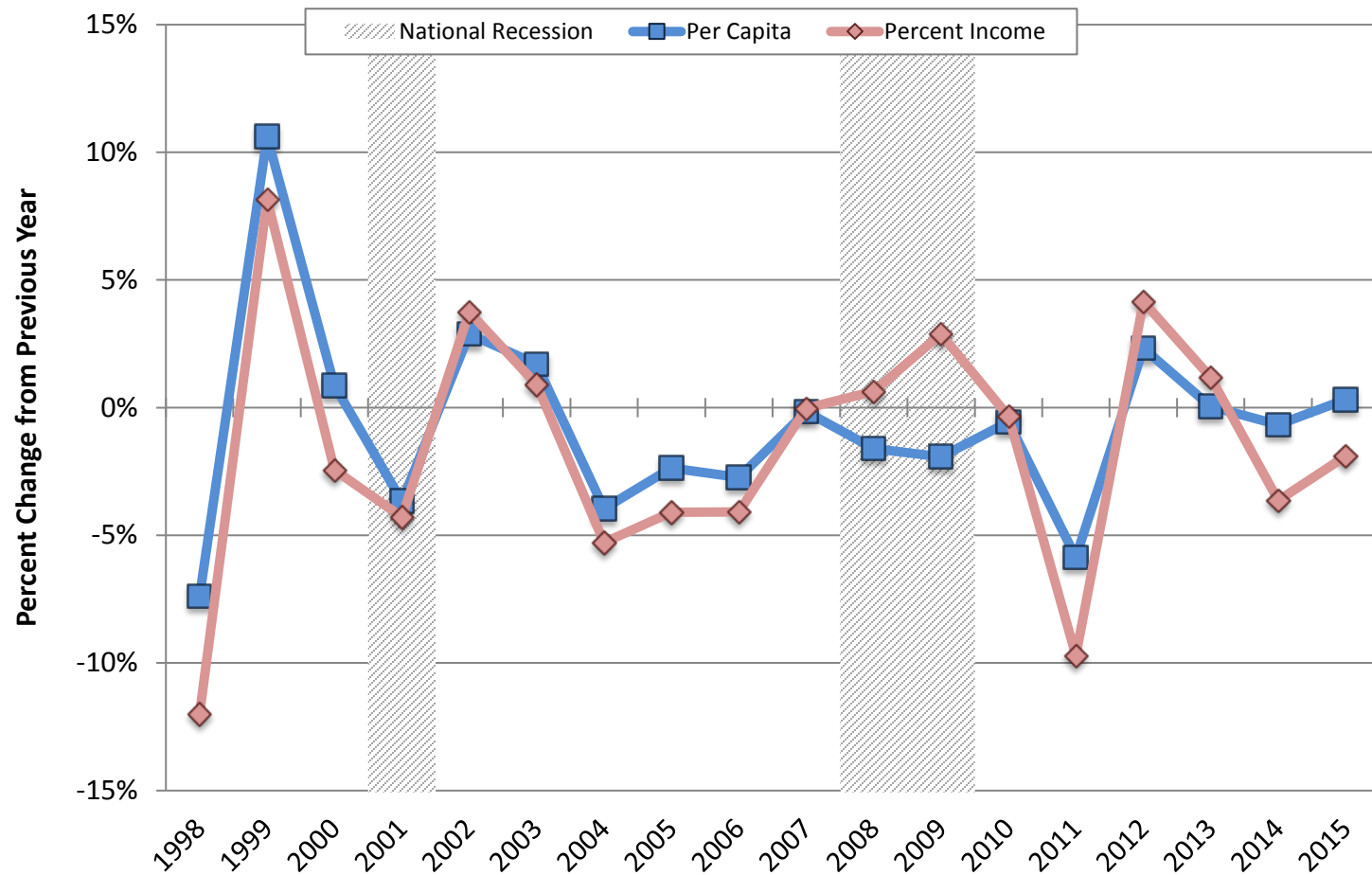
Figure 37. Georgia – State Revenue

Lottery Revenue – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 38. Georgia – State Revenue
Lottery Revenue – Annual Change



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

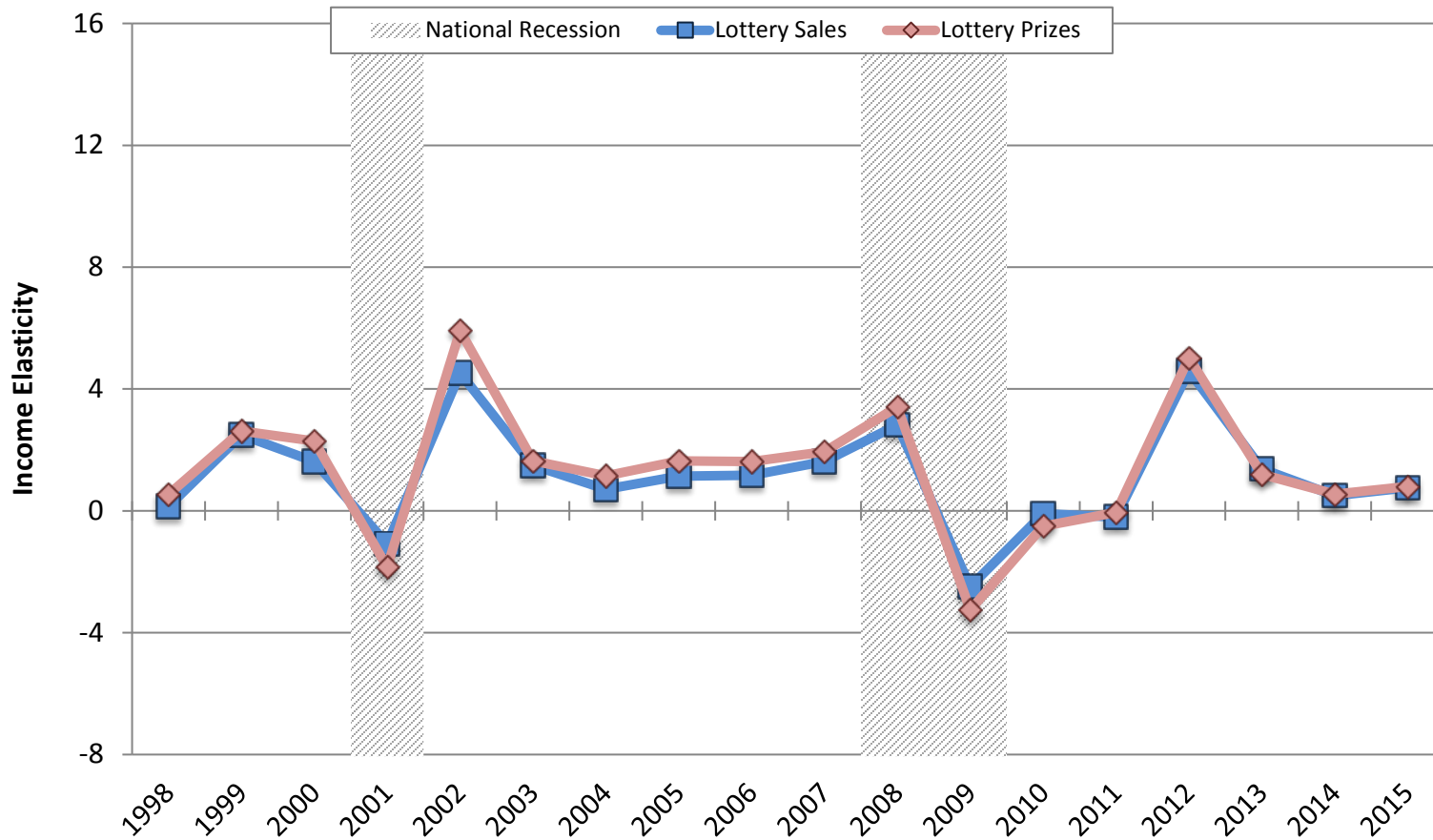
1. Income elasticities of state lottery sales and prizes

Income elasticity of revenue measures the responsiveness of revenue to changes in total personal income. The elasticity is measured as the ratio of the percentage change in revenue to the percentage change in income. For example, an elasticity of 2 means that a 1 percent increase in personal income results in a revenue increase of 2 percent. Figure 39 shows the annual income elasticities of lottery sales and lottery prizes from 1998 to 2015.

- Elasticities for both sales and prizes:
 - Had positive values in the low, single digits before recessions and after recovery
 - Responded to the 2001 recession by becoming negative, then sharply increasing
 - Responded to the 2008-09 recession by becoming negative as income decreased in 2009, then remaining negative as income increased but lottery activity decreased. In the recent years, it became marginally positive.
- Lottery sales elasticity was almost always smaller in magnitude than lottery prize elasticity. Possible causes include the following:
 - Demand for lottery tickets is relatively more stable in response to macroeconomic conditions.
 - Willingness to supply prizes is relatively more volatile.

Figure 39. Georgia – State Revenue

Income Elasticities of Lottery Sales and Prizes



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

IV. LOCAL OWN-SOURCE REVENUE IN GEORGIA

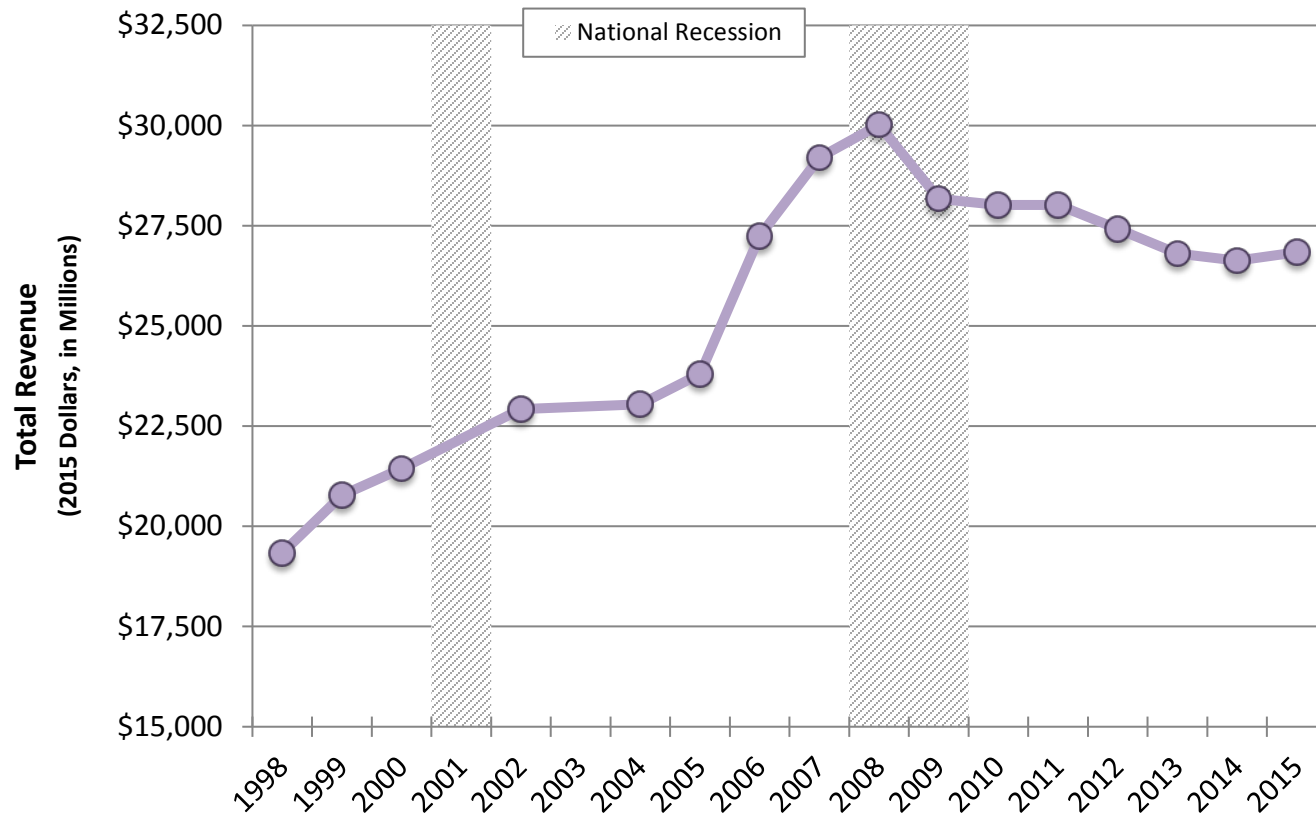
This section explores Georgia's local revenue trends from 1998 to 2015. Revenue is examined in terms of the total real amount (adjusted to 2015 dollars using the BEA GDP deflator), the per capita real amount (in 2015 dollars), and as a percentage of total personal income. Per-capita and percent-income measures are shown on the same chart, with both vertical axes scaled identically relative to the 1998 value of their respective measures. The percentage change in per-capita and percent income from the preceding year is also examined. Periods of national recession are noted in relation to each measure. Because the U.S. Census Bureau did not disaggregate state data from their Annual Survey of State and Local Government Finances in 2001 and 2003, data are missing for those years.

Figures 40-42 describe how local general own-source revenue (i.e., excluding intergovernmental transfers) has changed from 1998 to 2015. Figure 40 shows total revenue; Figure 41 shows revenue per capita and revenue as a percentage of total personal income; and Figure 42 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total own-source revenue:
 - Increased before and during the 2001 recession, remained flat then increased between recessions, and then decreased during and after the 2008-09 recession
 - Increased overall by 38.8% from 1998 to 2015
 - Peaked in 2008 and decreased by 10.6% from 2008 to 2015
 - Troughed in 1998
- Per capita own-source revenue:
 - Increased before and during the 2001 recession, decreased then increased between recessions, and then decreased during and after the 2008-09 recession
 - Increased overall by 7.0% from 1998 to 2015
 - Peaked in 2008 and decreased by 16.7% from 2008 to 2015
 - Troughed in 1998

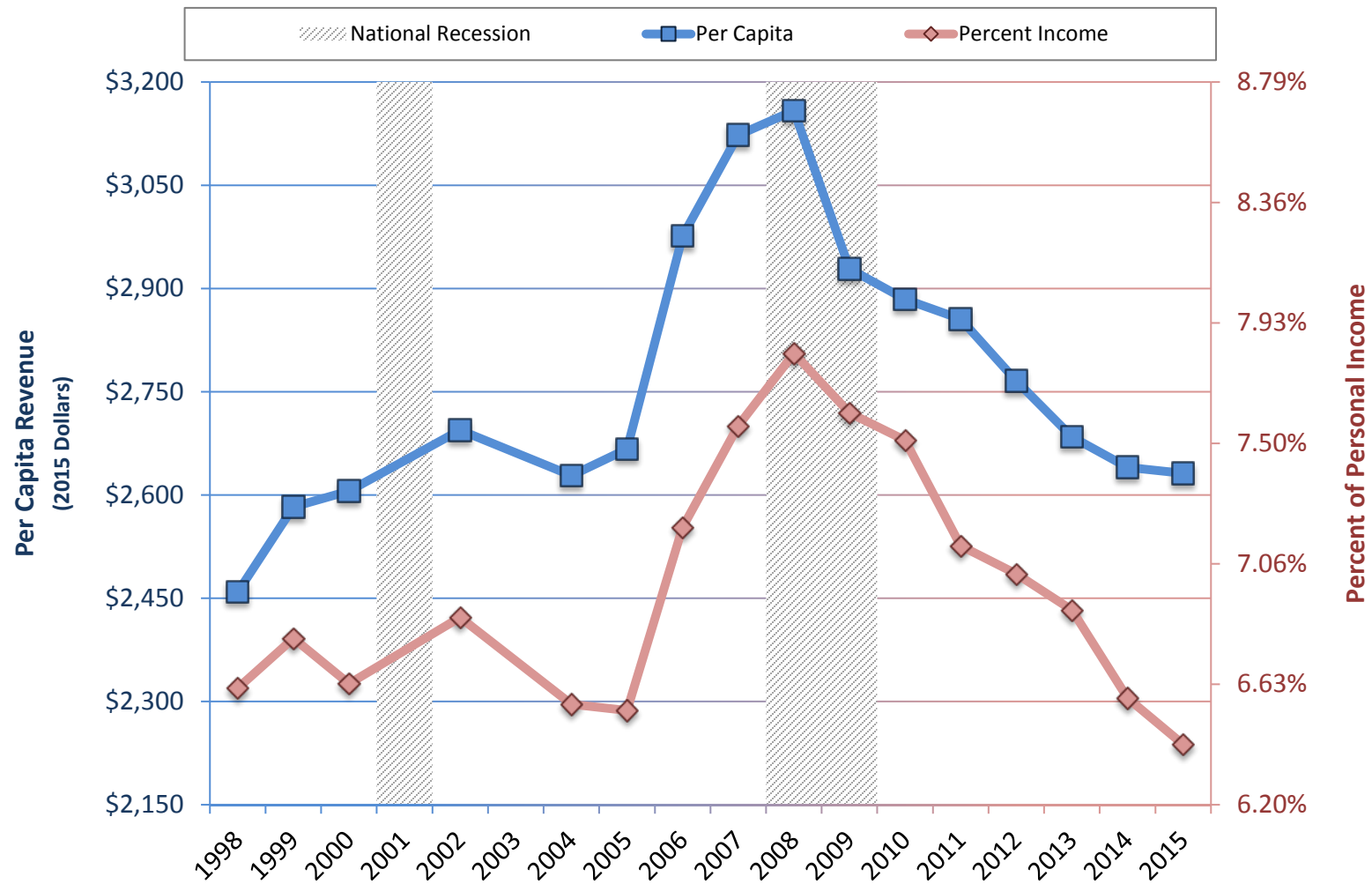
- Own-source revenue as a percentage of personal income:
 - Remained flat before and increased during the 2001 recession, decreased then increased between recessions, and then remained flat during and decreased after the 2008-09 recession
 - Decreased overall by 3.1% from 1998 to 2015
 - Peaked in 2008 and decreased by 18.0% from 2008 to 2015
 - Troughed in 2015

Figure 40. Georgia – Local Revenue
General Own-Source – Total



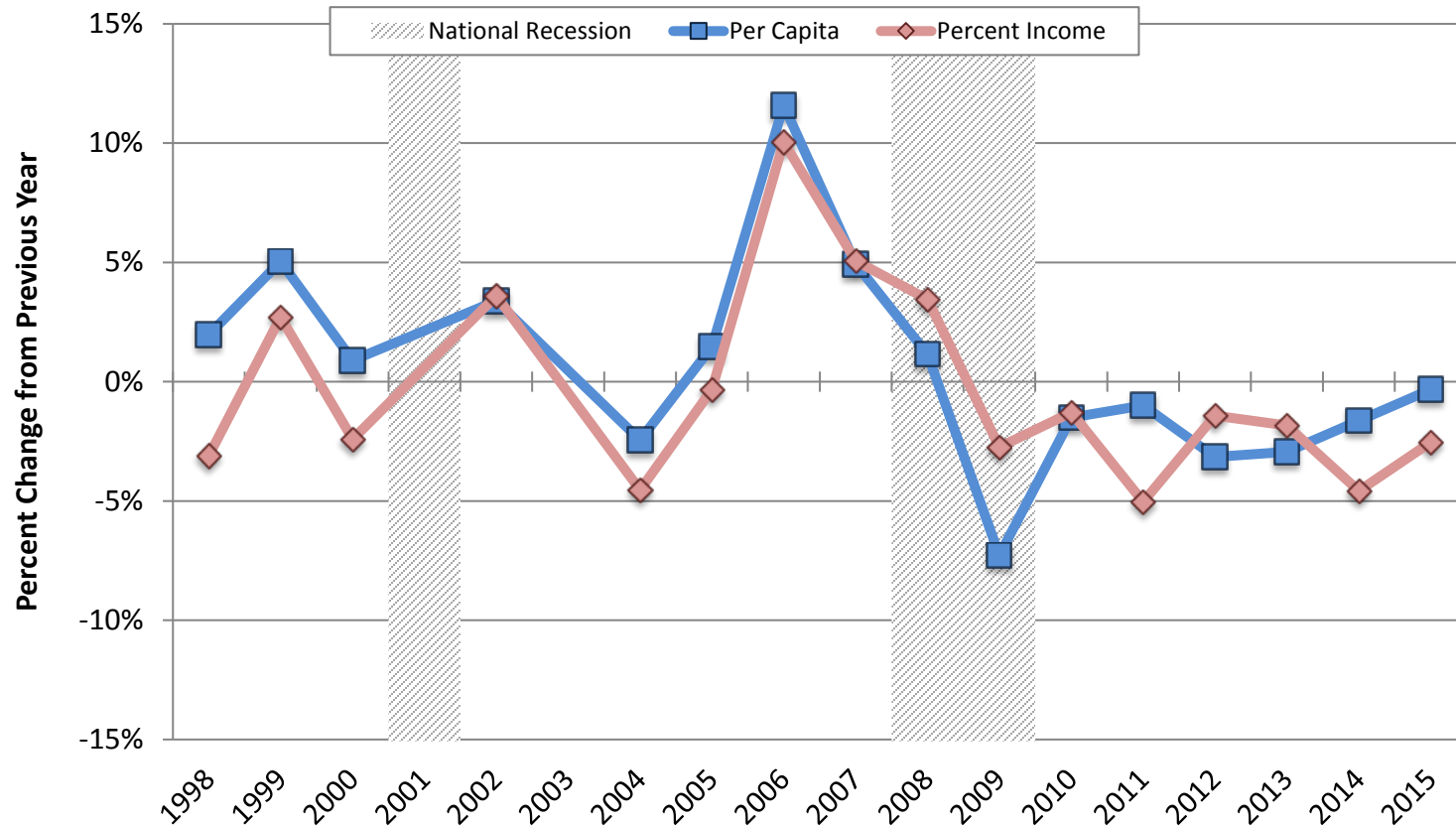
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 41. Georgia – Local Revenue
General Own-Source – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 42. Georgia – Local Revenue
General Own-Source – Annual Change



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

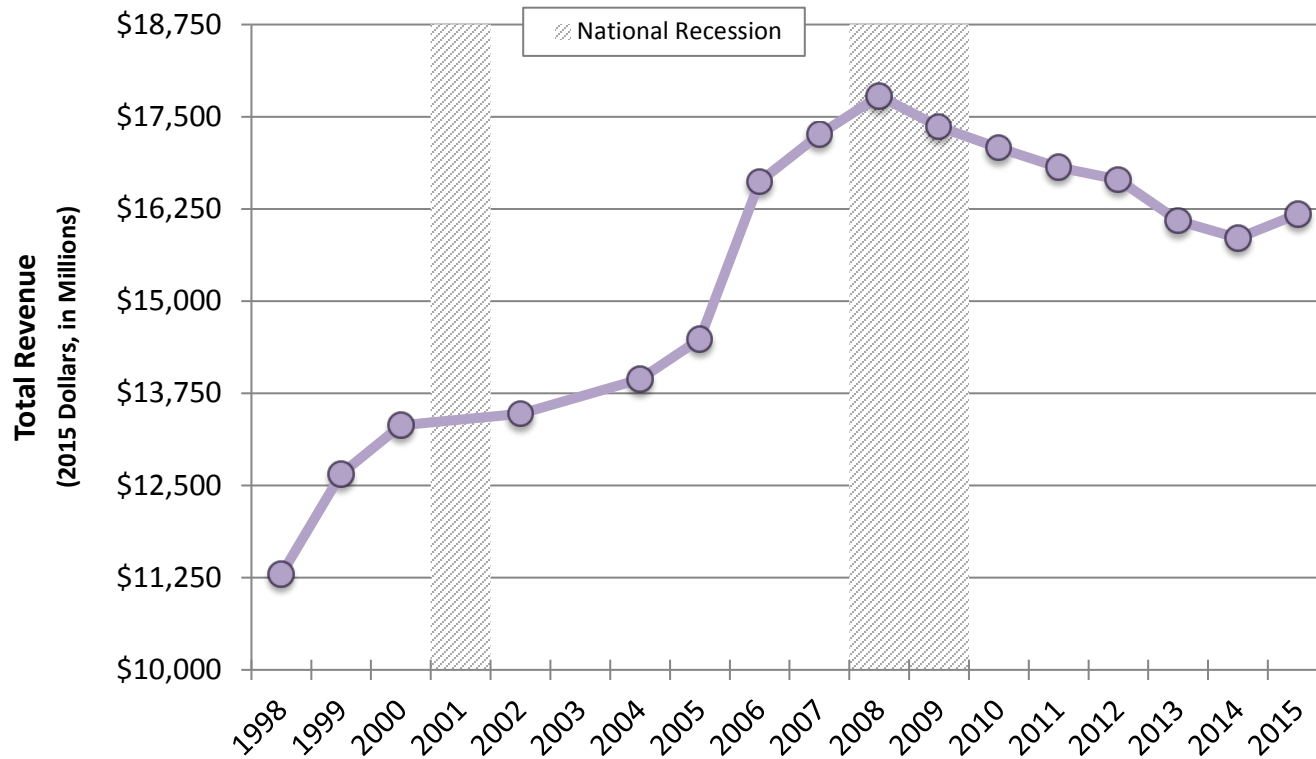
A. Local Tax Revenue

This section discusses tax revenue for Georgia's local governments. Figures 43-45 describe how local revenue raised by taxes has changed from 1998 to 2015. Figure 43 shows total revenue; Figure 44 shows revenue per capita and revenue as a percentage of total personal income; and Figure 45 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total tax revenue:
 - Increased before and remained flat during the 2001 recession, increased between recessions, and then decreased during and after the 2008-09 recession
 - Increased overall by 43.2% from 1998 to 2015
 - Peaked in 2008 and decreased by 9.0% from 2008 to 2015
 - Troughed in 1998
- Per capita tax revenue:
 - Increased before and decreased during the 2001 recession, remained flat then increased between recessions, and then decreased during and after the 2008-09 recession
 - Increased overall by 10.4% from 1998 to 2015
 - Peaked in 2008 and decreased by 15.2% from 2008 to 2015
 - Troughed in 1998
- Tax revenue as a percentage of personal income:
 - Increased before and decreased during the 2001 recession, remained flat then increased between recessions, and then increased during and decreased after the 2008-09 recession
 - No significant change from 1998 to 2015 (only a 0.04% increase)
 - Peaked in 2009 and decreased by 17.5% from 2009 to 2015
 - Troughed in 2015

Figure 43. Georgia – Local Revenue

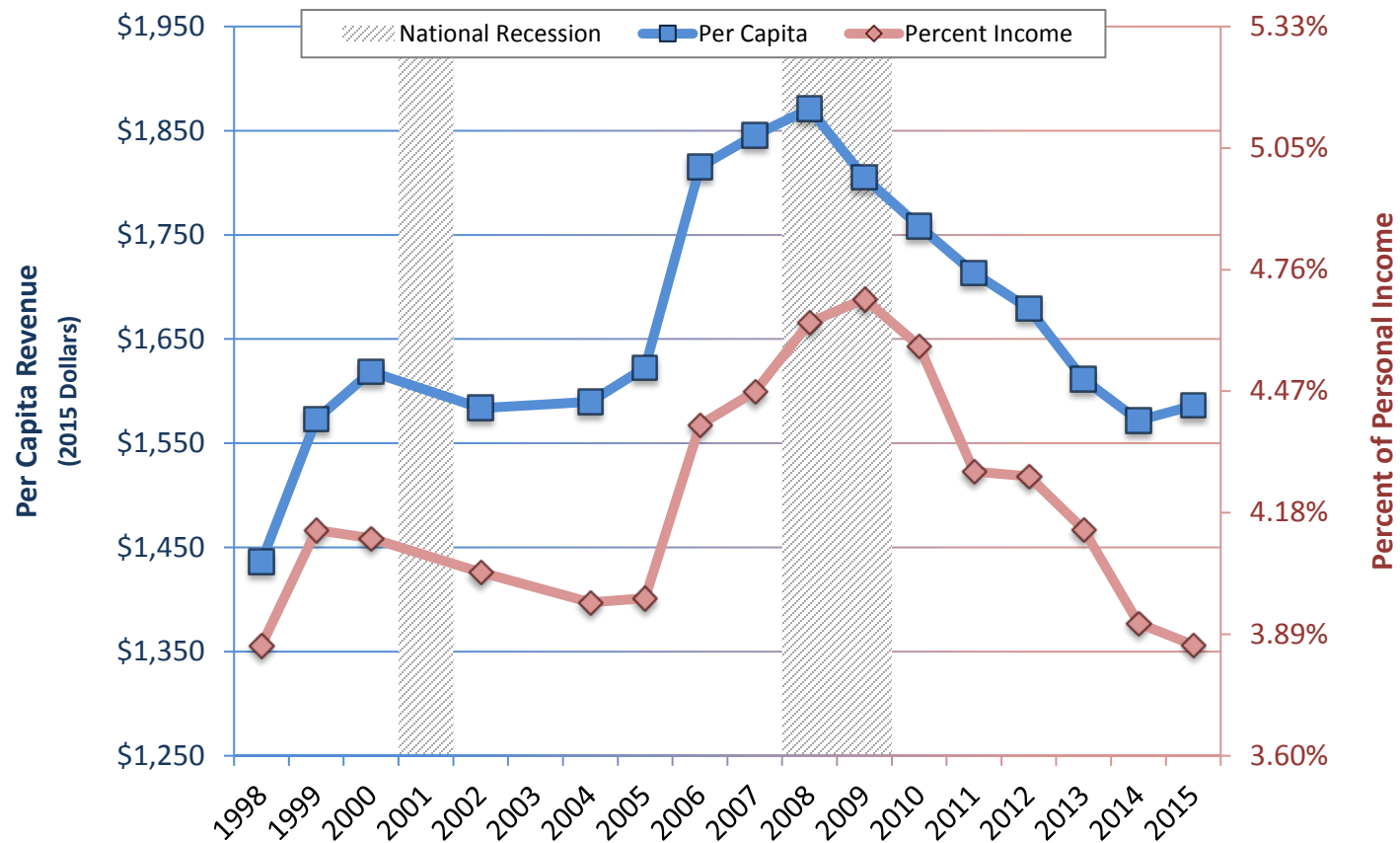
Total Taxes – Total



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

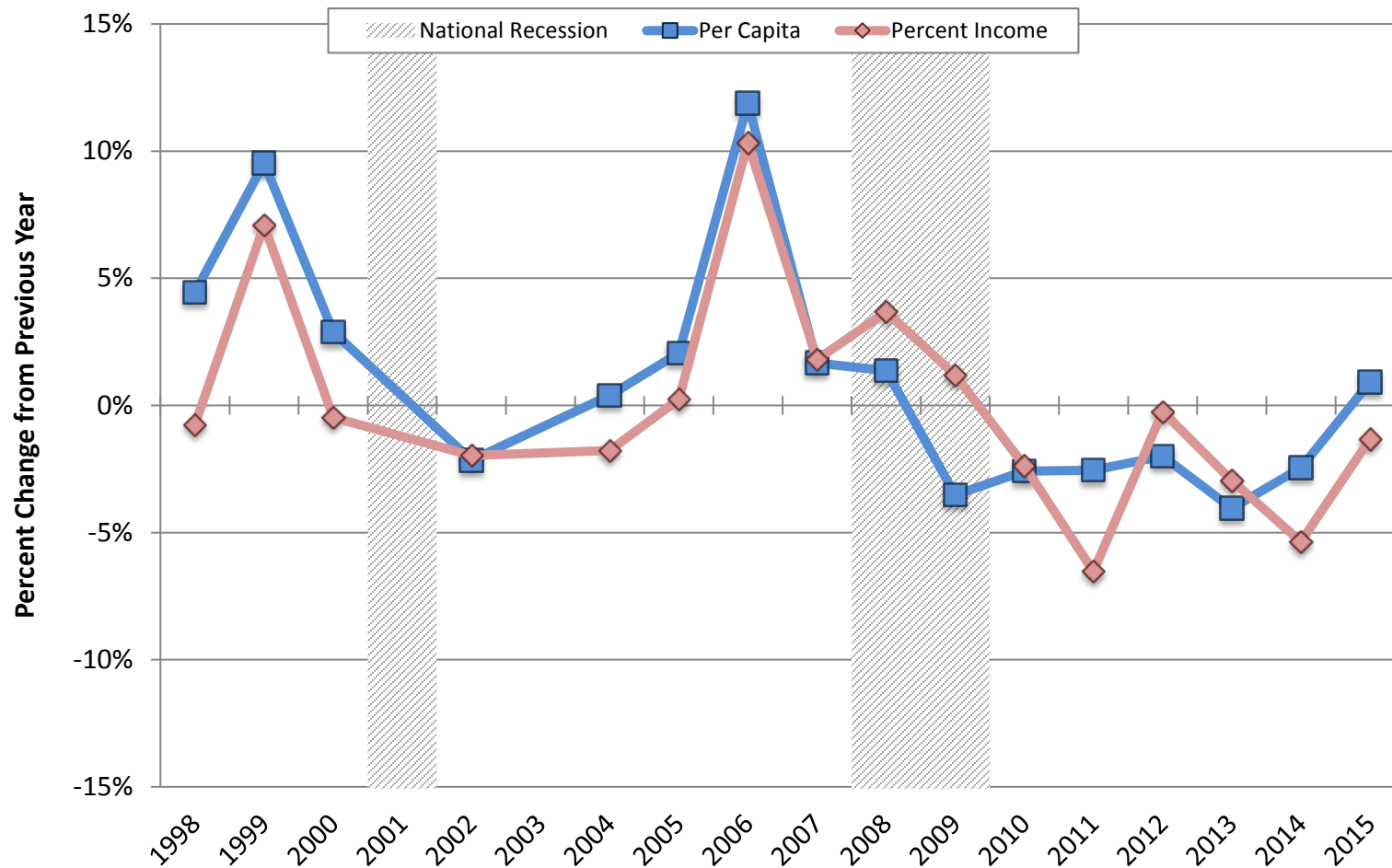
Figure 44. Georgia – Local Revenue

Total Taxes – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 45. Georgia – Local Revenue
Total Taxes – Annual Change



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

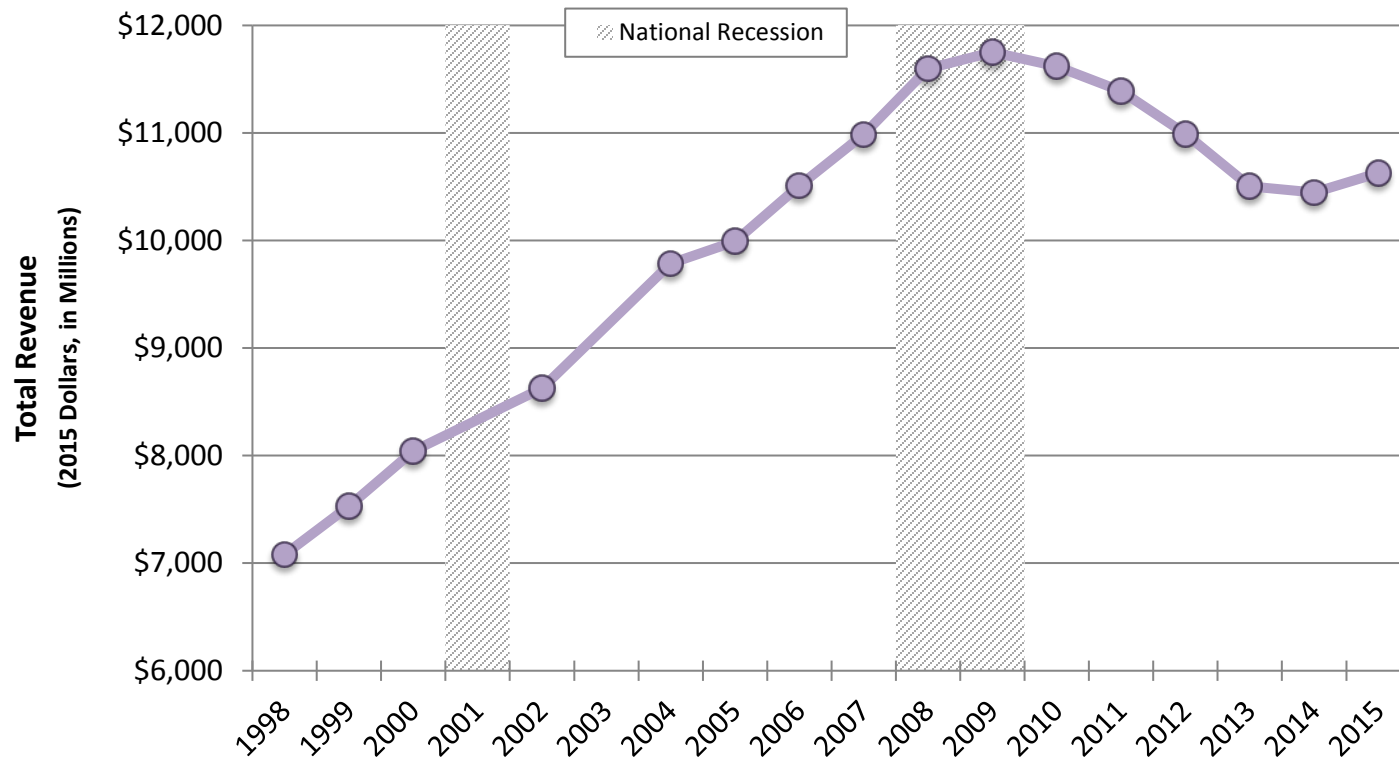
1. Property tax

Figures 46-48 describe how local revenue raised by property tax has changed from 1998 to 2015. Figure 46 shows total revenue; Figure 47 shows revenue per capita and revenue as a percentage of total personal income; and Figure 48 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total revenue:
 - Increased before and during the 2001 recession, increased between recessions, and then increased during and decreased after the 2008-09 recession
 - Increased overall by 50.1% from 1998 to 2015
 - Peaked in 2009 and decreased by 9.6% from 2009 to 2015
 - Troughed in 1998
- Per capita revenue:
 - Increased before and during the 2001 recession, increased between recessions, and then increased during and decreased after the 2008-09 recession
 - Increased overall by 15.7% from 1998 to 2015
 - Peaked in 2009 and decreased by 14.7% from 2009 to 2015
 - Troughed in 1998
- Revenue as a percentage of personal income:
 - Increased before and during the 2001 recession, increased between recessions, and then increased during and decreased after the 2008-09 recession
 - Increased overall by 4.8% from 1998 to 2015
 - Peaked in 2009 and decreased by 20.0% from 2009 to 2015
 - Troughed in 1998

Figure 46. Georgia – Local Revenue

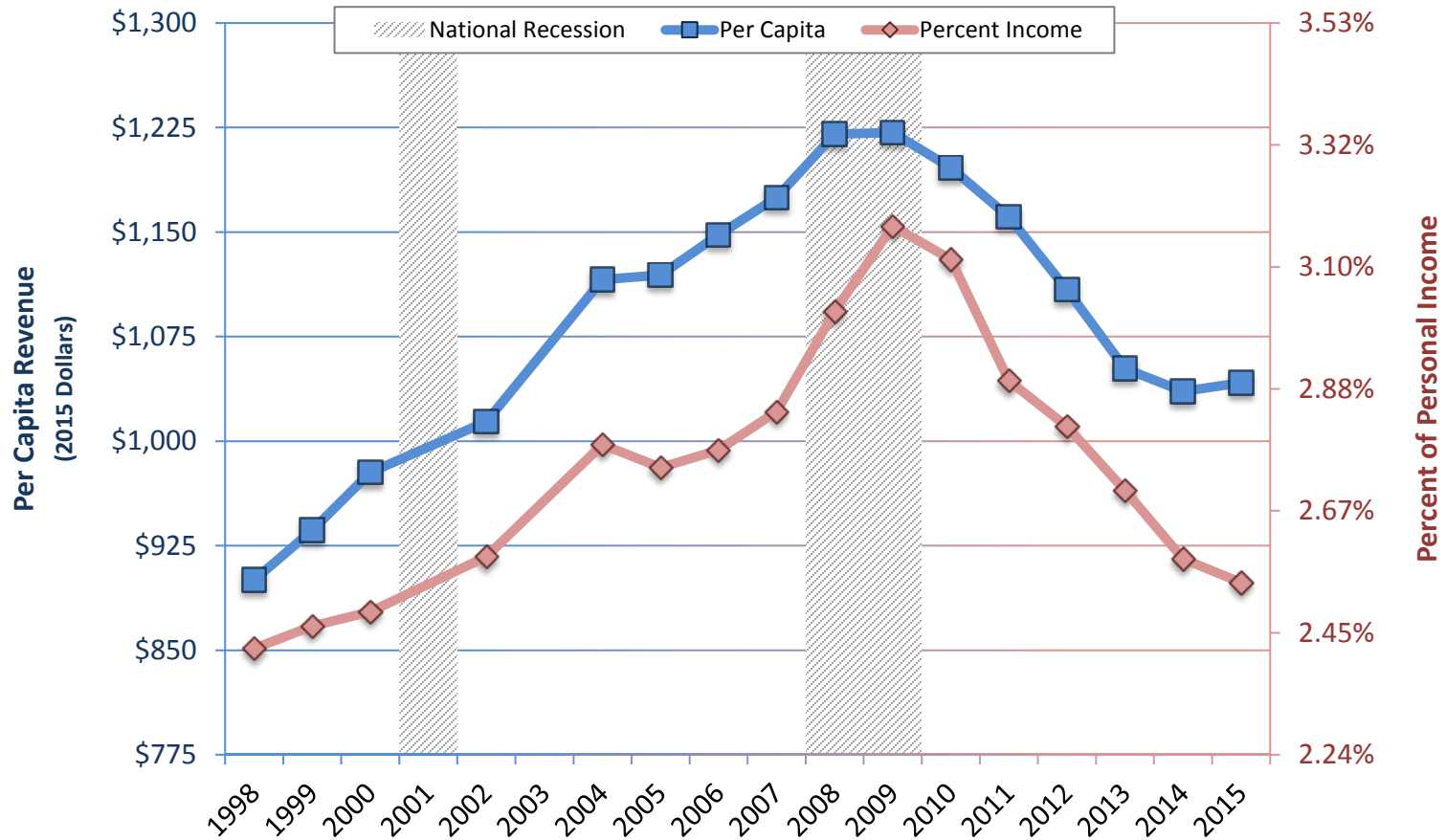
Property Tax – Total



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

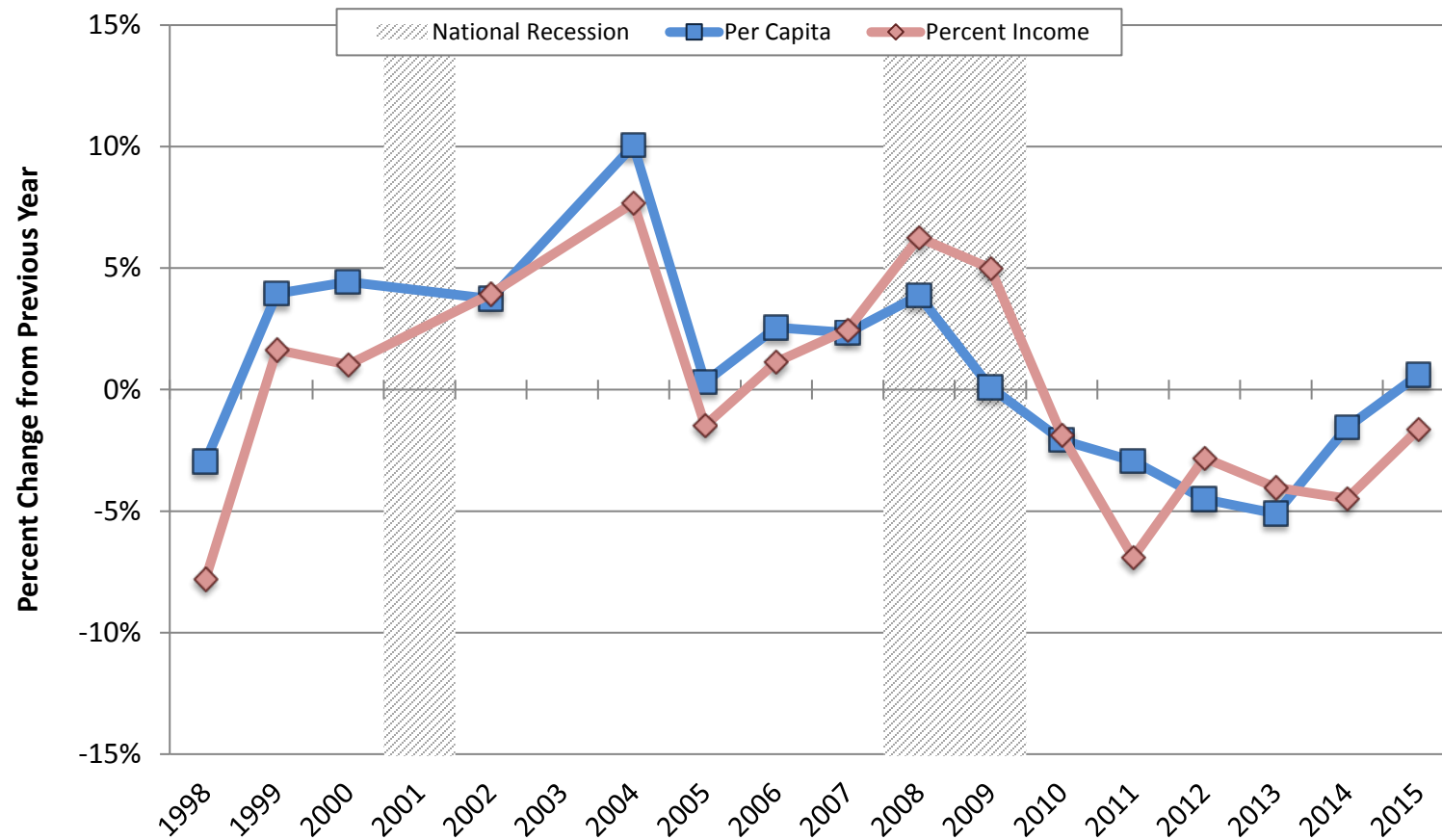
Figure 47. Georgia – Local Revenue

Property Tax – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 48. Georgia – Local Revenue
Property Tax – Annual Change



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

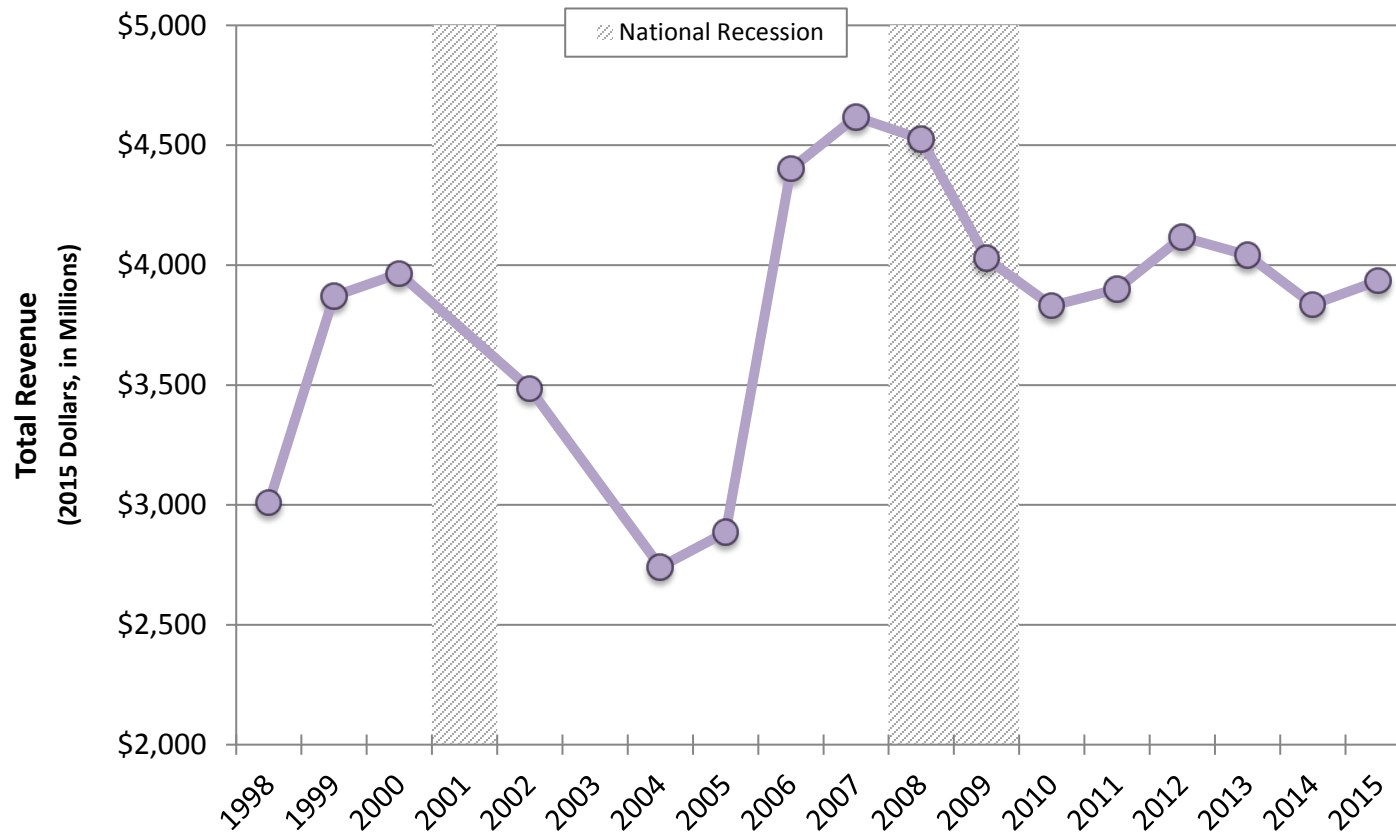
2. General sales tax

Figures 49-51 describe how local revenue raised by general sales tax has changed from 1998 to 2015. Figure 49 shows total revenue; Figure 50 shows revenue per capita and revenue as a percentage of total personal income; and Figure 51 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total revenue:
 - Increased before and decreased during the 2001 recession, decreased then increased between recessions, and then decreased during and remained almost flat after the 2008-09 recession
 - Increased overall by 30.7% from 1998 to 2015
 - Peaked in 2007 and decreased by 14.8% from 2007 to 2015
 - Troughed in 2004 and increased by 43.5% from 2004 to 2015
- Per capita revenue:
 - Increased before and decreased during the 2001 recession, decreased then increased between recessions, and then decreased during and increased after the 2008-09 recession, but saw a gradual decline during 2013 and 2014
 - Increased overall by 0.77% from 1998 to 2015
 - Peaked in 2007 and decreased by 21.9% from 2007 to 2015
 - Troughed in 2004 and increased by 23.4% from 2004 to 2015
- Revenue as a percentage of personal income:
 - Increased before and decreased during the 2001 recession, decreased then increased between recessions, and then decreased during and increased after the 2008-09 recession
 - Decreased overall by 8.7% from 1998 to 2015
 - Peaked in 1999 and decreased by 25.7% from 1999 to 2015
 - Troughed in 2004 and increased by 20.5% from 2004 to 2015

Figure 49. Georgia – Local Revenue

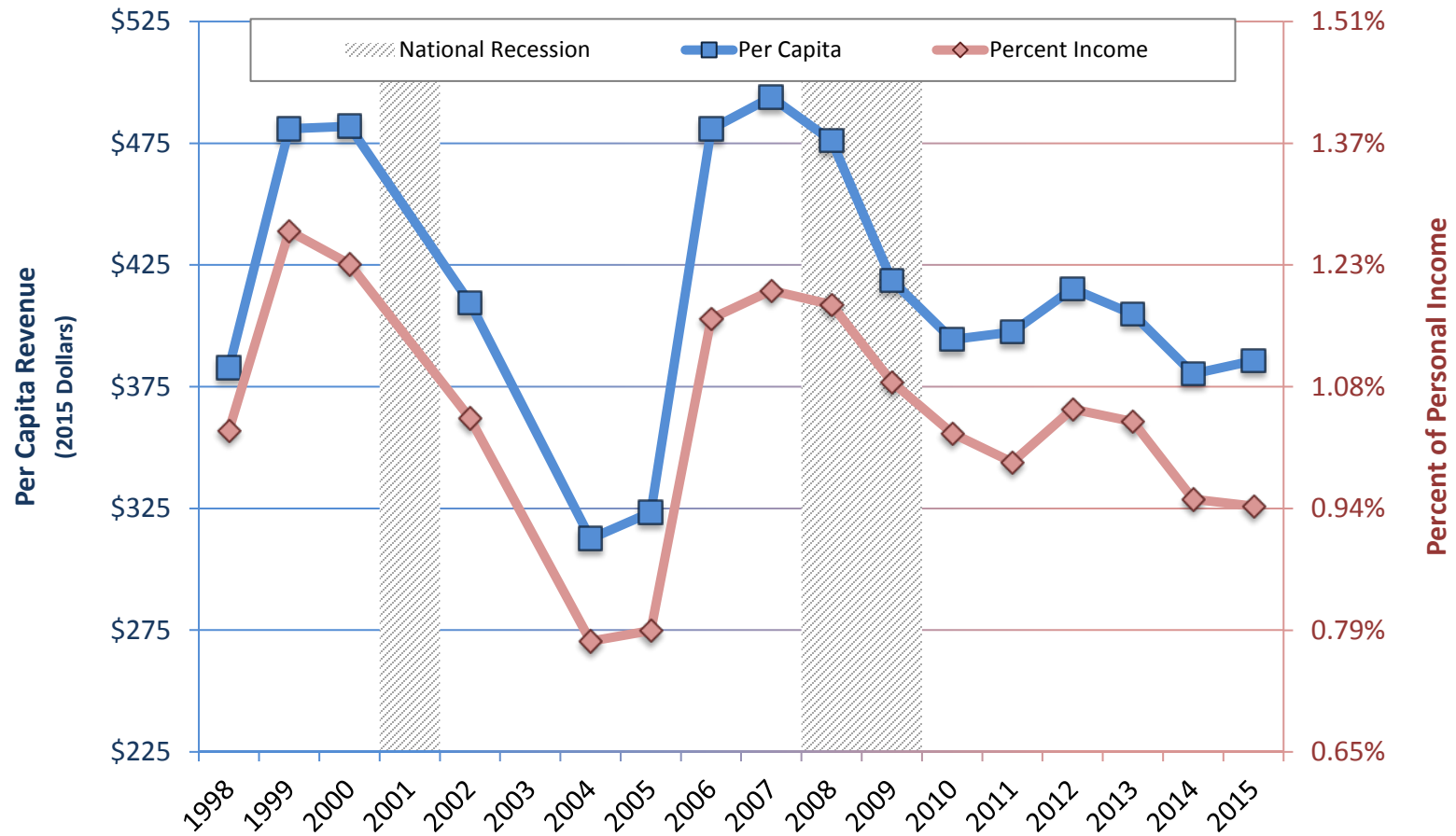
General Sales Tax – Total



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

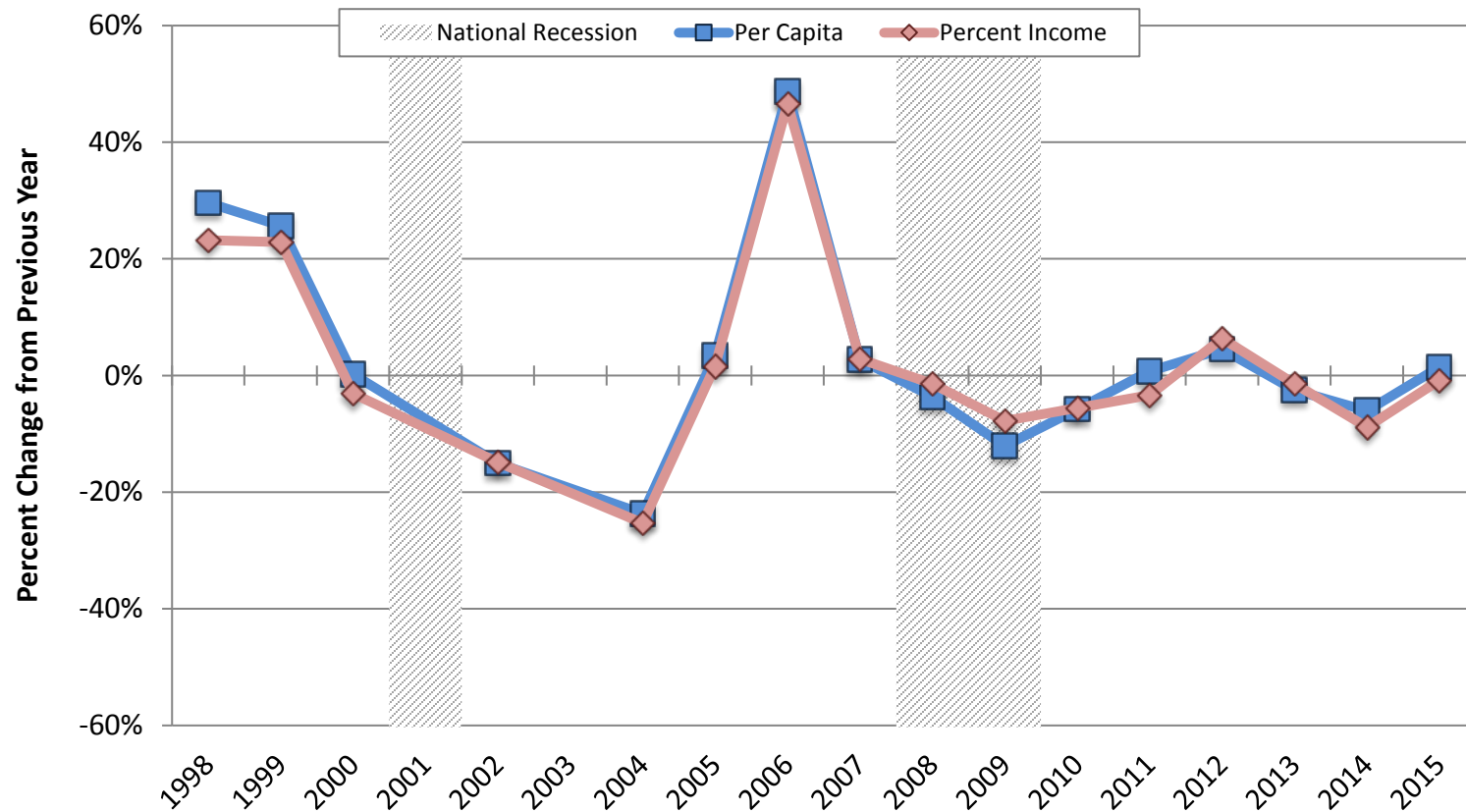
Figure 50. Georgia – Local Revenue

General Sales Tax – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 51. Georgia – Local Revenue
General Sales Tax – Annual Change



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

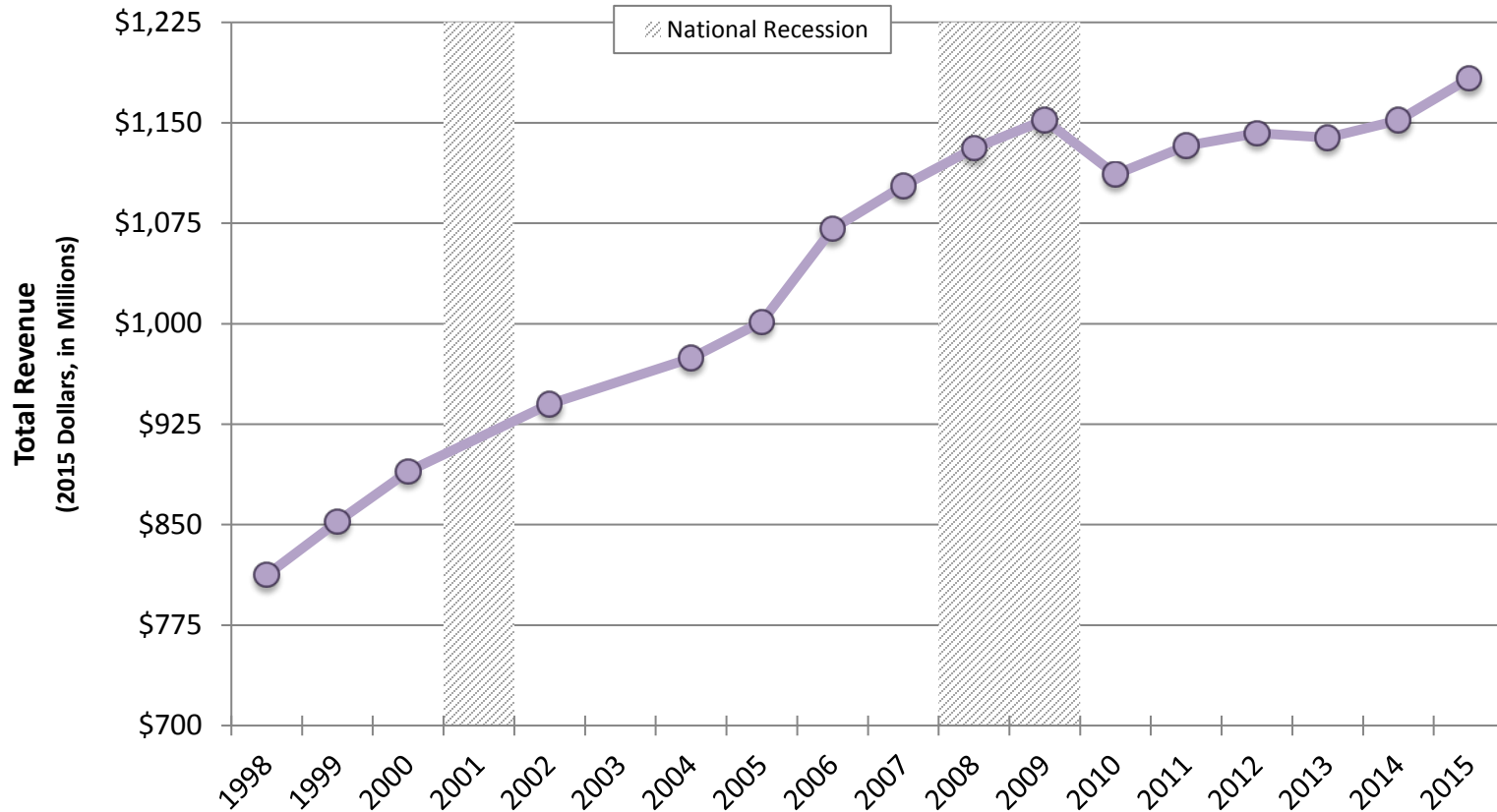
3. Selective sales taxes

Figures 52-54 describe how local revenue raised by selective sales taxes has changed from 1998 to 2015. Figure 52 shows total revenue; Figure 53 shows revenue per capita and revenue as a percentage of total personal income; and Figure 54 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total revenue:
 - Increased before and during the 2001 recession, increased between recessions, and then decreased during and increased after the 2008-09 recession
 - Increased overall by 45.6% from 1998 to 2015
 - Peaked in 2015
 - Troughed in 1998
- Per capita revenue:
 - Increased before and during the 2001 recession, remained flat then increased between recessions, and then decreased during and remained flat after the 2008-09 recession
 - Increased overall by 12.3% from 1998 to 2015
 - Peaked in 2009 and decreased by 3.1% from 2009 to 2015
 - Troughed in 1998
- Revenue as a percentage of personal income:
 - Decreased before and increased during the 2001 recession, decreased then increased between recessions, and then decreased during and remained flat after the 2008-09 recession
 - Increased overall by 1.7% from 1998 to 2015
 - Peaked in 2009 and decreased by 9.1% from 2009 to 2015
 - Troughed in 2000 and increased by 2.7% from 2000 to 2015

Figure 52. Georgia – Local Revenue

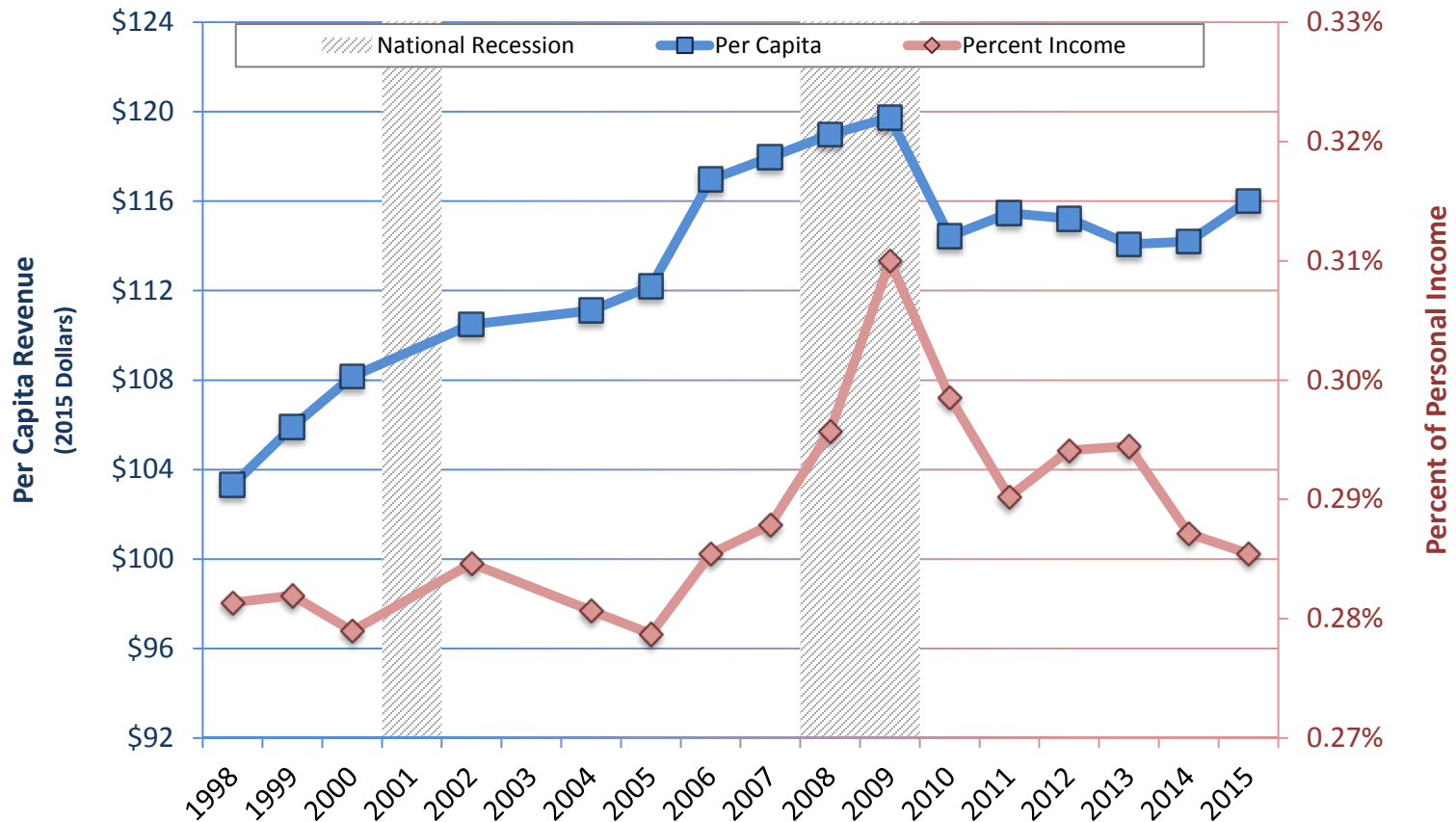
Select Sales Taxes – Total



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

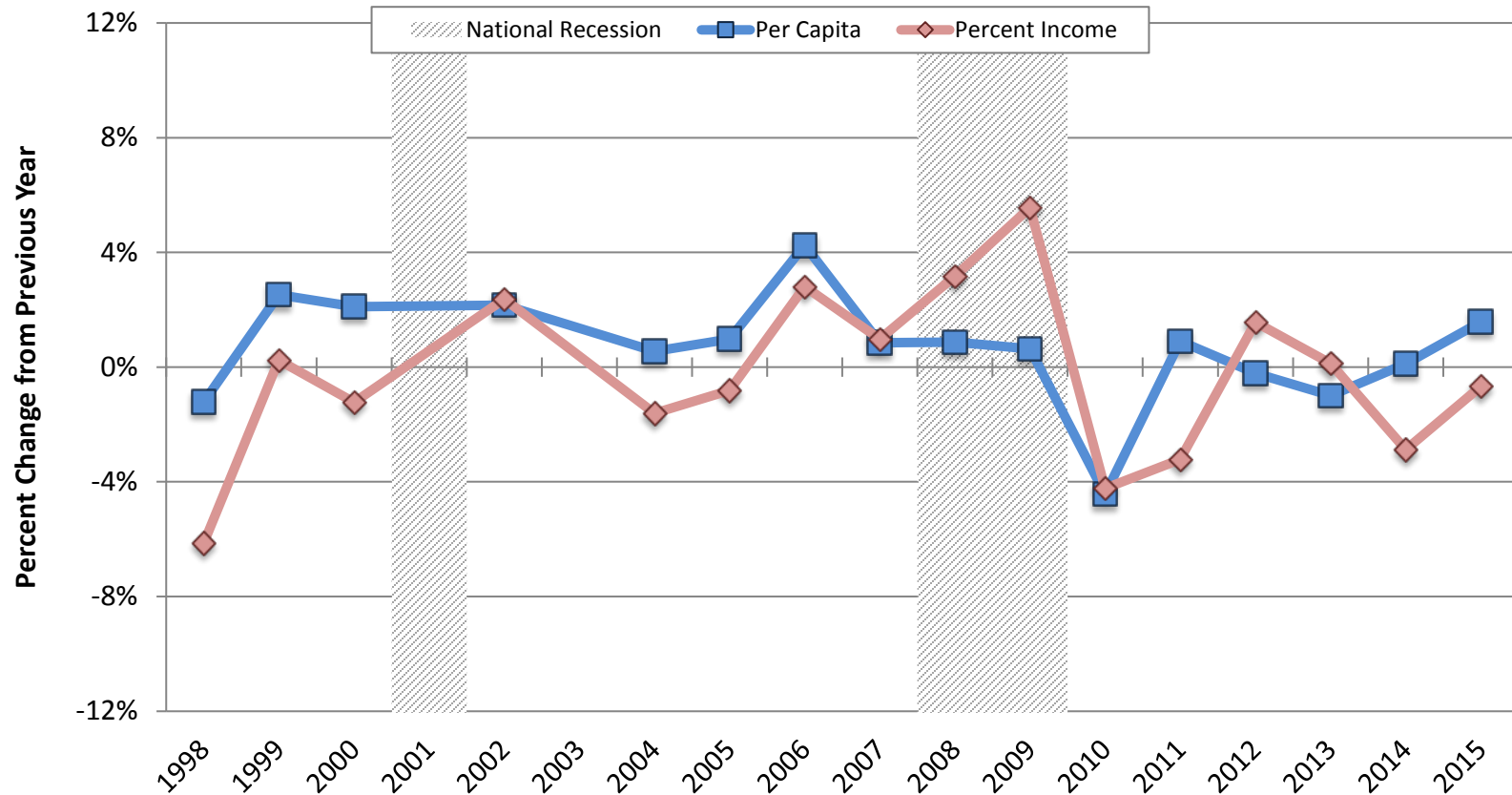
Figure 53. Georgia – Local Revenue

Select Sales Taxes – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 54. Georgia – Local Revenue
Select Sales Taxes – Annual Change



Note: For 2002 and 2004, percent change was calculated from two years previous.

Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

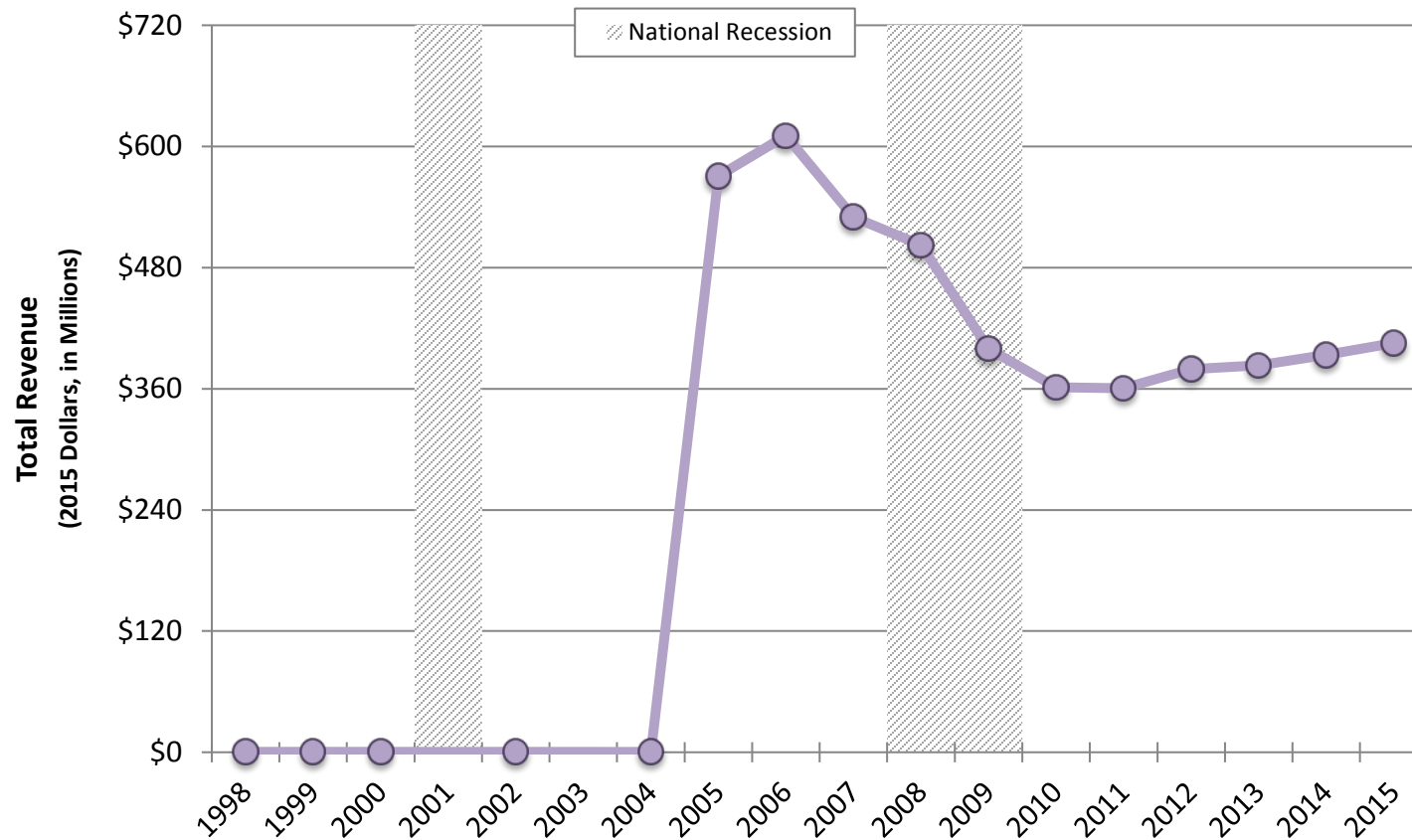
4. License taxes

Figures 55-57 describe how local revenue raised by license taxes has changed from 1998 to 2015. Figure 55 shows total revenue; Figure 56 shows revenue per capita and revenue as a percentage of total personal income; and Figure 57 shows the percentage change from the previous year in per-capita and percent-income measures. There appears to be a drastic increase in 2005, but this is a result of changes in reporting that incorporated previously separate taxes. For this reason, 2005 is used as a reference point instead of 1998, and the axes of Figure 57 are scaled to this year.

- Total revenue:
 - Increased then decreased between recessions, and then decreased during and remained flat after the 2008-09 recession
 - Decreased overall by 29.0% from 2005 to 2015
 - Peaked in 2006 and decreased by 33.6% from 2006 to 2015
 - Troughed in 2011 and increased by 12.4% from 2011 to 2015
- Per capita revenue:
 - Increased then decreased between recessions, and then decreased during and remained flat after the 2008-09 recession
 - Decreased overall by 37.9% from 2005 to 2015
 - Peaked in 2006 and decreased by 40.4% from 2006 to 2015
 - Troughed in 2011 and increased by 8.2% from 2011 to 2015
- Revenue as a percentage of personal income:
 - Increased then decreased between recessions, and then decreased during and remained flat after the 2008-09 recession
 - Decreased overall by 38.2% from 2005 to 2015
 - Peaked in 2006 and decreased by 39.9% from 2006 to 2015
 - Troughed in 2011 and increased by 5.6% from 2011 to 2015

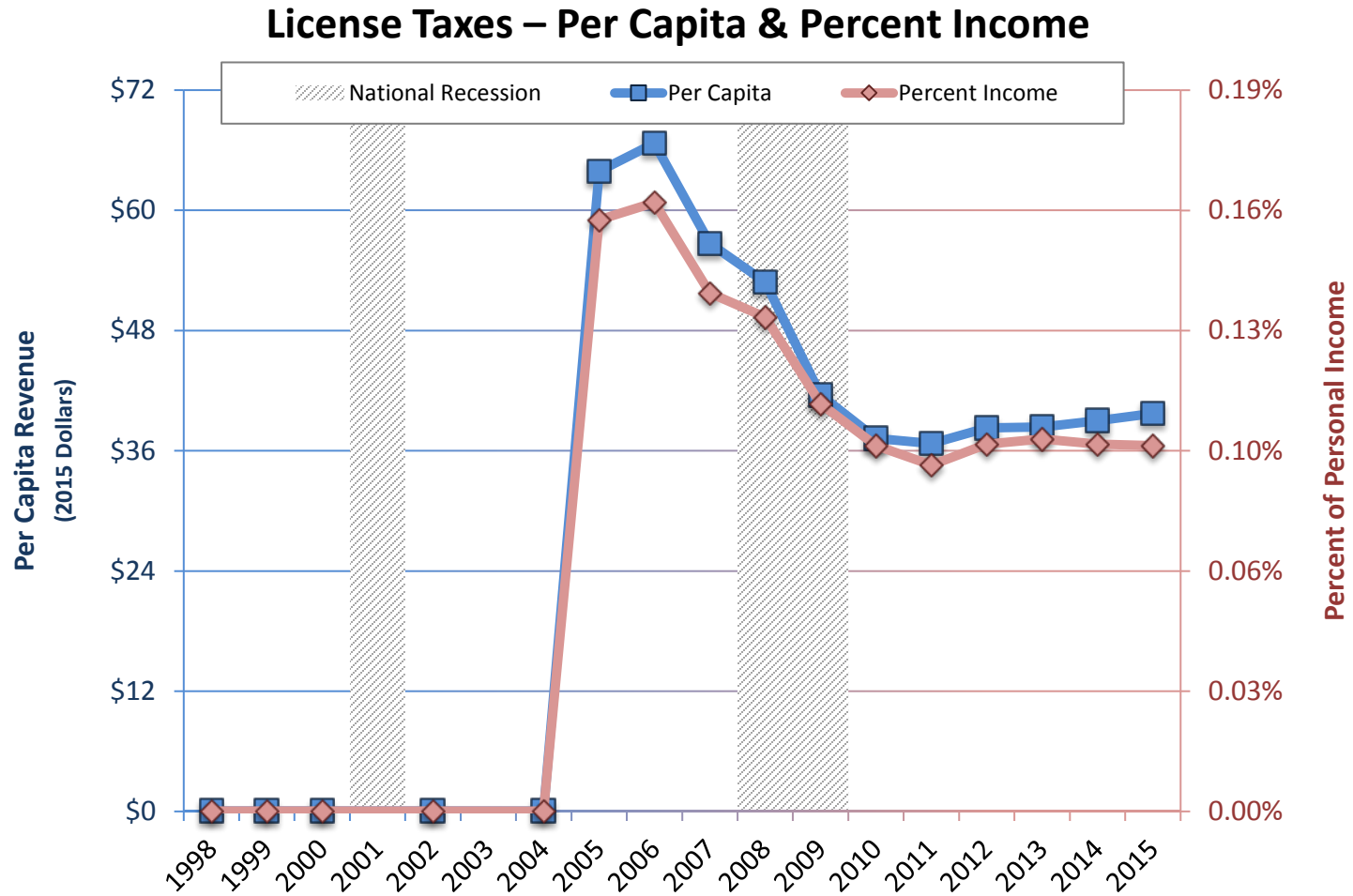
Figure 55. Georgia – Local Revenue

License Taxes – Total



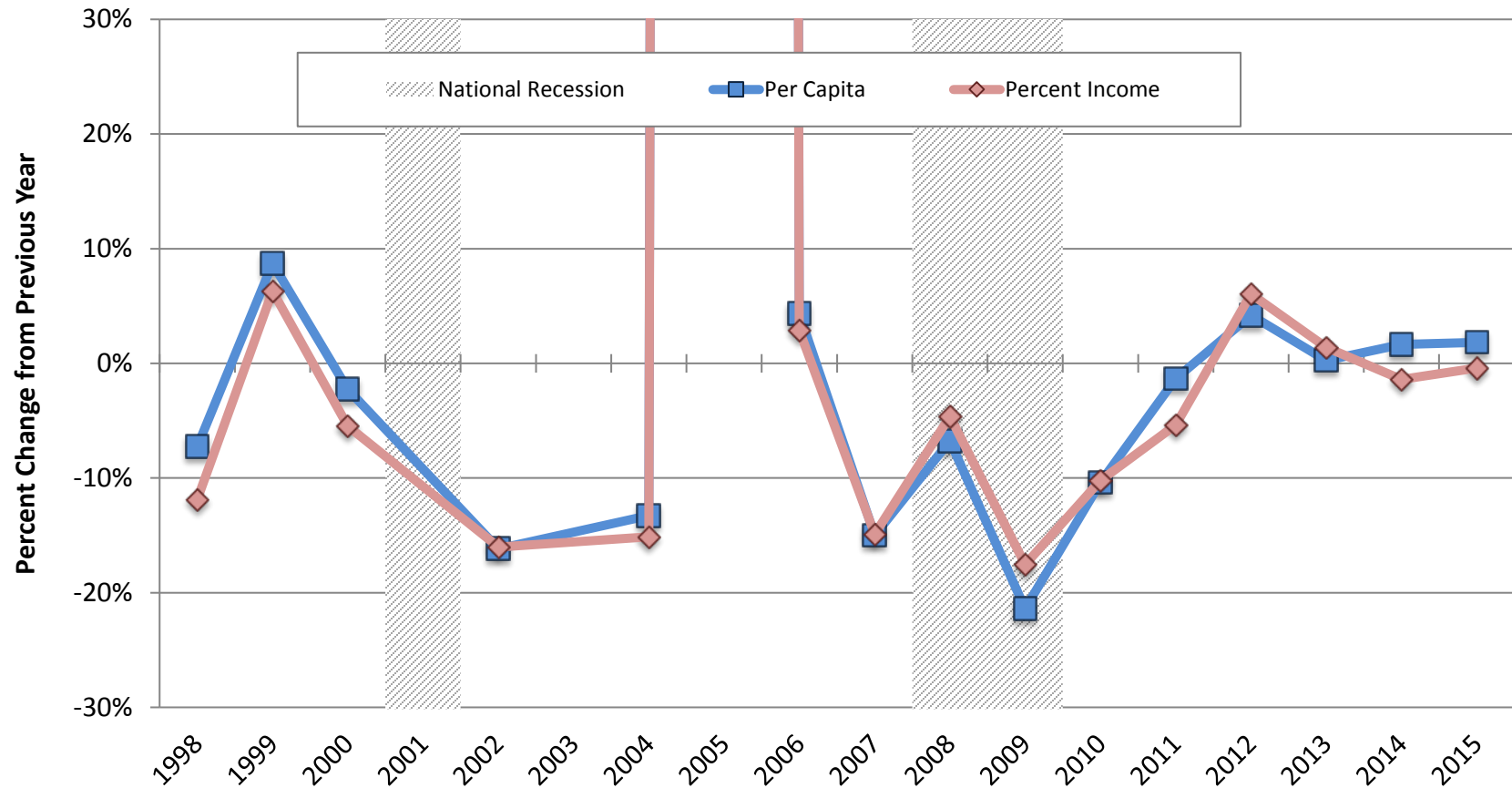
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 56. Georgia – Local Revenue



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 57. Georgia – Local Revenue
License Taxes – Annual Change



Note: For 2002 and 2004, the percentage change was calculated from the two years previous.

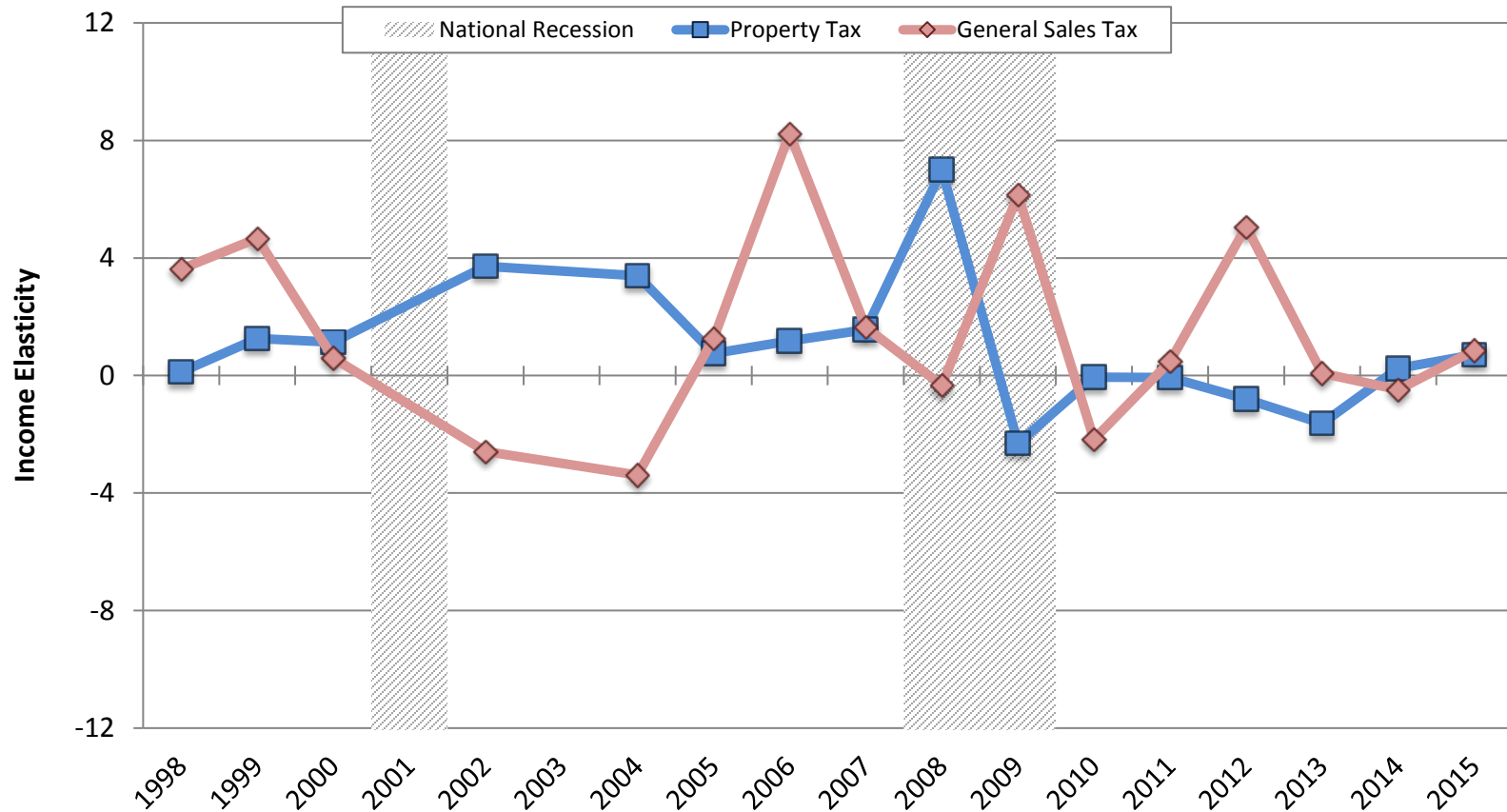
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

5. Income elasticities of major local taxes

Income elasticity of revenue measures the responsiveness of revenue to changes in total personal income. The elasticity is measured as the ratio of the percentage change in revenue to the percentage change in income. For example, an elasticity of 2 means that a 1 percent increase in personal income results in a revenue increase of 2 percent. Figure 58 shows the annual income elasticities of local property tax and general sales tax from 1998 to 2015.

- Property tax elasticity:
 - Remained in the low, positive, single digits before the 2008-09 recession
 - Became negative as income decreased in 2009 and remained negative as revenue decreased; became positive in 2014 and 2015
- General sales tax elasticity:
 - Decreased significantly in response to recessions with a spike in 2009 as income also decreased
 - Continued to decrease following the 2001 recession before sharply increasing in 2006
 - In 2015, it became positive
- General sales tax elasticity almost always had larger swings in magnitude than property tax elasticity. Possible causes include in the following:
 - Property holdings remain relatively constant despite macroeconomic conditions, while consumption behavior responds more significantly.
 - Local sales tax policies have been more subject to change than property tax policies.

Figure 58. Georgia – Local Revenue
Income Elasticities of Major Taxes



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

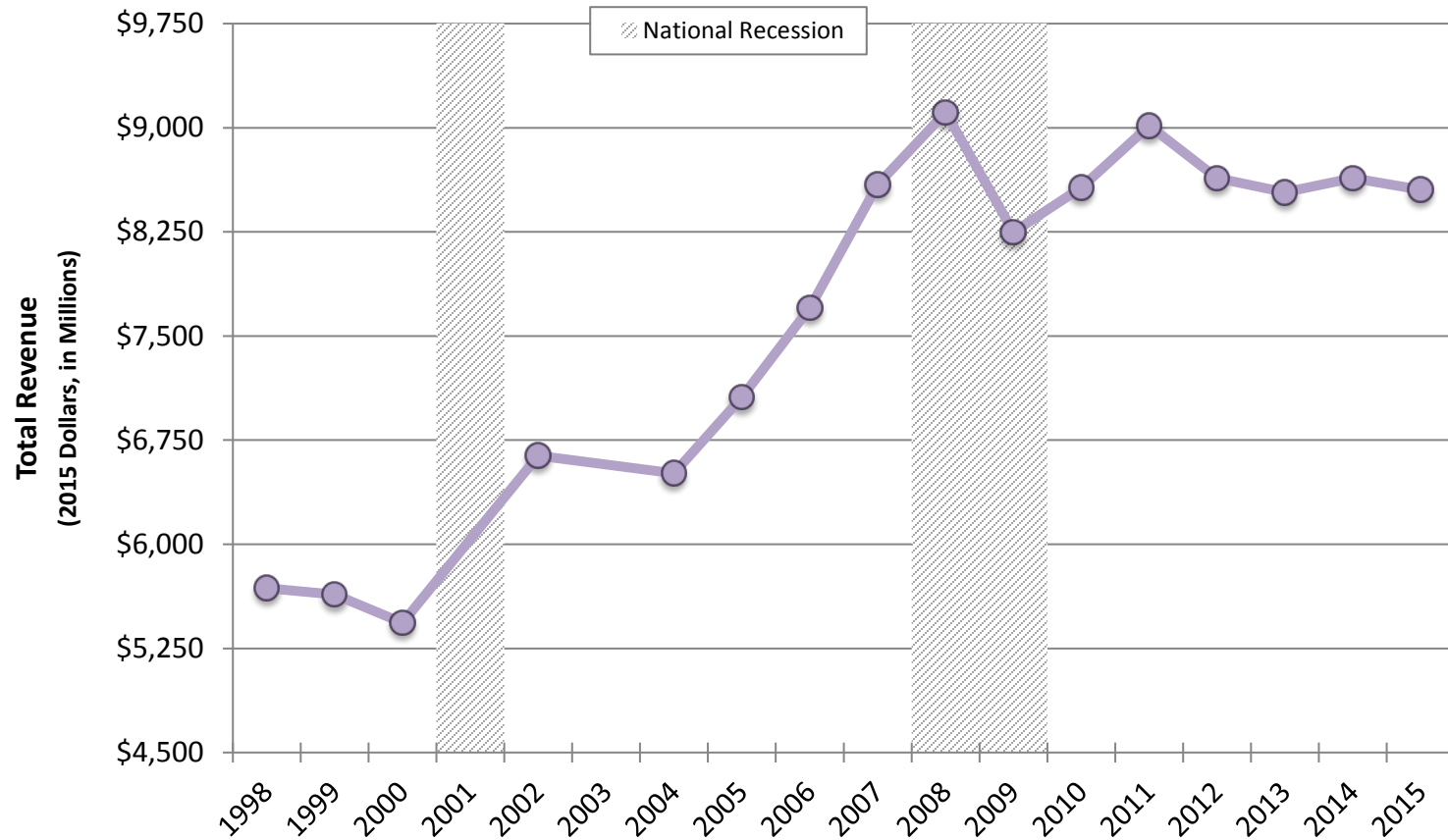
B. Local Charge Revenue

This section examines user charge revenue for Georgia's local governments. Figures 59-61 describe how local revenue raised by user charges has changed from 1998 to 2015. Figure 59 shows total revenue; Figure 60 shows revenue per capita and revenue as a percentage of total personal income; and Figure 61 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total charge revenue:
 - Decreased before and increased during the 2001 recession, decreased then increased between recessions, and then decreased during and increased after the 2008-09 recession, but flattened out during 2012-15
 - Increased overall by 50.5% from 1998 to 2015
 - Peaked in 2008 and decreased by 6.1% from 2008 to 2015
 - Troughed in 2000 and increased by 57.4% from 2000 to 2015
- Per capita charge revenue:
 - Decreased before and increased during the 2001 recession, decreased then increased between recessions, and then decreased during and remained flat after the 2008-09 recession
 - Increased overall by 16.1% from 1998 to 2015
 - Peaked in 2008 and decreased by 12.5% from 2008 to 2015
 - Troughed in 2000 and increased by 27.0% from 2000 to 2015
- Charge revenue as a percentage of personal income:
 - Decreased before and increased during the 2001 recession, decreased then increased between recessions, and then decreased during and further declined after the 2008-09 recession
 - Increased overall by 5.1% from 1998 to 2015
 - Peaked in 2008 and decreased by 13.9% from 2008 to 2015
 - Troughed in 2000 and increased by 21.6% from 2000 to 2015

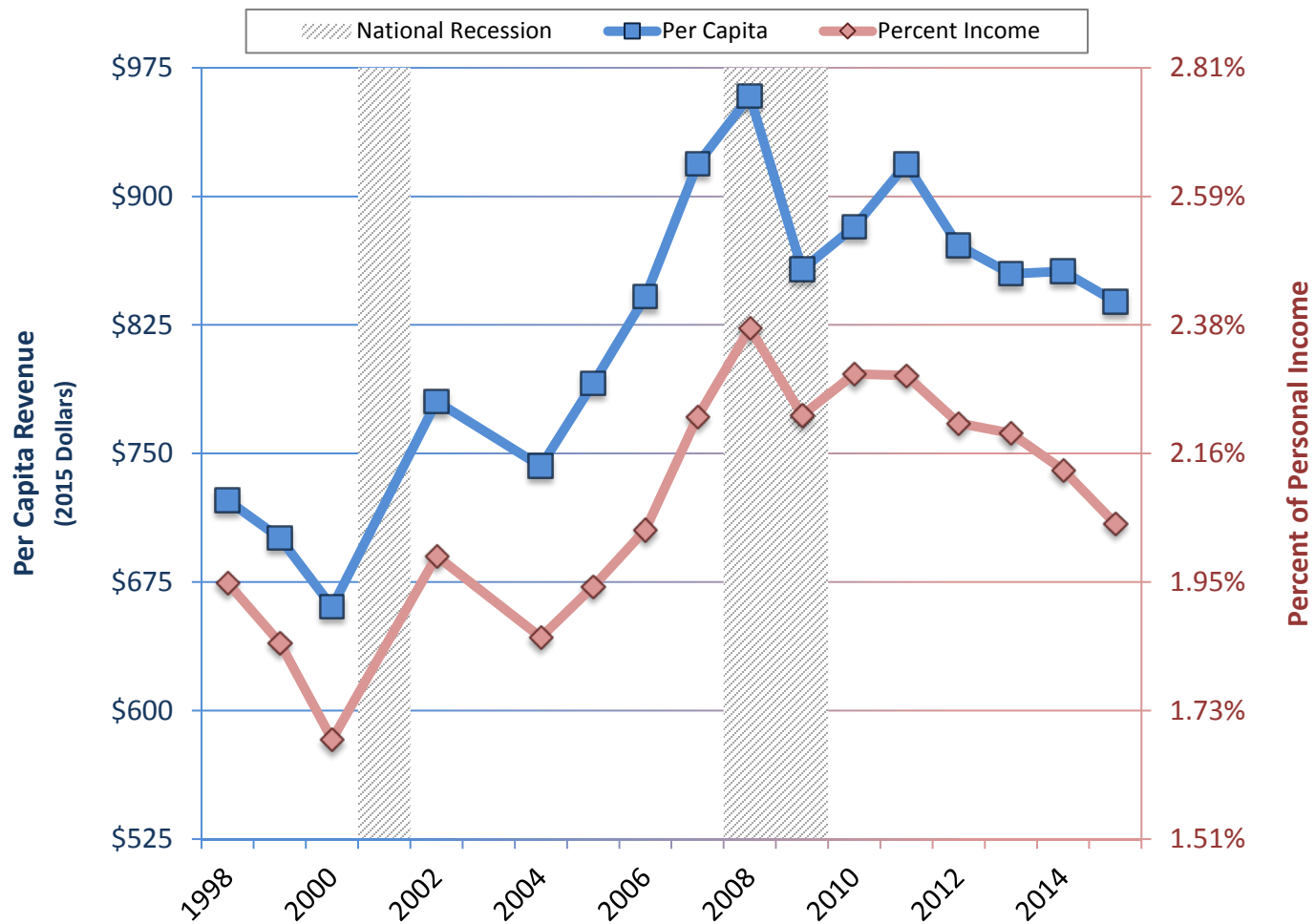
Figure 59. Georgia – Local Revenue

Total Charges – Total



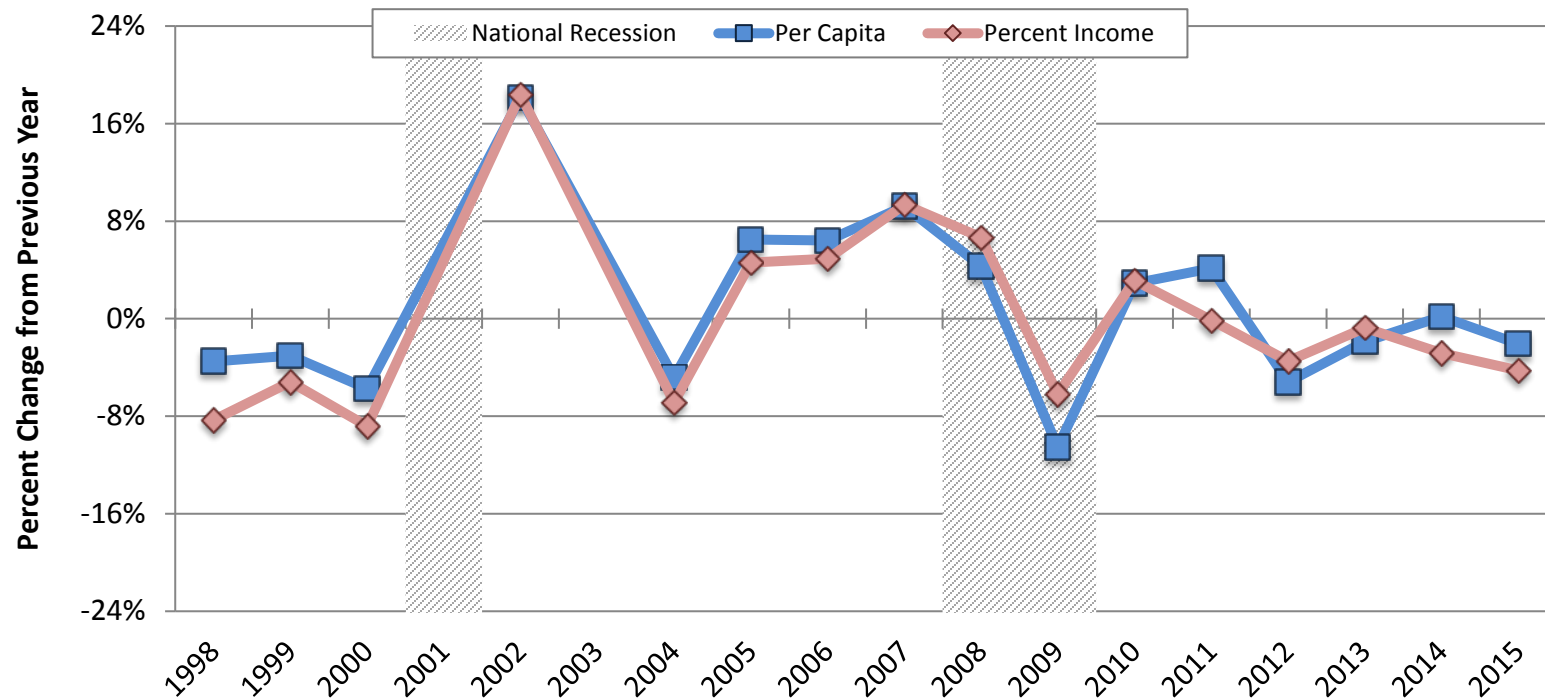
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 60. Georgia – Local Revenue
Total Charges – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 61. Georgia – Local Revenue
Total Charges – Annual Change



Note: For 2002 and 2004, the percentage change was calculated from the two years previous.

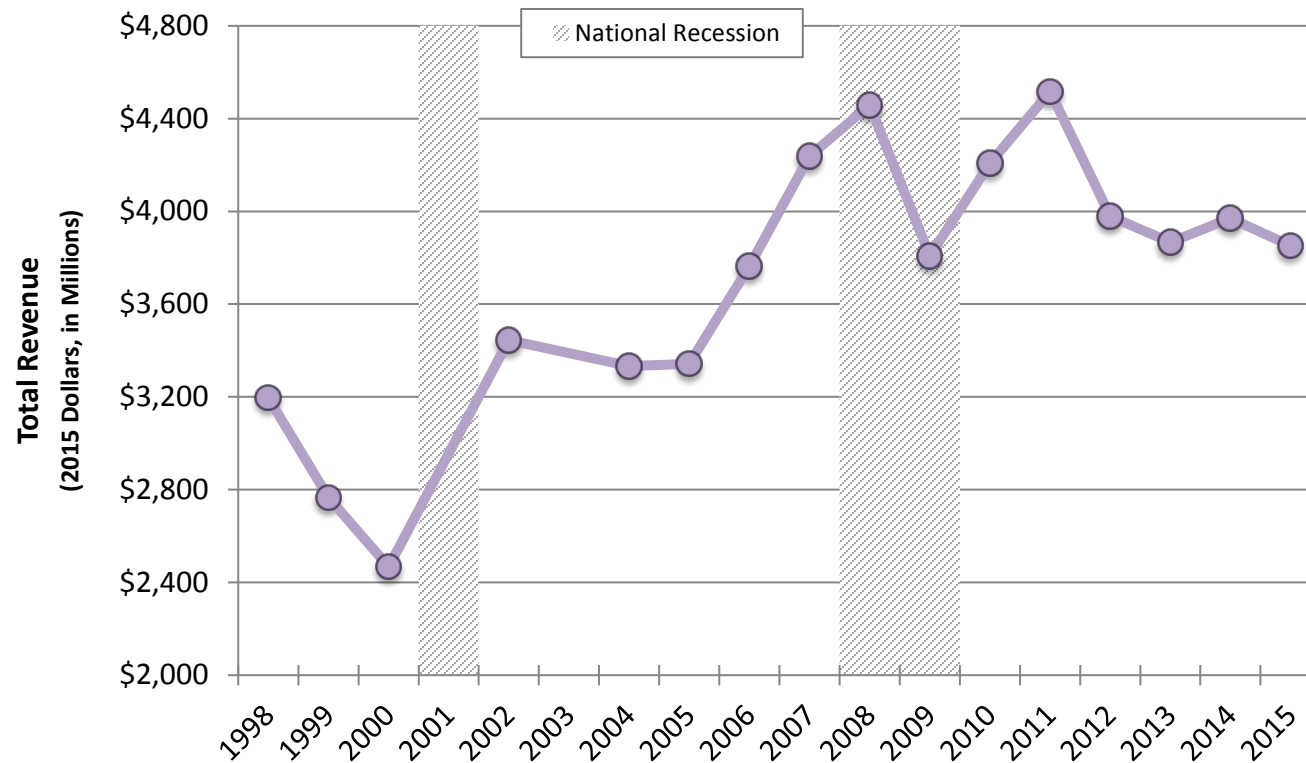
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

1. Hospital charges

Figures 62-64 describe how local revenue raised by hospital charges has changed from 1998 to 2015. Figure 62 shows total revenue; Figure 63 shows revenue per capita and revenue as a percentage of total personal income; and Figure 64 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total revenue:
 - Decreased before and increased during the 2001 recession, remained flat then increased between recessions, decreased during and increased after the 2008-09 recession, and declined after peaking in 2011
 - Increased overall by 20.5% from 1998 to 2015
 - Peaked in 2011 and decreased by 14.7% from 2011 to 2015
 - Troughed in 2000 and increased by 56.1% from 2000 to 2015
- Per capita revenue:
 - Decreased before and increased during the 2001 recession, decreased then increased between recessions, then decreased during and increased immediately after the 2008-09 recession, before declining in recent years
 - Decreased overall by 7.1% from 1998 to 2015
 - Peaked in 2008 and decreased by 19.5% from 2008 to 2015
 - Troughed in 2000 and increased by 25.9% from 2000 to 2015
- Revenue as a percentage of personal income:
 - Decreased before and increased during the 2001 recession, decreased then increased between recessions, and then decreased during and remained flat after the 2008-09 recession
 - Decreased overall by 15.8% from 1998 to 2015
 - Peaked in 2008 and decreased by 20.7% from 2008 to 2015
 - Troughed in 2000 and increased by 20.6% from 2000 to 2015

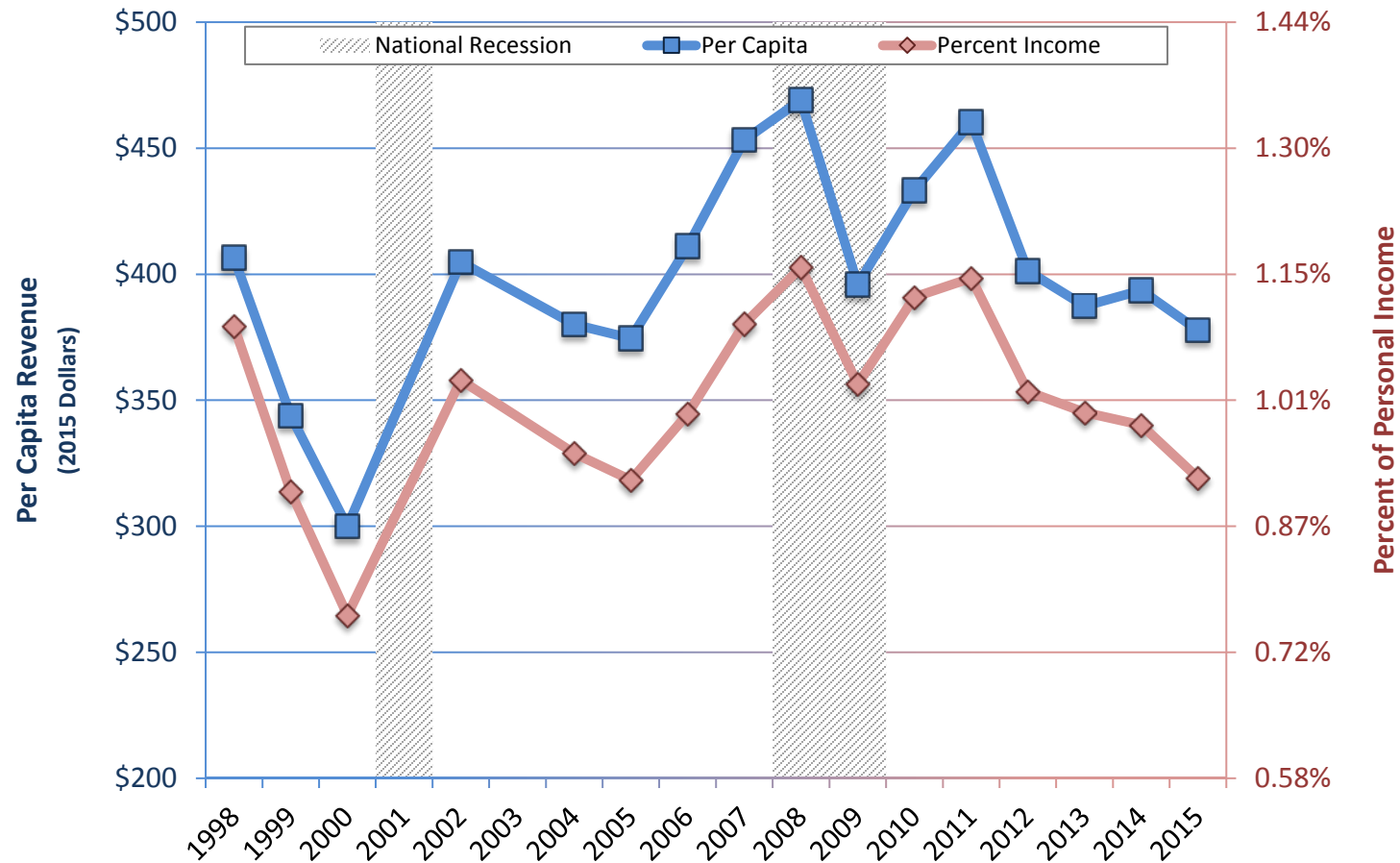
Figure 62. Georgia – Local Revenue
Hospital Charges – Total



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

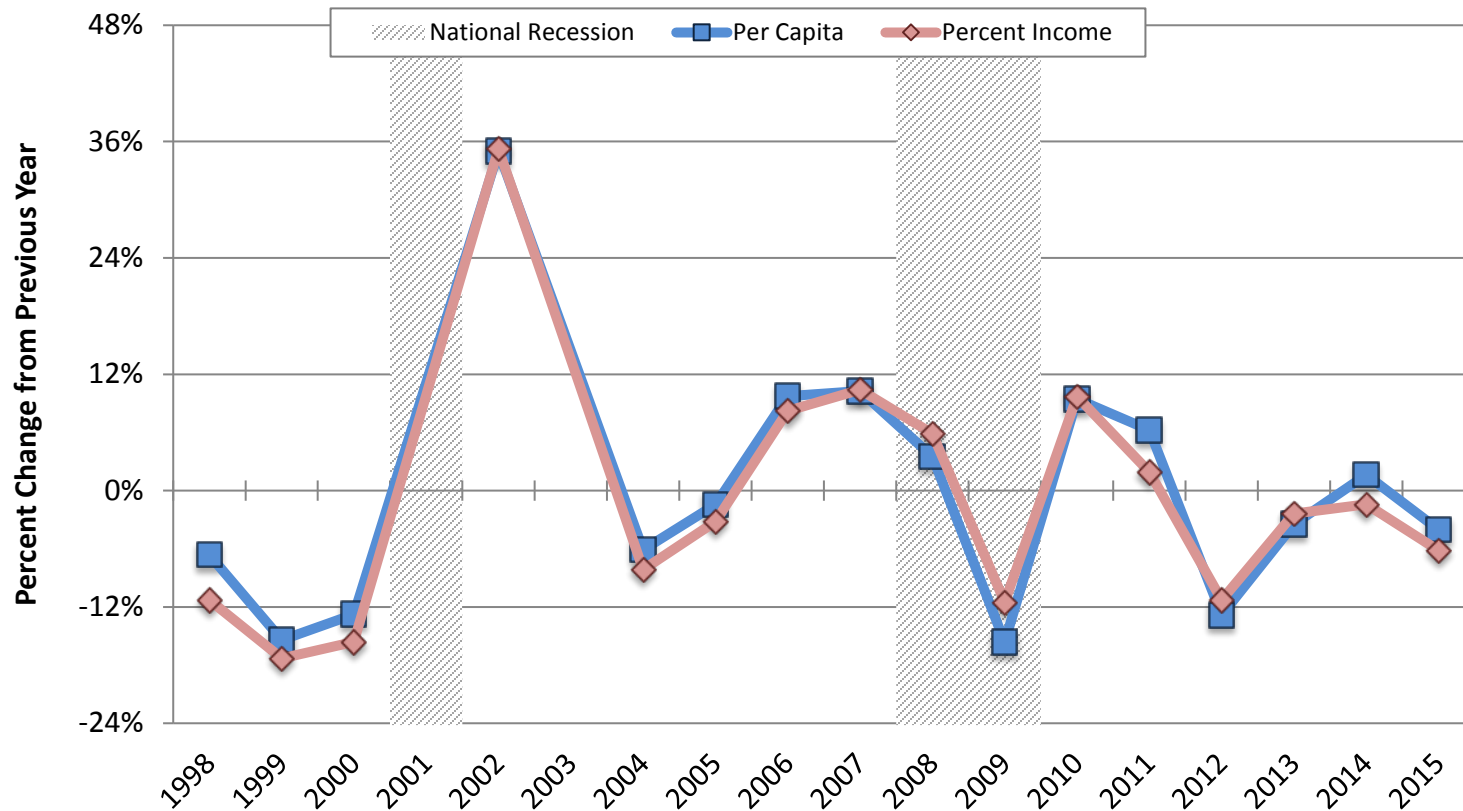
Figure 63. Georgia – Local Revenue

Hospital Charges – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 64. Georgia – Local Revenue
Hospital Charges – Annual Change



Note: For 2002 and 2004, percent change was calculated from two years previous.

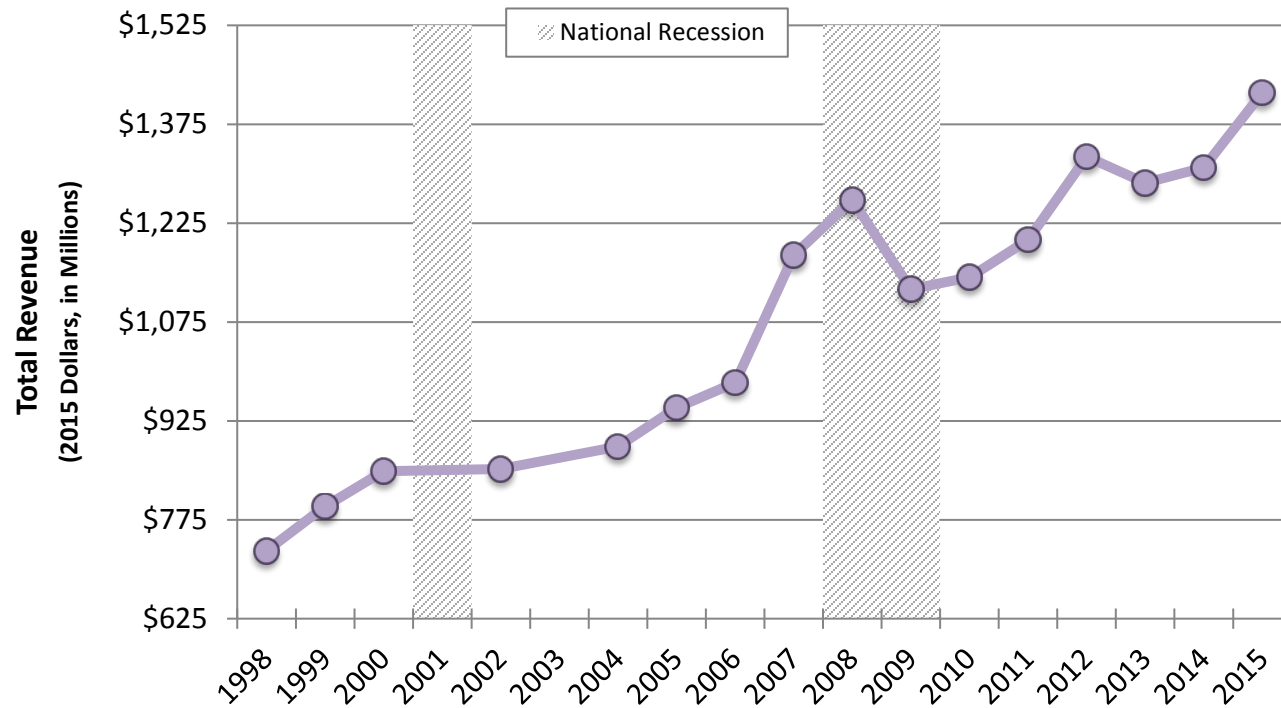
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

2. Sewerage charges

Figures 65-67 examine how local revenue raised by sewerage charges has changed from 1998 to 2015. Figure 65 shows total revenue; Figure 66 shows revenue per capita and revenue as a percentage of total personal income; and Figure 67 shows the percentage change from the previous year in per-capita and percent-income measures.

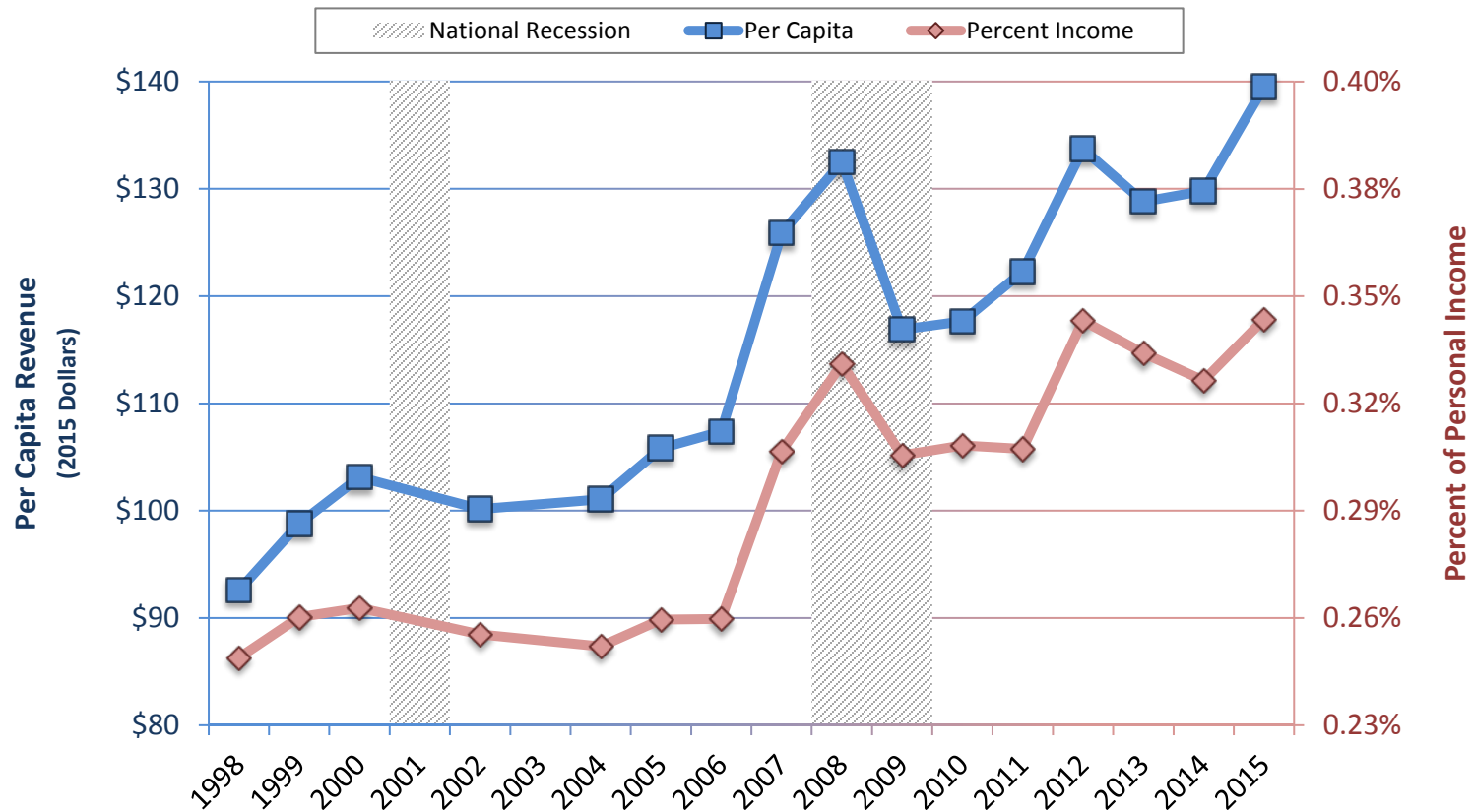
- Total revenue:
 - Increased before and remained flat during the 2001 recession, remained flat then sharply increased between recessions, and then decreased during and increased after the 2008-09 recession
 - Increased overall by 95.5% from 1998 to 2015
 - Peaked in 2015
 - Troughed in 1998
- Per capita revenue:
 - Increased before and decreased during the 2001 recession, remained flat then sharply increased between recessions, and then decreased during and increased after the 2008-09 recession
 - Increased overall by 50.7% from 1998 to 2015
 - Peaked in 2015
 - Troughed in 1998
- Revenue as a percentage of personal income:
 - Increased before and decreased during the 2001 recession, remained flat then sharply increased between recessions, and then decreased during and increased after the 2008-09 recession
 - Increased overall by 36.5% from 1998 to 2015
 - Peaked in 2015
 - Troughed in 1998

Figure 65. Georgia – Local Revenue
Sewerage Charges – Total



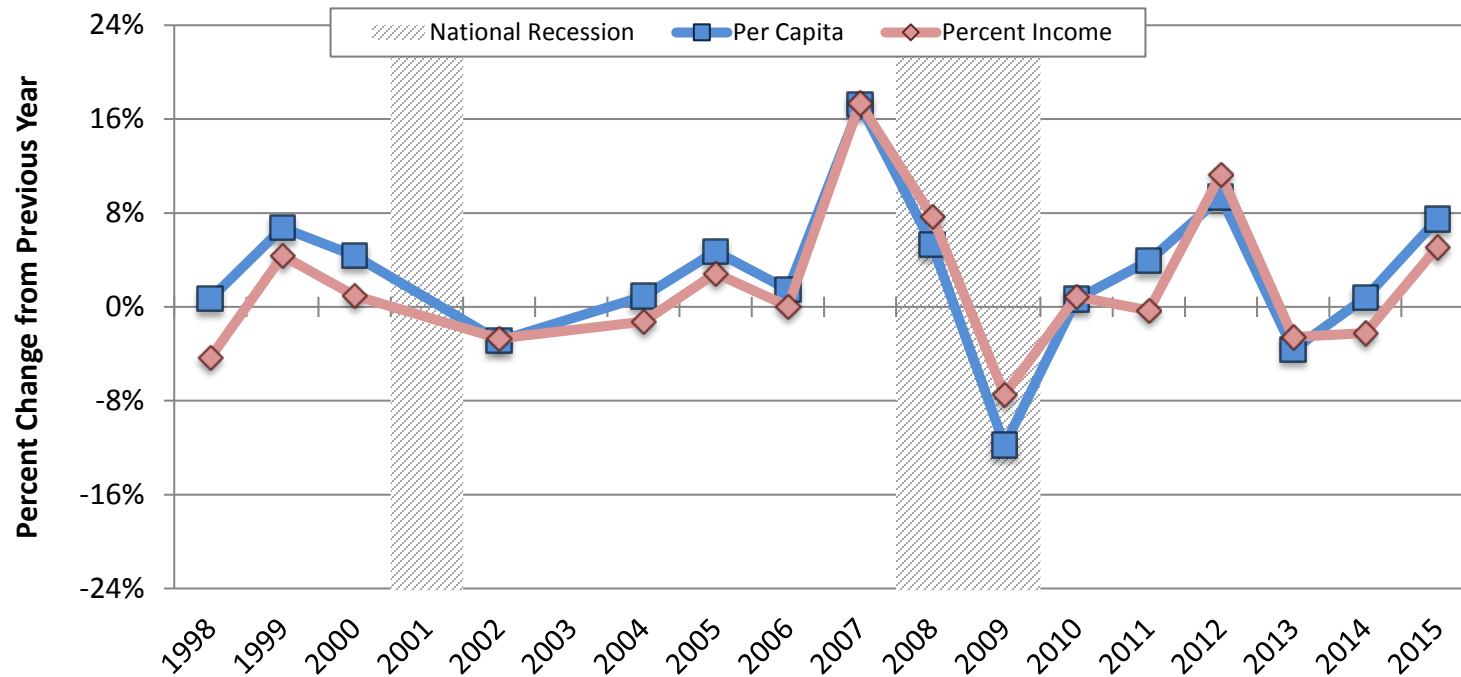
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 66. Georgia – Local Revenue
Sewerage Charges – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 67. Georgia – Local Revenue
Sewerage Charges – Annual Change



Note: For 2002 and 2004, percent change was calculated from two years previous.

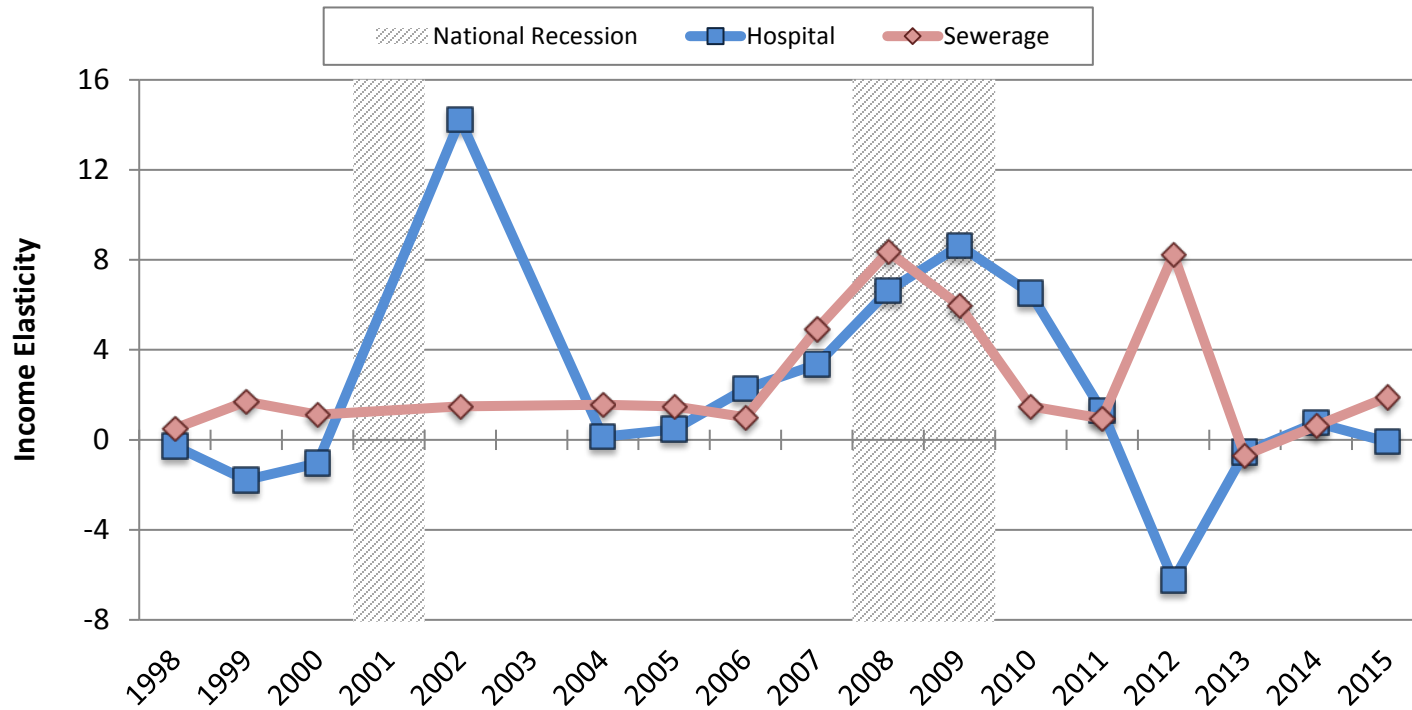
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

3. Income elasticities of major local charges

Income elasticity of revenue measures the responsiveness of revenue to changes in total personal income. The elasticity is measured as the ratio of the percentage change in revenue to the percentage change in income. For example, an elasticity of 2 means that a 1 percent increase in personal income results in a revenue increase of 2 percent. Figure 68 shows the annual income elasticities of local hospital and sewerage charges from 1998 to 2015.

- Hospital charge elasticity:
 - Was negative before the 2001 recession, then sharply increased immediately afterward
 - Remained positive through the 2008-09 recession and again increased sharply afterward before flattening out
- Sewerage charge elasticity remained consistently positive and low through the entire period (except for some sharp fluctuations during 2008 and 2012)

Figure 68. Georgia – Local Revenue
Income Elasticities of Major Charges



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

V. INTERGOVERNMENTAL TRANSFER REVENUE IN GEORGIA

This section reviews revenue trends for Georgia's intergovernmental transfers from 1998 to 2015. Revenue is examined in terms of the total real amount (adjusted to 2015 dollars using the BEA GDP deflator), the per capita real amount (in 2015 dollars), and as a percentage of total personal income. Per-capita and percent-income measures are shown on the same chart, with both vertical axes scaled identically relative to the 1998 value of their respective measures. The percentage change in per-capita and percent income from the preceding year is also examined. Periods of national recession are noted in relation to each measure.

A. State Intergovernmental Transfer Revenue

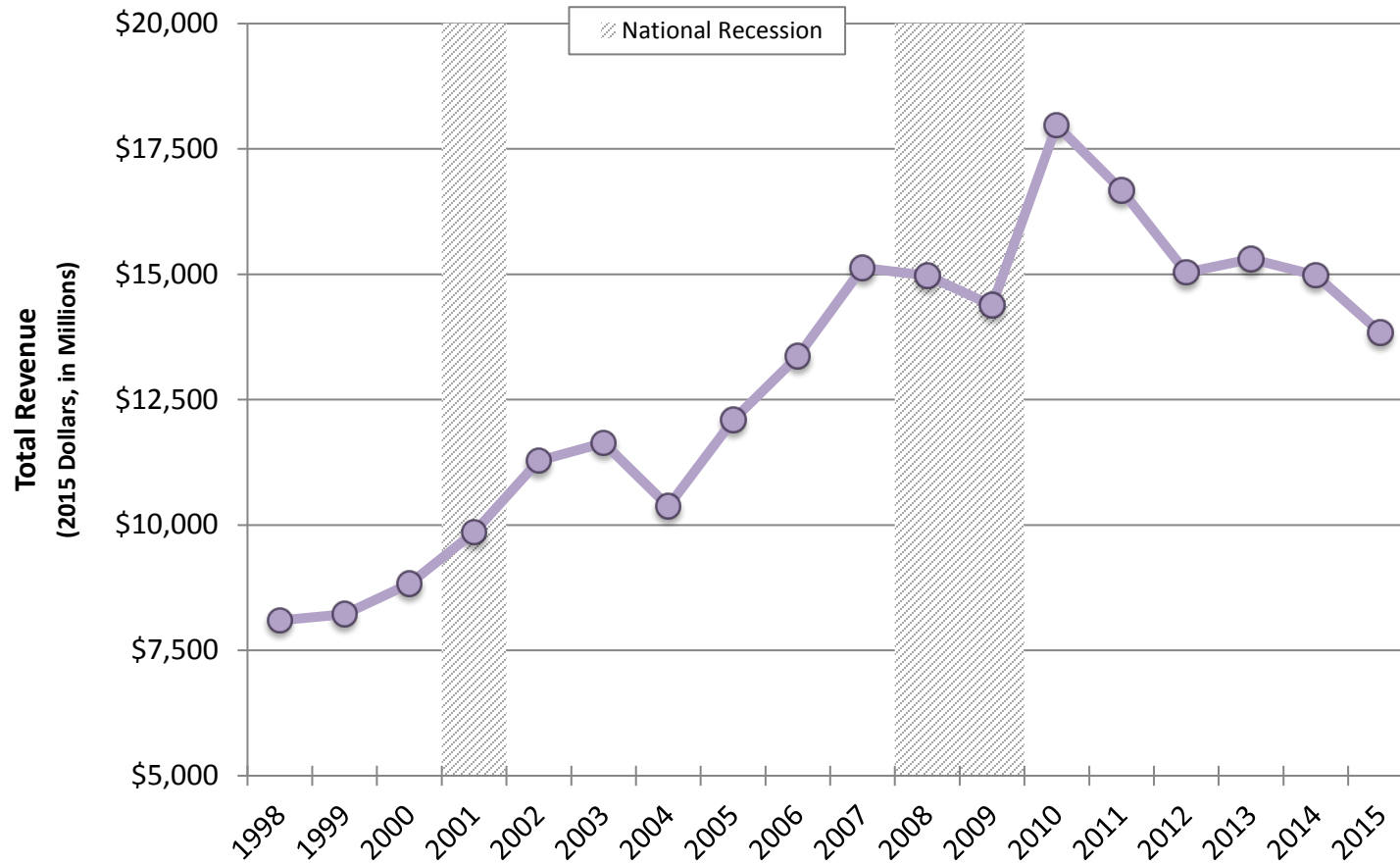
This section examines intergovernmental transfer revenue for Georgia's state government. Figures 69-71 describe how state revenue transferred from federal and local governments has changed from 1998 to 2015. Figure 69 shows total revenue; Figure 70 shows revenue per capita and revenue as a percentage of total personal income; and Figure 71 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total transfer revenue:
 - Increased before and during the 2001 recession, decreased then increased between recessions, and then increased during and decreased after the 2008-09 recession
 - Increased overall by 70.9% from 1998 to 2015
 - Peaked in 2010 and decreased by 23.0% from 2010 to 2015
 - Troughed in 1998

- Per capita transfer revenue:
 - Increased before and during the 2001 recession, decreased then increased between recessions, and then increased during and decreased after the 2008-09 recession
 - Increased overall by 31.7% from 1998 to 2015
 - Peaked in 2010 and decreased by 26.7% from 2010 to 2015
 - Troughed in 1999 and increased by 32.8% from 1999 to 2015

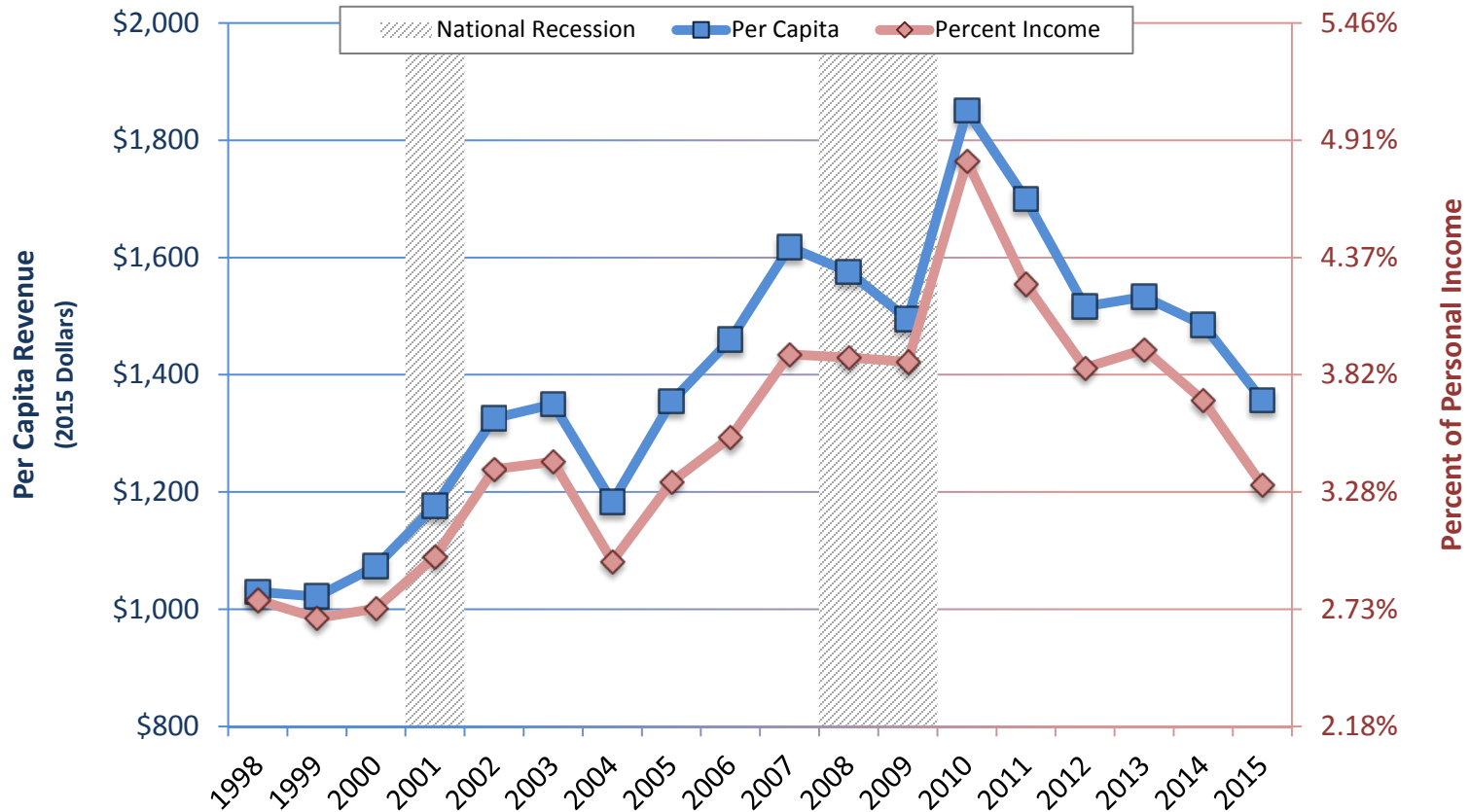
- Transfer revenue as a percentage of personal income:
 - Remained flat before and increased during the 2001 recession, decreased then increased between recessions, and then increased during and decreased after the 2008-09 recession
 - Increased overall by 19.3% from 1998 to 2015
 - Peaked in 2010 and decreased by 31.3% from 2010 to 2015
 - Troughed in 1999 and increased by 23.0% from 1999 to 2015

Figure 69. Georgia – State Revenue
Intergovernmental Transfers – Total



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

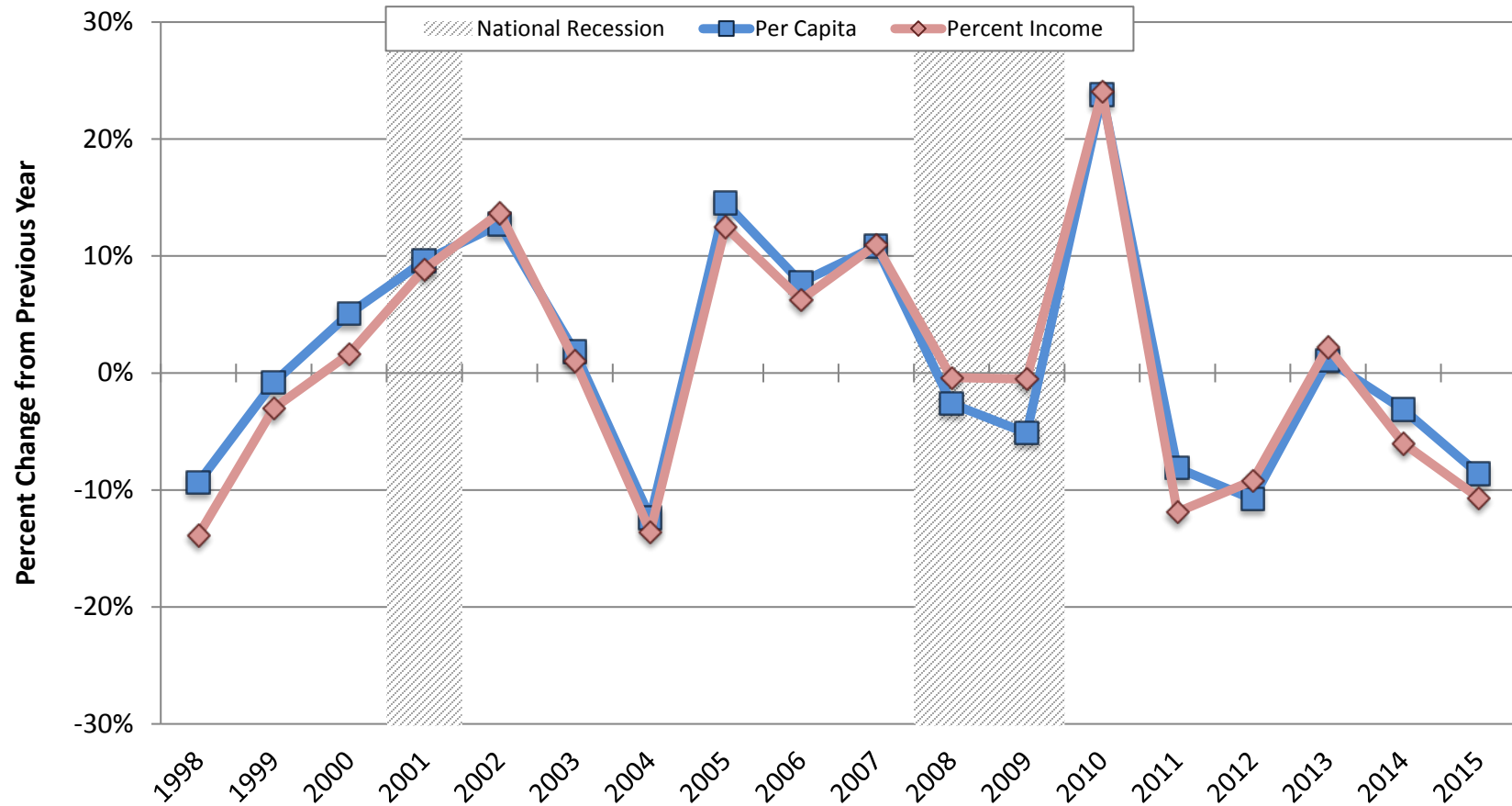
Figure 70. Georgia – State Revenue
Intergovernmental Transfers –
Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 71. Georgia – State Revenue

Intergovernmental Transfers – Annual Change



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

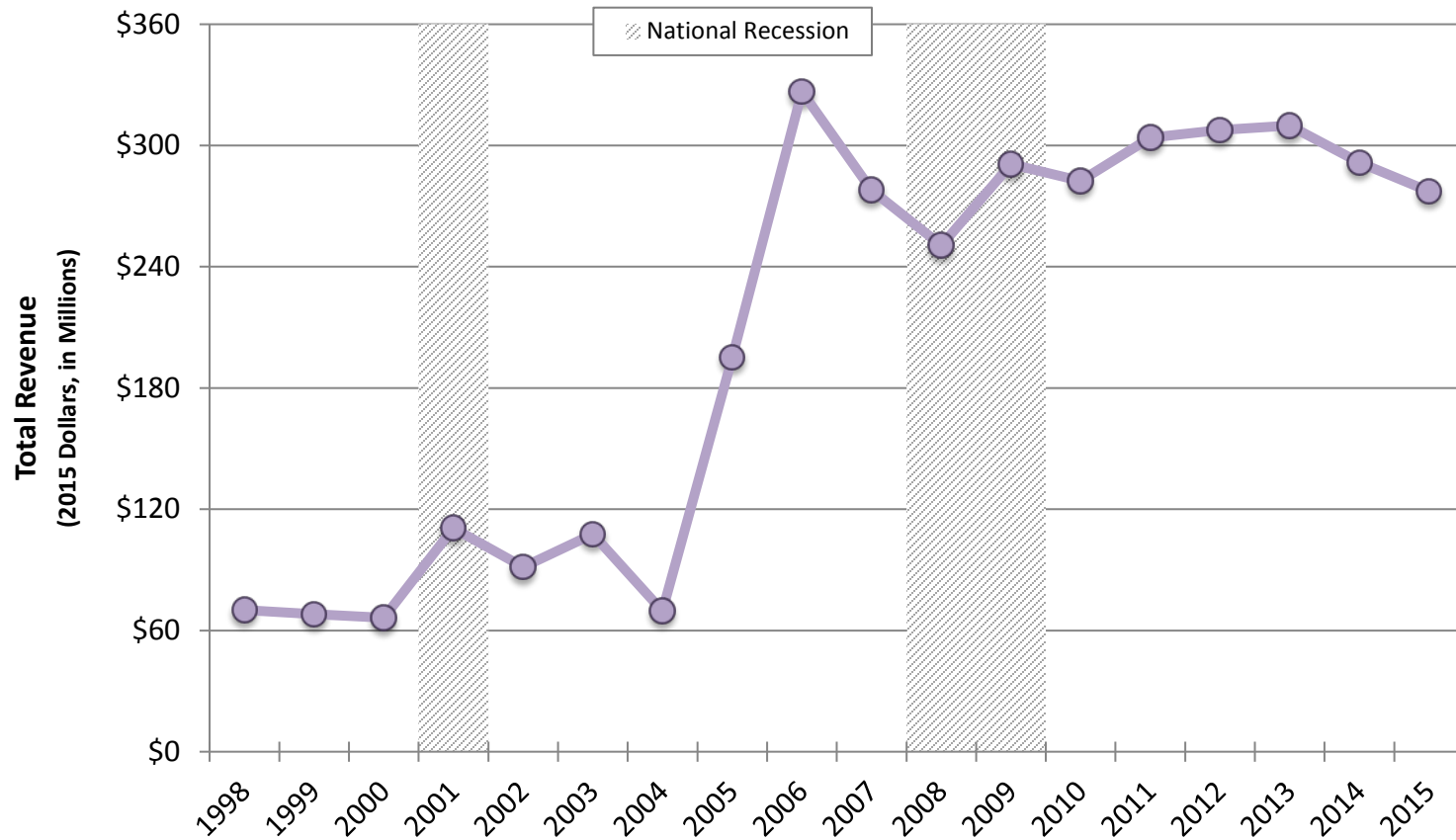
1. Local transfers

Figures 72-74 describe how state revenue transferred from local governments has changed from 1998 to 2015. Figure 72 shows total revenue; Figure 73 shows revenue per capita and revenue as a percentage of total personal income; and Figure 74 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total revenue:
 - Remained flat before and increased during the 2001 recession, decreased then sharply increased between recessions, and then remained flat during and after the 2008-09 recession
 - Increased overall by 295.2% from 1998 to 2015
 - Peaked in 2006 and decreased by 15.1% from 2006 to 2015
 - Troughed in 2000 and increased by 318.3% from 2000 to 2015
- Per capita revenue:
 - Decreased before and increased during the 2001 recession, decreased then sharply increased between recessions, and then remained flat during and after the 2008-09 recession
 - Increased overall by 204.7% from 1998 to 2015
 - Peaked in 2006 and decreased by 23.8% from 2006 to 2015
 - Troughed in 2004 and increased by 242.0% from 2004 to 2015
- Revenue as a percentage of personal income:
 - Decreased before and increased during the 2001 recession, decreased then sharply increased between recessions, and then remained flat during and after the 2008-09 recession; in 2013-15 period, local transfers as a percentage of income declined
 - Increased overall by 176.0% from 1998 to 2015
 - Peaked in 2006 and decreased by 23.2% from 2006 to 2015
 - Troughed in 2004 and increased by 234.1% from 2004 to 2015

Figure 72. Georgia – State Revenue

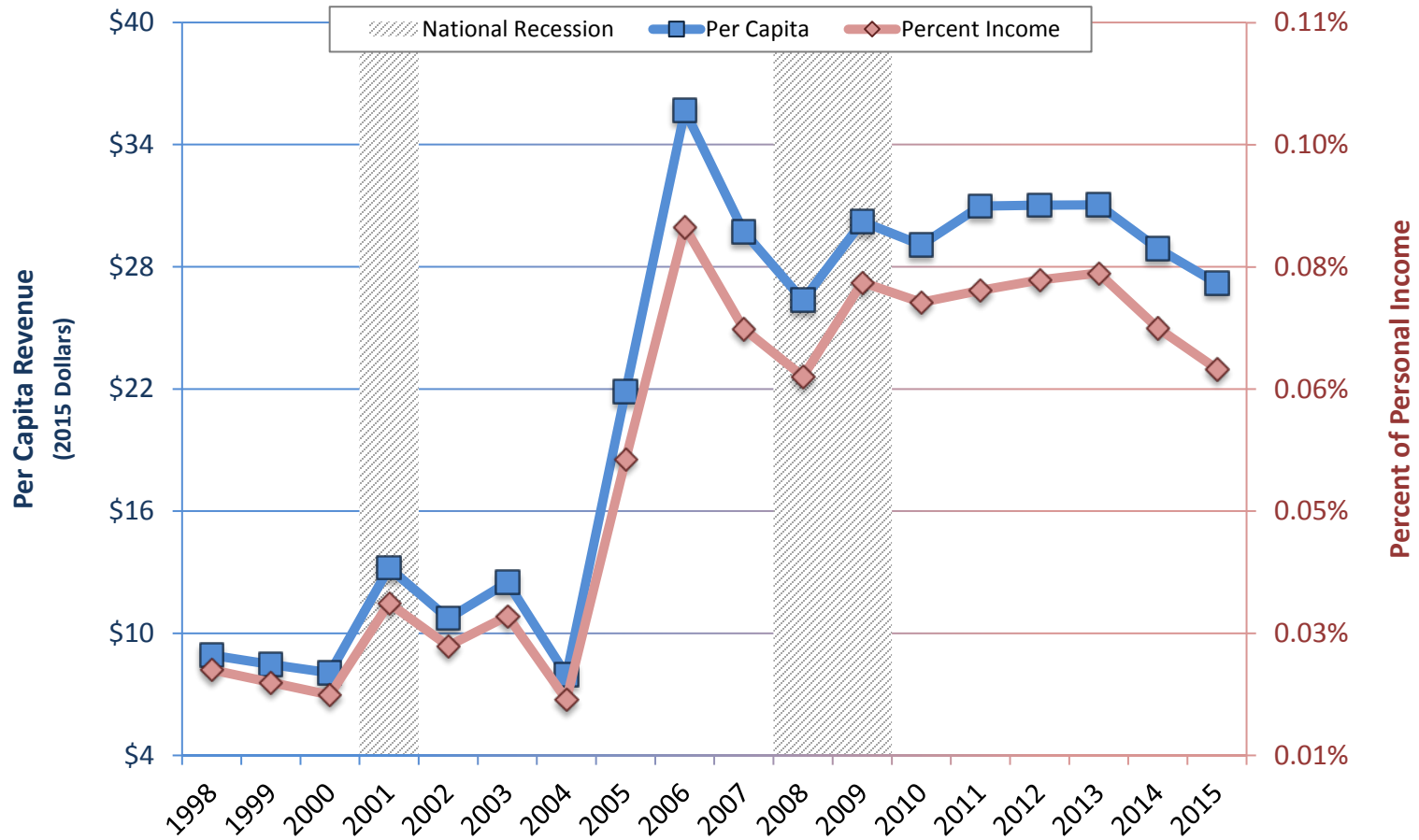
Local Transfers – Total



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

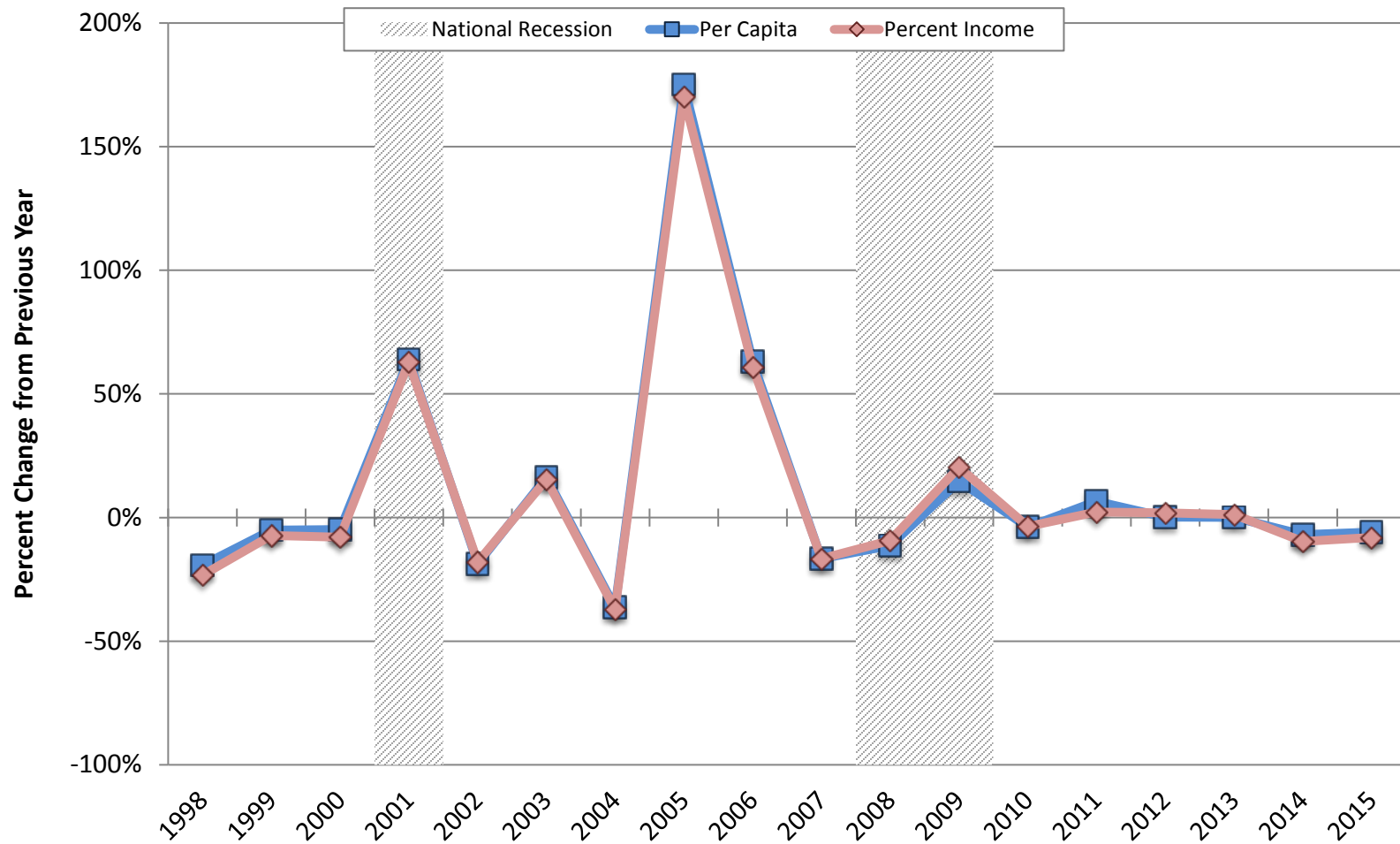
Figure 73. Georgia – State Revenue

Local Transfers – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 74. Georgia – State Revenue
Local Transfers – Annual Change



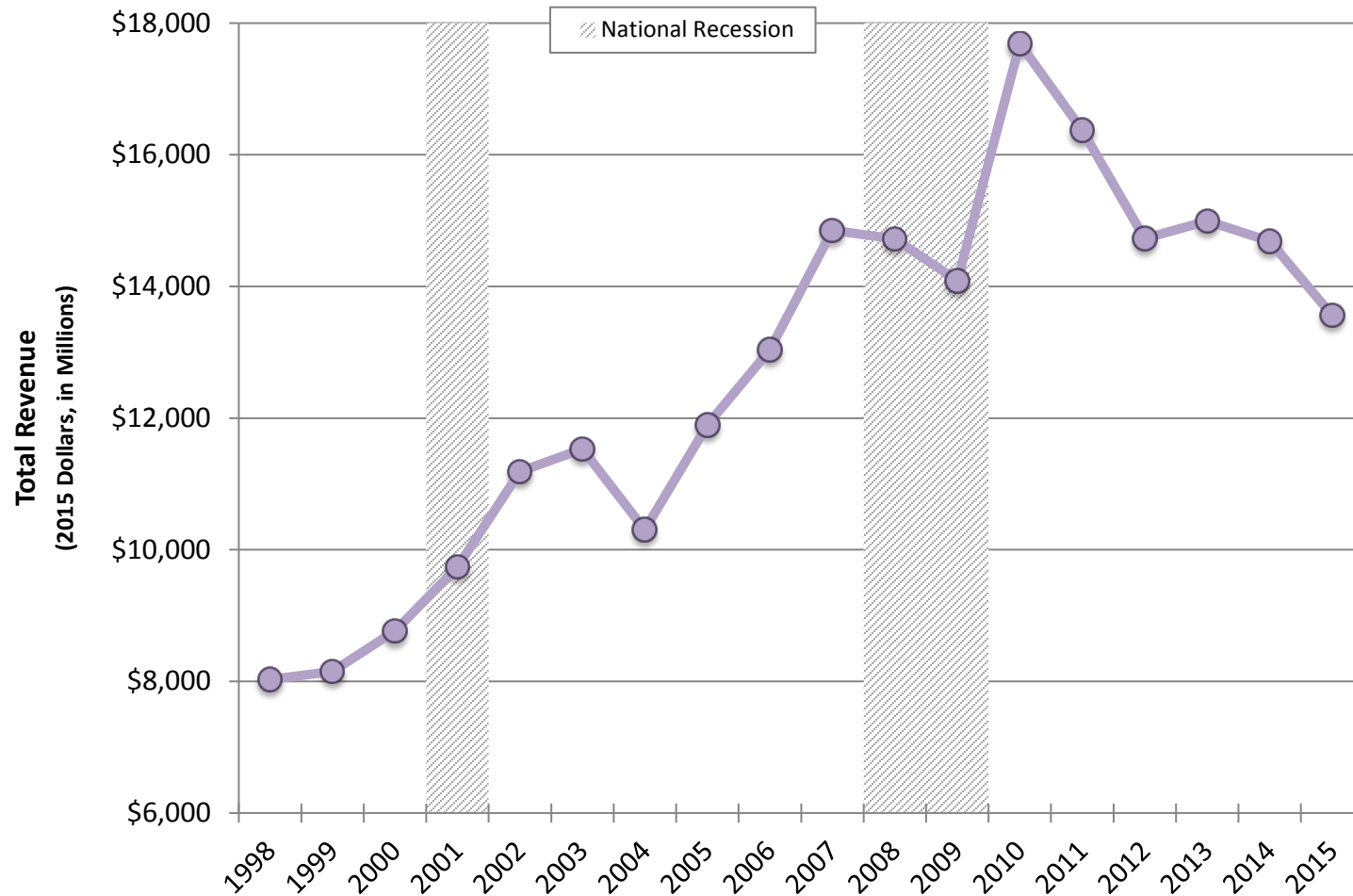
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

2. Federal transfers

Figures 75-77 describe how state revenue transferred from the federal government has changed from 1998 to 2015. Figure 75 shows total revenue; Figure 76 shows revenue per capita and revenue as a percentage of total personal income; and Figure 77 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total revenue:
 - Increased before and during the 2001 recession, decreased then increased between recessions, and then increased during and decreased after the 2008-09 recession
 - Increased overall by 68.9% from 1998 to 2015
 - Peaked in 2010 and decreased by 23.3% from 2010 to 2015
 - Troughed in 1998
- Per capita revenue:
 - Increased before and during the 2001 recession, decreased then increased between recessions, and then increased during and decreased after the 2008-09 recession
 - Increased overall by 30.2% from 1998 to 2015
 - Peaked in 2010 and decreased by 27.0% from 2010 to 2015
 - Troughed in 1999 and increased by 31.2% from 1999 to 2015
- Revenue as a percentage of personal income:
 - Remained flat before and increased during the 2001 recession, decreased then increased between recessions, and then increased during and decreased after the 2008-09 recession
 - Increased overall by 18.0% from 1998 to 2015
 - Peaked in 2010 and decreased by 31.6% from 2010 to 2015
 - Troughed in 1999 and increased by 21.6% from 1999 to 2015

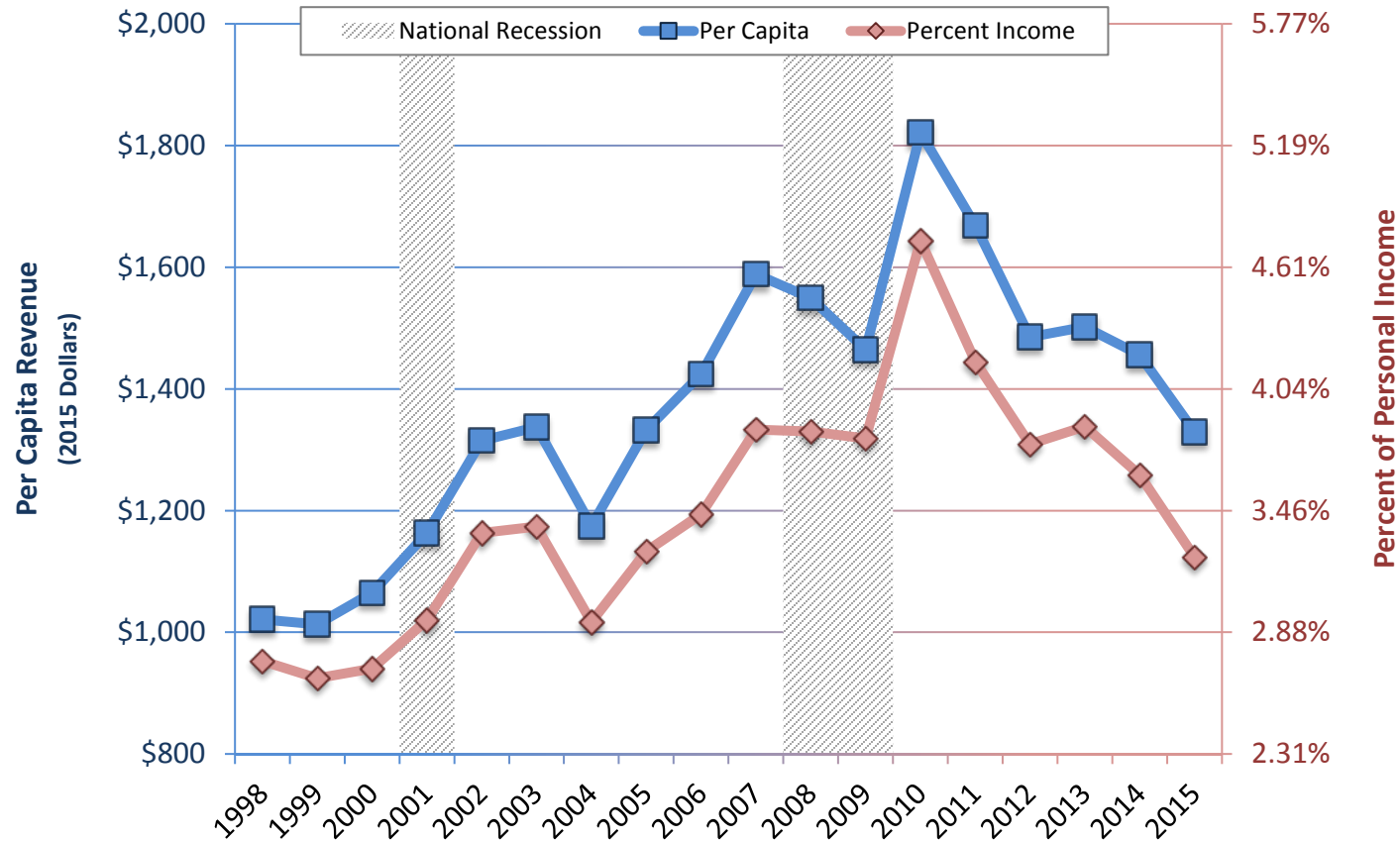
**Figure 75. Georgia – State Revenue
Federal Transfers – Total**



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

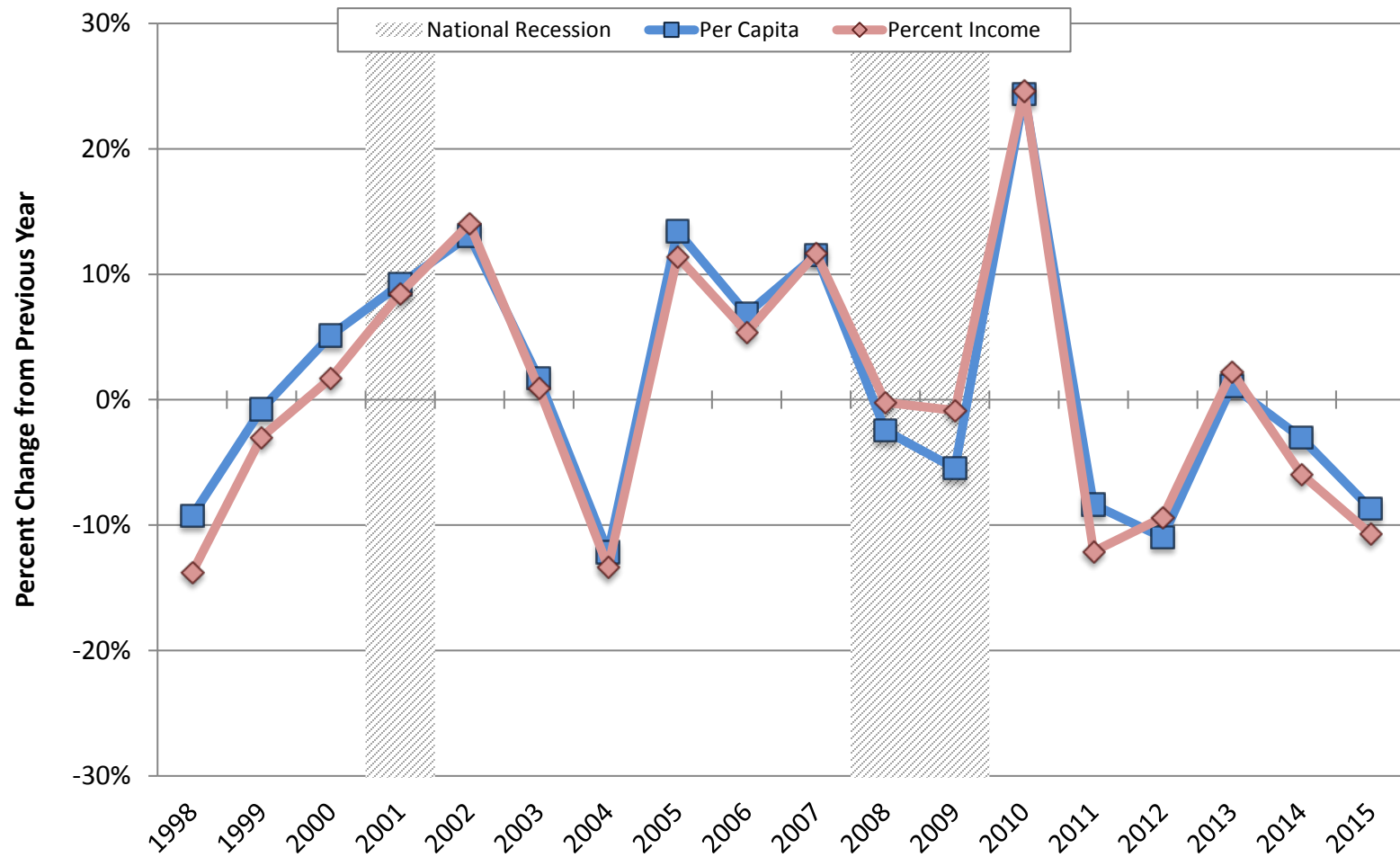
Figure 76. Georgia – State Revenue

Federal Transfers – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 77. Georgia – State Revenue
Federal Transfers – Annual Change



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

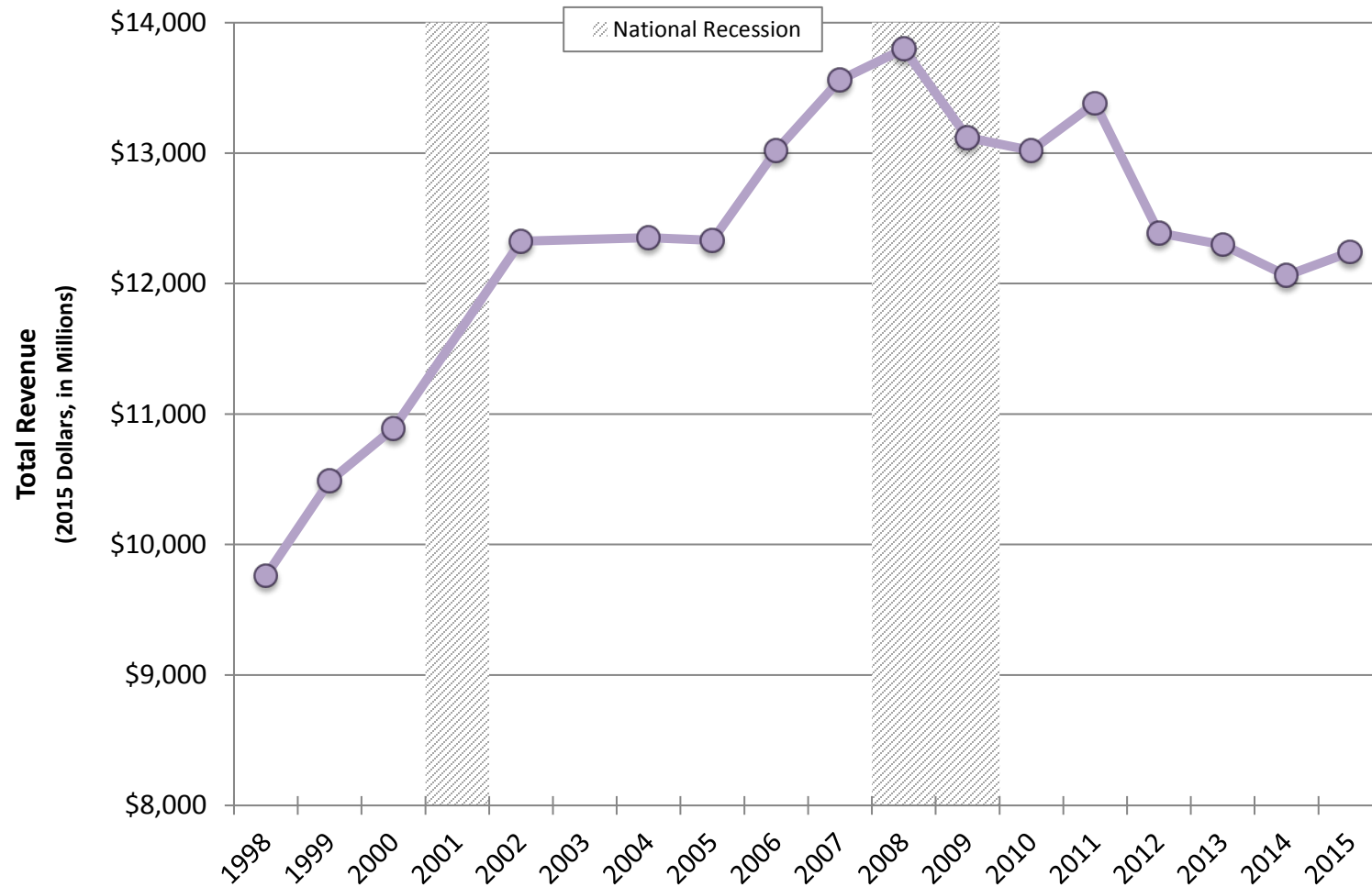
B. Local Intergovernmental Transfer Revenue

This section discusses intergovernmental transfer revenue for Georgia's local governments. Because the U.S. Census Bureau did not disaggregate state data from their Annual Survey of State and Local Government Finances in 2001 and 2003, data are missing for those years. Figures 78-80 describe how local revenue transferred from federal and local governments has changed from 1998 to 2015. Figure 78 shows total revenue; Figure 79 shows revenue per capita and revenue as a percentage of total personal income; and Figure 80 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total transfer revenue:
 - Increased before and during the 2001 recession, remained flat then increased between recessions, and then decreased during and after the 2008-09 recession
 - Increased overall by 25.4% from 1998 to 2015
 - Peaked in 2008 and decreased by 11.3% from 2008 to 2015
 - Troughed in 1998
- Per capita transfer revenue:
 - Increased before and during the 2001 recession, decreased then increased between recessions, and then decreased during and after the 2008-09 recession
 - Decreased overall by 3.3% from 1998 to 2015
 - Peaked in 2008 and decreased by 17.3% from 2008 to 2015
 - Troughed in 2015

- Transfer revenue as a percentage of personal income:
 - Remained flat before and increased during the 2001 recession, decreased then increased between recessions, and then remained flat during and decreased after the 2008-09 recession
 - Decreased overall by 12.4% from 1998 to 2015
 - Peaked in 2002 and decreased by 20.8% from 2002 to 2015
 - Troughed in 2015

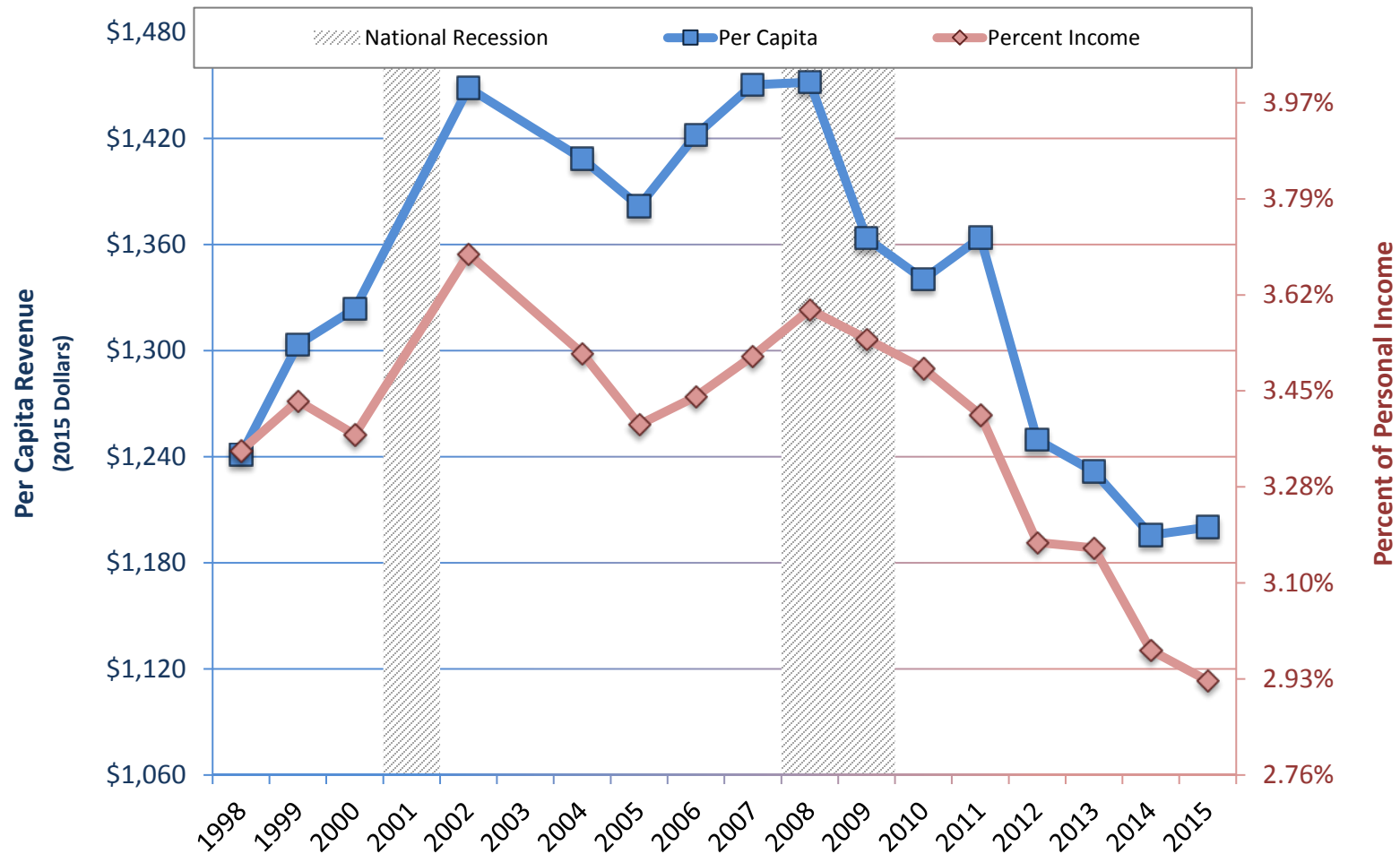
Figure 78. Georgia – Local Revenue
Intergovernmental Transfers – Total



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 79. Georgia – Local Revenue

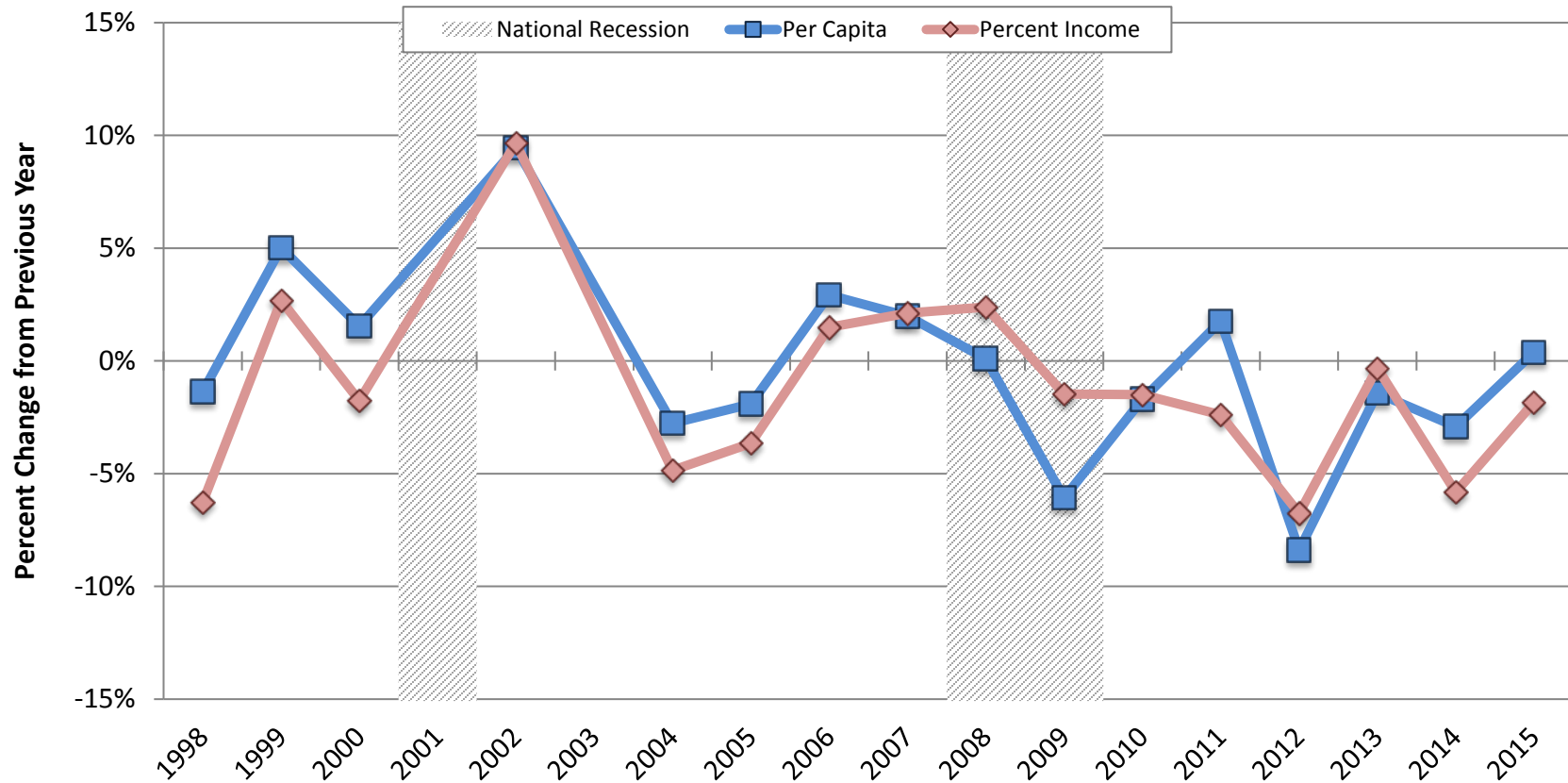
Intergovernmental Transfers – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 80. Georgia – Local Revenue

Intergovernmental Transfers – Annual Change



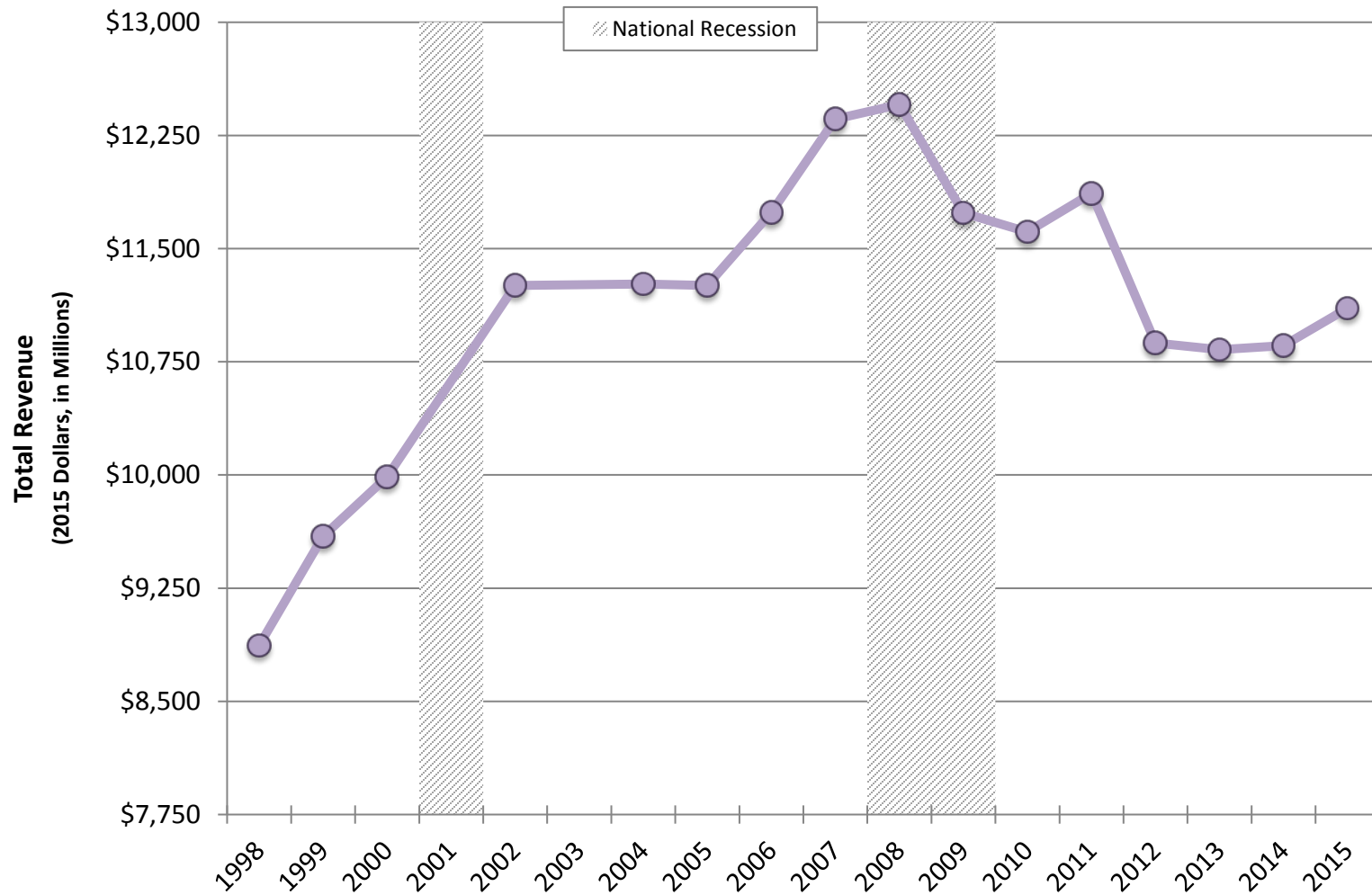
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

1. State transfers

Figures 81-83 describe how local revenue transferred from the state government has changed from 1998 to 2015. Figure 81 shows total revenue; Figure 82 shows revenue per capita and revenue as a percentage of total personal income; and Figure 83 shows the percentage change from the previous year in per-capita and percent-income measures.

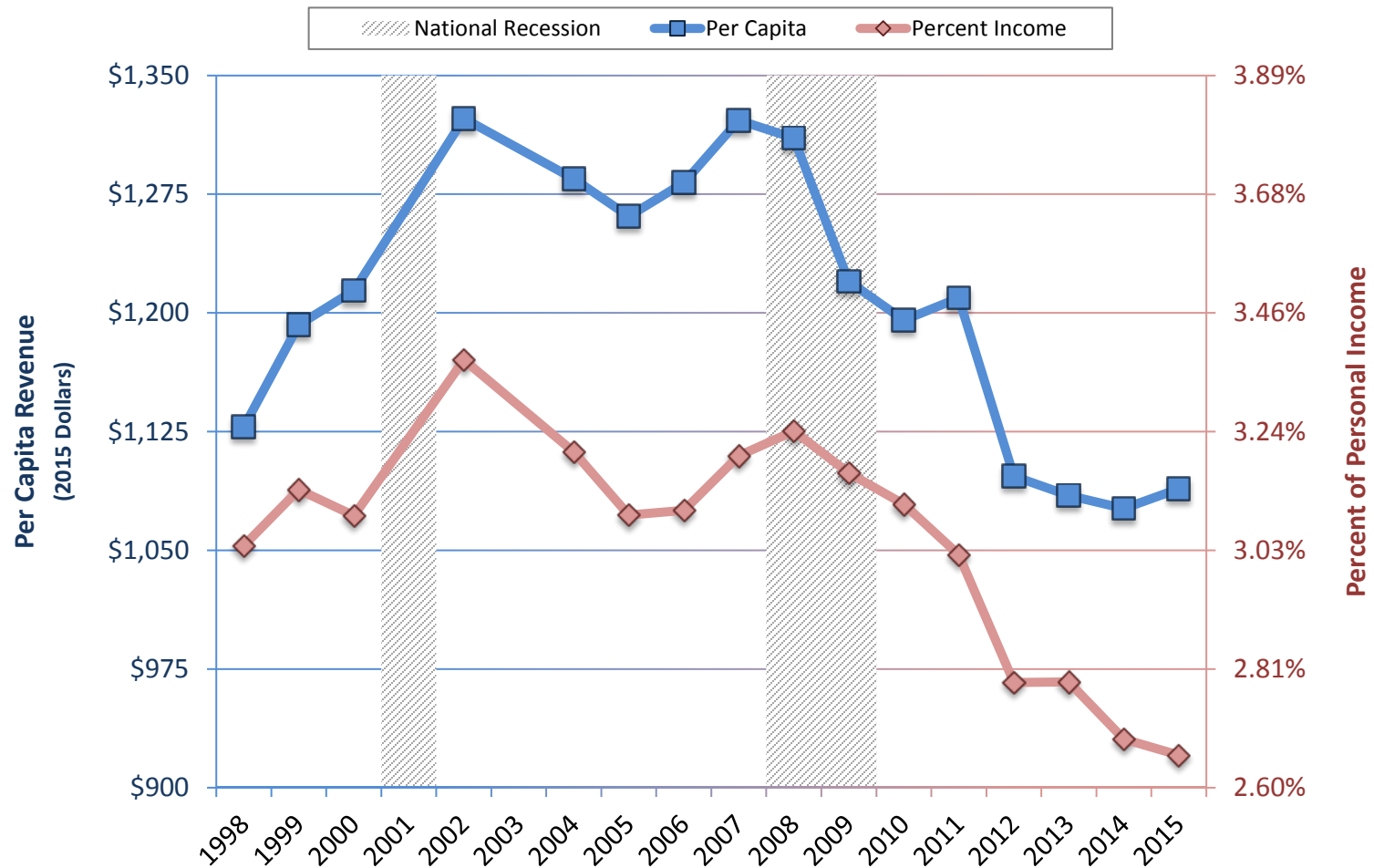
- Total revenue:
 - Increased before and during the 2001 recession, remained flat then increased between recessions, and then decreased during and after the 2008-09 recession
 - Increased overall by 25.2% from 1998 to 2015
 - Peaked in 2008 and decreased by 10.8% from 2008 to 2015
 - Troughed in 1998
- Per capita revenue:
 - Increased before and during the 2001 recession, decreased then increased between recessions, and then decreased during and after the 2008-09 recession
 - Decreased overall by 3.5% from 1998 to 2015
 - Peaked in 2002 and decreased by 17.7% from 2002 to 2015
 - Troughed in 2015
- Revenue as a percentage of personal income:
 - Increased before and during the 2001 recession, decreased then slightly increased between recessions, and then decreased during and after the 2008-09 recession
 - Decreased overall by 12.6% from 1998 to 2015
 - Peaked in 2002 and decreased by 21.3% from 2002 to 2015
 - Troughed in 2015

Figure 81. Georgia – Local Revenue
State Transfers – Total



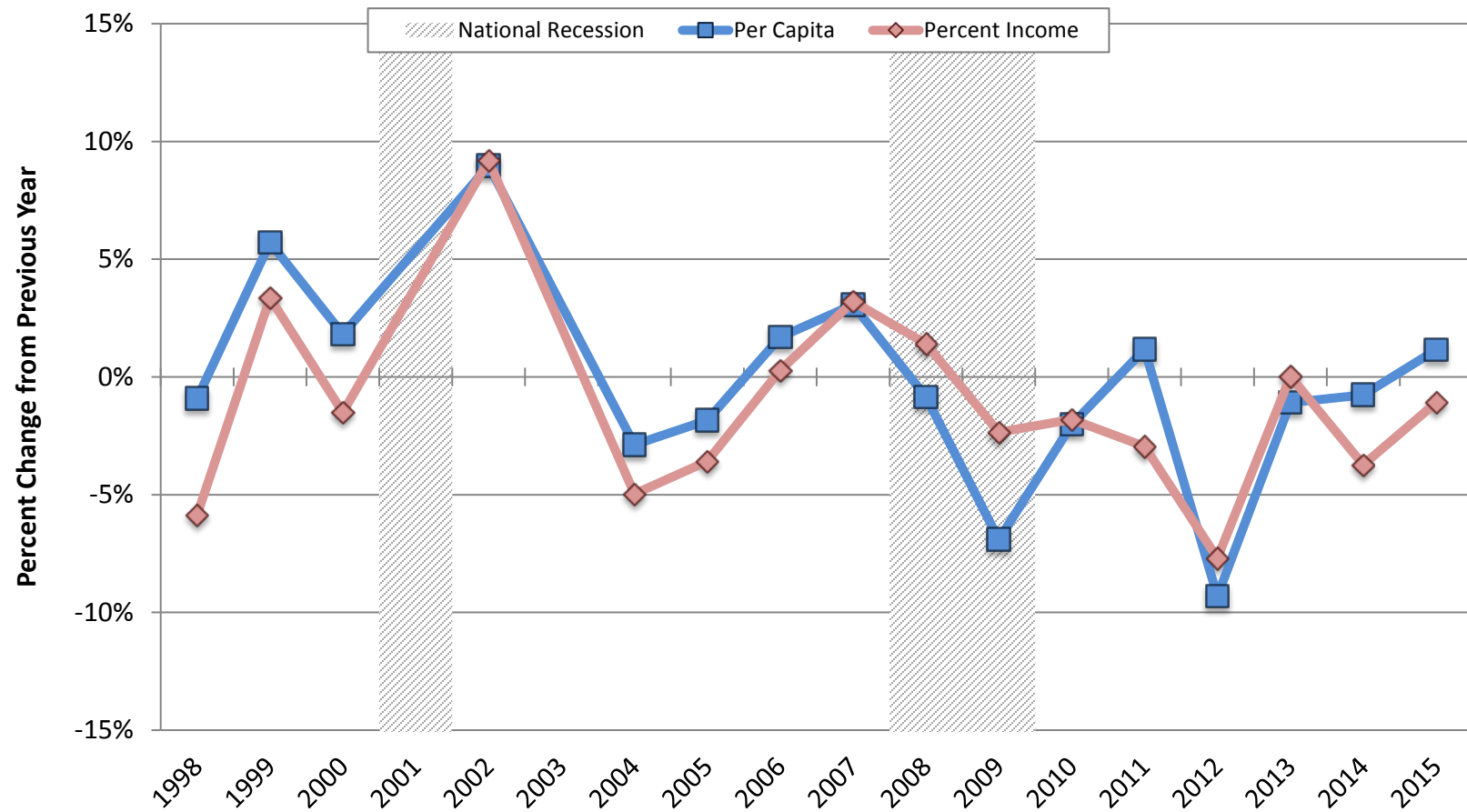
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 82. Georgia – Local Revenue
State Transfers – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 83. Georgia – Local Revenue
State Transfers – Annual Change



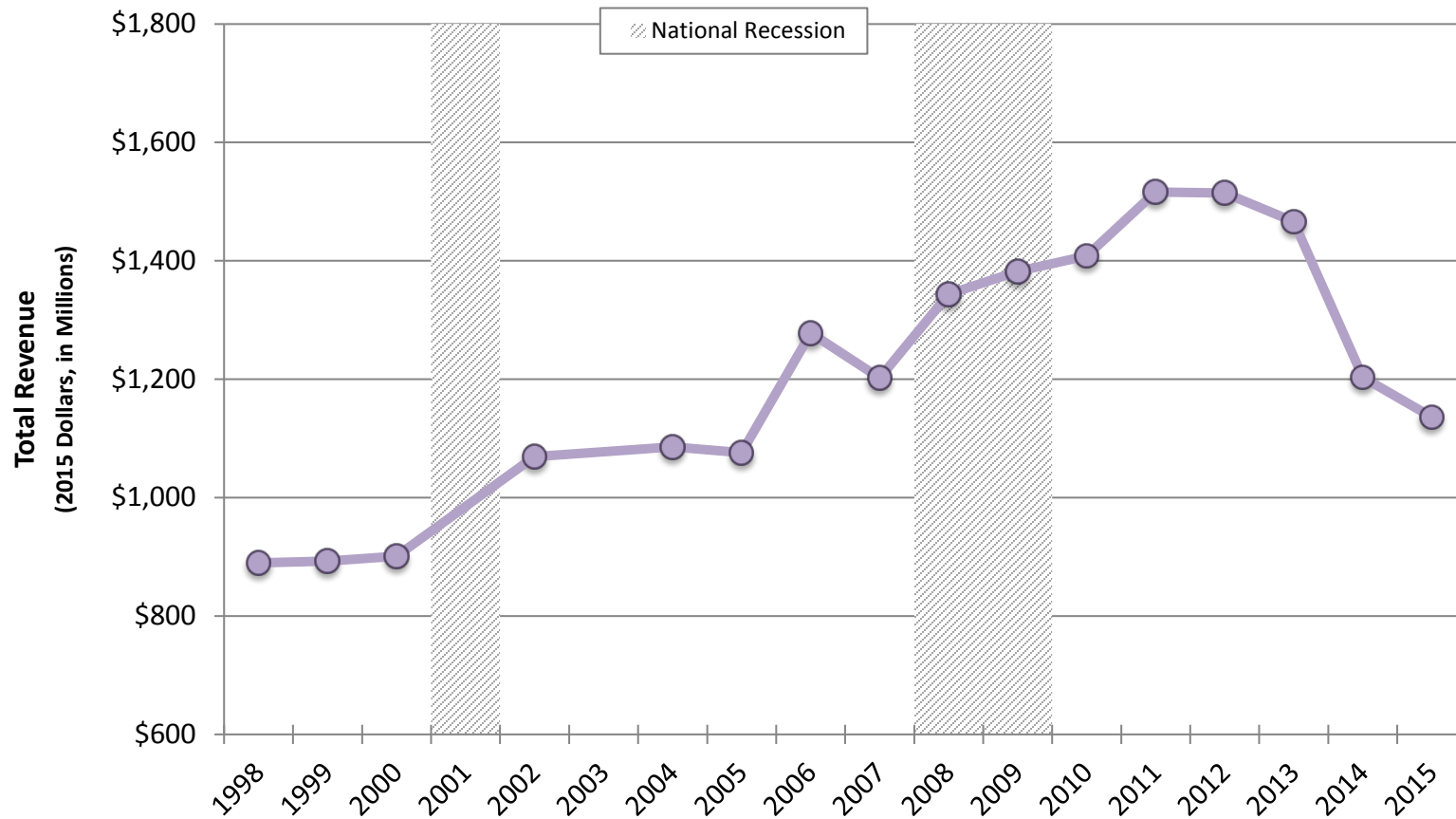
Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

2. Federal transfers

Figures 84-86 describe how local revenue transferred from the federal government has changed from 1998 to 2015. Figure 84 shows total revenue; Figure 85 shows revenue per capita and revenue as a percentage of total personal income; and Figure 86 shows the percentage change from the previous year in per-capita and percent-income measures.

- Total revenue:
 - Remained flat before and increased during the 2001 recession, remained flat then increased between recessions, and then increased during and after the 2008-09 recession, before gradually decreasing between 2012 and 2015
 - Increased overall by 27.7% from 1998 to 2015
 - Peaked in 2011 and declined by 25.1% from 2011 to 2015
 - Troughed in 1998
- Per capita revenue:
 - Decreased before and increased during the 2001 recession, decreased then increased between recessions, and then increased during and after the 2008-09 recession, but declined during 2012-15
 - Decreased overall by 1.6% from 1998 to 2015
 - Peaked in 2011 and declined by 28.0% from 2011 to 2015
 - Troughed in 2000 and increased by 1.7% from 2000 to 2015, primarily due to a recent decline in federal transfers
- Revenue as a percentage of personal income:
 - Decreased before and increased during the 2001 recession, decreased then increased between recessions, and then increased during and after the 2008-09 recession; however, 2012-15 saw a dramatic decline
 - Decreased overall by 10.9% from 1998 to 2015
 - Peaked in 2012 and declined by 30.1% from 2012 to 2015
 - Troughed in 2015

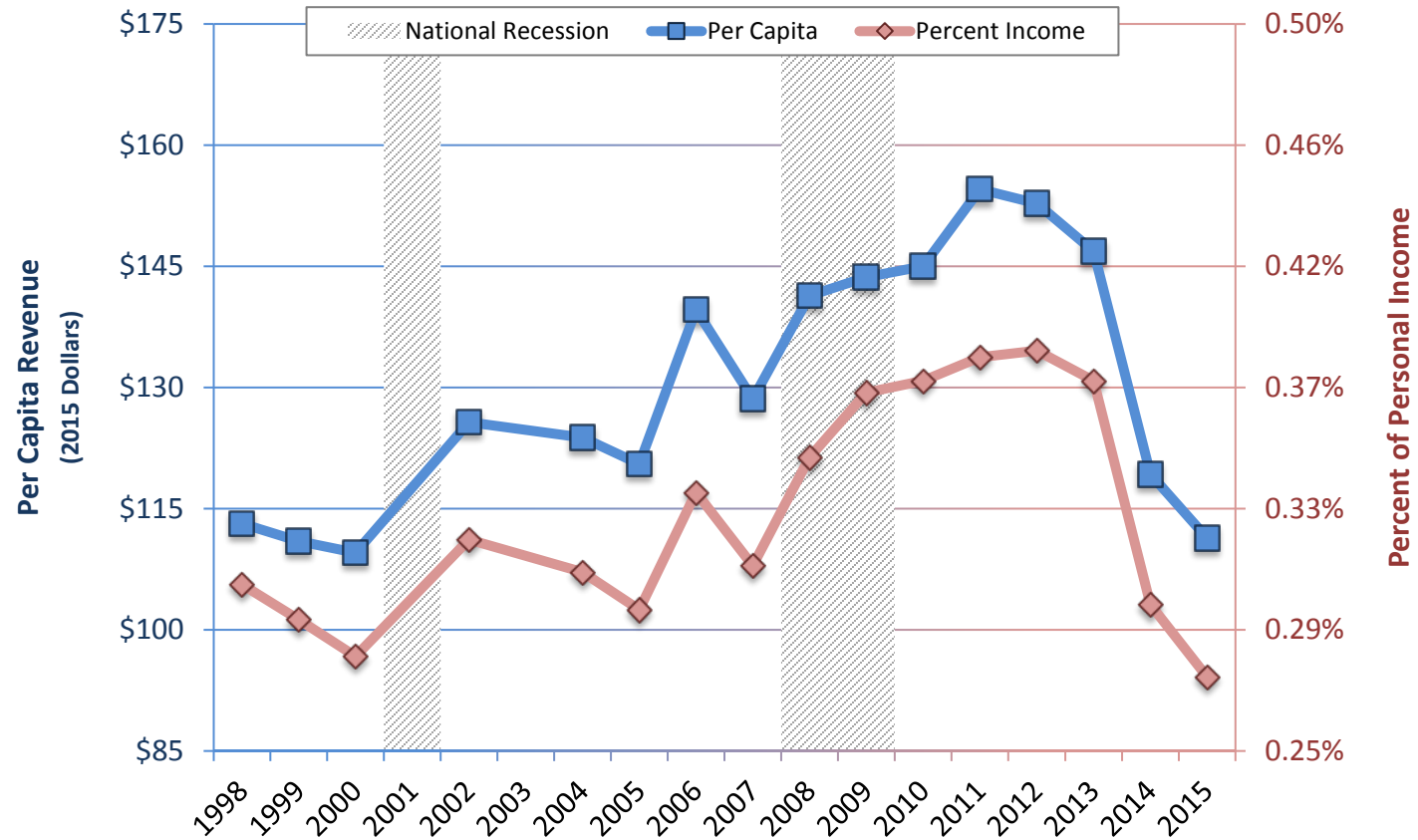
**Figure 84. Georgia – Local Revenue
Federal Transfers – Total**



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

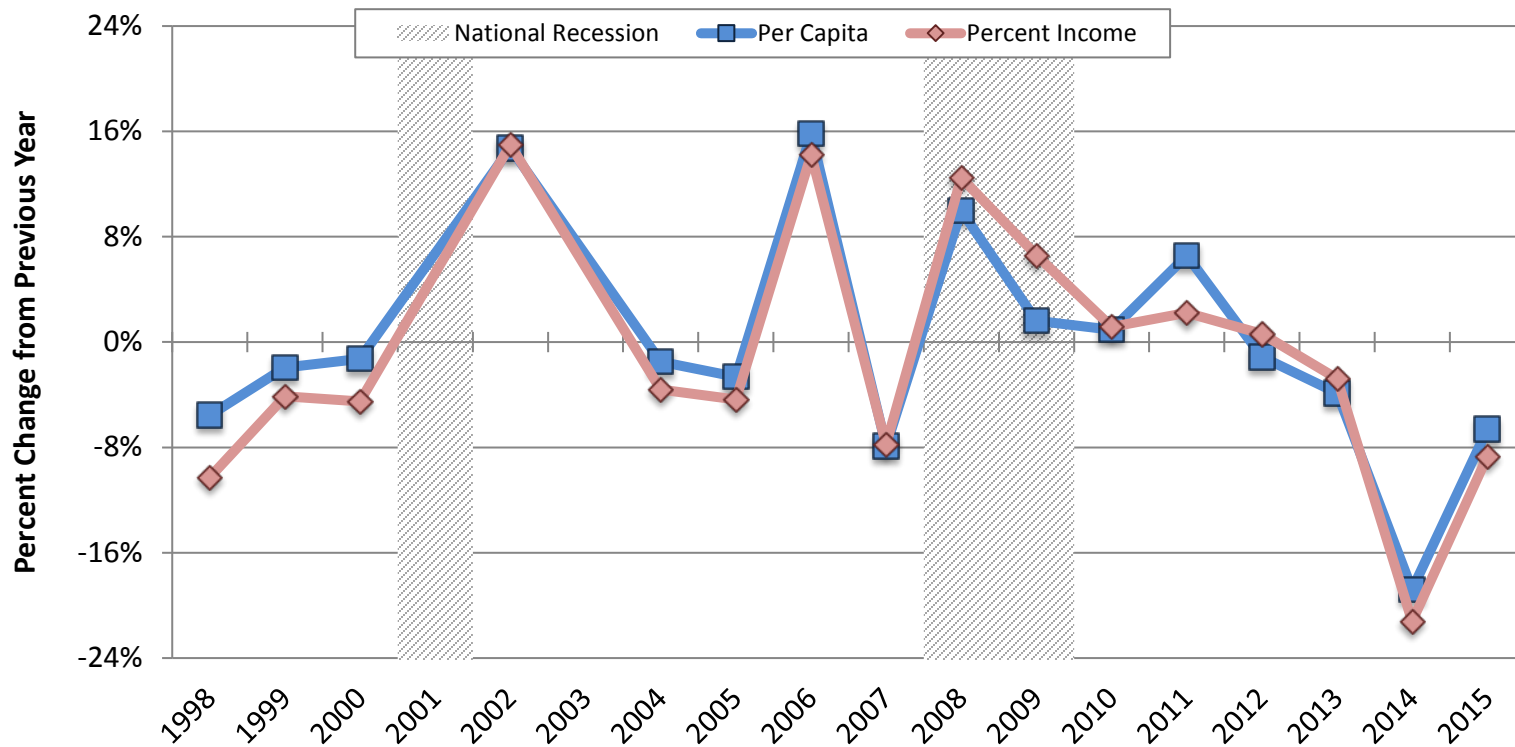
Figure 85. Georgia – Local Revenue

Federal Transfers – Per Capita & Percent Income



Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

Figure 86. Georgia – Local Revenue
Federal Transfers – Annual Change



Note: For 2002 and 2004, the percentage change was calculated from two years previous.

Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

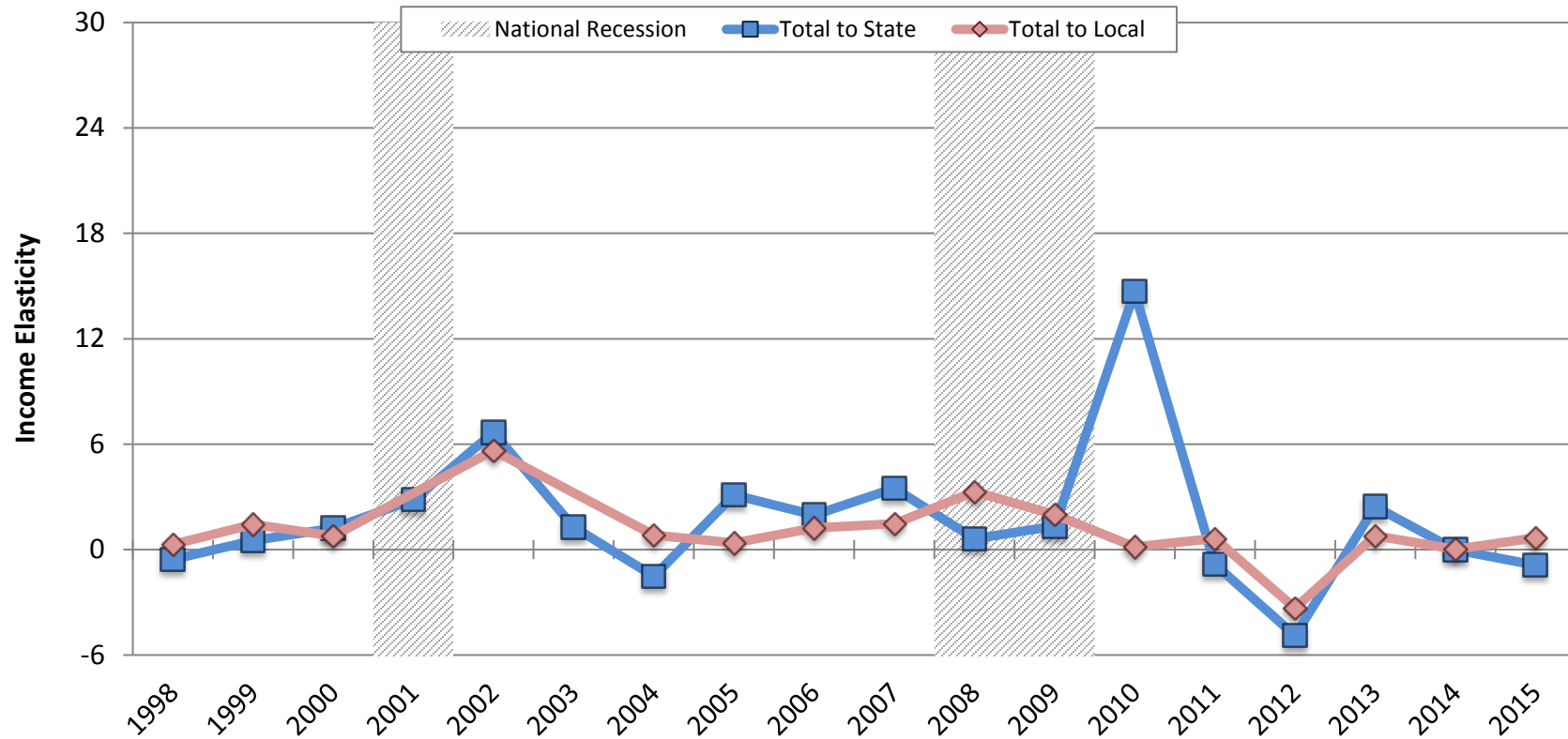
C. Income Elasticities of Intergovernmental Transfers

Income elasticity of revenue measures the responsiveness of revenue to changes in total personal income. The elasticity is measured as the ratio of the percentage change in revenue to the percentage change in income. For example, an elasticity of 2 means that a 1 percent increase in personal income results in a revenue increase of 2 percent. Figure 87 shows the annual income elasticities of total transfer revenue to the state government and to local governments from 1998 to 2015.

- Elasticities for both levels of intergovernmental revenue:
 - Had positive values in the single digits before recessions
 - Increased in magnitude immediately after the 2001 recession
 - Decreased several years after recessions, likely due to policy response to recovery
- While both elasticities responded similarly after the 2001 recession, they responded very differently after the 2008-09 recession:
 - State transfer elasticity spiked dramatically in 2010 as federal transfers increased substantially.
 - Local transfer elasticity remained flat as state transfers slightly decreased.
 - Both elasticities assumed an overlapping pattern between 2011 and 2015.
- Local intergovernmental elasticity was less volatile than state intergovernmental elasticity. Possible causes include the following:
 - Federal transfer policies were targeted more toward state governments and were more responsive to macroeconomic conditions.
 - State transfer policies to local governments were more closely linked to income levels (not countercyclical).

Figure 87. Georgia – Intergovernmental Revenue

Income Elasticities of Transfers



Note: For 2002 and 2004, local elasticity was calculated with change from two years previous.

Source: State & Local Government Finance Data Query System. The Urban Institute – Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, Volume 4, and Census of Governments (1998-2015)

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- Pathak, R., and Wallace, S. 2017. *Fiscal Architecture of Georgia: Structural Changes and Future Implications*, FRC Publication No. 292, Fiscal Research Center, Georgia State University, Atlanta.

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