

Fiscal Research Center policybrief

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GEORGIA'S REVENUE AND EXPENDITURE PORTFOLIO IN BRIEF: FY 2013 DATA

Introduction

This brief updates two earlier Fiscal Research Center and Center for State and Local Finance reports,¹ incorporating the U.S. Census Bureau's most recent fiscal year (FY) 2013 State and Local Government Finance data to provide an overview of how Georgia's state and local finances have changed between FY 1995 and FY 2013. The following brief reviews the major categories of revenue and expenditure for key years (FY 1995, 2005, 2010, 2012 and 2013) and their evolution over time. Changes in revenue and expenditure per capita and rankings are analyzed in three parts: combined state and local, state only, and local only. Although there has been growth in Georgia's real per capita revenues and expenditures for most categories from FY 1995 to FY 2013, the majority of Georgia's rankings have decreased below FY 1995, FY 2005 and even FY 2012 levels. However, this drop was less severe in more recent years.

Table 1 summarizes the changes between FY 1995 and FY 2013 in Georgia's combined state and local per capita revenues and expenditures, and where it ranks on these measures in comparison to other states. Rankings include

¹ Davis, Elton, Xixi Lin, and Carolyn Bourdeaux. "Georgia's Revenue and Expenditure Portfolio in Brief, FY 1995-FY 2012." Center for State and Local Finance. April 2015. Retrieved from cslf.gsu.edu/files/2015/05/Georgia-Revenue-Expenditures_May2015.pdf?wpdmdl=6257. Bourdeaux, Carolyn, Nicholas Warner, Sandy Zook, and Sungman Jun. "Georgia's Revenue and Expenditure Portfolio in Brief, 1989-2010." Fiscal Research Center. January 2013. Retrieved from cslf.gsu.edu/files/2014/06/georgias_revenue_and_expenditure_portfolio_in-brief_1989-2010/pdf.

Washington, D.C., so the lowest rank is 51st. A lower rank represents a lower per capita expenditure or revenue level, and all dollar amounts are real (inflation-adjusted) and expressed in 2013 dollars using the U.S. Bureau of Economic Analysis's GDP deflator.

Combined State and Local Revenue and Expenditure Rankings

As Table 1 shows, Georgia has experienced some significant changes, in comparison to other states, in its revenues and expenditures between FY 1995 and FY 2013. State and local general own-source revenues, for instance, have increased by 6.5 percent, and the state collected \$302 more per Georgian in FY 2013 than it did in FY 1995 after adjusting for inflation. However, this increase lagged most other states, causing Georgia to drop from 33rd to 49th among the states in real own-source revenues per capita. Georgia was 8.3 percent below the national average on this measure in FY 1995, but by FY 2013, the state had fallen to 25.4 percent below the national average.

Georgia's limited real growth of per capita own-source revenues can be largely explained by the slow growth in tax revenue. Per capita real state and local taxes increased by \$177 or only about 0.3 percent annually between FY 1995 and FY 2013, causing Georgia to drop from 32nd to 47th in national rankings. In FY 1995, Georgia's per capita tax revenue was 11.7 percent below the national average; but by FY 2013, this gap more than doubled to 27.7 percent.

A similar story emerges for Georgia's overall direct expenditures. While these grew by 19.7 percent in real terms from FY 1995 to FY 2013, a real per capita increase of \$1,301 or about 1.0 percent annually, Georgia's ranking declined from 31st to 49th. Georgia's inflation-adjusted direct expenditures were 9.5 percent below the national average in FY 1995, but the 22 percent below in FY 2013. Interestingly, Georgia's state and local real direct expenditures dropped by \$133 per person between FY 2012 and FY 2013, and they were \$612 lower than FY 2010 levels. In fact, Georgia's real state and local direct expenditures for FY 2013 were slightly lower than FY 2005 levels.

EXPENDITURES

Table 2 traces Georgia's state and local expenditures by both character and function at five different points in the past two decades: FY 1995, FY 2005, FY 2010, FY 2012, and FY 2013. These numbers allow for an analysis of both long- and short-term trends in state and local spending, including trends throughout the 1990s and early 21st century, the aftermath of the Great Recession, and the more recent changes between FY 2012 and FY 2013. The largest components of spending by character and object are spending on capital outlays — largely long-term capital and infrastructure investments — and on current operations, including immediate-term government expenditures.

FY 1995 to FY 2013

- **Current Operations:** Georgia's real spending on Current Operations increased by 21.4 percent between FY 1995 and FY 2013, a compound annual growth of 1.1 percent. All of the growth took place between FY 1995 and FY 2010. Growth was faster in other states, causing Georgia to drop from 28th in FY 1995 to 48th in FY 2010. Conversely, real per capita spending declined from FY 2010 to FY 2013 by 3 percent. This decline mirrored trends in other states; Georgia maintained its rank of 48th throughout the three post-Great Recession years.
- **Capital Outlays:** Georgia spent 13.5 percent less on long-term capital investments in FY 2013 than it did in FY 1995 (adjusting for inflation), and its rank dropped from 13th to 35th.
- **Functional categories:**
 - **Education:** Georgia's state and local direct expenditures are dominated by education spending, which comprises 31.9 percent of direct expenditures in FY 2013. Per capita inflation-

adjusted education spending has climbed by almost 27 percent from FY 1995 to FY 2013, or \$533 dollars per Georgian. This function has risen at a compound annual growth rate of 1.3 percent. Compared to other states, however, Georgia's real rate of spending is lower, dropping from 27th in FY 1995 to 40th in FY 2013. Additionally, Georgia's ranking for per capita expenditures on other education (largely higher education) dropped from 24th to 42nd in national rankings over this period.

- **Health & Government Administration:** Georgia's per capita spending relative to other states has increased for only these two expenditure functions between FY 1995 and FY 2013. Spending on healthcare rose from 41st to 34th, through an inflation-adjusted expenditure increase of 52.9 percent. Real expenditures for government administration rose by 29.3 percent, and similarly, Georgia's ranking went from 38th in the country to 30th from FY 1995 to FY 2013.
- **Public Welfare:** Georgia's ranking for real per capita expenditures on public welfare decreased from 27th to 48th despite a spending growth of 23.8 percent from FY 1995 to FY 2013.

REVENUES

Trends in Georgia's revenue structure between FY 1995 and FY 2013 are shown in Table 3. Overall, Georgia's real per capita own-source revenues have increased by 6.5 percent since FY 1995. However, this has not been a steady increase. Revenues increased at a compound annual growth rate of 1 percent between FY 1995 and FY 2005, before declining by 3.8 percent from FY 2005 to FY 2013 as the Great Recession took its toll. While revenues from FY 2012 to FY 2013 gained approximately 1 percent — or \$44 per Georgian — this has not been sufficient to make up for the revenue losses suffered since FY 2005. In fact, FY 2013 own-source revenue is only slightly higher than FY 2010 levels. As a result, Georgia's rank declined by over 15 spots from FY 1995 to FY 2013, and now ranks 49th out of 51.

FY 1995 to FY 2013

- **Taxes:**
 - **Selective Sales & Individual Income Taxes:** Georgia's selective sales taxes have seen the largest real per capita increase (17.1 percent) from FY 1995 to FY 2013, followed by the individual income tax (15.8 percent). The latter

increase, however, was not enough to keep up with other states. Georgia's individual income tax ranking dropped from 23rd to 33rd between FY 1995 and FY 2013.

- **Corporate Income Tax:** Compared to other states, Georgia's rank decreased most for its corporate income tax revenues, decreasing by 38.1 percent between FY 1995 and FY 2013 when adjusting for inflation. Georgia's combined state and local corporate income tax dropped from 24th to 42nd in the United States and trailed behind the national average by 52.4 percent.
- **Charges and Miscellaneous Revenue:** Georgia's ranking also steeply declined for charges and miscellaneous revenues from 25th in FY 1995 to 44th in FY 2013. Georgia actually increased its real charges and miscellaneous revenue by 8.3 percent (from \$1,511 to \$1,637) in this period. However, FY 2013 charges and miscellaneous revenues are below FY 2010 levels. Despite the increase, other states have increased their charges and miscellaneous revenues relatively more than Georgia.
- **Intergovernmental Revenue:** Georgia's increase in per capita own-source revenues from FY 1995 to FY 2013 was largely driven by higher funding from the federal government. Georgians received \$478 more from federal funding in FY 2013 than in FY 1995 (inflation-adjusted), an increase of 43.4 percent. However, other states have been comparably more successful in attracting federal funds, as Georgia's rank dropped from 34th to 42nd. Additionally, Georgia attracted 14.6 percent less in federal intergovernmental transfers than the national average for FY 2013.

State Revenue and Expenditure Rankings

EXPENDITURES

Table 4 illustrates the outlays of Georgia's state government. Georgia's real per capita direct expenditures of the state government were 24.5 percent higher in FY 2013 than they were in FY 1995. However, Georgia's rank dropped from 38th to 48th over this period, and FY 2013 per capita state expenditures were 26.7 percent lower than the national average.

FY 1995 to FY 2013

- **Current Operations:** Spending on current operations increased by \$471 per Georgian between FY 1995 and FY 2013, an inflation-adjusted increase of 24.3 percent. However, Georgia's rank dropped from 34th to 48th during this time.
- **Insurance Benefits and Repayment:** The largest real per capita spending increase was insurance benefits and repayment, which saw an increase of \$402. Georgia's per capita rank for this expenditure rose from 43rd to 35th. The largest part of this expenditure increase took place between FY 2005 and FY 2010; between FY 2012 and FY 2013, real per capita spending on insurance benefits and repayments actually decreased by \$45.
- **Functional categories:**
 - **Transportation-Highways:** Notably, the largest decrease in functional expenditures has been Georgia's state highway spending, which faced an inflation-adjusted reduction of 25.7 percent in outlays between FY 1995 and FY 2013. The state spent \$67 less per Georgian on its highway system at the end of this period, and Georgia's rank dropped from 27th to 47th during this time.
- **Outstanding Debt:** Georgia's outstanding state debt, though 19.9 percent higher in FY 2013 than it was in FY 1995, lagged behind the national average by almost 63 percent. Additionally, the state's rank decreased from 43rd to 47th, meaning that Georgia had increased its per capita state debt relatively less than other states during this period.

REVENUES

Georgia's real per capita state own-source revenues registered only a 1.4 percent increase, growing from \$2,348 to \$2,381 between FY 1995 and FY 2013. However, state own-source revenues declined six ranks over this period, dropping from 44th to 50th. In fact, FY 2013 revenues were 9.5 percent lower than they were in FY 2005. These results are further outlined in Table 5.

FY 1995 to FY 2013

- **Taxes:**
 - **Sales Tax:** The general sales tax delivered the largest inflation-adjusted decline in per capita revenues, dropping from \$698 to \$528 between FY 1995 and FY 2013, a 24.4 percent drop. Georgia's state sales tax held 23rd place among all U.S. states in FY 1995, but in FY 2013 it had dropped to 41st. A recently published Fiscal

Research Center report on “Georgia’s Incredible Shrinking Sales Tax Base” offers more information on the factors behind these lower revenues.²

- **Corporate Income Tax:** Georgia’s state corporate income tax, though a relatively minor part of the revenue portfolio, decreased 38.1 percent between FY 1995 and FY 2013 after adjusting for inflation. The state’s ranking dropped from 23rd to 41st.
- **Charges and Miscellaneous Revenue:** Georgia’s state government has seen strong growth in revenue from current charges, which increased by 40.2 percent between FY 1995 and FY 2013. In FY 2013 this garnered an additional \$105.50 per Georgian in real dollars.

Local Revenue and Expenditure Rankings

EXPENDITURES

Table 6 displays local government expenditures in Georgia. Direct local expenditures have increased by 16.2 percent in 2013 dollars between FY 1995 and FY 2013, for an additional \$609 per Georgian. Georgia’s ranking for local direct expenditures dropped from 19th to 32nd during this time period. Notably, local expenditures were 3 percent lower in FY 2013 than they were in FY 2005.

FY 1995 to FY 2013

- **Functional categories:**
 - **Education:** Local spending on education had the largest absolute increase in per capita for functional outlays, climbing from \$1,392 in FY 1995 to \$1,709 in FY 2013, or a real growth of 22.8 percent. Georgia’s local education spending adhered relatively closely to the national average; Georgia’s local governments spend in total 10.2 percent less than local governments throughout the United States. Comparatively, local governments have started spending slightly more on education than other states, as Georgia’s rank rose from 30th to 28th.
 - **Public Safety:** Local public safety expenditures rose 46.6 percent in real terms between FY 1995 and FY 2013, almost \$132 per Georgian. This

increase was in line with local governments in other states; Georgia’s ranking dropped only one place, from 27th to 28th.

- **Environment and Housing & Government Administration:** Local spending on environment and housing and on government administration rose by 43.2 percent and 39.1 percent, respectively, after adjusting for inflation. Both categories increased comparably faster than other states. From FY 1995 to FY 2013, Georgia’s ranking increased for environment and housing from 43rd to 38th, and for government administration doubled its ranking from 22nd to 10th. Additionally, Georgia’s local government per capita spending on government administration was 8.9 percent higher than the national average, the only functional spending category to rise above the national average for FY 2013.
- **Outstanding Debt:** Outstanding debt for Georgia’s local governments grew from \$3,384 to \$4,241, a real increase of \$857 in real dollars and 25.3 percent, between FY 1995 and FY 2013. However, other states’ outstanding debt was comparably higher in FY 2013, and Georgia’s local government outstanding debt rank dropped from 19th in FY 1995 to 28th in FY 2013.

REVENUES

Georgia’s local government revenues from FY 1995 to FY 2013 are shown in Table 7. Local own source revenues have witnessed a 11.7 real percent per capita increase between FY 1995 and FY 2013, growing from \$2,310 to \$2,579. In more recent years, however, these revenues have been in decline. In FY 2013, local own-source revenues were two percent lower than in FY 2012, 6.1 percent lower than in FY 2010, and were just slightly higher than FY 2005 levels. From FY 1995 to FY 2013, Georgia’s local own-source revenues dropped 15 ranks, from 13th to 28th, as local governments in other states raised comparably greater levels of per capita revenues.

FY 1995 to FY 2013

- **Taxes:**
 - **Sales Taxes:** Georgia’s local governments have seen the largest revenue gains from their general sales tax, which grew by 50.4 percent after adjusting for inflation, or \$130 per Georgian, between FY 1995 and FY 2013. Notably, this is a striking contrast with the trend at the state level,

² Buschman, Robert D. “Georgia’s Incredible Shrinking Sales Tax Base.” Fiscal Research Center. October 2015. Retrieved from frc.gsu.edu/files/2015/10/Georgias-Incredible-Shrinking-Sales-Tax-Base_October-2015.pdf.

where general sales tax revenues have seen a substantial decline. Local governments in Georgia have slightly increased their reliance on sales taxes to fund their operations since FY 1995, as reflected by its increase from 9th in FY 1995 to 8th in FY 2013. Sales taxes provide a relatively small share of Georgia local governments' revenues, however. Interestingly, Georgia's local general sales taxes were 68.5 percent higher than the national average. The only other category of revenue higher than the national averages in FY 2013 for Georgian local government was the selective sales tax, which was 17 percent above the national average.

▪ **Charges and Miscellaneous Revenues:**

Current charges are a significant source revenue for Georgia's local governments. In FY 1995, current charges provided slightly more than a third of local governments' own-source revenues. In FY 2013, this share had dropped slightly to 31.7 percent. Additionally, while current charges experienced a 4.5 percent real revenue increase, or \$35 per Georgian, local governments in other states have increased this revenue source to a larger extent since FY 1995. Georgia's ranking for local governments' current charges revenue dropped significantly, from 6th in the nation in FY 1995 to 20th in FY 2013.

Conclusion

On the whole, Georgia has seen significant double-digit increases in direct expenditures, if not in own-source revenues, after adjusting for inflation. However, neither has kept up with larger increases in other states. In most of the major categories that track the state's fiscal standing, Georgia's per capita rank has dropped significantly between FY 1995 and FY 2013. As a result,

Georgia's per capita state and local own-source revenues and direct expenditures ranked 49th out of the 50 states and Washington, D.C.

For Georgia's state government, per capita own-source revenues have remained largely stagnant over the past two decades, rising just 1.4 percent by FY 2013 from FY 1995, dropping Georgia to 50th in the nation. Shrinking sales tax revenues are an important part of this story. Finally, while direct state expenditures have seen significant double-digit growth, this has not kept pace with expenditure increases in other state governments: Georgia was ranked 48th in FY 2013 for state government direct expenditures.

Georgia's local governments, on the other hand, have seen double-digit growth in both expenditures and revenues over the same period, though like state expenditures, this growth has been comparably slower than in other states. Where Georgia's relatively heavier reliance on local governments for public service provision has historically caused it to rank within the top 20 states on local per capita revenues and expenditures (13th and 19th respectively in FY 1995), in FY 2013 Georgia ranked significantly lower on both measures.

The preceding analysis shows some signs of the toll the Great Recession has taken on Georgia's public finances. Georgia's local governments spent less and raised just slightly more in revenues in FY 2013 compared to FY 2005, before the economic crisis hit. The reverse is the case for Georgia's state fiscal standing; the state government spent slightly more, but raised less in revenues in FY 2013 than in FY 2005. In most categories of revenue and expenditure, Georgia has declined in rankings since FY 1995, FY 2005 and also FY 2012. Georgia's spending and revenues have increased from FY 1995 but have not yet surpassed pre-recession rankings.

Table I. Summary of State and Local General Revenue and Expenditure (2013 Dollars)

STATE AND LOCAL (REAL PER CAPITA)			% BELOW/ ABOVE NATIONAL AVERAGE				% BELOW/ ABOVE NATIONAL AVERAGE			
	FY 1995	RANK	NATIONAL AVERAGE IN FY 1995	IN FY 1995	FY 2012	RANK	FY 2013	RANK	NATIONAL AVERAGE IN FY 2013	IN FY 2013
General Revenue	\$5,758	32	\$6,312	-8.8%	\$6,475	50	\$6,539	50	\$8,501	-23.1%
from Own-Sources	\$4,658	33	\$5,077	-8.3%	\$4,916	49	\$4,960	49	\$6,653	-25.4%
Taxes	\$3,146	32	\$3,565	-11.7%	\$3,311	46	\$3,323	47	\$4,599	-27.7%
Direct Expenditure	\$6,586	31	\$7,274	-9.5%	\$8,020	49	\$7,887	49	\$10,114	-22.0%

Sources: U.S. Census Bureau Annual Surveys of State and Local Government Finances and U.S. Census Bureau annual population estimates for applicable fiscal years

Table 2. Georgia's State and Local Expenditure Portfolio (2013 Dollars)

STATE AND LOCAL EXPENDITURE PORTFOLIO (REAL PER CAPITA)	FY 1995 PER CAPITA	RANK	FY 2005 PER CAPITA	RANK	FY 2010 PER CAPITA	RANK	FY 2012 PER CAPITA	RANK	FY 2013 PER CAPITA	RANK	NATIONAL AVERAGE IN FY 2013	% BELOW/ ABOVE NATIONAL AVERAGE IN FY 2013
Direct Expenditure (i)	\$6,586	31	\$7,910	41	\$8,499	48	\$8,020	49	\$7,887	49	\$10,114	-22.0%
By Character and Object (ii)												
Current Operations	\$4,905	28	\$6,020	42	\$6,144	48	\$5,985	48	\$5,955	48	\$7,471	-20.3%
Capital Outlays	\$974	13	\$1,096	19	\$1,097	28	\$896	35	\$843	35	\$1,021	-17.4%
Assistance and Subsidies	\$128	31	\$112	28	\$122	31	\$106	38	\$98	42	\$161	-39.2%
Interest on Debt	\$272	37	\$214	46	\$241	43	\$249	41	\$251	40	\$394	-36.2%
Insurance Benefits and Repayment	\$306	44	\$468	41	\$895	31	\$783	34	\$740	35	\$1,067	-30.7%
Exhibit: Salaries and Wages	\$2,115	31	\$2,319	42	\$2,439	36	\$2,254	43	\$2,149	48	\$2,709	-20.7%
By Functions (iii)												
Education	\$1,986	27	\$2,594	31	\$2,715	38	\$2,590	38	\$2,520	40	\$2,770	-9.0%
K-12 Education	\$1,392	24	\$1,847	21	\$1,904	24	\$1,754	27	\$1,705	26	\$1,800	-5.3%
Other Education	\$594	24	\$747	29	\$811	22	\$836	41	\$814	42	\$969	-16.0%
Social Services												
Public Welfare	\$920	27	\$1,149	43	\$1,055	47	\$1,068	50	\$1,139	48	\$1,632	-30.2%
Hospitals	\$655	6	\$455	14	\$547	15	\$491	19	\$482	20	\$508	-5.1%
Health	\$130	41	\$194	33	\$201	37	\$204	34	\$199	34	\$275	-27.8%
Transportation - Highways (iv)	\$381	37	\$486	28	\$376	46	\$317	51	\$336	50	\$502	-33.1%
Public Safety	\$469	25	\$591	25	\$626	27	\$606	27	\$596	32	\$734	-18.7%
Environment and Housing	\$373	39	\$484	39	\$496	39	\$134	46	\$446	41	\$620	-28.1%
Government Administration	\$261	38	\$357	38	\$354	38	\$344	36	\$337	30	\$395	-14.5%
Debt Outstanding	\$4,493	37	\$5,076	45	\$5,713	45	\$5,718	45	\$5,571	44	\$9,336	-40.3%
Long-Term Debt	\$4,477	37	\$5,018	44	\$5,613	45	\$5,667	45	\$5,512	44	\$9,233	-40.3%

(i) State rankings include Washington, D.C. (51 total possible rank positions)

(ii) Current operations includes direct expenditures for compensation of officers and employees and for supplies, materials, and contractual services except any amounts for capital outlay; also includes repair and maintenance services for the upkeep of buildings, infrastructure, and equipment to maintain required standards of compliance. Capital outlays include direct expenditures for purchase or construction, by contract or force account, of buildings and other improvements; for purchase of land, equipment, and existing structures; and for payments on capital leases. Assistance and subsidies are direct cash assistance to foreign governments, private individuals, and nongovernmental organizations (e.g. foreign aid, agricultural supports, public welfare, veteran bonuses, and cash grants for tuition and scholarships). Interest on debt includes amounts paid for the use of borrowed money. Insurance benefits and repayment includes social insurance payments to beneficiaries, employee retirement annuities and other benefits, and withdrawal of insurance or employee retirement contributions.

(iii) We do not report the following functional categories of direct expenditures: transportation, utilities, liquor store, and insurance trust.

(iv) Includes expenditures for roads, bridges, tunnels and associated infrastructure.

Sources: U.S. Census Bureau Annual Surveys of State and Local Government Finances and U.S. Census Bureau annual population estimates for applicable fiscal years

Table 3. Georgia's State and Local Revenue Portfolio (2013 Dollars)

STATE AND LOCAL REVENUE PORTFOLIO (REAL PER CAPITA)	FY 1995 PER CAPITA	RANK	FY 2005 PER CAPITA	RANK	FY 2010 PER CAPITA	RANK	FY 2012 PER CAPITA	RANK	FY 2013 PER CAPITA	RANK	NATIONAL AVERAGE IN FY 2013	% BELOW/ ABOVE NATIONAL AVERAGE IN FY 2013
General Revenue from Own Sources	\$4,658	33	\$5,158	44	\$4,953	47	\$4,916	49	\$4,960	49	\$6,653	-25.4%
Taxes (i)	\$3,146	32	\$3,580	38	\$3,282	44	\$3,311	46	\$3,323	47	\$4,599	-27.7%
Property Tax	\$886	33	\$1,070	34	\$1,149	34	\$1,062	32	\$1,011	33	\$1,439	-29.8%
General Sales Tax	\$956	13	\$998	22	\$917	27	\$938	26	\$916	26	\$1,033	-11.4%
Selective Sales Tax	\$275	48	\$322	47	\$289	49	\$324	49	\$322	47	\$535	-39.8%
Individual Income Tax	\$758	23	\$954	21	\$763	29	\$834	31	\$878	33	\$1,069	-17.9%
Corporate Income Tax	\$129	24	\$93	39	\$74	35	\$61	44	\$80	42	\$168	-52.4%
Motor Vehicle License Tax	\$41	46	\$37	49	\$31	48	\$32	48	\$46	48	\$79	-42.2%
Other Taxes (ii)	\$101	45	\$106	51	\$59	50	\$60	51	\$71	51	\$275	-74.1%
Charges and Miscellaneous Revenue	\$1,511	25	\$1,578	46	\$1,671	44	\$1,606	45	\$1,637	44	\$2,055	-20.3%
Current Charges	\$1,044	16	\$1,075	36	\$1,225	34	\$1,195	31	\$1,184	28	\$1,403	-15.6%
Miscellaneous General Revenue	\$467	43	\$503	48	\$446	49	\$411	50	\$452	47	\$651	-30.5%
Intergovernmental Revenue	\$1,101	34	\$1,378	47	\$1,873	41	\$1,559	44	\$1,578	42	\$1,847	-14.6%
Federal Government	\$1,101	34	\$1,378	47	\$1,873	41	\$1,559	44	\$1,578	42	\$1,847	-14.6%

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

(ii) State rankings include Washington, D.C. (51 total possible rank positions).

Sources: U.S. Census Bureau Annual Surveys of State and Local Government Finances and U.S. Census Bureau annual population estimates for applicable fiscal years

Table 4. Georgia's State Expenditure Portfolio (2013 Dollars)

STATE EXPENDITURE PORTFOLIO (REAL PER CAPITA)	FY 1995 PER CAPITA	RANK	FY 2005 PER CAPITA	RANK	FY 2010 PER CAPITA	RANK	FY 2012 PER CAPITA	RANK	FY 2013 PER CAPITA	RANK	NATIONAL AVERAGE IN FY 2013	% BELOW/ ABOVE NATIONAL AVERAGE IN FY 2013
Direct Expenditure	\$2,822	38	\$3,401	47	\$3,668	48	\$3,538	48	\$3,514	48	\$4,794	-26.7%
By Character and Object (i)												
Current Operations	\$1,938	34	\$2,459	46	\$2,326	49	\$2,365	48	\$2,409	48	\$3,224	-25.3%
Capital Outlays	\$422	14	\$339	35	\$304	42	\$276	43	\$266	43	\$363	-26.7%
Assistance and Subsidies	\$128	24	\$112	24	\$122	28	\$106	35	\$98	39	\$129	-24.0%
Interest on Debt	\$61	44	\$59	45	\$76	45	\$71	45	\$67	45	\$153	-56.6%
Insurance Benefits and Repayment	\$273	43	\$432	42	\$840	34	\$720	35	\$675	35	\$925	-27.0%
Exhibit: Salaries and Wages	\$590	43	\$509	49	\$589	47	\$608	45	\$590	47	\$777	-24.1%
By Functions (ii)												
Education	\$594	29	\$744	36	\$807	38	\$832	36	\$810	38	\$866	-6.5%
K-12 Education	\$0	18	\$0	21	\$0	19	\$0	18	\$0	20	\$20	-100.0%
Other Education	\$594	20	\$744	25	\$807	26	\$832	35	\$810	37	\$846	-4.2%
Social Services												
Public Welfare	\$905	22	\$1,130	36	\$1,030	46	\$1,044	47	\$1,114	47	\$1,465	-24.0%
Hospitals	\$122	29	\$89	30	\$92	30	\$97	32	\$95	32	\$210	-54.8%
Health	\$52	48	\$69	44	\$91	40	\$99	41	\$98	42	\$136	-27.7%
Transportation - Highways (iii)	\$260	27	\$357	21	\$222	48	\$183	49	\$193	47	\$297	-35.0%
Public Safety	\$186	19	\$201	31	\$190	32	\$182	32	\$181	32	\$217	-16.5%
Environment and Housing	\$130	22	\$86	42	\$108	36	\$91	39	\$99	35	\$113	-13.1%
Government Administration	\$77	50	\$104	47	\$78	49	\$85	47	\$82	48	\$160	-48.9%
Debt Outstanding	\$1,109	43	\$1,204	47	\$1,499	48	\$1,373	47	\$1,330	47	\$3,594	-63.0%
Long-Term Debt	\$1,109	43	\$1,204	47	\$1,487	47	\$1,366	46	\$1,318	47	\$3,576	-63.1%

(i) Current operations includes direct expenditures for compensation of officers and employees and for supplies, materials, and contractual services except any amounts for capital outlay; also includes repair and maintenance services for the upkeep of buildings, infrastructure, and equipment to maintain required standards of compliance. Capital outlays include direct expenditures for purchase or construction, by contract or force account, of buildings and other improvements; for purchase of land, equipment, and existing structures; and for payments on capital leases. Assistance and subsidies are direct cash assistance to foreign governments, private individuals, and nongovernmental organizations (e.g. foreign aid, agricultural supports, public welfare, veteran bonuses, and cash grants for tuition and scholarships). Interest on debt includes amounts paid for the use of borrowed money. Insurance benefits and repayment includes social insurance payments to beneficiaries, employee retirement annuities and other benefits, and withdrawal of insurance or employee retirement contributions.

(ii) We do not report the following functional categories of direct expenditures: transportation, utilities, liquor store, and insurance trust.

(iii) Includes expenditures for roads, bridges, tunnels and associated infrastructure.

Sources: U.S. Census Bureau Annual Surveys of State and Local Government Finances and U.S. Census Bureau annual population estimates for applicable fiscal years

Table 5. Georgia's State Revenue Portfolio (2013 Dollars)

STATE REVENUE PORTFOLIO (REAL PER CAPITA)	FY 1995 PER CAPITA	RANK	FY 2005 PER CAPITA	RANK	FY 2010 PER CAPITA	RANK	FY 2012 PER CAPITA	RANK	FY 2013 PER CAPITA	RANK	NATIONAL AVERAGE IN FY 2013	% BELOW/ ABOVE NATIONAL AVERAGE IN FY 2013
General Revenue from Own Sources	\$2,348	44	\$2,630	49	\$2,206	50	\$2,284	50	\$2,381	50	\$3,661	-35.0%
Taxes (i)	\$1,872	40	\$2,042	42	\$1,608	50	\$1,713	49	\$1,783	49	\$2,678	-33.4%
Property Tax	\$6	24	\$9	24	\$9	21	\$7	22	\$6	22	\$41	-85.2%
General Sales Tax	\$698	23	\$692	34	\$529	40	\$543	41	\$528	41	\$803	-34.2%
Selective Sales Tax	\$182	50	\$216	50	\$180	50	\$214	50	\$213	49	\$442	-51.8%
Individual Income Tax	\$758	19	\$954	19	\$763	26	\$834	26	\$878	28	\$978	-10.3%
Corporate Income Tax	\$129	23	\$93	38	\$74	35	\$61	42	\$80	41	\$142	-43.9%
Motor Vehicle License Tax	\$41	46	\$37	46	\$31	46	\$32	47	\$46	42	\$73	-37.6%
Other Taxes	\$57	45	\$41	50	\$21	50	\$22	50	\$32	49	\$198	-83.7%
Charges and Miscellaneous Revenue	\$476	44	\$588	49	\$598	48	\$572	49	\$598	49	\$983	-39.2%
Current Charges	\$262	45	\$325	45	\$384	45	\$366	46	\$368	47	\$580	-36.5%
Miscellaneous General Revenue	\$214	42	\$263	47	\$214	49	\$206	48	\$230	48	\$404	-43.0%
Intergovernmental Revenue	\$1,031	36	\$1,284	46	\$1,762	39	\$1,443	44	\$1,463	41	\$1,665	-12.2%
Federal Government	\$1,018	32	\$1,264	46	\$1,734	37	\$1,413	44	\$1,433	39	\$1,622	-11.7%

(i) No individual income tax: AK, FL, NV, SD, TX, WA, WY; no general sales tax: DE, MT, NH, OR; no corporate income tax: NV, SD, TX, WA, WY; no state property tax: CO, CT, DE, HI, ID, IA, NY, NC, OH, OK, SD, TN, TX, UT

Sources: U.S. Census Bureau Annual Surveys of State and Local Government Finances and U.S. Census Bureau annual population estimates for applicable fiscal years

Table 6. Georgia's Local Expenditure Portfolio (2013 Dollars)

LOCAL EXPENDITURE PORTFOLIO (REAL PER CAPITA)	FY 1995 PER CAPITA	RANK	FY 2005 PER CAPITA	RANK	FY 2010 PER CAPITA	RANK	FY 2012 PER CAPITA	RANK	FY 2013 PER CAPITA	RANK	NATIONAL AVERAGE IN FY 2013	% BELOW/ ABOVE NATIONAL AVERAGE IN FY 2013
Direct Expenditure	\$3,764	19	\$4,509	23	\$4,831	28	\$4,482	30	\$4,373	32	\$5,320	-17.8%
By Character and Object (i)												
Current Operations	\$2,967	23	\$3,562	28	\$3,818	28	\$3,620	31	\$3,546	35	\$4,247	-16.5%
Capital Outlays	\$552	15	\$757	15	\$793	21	\$620	22	\$577	23	\$657	-12.2%
Assistance and Subsidies	\$0	31	\$0	32	\$0	30	\$0	27	\$0	25	\$32	-100%
Interest on Debt	\$211	18	\$155	28	\$165	27	\$179	25	\$185	23	\$241	-23.2%
Insurance Benefits and Repayment	\$33	18	\$36	23	\$55	20	\$63	18	\$65	17	\$142	-54.2%
Exhibit: Salaries and Wages	\$1,526	24	\$1,811	22	\$1,850	20	\$1,646	28	\$1,559	36	\$1,931	-19.3%
By Functions (ii)												
Education	\$1,392	30	\$1,850	26	\$1,907	27	\$1,758	30	\$1,709	28	\$1,903	-10.2%
K-12 Education	\$1,392	23	\$1,847	21	\$1,904	25	\$1,754	26	\$1,705	24	\$1,780	-4.2%
Other Education	\$0	14	\$3	15	\$4	15	\$4	30	\$4	29	\$123	-96.7%
Social Services												
Public Welfare	\$15	38	\$19	36	\$25	34	\$24	33	\$26	30	\$167	-84.6%
Hospitals	\$534	3	\$366	12	\$455	11	\$393	12	\$387	15	\$298	29.7%
Health	\$78	18	\$125	13	\$110	17	\$105	15	\$100	16	\$139	-27.9%
Transportation - Highways (iii)	\$121	41	\$129	43	\$154	40	\$134	42	\$142	40	\$205	-30.4%
Public Safety	\$283	27	\$390	24	\$436	26	\$423	23	\$415	28	\$517	-19.7%
Environment and Housing	\$243	43	\$399	31	\$388	34	\$372	36	\$348	38	\$507	-31.4%
Government Administration	\$184	22	\$253	14	\$275	11	\$259	10	\$256	10	\$235	8.9%
Debt Outstanding	\$3,384	19	\$3,872	27	\$4,213	30	\$4,345	27	\$4,241	28	\$5,742	-26.1%
Long-Term Debt	\$3,368	19	\$3,813	24	\$4,127	29	\$4,301	26	\$4,194	28	\$5,657	-25.9%

(i) Current operations includes direct expenditures for compensation of officers and employees and for supplies, materials, and contractual services except any amounts for capital outlay; also includes repair and maintenance services for the upkeep of buildings, infrastructure, and equipment to maintain required standards of compliance. Capital outlays include direct expenditures for purchase or construction, by contract or force account, of buildings and other improvements; for purchase of land, equipment, and existing structures; and for payments on capital leases. Assistance and subsidies are direct cash assistance to foreign governments, private individuals, and nongovernmental organizations (e.g. foreign aid, agricultural supports, public welfare, veteran bonuses, and cash grants for tuition and scholarships). Interest on debt includes amounts paid for the use of borrowed money. Insurance benefits and repayment includes social insurance payments to beneficiaries, employee retirement annuities and other benefits, and withdrawal of insurance or employee retirement contributions.

(ii) We do not report the following functional categories of direct expenditures: transportation, utilities, liquor store, and insurance trust.

(iii) Includes expenditures for roads, bridges, tunnels and associated infrastructure.

Sources: U.S. Census Bureau Annual Surveys of State and Local Government Finances and U.S. Census Bureau annual population estimates for applicable fiscal years

Table 7. Georgia's Local Revenue Portfolio (2013 Dollars)

LOCAL REVENUE PORTFOLIO (REAL PER CAPITA)	FY 1995 PER CAPITA	RANK	FY 2005 PER CAPITA	RANK	FY 2010 PER CAPITA	RANK	FY 2012 PER CAPITA	RANK	FY 2013 PER CAPITA	RANK	NATIONAL AVERAGE IN FY 2013	% BELOW/ ABOVE NATIONAL AVERAGE IN FY 2013
General Revenue from Own Sources	\$2,310	13	\$2,528	23	\$2,747	23	\$2,632	25	\$2,579	28	\$2,992	-13.8%
Taxes	\$1,275	27	\$1,538	27	\$1,675	27	\$1,598	28	\$1,541	28	\$1,921	-19.8%
Property Tax	\$880	28	\$1,061	30	\$1,139	32	\$1,055	31	\$1,004	31	\$1,398	-28.1%
General Sales Tax (i)	\$258	9	\$307	13	\$388	9	\$395	9	\$388	8	\$230	68.5%
Selective Sales Tax	\$93	11	\$106	11	\$109	12	\$110	14	\$109	14	\$93	17.0%
Individual Income Tax	\$0	27	\$0	14	\$0	15	\$0	15	\$0	14	\$91	-100.0%
Corporate Income Tax	\$0	3	\$0	16	\$0	9	\$0	9	\$0	8	\$25	-100.0%
Motor Vehicle License Tax	\$0	40	\$0	37	\$0	37	\$0	37	\$0	35	\$6	-100.0%
Other Taxes	\$44	19	\$64	21	\$38	23	\$38	26	\$39	26	\$77	-49.4%
Charges and Miscellaneous Revenue	\$1,035	9	\$990	22	\$1,072	21	\$1,034	21	\$1,039	20	\$1,071	-3.0%
Current Charges	\$782	6	\$750	19	\$840	18	\$829	19	\$817	20	\$824	-0.9%
Miscellaneous General Revenue	\$254	20	\$240	27	\$232	25	\$205	25	\$222	20	\$247	-10.2%
Intergovernmental Revenue	\$1,062	36	\$1,310	38	\$1,277	43	\$1,189	45	\$1,180	40	\$1,708	-30.9%
Federal Government	\$82	41	\$114	42	\$138	40	\$145	36	\$145	34	\$225	-35.4%

(i) Zero general sales tax: CT, DE, HI, ID, IN, KY, MA, ME, MS, MT, NH, NJ, OR, RI, WV

Sources: U.S. Census Bureau Annual Surveys of State and Local Government Finances and U.S. Census Bureau annual population estimates for applicable fiscal years

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