
**Tax Capacity and Effort of
Local Governments in Maryland
Fiscal 2011**

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Office of Policy Analysis
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Outline

- Review ways to measure and compare the taxing ability of local governments
- Demonstrate how State aid offsets fiscal disparities among local jurisdictions
- Identify strengths and weaknesses from using tax capacity and effort indexes
- Discuss how the State currently utilizes tax capacity and effort indexes in allocating State aid

Measuring Taxing Ability of Local Governments

- **Tax Capacity Index** measures the potential tax base of a local government using State average tax rates
- **Tax Effort Index** measures the extent to which the local tax base is actually taxed
- **Combined Capacity Index** identifies the extent to which State aid offsets tax capacity differences
- **Local Tax Revenues** measured in this analysis include both county and municipal property and income taxes

Tax Capacity Varies Significantly Among Local Jurisdictions

- Ability for local governments to generate revenues from their own sources varies significantly
- Per capita local wealth ranges from a low of \$64,825 in Allegany County to a high of \$370,983 in Worcester County – the statewide average is \$153,396
- Local wealth includes **county assessable base** which measures a jurisdiction's ability to generate property tax revenues and **net taxable income** which measures a jurisdiction's ability to generate income tax revenues
- Property and income taxes are the two main sources of local tax revenues, accounting for 90% of total local taxes

Local Wealth Calculation for Maryland Counties

Fiscal 2011

County	Population	Assessable Base	Income Base	Total Wealth	Per Capita Wealth	Ranking
				Amount	Amount	
Allegany	75,059	\$4,010,110,000	\$855,558,973	\$4,865,668,973	\$64,825	24
Anne Arundel	539,241	84,987,819,000	13,929,105,717	98,916,924,717	183,437	7
Baltimore City	620,560	39,149,240,000	7,636,948,011	46,786,188,011	75,393	22
Baltimore	805,964	89,397,035,000	18,324,319,884	107,721,354,884	133,655	15
Calvert	88,912	14,209,661,000	2,100,808,356	16,310,469,356	183,445	6
Caroline	33,072	3,182,687,026	413,307,940	3,595,994,966	108,732	20
Carroll	167,247	20,915,008,625	3,820,747,547	24,735,756,172	147,900	12
Cecil	101,209	11,067,074,275	1,682,100,944	12,749,175,219	125,969	17
Charles	147,103	18,794,703,970	3,016,658,495	21,811,362,465	148,273	11
Dorchester	32,652	3,544,325,536	400,638,720	3,944,964,256	120,818	18
Frederick	234,188	29,761,664,764	5,478,149,982	35,239,814,746	150,477	10
Garrett	30,075	4,975,948,701	397,924,597	5,373,873,298	178,682	9
Harford	245,190	28,580,599,418	5,370,309,255	33,950,908,673	138,468	14
Howard	288,472	48,043,284,131	9,746,439,897	57,789,724,028	200,330	5
Kent	20,204	3,282,266,469	337,104,129	3,619,370,598	179,141	8
Montgomery	975,439	179,221,107,299	34,998,705,591	214,219,812,890	219,614	3
Prince George's	865,219	99,039,893,867	13,878,930,628	112,918,824,495	130,509	16
Queen Anne's	47,872	8,749,244,034	1,094,557,408	9,843,801,442	205,628	4
St. Mary's	105,749	13,182,755,807	2,271,791,778	15,454,547,585	146,144	13
Somerset	26,495	1,769,205,417	198,785,891	1,967,991,308	74,278	23
Talbot	37,879	10,134,944,989	992,078,987	11,127,023,976	293,752	2
Washington	147,586	14,221,239,093	2,246,138,552	16,467,377,645	111,578	19
Wicomico	98,830	7,695,966,686	1,303,082,116	8,999,048,802	91,056	21
Worcester	51,464	18,180,328,193	911,943,154	19,092,271,347	370,983	1
Total	5,785,681	\$756,096,113,300	\$131,406,136,544	\$887,502,249,844	\$153,396	

Note: Total Wealth is calculated by adding the assessable base and income base.

Property Tax Capacity Among Maryland Jurisdictions

- Property tax is the leading source of local revenues for most counties
- Per capita assessable base ranges from \$53,426 in Allegany County to \$353,263 in Worcester County – the statewide average is \$130,684
- Using statewide average property tax rates, Allegany County would be able to generate \$540 per capita; whereas, Worcester County would be able to generate \$3,569 per capita – the statewide average is \$1,320 per capita

Per Capita Assessable Base in Maryland Counties

Fiscal 2011

County	Population	Assessable Base	Per Capita Basis	
			Amount	Ranking
Allegany	75,059	\$4,010,110,000	\$53,426	24
Anne Arundel	539,241	84,987,819,000	157,606	9
Baltimore City	620,560	39,149,240,000	63,087	23
Baltimore	805,964	89,397,035,000	110,919	16
Calvert	88,912	14,209,661,000	159,817	8
Caroline	33,072	3,182,687,026	96,235	20
Carroll	167,247	20,915,008,625	125,055	12
Cecil	101,209	11,067,074,275	109,349	17
Charles	147,103	18,794,703,970	127,766	10
Dorchester	32,652	3,544,325,536	108,548	18
Frederick	234,188	29,761,664,764	127,084	11
Garrett	30,075	4,975,948,701	165,451	6
Harford	245,190	28,580,599,418	116,565	14
Howard	288,472	48,043,284,131	166,544	5
Kent	20,204	3,282,266,469	162,456	7
Montgomery	975,439	179,221,107,299	183,734	3
Prince George's	865,219	99,039,893,867	114,468	15
Queen Anne's	47,872	8,749,244,034	182,763	4
St. Mary's	105,749	13,182,755,807	124,661	13
Somerset	26,495	1,769,205,417	66,775	22
Talbot	37,879	10,134,944,989	267,561	2
Washington	147,586	14,221,239,093	96,359	19
Wicomico	98,830	7,695,966,686	77,871	21
Worcester	51,464	18,180,328,193	353,263	1
Total	5,785,681	\$756,096,113,300	\$130,684	

Property Tax Capacity Index

Fiscal 2011

County	Population	Assessable Base	Property Tax Revenues	Hypothetical Yield	Per Capita Hypothetical Yield	Tax Capacity Index	Rank
Allegany	75,059	\$4,010,110,000	\$58,549,517	\$40,514,678	\$540	41	24
Anne Arundel	539,241	84,987,819,000	612,933,369	858,643,300	1,592	121	9
Baltimore City	620,560	39,149,240,000	793,716,817	395,530,007	637	48	23
Baltimore	805,964	89,397,035,000	845,151,974	903,190,199	1,121	85	16
Calvert	88,912	14,209,661,000	151,365,681	143,562,105	1,615	122	8
Caroline	33,072	3,182,687,026	30,072,418	32,155,113	972	74	20
Carroll	167,247	20,915,008,625	226,852,365	211,307,129	1,263	96	12
Cecil	101,209	11,067,074,275	115,000,197	111,812,131	1,105	84	17
Charles	147,103	18,794,703,970	200,494,904	189,885,408	1,291	98	10
Dorchester	32,652	3,544,325,536	38,303,430	35,808,795	1,097	83	18
Frederick	234,188	29,761,664,764	343,753,812	300,686,079	1,284	97	11
Garrett	30,075	4,975,948,701	50,516,392	50,272,675	1,672	127	6
Harford	245,190	28,580,599,418	316,435,184	288,753,618	1,178	89	14
Howard	288,472	48,043,284,131	506,795,469	485,387,724	1,683	127	5
Kent	20,204	3,282,266,469	34,258,457	33,161,177	1,641	124	7
Montgomery	975,439	179,221,107,299	1,509,047,360	1,810,694,813	1,856	141	3
Prince George's	865,219	99,039,893,867	1,167,494,320	1,000,613,292	1,156	88	15
Queen Anne's	47,872	8,749,244,034	62,806,307	88,394,782	1,846	140	4
St. Mary's	105,749	13,182,755,807	100,147,351	133,187,145	1,259	95	13
Somerset	26,495	1,769,205,417	19,637,538	17,874,519	675	51	22
Talbot	37,879	10,134,944,989	44,027,556	102,394,705	2,703	205	2
Washington	147,586	14,221,239,093	153,037,674	143,679,080	974	74	19
Wicomico	98,830	7,695,966,686	86,390,770	77,753,381	787	60	21
Worcester	51,464	18,180,328,193	172,151,279	183,678,287	3,569	270	1
Total	5,785,681	\$756,096,113,300	\$7,638,940,141	\$7,638,940,141	\$1,320	100	

Income Tax Capacity Among Maryland Jurisdictions

- Income tax is the second major source of local revenues for most counties
- Per capita net taxable income ranges from \$7,503 in Somerset County to \$35,880 in Montgomery County – the statewide average is \$22,712
- Using statewide average income tax rates, Somerset County would be able to generate \$226 per capita; whereas, Montgomery County would be able to generate \$1,083 per capita – the statewide average is \$685 per capita

Per Capita Net Taxable Income in Maryland Counties Fiscal 2011

County	Population	Net Taxable Income	Per Capita Basis Amount	Ranking
Allegany	75,059	\$855,558,973	\$11,398	23
Anne Arundel	539,241	13,929,105,717	25,831	4
Baltimore City	620,560	7,636,948,011	12,307	21
Baltimore	805,964	18,324,319,884	22,736	9
Calvert	88,912	2,100,808,356	23,628	5
Caroline	33,072	413,307,940	12,497	20
Carroll	167,247	3,820,747,547	22,845	8
Cecil	101,209	1,682,100,944	16,620	15
Charles	147,103	3,016,658,495	20,507	12
Dorchester	32,652	400,638,720	12,270	22
Frederick	234,188	5,478,149,982	23,392	6
Garrett	30,075	397,924,597	13,231	18
Harford	245,190	5,370,309,255	21,903	10
Howard	288,472	9,746,439,897	33,786	2
Kent	20,204	337,104,129	16,685	14
Montgomery	975,439	34,998,705,591	35,880	1
Prince George's	865,219	13,878,930,628	16,041	16
Queen Anne's	47,872	1,094,557,408	22,864	7
St. Mary's	105,749	2,271,791,778	21,483	11
Somerset	26,495	198,785,891	7,503	24
Talbot	37,879	992,078,987	26,191	3
Washington	147,586	2,246,138,552	15,219	17
Wicomico	98,830	1,303,082,116	13,185	19
Worcester	51,464	911,943,154	17,720	13
Total	5,785,681	\$131,406,136,544	\$22,712	

Income Tax Capacity Index

Fiscal 2011

County	Population	Net Taxable Income	Income Tax Revenues	Hypothetical Yield	Per Capita Hypothetical Yield	Tax Capacity Index	Rank
Allegany	75,059	\$855,558,973	\$26,915,891	\$25,816,485	\$344	50	23
Anne Arundel	539,241	13,929,105,717	379,547,434	420,310,650	779	114	4
Baltimore City	620,560	7,636,948,011	234,955,010	230,444,843	371	54	21
Baltimore	805,964	18,324,319,884	514,714,431	552,936,201	686	100	9
Calvert	88,912	2,100,808,356	63,548,798	63,391,875	713	104	5
Caroline	33,072	413,307,940	11,195,106	12,471,564	377	55	20
Carroll	167,247	3,820,747,547	121,270,348	115,291,026	689	101	8
Cecil	101,209	1,682,100,944	48,867,202	50,757,382	502	73	15
Charles	147,103	3,016,658,495	93,377,482	91,027,645	619	90	12
Dorchester	32,652	400,638,720	10,649,460	12,089,270	370	54	22
Frederick	234,188	5,478,149,982	166,981,878	165,303,131	706	103	6
Garrett	30,075	397,924,597	10,502,739	12,007,371	399	58	18
Harford	245,190	5,370,309,255	170,124,193	162,049,037	661	96	10
Howard	288,472	9,746,439,897	315,353,675	294,098,744	1,020	149	2
Kent	20,204	337,104,129	8,703,619	10,172,114	503	73	14
Montgomery	975,439	34,998,705,591	1,069,977,376	1,056,085,653	1,083	158	1
Prince George's	865,219	13,878,930,628	474,635,098	418,796,617	484	71	16
Queen Anne's	47,872	1,094,557,408	29,975,104	33,028,261	690	101	7
St. Mary's	105,749	2,271,791,778	72,386,587	68,551,298	648	95	11
Somerset	26,495	198,785,891	6,478,163	5,998,363	226	33	24
Talbot	37,879	992,078,987	19,975,000	29,935,975	790	115	3
Washington	147,586	2,246,138,552	62,315,730	67,777,212	459	67	17
Wicomico	98,830	1,303,082,116	41,214,928	39,320,492	398	58	19
Worcester	51,464	911,943,154	11,513,835	27,517,877	535	78	13
Total	5,785,681	\$131,406,136,544	\$3,965,179,087	\$3,965,179,087	\$685	100	

Combined Property and Income Tax Capacity Measures

- Combining both property tax capacity and income tax capacity provides a more accurate measure of a jurisdiction's overall tax capacity
- Using statewide average property and income tax rates, Allegany County would be able to generate \$884 per capita; whereas, Worcester County would be able to generate \$4,104 per capita – the statewide average is \$2,006 per capita

Combined Tax Capacity Index Fiscal 2011

County	Population	Property Hypothetical Yield	Income Hypothetical Yield	Combined Hypothetical Yield	County Yield Per Capita	Tax Capacity Index	Rank
Allegany	75,059	\$40,514,678	\$25,816,485	\$66,331,163	\$884	44	24
Anne Arundel	539,241	858,643,300	420,310,650	1,278,953,950	2,372	118	6
Baltimore City	620,560	395,530,007	230,444,843	625,974,850	1,009	50	22
Baltimore	805,964	903,190,199	552,936,201	1,456,126,401	1,807	90	15
Calvert	88,912	143,562,105	63,391,875	206,953,980	2,328	116	7
Caroline	33,072	32,155,113	12,471,564	44,626,676	1,349	67	20
Carroll	167,247	211,307,129	115,291,026	326,598,155	1,953	97	11
Cecil	101,209	111,812,131	50,757,382	162,569,513	1,606	80	17
Charles	147,103	189,885,408	91,027,645	280,913,053	1,910	95	12
Dorchester	32,652	35,808,795	12,089,270	47,898,065	1,467	73	18
Frederick	234,188	300,686,079	165,303,131	465,989,210	1,990	99	10
Garrett	30,075	50,272,675	12,007,371	62,280,047	2,071	103	9
Harford	245,190	288,753,618	162,049,037	450,802,655	1,839	92	14
Howard	288,472	485,387,724	294,098,744	779,486,468	2,702	135	4
Kent	20,204	33,161,177	10,172,114	43,333,291	2,145	107	8
Montgomery	975,439	1,810,694,813	1,056,085,653	2,866,780,466	2,939	147	3
Prince George's	865,219	1,000,613,292	418,796,617	1,419,409,909	1,641	82	16
Queen Anne's	47,872	88,394,782	33,028,261	121,423,043	2,536	126	5
St. Mary's	105,749	133,187,145	68,551,298	201,738,443	1,908	95	13
Somerset	26,495	17,874,519	5,998,363	23,872,882	901	45	23
Talbot	37,879	102,394,705	29,935,975	132,330,680	3,494	174	2
Washington	147,586	143,679,080	67,777,212	211,456,293	1,433	71	19
Wicomico	98,830	77,753,381	39,320,492	117,073,873	1,185	59	21
Worcester	51,464	183,678,287	27,517,877	211,196,164	4,104	205	1
Total	5,785,681	\$7,638,940,141	\$3,965,179,087	\$11,604,119,228	\$2,006	100	

State Aid Reduces Fiscal Disparities Among Jurisdictions

- Primary goal of many State aid programs is to reduce disparity in the revenue capacity among jurisdictions
- Nearly 70% of State aid is allocated based on local wealth, whereby less affluent jurisdictions receive relatively more funding
- State aid to local jurisdictions significantly offsets the variations in the tax capacity among Maryland jurisdictions

Combined Tax Capacity Index – Adjusted for State Aid Fiscal 2011

County	Population	Combined Hypothetical Yield	State Aid Amount	Adjusted Hypothetical Yield	Adjusted Yield Per Capita	Adjusted Capacity Index	Rank
Allegany	75,059	\$66,331,163	\$111,006,641	\$177,337,804	\$2,363	75	23
Anne Arundel	539,241	1,278,953,950	412,698,600	1,691,652,550	3,137	100	10
Baltimore City	620,560	625,974,850	1,358,234,544	1,984,209,394	3,197	102	8
Baltimore	805,964	1,456,126,401	685,949,911	2,142,076,312	2,658	85	20
Calvert	88,912	206,953,980	108,869,767	315,823,747	3,552	113	5
Caroline	33,072	44,626,676	53,232,297	97,858,973	2,959	94	14
Carroll	167,247	326,598,155	180,069,878	506,668,033	3,029	96	12
Cecil	101,209	162,569,513	130,524,021	293,093,534	2,896	92	17
Charles	147,103	280,913,053	187,873,248	468,786,301	3,187	101	9
Dorchester	32,652	47,898,065	41,529,860	89,427,925	2,739	87	19
Frederick	234,188	465,989,210	263,536,881	729,526,091	3,115	99	11
Garrett	30,075	62,280,047	37,262,536	99,542,583	3,310	105	7
Harford	245,190	450,802,655	264,217,503	715,020,158	2,916	93	15
Howard	288,472	779,486,468	294,855,495	1,074,341,963	3,724	119	4
Kent	20,204	43,333,291	14,016,330	57,349,621	2,839	90	18
Montgomery	975,439	2,866,780,466	768,392,110	3,635,172,576	3,727	119	3
Prince George's	865,219	1,419,409,909	1,088,807,488	2,508,217,397	2,899	92	16
Queen Anne's	47,872	121,423,043	41,349,813	162,772,856	3,400	108	6
St. Mary's	105,749	201,738,443	116,283,825	318,022,268	3,007	96	13
Somerset	26,495	23,872,882	34,121,089	57,993,971	2,189	70	24
Talbot	37,879	132,330,680	18,745,462	151,076,142	3,988	127	2
Washington	147,586	211,456,293	177,737,434	389,193,727	2,637	84	21
Wicomico	98,830	117,073,873	141,681,468	258,755,341	2,618	83	22
Worcester	51,464	211,196,164	32,280,761	243,476,925	4,731	151	1
Total	5,785,681	\$11,604,119,228	\$6,563,276,962	\$18,167,396,190	\$3,140	100	

Comparison of Tax Capacity Index and State Aid Adjusted Index Fiscal 2011

County	Population	County Yield Per Capita	Tax Capacity Index	Rank	Adjusted Yield Per Capita	Adjusted Capacity Index	Rank
Allegany	75,059	\$884	44	24	\$2,363	75	23
Anne Arundel	539,241	2,372	118	6	3,137	100	10
Baltimore City	620,560	1,009	50	22	3,197	102	8
Baltimore	805,964	1,807	90	15	2,658	85	20
Calvert	88,912	2,328	116	7	3,552	113	5
Caroline	33,072	1,349	67	20	2,959	94	14
Carroll	167,247	1,953	97	11	3,029	96	12
Cecil	101,209	1,606	80	17	2,896	92	17
Charles	147,103	1,910	95	12	3,187	101	9
Dorchester	32,652	1,467	73	18	2,739	87	19
Frederick	234,188	1,990	99	10	3,115	99	11
Garrett	30,075	2,071	103	9	3,310	105	7
Harford	245,190	1,839	92	14	2,916	93	15
Howard	288,472	2,702	135	4	3,724	119	4
Kent	20,204	2,145	107	8	2,839	90	18
Montgomery	975,439	2,939	147	3	3,727	119	3
Prince George's	865,219	1,641	82	16	2,899	92	16
Queen Anne's	47,872	2,536	126	5	3,400	108	6
St. Mary's	105,749	1,908	95	13	3,007	96	13
Somerset	26,495	901	45	23	2,189	70	24
Talbot	37,879	3,494	174	2	3,988	127	2
Washington	147,586	1,433	71	19	2,637	84	21
Wicomico	98,830	1,185	59	21	2,618	83	22
Worcester	51,464	4,104	205	1	4,731	151	1
Total	5,785,681	\$2,006	100		\$3,140	100	

Tax Effort Affected by Several Factors

- Tax effort measures the extent to which the local tax base is actually taxed
- Tax effort is not a measure of what the tax level should be
- Tax effort should not be used to judge whether local governments are taxing too little or too much
- Tax effort is affected by a jurisdiction's wealth base, available revenue sources, demand for local services, tax limitation measures, acceptance of higher taxes, and fees

High- and Low-wealth Jurisdictions Can Have a Relatively High Tax Effort

- Howard County (a high-wealth jurisdiction) has an above-average property and income tax effort
- Montgomery County (a high-wealth jurisdiction) has an above-average income tax effort; but a below-average property tax effort
- Some low-wealth jurisdictions (Dorchester and Washington counties) have above-average property tax effort; however, their income tax effort is below average
- Baltimore City, Allegany, Somerset, and Wicomico counties (low-wealth jurisdictions) have above-average property and income tax effort
- Caroline County (a low-wealth jurisdiction) has a below-average property and income tax effort

Property Tax Effort Index

Fiscal 2011

County	Population	Assessable Base	Property Tax Revenues	Hypothetical Yield	Tax Effort Index	Rank
Allegany	75,059	\$4,010,110,000	\$58,549,517	\$40,514,678	145	2
Anne Arundel	539,241	84,987,819,000	612,933,369	858,643,300	71	22
Baltimore City	620,560	39,149,240,000	793,716,817	395,530,007	201	1
Baltimore	805,964	89,397,035,000	845,151,974	903,190,199	94	18
Calvert	88,912	14,209,661,000	151,365,681	143,562,105	105	12
Caroline	33,072	3,182,687,026	30,072,418	32,155,113	94	19
Carroll	167,247	20,915,008,625	226,852,365	211,307,129	107	8
Cecil	101,209	11,067,074,275	115,000,197	111,812,131	103	15
Charles	147,103	18,794,703,970	200,494,904	189,885,408	106	11
Dorchester	32,652	3,544,325,536	38,303,430	35,808,795	107	9
Frederick	234,188	29,761,664,764	343,753,812	300,686,079	114	4
Garrett	30,075	4,975,948,701	50,516,392	50,272,675	100	16
Harford	245,190	28,580,599,418	316,435,184	288,753,618	110	7
Howard	288,472	48,043,284,131	506,795,469	485,387,724	104	13
Kent	20,204	3,282,266,469	34,258,457	33,161,177	103	14
Montgomery	975,439	179,221,107,299	1,509,047,360	1,810,694,813	83	20
Prince George's	865,219	99,039,893,867	1,167,494,320	1,000,613,292	117	3
Queen Anne's	47,872	8,749,244,034	62,806,307	88,394,782	71	23
St. Mary's	105,749	13,182,755,807	100,147,351	133,187,145	75	21
Somerset	26,495	1,769,205,417	19,637,538	17,874,519	110	6
Talbot	37,879	10,134,944,989	44,027,556	102,394,705	43	24
Washington	147,586	14,221,239,093	153,037,674	143,679,080	107	10
Wicomico	98,830	7,695,966,686	86,390,770	77,753,381	111	5
Worcester	51,464	18,180,328,193	172,151,279	183,678,287	94	17
Total	5,785,681	\$756,096,113,300	\$7,638,940,141	\$7,638,940,141	100	

Income Tax Effort Index

Fiscal 2011

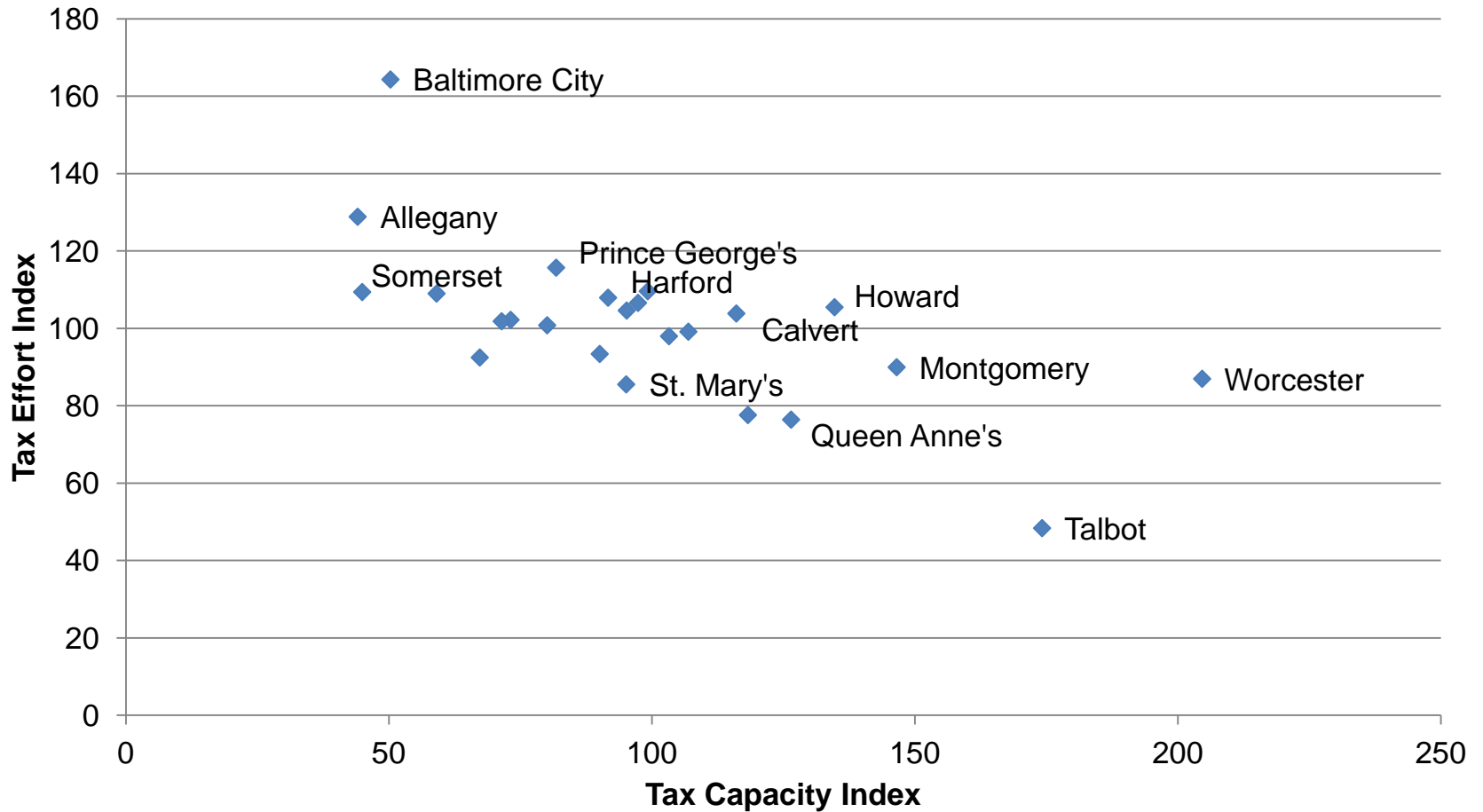
County	Population	Net Taxable Income	Income Tax Revenues	Hypothetical Yield	Tax Effort Index	Rank
Allegany	75,059	\$855,558,973	\$26,915,891	\$25,816,485	104	8
Anne Arundel	539,241	13,929,105,717	379,547,434	420,310,650	90	18
Baltimore City	620,560	7,636,948,011	234,955,010	230,444,843	102	10
Baltimore	805,964	18,324,319,884	514,714,431	552,936,201	93	15
Calvert	88,912	2,100,808,356	63,548,798	63,391,875	100	13
Caroline	33,072	413,307,940	11,195,106	12,471,564	90	19
Carroll	167,247	3,820,747,547	121,270,348	115,291,026	105	5
Cecil	101,209	1,682,100,944	48,867,202	50,757,382	96	14
Charles	147,103	3,016,658,495	93,377,482	91,027,645	103	9
Dorchester	32,652	400,638,720	10,649,460	12,089,270	88	20
Frederick	234,188	5,478,149,982	166,981,878	165,303,131	101	12
Garrett	30,075	397,924,597	10,502,739	12,007,371	87	21
Harford	245,190	5,370,309,255	170,124,193	162,049,037	105	6
Howard	288,472	9,746,439,897	315,353,675	294,098,744	107	3
Kent	20,204	337,104,129	8,703,619	10,172,114	86	22
Montgomery	975,439	34,998,705,591	1,069,977,376	1,056,085,653	101	11
Prince George's	865,219	13,878,930,628	474,635,098	418,796,617	113	1
Queen Anne's	47,872	1,094,557,408	29,975,104	33,028,261	91	17
St. Mary's	105,749	2,271,791,778	72,386,587	68,551,298	106	4
Somerset	26,495	198,785,891	6,478,163	5,998,363	108	2
Talbot	37,879	992,078,987	19,975,000	29,935,975	67	23
Washington	147,586	2,246,138,552	62,315,730	67,777,212	92	16
Wicomico	98,830	1,303,082,116	41,214,928	39,320,492	105	7
Worcester	51,464	911,943,154	11,513,835	27,517,877	42	24
Total	5,785,681	\$131,406,136,544	\$3,965,179,087	\$3,965,179,087	100	

Combined Tax Effort Index

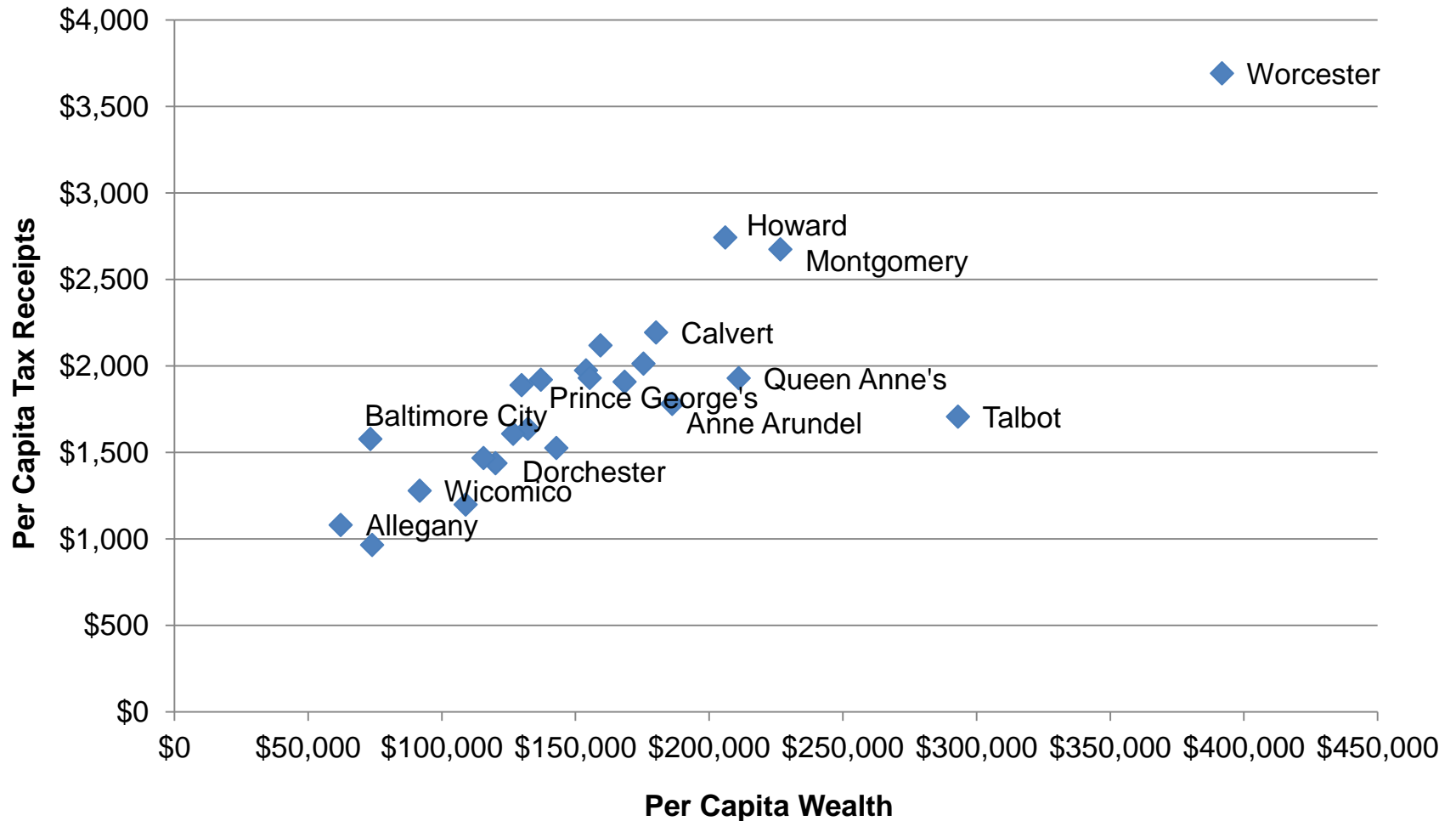
Fiscal 2011

County	Population	Property Hypothetical Yield	Income Hypothetical Yield	Combined Hypothetical Yield	Property Tax Revenues	Income Tax Revenues	Combined Tax Revenues	Tax Effort Index	Rank
Allegany	75,059	\$40,514,678	\$25,816,485	\$66,331,163	\$58,549,517	\$26,915,891	\$85,465,408	129	2
Anne Arundel	539,241	858,643,300	420,310,650	1,278,953,950	612,933,369	379,547,434	992,480,803	78	22
Baltimore City	620,560	395,530,007	230,444,843	625,974,850	793,716,817	234,955,010	1,028,671,827	164	1
Baltimore	805,964	903,190,199	552,936,201	1,456,126,401	845,151,974	514,714,431	1,359,866,405	93	17
Calvert	88,912	143,562,105	63,391,875	206,953,980	151,365,681	63,548,798	214,914,479	104	11
Caroline	33,072	32,155,113	12,471,564	44,626,676	30,072,418	11,195,106	41,267,524	92	18
Carroll	167,247	211,307,129	115,291,026	326,598,155	226,852,365	121,270,348	348,122,713	107	8
Cecil	101,209	111,812,131	50,757,382	162,569,513	115,000,197	48,867,202	163,867,399	101	14
Charles	147,103	189,885,408	91,027,645	280,913,053	200,494,904	93,377,482	293,872,386	105	10
Dorchester	32,652	35,808,795	12,089,270	47,898,065	38,303,430	10,649,460	48,952,890	102	12
Frederick	234,188	300,686,079	165,303,131	465,989,210	343,753,812	166,981,878	510,735,690	110	4
Garrett	30,075	50,272,675	12,007,371	62,280,047	50,516,392	10,502,739	61,019,131	98	16
Harford	245,190	288,753,618	162,049,037	450,802,655	316,435,184	170,124,193	486,559,377	108	7
Howard	288,472	485,387,724	294,098,744	779,486,468	506,795,469	315,353,675	822,149,144	105	9
Kent	20,204	33,161,177	10,172,114	43,333,291	34,258,457	8,703,619	42,962,076	99	15
Montgomery	975,439	1,810,694,813	1,056,085,653	2,866,780,466	1,509,047,360	1,069,977,376	2,579,024,736	90	19
Prince George's	865,219	1,000,613,292	418,796,617	1,419,409,909	1,167,494,320	474,635,098	1,642,129,418	116	3
Queen Anne's	47,872	88,394,782	33,028,261	121,423,043	62,806,307	29,975,104	92,781,411	76	23
St. Mary's	105,749	133,187,145	68,551,298	201,738,443	100,147,351	72,386,587	172,533,938	86	21
Somerset	26,495	17,874,519	5,998,363	23,872,882	19,637,538	6,478,163	26,115,701	109	5
Talbot	37,879	102,394,705	29,935,975	132,330,680	44,027,556	19,975,000	64,002,556	48	24
Washington	147,586	143,679,080	67,777,212	211,456,293	153,037,674	62,315,730	215,353,404	102	13
Wicomico	98,830	77,753,381	39,320,492	117,073,873	86,390,770	41,214,928	127,605,698	109	6
Worcester	51,464	183,678,287	27,517,877	211,196,164	172,151,279	11,513,835	183,665,114	87	20
Total	5,785,681	\$7,638,940,141	\$3,965,179,087	\$11,604,119,228	\$7,638,940,141	\$3,965,179,087	\$11,604,119,228	100	

Correlation of Tax Capacity and Tax Effort



Correlation of Tax Revenues and Local Wealth



Tax Capacity and Effort Measures Have Strengths and Weaknesses

Strengths

- Reliable measure of relative trends in the fiscal well-being of a jurisdiction
- Measures can be used across all jurisdictions in the State
- Useful to gauge the level of equalization of State aid

Weaknesses

- Ignores local demand for or acceptance of higher taxes and fees
- Not an indicator for an “ideal” revenue mix or level of taxation
- Some local revenues not included in the calculations