
Tax Capacity and Effort of Local Governments in Maryland Fiscal 2015

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Objectives

- 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 of local governments to generate revenues from their own sources varies significantly
- Per capita local wealth ranges from a low of \$64,484 in Somerset County to a high of \$310,858 in Worcester County – the statewide average is \$138,875
- 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 nearly 90% of total local taxes

**Local Wealth Calculation for Maryland Counties
Fiscal 2015**

County	Population	Assessable Base	Income Base	Total Wealth Amount	Per Capita Wealth Amount	Ranking
Allegany	73,008	\$3,889,963,000	\$934,378,845	\$4,824,341,845	\$66,080	23
Anne Arundel	560,286	77,806,973,000	16,948,092,945	94,755,065,945	169,119	7
Baltimore City	623,711	35,895,146,000	9,305,398,808	45,200,544,808	72,470	22
Baltimore	827,794	78,005,881,000	22,362,468,470	100,368,349,470	121,248	15
Calvert	90,562	12,232,236,000	2,464,872,356	14,697,108,356	162,288	9
Caroline	32,525	2,612,656,000	472,895,222	3,085,551,222	94,867	20
Carroll	167,682	18,484,249,000	4,644,172,176	23,128,421,176	137,930	10
Cecil	102,135	9,668,778,000	1,968,049,730	11,636,827,730	113,936	16
Charles	154,687	16,323,387,750	3,600,671,306	19,924,059,056	128,802	14
Dorchester	32,527	2,891,447,000	461,373,106	3,352,820,106	103,078	17
Frederick	243,475	26,158,043,000	6,623,129,107	32,781,172,107	134,639	11
Garrett	29,652	4,461,939,500	456,255,781	4,918,195,281	165,864	8
Harford	249,949	26,756,070,000	6,378,072,491	33,134,142,491	132,564	13
Howard	308,705	45,370,328,750	12,108,681,687	57,479,010,437	186,194	4
Kent	19,793	2,950,128,000	440,990,929	3,391,118,929	171,329	6
Montgomery	1,030,476	168,852,446,250	41,923,161,474	210,775,607,724	204,542	3
Prince George's	903,357	76,630,153,750	16,047,355,613	92,677,509,363	102,592	18
Queen Anne's	48,726	7,653,575,500	1,343,067,263	8,996,642,763	184,637	5
St. Mary's	110,350	12,097,535,000	2,655,686,217	14,753,221,217	133,695	12
Somerset	25,632	1,430,802,000	222,055,476	1,652,857,476	64,484	24
Talbot	37,560	8,532,943,000	1,164,196,951	9,697,139,951	258,177	2
Washington	149,423	12,327,772,000	2,631,701,689	14,959,473,689	100,115	19
Wicomico	101,768	6,084,640,000	1,522,661,521	7,607,301,521	74,751	21
Worcester	51,563	14,856,691,000	1,172,091,871	16,028,782,871	310,858	1
Total	5,975,346	\$671,973,784,500	\$157,851,481,029	\$829,825,265,529	\$138,875	

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

Property Tax Capacity among Local Jurisdictions

- Property tax is the largest source of local revenues for most counties
- Per capita assessable base ranges from \$53,281 in Allegany County to \$288,127 in Worcester County – the statewide average is \$112,458
- Using statewide average property tax rates, Allegany County would be able to generate \$619 per capita; whereas, Worcester County would be able to generate \$3,348 per capita – the statewide per capita average is \$1,307

**Per Capita Assessable Base in Maryland Counties
Fiscal 2015**

County	Population	Assessable Base	Per Capita Basis	
			Amount	Ranking
Allegany	73,008	\$3,889,963,000	\$53,281	24
Anne Arundel	560,286	77,806,973,000	138,870	8
Baltimore City	623,711	35,895,146,000	57,551	22
Baltimore	827,794	78,005,881,000	94,233	16
Calvert	90,562	12,232,236,000	135,070	9
Caroline	32,525	2,612,656,000	80,328	20
Carroll	167,682	18,484,249,000	110,234	10
Cecil	102,135	9,668,778,000	94,667	15
Charles	154,687	16,323,387,750	105,525	14
Dorchester	32,527	2,891,447,000	88,894	17
Frederick	243,475	26,158,043,000	107,436	12
Garrett	29,652	4,461,939,500	150,477	5
Harford	249,949	26,756,070,000	107,046	13
Howard	308,705	45,370,328,750	146,970	7
Kent	19,793	2,950,128,000	149,049	6
Montgomery	1,030,476	168,852,446,250	163,859	3
Prince George's	903,357	76,630,153,750	84,828	18
Queen Anne's	48,726	7,653,575,500	157,074	4
St. Mary's	110,350	12,097,535,000	109,629	11
Somerset	25,632	1,430,802,000	55,821	23
Talbot	37,560	8,532,943,000	227,182	2
Washington	149,423	12,327,772,000	82,503	19
Wicomico	101,768	6,084,640,000	59,789	21
Worcester	51,563	14,856,691,000	288,127	1
Total	5,975,346	\$671,973,784,500	\$112,458	

Property Tax Capacity Index Fiscal 2015

County	Population	Assessable Base	Property Tax Revenues	Hypothetical Yield	Per Capita Hypothetical Yield	Tax Capacity Index	Rank
Allegany	73,008	\$3,889,963,000	\$57,096,057	\$45,202,466	\$619	47	24
Anne Arundel	560,286	77,806,973,000	702,730,128	904,138,955	1,614	123	8
Baltimore City	623,711	35,895,146,000	780,246,108	417,111,713	669	51	22
Baltimore	827,794	78,005,881,000	874,586,717	906,450,322	1,095	84	16
Calvert	90,562	12,232,236,000	142,522,064	142,142,030	1,570	120	9
Caroline	32,525	2,612,656,000	30,988,020	30,359,799	933	71	20
Carroll	167,682	18,484,249,000	210,826,863	214,792,183	1,281	98	10
Cecil	102,135	9,668,778,000	115,524,432	112,353,925	1,100	84	15
Charles	154,687	16,323,387,750	217,653,645	189,682,366	1,226	94	14
Dorchester	32,527	2,891,447,000	38,558,847	33,599,429	1,033	79	17
Frederick	243,475	26,158,043,000	330,023,050	303,963,832	1,248	96	12
Garrett	29,652	4,461,939,500	50,860,885	51,848,995	1,749	134	5
Harford	249,949	26,756,070,000	313,332,626	310,913,074	1,244	95	13
Howard	308,705	45,370,328,750	557,932,251	527,216,007	1,708	131	7
Kent	19,793	2,950,128,000	33,140,701	34,281,319	1,732	133	6
Montgomery	1,030,476	168,852,446,250	1,639,132,856	1,962,113,014	1,904	146	3
Prince George's	903,357	76,630,153,750	1,071,025,470	890,463,984	986	75	18
Queen Anne's	48,726	7,653,575,500	67,374,054	88,936,704	1,825	140	4
St. Mary's	110,350	12,097,535,000	105,084,581	140,576,766	1,274	97	11
Somerset	25,632	1,430,802,000	18,042,360	16,626,322	649	50	23
Talbot	37,560	8,532,943,000	48,247,710	99,155,203	2,640	202	2
Washington	149,423	12,327,772,000	146,450,889	143,252,185	959	73	19
Wicomico	101,768	6,084,640,000	89,801,374	70,705,232	695	53	21
Worcester	51,563	14,856,691,000	167,343,073	172,638,937	3,348	256	1
Total	5,975,346	\$671,973,784,500	\$7,808,524,761	\$7,808,524,761	\$1,307	100	

Note: Hypothetical yield represents the revenue amount generated by applying the statewide average property tax rate to each county's assessable base.

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 \$8,663 in Somerset County to \$40,683 in Montgomery County – the statewide average is \$26,417
- Using statewide average income tax rates, Somerset County would be able to generate \$270 per capita; whereas, Montgomery County would be able to generate \$1,266 per capita – the statewide average is \$822 per capita

**Per Capita Net Taxable Income in Maryland Counties
Fiscal 2015**

County	Population	Net Taxable Income	Per Capita Basis Amount	Ranking
Allegany	73,008	\$934,378,845	\$12,798	23
Anne Arundel	560,286	16,948,092,945	30,249	4
Baltimore City	623,711	9,305,398,808	14,919	20
Baltimore	827,794	22,362,468,470	27,015	9
Calvert	90,562	2,464,872,356	27,218	7
Caroline	32,525	472,895,222	14,539	21
Carroll	167,682	4,644,172,176	27,696	5
Cecil	102,135	1,968,049,730	19,269	15
Charles	154,687	3,600,671,306	23,277	12
Dorchester	32,527	461,373,106	14,184	22
Frederick	243,475	6,623,129,107	27,203	8
Garrett	29,652	456,255,781	15,387	18
Harford	249,949	6,378,072,491	25,517	10
Howard	308,705	12,108,681,687	39,224	2
Kent	19,793	440,990,929	22,280	14
Montgomery	1,030,476	41,923,161,474	40,683	1
Prince George's	903,357	16,047,355,613	17,764	16
Queen Anne's	48,726	1,343,067,263	27,564	6
St. Mary's	110,350	2,655,686,217	24,066	11
Somerset	25,632	222,055,476	8,663	24
Talbot	37,560	1,164,196,951	30,996	3
Washington	149,423	2,631,701,689	17,612	17
Wicomico	101,768	1,522,661,521	14,962	19
Worcester	51,563	1,172,091,871	22,731	13
Total	5,975,346	\$157,851,481,029	\$26,417	

Income Tax Capacity Index Fiscal 2015

County	Population	Net Taxable Income	Income Tax Revenues	Hypothetical Yield	Per Capita Hypothetical Yield	Tax Capacity Index	Rank
Allegany	73,008	\$934,378,845	\$28,645,941	\$29,070,306	\$398	48	23
Anne Arundel	560,286	16,948,092,945	450,145,365	527,287,464	941	115	4
Baltimore City	623,711	9,305,398,808	300,013,840	289,508,687	464	56	20
Baltimore	827,794	22,362,468,470	696,334,824	695,739,003	840	102	9
Calvert	90,562	2,464,872,356	72,201,617	76,686,875	847	103	7
Caroline	32,525	472,895,222	12,910,008	14,712,671	452	55	21
Carroll	167,682	4,644,172,176	145,436,651	144,489,045	862	105	5
Cecil	102,135	1,968,049,730	56,619,620	61,229,777	599	73	15
Charles	154,687	3,600,671,306	111,424,938	112,023,745	724	88	12
Dorchester	32,527	461,373,106	12,511,272	14,354,196	441	54	22
Frederick	243,475	6,623,129,107	206,271,930	206,058,166	846	103	8
Garrett	29,652	456,255,781	12,303,646	14,194,987	479	58	18
Harford	249,949	6,378,072,491	198,251,666	198,433,988	794	97	10
Howard	308,705	12,108,681,687	394,985,296	376,724,159	1,220	148	2
Kent	19,793	440,990,929	13,955,221	13,720,068	693	84	14
Montgomery	1,030,476	41,923,161,474	1,349,302,683	1,304,309,432	1,266	154	1
Prince George's	903,357	16,047,355,613	546,616,582	499,263,809	553	67	16
Queen Anne's	48,726	1,343,067,263	43,554,671	41,785,382	858	104	6
St. Mary's	110,350	2,655,686,217	81,467,547	82,623,458	749	91	11
Somerset	25,632	222,055,476	7,089,245	6,908,569	270	33	24
Talbot	37,560	1,164,196,951	30,212,721	36,220,385	964	117	3
Washington	149,423	2,631,701,689	77,211,436	81,877,254	548	67	17
Wicomico	101,768	1,522,661,521	48,416,351	47,372,901	465	57	19
Worcester	51,563	1,172,091,871	15,177,268	36,466,011	707	86	13
Total	5,975,346	\$157,851,481,029	\$4,911,060,339	\$4,911,060,339	\$822	100	

Note: Hypothetical yield represents the revenue amount generated by applying the statewide average income tax rate to each county's net taxable income.

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, Somerset County would be able to generate \$918 per capita; whereas, Worcester County would be able to generate \$4,055 per capita – the statewide average is \$2,129 per capita

**Combined Tax Capacity Index
Fiscal 2015**

County	Population	Property Hypothetical Yield	Income Hypothetical Yield	Combined Hypothetical Yield	County Yield Per Capita	Tax Capacity Index	Rank
Allegany	73,008	\$45,202,466	\$29,070,306	\$74,272,773	\$1,017	48	23
Anne Arundel	560,286	904,138,955	527,287,464	1,431,426,419	2,555	120	6
Baltimore City	623,711	417,111,713	289,508,687	706,620,400	1,133	53	22
Baltimore	827,794	906,450,322	695,739,003	1,602,189,325	1,935	91	15
Calvert	90,562	142,142,030	76,686,875	218,828,905	2,416	114	8
Caroline	32,525	30,359,799	14,712,671	45,072,470	1,386	65	20
Carroll	167,682	214,792,183	144,489,045	359,281,228	2,143	101	10
Cecil	102,135	112,353,925	61,229,777	173,583,702	1,700	80	16
Charles	154,687	189,682,366	112,023,745	301,706,111	1,950	92	14
Dorchester	32,527	33,599,429	14,354,196	47,953,625	1,474	69	19
Frederick	243,475	303,963,832	206,058,166	510,021,998	2,095	98	11
Garrett	29,652	51,848,995	14,194,987	66,043,981	2,227	105	9
Harford	249,949	310,913,074	198,433,988	509,347,062	2,038	96	12
Howard	308,705	527,216,007	376,724,159	903,940,166	2,928	138	4
Kent	19,793	34,281,319	13,720,068	48,001,387	2,425	114	7
Montgomery	1,030,476	1,962,113,014	1,304,309,432	3,266,422,446	3,170	149	3
Prince George's	903,357	890,463,984	499,263,809	1,389,727,793	1,538	72	17
Queen Anne's	48,726	88,936,704	41,785,382	130,722,086	2,683	126	5
St. Mary's	110,350	140,576,766	82,623,458	223,200,224	2,023	95	13
Somerset	25,632	16,626,322	6,908,569	23,534,891	918	43	24
Talbot	37,560	99,155,203	36,220,385	135,375,588	3,604	169	2
Washington	149,423	143,252,185	81,877,254	225,129,439	1,507	71	18
Wicomico	101,768	70,705,232	47,372,901	118,078,133	1,160	55	21
Worcester	51,563	172,638,937	36,466,011	209,104,948	4,055	191	1
Total	5,975,346	\$7,808,524,761	\$4,911,060,339	\$12,719,585,100	\$2,129	100	

State Aid Reduces Fiscal Disparities among Local 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 jurisdictions

**Combined Tax Capacity Index – Adjusted for State Aid
Fiscal 2015**

County	Population	Combined Hypothetical Yield	State Aid Amount	Adjusted Hypothetical Yield	Adjusted Yield Per Capita	Adjusted Capacity Index	Rank
Allegany	73,008	\$74,272,773	\$108,513,451	\$182,786,224	\$2,504	75	23
Anne Arundel	560,286	1,431,426,419	471,618,137	1,903,044,556	3,397	102	8
Baltimore City	623,711	706,620,400	1,443,713,219	2,150,333,619	3,448	104	7
Baltimore	827,794	1,602,189,325	766,842,068	2,369,031,393	2,862	86	21
Calvert	90,562	218,828,905	105,226,914	324,055,819	3,578	108	6
Caroline	32,525	45,072,470	60,586,333	105,658,803	3,249	98	11
Carroll	167,682	359,281,228	173,127,681	532,408,909	3,175	96	13
Cecil	102,135	173,583,702	130,148,587	303,732,289	2,974	89	17
Charles	154,687	301,706,111	200,360,906	502,067,017	3,246	98	12
Dorchester	32,527	47,953,625	48,237,552	96,191,177	2,957	89	18
Frederick	243,475	510,021,998	290,194,724	800,216,722	3,287	99	10
Garrett	29,652	66,043,981	33,805,535	99,849,516	3,367	101	9
Harford	249,949	509,347,062	260,130,392	769,477,454	3,079	93	16
Howard	308,705	903,940,166	312,598,426	1,216,538,592	3,941	119	4
Kent	19,793	48,001,387	14,354,818	62,356,205	3,150	95	14
Montgomery	1,030,476	3,266,422,446	880,753,340	4,147,175,786	4,025	121	3
Prince George's	903,357	1,389,727,793	1,216,758,351	2,606,486,144	2,885	87	19
Queen Anne's	48,726	130,722,086	45,500,340	176,222,426	3,617	109	5
St. Mary's	110,350	223,200,224	119,332,341	342,532,565	3,104	93	15
Somerset	25,632	23,534,891	39,952,503	63,487,394	2,477	75	24
Talbot	37,560	135,375,588	21,749,010	157,124,598	4,183	126	2
Washington	149,423	225,129,439	203,972,971	429,102,410	2,872	86	20
Wicomico	101,768	118,078,133	162,722,727	280,800,860	2,759	83	22
Worcester	51,563	209,104,948	34,997,509	244,102,457	4,734	142	1
Total	5,975,346	\$12,719,585,100	\$7,145,197,835	\$19,864,782,935	\$3,324	100	

**Comparison of Tax Capacity Index and State Aid Adjusted Index
Fiscal 2015**

County	Population	County Yield Per Capita	Tax Capacity Index	Rank	Adjusted Yield Per Capita	Adjusted Capacity Index	Rank
Allegany	73,008	\$1,017	48	23	\$2,504	75	23
Anne Arundel	560,286	2,555	120	6	3,397	102	8
Baltimore City	623,711	1,133	53	22	3,448	104	7
Baltimore	827,794	1,935	91	15	2,862	86	21
Calvert	90,562	2,416	114	8	3,578	108	6
Caroline	32,525	1,386	65	20	3,249	98	11
Carroll	167,682	2,143	101	10	3,175	96	13
Cecil	102,135	1,700	80	16	2,974	89	17
Charles	154,687	1,950	92	14	3,246	98	12
Dorchester	32,527	1,474	69	19	2,957	89	18
Frederick	243,475	2,095	98	11	3,287	99	10
Garrett	29,652	2,227	105	9	3,367	101	9
Harford	249,949	2,038	96	12	3,079	93	16
Howard	308,705	2,928	138	4	3,941	119	4
Kent	19,793	2,425	114	7	3,150	95	14
Montgomery	1,030,476	3,170	149	3	4,025	121	3
Prince George's	903,357	1,538	72	17	2,885	87	19
Queen Anne's	48,726	2,683	126	5	3,617	109	5
St. Mary's	110,350	2,023	95	13	3,104	93	15
Somerset	25,632	918	43	24	2,477	75	24
Talbot	37,560	3,604	169	2	4,183	126	2
Washington	149,423	1,507	71	18	2,872	86	20
Wicomico	101,768	1,160	55	21	2,759	83	22
Worcester	51,563	4,055	191	1	4,734	142	1
Total	5,975,346	\$2,129	100		\$3,324	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 and 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 (Caroline, Dorchester, and Washington counties) have above-average property tax effort; however, their income tax effort is below average
- Baltimore City (a low-wealth jurisdiction) has an above-average property and income tax effort

**Property Tax Effort Index
Fiscal 2015**

County	Population	Assessable Base	Property Tax Revenues	Hypothetical Yield	Tax Effort Index	Rank
Allegany	73,008	\$3,889,963,000	\$57,096,057	\$45,202,466	126	3
Anne Arundel	560,286	77,806,973,000	702,730,128	904,138,955	78	21
Baltimore City	623,711	35,895,146,000	780,246,108	417,111,713	187	1
Baltimore	827,794	78,005,881,000	874,586,717	906,450,322	96	19
Calvert	90,562	12,232,236,000	142,522,064	142,142,030	100	14
Caroline	32,525	2,612,656,000	30,988,020	30,359,799	102	12
Carroll	167,682	18,484,249,000	210,826,863	214,792,183	98	15
Cecil	102,135	9,668,778,000	115,524,432	112,353,925	103	10
Charles	154,687	16,323,387,750	217,653,645	189,682,366	115	6
Dorchester	32,527	2,891,447,000	38,558,847	33,599,429	115	5
Frederick	243,475	26,158,043,000	330,023,050	303,963,832	109	7
Garrett	29,652	4,461,939,500	50,860,885	51,848,995	98	16
Harford	249,949	26,756,070,000	313,332,626	310,913,074	101	13
Howard	308,705	45,370,328,750	557,932,251	527,216,007	106	9
Kent	19,793	2,950,128,000	33,140,701	34,281,319	97	18
Montgomery	1,030,476	168,852,446,250	1,639,132,856	1,962,113,014	84	20
Prince George's	903,357	76,630,153,750	1,071,025,470	890,463,984	120	4
Queen Anne's	48,726	7,653,575,500	67,374,054	88,936,704	76	22
St. Mary's	110,350	12,097,535,000	105,084,581	140,576,766	75	23
Somerset	25,632	1,430,802,000	18,042,360	16,626,322	109	8
Talbot	37,560	8,532,943,000	48,247,710	99,155,203	49	24
Washington	149,423	12,327,772,000	146,450,889	143,252,185	102	11
Wicomico	101,768	6,084,640,000	89,801,374	70,705,232	127	2
Worcester	51,563	14,856,691,000	167,343,073	172,638,937	97	17
Total	5,975,346	\$671,973,784,500	\$7,808,524,761	\$7,808,524,761	100	

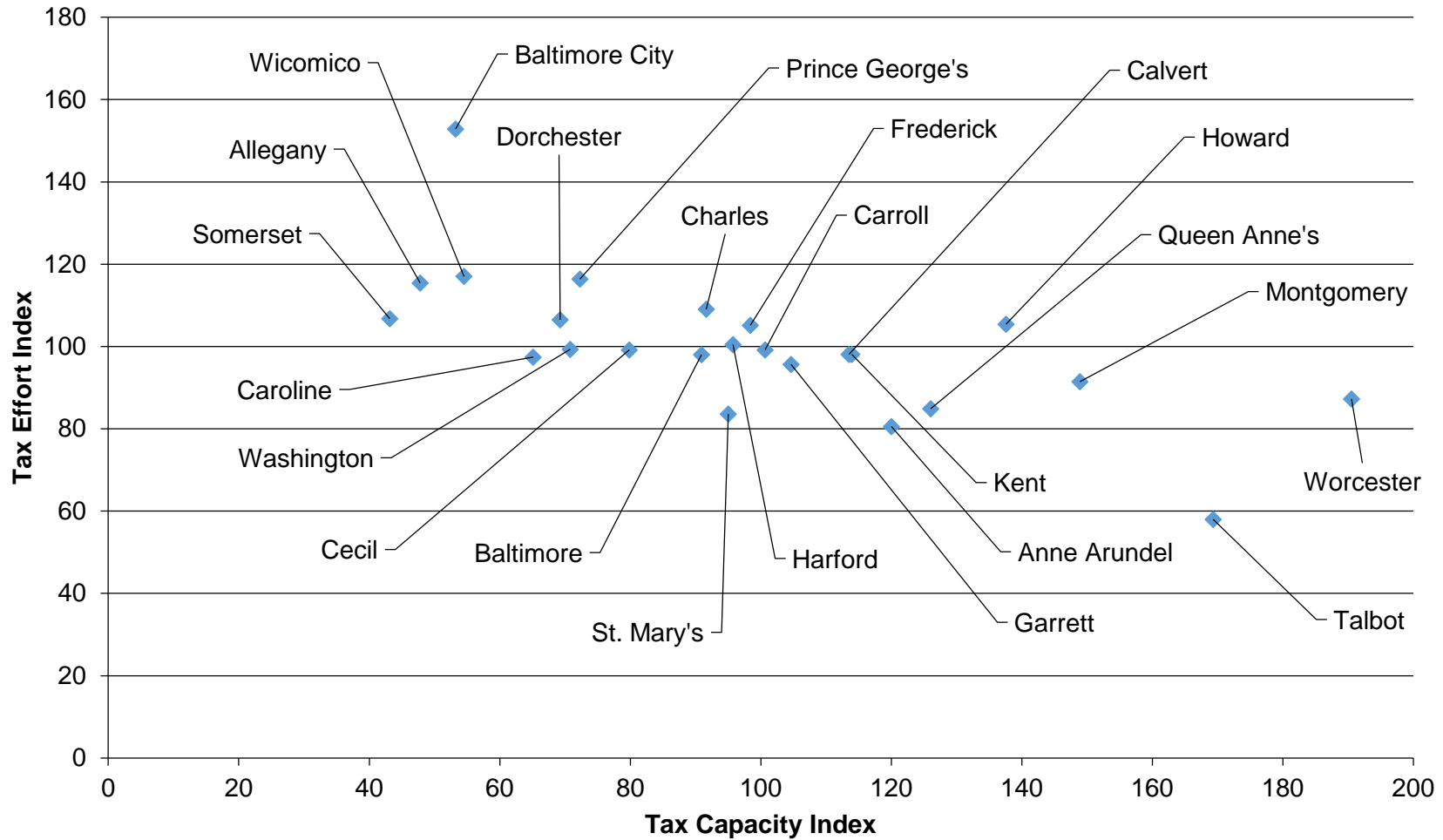
**Income Tax Effort Index
Fiscal 2015**

County	Population	Net Taxable Income	Income Tax Revenues	Hypothetical Yield	Tax Effort Index	Rank
Allegany	73,008	\$934,378,845	\$28,645,941	\$29,070,306	99	15
Anne Arundel	560,286	16,948,092,945	450,145,365	527,287,464	85	22
Baltimore City	623,711	9,305,398,808	300,013,840	289,508,687	104	4
Baltimore	827,794	22,362,468,470	696,334,824	695,739,003	100	11
Calvert	90,562	2,464,872,356	72,201,617	76,686,875	94	17
Caroline	32,525	472,895,222	12,910,008	14,712,671	88	19
Carroll	167,682	4,644,172,176	145,436,651	144,489,045	101	9
Cecil	102,135	1,968,049,730	56,619,620	61,229,777	92	18
Charles	154,687	3,600,671,306	111,424,938	112,023,745	99	13
Dorchester	32,527	461,373,106	12,511,272	14,354,196	87	20
Frederick	243,475	6,623,129,107	206,271,930	206,058,166	100	10
Garrett	29,652	456,255,781	12,303,646	14,194,987	87	21
Harford	249,949	6,378,072,491	198,251,666	198,433,988	100	12
Howard	308,705	12,108,681,687	394,985,296	376,724,159	105	2
Kent	19,793	440,990,929	13,955,221	13,720,068	102	8
Montgomery	1,030,476	41,923,161,474	1,349,302,683	1,304,309,432	103	5
Prince George's	903,357	16,047,355,613	546,616,582	499,263,809	109	1
Queen Anne's	48,726	1,343,067,263	43,554,671	41,785,382	104	3
St. Mary's	110,350	2,655,686,217	81,467,547	82,623,458	99	14
Somerset	25,632	222,055,476	7,089,245	6,908,569	103	6
Talbot	37,560	1,164,196,951	30,212,721	36,220,385	83	23
Washington	149,423	2,631,701,689	77,211,436	81,877,254	94	16
Wicomico	101,768	1,522,661,521	48,416,351	47,372,901	102	7
Worcester	51,563	1,172,091,871	15,177,268	36,466,011	42	24
Total	5,975,346	\$157,851,481,029	\$4,911,060,339	\$4,911,060,339	100	

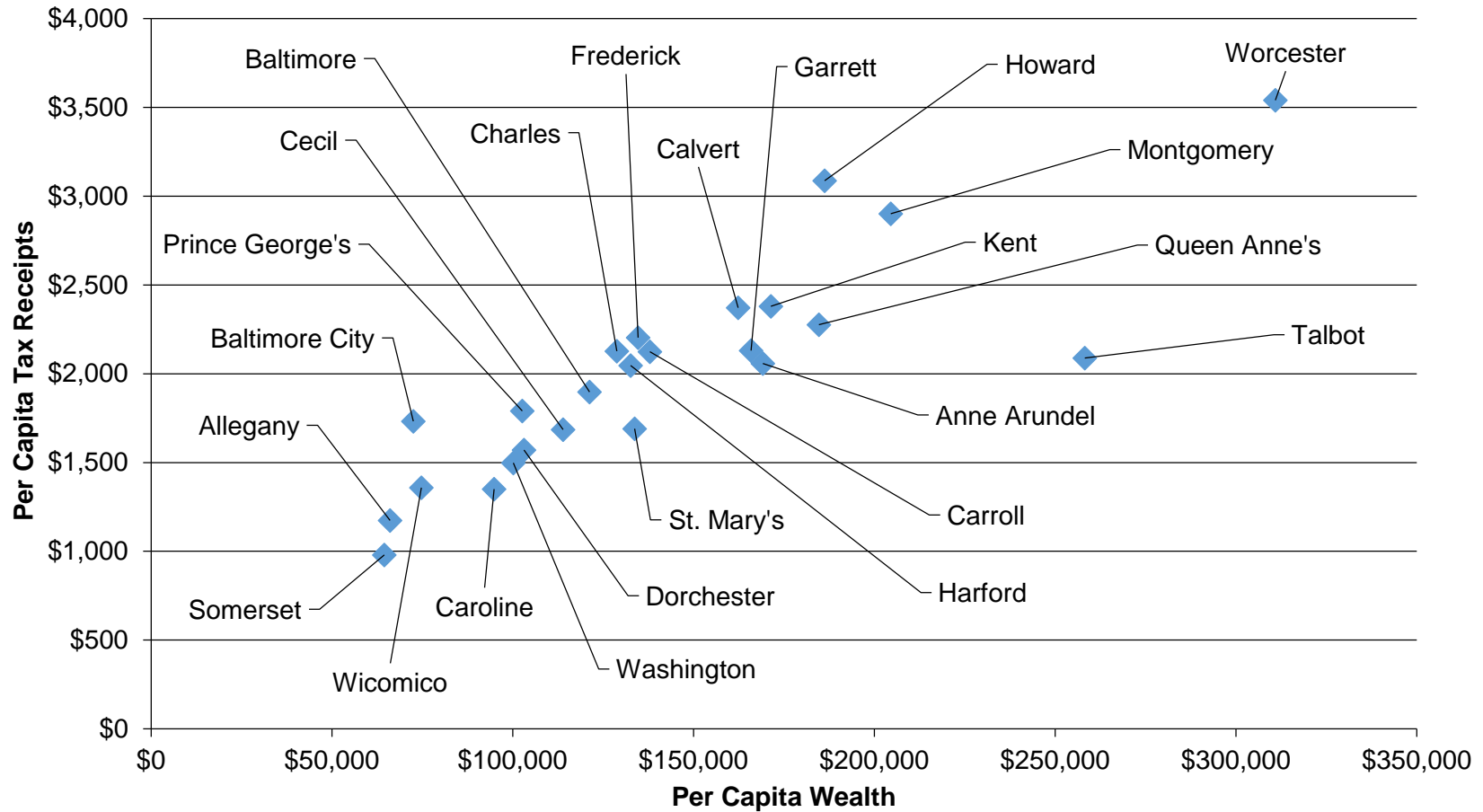
Combined Tax Effort Index Fiscal 2015

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	73,008	\$45,202,466	\$29,070,306	\$74,272,773	\$57,096,057	\$28,645,941	\$85,741,998	115	4
Anne Arundel	560,286	904,138,955	527,287,464	1,431,426,419	702,730,128	450,145,365	1,152,875,493	81	23
Baltimore City	623,711	417,111,713	289,508,687	706,620,400	780,246,108	300,013,840	1,080,259,948	153	1
Baltimore	827,794	906,450,322	695,739,003	1,602,189,325	874,586,717	696,334,824	1,570,921,541	98	16
Calvert	90,562	142,142,030	76,686,875	218,828,905	142,522,064	72,201,617	214,723,681	98	14
Caroline	32,525	30,359,799	14,712,671	45,072,470	30,988,020	12,910,008	43,898,028	97	17
Carroll	167,682	214,792,183	144,489,045	359,281,228	210,826,863	145,436,651	356,263,514	99	13
Cecil	102,135	112,353,925	61,229,777	173,583,702	115,524,432	56,619,620	172,144,052	99	12
Charles	154,687	189,682,366	112,023,745	301,706,111	217,653,645	111,424,938	329,078,583	109	5
Dorchester	32,527	33,599,429	14,354,196	47,953,625	38,558,847	12,511,272	51,070,119	106	7
Frederick	243,475	303,963,832	206,058,166	510,021,998	330,023,050	206,271,930	536,294,980	105	9
Garrett	29,652	51,848,995	14,194,987	66,043,981	50,860,885	12,303,646	63,164,531	96	18
Harford	249,949	310,913,074	198,433,988	509,347,062	313,332,626	198,251,666	511,584,292	100	10
Howard	308,705	527,216,007	376,724,159	903,940,166	557,932,251	394,985,296	952,917,547	105	8
Kent	19,793	34,281,319	13,720,068	48,001,387	33,140,701	13,955,221	47,095,922	98	15
Montgomery	1,030,476	1,962,113,014	1,304,309,432	3,266,422,446	1,639,132,856	1,349,302,683	2,988,435,539	91	19
Prince George's	903,357	890,463,984	499,263,809	1,389,727,793	1,071,025,470	546,616,582	1,617,642,052	116	3
Queen Anne's	48,726	88,936,704	41,785,382	130,722,086	67,374,054	43,554,671	110,928,725	85	21
St. Mary's	110,350	140,576,766	82,623,458	223,200,224	105,084,581	81,467,547	186,552,128	84	22
Somerset	25,632	16,626,322	6,908,569	23,534,891	18,042,360	7,089,245	25,131,605	107	6
Talbot	37,560	99,155,203	36,220,385	135,375,588	48,247,710	30,212,721	78,460,431	58	24
Washington	149,423	143,252,185	81,877,254	225,129,439	146,450,889	77,211,436	223,662,325	99	11
Wicomico	101,768	70,705,232	47,372,901	118,078,133	89,801,374	48,416,351	138,217,725	117	2
Worcester	51,563	172,638,937	36,466,011	209,104,948	167,343,073	15,177,268	182,520,341	87	20
Total	5,975,346	\$7,808,524,761	\$4,911,060,339	\$12,719,585,100	\$7,808,524,761	\$4,911,060,339	\$12,719,585,100	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