
Tax Capacity and Effort of Local Governments in Maryland Fiscal 2013

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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 \$64,485 in Somerset County to a high of \$325,262 in Worcester County – the statewide average is \$139,349
- 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 2013**

County	Population	Assessable Base	Income Base	Total Wealth Amount	Per Capita Wealth Amount	Ranking
Allegany	73,869	\$3,962,462,000	\$883,807,679	\$4,846,269,679	\$65,606	23
Anne Arundel	550,175	76,293,860,000	15,718,385,936	92,012,245,936	167,242	8
Baltimore City	622,417	35,123,384,750	8,336,085,662	43,459,470,412	69,824	22
Baltimore	817,682	80,753,432,500	21,249,027,064	102,002,459,564	124,746	15
Calvert	89,694	12,553,694,000	2,297,957,311	14,851,651,311	165,581	9
Caroline	32,644	2,810,316,000	442,663,550	3,252,979,550	99,650	20
Carroll	167,210	18,861,958,000	4,265,562,161	23,127,520,161	138,314	10
Cecil	101,684	9,967,470,000	1,820,798,498	11,788,268,498	115,930	16
Charles	150,710	16,693,575,000	3,244,243,090	19,937,818,090	132,293	13
Dorchester	32,554	3,119,674,000	441,507,171	3,561,181,171	109,393	17
Frederick	239,520	25,893,046,000	6,075,642,473	31,968,688,473	133,470	12
Garrett	29,850	4,834,792,500	423,659,828	5,258,452,328	176,163	6
Harford	248,540	26,819,052,000	5,946,287,144	32,765,339,144	131,831	14
Howard	299,356	44,000,081,000	11,074,714,974	55,074,795,974	183,978	5
Kent	20,112	3,058,279,000	429,513,265	3,487,792,265	173,418	7
Montgomery	1,004,476	163,276,867,750	38,971,409,141	202,248,276,891	201,347	3
Prince George's	881,419	79,257,049,500	14,981,534,925	94,238,584,425	106,917	18
Queen Anne's	48,542	8,031,355,000	1,215,736,501	9,247,091,501	190,497	4
St. Mary's	108,993	12,191,008,000	2,473,212,090	14,664,220,090	134,543	11
Somerset	26,206	1,483,073,000	206,812,716	1,689,885,716	64,485	24
Talbot	38,040	9,322,352,000	1,130,742,832	10,453,094,832	274,792	2
Washington	149,087	12,823,001,000	2,459,611,330	15,282,612,330	102,508	19
Wicomico	100,521	6,668,152,000	1,391,395,631	8,059,547,631	80,178	21
Worcester	51,567	15,773,058,000	999,721,375	16,772,779,375	325,262	1
Total	5,884,868	\$673,570,993,000	\$146,480,032,344	\$820,051,025,344	\$139,349	

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 \$53,642 in Allegany County to \$305,875 in Worcester County – the statewide average is \$114,458
- Using statewide average property tax rates, Allegany County would be able to generate \$608 per capita; whereas, Worcester County would be able to generate \$3,468 per capita – the statewide average is \$1,298 per capita

**Per Capita Assessable Base in Maryland Counties
Fiscal 2013**

County	Population	Assessable Base	Per Capita Basis	
			Amount	Ranking
Allegany	73,869	\$3,962,462,000	\$53,642	24
Anne Arundel	550,175	76,293,860,000	138,672	9
Baltimore City	622,417	35,123,384,750	56,431	23
Baltimore	817,682	80,753,432,500	98,759	15
Calvert	89,694	12,553,694,000	139,961	8
Caroline	32,644	2,810,316,000	86,090	19
Carroll	167,210	18,861,958,000	112,804	10
Cecil	101,684	9,967,470,000	98,024	16
Charles	150,710	16,693,575,000	110,766	12
Dorchester	32,554	3,119,674,000	95,831	17
Frederick	239,520	25,893,046,000	108,104	13
Garrett	29,850	4,834,792,500	161,970	5
Harford	248,540	26,819,052,000	107,906	14
Howard	299,356	44,000,081,000	146,982	7
Kent	20,112	3,058,279,000	152,062	6
Montgomery	1,004,476	163,276,867,750	162,549	4
Prince George's	881,419	79,257,049,500	89,920	18
Queen Anne's	48,542	8,031,355,000	165,452	3
St. Mary's	108,993	12,191,008,000	111,851	11
Somerset	26,206	1,483,073,000	56,593	22
Talbot	38,040	9,322,352,000	245,067	2
Washington	149,087	12,823,001,000	86,010	20
Wicomico	100,521	6,668,152,000	66,336	21
Worcester	51,567	15,773,058,000	305,875	1
Total	5,884,868	\$673,570,993,000	\$114,458	

**Property Tax Capacity Index
Fiscal 2013**

County	Population	Assessable Base	Property Tax Revenues	Hypothetical Yield	Per Capita Hypothetical Yield	Tax Capacity Index	Rank
Allegany	73,869	\$3,962,462,000	\$55,268,793	\$44,931,682	\$608	47	24
Anne Arundel	550,175	76,293,860,000	662,613,835	865,121,593	1,572	121	9
Baltimore City	622,417	35,123,384,750	754,742,055	398,275,806	640	49	23
Baltimore	817,682	80,753,432,500	857,516,435	915,690,177	1,120	86	15
Calvert	89,694	12,553,694,000	145,683,977	142,350,535	1,587	122	8
Caroline	32,644	2,810,316,000	29,811,015	31,867,113	976	75	19
Carroll	167,210	18,861,958,000	215,405,084	213,882,050	1,279	99	10
Cecil	101,684	9,967,470,000	117,168,297	113,024,476	1,112	86	16
Charles	150,710	16,693,575,000	206,522,637	189,294,030	1,256	97	12
Dorchester	32,554	3,119,674,000	41,120,165	35,375,027	1,087	84	17
Frederick	239,520	25,893,046,000	316,131,557	293,609,908	1,226	94	13
Garrett	29,850	4,834,792,500	53,901,168	54,823,329	1,837	142	5
Harford	248,540	26,819,052,000	314,138,895	304,110,200	1,224	94	14
Howard	299,356	44,000,081,000	524,801,215	498,931,633	1,667	128	7
Kent	20,112	3,058,279,000	33,577,322	34,678,848	1,724	133	6
Montgomery	1,004,476	163,276,867,750	1,575,265,234	1,851,451,007	1,843	142	4
Prince George's	881,419	79,257,049,500	1,093,910,704	898,722,190	1,020	79	18
Queen Anne's	48,542	8,031,355,000	68,325,043	91,070,220	1,876	145	3
St. Mary's	108,993	12,191,008,000	101,336,404	138,237,917	1,268	98	11
Somerset	26,206	1,483,073,000	18,254,962	16,817,061	642	49	22
Talbot	38,040	9,322,352,000	47,692,025	105,709,267	2,779	214	2
Washington	149,087	12,823,001,000	148,358,184	145,404,297	975	75	20
Wicomico	100,521	6,668,152,000	85,994,137	75,612,406	752	58	21
Worcester	51,567	15,773,058,000	170,307,604	178,855,980	3,468	267	1
Total	5,884,868	\$673,570,993,000	\$7,637,846,747	\$7,637,846,747	\$1,298	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 \$7,892 in Somerset County to \$38,798 in Montgomery County – the statewide average is \$24,891
- Using statewide average income tax rates, Somerset County would be able to generate \$250 per capita; whereas, Montgomery County would be able to generate \$1,230 per capita – the statewide average is \$789 per capita

**Per Capita Net Taxable Income in Maryland Counties
Fiscal 2013**

County	Population	Net Taxable Income	Per Capita Basis Amount	Ranking
Allegany	73,869	\$883,807,679	\$11,965	23
Anne Arundel	550,175	15,718,385,936	28,570	4
Baltimore City	622,417	8,336,085,662	13,393	22
Baltimore	817,682	21,249,027,064	25,987	5
Calvert	89,694	2,297,957,311	25,620	6
Caroline	32,644	442,663,550	13,560	21
Carroll	167,210	4,265,562,161	25,510	7
Cecil	101,684	1,820,798,498	17,906	15
Charles	150,710	3,244,243,090	21,526	12
Dorchester	32,554	441,507,171	13,562	20
Frederick	239,520	6,075,642,473	25,366	8
Garrett	29,850	423,659,828	14,193	18
Harford	248,540	5,946,287,144	23,925	10
Howard	299,356	11,074,714,974	36,995	2
Kent	20,112	429,513,265	21,356	13
Montgomery	1,004,476	38,971,409,141	38,798	1
Prince George's	881,419	14,981,534,925	16,997	16
Queen Anne's	48,542	1,215,736,501	25,045	9
St. Mary's	108,993	2,473,212,090	22,691	11
Somerset	26,206	206,812,716	7,892	24
Talbot	38,040	1,130,742,832	29,725	3
Washington	149,087	2,459,611,330	16,498	17
Wicomico	100,521	1,391,395,631	13,842	19
Worcester	51,567	999,721,375	19,387	14
Total	5,884,868	\$146,480,032,344	\$24,891	

**Income Tax Capacity Index
Fiscal 2013**

County	Population	Net Taxable Income	Income Tax Revenues	Hypothetical Yield	Per Capita Hypothetical Yield	Tax Capacity Index	Rank
Allegany	73,869	\$883,807,679	\$26,910,241	\$28,008,310	\$379	48	23
Anne Arundel	550,175	15,718,385,936	413,070,193	498,123,559	905	115	4
Baltimore City	622,417	8,336,085,662	276,111,250	264,174,749	424	54	22
Baltimore	817,682	21,249,027,064	624,060,806	673,392,359	824	104	5
Calvert	89,694	2,297,957,311	65,079,248	72,823,423	812	103	6
Caroline	32,644	442,663,550	11,679,869	14,028,231	430	54	21
Carroll	167,210	4,265,562,161	133,233,368	135,177,811	808	102	7
Cecil	101,684	1,820,798,498	52,649,762	57,702,021	567	72	15
Charles	150,710	3,244,243,090	100,800,853	102,811,696	682	86	12
Dorchester	32,554	441,507,171	10,672,473	13,991,584	430	54	20
Frederick	239,520	6,075,642,473	186,260,898	192,540,167	804	102	8
Garrett	29,850	423,659,828	11,590,356	13,425,993	450	57	18
Harford	248,540	5,946,287,144	187,646,221	188,440,832	758	96	10
Howard	299,356	11,074,714,974	374,358,092	350,963,290	1,172	149	2
Kent	20,112	429,513,265	11,746,417	13,611,491	677	86	13
Montgomery	1,004,476	38,971,409,141	1,355,175,128	1,235,023,565	1,230	156	1
Prince George's	881,419	14,981,534,925	526,473,236	474,772,380	539	68	16
Queen Anne's	48,542	1,215,736,501	39,917,053	38,527,301	794	101	9
St. Mary's	108,993	2,473,212,090	77,149,713	78,377,336	719	91	11
Somerset	26,206	206,812,716	6,306,317	6,553,999	250	32	24
Talbot	38,040	1,130,742,832	25,028,373	35,833,809	942	119	3
Washington	149,087	2,459,611,330	69,023,469	77,946,321	523	66	17
Wicomico	100,521	1,391,395,631	43,033,417	44,094,028	439	56	19
Worcester	51,567	999,721,375	14,049,175	31,681,673	614	78	14
Total	5,884,868	\$146,480,032,344	\$4,642,025,928	\$4,642,025,928	\$789	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, Somerset County would be able to generate \$892 per capita; whereas, Worcester County would be able to generate \$4,083 per capita – the statewide average is \$2,087 per capita

**Combined Tax Capacity Index
Fiscal 2013**

County	Population	Property Hypothetical Yield	Income Hypothetical Yield	Combined Hypothetical Yield	County Yield Per Capita	Tax Capacity Index	Rank
Allegany	73,869	\$44,931,682	\$28,008,310	\$72,939,992	\$987	47	23
Anne Arundel	550,175	865,121,593	498,123,559	1,363,245,152	2,478	119	6
Baltimore City	622,417	398,275,806	264,174,749	662,450,555	1,064	51	22
Baltimore	817,682	915,690,177	673,392,359	1,589,082,536	1,943	93	14
Calvert	89,694	142,350,535	72,823,423	215,173,958	2,399	115	8
Caroline	32,644	31,867,113	14,028,231	45,895,344	1,406	67	20
Carroll	167,210	213,882,050	135,177,811	349,059,861	2,088	100	10
Cecil	101,684	113,024,476	57,702,021	170,726,496	1,679	80	16
Charles	150,710	189,294,030	102,811,696	292,105,726	1,938	93	15
Dorchester	32,554	35,375,027	13,991,584	49,366,611	1,516	73	18
Frederick	239,520	293,609,908	192,540,167	486,150,075	2,030	97	11
Garrett	29,850	54,823,329	13,425,993	68,249,322	2,286	110	9
Harford	248,540	304,110,200	188,440,832	492,551,031	1,982	95	13
Howard	299,356	498,931,633	350,963,290	849,894,923	2,839	136	4
Kent	20,112	34,678,848	13,611,491	48,290,340	2,401	115	7
Montgomery	1,004,476	1,851,451,007	1,235,023,565	3,086,474,571	3,073	147	3
Prince George's	881,419	898,722,190	474,772,380	1,373,494,570	1,558	75	17
Queen Anne's	48,542	91,070,220	38,527,301	129,597,522	2,670	128	5
St. Mary's	108,993	138,237,917	78,377,336	216,615,252	1,987	95	12
Somerset	26,206	16,817,061	6,553,999	23,371,060	892	43	24
Talbot	38,040	105,709,267	35,833,809	141,543,076	3,721	178	2
Washington	149,087	145,404,297	77,946,321	223,350,617	1,498	72	19
Wicomico	100,521	75,612,406	44,094,028	119,706,433	1,191	57	21
Worcester	51,567	178,855,980	31,681,673	210,537,653	4,083	196	1
Total	5,884,868	\$7,637,846,747	\$4,642,025,928	\$12,279,872,675	\$2,087	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 2013**

County	Population	Combined Hypothetical Yield	State Aid Amount	Adjusted Hypothetical Yield	Adjusted Yield Per Capita	Adjusted Capacity Index	Rank
Allegany	73,869	\$72,939,992	\$105,612,579	\$178,552,571	\$2,417	75	23
Anne Arundel	550,175	1,363,245,152	445,012,825	1,808,257,977	3,287	102	8
Baltimore City	622,417	662,450,555	1,379,964,046	2,042,414,601	3,281	101	9
Baltimore	817,682	1,589,082,536	721,452,503	2,310,535,039	2,826	87	20
Calvert	89,694	215,173,958	105,326,375	320,500,333	3,573	110	6
Caroline	32,644	45,895,344	57,858,030	103,753,374	3,178	98	12
Carroll	167,210	349,059,861	177,904,806	526,964,667	3,152	97	14
Cecil	101,684	170,726,496	128,583,406	299,309,902	2,944	91	17
Charles	150,710	292,105,726	192,083,703	484,189,429	3,213	99	10
Dorchester	32,554	49,366,611	43,807,671	93,174,282	2,862	88	18
Frederick	239,520	486,150,075	277,438,678	763,588,753	3,188	98	11
Garrett	29,850	68,249,322	34,316,972	102,566,294	3,436	106	7
Harford	248,540	492,551,031	259,190,445	751,741,476	3,025	93	16
Howard	299,356	849,894,923	301,153,508	1,151,048,431	3,845	119	4
Kent	20,112	48,290,340	15,277,867	63,568,207	3,161	98	13
Montgomery	1,004,476	3,086,474,571	827,633,465	3,914,108,036	3,897	120	3
Prince George's	881,419	1,373,494,570	1,119,999,652	2,493,494,222	2,829	87	19
Queen Anne's	48,542	129,597,522	44,318,606	173,916,128	3,583	111	5
St. Mary's	108,993	216,615,252	115,283,799	331,899,051	3,045	94	15
Somerset	26,206	23,371,060	35,327,135	58,698,195	2,240	69	24
Talbot	38,040	141,543,076	19,568,736	161,111,812	4,235	131	2
Washington	149,087	223,350,617	189,928,919	413,279,536	2,772	86	21
Wicomico	100,521	119,706,433	145,987,247	265,693,680	2,643	82	22
Worcester	51,567	210,537,653	32,913,794	243,451,447	4,721	146	1
Total	5,884,868	\$12,279,872,675	\$6,775,944,767	\$19,055,817,442	\$3,238	100	

**Comparison of Tax Capacity Index and State Aid Adjusted Index
Fiscal 2013**

County	Population	County Yield Per Capita	Tax Capacity Index	Rank	Adjusted Yield Per Capita	Adjusted Capacity Index	Rank
Allegany	73,869	\$987	47	23	\$2,417	75	23
Anne Arundel	550,175	2,478	119	6	3,287	102	8
Baltimore City	622,417	1,064	51	22	3,281	101	9
Baltimore	817,682	1,943	93	14	2,826	87	20
Calvert	89,694	2,399	115	8	3,573	110	6
Caroline	32,644	1,406	67	20	3,178	98	12
Carroll	167,210	2,088	100	10	3,152	97	14
Cecil	101,684	1,679	80	16	2,944	91	17
Charles	150,710	1,938	93	15	3,213	99	10
Dorchester	32,554	1,516	73	18	2,862	88	18
Frederick	239,520	2,030	97	11	3,188	98	11
Garrett	29,850	2,286	110	9	3,436	106	7
Harford	248,540	1,982	95	13	3,025	93	16
Howard	299,356	2,839	136	4	3,845	119	4
Kent	20,112	2,401	115	7	3,161	98	13
Montgomery	1,004,476	3,073	147	3	3,897	120	3
Prince George's	881,419	1,558	75	17	2,829	87	19
Queen Anne's	48,542	2,670	128	5	3,583	111	5
St. Mary's	108,993	1,987	95	12	3,045	94	15
Somerset	26,206	892	43	24	2,240	69	24
Talbot	38,040	3,721	178	2	4,235	131	2
Washington	149,087	1,498	72	19	2,772	86	21
Wicomico	100,521	1,191	57	21	2,643	82	22
Worcester	51,567	4,083	196	1	4,721	146	1
Total	5,884,868	\$2,087	100		\$3,238	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 (a low-wealth jurisdiction) has an 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 2013**

County	Population	Assessable Base	Property Tax Revenues	Hypothetical Yield	Tax Effort Index	Rank
Allegany	73,869	\$3,962,462,000	\$55,268,793	\$44,931,682	123	2
Anne Arundel	550,175	76,293,860,000	662,613,835	865,121,593	77	21
Baltimore City	622,417	35,123,384,750	754,742,055	398,275,806	190	1
Baltimore	817,682	80,753,432,500	857,516,435	915,690,177	94	18
Calvert	89,694	12,553,694,000	145,683,977	142,350,535	102	12
Caroline	32,644	2,810,316,000	29,811,015	31,867,113	94	19
Carroll	167,210	18,861,958,000	215,405,084	213,882,050	101	14
Cecil	101,684	9,967,470,000	117,168,297	113,024,476	104	10
Charles	150,710	16,693,575,000	206,522,637	189,294,030	109	6
Dorchester	32,554	3,119,674,000	41,120,165	35,375,027	116	4
Frederick	239,520	25,893,046,000	316,131,557	293,609,908	108	8
Garrett	29,850	4,834,792,500	53,901,168	54,823,329	98	15
Harford	248,540	26,819,052,000	314,138,895	304,110,200	103	11
Howard	299,356	44,000,081,000	524,801,215	498,931,633	105	9
Kent	20,112	3,058,279,000	33,577,322	34,678,848	97	16
Montgomery	1,004,476	163,276,867,750	1,575,265,234	1,851,451,007	85	20
Prince George's	881,419	79,257,049,500	1,093,910,704	898,722,190	122	3
Queen Anne's	48,542	8,031,355,000	68,325,043	91,070,220	75	22
St. Mary's	108,993	12,191,008,000	101,336,404	138,237,917	73	23
Somerset	26,206	1,483,073,000	18,254,962	16,817,061	109	7
Talbot	38,040	9,322,352,000	47,692,025	105,709,267	45	24
Washington	149,087	12,823,001,000	148,358,184	145,404,297	102	13
Wicomico	100,521	6,668,152,000	85,994,137	75,612,406	114	5
Worcester	51,567	15,773,058,000	170,307,604	178,855,980	95	17
Total	5,884,868	\$673,570,993,000	\$7,637,846,747	\$7,637,846,747	100	

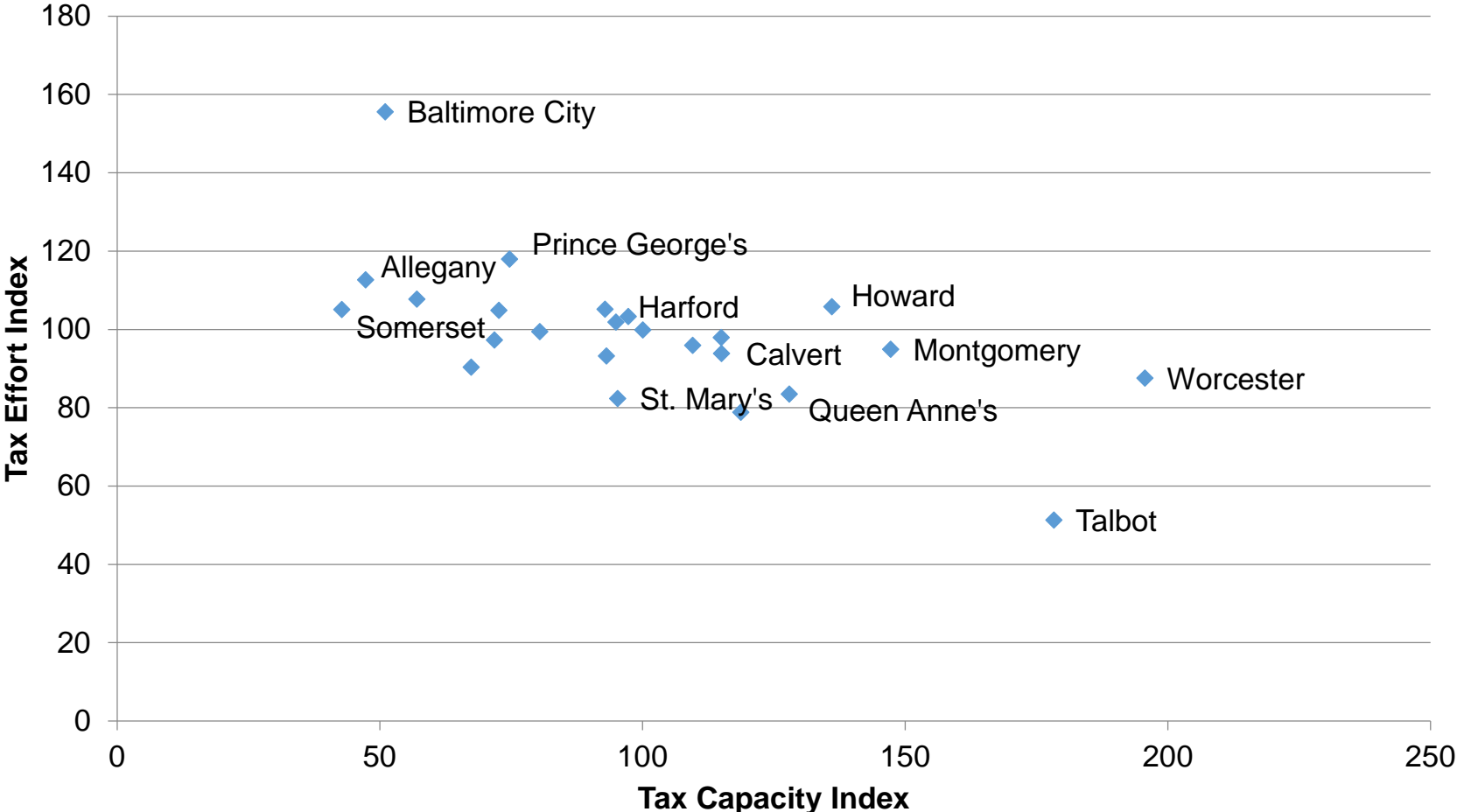
**Income Tax Effort Index
Fiscal 2013**

County	Population	Net Taxable Income	Income Tax Revenues	Hypothetical Yield	Tax Effort Index	Rank
Allegany	73,869	\$883,807,679	\$26,910,241	\$28,008,310	96	13
Anne Arundel	550,175	15,718,385,936	413,070,193	498,123,559	83	21
Baltimore City	622,417	8,336,085,662	276,111,250	264,174,749	105	4
Baltimore	817,682	21,249,027,064	624,060,806	673,392,359	93	14
Calvert	89,694	2,297,957,311	65,079,248	72,823,423	89	16
Caroline	32,644	442,663,550	11,679,869	14,028,231	83	20
Carroll	167,210	4,265,562,161	133,233,368	135,177,811	99	7
Cecil	101,684	1,820,798,498	52,649,762	57,702,021	91	15
Charles	150,710	3,244,243,090	100,800,853	102,811,696	98	9
Dorchester	32,554	441,507,171	10,672,473	13,991,584	76	22
Frederick	239,520	6,075,642,473	186,260,898	192,540,167	97	11
Garrett	29,850	423,659,828	11,590,356	13,425,993	86	18
Harford	248,540	5,946,287,144	187,646,221	188,440,832	100	6
Howard	299,356	11,074,714,974	374,358,092	350,963,290	107	3
Kent	20,112	429,513,265	11,746,417	13,611,491	86	19
Montgomery	1,004,476	38,971,409,141	1,355,175,128	1,235,023,565	110	2
Prince George's	881,419	14,981,534,925	526,473,236	474,772,380	111	1
Queen Anne's	48,542	1,215,736,501	39,917,053	38,527,301	104	5
St. Mary's	108,993	2,473,212,090	77,149,713	78,377,336	98	8
Somerset	26,206	206,812,716	6,306,317	6,553,999	96	12
Talbot	38,040	1,130,742,832	25,028,373	35,833,809	70	23
Washington	149,087	2,459,611,330	69,023,469	77,946,321	89	17
Wicomico	100,521	1,391,395,631	43,033,417	44,094,028	98	10
Worcester	51,567	999,721,375	14,049,175	31,681,673	44	24
Total	5,884,868	\$146,480,032,344	\$4,642,025,928	\$4,642,025,928	100	

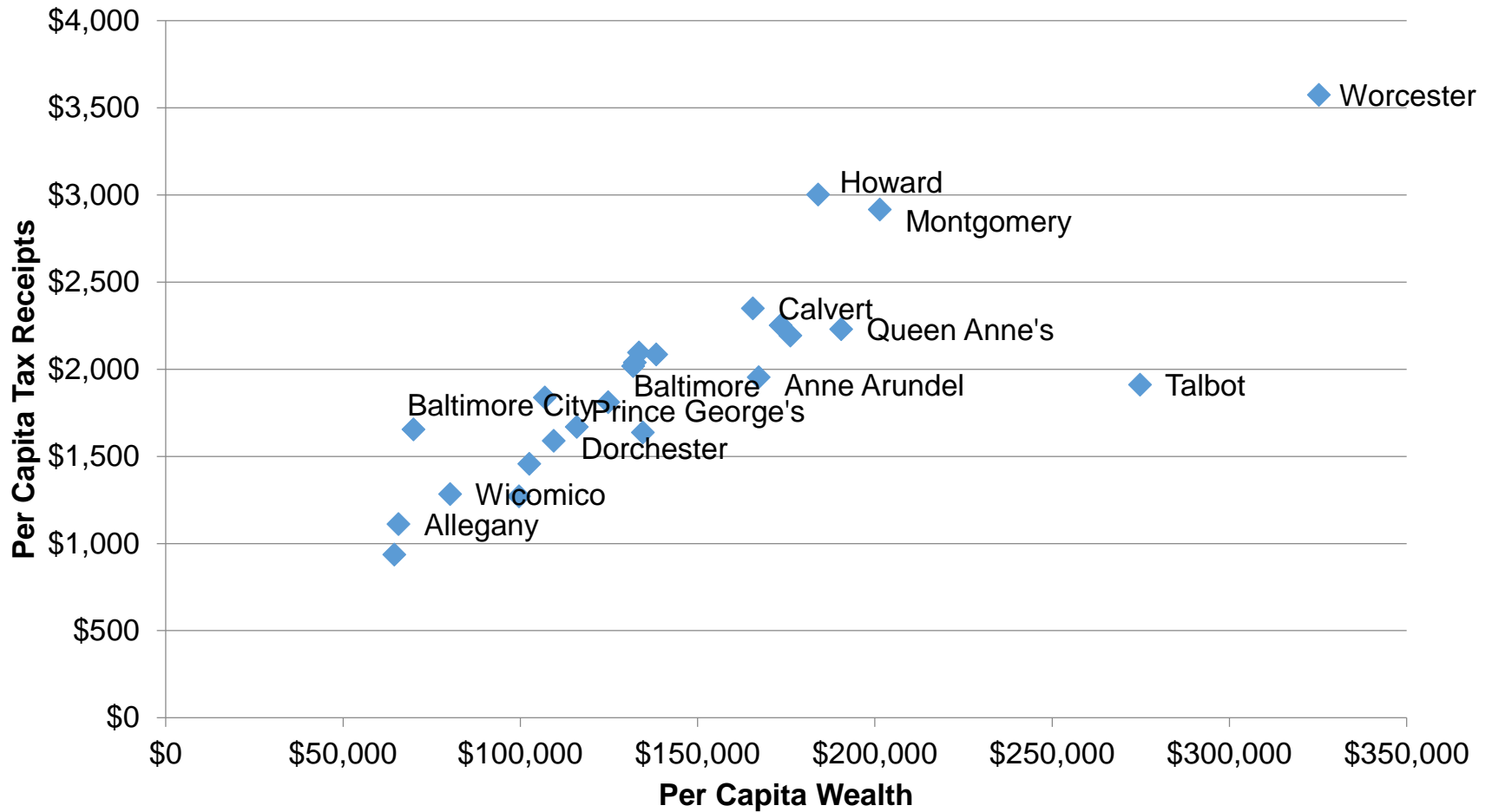
Combined Tax Effort Index Fiscal 2013

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	73,869	\$44,931,682	\$28,008,310	\$72,939,992	\$55,268,793	\$26,910,241	\$82,179,034	113	3
Anne Arundel	550,175	865,121,593	498,123,559	1,363,245,152	662,613,835	413,070,193	1,075,684,028	79	23
Baltimore City	622,417	398,275,806	264,174,749	662,450,555	754,742,055	276,111,250	1,030,853,305	156	1
Baltimore	817,682	915,690,177	673,392,359	1,589,082,536	857,516,435	624,060,806	1,481,577,241	93	18
Calvert	89,694	142,350,535	72,823,423	215,173,958	145,683,977	65,079,248	210,763,225	98	13
Caroline	32,644	31,867,113	14,028,231	45,895,344	29,811,015	11,679,869	41,490,884	90	19
Carroll	167,210	213,882,050	135,177,811	349,059,861	215,405,084	133,233,368	348,638,452	100	11
Cecil	101,684	113,024,476	57,702,021	170,726,496	117,168,297	52,649,762	169,818,059	99	12
Charles	150,710	189,294,030	102,811,696	292,105,726	206,522,637	100,800,853	307,323,490	105	6
Dorchester	32,554	35,375,027	13,991,584	49,366,611	41,120,165	10,672,473	51,792,638	105	8
Frederick	239,520	293,609,908	192,540,167	486,150,075	316,131,557	186,260,898	502,392,455	103	9
Garrett	29,850	54,823,329	13,425,993	68,249,322	53,901,168	11,590,356	65,491,524	96	15
Harford	248,540	304,110,200	188,440,832	492,551,031	314,138,895	187,646,221	501,785,116	102	10
Howard	299,356	498,931,633	350,963,290	849,894,923	524,801,215	374,358,092	899,159,307	106	5
Kent	20,112	34,678,848	13,611,491	48,290,340	33,577,322	11,746,417	45,323,739	94	17
Montgomery	1,004,476	1,851,451,007	1,235,023,565	3,086,474,571	1,575,265,234	1,355,175,128	2,930,440,362	95	16
Prince George's	881,419	898,722,190	474,772,380	1,373,494,570	1,093,910,704	526,473,236	1,620,383,940	118	2
Queen Anne's	48,542	91,070,220	38,527,301	129,597,522	68,325,043	39,917,053	108,242,096	84	21
St. Mary's	108,993	138,237,917	78,377,336	216,615,252	101,336,404	77,149,713	178,486,117	82	22
Somerset	26,206	16,817,061	6,553,999	23,371,060	18,254,962	6,306,317	24,561,279	105	7
Talbot	38,040	105,709,267	35,833,809	141,543,076	47,692,025	25,028,373	72,720,398	51	24
Washington	149,087	145,404,297	77,946,321	223,350,617	148,358,184	69,023,469	217,381,653	97	14
Wicomico	100,521	75,612,406	44,094,028	119,706,433	85,994,137	43,033,417	129,027,554	108	4
Worcester	51,567	178,855,980	31,681,673	210,537,653	170,307,604	14,049,175	184,356,779	88	20
Total	5,884,868	\$7,637,846,747	\$4,642,025,928	\$12,279,872,675	\$7,637,846,747	\$4,642,025,928	\$12,279,872,675	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