

Methodology

Data was derived by using two sources: the state Revenue Department's listing of taxes paid by county and the Legislative Budget and Finance Committee's report of March 2017 that detailed state grants and subsidies both by program and county.

We did not include federal money. The list consists of spending from the state's main budget, the General Fund, and other specialized. The Fish Commission and Game Commission are examples, as is the much larger Motor License fund.

We also were unable to count revenue from out of state. This amounted to close to \$5 billion, mostly due to the sales tax. Revenue from that tax is counted by county of remittance and not the county where the sale took place.

In other words, the sales tax you pay on a cup of coffee bought at a Starbucks in Ardmore, is remitted to the state by Starbuck's headquarters in Seattle. The total of these so-called out-of-state taxes is rising rapidly due to online shopping.

The record of these type of sales by county was unobtainable. One alternative would have been to assign the value of these out-of-state taxes on a per capita basis to each county. This would not enhance their accuracy, so out-of-state tax revenue was excluded.

If a company that sells regionally or nationally is headquartered in a county, the sales tax it gets from out-of-county state sales will inflate the sales tax total, leading to a distortion in some counties.

A prime example is Warren County (pop. 40,000), along the state's Northern Tier, which ranks among the highest in per capita sales tax revenue because it is home to three businesses with regional and national sales. One is Blair Payroll, LLC, a web site and catalogue company that sells clothing and household goods nationally. (Clothing is exempt from the sales tax.) Another is United Refining Co., which owns a chain of 375 convenience stores in upstate Pennsylvania, New York and Ohio. A third is Whirley Industries, Inc., which manufactures and sells specialty mugs and cups. All sales tax collected by these companies are credited to the Warren County total.

Our focus was on taxes paid by individuals, so we excluded business taxes from this analysis. The taxes we did count were: sales tax, motor vehicle sales tax, income tax, real estate transfer tax and the inheritance tax, all of which add up to the bulk of money raised by state government. There was no county-by-county breakdown available for user and license fees.

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