

# Georgia Tax Revenue and State and Local Services Document Based Questions (DBQs)

## Artifact A

### Details, Tax Code Features, & Tax Code Changes Enacted in 2013 & 2014

Income Group	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Top 20%		
					Next 15%	Next 4%	TOP 1%
Income Range	Less than \$16,000	\$16,000 – \$30,000	\$30,000 – \$49,000	\$49,000 – \$82,000	\$82,000 – \$171,000	\$171,000 – \$432,000	\$432,000 or more
Average Income in Group	\$10,000	\$22,200	\$38,700	\$63,500	\$112,900	\$250,800	\$1,179,200
<b>Sales &amp; Excise Taxes</b>	<b>6.8%</b>	<b>5.9%</b>	<b>4.8%</b>	<b>3.9%</b>	<b>2.8%</b>	<b>1.7%</b>	<b>0.8%</b>
General Sales—Individuals	4.0%	3.6%	2.9%	2.5%	1.8%	1.1%	0.5%
Other Sales & Excise—Ind.	0.6%	0.5%	0.3%	0.2%	0.2%	0.1%	0.0%
Sales & Excise on Business	2.2%	1.9%	1.5%	1.2%	0.8%	0.5%	0.2%
<b>Property Taxes</b>	<b>2.9%</b>	<b>2.3%</b>	<b>2.3%</b>	<b>2.3%</b>	<b>2.2%</b>	<b>2.2%</b>	<b>1.6%</b>
Property Taxes on Families	2.8%	2.2%	2.2%	2.2%	2.1%	1.8%	0.8%
Other Property Taxes	0.1%	0.1%	0.0%	0.1%	0.2%	0.3%	0.8%
<b>Income Taxes</b>	<b>0.7%</b>	<b>2.1%</b>	<b>2.7%</b>	<b>3.5%</b>	<b>3.8%</b>	<b>4.2%</b>	<b>4.4%</b>
Personal Income Tax	0.7%	2.1%	2.6%	3.5%	3.8%	4.1%	4.2%
Corporate Income Tax	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.2%
<b>Total Taxes</b>	<b>10.4%</b>	<b>10.3%</b>	<b>9.7%</b>	<b>9.7%</b>	<b>8.9%</b>	<b>8.1%</b>	<b>6.7%</b>
<i>Federal Deduction Offset</i>	<i>-0.0%</i>	<i>-0.1%</i>	<i>-0.2%</i>	<i>-0.5%</i>	<i>-1.0%</i>	<i>-1.0%</i>	<i>-1.7%</i>
<b>OVERALL TOTAL</b>	<b>10.4%</b>	<b>10.2%</b>	<b>9.4%</b>	<b>9.2%</b>	<b>7.9%</b>	<b>7.1%</b>	<b>5.0%</b>

Note: Table shows detailed breakout of data on previous page.

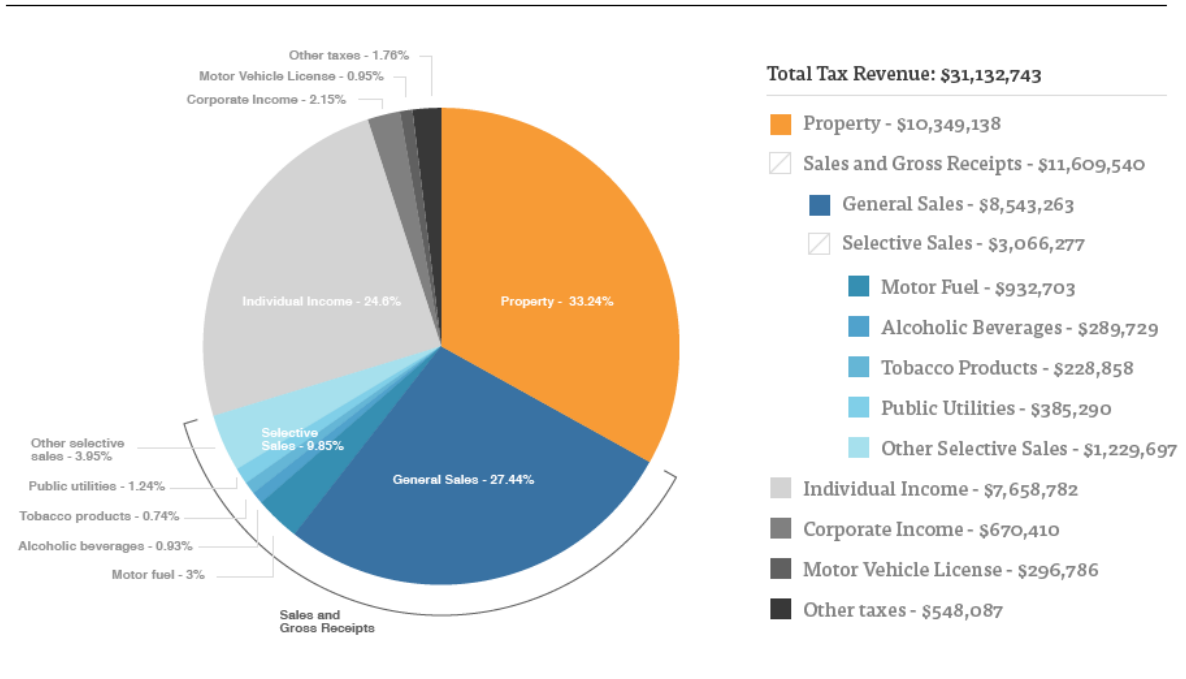
<http://itep.org/whopays/states/images/GeorgiaTable.jpg>

1. According to the tax code table, what percentage of total taxes were collected from the group of people who made the lowest amount of money? **SS8E4a**
2. In the overall total, which tax category generated the highest percentage of revenue for the State of Georgia? **SS8E4a**
3. What amount of revenue was collected from the Top 1% in terms of property taxes according to the table? **SS8E4a**
4. Which group of people contributed the highest percentage of their income to Georgia’s revenue according to the table? **SS8E4a**

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## Artifact B

State Tax Revenue Sources - Georgia



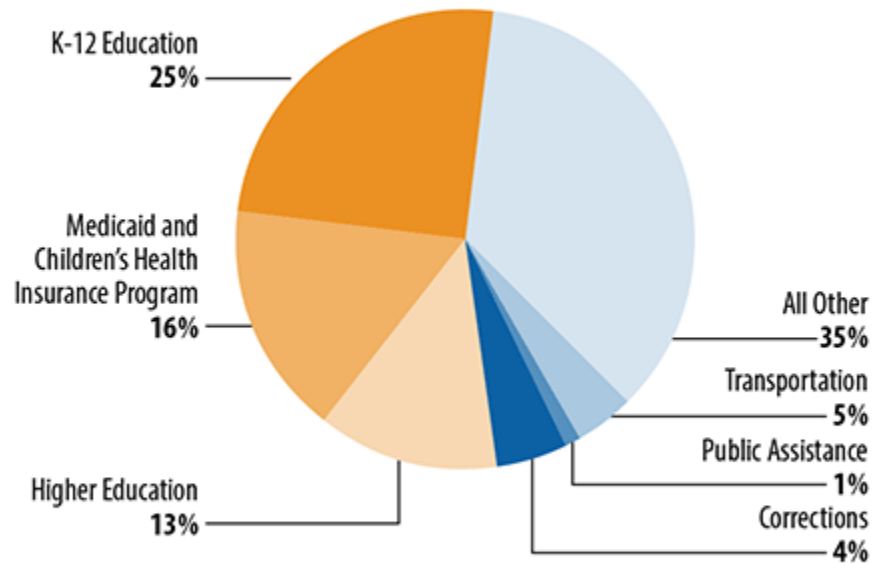
[http://taxhelp.org/wp-content/uploads/2014/01/131216\\_taxburdenfinals\\_georgia1.png](http://taxhelp.org/wp-content/uploads/2014/01/131216_taxburdenfinals_georgia1.png)

5. According to the pie chart, what percentage of Georgia's economy was represented by property taxes? **SS8E4a**
6. How much revenue did individual income taxes generate for the State of Georgia in 2014? **SS8E4a**
7. How much revenue did sales and gross receipts taxes generate for the State of Georgia in 2014? **SS8E4a**
8. Which tax revenue source generated the least amount of money for the State of Georgia in 2014? **SS8E4a**

Artifact C

### More Than Half of State Tax Revenues Fund Education and Health Care

Percentage of state spending



Note: "All Other" includes care for residents with disabilities, pensions, and health benefits for public employees, economic development, environmental projects, state police, parks and recreation, and general aid to local governments.

Source: NASBO State Expenditure Report FY 2013

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

<http://www.cbpp.org/sites/default/files/atoms/files/policybasics-statetaxdollars-rev4-14-15.png>

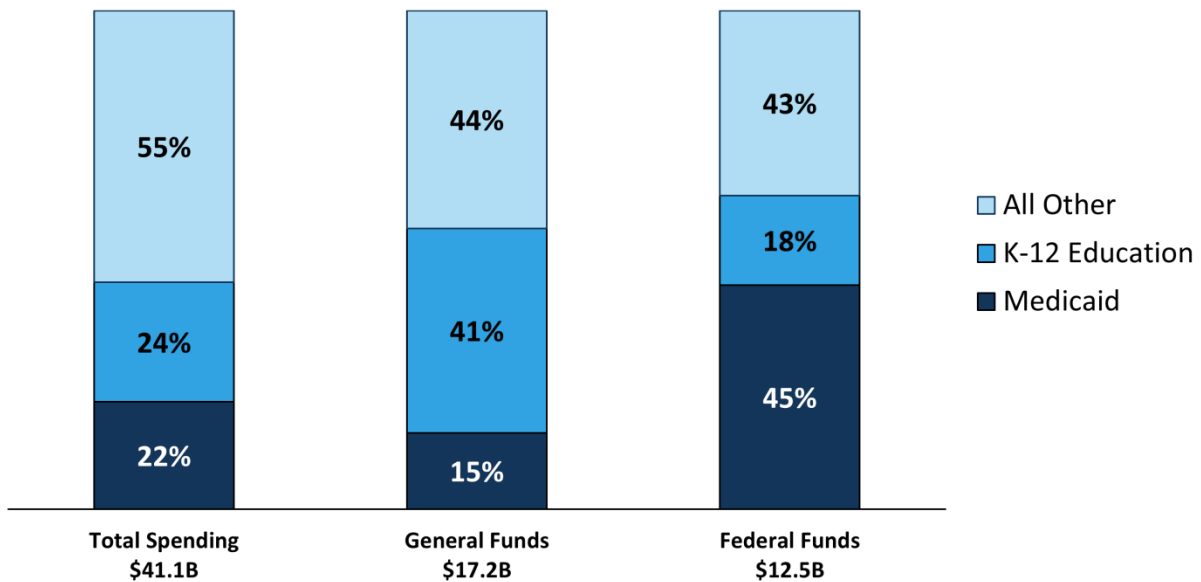
9. According to the pie chart, how is the largest amount of state funding in general allocated?  
**SS8E4b**

10. What is the second highest expenditure of tax revenue on a national level? **SS8E4b**

Artifact D

Figure 6

### Budget Expenditures by Funding Source for Georgia, SFY 2012



SOURCE: Kaiser Commission on Medicaid and the Uninsured estimates based on the NASBO November 2013 State Expenditure Report (actual data for SFY 2012).

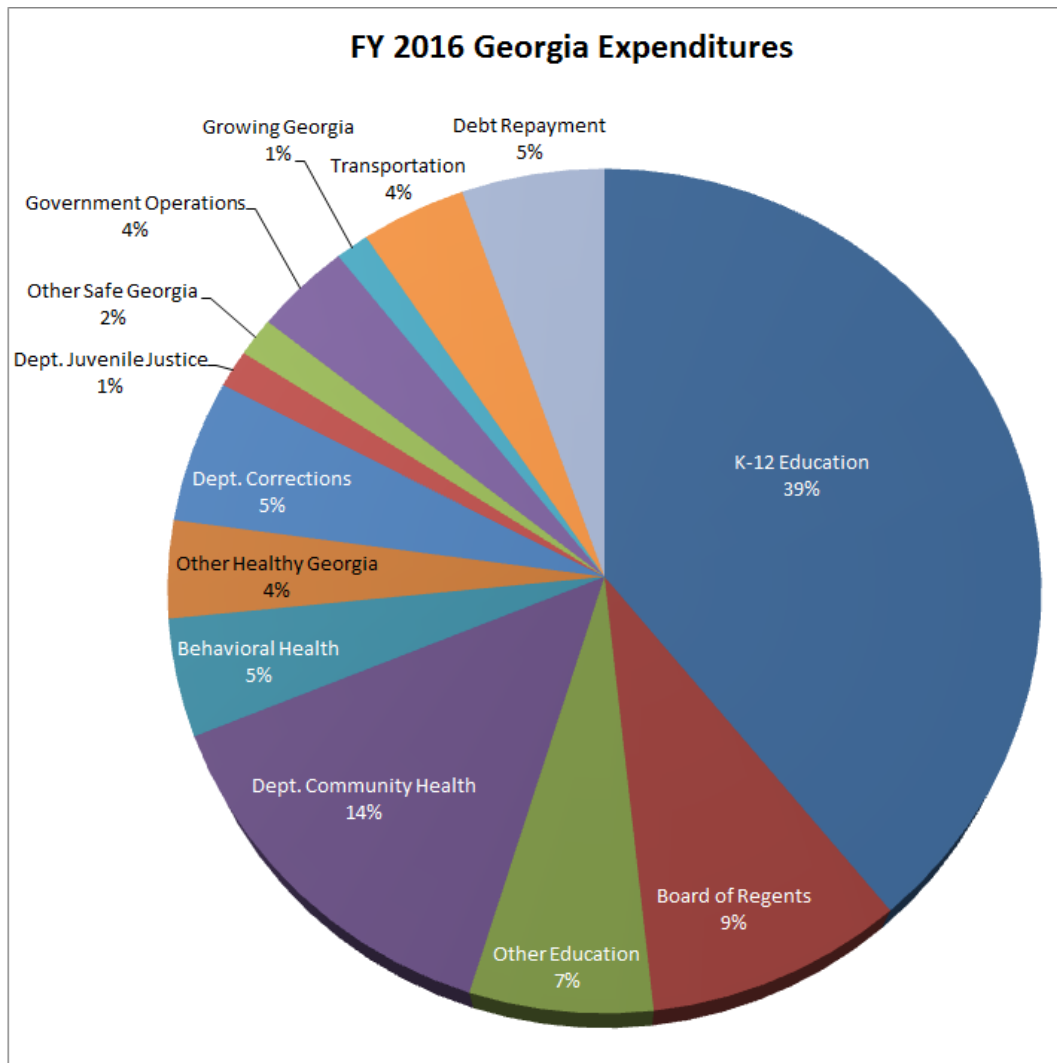


<https://kaiserfamilyfoundation.files.wordpress.com/2014/09/8637-figure-6.png>

11. According to the bar graph, what percentage of Georgia’s general funds were allocated to K-12 education? **SS8E4b**
12. What was the largest expenditure of state and federal funding for Georgia according to the bar graph? **SS8E4b**
13. How much of Georgia’s general funds expenditure was dedicated to Medicaid? **SS8E4b**
14. How much of Georgia’s general funds were spent in total in 2012? **SS8E4b**

# Georgia Tax Revenue and State and Local Services Document Based Questions (DBQs)

## Artifact E



<http://www.peachpundit.com/wp-content/uploads/2015/01/Georgia-2016-Expenditures.png>

15. In FY 2014, what was the largest expenditure of tax revenue in Georgia? **SS8E4b**
16. What percentage of Georgia's tax revenue was spent on improvements to its transportation sources? **SS8E4b**
17. How much of Georgia's total budget was taken up by expenditures on any education-related line item? **SS8E4b**

## Georgia Tax Revenue and State and Local Services Document Based Questions (DBQs)

### Artifact F

#### Georgia Governor Nathan Deal Signs 2016 State Budget

By Press Release

Published: May 11, 2015, 5:36 pm

Monday, Georgia Governor Nathan Deal signed into law the bill establishing next year's \$21.8 billion state budget, which will keep Georgia moving forward in education, public safety, economic development, health care and other key areas.

"Our decisions on what to fund each year carry a great deal of weight," Deal said. "I commend the General Assembly for working with me to produce a balanced budget that reflects the needs of our agencies and the people of this great state."

The final product includes the following key items:

- An increase of over half a billion dollars in funding for K-12 education, much of which will be used by local school districts to continue to restore instructional days, eliminate furlough days and raise teachers' salaries
- Funding for the continued development of the Georgia Film Academy to ensure the state has the workforce needed to sustain its thriving film industry.
- An expansion of the number of strategic industries for which the full cost of tuition is covered for Georgia's technical college students — an effort to help meet demand for available workers.
- Another \$36 million for services for Georgia's children in need, including funding for additional caseworkers and money to implement the Child Welfare Reform Council's recommendations, which promote the safety and effectiveness of caseworkers.
- Funding for tools needed to make the new "hub and spoke" model for rural hospitals a success, which will help ensure citizens in these rural areas have access to needed care.
- An additional \$19.7 million to continue the state's criminal justice reforms, which utilize community alternatives to sentencing, educational initiatives and reentry support to enhance the safety of Georgians through wise stewardship of tax dollars.

<http://wjbf.com/2015/05/11/georgia-governor-nathan-deal-signs-2016-state-budget/>

18. According to the press release, what changes did Governor Deal propose to the amount of money allocated for K-12 education? **SS8E4b**
19. How much more money does Georgia plan to invest in child services from the previous budget year? **SS8E4b**
20. How much of the tax revenue will be allocated to impact alternatives to prison in the criminal justice division? **SS8E4b**

## Georgia Tax Revenue and State and Local Services Document Based Questions (DBQs)

### Artifact G

#### Gov. Deal signs fiscal 2016 budget

May 11, 2015

Gov. Nathan Deal signed a \$21.8 billion state budget Monday with only one line-item veto.

The \$21.8 billion budget for the fiscal year starting July 1 increases state spending nearly \$1 billion over the fiscal 2015 spending plan Georgia lawmakers adopted a year ago.

Highlights include nearly \$500 million in new revenue for K-12 education, money local school systems can use to restore instructional days, eliminate teacher furloughs and raise teacher salaries.

The budget also gives state employees 1 percent pay raises, puts \$19.7 million toward the governor's criminal justice reforms and kicks in an additional \$5 million for the state Department of Economic Development's "deal-closing" fund.

Specific projects funded through the budget include the new Georgia Film Academy, an initiative to train workers for high-demand jobs in Georgia's rapidly growing movie industry, and planned clinical trials of cannabidiol, a non-psychoactive marijuana derivative used to treat seizure disorders.

The \$1.1 billion bond package includes nearly \$600 million in building projects and other capital improvements at state university and technical college campuses, \$175 million for highway, bridge and transit projects and \$23 million to complete a parking garage on state-owned property in downtown Atlanta that will be used for games at the new Atlanta Falcons stadium.

In the end, Deal went along with the legislature's decision to retain state health insurance coverage for part-time school bus drivers, custodians, cafeteria workers and paraprofessionals. The governor's original budget introduced in January called for eliminating coverage for those part-time school employees.

The only veto Deal issued to the budget yanks \$3.5 million in bonds to build a seawall on Hutchinson Island in Savannah. In his veto statement, the governor said the state can't use bonds to finance the project because the land in question does not belong to the state.

[http://www.bizjournals.com/atlanta/blog/capitol\\_vision/2015/05/gov-deal-signs-fy16-budget.html](http://www.bizjournals.com/atlanta/blog/capitol_vision/2015/05/gov-deal-signs-fy16-budget.html)

21. What are some of the potential uses of the additional funding allotment for K-12 education that the article highlights? **SS8E4b**

## Georgia Tax Revenue and State and Local Services Document Based Questions (DBQs)

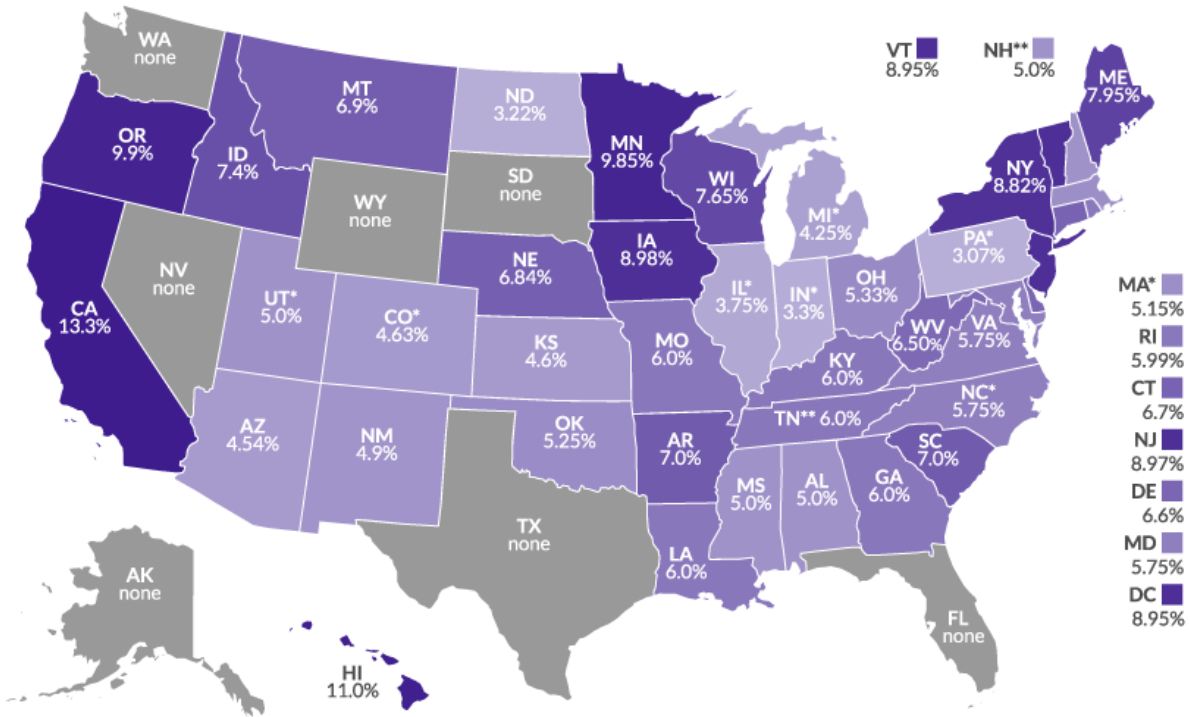
22. How will the 2016 budget impact the salaries of state employees? **SS8E4b**
23. What is the impact of the \$5 million for the state Department of Economic Development? Why would this fund be important for job growth in Georgia? **SS8E4b**
24. What are some of the building and infrastructure projects that will be funded by the FY 2016 budget? **SS8E4b**



Artifact H

### How High Are Income Tax Rates in Your State?

Top State Marginal Individual Income Tax Rates in 2015 (as of Apr 15, 2015)



**Note:** Map shows top marginal rates: the maximum statutory rate in each state. It represents the statutory tax rate on the last dollar of income earned for the highest income individuals in that state. It is not an effective marginal tax rate, which would include the effects of phase-outs of various tax preferences. Local income taxes are not included.  
**Source:** State tax forms and instructions; *Facts & Figures 2015: How Does Your State Compare?*

Top Marginal Individual Income Tax Rate

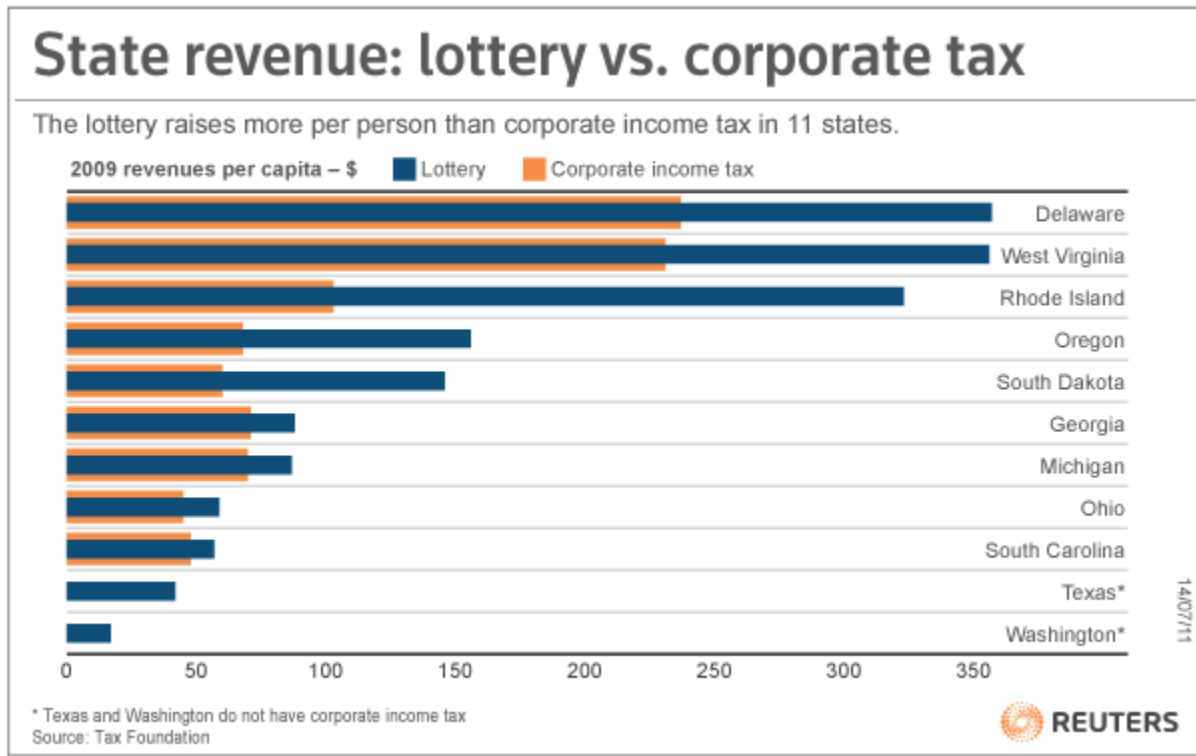
Lower Rate  Higher Rate

\* State has a flat income tax  
 \*\* State also only taxes interest and dividends income

<http://taxfoundation.org/sites/taxfoundation.org/files/docs/PIT-2015.png>

25. Nationally, how does Georgia’s tax rate rank in comparison with other states in the Southeastern United States? **SS8E4a**
26. Why would a lower tax rate potentially improve Georgia’s ability to attract businesses to relocate to Georgia? **SS8E4a**

Artifact I

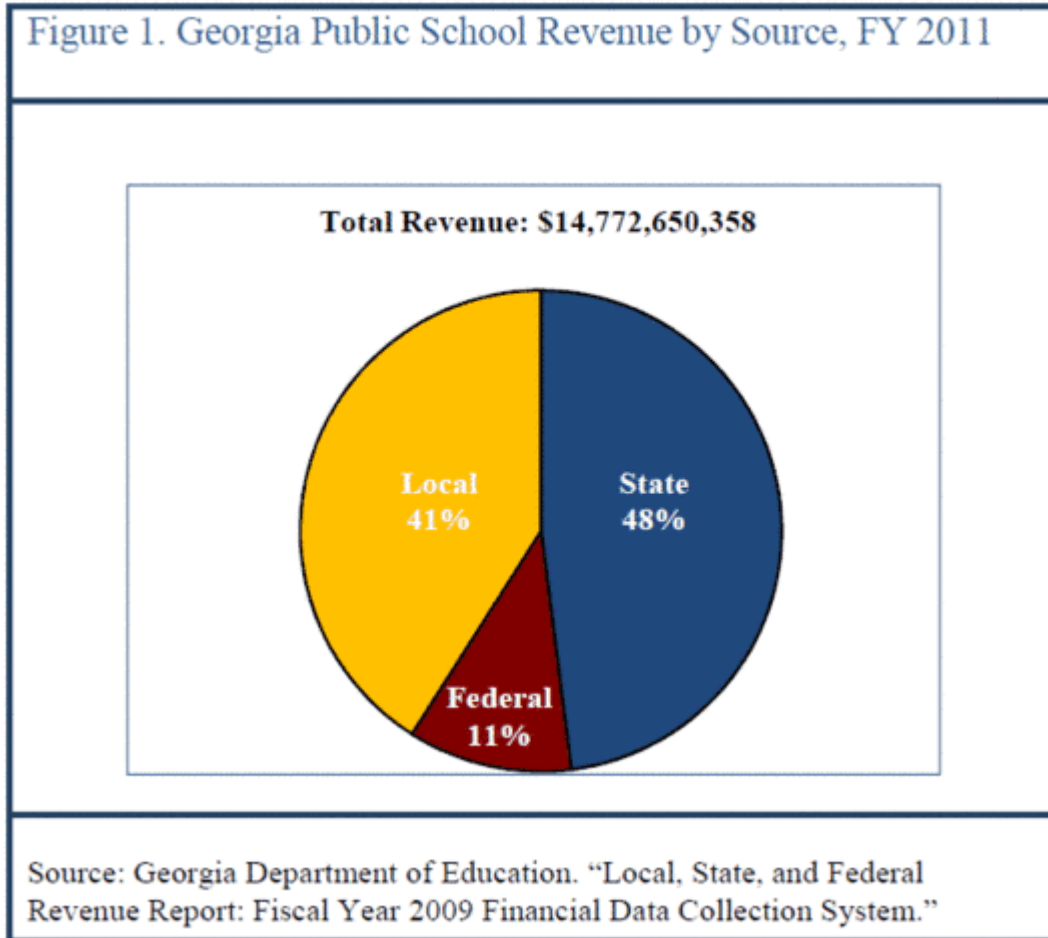


Reuters graphic/Stephen Culp

<http://stoppredatorygambling.org/wp-content/gallery/photos/lottery-vs-corporate-tax.gif>

27. According to the bar graph, how many millions of dollars of Georgia’s revenue in 2009 was generated by lottery taxes? **SS8E4a**
  
28. How much of Georgia’s revenue was generated by corporate income taxes? **SS8E4a**
  
29. If Georgia’s corporate income tax rate is equal to or lower than many other major industrial states, what is the potential impact on its ability to attract companies to move their operations to Georgia? **SS8E4a**

## Georgia Tax Revenue and State and Local Services Document Based Questions (DBQs)

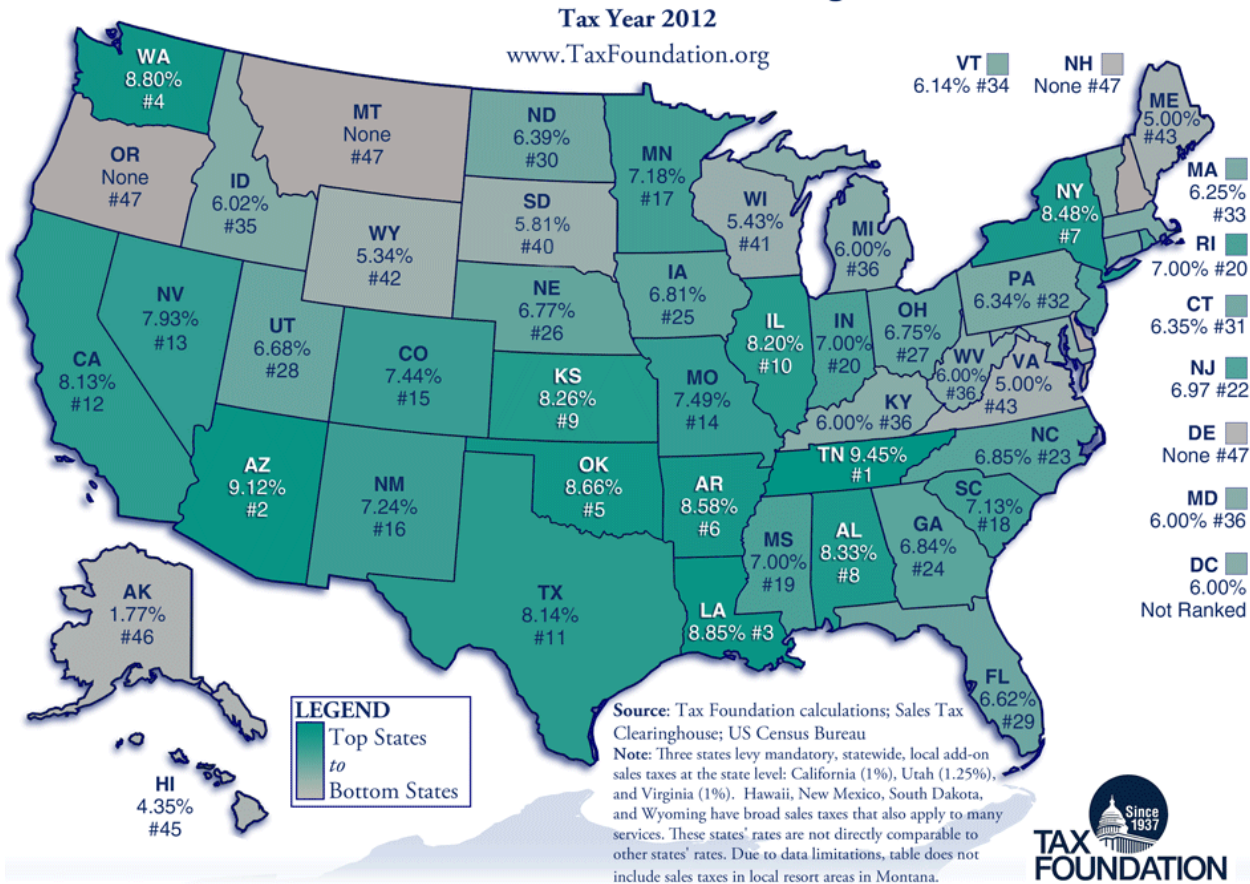


[http://toolbox.gpee.org/uploads/RTEmagicC\\_Finance\\_Figure\\_1.png.png](http://toolbox.gpee.org/uploads/RTEmagicC_Finance_Figure_1.png.png)

30. According to the public school revenue pie chart, how much of Georgia's education budget was taken from local sources? **SS8E4a**
31. Approximately how many dollars were allocated to Georgia's education budget in 2011 from local funds? **SS8E4a**
32. How much of the total revenue allotted to the public schools were the result of federal funding? **SS8E4a**

Georgia Tax Revenue and State and Local Services Document Based Questions (DBQs)

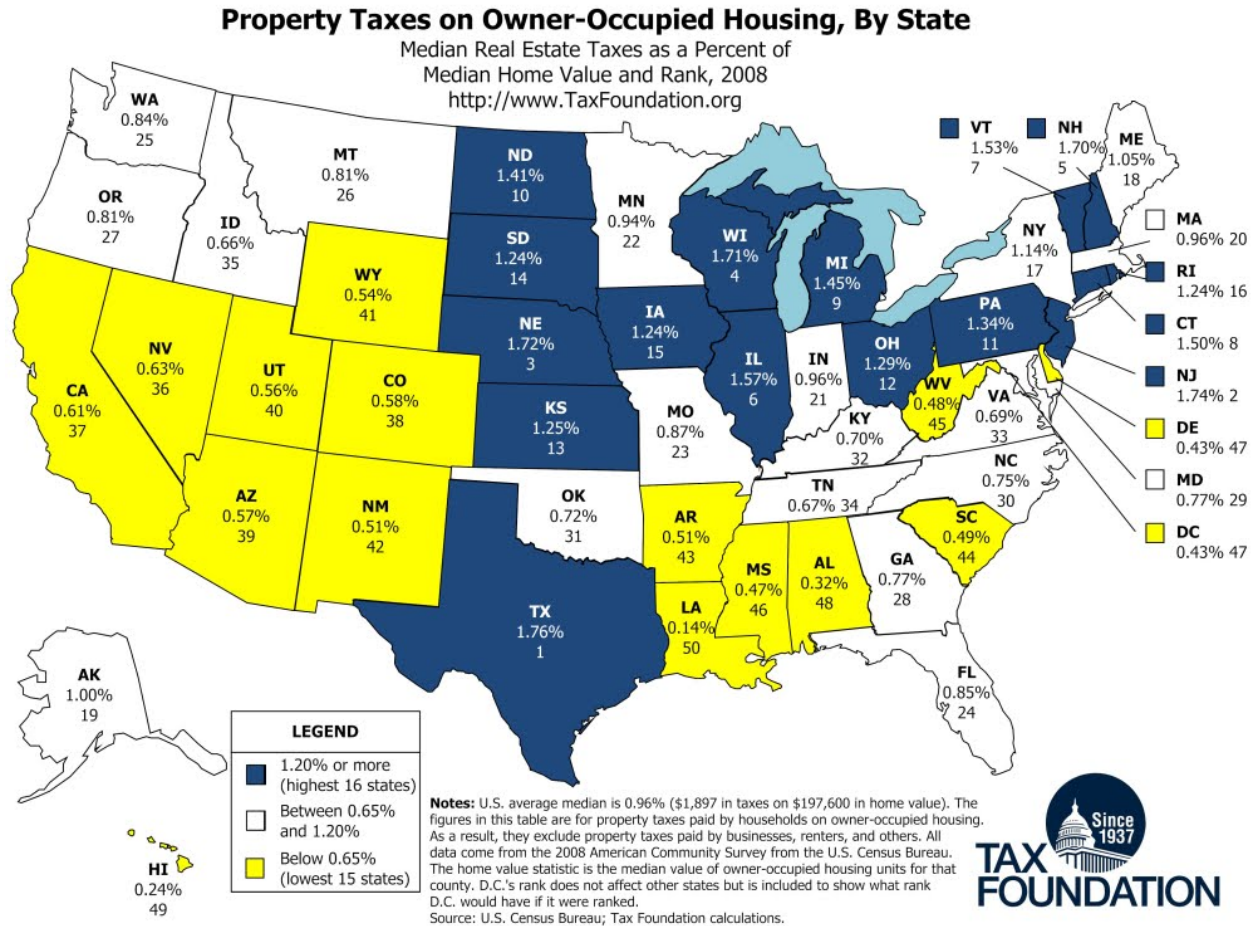
Sales Tax: Combined State and Average Local Rates



[http://taxfoundation.org/sites/taxfoundation.org/files/docs/sales\\_tax\\_2012.png](http://taxfoundation.org/sites/taxfoundation.org/files/docs/sales_tax_2012.png)

33. According to the sales tax map, how competitive was Georgia’s combined state and local sales tax rate? **SS8E4a**
  
34. How much higher is the combined state and local sales tax rate in Alabama than Georgia? **SS8E4a**
  
35. For consumers seeking to purchase goods and services at a lower rate and companies seeking to make a higher profit on their products, how would you characterize Georgia’s 2012 sales tax rating in relationship to its neighboring states? **SS8E4a**

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[http://1.bp.blogspot.com/\\_9FSJ\\_grXu5s/TCCmbfq52JI/AAAAAAAAAHI/YUw80dqWB-w/s1600/property\\_tax\\_median\\_rate.jpg](http://1.bp.blogspot.com/_9FSJ_grXu5s/TCCmbfq52JI/AAAAAAAAAHI/YUw80dqWB-w/s1600/property_tax_median_rate.jpg)

36. According to the 2008 property tax map, how competitive was Georgia's combined property tax rate in comparison to Alabama and South Carolina? **SS8E4a**
  
37. How much lower was the property tax rate in Tennessee, Alabama, and South Carolina than Georgia? **SS8E4a**
  
38. For entrepreneurs seeking to move to Georgia to start businesses and want to purchase a home in Metro Atlanta or Savannah, how would you characterize Georgia's 2008 property tax rating in relationship to its neighboring states? **SS8E4a**