

City-State Fiscal Structures

NLC NATIONAL
LEAGUE
OF CITIES

CITIES STRONG TOGETHER

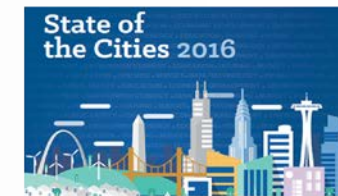


City Solutions and Applied Research



- Research
- Best Practices
- Direct Engagement

Major research projects and initiatives lead by the NLC's Center for City Solutions and Applied Research.



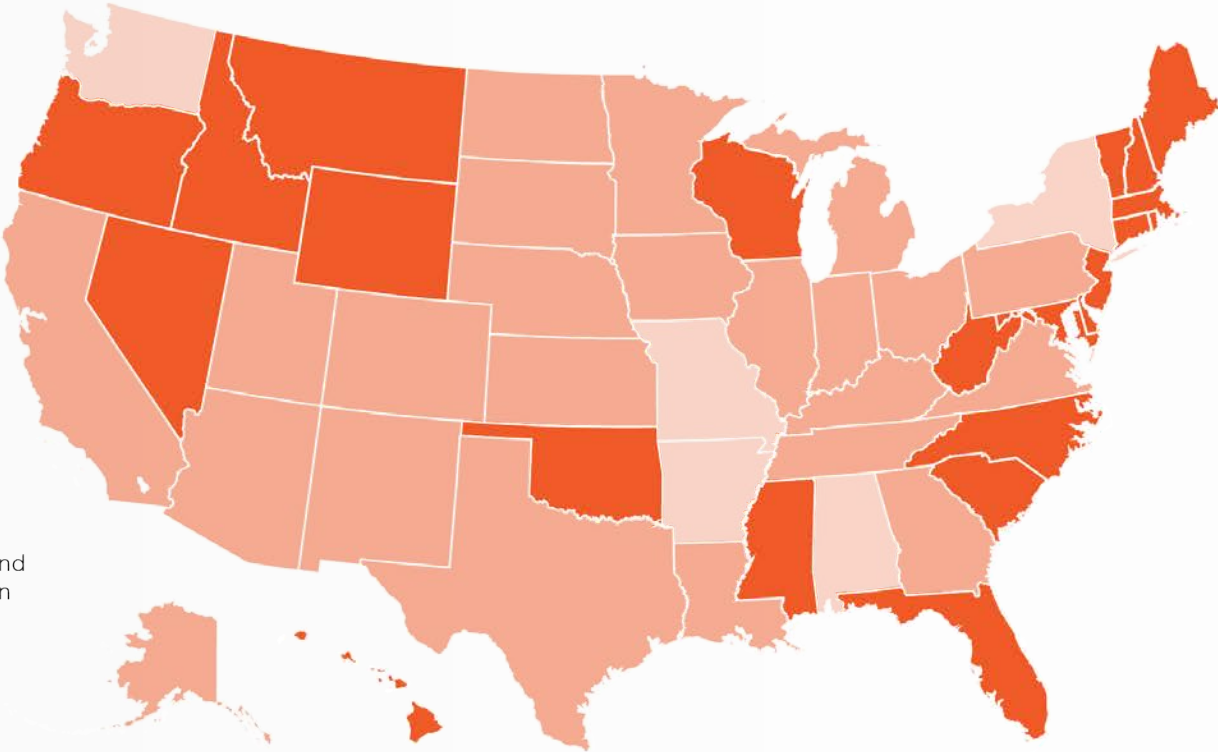
Cities State Fiscal Structure



- **Municipal Taxing Authority**
- **Own-Source Revenue Reliance**
- **State Aid**
- **Tax and Expenditure Limits**

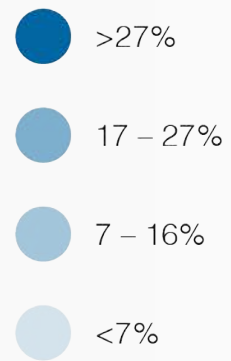
Municipal Taxing Authority

- Property + Sales + Income
- Property + Sales or Income
- Property or Sales Only



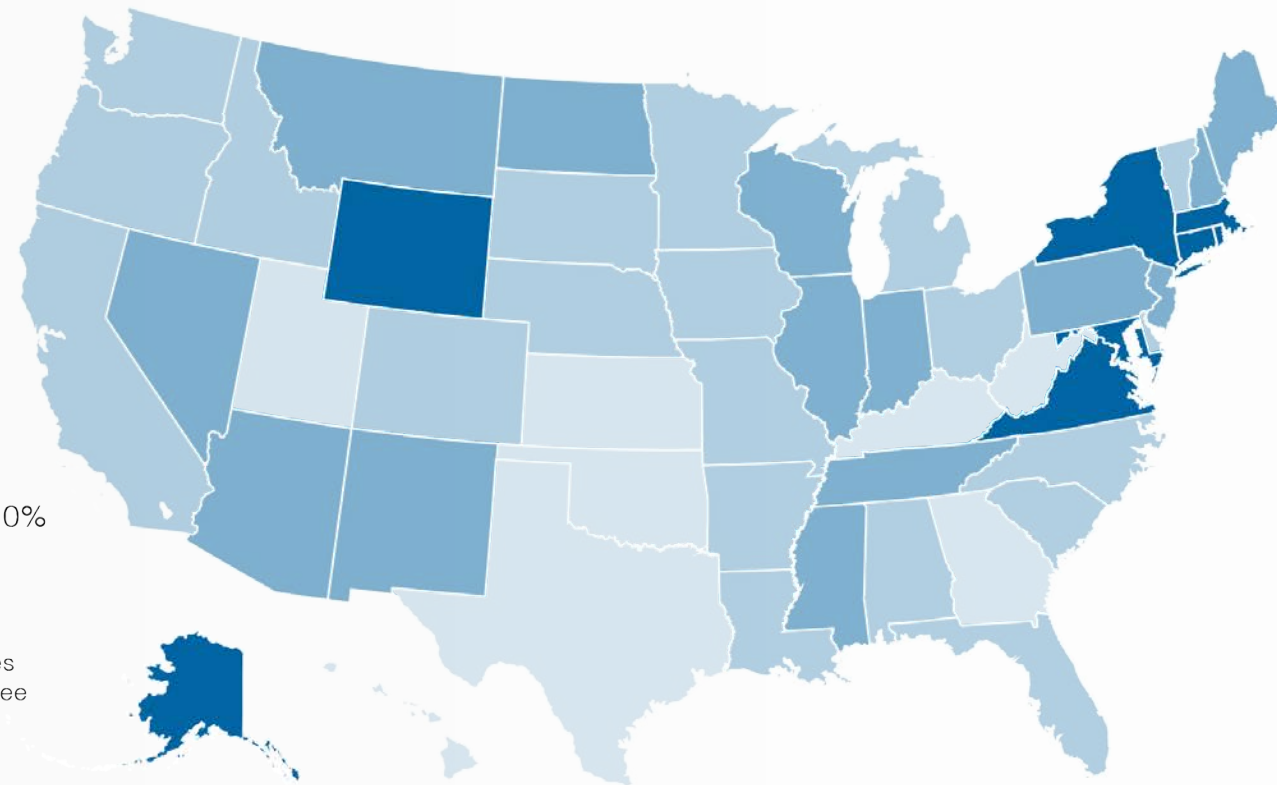
Note: In some cases, the state may not provide authority to all municipalities. For notes about special circumstances, cases, and provisions by state, see table 1 in the appendix.

State Aid



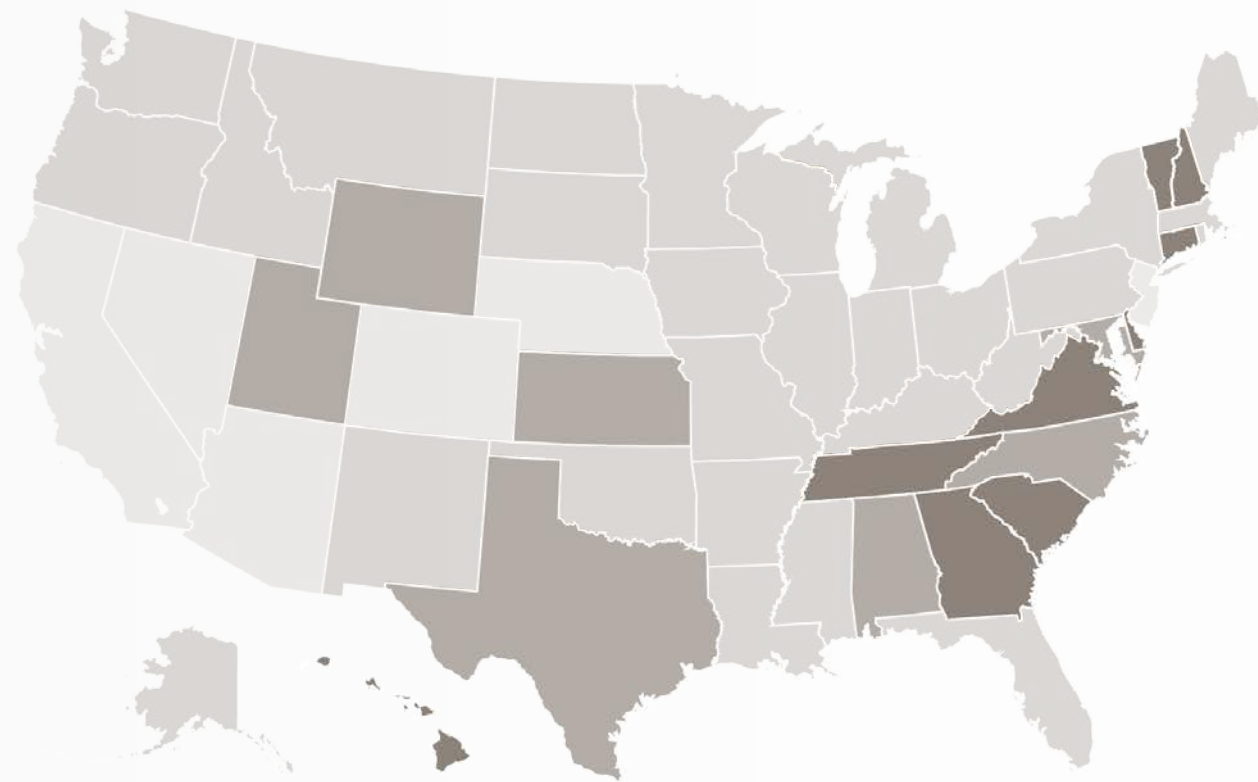
Mean: 17%
Standard Deviation: 10%

Note: For percent of revenues from each source by state, see table 3 in appendix.



Tax and Expenditure Limits

- NO TELs
- Less binding property tax limit
- Potentially binding property tax limit
- Binding property tax limit + general limit



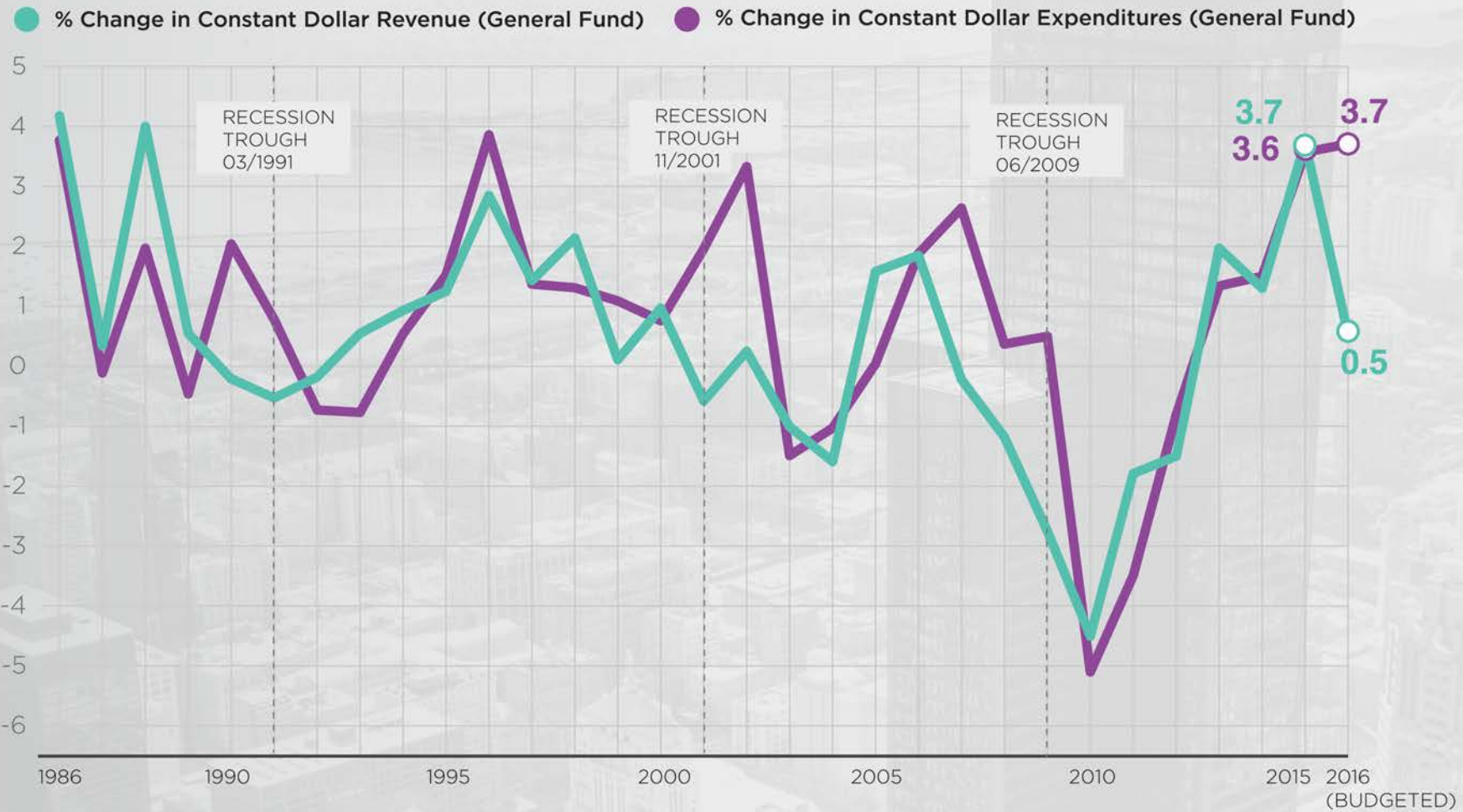
An aerial photograph of a city skyline, featuring a prominent skyscraper in the foreground. The image is overlaid with a semi-transparent blue diagonal shape and a white grid pattern. The text is overlaid on the blue shape.

City Fiscal Conditions

October 13, 2016
#CityFiscal2016

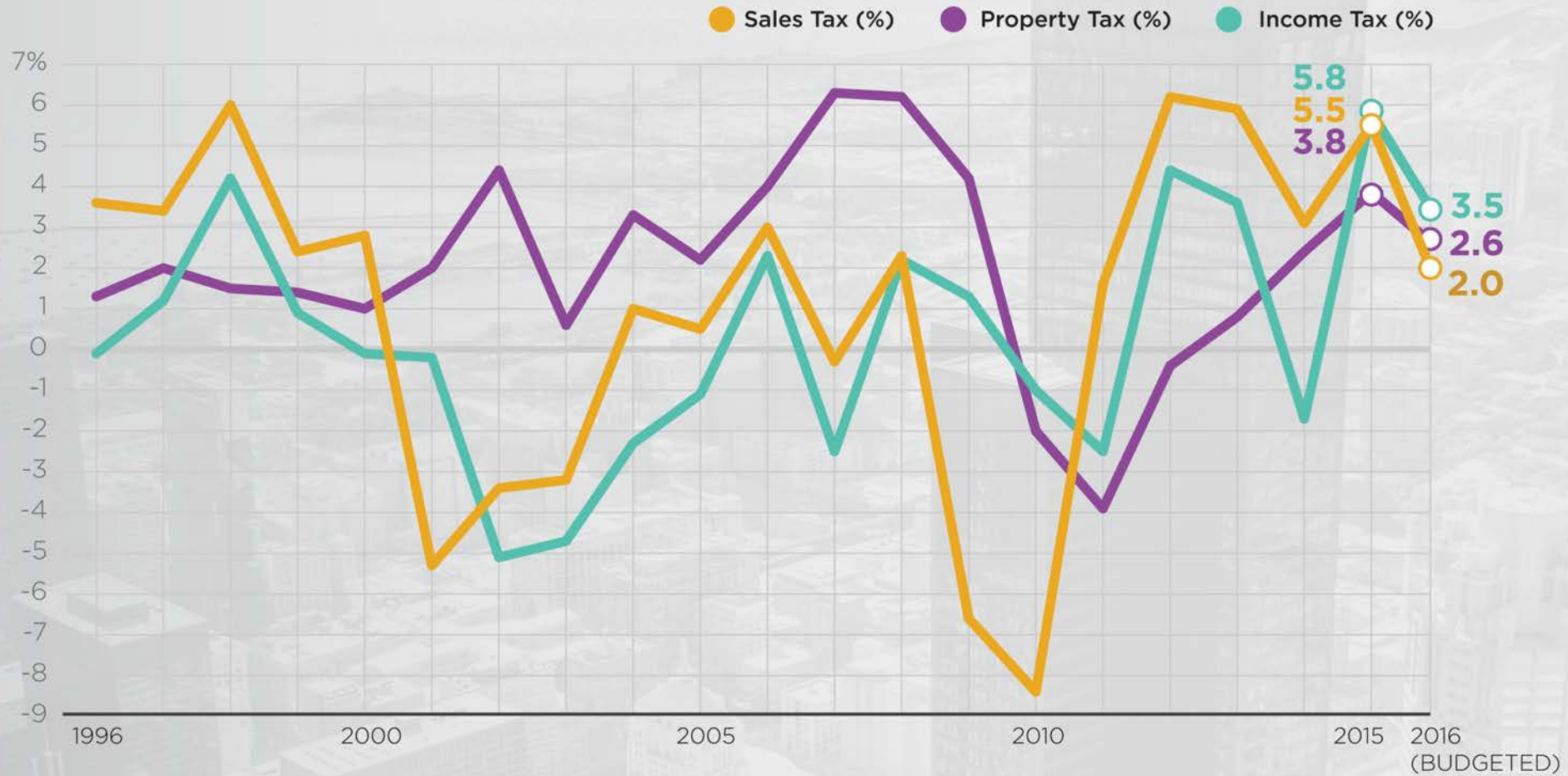
2016

YEAR-TO-YEAR CHANGE IN REVENUE AND SPENDING TRENDS



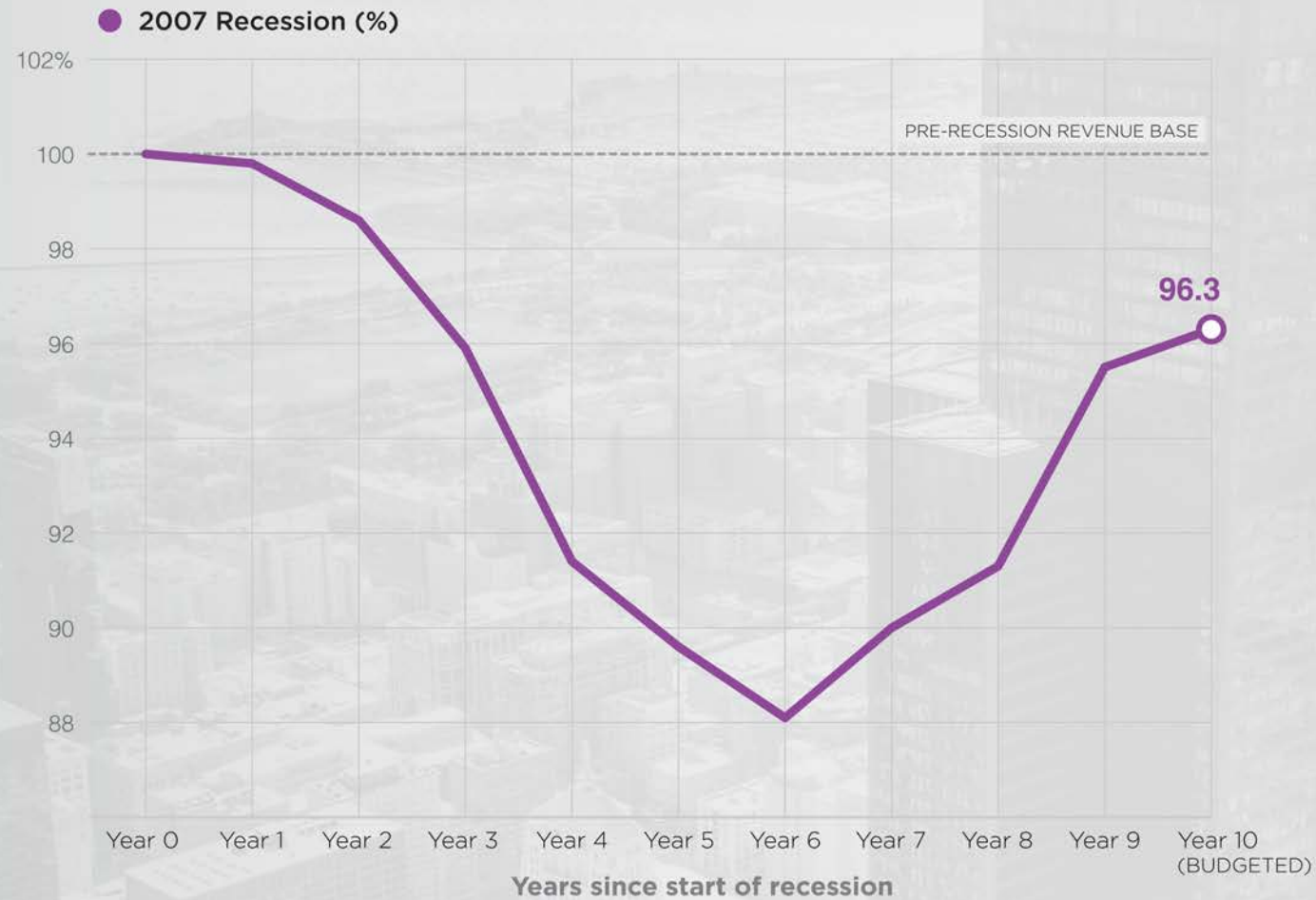
#CityFiscal2016

YEAR-TO-YEAR CHANGE IN GENERAL TAX RECEIPTS



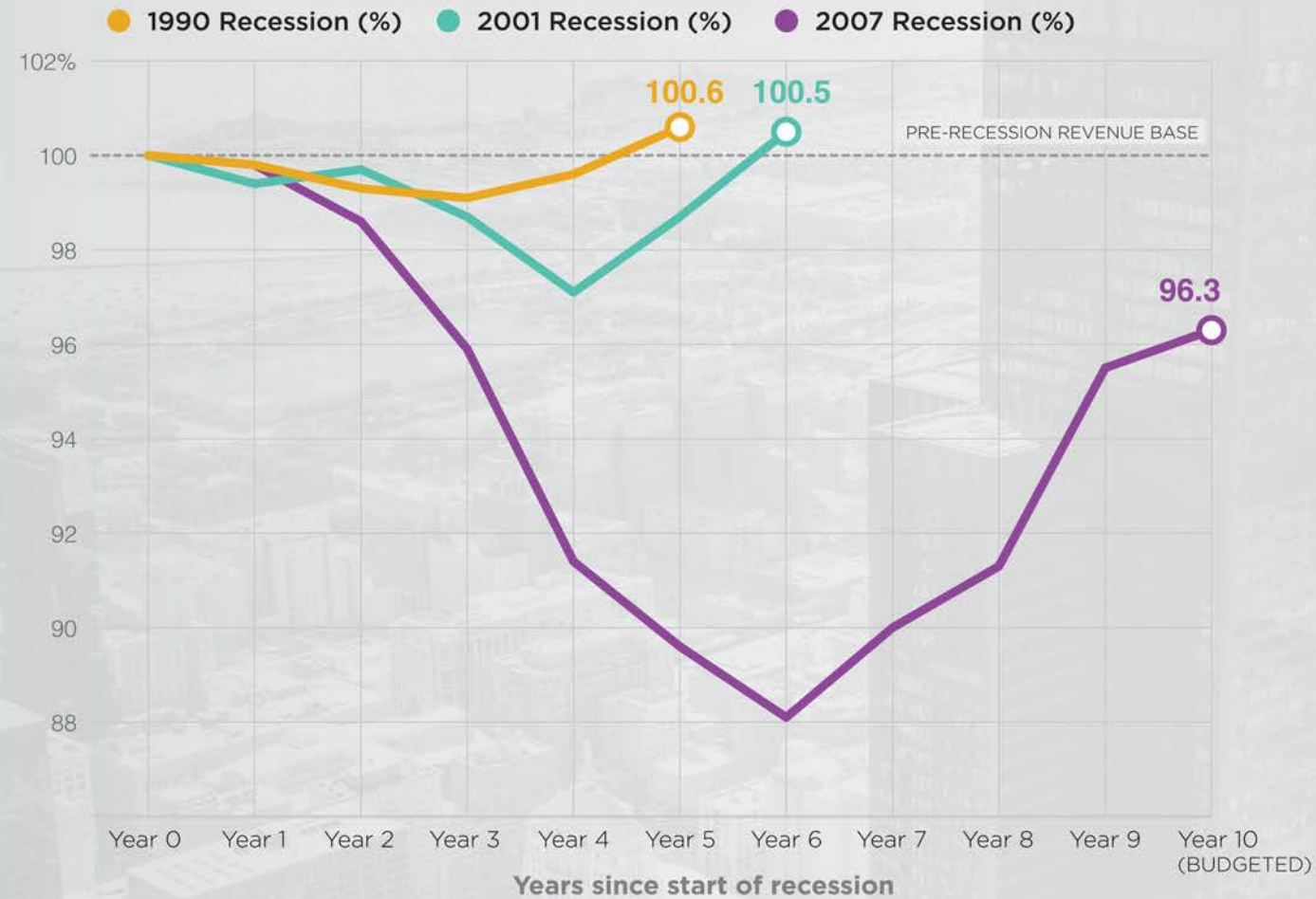
#CityFiscal2016

SINCE THE START OF THE GREAT RECESSION



#CityFiscal2016

REVENUE RECOVERY DURING RECENT RECESSIONS



CITY REVENUE AND SPENDING ACTIONS

City Revenue Actions

	Decrease	Increase
Fee Levels	1%	41%
Property Tax Rate	10	22
Level of Impact Fees	2	20
Number of Fees	1	20
Other Tax Rate	1	9
Sales Tax Rate	1	6
Tax Base	4	6
# of Other Taxes	1	4
Income Tax Rate	1	1

City Spending Actions

	Decrease	Increase
Wages	1%	84%
Public Safety	1	79
Infrastructure	7	71
Capital Projects	8	63
Workforce	7	50
Other City Services	3	45
Health Benefits	6	38
Pension Benefits	5	32
Human Services	1	31
Contracting	1	15
Education	4	14
Interlocal	1	12

Questions?



Contact Us.

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