

Property Tax Burden by County



Independent Fiscal Office | Research Brief | August 2021

This research brief estimates the total 2019 property tax burden by county utilizing income data from the Bureau of Economic Analysis (BEA) and Internal Revenue Service (IRS) and property tax data from the Pennsylvania Department of Education (PDE) and Department of Community and Economic Development (DCED). For all counties, the property tax burden reflects the Homestead Exemption, which reduced school district property taxes by \$534 million in FY 2019-20. The **table on page 2** lists each county's total property taxes paid, computed property tax burden and burden rank. The property tax burden is defined as the ratio of total property taxes to total income.¹ (See final page for a description of the income metric used.) A rank of 1 indicates the highest property tax burden in the state. Notable results include:

- Pennsylvania residents paid \$21.4 billion in property taxes statewide, which represented 2.9% of total income.²
- Monroe County had the highest property tax burden in the state of 5.7%, one percentage point higher than the second highest, Pike County.
- Jefferson County residents paid 1.8% of their income on property taxes, the lowest rate in the state.

The **figure on page 3** displays a heat map of total property tax burden by county. There are several notable geographic trends, including:

- All counties in the top 10 (except Greene) are in the eastern region of the state. Many counties with the highest burdens border each other, such as Monroe, Pike and Northampton.
- All counties in the bottom 10 are in the central or western region of the state, several of which border each other. The notable exception is Philadelphia, which had the third-lowest property tax burden in the state. This result occurs because the county recorded the highest level of personal income while also having a relatively low reliance on school district property taxes compared to other counties.
- In general, rural counties had the highest property tax burdens (six of nine counties in the top group) because those counties have relatively larger elderly populations and lower per capita income levels. For those counties, Social Security and savings income (e.g., pensions and IRAs) comprise a larger share of total county income.

¹ The burden measure represents a county-wide average and reflects all property taxes paid by homeowners, renters, landlords and business owners. Property taxes include current-year and delinquent school district, county and municipal taxes.

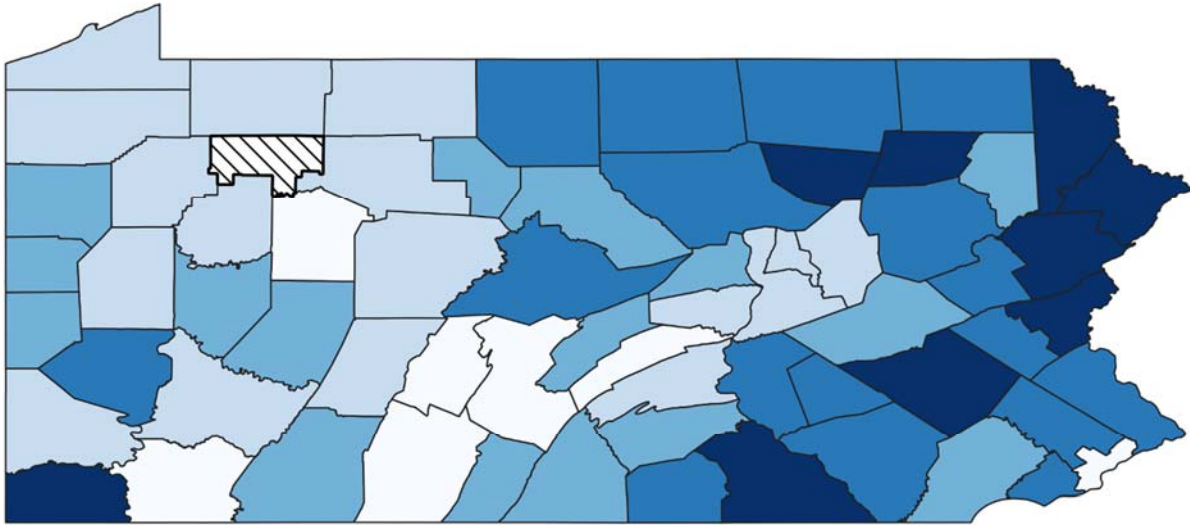
² This amount does not account for property tax relief distributed by the Property Tax Rent Rebate program to income-eligible seniors and people with disabilities. In CY 2019, the program provided \$131.3 million in property tax relief to homeowners statewide. Including these relief amounts would modestly reduce county-level tax burdens.

Total Property Tax Burden by County (2019)

County	Property Taxes	Tax Burden	Rank	County	Property Taxes	Tax Burden	Rank
Adams	\$167	3.12%	18	Lackawanna	\$298	2.97%	27
Allegheny	\$2,384	3.03%	26	Lancaster	\$892	3.04%	22
Armstrong	\$89	2.86%	31	Lawrence	\$101	2.59%	38
Beaver	\$245	2.94%	28	Lebanon	\$209	3.03%	25
Bedford	\$42	1.99%	62	Lehigh	\$682	3.50%	10
Berks	\$838	3.99%	4	Luzerne	\$453	3.17%	14
Blair	\$119	2.07%	60	Lycoming	\$154	3.15%	16
Bradford	\$77	3.04%	23	McKean	\$44	2.47%	43
Bucks	\$1,501	3.04%	24	Mercer	\$119	2.52%	42
Butler	\$264	2.33%	52	Mifflin	\$49	2.68%	34
Cambria	\$128	2.19%	58	Monroe	\$424	5.70%	1
Cameron	\$6	2.91%	29	Montgomery	\$2,156	3.13%	17
Carbon	\$110	3.16%	15	Montour	\$22	2.27%	54
Centre	\$211	3.05%	21	Northampton	\$699	3.98%	5
Chester	\$1,297	2.78%	32	Northumberland	\$89	2.30%	53
Clarion	\$39	2.43%	47	Perry	\$52	2.35%	49
Clearfield	\$81	2.26%	56	Philadelphia	\$1,600	1.88%	64
Clinton	\$44	2.90%	30	Pike	\$138	4.65%	2
Columbia	\$68	2.45%	45	Potter	\$23	3.09%	19
Crawford	\$89	2.15%	59	Schuylkill	\$162	2.65%	35
Cumberland	\$368	2.56%	40	Snyder	\$42	2.45%	44
Dauphin	\$467	3.43%	11	Somerset	\$79	2.54%	41
Delaware	\$1,352	3.36%	12	Sullivan	\$13	4.41%	3
Elk	\$32	2.27%	55	Susquehanna	\$58	3.08%	20
Erie	\$284	2.34%	50	Tioga	\$55	3.22%	13
Fayette	\$112	1.96%	63	Union	\$47	2.58%	39
Forest	\$9	n.a.	n.a.	Venango	\$53	2.38%	48
Franklin	\$198	2.65%	36	Warren	\$40	2.34%	51
Fulton	\$17	2.60%	37	Washington	\$278	2.22%	57
Greene	\$57	3.55%	9	Wayne	\$93	3.84%	6
Huntingdon	\$36	2.04%	61	Westmoreland	\$471	2.44%	46
Indiana	\$92	2.70%	33	Wyoming	\$45	3.58%	8
Jefferson	\$36	1.82%	66	York	\$866	3.63%	7
Juniata	\$21	1.88%	65	Statewide	\$21,384	2.90%	--

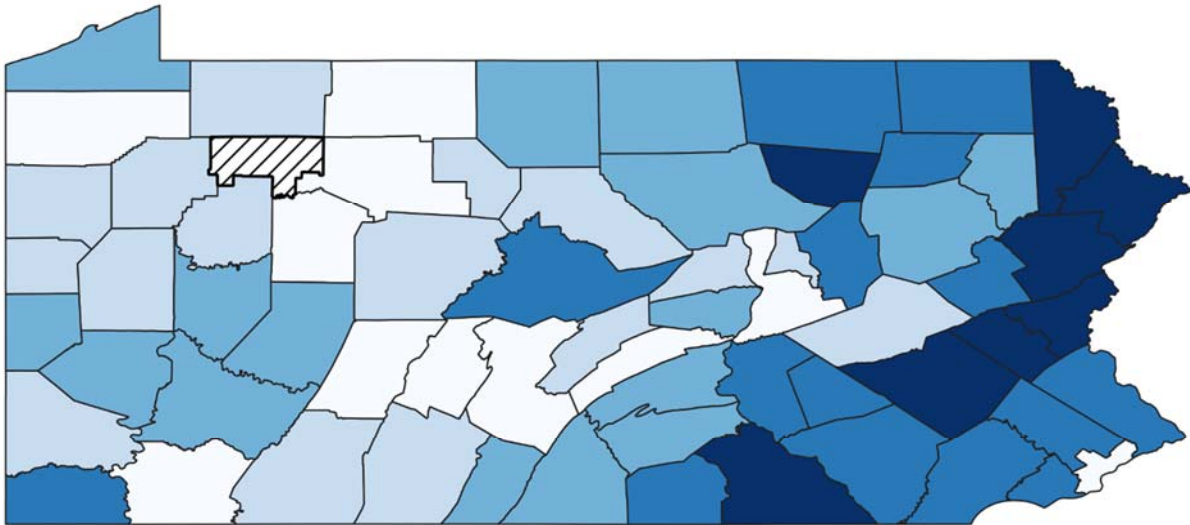
Note: Dollar amounts in millions. Property taxes include actual current and interim and estimated delinquent school district revenues for FY 2019-20 and estimated CY 2019 county and municipal revenues. Tax burden is equal to total property taxes paid as a percentage of total income. Forest County is excluded due to various data anomalies.

All Property Tax Burden by County



1.8% - 2.1% 2.1% - 2.5% 2.5% - 3.0% 3.0% - 3.5% 3.5%+

School Property Tax Burden by County



0.9% - 1.3% 1.3% - 1.7% 1.7% - 2.0% 2.0% - 2.5% 2.5%+



Technical Detail

This analysis uses two data sources for the county-level income metric: the U.S. Bureau of Economic Analysis (BEA) and the Internal Revenue Service (IRS). Non-farm personal income in CY 2019 by county reported by the BEA is the base for county income. That measure is then adjusted to account for several factors. The analysis adds capital gains income, IRA withdrawals and pension distributions to state personal income and deducts employer contributions to pension and health plans and imputed interest income.

For property taxes, the analysis uses actual FY 2019-20 current and interim school district property tax revenues published by the Pennsylvania Department of Education (PDE). School district revenues are summed to their respective counties based on how they are reported by PDE. The analysis does not attempt to apportion multi-county school districts across counties. County and municipal revenues are estimated for CY 2019 based on CY 2018 actuals reported by the Department of Community and Economic Development (DCED). Specifically, the CY 2018 relationship between school district revenues and county/municipal revenues is calculated for each county and applied to CY 2019 using FY 2019-20 school district revenues. This calculation suggests that school district property taxes account for approximately 70% of statewide property taxes.

This research brief updates a previous analysis published in April 2020 that used data from CY 2018. The prior analysis used income and property tax data from the American Community Survey compiled by the U.S. Census Bureau and applied to homeowners only. This update uses income data from the Bureau of Economic Analysis and Internal Revenue Service. The property tax data are from PDE and DCED and reflect average property tax burdens for all county residents: homeowners, renters, business owners and landlords. Due to the different data sources and the inclusion of other property taxpayers, property tax burden results are not directly comparable between the two analyses.

Staff Acknowledgments

This report was produced by Jesse Bushman and Rachel Flaugh. Questions regarding this report can be directed to jbushman@ifso.state.pa.us.