

# Property Tax Burden by County



Independent Fiscal Office | Research Brief | August 2023

This research brief utilizes county-level 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) to estimate the 2021 property tax burden by county. For all counties, the property tax burden reflects the Homestead Exemption, which reduced school district property taxes by \$535 million in FY 2021-22. 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 the ratio of total property taxes to total income.<sup>1</sup> (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 and businesses paid \$22.0 billion in property taxes statewide, which represented 2.57% of total income.<sup>2,3</sup>
- Monroe County (4.73%) had the highest property tax burden in the state, 0.92 percentage points higher than the second highest, Pike County (3.81%). The much higher property tax burden in Monroe County is likely due to multiple factors including a relatively higher reliance on school district property taxes (as opposed to earned income taxes) and a relatively high proportion of vacation/secondary homes.
- Snyder County residents and businesses remitted 1.51% of their income in property taxes, the lowest rate in the state.

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

- All counties in the top 10 are in the eastern region of the state. Many counties with the highest burdens share borders, such as Monroe, Pike, Wayne and Northampton.
- All counties in the bottom 10 are in the western and central regions of the state, and several 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 reported the highest level of personal income while also having a relatively low reliance on school property taxes compared to other counties.
- In general, rural counties had higher property tax burdens because those counties have relatively larger elderly populations and lower per capita income levels. For those counties, Social Security, pensions and savings income (e.g., IRAs) comprise a larger share of total county income.

---

<sup>1</sup> 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.

<sup>2</sup> 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 2021, the program provided \$208.1 million in property tax relief to homeowners statewide. Including these relief amounts reduces the overall tax burden by 0.01 percentage points.

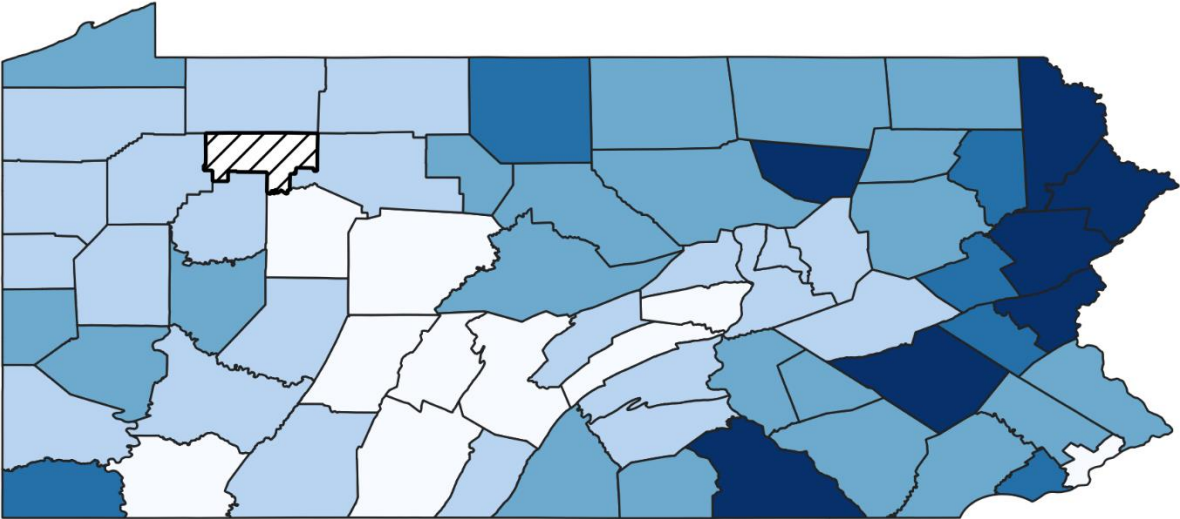
<sup>3</sup> The computed property tax burden fell across the state compared to 2020 because income growth significantly outpaced property tax growth in all counties due to large federal stimulus programs and an estimated 70% increase in capital gains income. If temporary COVID-19 stimulus funds are excluded, then the statewide property tax burden would increase from 2.57% to 2.74%.

### Total Property Tax Burden by County (2021)

County	Property Taxes	Tax Burden	Rank	County	Property Taxes	Tax Burden	Rank
Monroe	\$434	4.73%	1	Fulton	\$17	2.30%	35
Pike	\$140	3.81%	2	Cumberland	\$391	2.29%	36
Sullivan	\$13	3.69%	3	Indiana	\$90	2.27%	37
Berks	\$859	3.45%	4	Lawrence	\$103	2.27%	38
Wayne	\$97	3.39%	5	Schuylkill	\$162	2.26%	39
Northampton	\$715	3.33%	6	Mifflin	\$49	2.26%	40
York	\$894	3.30%	7	Crawford	\$91	2.23%	41
Lehigh	\$723	3.09%	8	Union	\$48	2.22%	42
Delaware	\$1,385	2.98%	9	Somerset	\$79	2.18%	43
Lackawanna	\$342	2.91%	10	Columbia	\$71	2.18%	44
Carbon	\$116	2.91%	11	Montour	\$23	2.16%	45
Greene	\$51	2.87%	12	Westmoreland	\$477	2.16%	46
Potter	\$24	2.82%	13	Clarion	\$39	2.16%	47
Allegheny	\$2,471	2.80%	14	Washington	\$304	2.15%	48
Adams	\$171	2.79%	15	Mercer	\$118	2.14%	49
Dauphin	\$451	2.76%	16	McKean	\$43	2.13%	50
Lebanon	\$219	2.72%	17	Warren	\$40	2.10%	51
Bucks	\$1,538	2.68%	18	Perry	\$54	2.08%	52
Tioga	\$53	2.68%	19	Elk	\$32	2.04%	53
Lancaster	\$924	2.68%	20	Butler	\$270	2.03%	54
Luzerne	\$454	2.66%	21	Venango	\$51	1.99%	55
Susquehanna	\$58	2.65%	22	Northumberland	\$89	1.95%	56
Centre	\$215	2.65%	23	Clearfield	\$81	1.91%	57
Erie	\$372	2.62%	24	Cambria	\$120	1.82%	58
Montgomery	\$2,259	2.61%	25	Bedford	\$44	1.80%	59
Bradford	\$74	2.55%	26	Huntingdon	\$37	1.78%	60
Beaver	\$244	2.55%	27	Blair	\$118	1.77%	61
Cameron	\$6	2.53%	28	Philadelphia	\$1,575	1.70%	62
Chester	\$1,354	2.47%	29	Fayette	\$111	1.70%	63
Armstrong	\$88	2.43%	30	Juniata	\$22	1.69%	64
Lycoming	\$136	2.41%	31	Jefferson	\$36	1.58%	65
Wyoming	\$36	2.41%	32	Snyder	\$30	1.51%	66
Franklin	\$207	2.32%	33	Forest	\$8	n.a.	n.a.
Clinton	\$42	2.31%	34	<b>Statewide</b>	<b>\$21,986</b>	<b>2.57%</b>	--

Note: Dollar amounts in millions. Property taxes include actual current, interim and delinquent school district revenues for FY 2021-22 and CY 2021 county and municipal revenues. Tax burden is equal to total property taxes paid as a percentage of total income. Forest County's tax burden and rank are excluded due to various data anomalies. The statewide average shown is weighted (i.e., Philadelphia has much more weight than a rural county). The unweighted statewide average (i.e., all counties have equal weight) is 2.46%.

### Property Tax Burden by County (2021)



## **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 2021 by county reported by the BEA is the base for county income. That measure is then adjusted to account for several factors as reported by the IRS. The analysis adds capital gains income, IRA withdrawals and pension distributions to personal income and deducts employer contributions to pension and health plans and imputed interest income.

For property taxes, the analysis uses actual FY 2021-22 current, interim and delinquent 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 based on CY 2021 actuals reported by the Department of Community and Economic Development (DCED).

Forest County was excluded from the map and tax burden rankings because over 40% of its population is institutionalized, which results in unusually low property tax and income levels.

## **Staff Acknowledgments**

This report was produced by Jesse Bushman. Questions regarding this report can be directed to [jbushman@ifp.state.pa.us](mailto:jbushman@ifp.state.pa.us).