



Test Your Knowledge of Taxes and Spending in Wisconsin

The following questions are based on the most recent U.S. Census Bureau data about state and local revenue and spending in each state, which is from fiscal year 2008, and the total number of state and local government employees in each state in March 2010. The answers follow at the bottom of the next page.

(Notes: For purposes of the rankings used in this quiz, we excluded the District of Columbia. Rankings are from highest to lowest; in other words, the state with the highest taxes or spending on any particular measure is ranked #1.)

1. How does Wisconsin compare with other states in state and local spending? (Note: We're using the most common measure, which is total "direct general" spending.)
 - a. 9th in spending per capita and 8th in spending as a percentage of income
 - b. 14th per capita and 12th as a percentage of income
 - c. 18th per capita and 17th as a percentage of income
 - d. 22nd per capita and 25th as a percentage of income

2. How do per capita state and local taxes in Wisconsin compare to the national average?
 - a. \$512 (7%) per person above average
 - b. \$271 (3.6%) above average
 - c. \$4 (0.1%) above average
 - d. \$40 (0.9%) below average

3. Where does Wisconsin rank in per capita state and local taxes?
 - a. 7th
 - b. 12th
 - c. 17th
 - d. 24th

4. Where does Wisconsin rank in combined state and local taxes as a percentage of the state's total personal income?
 - a. 8th
 - b. 12th
 - c. 19th
 - d. 25th

5. How does Wisconsin compare with other states in corporate income taxes as a percentage of state personal income?
 - a. 9th, 8% above the national average
 - b. 17th, 1% above average
 - c. 23rd, 14% below average
 - d. 30th, 18% below average

6. How does Wisconsin compare to other states with respect to "own source" revenue (which is the total of general revenue raised by the state and local governments excluding federal aid)?
 - a. 9th per capita and 7th as a percentage of income
 - b. 14th per capita and 12th as a percentage of income
 - c. 18th per capita and 17th as a percentage of income
 - d. 21st per capita and 21st as a percentage of income

7. Where does Wisconsin rank in per capita federal aid to state and local government?

- a. 30th
- b. 38th
- c. 32nd
- d. 50th

8. Where does Wisconsin rank in total state and local government employment (measured in full-time equivalent employees for each 1,000 state residents) compared to other states?

- a. 12th
- b. 23rd
- c. 32nd
- d. 39th

Note: We always have mixed feelings about focusing on these kinds of rankings because none of them gets at the key issue – the question of whether our money is being used wisely and effectively.

Technical notes: These rankings were calculated by the Wisconsin Budget Project from U.S. Census Bureau data on taxes and spending and Bureau of Economic Analysis (BEA) data on personal income in each state. A two-page analysis of the data is on our website at: http://wisconsinbudgetproject.org/tax_revenue_ranks.pdf.

We followed the methodology used by the Legislative Fiscal Bureau in their [January 2011 information paper \(# 74\)](#), except we excluded the District of Columbia from the rankings.

Answers: 1. d., 2. d., 3. c., 4. b., 5. c., 6. d., 7. c, 8. d.

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