EMBARGOED UNTIL TUESDAY, October 23, 2012, 12:01 a.m.

EDITOR’S NOTE: ATTENTION BUSINESS, ASSIGNMENT EDITORS, to interview the report’s authors, contact Joseph J. Seneca, seneca@rutgers.edu, 848-932-2818, or Will Irving, wirving@ejb.rutgers.edu, 848 932-2816

NEW RUTGERS REPORT SOURCES TAX REVENUES, AID IN NEW JERSEY

NEW BRUNSWICK, N.J – A new Rutgers Regional Report, “Fiscal Flows in New Jersey: A Spatial Analysis of Major State Taxes and State Aid Programs,” authored by Joseph J. Seneca, university professor and economist at Rutgers University’s Edward J. Bloustein School of Planning and Public Policy, Will Irving, research associate and James W. Hughes, dean, attempts to answer the following question: Where do tax revenues come from and where do aid dollars go by county and region in New Jersey?

The report estimates the spatial origins of the gross income tax and the sales tax, and the spatial destination of school, county and municipal aid for fiscal year 2010. It also provides estimates of these amounts and compares the shares of the taxes paid and the aid received by each county to the county’s population share.

The constitutionally-determined objective of equalizing educational opportunity, along with a progressive income tax and a sales tax that is also related—but less so—to income levels, results in differing shares of taxes paid and aid received across the counties and regions, the authors note.


# # #