

THE DAILY SENTINEL

States losing the most taxpayers shares some traits

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A number of states that have seen the most people leave in the last five years have some startling similarities.

Connecticut, Illinois, New York, New Jersey, and Maryland have had the most net outmigration per taxpayer in the nation in the last half-decade based on IRS data. Bill Bergman from financial watchdog Truth in Accounting set out to find any common traits that the five have.

While much of what he found can't prove to be more than coincidence, Bergman says there are parallels about people leaving their states and how much economic freedom they have or trust in state government they lacked, for instance.

"Taxpayers, and imminently future taxpayers, are sensitive to that probability and are increasingly leaving the state," he said. "It appears that the citizens are neither that blind or that stupid. They don't trust their government."

States like Illinois that are losing population will have a harder time generating the tax money to fuel services as a result, Bergman said.

"States and local governments tax other things like sales and property taxes but if you're running out of gas on income [tax collections], that's not a good sign for those other sources," he said.

The five states with the biggest outmigration problems were among the states that ranked worst in Cato Institute's Freedom Ranking, which evaluates states "according to the estimated costs that government restrictions on freedom impose on their victims," according to Cato's website; overall taxpayer burden; trust in state government; and real value of \$100, which ranks states by their buying power.

Bergman also found that average temperature in January wasn't as big of a factor as many have claimed but still seemed to matter to an extent.