Revealing the True Costs of Tax Incentives:

Eight Critical Improvements Needed for GASB Statement No. 77

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Executive Summary

Governmental Accounting Standards Board (GASB) Statement No. 77 on Tax Abatement Disclosures, a 2015 amendment to public-sector Generally Accepted Accounting Principles (GAAP), requires GAAP-compliant U.S. state and local governments to report revenue lost to economic development tax abatements. Four years into the rule's widespread adoption, compliance is uneven, and the resulting data is too often missing or misleadingly reported. In this white paper, we recommend eight actions by the GASB to improve compliance and generate more robust abatement disclosures from governments:

1. Statement No. 77 should redefine "tax abatement" as based on the existence of agreements, not foregone revenues. If a government has agreements, it should report them, regardless of the abated amount. Even if no taxes were abated yet (in the reporting fiscal year), these agreements can limit future revenue-raising capacity.

2. Statement No. 77 should require that *all* tax abatement revenue losses be reported, *regardless* of whether any of the foregone revenues were subsequently offset. Governments often claim that no disclosures are necessary because abatements did not result in *net* foregone revenue. But offsets are often transfers from state taxpayers and thus may mask a *locality's* fiscal condition. Therefore, governments must report the *gross* foregone revenue due to tax abatements—as well as any full or partial offsets.

3. Statement No. 77 should not let governments determine the materiality (and therefore the reporting threshold) of tax abatements, but instead require that all gross foregone revenues—however small—be disclosed. When it comes to tax expenditures for private enterprise, every dollar counts, and no amount is immaterial.

4. Statement No. 77 should require governments to disaggregate the revenue impact of their tax abatements by major public services (those that use 5% or more of the taxing body's annual budget). This is especially true for school districts that are component units of cities or counties. The same standard should apply to discrete or blended component units, special funds, and departments. Such an improvement would enable the public to break down the costs of tax incentives by entity and find out how much each public service is affected (e.g., public safety, fire and rescue, sanitation).

5. Statement No. 77 should require governments to report at least the aggregate sum of all foregone revenues if taxpayer confidentiality within one program precludes program-specific disclosure. (That is, governments should be directed to lump the cost of that one program with others'.)

6. Statement No. 77 should require governments to report the latest available tax abatement information if the current-year information is not yet available. This prevents them from "kicking the can down the road" or "passing the buck" (e.g. blaming the county tax assessor or actively abating government) by claiming to not have the information in hand by the filing deadline.

7. To resolve a matter it failed to conclude in re: its 2018 Implementation Guide debate, the GASB should amend Statement No. 77 to clarify that tax abatements engineered in tandem with industrial development/revenue bonds (IDBs/IRBs) and leasebacks (to skirt constitutional gift and gratuities clauses in about a dozen states) *are* tax abatements and must be reported as such.

8. Statement No. 77 should be amended to clearly require the disclosure of all tax increment financing (TIF) districts and all resulting diversions (as well as rebates) of incremental revenues, even when the funds are diverted to pay for debt or infrastructure. These diversions impose long-term limitations on a jurisdiction's revenue-raising capacity and disproportionately benefit small numbers of property owners at the expense of other businesses and homeowners. TIFs are tax abatements and must be reported under Statement No. 77.

Good Jobs First is Uniquely Qualified

Statement No. 77 is meant to provide stakeholders with information on the revenue impact of economic development tax abatements, so they can hold governments and corporations benefiting from abatements accountable.[1] But many governments, after decades of touting the *benefits* of abatement deals while never acknowledging their *costs*, are still keeping this information opaque, skirting the disclosure requirement through loopholes and technicalities. As a result, Statement No. 77, though a landmark in transparency, has generated only limited data so far on the cost of tax incentives.

We present our opinions in this paper as the leading watchdog group on economic development subsidies. We are very active users of government financial reports; indeed, in the past three years alone, we have examined at least 30,000 of them. We have been collecting tax abatement data since the calendar 2016/fiscal 2017 birth of Statement No. 77 notes. Our Tax Break Tracker database contains over 10,000 reported tax abatement programs along with detailed information on each.

The completion of our most recent study, *Abating Our Future: How Students Pay for Corporate Tax Breaks*, entailed looking at 10,370 school district financial statements to identify the 2,498 that had notes on tax abatement disclosures.[2] The impact and popularity of this study are a testament to people's thirst for the information it presents. It is safe to say that no one has examined and analyzed as much Statement No. 77 data as we have, or as closely.

Speaking from this expertise and experience, we recommend a few amendments to Statement No. 77 that will enhance its usefulness. Currently, much essential information is missing.

Improving Statement No. 77 for Essentiality

The GASB is now considering amending its definition of "essentiality," pertaining to the notes to financial statements, to place a greater emphasis on the analytical usefulness for a broad range of users. Specifically, the proposed amendment would characterize something as "essential" if:

"a. Users utilize the information in their analyses for making decisions or assessing accountability or would modify those analyses to incorporate the information if it were made available.

b. The information has or would have a meaningful effect on users' analyses for making decisions or assessing accountability.

c. A breadth or depth of users utilize or would utilize the information in their analyses for making decisions or assessing accountability."[3]

The information that has fallen through the cracks of Statement No. 77 would most certainly qualify as being "essential," as we will argue in subsequent sections.

Eight Ways Forward for More Complete and Accurate Disclosures

1. *Statement No. 77 should redefine "tax abatement" as based on the existence of agreements, not foregone revenues. If a government has agreements, it should report them, regardless of the abated amount. Even if no taxes were abated yet (in the reporting fiscal year), these agreements can limit future revenue-raising capacity.*

Currently, the definition of "tax abatement" in paragraph 4 of page 2 in Statement No. 77 seems to suggest that a government needs to report *only if* it has lost revenues.

Meanwhile, the opening summary says, "this Statement defines a tax abatement as resulting from an agreement between a government and an individual entity in which the government promises to forego tax revenues an entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens."

Nowhere does the summary suggest that a tax abatement must have a value greater than zero. It is simply an outcome of an *agreement* in which the government *promises* to forego taxes. The agreement is key. It comes first, before lost revenues.

Paragraph 4, however, defines "tax abatement" as: "A reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to for[e]go tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments."

The phrase "a reduction in tax revenues" creates a host of problems for users of financial statements and stakeholders. The fact is that governments often recoup some or all of the lost revenues through funding formula changes, levy hikes, and/or intergovernmental transfers (e.g., state education funding formulae) such that on an either an accrual or cash basis, there is no net reduction in revenue (see #2). Governments can also determine the abatement-revenue reduction to be immaterial or insignificant (see #3).

As a result, some governments are, by the omission of a Statement No. 77 note or by falsely reporting an absence of abatements, causing users to believe that there were no tax abatements and therefore no reductions in revenue. That, in turn, leads users to mistakenly believe that a government has not entered into any abatement agreements, nor is it potentially subject to passive revenue losses caused by agreements entered into by other governmental entities.

Therefore, we suggest the removal of "[a] reduction in tax revenue that results from" from paragraph 4, and let tax abatement be defined not as a reduction in tax revenue but as the existence of an agreement in which the government promises to forego revenues.

2. *Statement No. 77 should require that all tax abatement revenue losses be reported, regardless of whether any of the foregone revenues were subsequently offset. Governments often claim that no disclosures are necessary because abatements did not result in net foregone revenue. But offsets are often transfers from state taxpayers and thus may mask a locality's fiscal condition or fail to clearly indicate the drain to the state general fund, which is used to provide services to all residents. Therefore, governments must report the gross foregone revenue due to tax abatements—as well as any full or partial offsets.*

Related to #1, some governments claim zero revenue impact or omit the Statement No. 77 Note altogether because they recouped some or all of the foregone revenues through other sources such as a state formula aid, raised levy, or revenue compensation agreements with businesses or other governments. Consistent with advice dispensed by the Government Officers Finance Association (GFOA) in its 2015 opposition to the adoption of Statement No. 77, others tout the benefits and downplay or even leave out the costs of abatements.

California is a large state with about 1,000 local public school districts educating millions of children. After surveying 90 percent of their 2019 financial statements, we found only one Statement No. 77 note. The entire state is in the dark when it comes to how tax abatements affect public education, even though the state treasury in FY 2019 compensated school districts more than $100 million to offset revenue lost to local property tax exemptions.[4]

A representative from the California Controller's office told us that "a county's property tax abatement doesn't affect a school district's revenue due to the state's funding formula." For starters, depending on how the formula works, not all school districts are "on-formula." Second, just because a state adjusts its equalization formula to reflect lost local taxes, it does not necessarily mean that school budgets are made whole. (Indeed, our 2003 analysis of school board powers versus abatements and TIF found that state formulas almost always fall short in such offsets.[5]) The representative did acknowledge that school funding may be reduced because the state received less revenues from the counties that abated taxes, but claimed that the amount is not measurable. This is clearly not true: at least four school districts in California reported in FY 2017 their shares of foregone revenues caused by counties' tax abatement agreements.

Had Statement No. 77 been more explicit in its guidelines in requiring that governments report any relevant agreements and the gross revenue loss *before* offsets are applied, California's school district data would be more accurate.

Other examples include: Mount Vernon, Illinois; Houston County, Georgia; and Black Horse Pike Regional School District in New Jersey.

By contrast, several school districts in New York State reported that "because the abated amounts are spread across the District's entire tax base, there is no impact on the overall property taxes collected." The same districts nevertheless disclosed the amount of tax revenue abated prior to its being offset with increased levy. This should be standard practice.

3. *Statement No. 77 should not let governments determine the materiality (and therefore the reporting threshold) of tax abatements, but instead require that all gross foregone revenues—however small—be disclosed. When it comes to tax expenditures for private enterprise, every dollar counts and no amount is immaterial.*

Numerous jurisdictions simply state that their tax abatements were immaterial or insignificant without providing any additional information. We find this disclaimer unsatisfactory: Why were the abated taxes insignificant? Who decided that they were? What was the definitional threshold? Were there active agreements at all?

While we understand that there is a good reason for the "materiality box" on all GASB pronouncements,[6] we feel that this gives governments too much leeway when reporting tax abatements. Materiality in the context of Statement No. 77 is often determined based on how the tax abatement compares in size to the tax levy. However, even reported (i.e., significant, material) tax abatements generally represent a very small percentage of a jurisdiction's tax levy.[7]

That said, some users of financial statements will be looking at them through the lens of opportunity costs. Abatements might total "only" $5 million a year in a small city, for example, but some users will ask: How many more children could have preschool? How many more families could have shelter? How many more people could be vaccinated?

Essentiality is in the eye of the beholder, and we read the GASB's intent to give new weight to users' needs, rather than preparers'. The GASB should advise accounting professionals accordingly.

When it comes to public services like educating our children, every dollar matters. The president of the Columbus Education Association emphasized this point when we interviewed him about the city's indiscriminate use of property tax abatements. When too many schools districts have yet to recover to pre-2008 per-student spending levels, it is critical to be precise and comprehensive. As education finance expert Dr. Bruce D. Baker said: "We can't decide how best to spend money for schools unless schools have enough money to spend."[8]

If the materiality box cannot be removed for Statement No. 77, we recommend the same amendment as in #1: Remove "A reduction in tax revenues that results from" from the definition of tax abatement in paragraph 4 on p. 2, such that governments must report agreements they enter into or are subjected to, regardless of whether the abated amounts are "deemed immaterial."

4. *Statement No. 77 should require governments to disaggregate the revenue impact of their tax abatements by major public services (those that use 5% or more of the taxing body's annual budget). This is especially true for school districts that are component units of cities or counties. The same standard should apply to discrete or blended component units, special funds, and departments. Such an improvement would enable the public to break down the costs of tax incentives by entity and find out how much each public service is affected (e.g., public safety, fire and rescue, sanitation).*

In four years of Statement No. 77 data, we have found very few tax abatement notes in which the lost revenues were apportioned to discretely presented component units or special revenue funds. The financial matters of these entities are distinct from those of their primary governments. There is no reason why tax abatements cannot be reported separately.

For example, we reviewed all 141 of Tennessee's school district financial statements for FY 2019. A few do not use GAAP accounting, but the rest that do also have no tax abatement notes. The state treasurer's office told us this is because Tennessee school districts are component units of counties and municipalities. However, we don't see how this precludes computing and apportioning foregone revenue to those component school districts (see #2).

We understand it may sometimes be difficult to disentangle the finances of a primary government and its component units or subdivisions. But to the extent possible, estimates of abatement costs should be provided for each major entity, regardless of its relationship with the primary government or its status as reporting entity (see GASB Statement No. 14). The aim is to generate the same kind of useful data as if these entities were distinct jurisdictions. For example, the Philadelphia School District reports foregoing $121.1 million to the city's various tax abatement programs in FY19 even though it is a component unit of the city.

Currently, Statement No. 77 requires primary governments to report tax abatement agreements entered into by their discretely presented component units. We recommend that all reporting entities either incorporate tax abatement notes in their own financial statements, or have their foregone revenues listed in separate columns or passages in the primary governments' financial statements if the component units do not have their own separate financial statements.[9]

In cases like New York City where education and other functions are departments of the city government, it would be immensely helpful to users of its financial statements if the comptroller provided a rough estimate of how the city's $3.9 billion tax abatement spending affects each of its major public services. The same goes for blended component units—entities for which the finances are commingled with those of their primary governments.

Chester County, South Carolina, is a positive example: it breaks down its own tax abatements by all affected entities like school district, fire operations and bonds, and library. Although in this case these are either taxing jurisdictions or discretely presented component units, it serves as a good example for tax abatement reporting by integrated governmental subdivisions.

5. *Statement No. 77 should require governments to report at least the aggregate sum of all foregone revenues if taxpayer confidentiality within one program precludes program-specific disclosure. (That is, governments should be directed to lump the cost of that one program with others'.)*

GASB allows governments to not disclose an abatement program's cost if a single abatement beneficiary would dominate the sum and thereby lose confidentiality. However, in some cases, jurisdictions have multiple abatement programs, offering a solution: Amend Statement No. 77 to say that if aggregating the costs of multiple programs will obscure the identify of taxpayers, those aggregate totals should be reported. (Currently it only calls specifically for aggregating individual agreements into a program or a category of incentives to shield taxpayer identities. We are arguing for extending this same logic to multiple programs that have few recipients each.)

Georgia reports three large-scale tax abatement programs each year: Mega Project Tax Credit, Tourism Development Act, and Competitive Project of Regional Significance. (It omits its Film Tax Credit for reasons unknown.) The state is legally prohibited from disclosing taxes abated under those three individual programs due to the limited number of recipients. However, reporting the total tax abatement of all programs (especially if the Film Tax Credit is thrown in the mix) should ensure confidentiality. But because Statement No. 77 does not prescribe this remedy, users of Georgia's financial statements have no way to hold the state accountable for its tax abatement spending.

Similarly, Minnesota omits the program costs for its Greater MN Job Expansion Program and Historic Structure Rehabilitation Credit Program because, it says, of their small numbers of recipients. However, the costs of the two programs could be combined, or the state has two more programs which could be used to generate an even larger masking sum. Of course, this is not ideal as users would no longer have access to the individual programs costs of the Angel Tax Credit and the Border City Enterprise Zones. But we think knowing the full extent of the state's tax subsidy spending is more important, and so Statement No. 77 should contain provisions for lumping program costs if disclosing individual program costs endangers taxpayer confidentiality.

Mississippi does just that. The state is legally prohibited from disclosing the individual program costs of its Jobs Tax Credit, Withholding Rebate for Maintaining Existing Jobs, and Fee in Lieu of Franchise Tax. However, the state reports the aggregate cost of these three programs and includes this aggregate in the grand total. Similar, the City of Virginia Beach cannot disclose the amount of taxes abated in its ViBE Creative District without risking the exposure of its two recipients, so it lumps this amount with that abated under its Yes Oceana APZ-1 Incentive program.

Of course, there are instances where localities have just the one agreement and reporting in aggregate will not provide taxpayer confidentiality. But Statement No. 77 should explicitly require governments to provide the total cost of their tax abatement programs to the extent that it *is* possible.

6. *Statement No. 77 should require governments to report the latest available tax abatement information if the current-year information is not yet available. This prevents them from "kicking the can down the road" or "passing the buck" (e.g. blaming the county tax assessor or actively abating government) by claiming to not have the information in hand by the filing deadline.*

We have encountered many instances where the reporting entity claims that it is not able to provide a figure because the data was not available at the time of submitting its financial statements. And then the next year comes, and the year after that, it is the same thing all over again. Users end up getting no information at all, ever, instead of just one year late.

The most commonly given reason for data unavailability is the timing of property assessments. Some passively affected districts claim to not have received any information from the jurisdictions that had the agreements, or to have not received the data by the deadline for completing financial statements.

While there are certainly circumstances beyond a locality's control that may prevent it from getting the most recent fiscal year's information in time, the next best thing would be to report the latest data available, hopefully from the previous fiscal year. Some places already do this. It would be a simple amendment Statement No. 77 to make others follow suit.

7. *To resolve a matter it failed to conclude in re: its 2018 Implementation Guide debate, the GASB should amend Statement No. 77 to clarify that tax abatements engineered in tandem with industrial development/revenue bonds (IDBs/IRBs) and leasebacks (to skirt constitutional gift and gratuities clauses in about a dozen states) are tax abatements and must be reported as such.*

The good news is that a lot of places in some states have been reporting IDB/IRB abatement costs every year. Localities in Georgia, Missouri, New Mexico, New York, and South Carolina rightly disclose them under Statement No. 77 as tax abatements. The bad news is that a lot of places have not, lacking clear guidance from the GASB.

IDBs/IRBs are tax-exempt private-activity bonds used to finance the acquisition and/or construction of a private workplace. For the duration of the bonds, the facility is technically owned by a public agency (typically a county economic development authority), and therefore not subject to the local property tax, creating a property tax abatement. The company leases the facility, with its rent serving as debt service until the bonds are paid off, at which time the property title is transferred from the government to the company. These bonds can be standalone or bundled with other tax incentives and typically last one, two or three decades.

In an exposure draft of its 2018 implementation guide, GASB proposed to exclude such transactions from the definition of tax abatements, for "[as] long as the [Industrial Development Authority] is the owner of the building, the county government is not entitled to any tax revenues with respect to the building." This simplistic interpretation completely ignores the fact that the temporary transfers of property ownership in these transactions are nothing but a legal sleight of hand to gift private corporations with massive tax savings. (Property taxes are the largest tax the typical U.S. corporation pays.)

Good Jobs First (GJF) and other organizations filed comments strenuously opposing the GASB's proposal. From several states, GJF relayed materials from economic development agencies, lawyers and other sources which said, in so many words, "Here is how we do property tax abatements in XYZ state."

GJF cited some of the GASB's own recurring advice that labels don't matter, while the net effect of an agreement is what really counts.

For example:

> *A transaction's substance, not its form or title, is a key factor in determining whether the transaction meets the definition of a tax abatement for the purposes of this Statement. (Statement No. 77, Paragraph 4, "Scope and Applicability of this Statement")*

And:

> *Although many tax abatements directly reduce the amount of taxes paid and do not involve the actual collection and return of taxes, the*

> *mechanism used to conduct the transaction is not relevant to determining whether a transaction meets the definition of an abatement.* (Question 4.40 in Implementation Guide No. 2017-1)

And:

> *The Board identified three features that, in combination, set tax abatements apart from tax expenditures in general: the purpose of tax abatements, the type of revenue they reduce, and the existence of an agreement (as described in paragraphs B9–B11) with a specific individual or entity as the basis for the abatement.* (Statement No. 77, Appendix B, Paragraph B3)

In response to such comments, the GASB did not adopt that proposed guidance. However, the mere fact that the GASB once proposed to exclude such abatements—and never walked its proposal back—still impairs compliance. For example, a representative from the Tennessee comptroller's office cited the exposure draft to us to justify Volunteer State localities' not disclosing IDB abatements. Even though the matter is not covered in the final 2018 implementation guide FAQs, he reasoned to us, the proposed exclusion still represents the GASB's stated stance on the matter.

This exchange makes it clear that it is imperative for the GASB to address this issue at its next opportunity, formally reversing its erroneous earlier stance and recognizing IDB/IRB transactions as the tax abatements they are. If this device did not exist, a company would have to acquire the property itself and pay taxes on it. But for the abatement, a local government is entitled to the tax revenues on such properties.

8. *Statement No. 77 should be amended to clearly require the disclosure of all tax increment financing (TIF) districts and all resulting diversions (as well as rebates) of incremental revenues, even when the funds are diverted to pay for debt or infrastructure. These diversions impose long-term limitations on a jurisdiction's revenue-raising capacity and disproportionately benefit small numbers of property owners at the expense of other businesses and homeowners. TIFs are tax abatements and must be reported under Statement No. 77.*

Tax increment financing (TIF) diverts future property tax revenue increases in an area targeted for redevelopment (a TIF district) to subsidize the costs of such redevelopment. (Sometimes incremental sales taxes or other taxes are also captured.) These incremental revenues can be used to service debt on bonds for infrastructural improvements or, in some states, to fund direct payments to developers for private construction costs. Such diversions can last 15, 23, 35 or more years.

TIFs can be differentiated into four kinds and the GASB has ruled that two of those four kinds, which are also the most common forms, are not tax abatements for purposes of Statement No. 77 disclosure.

TIFs used for debt service, the most common form, are not tax abatements, GASB has ruled, because they are paying for a public good (infrastructure) and are therefore akin to a sewer bond and should be disclosed as such in financial reports. Good Jobs First has argued that some localities fail to report TIF debt service in the same way they disclose general obligation bond debt service. GJF has also argued that even if such TIF debt service is disclosed, it may only comprise as little as two-thirds of the total TIF tax diversion.

The GASB has also ruled that "pay as you go" TIF payments to a developer (direct annual payments not involving debt), when they fund public infrastructure, are also not abatements. Good Jobs First has argued that such expenditures involve an agreement and essentially pay a developer to perform an activity that might otherwise be funded by a development fee charged of the developer by a locality.

The GASB has ruled that the two least common forms of TIF are to be accounted for under Statement No. 77. If the locality effectively rebates the incremental tax to the corporation, either for a specific private construction activity, or as simply a tax rebate, those transactions have been deemed abatements by the GASB.

We believe that all TIF diversions should be reported under Statement No. 77 as tax abatements. We liken a TIF to a company taking money out of its back pocket and placing it in its front pocket, perhaps with a detour for a tax-free bond issuance. Many TIF districts are created for the benefit of a single company and any infrastructural improvements in the districts disproportionately benefit that one company. Moreover, not all revenue increases in TIFs district are attributable to the creation of TIF districts, but the creation of the revenue split between "base value" and "increment" means that pre-existing revenue growth is diverted for very long periods of time. Much of the new revenue would have been generated even in the absence of a TIF district.

TIFs may result in public benefits, but they also impose costs. Tax-revenue benefits are captured in revenue statements. Costs should be revealed by Statement No. 77 notes. Information about active TIFs and the amounts and destinations of TIF increments should still be presented in the notes section even if TIF funds are presented in basic financial statements.

Some Missouri cities report pay-as-you-go TIFs. Better are several cities in Maine that report all TIF diversions. The Statement No. 77 note in the financial statements of Portland, Maine, for example, includes two columns in the table detailing all taxes captured (increments) in the districts and the portions directly remitted to businesses. We believe that this is the least that all governments should do when reporting TIFs under Statement No. 77.

Endnotes

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[1] Governmental Accounting Standards Board. 2015. *Statement No. 77 of the Governmental Accounting Standards Board: Tax Abatement Disclosures*. Accessed from: https://www.gasb.org/cs/ContentServer?c=Document_C&cid=1176166283745&d=&pagename=GASB%2FDocument_C%2FGASBDocumentPage.

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[3] Governmental Accounting Standards Board. 2021. *Proposed Statement of the Governmental Accounting Standards Board on concepts related to Communication Methods in General Purpose External Financial Reports That Contain Basic Financial Statements: Notes to Financial Statements an amendment of GASB Concepts Statement No. 3*. Page iii. Accessed from: https://www.gasb.org/cs/Satellite?c=Document_C&cid=1176176950914&pagename=GASB%2FDocument_C%2FDocumentPage.

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[5] Good Jobs First. 2003. *Protecting Public Education from Tax Giveaways to Corporations*. Accessed from: https://www.goodjobsfirst.org/sites/default/files/docs/pdf/edu.pdf

[6] Governmental Accounting Standards Board. "The materiality box: Why it's important." Accessed from: https://www.gasb.org/jsp/GASB/Page/GASBSectionPage&cid=1176168716224.

[7] Fischer, M., and A. F. Holmes. 2018. "Tax abatement disclosures: An exploratory study of professional's perceptions and early disclosures of GASB Statement No. 77." *Journal of Applied Business and Economics* 20 (8): 60-71.

[8] Baker, B. D., M. Di Carlo, and M. Weber. 2019. *The Adequacy and Fairness of State School Finance Systems: Findings from the School Finance Indicators Database School Year 2015-2016.* Albert Shanker Institute at Rutgers University. Accessed from: https://www.schoolfinancedata.org/the-adequacy-and-fairness-of-state-school-finance-systems-2021/.

[9] We are aware of at least one city that reported how its tax abatements affected the revenues of its libraries, but we did not note the name of the city when we came upon it.