

## INTER-JURISDICTIONAL COMPETITION FOR SALES TAX REVENUES: A NATURAL EXPERIMENT OF DESTINATION RETAIL OUTLETS

### **G. Jason JOLLEY**

Assistant Professor and MPA Director, Ohio University, Voinovich School of Leadership & Public Affairs  
jolleyg1@ohio.edu

### **Anirudh V.S. RUHIL**

Associate Professor, Ohio University, Voinovich School of Leadership & Public Affairs  
ruhil@ohio.edu

### **Stephen KLEINSCHMIT**

Assistant Professor, Western Michigan University, School of Public Affairs and Administration  
stephen.kleinschmit@wmich.edu

### **Aleksey KOLPAKOV**

Assistant Professor, University of Nevada, Reno, Political Science Department  
akolpakov@unr.edu

### **Abstract**

In an age of increased competition for economic growth, attracting destination retail is becoming an increasingly popular development strategy. Local governments engage in inter-jurisdictional competition to attract large-scale retail outlets, which may also serve as a lucrative source of local government sales tax revenue. This study uses a natural experiment design to examine sales tax revenue collections in a seven county region in the state of North Carolina in the United States focusing on the entrance of the Tanger Outlet Mall in Alamance County. After its opening, the county experienced several years of increased sales tax collections, particularly for apparel, relative to the surrounding region. Our evidence suggests that destination retail may prove a desirable strategy for promoting development, though we posit that structural changes in retail and apparel markets, as well as state tax policies, may work to undermine the utility of this approach as means of generating local tax revenue.

### **Abbreviations:**

CPI – Consumer Price Index

FY – Fiscal Year

LOST – Local Option Sales Taxes

NCCCR – North Carolina Center for County Research

**Keywords:** Tanger, outlet malls, sales tax, LOST, destination retail

**JEL classification:** H73, H2, R5, R1, L81, Z38

## **1. Introduction**

Economic base theory dominates regional economic analysis in the United States. It divides economic activity into two categories: export market (i.e. basic industries) and local market (i.e. non-basic, service or residentiary activities) (Malizia & Feser, 1999). Its major underlying assumption is that exogenous or external demand for a region's products boosts demand for nonexportable goods while working to "increase nonexport-sector employment" (Nishiyamara 1997, 100). For this reason, economic development practice has traditionally focused on industrial recruitment or other activities that produce a good or service sold to an external market.

However, attracting export-oriented industries is highly competitive, and attracting them seldom proves successful. Prior research has suggested a 10 to 1 ratio of communities seeking investments to actual large-scale relocations or expansions (Levine, 2002). Increased globalization coupled with the Great Recession has further reduced the odds for most communities of landing a large-scale manufacturing operation. Thus, these communities have increasingly turned to other policy approaches as a means to complement traditional industrial

recruitment, including small business assistance, entrepreneurship and technological upgrading (Lowe & Freyer 2015, 1284).

Some communities have broadened their efforts to pursue forms of retail development. Kassab and Luloff (1993) likened this chase for the service sector as a new “buffalo hunt” for service sector employment. At first blush, there appears to be little reason for local governments to target retail development. Retail jobs offer lower pay and fewer benefits than traditional manufacturing employment. Additionally, retail development serves the local market and does not have significant impacts on regional growth. Large retailers may generate some costs to communities such as lower retail wages, traffic congestion, or infrastructure costs (Irwin & Clark, 2007). If retail is effective in increasing net employment, importing outside dollars from new shoppers, or preventing residents shopping elsewhere, it may be considered a form of economic development (Pittman & Culp, 1995; Kelton & Rebelein, 2007). Meyers (1995) advocated for factory outlet malls as a driver of economic growth, citing outlet malls in Stroud, Oklahoma, Woodbridge, Virginia, and Kittery, Maine as successful examples. Given a suitable location and community, factory outlet malls can increase sales tax revenue for both the city and the established downtown businesses.

## **2. Inter-jurisdictional competition**

Fiscal rationales exist for local governments to focus on retail development as part of a holistic development strategy. Retail development brings needed property tax base to local governments. Additionally, maintaining retail development prevents local sales tax revenue from flowing across boundaries and into the coffers of neighboring governments. While retail development mostly serves regional market needs, intra-metropolitan sales tax flows can hurt some local governments while benefitting others within the same region (McHugh & Jolley, 2012). This effect is magnified by the increasing concentration of retail into regional malls and big box shopping centers (Artz & Stone, 2003). In the absence of revenue sharing arrangements, local governments engage in inter-jurisdictional competition within the same metro region to keep these local sales and property tax dollars in their home jurisdictions. This competition for local sales tax dollars often drives municipalities to offer economic incentives for retail development (Artz & Stallman, 2006).

Certain classes of retail or highly concentrated retail stores may complement tourism and associated efforts to draw visitors to a locality. This paper focuses on one of these unique classes of retail development, destination retail in the form of a factory outlet mall. These malls allow for brand-name manufacturers of clothing and apparel to sell their inventory to customers at lower prices than traditional shopping and retail outlets (Reynolds, Ganesh, & Luckett, 2002). In theory, they serve as a tourism venue by attracting destination shoppers from outside of the region who otherwise would not visit and spend money (Patton, 1985). Destination retailers and sports stadiums are among the common non-export based businesses who claim to attract purchasers external to the region to justify their requests for financial assistance and incentives (Bartik, 2011). A vexing issue for local governments is the extent to which spending at a destination retailer comes from shoppers outside of the region versus residents who would have shopped locally without the presence of the retailer.

## **3. Local sales taxes**

Local sales taxes, particularly local option sales taxes (LOST) have received considerable attention in the academic literature. This review is brief, as the intent is not to undertake a comprehensive review of the literature, but rather to demonstrate that retail derived sales taxes constitute essential components of local government finance structures. Under this system, municipalities have the option to administer a sales tax on goods, and sometimes services, purchased within their jurisdiction. In theory, they offer revenue stability through tax base diversification, yet academic literature has not yet found evidence of this in practice (Hou & Seligman, 2010; Afonso, 2014).

Prior studies have found competing motivations for adopting LOST, with some municipalities utilizing it to finance new spending and others utilizing to reduce property tax rates (Sjoquist, Walker, & Wallace, 2005). More recent research finds that counties also use the technique to reduce property tax burdens and increase revenue (Afonso, 2014). Research

has also shown that municipalities relying on local sales taxes positively influence retail sales in non-central places (Wassmer, 2002).

Regardless of the motivation for adopting LOST, the consequence is often regressive. Rural communities in proximity to new urban malls can lose significant portions of their sales tax revenue (Chervin, Edmiston, & Murray, 2000). Revenues from this technique are often more unevenly distributed across local governments than property tax revenues (Zhao & Hou, 2008), which may facilitate the transfer of fiscal resources from poorer counties to wealthier ones, as has proven to be the case in North Carolina (McHugh & Jolley, 2012). North Carolina does not have a traditional LOST system, as counties are restricted to the percentage of local sale taxes that it can impose (NCCCR, 2015). At the time of their study, very little deviation existed among counties in local sales tax percentage.

#### **4. Natural experiments and public finance**

Natural experiments have been at the heart of much work in economics (DiNardo 2007, 12). The technique is useful when the researchers do not have an opportunity to assign participants to treatment and control group, like standard experiments in the social sciences and policy analysis. Instead, a random intervention like a policy change, natural disaster or unplanned event produce the differences among the geographical, political or social units of observation. The intervention creates a true randomization effect that could not be created otherwise (Dunning, 2012). Natural experiments also have an advantage over laboratory experiments in offering researchers control as participants; in this case, local governments cannot opt out of the experiment (Al-Ubaydli & List, 2015). Additionally, the technique's analytical utility lies in the ability to facilitate the "evaluation of an actual policy" but "depends on how one judges the power of other methods of inquiry (DiNardo 2007, 13).

There are several additional advantages of using natural experiments in public finance. First, natural experiments can be cost effective, considering the wide-scale availability of the public reported data. Second, they do not have ethical or implementation constraints in comparison to conventional experiments, where a researcher has to deprive the respondents of services by assigning them to a control group (Cook & Campbell, 1979). Finally, public finance practitioners can easily use the technique for evaluating projects and programs.

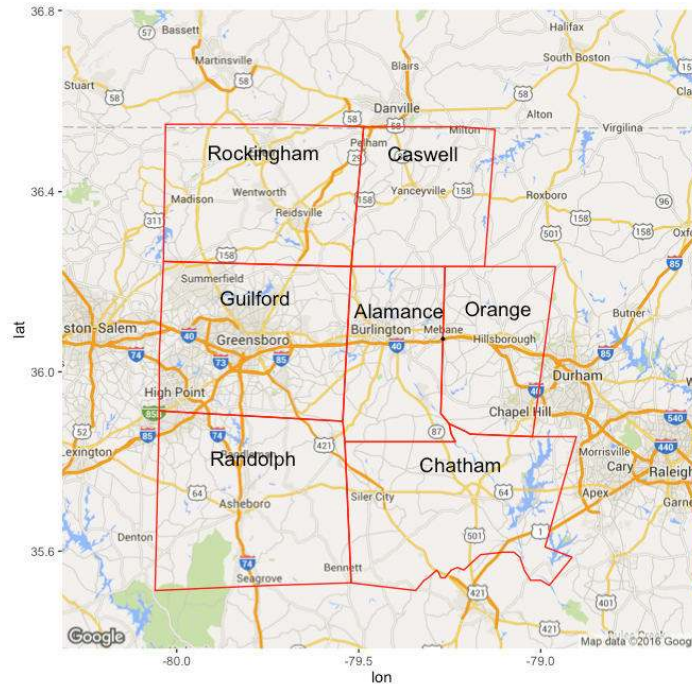
Natural experiments have an established history within regional science. In their assessment of the Appalachian Regional Commission, Isserman and Rephann (1995) utilized a quasi-experimental design to "match" a county to a "twin" that does not receive the same treatment effect. This methodology and derivatives of it have also been used in public finance and regional science to study the impact of stadiums on property values (Dehring, Depken, & Ward, 2007), school district property tax decisions (Johnston, Marlowe, Matkin, & Hayes, 2011), tax-induced migration of millionaires (Young & Varner, 2011), impacts of local land transfer taxes on land sales (Dachis, Durantou, & Turner, 2012), impacts of minimum wage laws on fast food employment (Persky & Baiman, 2010), and impacts of oil and gas exploration (Tunstall, 2015).

Others have taken a stronger focus on examining the border effect when policies different from bordering jurisdictions. Numerous scholars have found that geographic borders are a "useful device for natural experiments" (Feser, 2013, p. 57); Holmes (1998) examined the impact of "right to work" laws in a comparison to strongly unionized states and found a significant border effect and increases in manufacturing activity in right-to-work states. Holcombe and Lacombe (2004) compared tax rates and economic growth in counties across state borders, finding that higher marginal tax rates (when compared to neighboring states) had slower economic growth. Kahn and Mansur (2013) used Holmes (1998) border-pairs design to compare manufacturing growth on the borders of right-to-work and unionized states. They found counties with lower electricity prices had a concentrate of energy-intensive industries, while labor-intensive industries tended not to locate in heavily unionized counties. Other tax-related border studies have included enterprise zones (Billings, 2009), local taxes, and property values (Charlot, Paty, & Visalli, 2013). The main condition underlying their validity is that "treatment and control groups created by the natural experiment are similar in terms of all observed and unobserved factors that may affect the outcome of interest" (Sekhon & Titiunik, 2012, p. 36), a point that drove our group selection.

## 5. Methods: the Tanger outlets case

The City of Mebane (Population estimate: 12,981 per U.S. Census Bureau, 2013) is primarily located in Alamance County, though a small portion of its jurisdiction extends into Orange County. Interstates I-40 and I-85 pass through the town, connecting it to the larger metro areas of the Piedmont Triad (Greensboro, Winston-Salem, and High Point) to the west and the Research Triangle (Raleigh, Durham, and Chapel Hill) to the east. Figure 1 demonstrates Tanger Outlet's location in Alamance County and proximity to the seven counties in the study region.

**Figure 1: Location of Tanger Outlet in the Seven-County Region**



Source: Google Maps

In 2010, Tanger Outlets developed a 317,572 square foot outlet mall on 52 acres in the City of Mebane just inside the Alamance County border adjacent to Orange County (News & Observer, 2010). The outlet was projected to generate 4.5 million annual visitors, 800 new jobs, \$7 million in annual sales taxes, and \$200,000 in annual property taxes (News & Observer, 2010). This paper utilizes a natural experiments design to examine the regional and county-level retail spending patterns around the outlet that opened in Fall 2010 in Mebane (Alamance County), North Carolina. A finding of substantial differences in sales tax collections, especially in the area of apparel sales, would suggest that the siting of large retail outlets is an important consideration for local governments seeking to maintain their tax base.

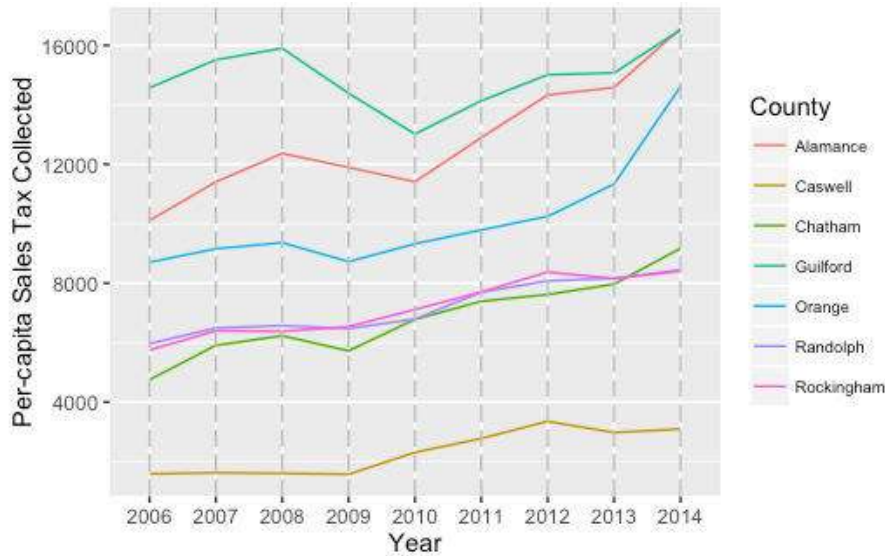
To address the research question, fiscal year publicly available data on the local sales tax collection were accessed for Alamance County and all contiguous counties – i.e., Orange, Caswell, Chatham, Guilford, Randolph, and Rockingham; our study period covers the collection of data from 2006 to 2014. All fiscal data are adjusted for inflation; CPI (All Urban Consumers) series were used, and 2000 was used as the base year to construct the adjustment factor. The resulting real sales tax collections per county per year are converted to per-capita equivalents before performing the analysis. We then calculated “first-difference” and “difference in difference” sales tax time series comparisons.

It should be noted that North Carolina joined the Streamlined Sale Tax Agreement, which changed the manner and type of data collected and reported. As such, trend comparisons prior to 2005 may not be accurate. Additionally, the state stopped reporting sales tax data for small municipalities, such as Mebane, so it is impossible to make direct comparisons on point of sale for small municipalities.

**6. Analysis**

As is evident from Figure 2, starting in 2009 per-capita sales tax collections were rising in all counties except for Alamance and Guilford. However, in 2010 sales tax collections began rising for Alamance and Guilford, with some of the steepest increases occurring in Alamance. One does see a continued rise in per-capita sales-tax collection for the other counties, but the rate of change is considerably smaller.

**Figure 2: Taxable sales**



Source: Author’s calculations from North Carolina Department of Revenue Sales and Use Tax Statistics

Table 1 demonstrates that most of the Tanger Outlet stores sell apparel items. Very few food or other stores exist at the outlet. Therefore, the largest effect on per capita sales would occur in the area of apparel sales.

**Table 1: Tanger outlet store type**

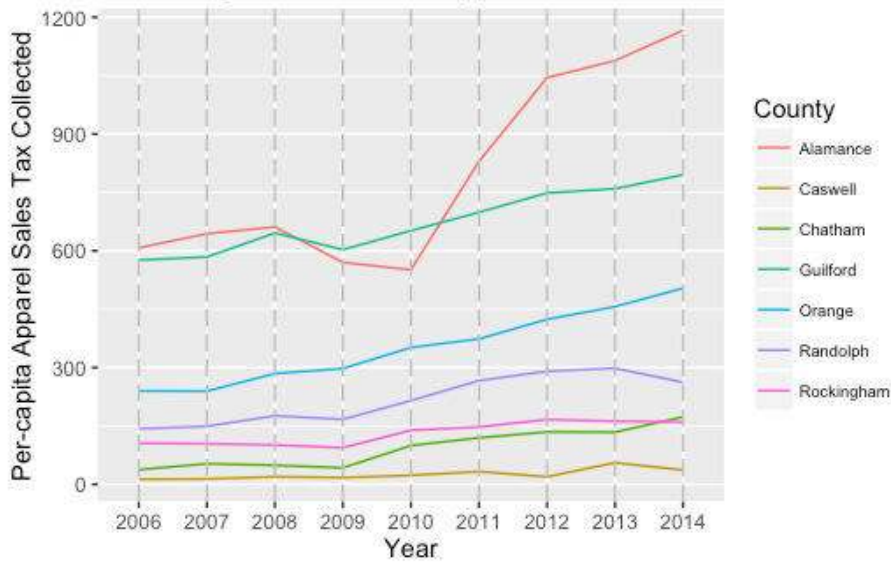
Store type	Store count	Percentage %
Apparel	54	77%
Specialty	7	10%
Accessories	5	7%
Food	4	6%
<b>Total</b>	<b>70</b>	<b>100%</b>

Source: 2015 Tanger Outlet Mall Directory of Stores

Figure 3 displays the change in taxable sales for apparel, the predominant good sold at Tanger Outlet. Per-capita taxable apparel sales in Alamance County doubled from 2010, the fiscal year that Tanger entered the market, to FY 2014. This growth amounted to the largest increase in taxable apparel sales within the seven-county region, far outpacing that of Chatham and Orange counties.



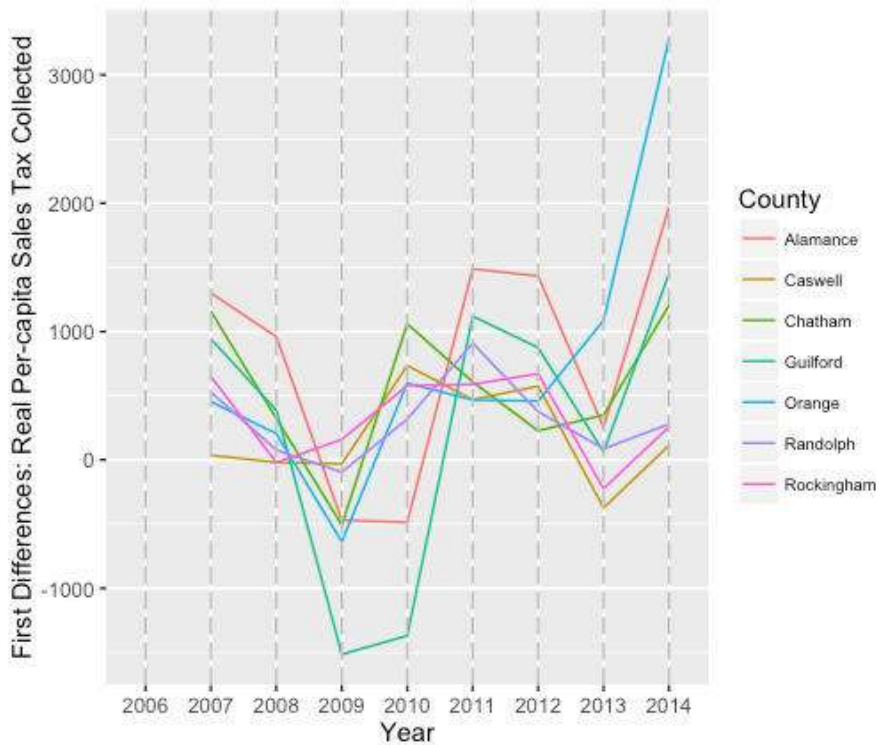
**Figure 3: Taxable apparel sales**



Source: Author’s calculations from North Carolina Department of Revenue Sales and Use Tax Statistics

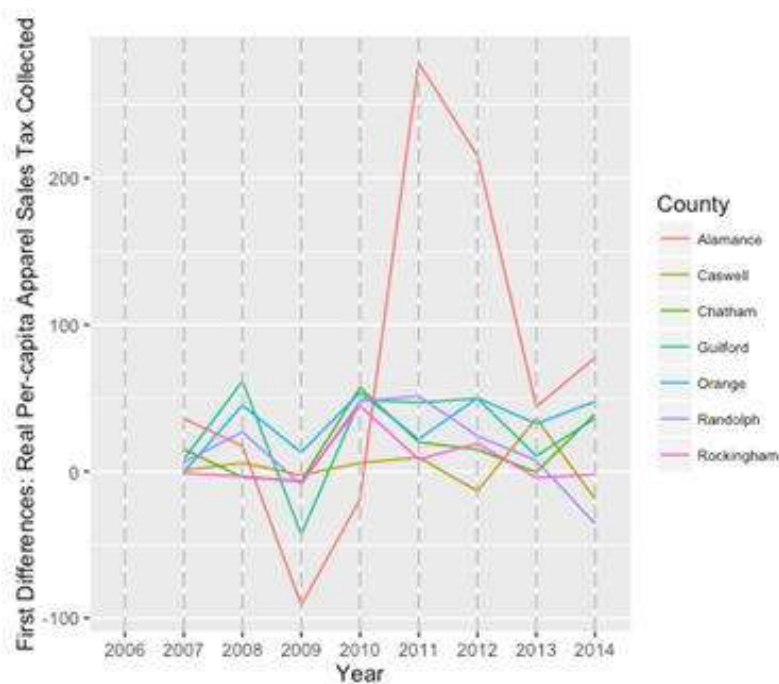
Next, a first-difference series was calculated to show real per-capita sales tax collection movement from one fiscal year to the next for all counties.

**Figure 4: First-differences of total sales tax**



Source: Author’s calculations from North Carolina Department of Revenue Sales and Use Tax Statistics

While the first-difference series (see Figure 4) of total sales tax collected (per county, and in real per-capita terms) show considerable movement from one fiscal year to the next, it does not distinguish Alamance’s trend. Figure 5 is more illustrative, as the taxable apparel sales series are plotted, it is quite clear that an uptick in taxable apparel sales began in FY 2009, accelerated in FY 2010, peaking in FY 2011 (the first fiscal year with the Tanger Outlet in operation). The year-to-year movement settles down back to the average for the rest of the counties by FY 2013. Once again, the series suggest a markedly different trend in Alamance as compared to that in the other six counties (including Orange).

**Figure 5: First-differences of apparel sales tax**

Source: Author's calculations from North Carolina Department of Revenue Sales and Use Tax Statistics

To be sure, a review of the trends in apparel sales tax collections and per-capita LOST suggest that the Tanger Outlet Mall had an impact on Alamance County relative to contiguous counties. To test this possibility via fitting difference-in-difference models to two outcomes – (a) the real per-capita sales tax collected, and (b) the real per-capita apparel sales tax collected was attempted. Although these suggested a significant increase in real per-capita sales tax collections, these models did not allow a conclusion that the increases in Alamance did not extend to the other counties as well.

## **7. Closing thoughts and conclusion**

Our evidence suggests that Tanger's entrance into the market significantly increased the tax collections in Alamance County, especially in the area of apparel sales relative to surrounding counties. This effect dissipated after several years before per capita sales taxes normalized. We hypothesize that the patterns realized within our study were influenced by external factors, including general economic conditions, structural changes in larger apparel and retail markets, and state tax policy that may prove important considerations for future research.

The sharp economic downturn that began in 2009 resulted in a drop of consumer spending in both the retail sector and apparel sales. Net profit for U.S. retail trade corporations in Q1 2009 was roughly half that of Q1 2006, and apparel sales dropped 29% between Q1 2008 and Q1 2009, though both rebounded to more "normal" levels in the next year (Census Economic Survey, 2016). The trends specified by Census economic indicator data across these sectors reflect the same degree of volatility evidenced in our data.

During our study period, there was also a substantial increase in e-Commerce, which would have a diminishing effect on local tax collections. In 2006, it accounted for 2.6% of total retail activity, by the end of 2014 this accounted for 7.0% (Census, 2016). Additionally, the apparel sector saw a 350% increase in online sales from 2006-2014. The younger, technically savvy residents that make up the Triad and Triangle (that might otherwise be drawn to the Tanger Outlet) are increasingly turning to online retailers. Though e-Commerce still accounts for a relatively small proportion of total sales (7.8%), it does comprise of 60.4% of retail sales growth (Census, 2016). Continued growth in online retail would increasingly hinder sales at retail outlet malls, and would work to undermine the efficacy of destination retail as an economic development tool and a revenue source.

Compounding this effect, online retailers were not required to collect sales tax if they had no physical presence in the state, creating an annual revenue loss estimated \$214 million in 2012 (WRAL, 2014). The effect on Alamance County is magnified by the state's tax system, which at the time relied on a combination of the "county of purchase" collection and per capita population counts for distribution. The county's population ranked 18th out of the states 103 counties in 2012, and would lose disproportionately more revenue than other counties under this system. Though outside of the scope of this analysis, the new tax distribution formula implemented in FY 2016 further reduces distributed sales tax revenue to Alamance County to 0% for a system favoring redistribution to the state's struggling rural counties. Proposed changes also eliminated the local sales tax option all together in favor of a pure state sales tax, which could have caused counties to "lose control of their fiscal stability if local sales taxes become state revenues" but were later removed ("Bill Shakes Up," 2015).

This paper supports prior research on the "fiscalisation of land use for retail activity" (Wassmer, 2002: 1323) and provides evidence to suggest the location of retail outlets is an important consideration for competition among jurisdictions in the same market for sales tax dollars. While retail jobs may not offer significant wages, local governments, especially those with LOST systems, should be aware of potential sales tax impacts of destination retail outlets locations as clear winners and losers exist, especially in the short-term. As a long-term development strategy, we believe that economic developers be cognizant of changing patterns in consumer behavior (i.e. e-Commerce) and changes in state tax policy (particularly with LOST systems) that may eventually undermine its utility for generating local tax revenue.

## 8. References

- Afonso, Whitney B. "Local Sales Taxes as a Means of Increasing Revenues and Reducing Property Tax Burdens: An Analysis Using Propensity Score Matching." *Public Budgeting & Finance* 34, no. 2 (2014): 24-43.
- Al-Ubaydli, Omar, and John A. List. Do Natural Field Experiments Afford Researchers More or Less Control than Laboratory Experiments? A Simple Model. No. w20877. National Bureau of Economic Research, 2015.
- Artz, Georgette, and Kenneth E. Stone. "An Analysis of the Transfer of Funds from Weak Retail Counties to Strong Retail Counties in Iowa via Local Option Sales Taxes." In Annual Meeting of American Agricultural Economics Association, Montreal, Quebec. 2003.
- Artz, Georgette, and Judith I. Stallmann. "Recruiting big-box retailers as an economic development strategy." In National Public Policy Conference, Fayetteville, AR. 2006, <http://www.farmfoundation.org/news/articlefiles/392Stallman%20Artz%20NPPEC%20>
- Billings, Stephen. "Do enterprise zones work? An analysis at the borders." *Public Finance Review* 37.1 (2009): 68-93.
- Charlot, Sylvie, Sonia Paty, and Michel Visalli. "Assessing the impact of local taxation on property prices: a spatial matching contribution." *Applied Economics* 45, no. 9 (2013): 1151-1166.
- Chervin, Stan, Kelly Edmiston, and Matthew N. Murray. "Urban malls, tax base migration, and state intergovernmental aid." *Public Finance Review* 28, no. 4 (2000): 309-334.
- Cook, Thomas D., Donald Thomas Campbell, and Arles Day. *Quasi-experimentation: Design & analysis issues for field settings*. Vol. 351. Boston: Houghton Mifflin, 1979.
- Dachis, Ben, Gilles Duranton, and Matthew A. Turner. "The effects of land transfer taxes on real estate markets: evidence from a natural experiment in Toronto." *Journal of Economic Geography* (2011): lbr007.
- Dehring, Carolyn A., Craig A. Depken, and Michael R. Ward. "The impact of stadium announcements on residential property values: Evidence from a natural experiment in Dallas - fort worth." *Contemporary Economic Policy* 25, no. 4 (2007): 627-638.
- Dunning, Thad. *Natural experiments in the social sciences: A design-based approach*. Cambridge University Press, 2012.
- Feser, Edward. "Isserman's impact: quasi-experimental comparison group designs in regional research." *International Regional Science Review* 36, no. 1 (2013): 44-68.
- Holcombe, Randall G., and Donald J. Lacombe. "The effect of state income taxation on per capita income growth." *Public Finance Review* 32, no. 3 (2004): 292-312.
- Holmes, Thomas J. "The effect of state policies on the location of manufacturing: Evidence from state borders." *Journal of political Economy* 106, no. 4 (1998): 667-705.
- Hou, Yilin, and Jason S. Seligman. "LOST stability? Consumption taxes and the cyclical variability of state and local revenues." John Glenn School of Public Affairs Working Paper Series (2010).



- Irwin, Elena G., and Jill Clark. "Mitigating Impacts of Big Box Retail on Local Communities." *Journal of Regional Analysis and Policy*.
- Isserman, Andrew, and Terance Repphann. "The economic effects of the Appalachian Regional Commission: An empirical assessment of 26 years of regional development planning." *Journal of the American Planning Association* 61, no. 3 (1995): 345-364.
- Johnston, Jocelyn M., Justin Marlowe, David ST Matkin, and Michael Hayes. "The Impact of Local School Property Tax Reductions on City and County Revenue Decisions: A Natural Experiment In Kansas." *Public Finance and Management* 11, no. 2 (2011): 180.
- Kahn, Matthew E., and Erin T. Mansur. "Do local energy prices and regulation affect the geographic concentration of employment?" *Journal of Public Economics* 101 (2013): 105-114.
- Kassab, Cathy, and Albert E. Luloff. "The new buffalo hunt: Chasing the service sector." *Community Development* 24, no. 2 (1993): 175-195.
- Kelton, Christina ML, and Robert P. Rebelein. "Can we have a high-end retail department store? How to tell if your region is ready." *Economic Development Journal* 6, no. 1 (2007): 22-29.
- Levine, Ted M. 2002. "Six revolutions in economic development marketing." *Economic Development Journal* 1, no. 1: 5. MasterFILE Premier, EBSCOhost (accessed February 17, 2017).
- Lowe, Nichola J. "Beyond the deal: Using industrial recruitment as a strategic tool for manufacturing development." *Economic Development Quarterly* 28, no. 4 (2014): 287-299.
- Lowe, Nichola, and Allan Freyer. "A moving target: rethinking industrial recruitment in an era of growing economic uncertainty." *Environment and Planning C: Government and Policy* 33, no. 5 (2015): 1284-1300.
- Malizia, Emil E., and Edward J. Feser. *Understanding local economic development*. Rutgers, NJ: CUPR Press, 1998.
- Meyers, Carleton R. "Attracting factory outlet stores can spell success for a community." *Economic Development Review* 13, no. 2 (1995): 51.
- McHugh, Patrick J., and G. Jason Jolley. "The Sheriff of Nottingham's Favorite Tax: How Local Option Sales Taxes Exacerbate Budgetary Inequalities between Local Governments." *Journal of Public Budgeting, Accounting & Financial Management* 24, no. 3 (2012): 466.
- Nishiyama, Yasuo. "Exports' contribution to economic growth: Empirical evidence for California, Massachusetts, and Texas, using employment data." *Journal of Regional Science* 37, no. 1 (1997): 99-125.
- North Carolina Center for County Research. "Basics of North Carolina Local Option Sales Taxes," North Carolina Association of County Commissioners, accessed August 15, 2015, <http://www.ncacc.org/DocumentCenter/View/1175>
- North Carolina Tax Guide 2010. Raleigh: North Carolina Office of State Budget and Management, 2010.
- Patton, Spiro G. "Tourism and local economic development: Factory outlets and the reading SMSA." *Growth and Change* 16, no. 3 (1985): 64-73.
- Persky, Joseph, and Ron Baiman. "Do State Minimum Wage Laws Reduce Employment? Mixed Messages from Fast Food Outlets in Illinois and Indiana." *Journal of Regional Analysis & Policy* 40, no. 2 (2010): 132.
- Phillips, Rhonda. "What are the positive impacts of retail-based economic growth for communities?" *Journal of Shopping Center Research* 7, no. 1 (2000): 7-28.
- Pittman, Robert H., and Rhonda P. Culp. "When does retail count as economic development?" *Economic Development Review* 13, no. 2 (1995): 4.
- Remler, Dahlia K., and Gregg G. Van Ryzin. *Research methods in practice: Strategies for description and causation*. Sage Publications, 2010.
- Reynolds, Kristy E., Jaishankar Ganesh, and Michael Luckett. "Traditional malls vs. factory outlets: comparing shopper typologies and implications for retail strategy." *Journal of Business Research* 55, no. 9 (2002): 687-696.
- Sekhon, Jasjeet S., and Rocio Titiunik. "When natural experiments are neither natural nor experiments." *American Political Science Review* 106, no. 01 (2012): 35-57.
- Sjoquist, David L., Mary Beth Walker, and Sally Wallace. "Estimating differential responses to local fiscal conditions: A mixture model analysis." *Public Finance Review* 33, no. 1 (2005): 36-61.
- Staff. "Bill shakes up sales tax". *Carteret County News-Times*, March 25, 2015. [http://www.carolinacoastonline.com/news\\_times/article\\_b3c06ef4-d300-11e4-a2f7-dbd52703b86c.html](http://www.carolinacoastonline.com/news_times/article_b3c06ef4-d300-11e4-a2f7-dbd52703b86c.html)
- Tunstall, Thomas. "Recent economic and community impact of unconventional oil and gas exploration and production on South Texas counties in the Eagle Ford Shale area." *Journal of Regional Analysis & Policy* 45, no. 1 (2015): 82.
- U.S. Census Bureau. "State and county quick facts." Last modified 2013, <http://www.census.gov/quickfacts/table/PST045216/37>.

U.S. Census Bureau. "Monthly retail trade report." Last modified 2016,

<https://www.census.gov/retail/marts/www/timeseries.html>

Wassmer, Robert W. "Fiscalisation of land use, urban growth boundaries and non-central retail sprawl in the western United States." *Urban Studies* 39, no. 8 (2002): 1307-1327.

Young, Cristobal, and Charles Varner. "Millionaire migration and state taxation of top incomes: Evidence from a natural experiment." *National Tax Journal* 64, no. 2 (2011): 255.

Zhao, Zhirong Jerry, and Yilin Hou. "Local option sales taxes and fiscal disparity: the case of Georgia counties." *Public Budgeting & Finance* 28, no. 1 (2008): 39-57.