

# spotlight

No. 316 – March 21, 2007

## EASTERN NC'S LOTTERY BUG

Counties with higher taxes and unemployment play more

**KEY FACTS:** • **Property tax rates, unemployment, and poverty rates are the best guides to a county's lottery sales per adult.**

• **Neither personal nor household income was associated with a county's level of lottery sales per adult.**

• **Nash County had the highest lottery sales per adult in the state — \$227 per adult. Eight of the ten highest-spending counties are in the eastern part of the state.**

• **Madison County has the lowest lottery sales per adult in the state — \$28 per adult. Nine of the ten lowest-spending counties are in the western part of the state.**

.....

**P**roperty tax rates, unemployment rates, and poverty rates were the best predictors of a county's lottery sales to adults 18 or older. The top ten counties in lottery sales per adult had average unemployment rates in 2006 of 6.2 percent and average property tax rates of 78.80 cents; the average poverty rate for the top ten counties was 17.7 percent in 2004. The bottom ten counties averaged 4.6 percent for unemployment and 48.13 cents on the property tax rate; their average poverty rate in the bottom ten counties was 14.4 percent in 2004. Statewide unemployment for 2006 was 5.1 percent, the average property tax rate is 65.87 cents, and 13.8 percent were in poverty.

Nash County has the highest lottery-ticket revenue per adult, \$227, of all 100 counties in North Carolina. Madison County has the lowest revenue per capita – just \$28 per adult. Eastern counties also make up eight of the top ten counties for revenues; nine of the bottom ten counties are in the West (see map). This East-West divide in lottery revenues is similar to the distribution of lottery retailers per person in the state.<sup>1</sup>

Using Department of Commerce economic development tier designations, the most economically distressed counties (Tiers One through Three) had lottery sales of \$126 per adult. Tier Four counties had sales of \$121 per adult. Tier Five counties had sales of \$110 per adult.

*Joseph Coletti is Fiscal Policy Analyst for the John Locke Foundation.*

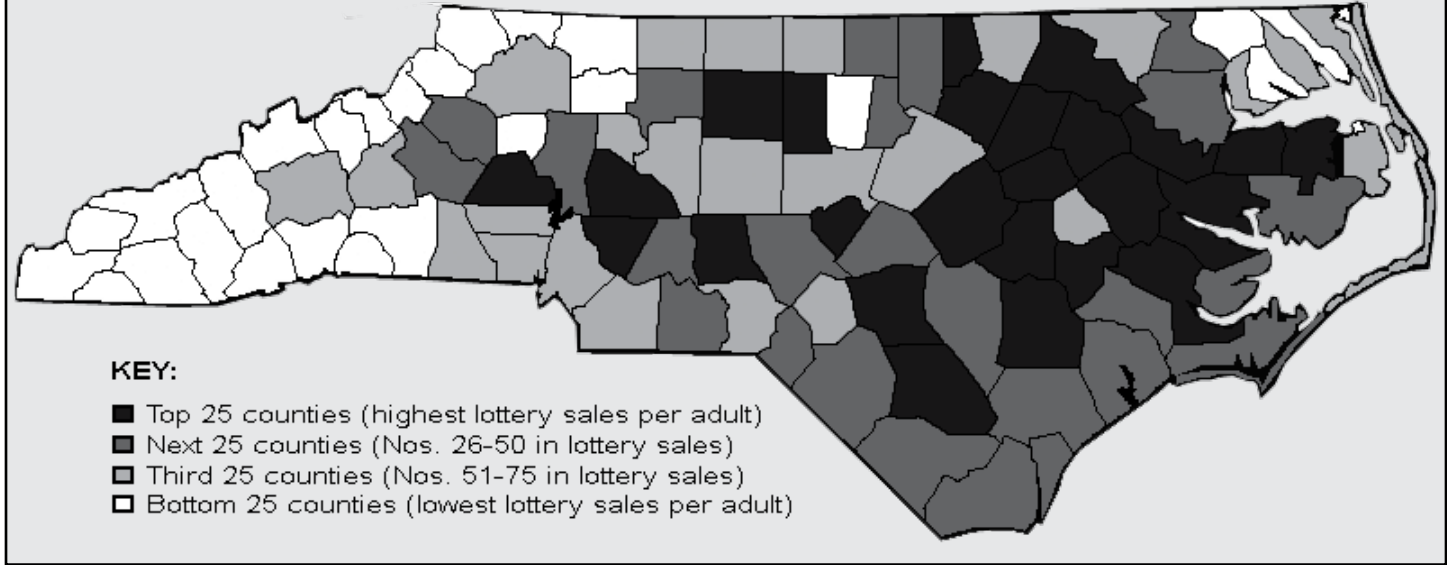
200 W. Morgan, #200  
Raleigh, NC 27601  
phone: 919-828-3876  
fax: 919-821-5117  
www.johnlocke.org

*The John Locke Foundation is a 501(c)(3) nonprofit, nonpartisan research institute dedicated to improving public policy debate in North Carolina. Viewpoints expressed by authors do not necessarily reflect those of the staff or board of the Locke Foundation.*

	Lottery Sales (Through 2/10/07) <sup>2</sup>	Adult Population (Ages 18+) July 2005 <sup>3</sup>	Sales Per Adult	Poverty Rate 2004 <sup>4</sup>	Avg. Unemployment Rate 2006 <sup>5</sup>	County Property Tax Rate <sup>6</sup>
BOTTOM TEN	\$8,040,277	160,668	\$50	14.4%	4.6%	\$0.48
TOP TEN	\$87,635,599	453,786	\$193	17.7%	6.2%	0.79
STATEWIDE	\$772,868,136	6,584,121	\$117	13.8%	5.1%	0.66
ALAMANCE	\$15,936,581	105,184	\$152	11.8%	5.2%	\$0.58
ALEXANDER	2,185,414	27,394	80	11.5%	4.8%	0.51
ALLEGHANY	624,659	8,871	70	16.5%	4.9%	0.70
ANSON	2,336,170	19,592	119	19.7%	7.4%	0.89
ASHE	1,345,372	20,626	65	14.1%	5.5%	0.40
AVERY	899,183	14,801	61	15.5%	4.8%	0.38
BEAUFORT	5,911,881	35,863	165	17.7%	5.9%	0.60
BERTIE	1,836,770	15,040	122	21.3%	6.5%	0.78
BLADEN	3,454,805	25,026	138	20.2%	6.3%	0.86
BRUNSWICK	8,578,156	71,354	120	13.2%	4.2%	0.54
BUNCOMBE	14,973,067	170,528	88	13.8%	3.6%	0.53
BURKE	8,365,338	68,051	123	14.0%	5.7%	0.59
CABARRUS	14,782,594	110,985	133	10.8%	4.0%	0.63
CALDWELL	7,083,689	60,670	117	13.6%	7.5%	0.54
CAMDEN	457,865	6,880	67	8.7%	4.2%	0.90
CARTERET	6,383,009	51,280	124	11.8%	3.9%	0.44
CASWELL	1,663,923	18,570	90	16.2%	7.0%	0.65
CATAWBA	17,677,091	112,732	157	11.4%	5.4%	0.49
CHATHAM	4,102,184	43,723	94	10.2%	3.7%	0.60
CHEROKEE	1,405,852	21,114	67	15.1%	5.2%	0.52
CHOWAN	1,130,449	11,240	101	16.9%	4.9%	0.55
CLAY	264,613	8,186	32	12.7%	3.7%	0.40
CLEVELAND	6,541,577	73,129	89	15.4%	6.4%	0.73
COLUMBUS	5,096,383	41,443	123	21.1%	5.7%	0.77
CRAVEN	10,372,571	70,776	147	13.7%	4.5%	0.61
CUMBERLAND	35,491,352	222,469	160	16.2%	5.5%	0.88
CURRITUCK	1,502,835	17,513	86	9.6%	3.1%	0.32
DARE	2,413,643	27,759	87	7.8%	4.5%	0.26
DAVIDSON	12,197,388	117,746	104	13.2%	5.9%	0.54
DAVIE	3,267,741	29,625	110	9.3%	4.0%	0.66
DUPLIN	6,725,527	38,534	175	17.9%	5.3%	0.81
DURHAM	23,000,064	184,101	125	14.9%	3.8%	0.81
EDGECOMBE	7,472,819	39,681	188	21.5%	8.2%	0.94
FORSYTH	28,636,139	245,744	117	13.6%	4.2%	0.67
FRANKLIN	5,315,624	40,349	132	13.6%	3.9%	0.79
GASTON	16,491,544	147,652	112	14.2%	5.4%	0.88
GATES	527,298	8,523	62	14.1%	3.7%	0.91
GRAHAM	309,887	6,407	48	16.7%	6.2%	0.47
GRANVILLE	5,275,506	41,072	128	14.5%	5.1%	0.70
GREENE	1,602,550	15,260	105	19.1%	5.3%	0.75
GUILFORD	44,723,766	335,545	133	14.7%	4.7%	0.66
HALIFAX	6,752,045	42,714	158	23.2%	6.7%	0.87
HARNETT	8,903,262	74,683	119	15.8%	4.7%	0.74
HAYWOOD	3,793,401	45,396	84	13.8%	3.8%	0.50
HENDERSON	5,191,339	77,734	67	11.2%	3.4%	0.57
HERTFORD	2,271,477	18,505	123	20.8%	5.3%	0.91
HOKE	3,249,589	28,323	115	16.1%	5.5%	0.70
HYDE	546,145	4,568	120	19.3%	5.3%	0.72
IREDELL	12,904,304	104,330	124	10.1%	4.3%	0.47
JACKSON	2,128,198	29,339	73	15.8%	3.3%	0.36

	Lottery Sales (Through 2/10/07) <sup>2</sup>	Adult Population (Ages 18+) July 2005 <sup>3</sup>	Sales Per Adult	Poverty Rate 2004 <sup>4</sup>	Avg. Unemployment Rate 2006 <sup>5</sup>	County Property Tax Rate <sup>6</sup>
TIERS ONE-THREE	\$275,601,125	2,184,941	\$126	16.5%	5.7%	0.67
TIER FOUR	139,393,766	1,147,595	121	13.9%	4.6%	0.60
TIER FIVE	357,873,246	3,251,585	110	12.2%	4.0%	0.65
JOHNSTON	\$14,367,491	\$107,354	134	12.9%	3.7%	\$0.78
JONES	949,965	7,913	120	16.9%	4.3%	0.66
LEE	7,113,773	40,262	177	13.1%	5.2%	0.79
LENOIR	8,954,212	44,416	202	17.8%	5.6%	0.84
LINCOLN	5,401,472	52,922	102	11.1%	5.1%	0.61
MACON	1,452,958	26,351	55	13.1%	4.2%	0.37
MADISON	447,652	16,010	28	13.3%	4.1%	0.51
MARTIN	3,054,731	18,828	162	15.4%	5.7%	0.79
MCDOWELL	3,714,568	33,648	110	18.8%	6.2%	0.55
MECKLENBURG	49,547,338	590,121	84	12.8%	4.3%	0.82
MITCHELL	765,827	12,757	60	14.6%	6.1%	0.52
MONTGOMERY	3,120,923	20,778	150	15.9%	6.7%	0.58
MOORE	7,610,759	64,142	119	12.1%	4.5%	0.46
NASH	15,646,466	68,994	227	14.7%	5.6%	0.70
NEW HANOVER	16,835,207	143,106	118	13.9%	3.4%	0.69
NORTHAMPTON	1,644,285	16,856	98	20.9%	5.9%	0.88
ONSLow	14,059,111	118,266	119	15.8%	4.6%	0.50
ORANGE	7,719,067	97,332	79	12.6%	3.3%	0.90
PAMLICO	1,239,289	10,674	116	15.5%	4.6%	0.65
PASQUOTANK	3,169,709	29,719	107	16.8%	4.6%	0.48
PENDER	4,553,623	36,500	125	14.2%	3.9%	0.65
PERQUIMANS	462,070	9,679	48	16.0%	4.9%	0.67
PERSON	3,454,805	28,612	121	13.6%	6.0%	0.65
PITT	17,272,912	109,288	158	17.8%	5.1%	0.70
POLK	696,564	15,384	45	11.2%	3.4%	0.68
RANDOLPH	8,910,346	103,761	86	11.5%	4.6%	0.54
RICHMOND	3,816,171	35,006	109	19.7%	7.6%	0.83
ROBESON	11,548,839	91,889	126	23.8%	6.4%	0.80
ROCKINGHAM	8,208,604	71,317	115	13.5%	6.0%	0.69
ROWAN	14,895,670	101,165	147	13.0%	5.0%	0.63
RUTHERFORD	3,984,549	48,901	81	16.1%	7.9%	0.61
SAMPSON	5,890,402	47,320	124	17.5%	4.6%	0.81
SCOTLAND	3,290,049	27,077	122	20.5%	8.8%	1.10
STANLY	5,277,845	44,755	118	12.8%	5.2%	0.65
STOKES	3,475,831	35,491	98	11.1%	4.3%	0.60
SURRY	3,982,678	55,996	71	14.6%	5.2%	0.63
SWAIN	649,072	10,409	62	15.4%	5.4%	0.33
TRANSYLVANIA	1,520,839	24,202	63	12.6%	4.1%	0.54
TYRRELL	547,864	3,384	162	23.5%	5.4%	0.74
UNION	9,713,174	114,894	85	9.7%	3.7%	0.64
VANCE	6,480,375	31,987	203	20.7%	7.6%	0.92
WAKE	62,735,884	558,300	112	9.2%	3.4%	0.63
WARREN	1,636,875	15,910	103	21.8%	6.4%	0.84
WASHINGTON	1,819,569	10,209	178	20.6%	7.0%	0.79
WATAUGA	2,119,102	36,634	58	14.7%	3.3%	0.31
WAYNE	14,828,643	86,168	172	15.4%	4.9%	0.74
WILKES	5,017,865	52,083	96	13.9%	5.2%	0.61
WILSON	12,682,336	57,672	220	17.5%	7.2%	0.76
YADKIN	1,855,738	28,590	65	11.6%	4.2%	0.68
YANCEY	622,424	14,459	43	16.4%	5.7%	0.50

**Map: North Carolina Education Lottery Sales Per Adult, By County (Through Feb. 10, 2007)**



### Notes

1. J. Andrew Curliss, "State set for lottery blitz," *The News & Observer* (Raleigh), March 26, 2006, [www.newsobserver.com/656/story/422228.html](http://www.newsobserver.com/656/story/422228.html) or [www.newsobserver.com/content/politics/lottery/story\\_graphics/20060326\\_lottery.pdf](http://www.newsobserver.com/content/politics/lottery/story_graphics/20060326_lottery.pdf).
2. North Carolina Education Lottery.
3. North Carolina State Demographics office, [demog.state.nc.us](http://demog.state.nc.us).
4. U.S. Census Bureau, Small Area Income & Poverty Estimates [www.census.gov/cgi-bin/saippe/saippe.cgi](http://www.census.gov/cgi-bin/saippe/saippe.cgi).
5. N.C. Employment Security Commission, [eslmi40.esc.state.nc.us/ThematicLAUS/clfasp/CLFaasy.asp](http://eslmi40.esc.state.nc.us/ThematicLAUS/clfasp/CLFaasy.asp).
6. N.C. Department of Revenue, [www.dornrc.com/publications/propertyrates.html](http://www.dornrc.com/publications/propertyrates.html).