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Taxation by Citation: A 50-State Data and Policy Report on Local Government Fines and Forfeitures

This report maps the scope of local governments' dependence on fines and forfeitures to fund basic operations and why decades of reform efforts have fallen short.

Local governments across the United States collect substantial revenues through law enforcement fines and forfeitures. While monetary penalties serve legitimate purposes in the criminal justice system, their use becomes exploitative when governments rely on law enforcement and courts as essential revenue sources, creating conflicts of interest that undermine public safety and erode public trust.

Despite widespread agreement that reform is necessary, limited data has been a persistent barrier to effective policy change. Policymakers seeking to understand the scope of the problem in their own states have often lacked basic information about how much revenue local governments collect, which jurisdictions are most reliant on it, and whether existing reforms are working to correct perverse incentives.

A new Reason Foundation report, [*Taxation by Citation: A 50-State Data and Policy Report on Local Government Fines and Forfeitures*](#), aims to address that gap through a novel dataset of audited local government financial statements covering more than 10,000 cities and counties, as well as a systematic review of existing reform efforts.

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