



**STATE REVENUE REPORT
SECOND QUARTER, 2017**

**Volatility in Income Tax,
Continued Weakness in
Sales Tax, Slower Growth in
Property Tax**

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Summary

State and local government tax revenues grew modestly in the second quarter of 2017, although revenues from state and local personal income taxes declined and continued to show significant swings from one quarter to the next. State sales taxes and corporate income taxes also increased in the second quarter, as did state motor fuel taxes, but state sales tax revenues still lagged behind rates of increases in previous economic expansions. Finally, local government property taxes grew, though their rate of growth slowed from recent trends.

Specific findings include the following:

- *State Government Revenue.* Total state government tax revenue from all sources increased 2.7 percent in the second quarter of 2017, a rate exceeding the weak average quarterly growth rate of 1.0 percent for the four previous quarters. This total revenue growth was driven almost exclusively by higher sales tax revenues, which increased at a greater rate (3.1 percent) than in previous quarters. By contrast, state personal income taxes fell.
- *Local Government Revenue.* Local government revenues increased in the second quarter of 2017 by 1.7 percent, a slowdown from the 3.6 percent quarterly growth in the prior four quarters. The slow growth in local government revenues resulted largely from a small quarterly decline in local sales tax revenues (-0.2 percent) and weak growth in the largest single source of local government revenues, property taxes, which increased 2.2 percent in the second quarter, less than half the 4.7 percent average growth rate in the prior four quarters.
- *State and Local Government Revenue Combined.* Using the latest data available, state and local government revenue from major taxes increased 1.8 percent in the second quarter of 2017 compared to a year earlier, which is weaker than the 2.2 percent average growth for the four previous quarters (see [Table 1](#)).
- *Preliminary Data for the Third Quarter of 2017.* Preliminary data for the third quarter indicate stronger growth in personal income taxes at 4.7 percent and modest growth in sales tax collections at 2.7 percent.

State tax collections continued to show large regional differences. Most of the states west of the Mississippi reported revenue growth in the second quarter of 2017, while states east of the river were more likely to have experienced declines — a pattern we also saw in the first quarter. Yet there was an important change; fewer states saw revenue declines. Only eleven states reported decreased revenues in the second quarter of 2017, a large drop from the fourth quarter of 2016, when nineteen states reported declines, and an even larger decline from the widespread decreases in the second quarter of 2016, when twenty-eight states experienced reductions. Finally, the Rockefeller Institute has closely monitored estimated and final payments for income taxes, and these data show declines in both types of payments for the second quarter of 2017.

Table 1. State and Local Government Tax Revenue Growth Year-Over-Year Change					
	2016 Q2 (\$ millions)	2017 Q2 (\$ millions)	\$ change	% change	Prior 4 quarters ²
State and Local Government					
Total, major taxes¹	\$340,734	\$346,972	\$6,239	1.8%	2.2%
State Government					
Total state taxes	\$272,263	\$279,548	\$7,285	2.7%	1.0%
Total major taxes	\$211,474	\$215,469	\$3,996	1.9%	1.0%
Sales tax	81,023	83,522	2,499	3.1%	1.8%
Personal income tax	109,456	109,335	(122)	-0.1%	2.0%
Corporate income tax	16,797	18,625	1,828	10.9%	-12.0%
Property tax	4,197	3,987	(210)	-5.0%	4.8%
Total, other state taxes	\$60,789	\$64,079	\$3,290	5.4%	0.9%
Local Government					
Total major taxes	\$129,260	\$131,503	\$2,243	1.7%	3.6%
Sales tax	20,642	20,591	(51)	-0.2%	1.1%
Personal income tax	9,965	9,836	(129)	-1.3%	-0.2%
Corporate income tax	2,137	2,407	270	12.6%	-9.5%
Property tax	96,516	98,669	2,153	2.2%	4.7%
Source: U.S. Census Bureau (tax revenue), with Rockefeller Institute of Government adjustments.					
Notes: 1. The Census Bureau only reports on major taxes of local government (sales, personal income, corporate income, and property tax). 2. Average of four prior year-over-year percent changes.					

Trends in State and Local Tax Revenues

State and local tax revenues fluctuated wildly over the last four years, despite the long and fairly steady economic recovery since the last recession.

[Figure 1](#) shows changes in major state and local tax revenues since 1990. The graph displays year-over-year percentage changes in the four-quarter moving average of inflation-adjusted state and local tax revenues from major sources — personal income, corporate income, sales, and property taxes.

Note that this report often expresses quarterly changes as year-over-year percentages in the four-quarter moving average of tax revenues to smooth seasonal fluctuations in the quarterly data. Sometimes, especially when examining long-run trends as in [Figure 1](#), we use inflation-adjusted data. At other times, such as when we examine short-run quarterly changes, we use nominal data. The text, figures, and tables indicate the data adjustments used.

In previous [State Revenue Reports](#), we suggested that recent fluctuations in state taxes were driven in part by volatility in the stock market and the federal fiscal cliff of 2013.¹ Major state taxes, adjusted for inflation, grew just 0.3 percent in the second quarter of 2017 (again, using the four-quarter moving average, compared to the same average in the second quarter of 2016). This weak growth follows three consecutive quarterly declines in state tax revenues. Major local taxes grew 1.7 percent in the second quarter of 2017, using the same year-over-year measure of change in inflation-adjusted revenues.

[Figure 2](#) shows the year-over-year percent change in the moving four-quarter average of inflation-adjusted state and local income, sales, and property taxes. By this measure, state-local personal income and sales tax revenues weakened substantially in the last four quarters. Income tax collections (including both state and local collections) declined for two consecutive quarters, yet resumed growth at 0.6 percent in the second quarter of 2017. State and local sales tax collections grew by a modest 0.5 percent in the second quarter of 2017. Property taxes, nearly all of which are collected by local governments, grew by 2.3 percent.

Figure 1. Slight Improvement in Major State Tax Revenues

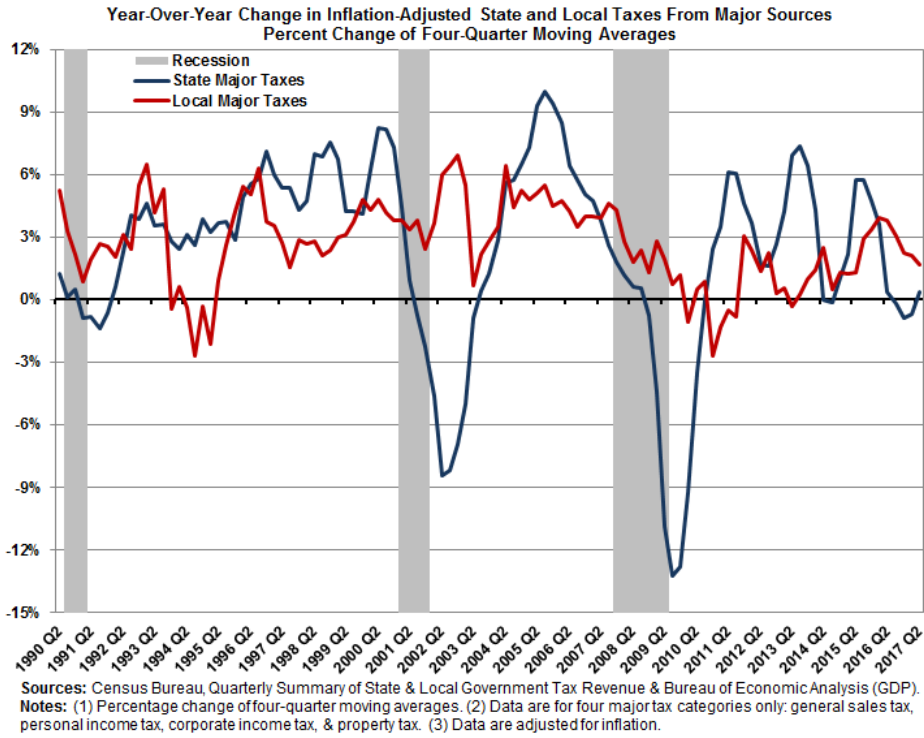
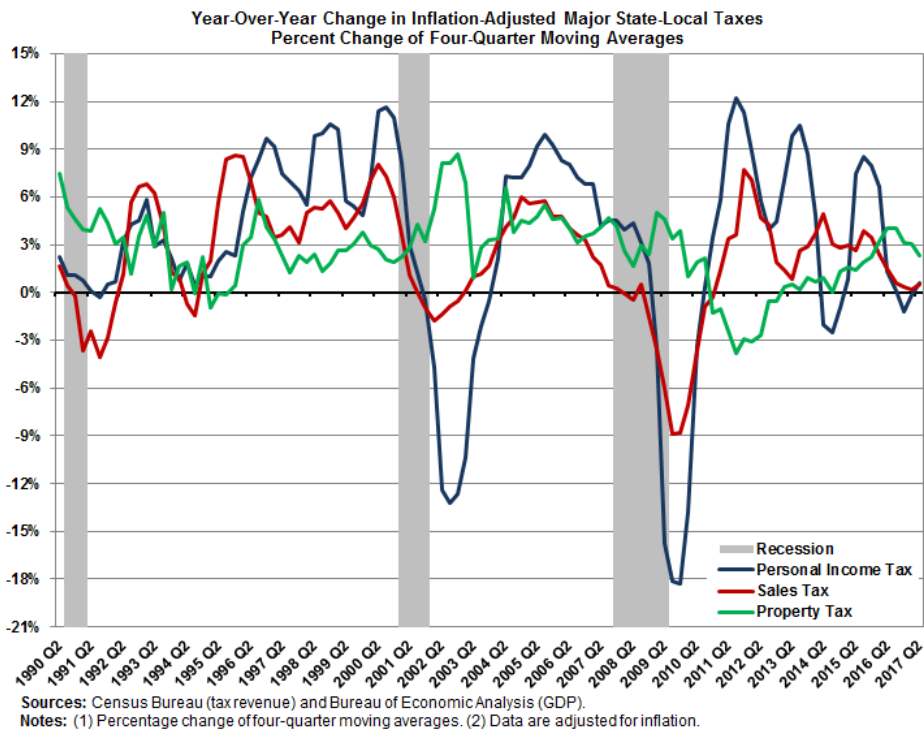


Figure 2. Substantial Weakness in State-Local Personal Income and Sales Taxes



State Tax Revenue

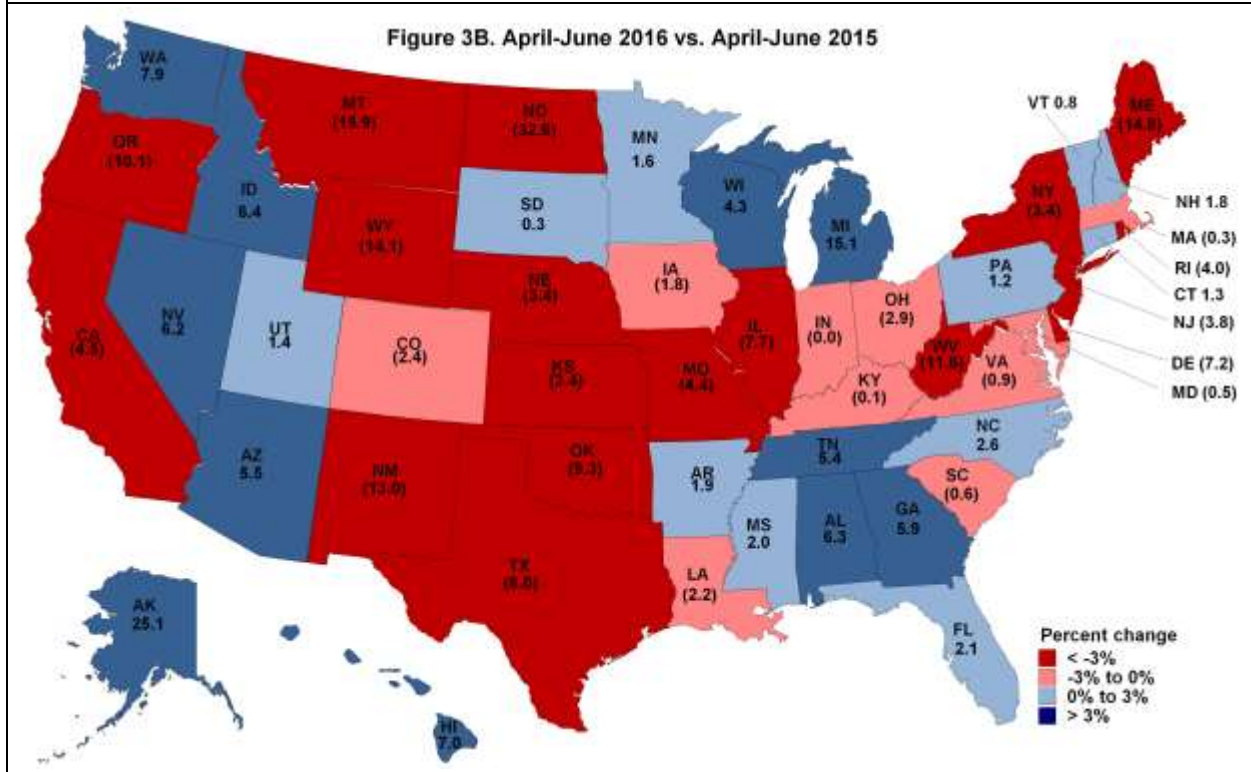
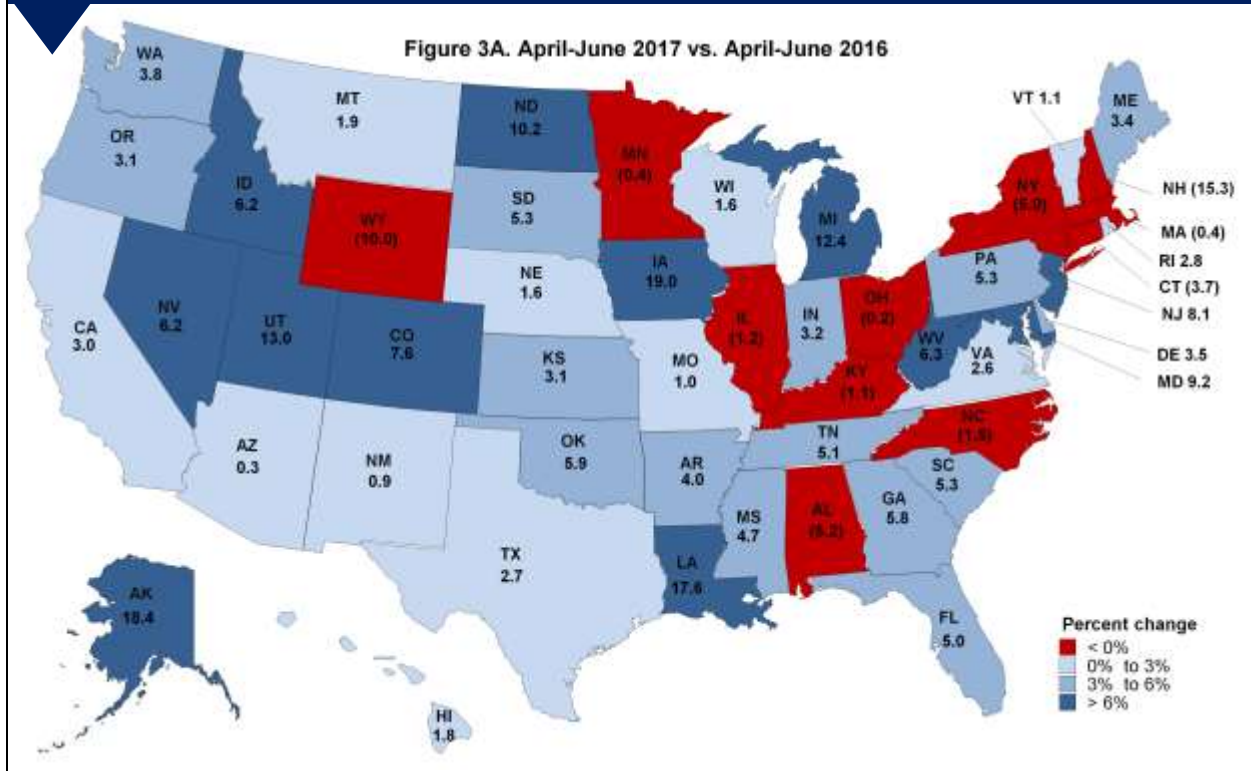
Total state government tax revenue grew 2.7 percent in the second quarter of 2017 relative to a year ago in nominal terms, according to Census Bureau data as adjusted by the Rockefeller Institute.² State individual income tax collections fell 0.1 percent, while sales tax revenues increased by 3.1 percent and motor fuel tax collections grew by 2.6 percent. After seven consecutive quarterly declines, state corporate income tax revenues grew 10.9 percent. [Table 2](#) shows changes in state tax revenues with and without adjustments for inflation, and [Table 3](#) shows growth by major taxes in nominal terms.

Eleven states saw declines in total state tax collections in the second quarter of 2017 compared to the second quarter of 2016 (see the map in [Figure 3A](#)). This is a much smaller number of states reporting declines than even one year before, when twenty-eight states experienced tax revenue reductions between the second quarters of 2015 and 2016 ([Figure 3B](#)). Nonetheless, the recent declines left several state budgets with holes to fix; eleven states had late budgets for fiscal year 2018, a record number.³

Total state tax revenues grew in all regions except New England in the second quarter of 2017 (see [Table 4](#)). The Rocky Mountain region recorded the strongest growth at 6.7 percent, while the Mid-Atlantic region reported weak growth at 2.0 percent. State tax revenues in New England fell 1.5 percent. Among individual states, New Hampshire and Wyoming reported the largest declines in total tax revenues at 15.3 and 10.0 percent, respectively.

Oil and mineral dependent states rely heavily on severance taxes for state revenues.⁴ Steep oil price declines throughout 2015 and early 2016 led to declines in severance tax collections and depressed economic activity, leading to weakness in other taxes. However, some of the oil and mineral dependent states reported growth in the second quarter of 2017, growth that comes after the depressed revenue levels of the previous two years. For example, total state tax revenues grew double digits in Alaska and Louisiana in the second quarter of 2017, at 18.4 and 17.6 percent, respectively. In Alaska, severance taxes constituted most of Alaska's total tax revenue and remained less than half what they were four years ago. The growth in Louisiana was mostly attributable to legislative changes, including a 1-percent increase in its sales tax and an increase in taxes on tobacco and alcohol.

Figure 3. Quarterly Changes in State Tax Collections



Personal Income Tax

Personal income tax revenues declined 0.1 percent in nominal terms and 1.7 percent in inflation-adjusted terms in the second quarter of 2017 compared to the same quarter in 2016. Personal income tax collections varied widely across the regions. The Rocky Mountain region saw the largest growth at 5.3 percent, while the Plains region reported the largest decline at 7.1 percent. Fourteen states reported declines in personal income tax collections. The largest drop was in Iowa at 25 percent, which was mostly attributable to large income tax refund payments issued in May. Refund payments were delayed in the previous months and accelerated in May.⁵

We can get a clearer picture of collections from the personal income tax by breaking this source down into four components: withholding, quarterly estimated payments, final payments, and refunds. The Census Bureau does not collect data on individual components of personal income tax collections. The data presented here were collected by the Rockefeller Institute directly from the states ([Table 2](#)). Our data are also more current than the Census Bureau data and provide a preliminary view of income tax collections for the third quarter of 2017.

PIT Component	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2017 Q1	2017 Q2	2017 Q3	Comments
Withholding	4.6%	2.6%	3.6%	2.8%	5.8%	6.1%	5.1%	Largest PIT component; generally reflects the current economy.
Estimated Payments	3.1%	-7.4%	-3.6%	-0.6%	1.0%	-1.9%	1.7%	Second quarter payments usually are heavily influenced by the previous year's stock market.
Final Returns	3.5%	-5.3%	-1.3%	-0.3%	-1.1%	-5.3%	2.8%	Second quarter is usually the largest collections quarter by far.
Refunds	9.0%	7.7%	5.1%	25.2%	-2.9%	9.4%	9.1%	A positive number means that refunds increased; negative means refunds decreased.
PIT Total	2.6%	-3.4%	2.2%	0.4%	7.6%	0.2%	4.3%	

Source: Individual state data, analysis by the Rockefeller Institute.
Note: The percent changes for total PIT differ from data reported by the U.S. Census Bureau.

Withholding

Withholding is a good indicator of the current strength of personal income tax revenue because it comes largely from current wages and is less volatile than estimated payments or final settlements. [Table 5](#) shows state-by-state, year-over-year quarterly growth in withholding for the last seven quarters. Average quarterly growth in withholding was 3.4 percent in calendar year 2016. Growth in withholding then strengthened in calendar year 2017, when the first, second, and third quarters increased by 5.8, 6.1, and 5.1 percent, respectively. Growth in withholding was also widespread. Thirty-six states reported increases in withholding for the third quarter of 2017, while only five states reported declines. All regions showed growth; the Plains states reported the largest increase at 9.1 percent, while states in the Southeast saw the weakest growth at 2.1 percent.

Estimated Payments

Many high-income taxpayers make estimated tax payments (also known as declarations) on income not subject to withholding tax. This income often comes from investments, such as capital gains realized in the stock market. Estimated payments normally represent a small proportion of overall income-tax revenues; they can, however, exert a large impact on the direction of overall collections. Estimated payments accounted for 26 percent of total personal

income tax revenues in the second quarter of 2017, but dropped to 16 percent of personal income tax revenues in the third quarter of 2017.

The first payment for each tax year is due in April in most states; the second, third, and fourth payments are generally due in June, September, and January (although many high-income taxpayers submit their last state income tax payment in December in order to deduct it on their federal tax return for that year). The first payment is difficult to interpret, as it can include a mix of payments related to both the current and previous tax years. The second and third payments are easier to interpret because they are more clearly related to the current tax year. However, payments can be “noisy” in that they reflect taxpayers’ responses to tax payment rules as well as expectations regarding future nonwage income.

In the thirty-eight states for which we have data for the first, second, and third payments (mostly attributable to the 2017 tax year), the median third payment grew 1.1 percent. That growth contrasted with the 1.1 percent decline for the three 2017 payments combined (see [Table 6](#)). States varied substantially regarding changes in estimated payments. Seventeen states reported declines for the third payment, and twenty-one states reported declines for the first three payments combined.

Final Payments

Final tax payments normally represent a small share of total personal income tax revenues in the first, third, and fourth quarters of the tax year, and a much larger share in the second quarter of the tax year because of the April 15th income tax return deadline. Final payments accounted for 23 percent of all personal income tax revenues in the second quarter of 2017, but only 3 percent in the third quarter.

Table 2 shows that total final payments declined 5.3 percent in the critical second quarter of 2017. [Table 7](#) shows state-level data for final payments. The median state reported consecutive declines in year-over-year quarterly growth in final payments for the first, second, and third quarters of 2017 — declines of 2.2 percent in the first quarter of 2017, 4.4 percent in the second quarter, and 2.1 percent in the third.

Refunds

Personal income tax refunds grew 9.4 and 9.1 percent, respectively, in the second and third quarters of 2017 compared to the same quarters in 2016. States paid out about \$2.0 billion more in refunds in the second quarter of 2017 and about \$0.4 billion more in the third quarter. Twenty-three states paid out more refunds in the second quarter of 2017 compared to the same quarter of 2016, and nineteen states paid out more refunds in the third quarter of 2017. New York and California alone paid out \$1.1 billion and \$0.6 billion, respectively, more refunds in the second quarter of 2017. The large refunds in New York are attributable to timing issues; the state paid out \$1.4 billion less in the first quarter of 2017 compared to the same period in 2016.⁶

Sales Tax

General state sales tax collections grew 3.1 percent in second quarter of 2017 from the same period in 2016. Inflation-adjusted growth was 1.5 percent. Sales tax collections have grown continuously since the first quarter of 2010, averaging 3.8 percent in quarterly growth in nominal terms. However, the growth slowed in calendar year 2016 and the first two quarters of 2017, when average quarterly growth was 2.1 percent.

Sales tax collections increased in all regions. The Rocky Mountain region reported the largest growth at 7.2 percent, while the Southwest region saw the weakest growth at 1.6 percent. Forty-two states reported growth in sales tax collections in the second quarter of 2017. Only three states — California, Georgia, and Illinois — reported declines.

Corporate Income Tax

Corporate income tax revenue is highly variable because of volatility in corporate profits and the timing of tax payments. Many states collect little revenue from corporate taxes and can experience large fluctuations in percentage terms with little budgetary impact.

After seven consecutive quarterly declines, corporate income tax revenue grew 10.9 percent in the second quarter of 2017 compared to a year earlier. However, the growth is largely attributable to a timing issue. The Internal Revenue Service changed the income tax return filing due date for returns and final payments from March 15th to April 15th for C-corporations, which is partially the cause of steep declines in corporate income tax returns in the first quarter of 2017 and strong growth in the second quarter of 2017.

Motor Fuel Sales Tax

Motor fuel sales tax collections in the second quarter of 2017 increased by 2.6 percent from the same period in 2016. Motor fuel sales tax collections have fluctuated in the post-Great Recession period. Economic growth, changing gas prices, general increases in the fuel-efficiency of vehicles, and changing driving habits of Americans all affect gasoline consumption and motor fuel taxes. Changes in state motor fuel rates also affect tax collections.

Large disparities exist among states and regions. Motor fuel sales tax collections fell among the Plains, Rocky Mountain, and Far West states and grew elsewhere. The largest decline was in the Plains region at 10.6 percent, while the largest growth occurred among the Great Lakes states at 12.9 percent in the second quarter of 2017. Thirteen states reported declines in motor fuel sales tax collections in the second quarter of 2017.

Other Taxes

Census Bureau quarterly data on state tax collections provide detailed information for some of the smaller taxes. In Table 8, we show growth rates for these taxes, by collecting year-over-year growth rates of the four-quarter average of inflation-adjusted revenue for the nation as a whole. In the second quarter of 2017, states collected \$55.8 billion from smaller tax sources, which comprised 20 percent of total state tax collections.

Revenues from smaller tax sources showed a mixed picture in the second quarter of 2017. Inflation-adjusted state property taxes increased by 0.9 percent. After six consecutive quarterly declines, collections from tobacco product sales resumed growth in 2016, mostly due to tax rate increases in several states. Tax revenues from alcoholic beverage sales and from motor vehicle and operators' licenses grew at rates of 1.7 and 2.4 percent, respectively, in the second quarter of 2017. Revenues from all other smaller tax sources declined 0.4 percent.

Preliminary Data Show Stronger Tax Revenue Growth in the Third Quarter of 2017

Preliminary figures collected by the Rockefeller Institute for the July-September quarter of 2017 showed stronger growth in overall state tax collections, as well as in personal income and sales tax collections. Total tax collections increased by 4.5 percent in the third quarter compared to the same quarter in 2016. Personal income tax collections grew 4.5 percent and sales tax collections increased 2.7 percent. Growth was also observed in corporate income tax collections at 7.4 percent. [Table 9](#) shows state-by-state changes in major tax revenues for the

third quarter of 2017 compared to the same quarter of 2016. According to preliminary data, forty-three states saw growth in overall state tax revenue collections.

Tax Revenue Results for State Fiscal Year 2017

The Census Bureau has not yet reported annual state tax revenue for fiscal year 2017, which ended in June for forty-six states, but we constructed estimates using quarterly data. According to these data, states collected \$949 billion in total tax revenues in fiscal year 2017, a gain of 2.1 percent from the \$929 billion collected in fiscal year 2016 (see Table 10). The personal income tax and sales tax grew 2.4 percent each, while the corporate income tax declined 4.7 percent. State motor fuel sales tax collections grew 1.5 percent.

Revenue collections grew in all regions but New England. The strongest growth was in the Rocky Mountain region at 3.7 percent; the weakest growth was in the Southwest at 0.8 percent. Forty states reported growth in fiscal 2017 compared to fiscal 2016, while ten states reported declines. The largest declines were in Wyoming and North Dakota, at 9.9 and 6.5 percent, respectively. Declines in both states are partially attributable to their reliance on severance taxes, which were eroded by falling oil prices. Thirty-eight of forty-five states with broad-based sales tax collections reported growth in sales tax collections, while seven states reported declines. Twenty-nine states reported growth in personal income tax collections while fourteen states reported declines.

Conclusion

Although state government tax revenues grew in the second quarter of 2017, and revenue increases were widespread among the states, growth was weak and mixed across different revenue sources. Sales taxes increased consistently, but lagged behind growth rates in previous economic expansions. Personal income taxes continued to be volatile and uncertain; they declined in the second quarter after a short-lived increase in the first. Corporate income taxes resumed growth in the second quarter of 2017, but probably due to an IRS change in filing deadlines; the prior, persistent declines in the corporate income tax may well return.

Local government tax revenues also increased in the second quarter. Again, however, the growth was weak and varied across different taxes, with most of the growth coming from steady yet small increases in property tax revenues.

Taken together, state and local combined tax revenues grew in the second quarter of 2017 but at a rate slower than in recent quarters, despite the continued and fairly robust economic recovery. Perhaps the third and later quarters will check this slowdown. But if the recent weak and uncertain revenue trends continue, state and local governments may face difficult fiscal conditions, perhaps to be exacerbated by federal tax changes, federal budget cuts in domestic spending (including federal assistance), and changes in healthcare policy that increase the number of uninsured individuals.

Table 2. Quarterly State Tax Revenue

Year-Over-Year Percent Change			
Quarter	Nominal Change	Inflation Rate	Real Change
2017 Q2	2.7	1.6	1.1
2017 Q1	2.9	2.0	0.9
2016 Q4	1.2	1.5	(0.3)
2016 Q3	1.5	1.2	0.2
2016 Q2	(1.8)	1.2	(2.9)
2016 Q1	1.6	1.2	0.4
2015 Q4	2.0	1.0	1.0
2015 Q3	4.1	1.0	3.1
2015 Q2	6.7	1.1	5.5
2015 Q1	5.3	1.1	4.2
2014 Q4	5.8	1.6	4.2
2014 Q3	4.4	1.9	2.4
2014 Q2	(0.9)	2.0	(2.8)
2014 Q1	0.7	1.7	(1.0)
2013 Q4	3.0	1.6	1.3
2013 Q3	5.7	1.5	4.2
2013 Q2	10.2	1.6	8.6
2013 Q1	9.3	1.8	7.4
2012 Q4	5.9	1.9	3.9
2012 Q3	3.7	1.7	2.0
2012 Q2	3.5	1.7	1.8
2012 Q1	3.9	2.0	1.9
2011 Q4	3.2	1.9	1.3
2011 Q3	5.1	2.3	2.8
2011 Q2	11.0	2.2	8.7
2011 Q1	10.0	1.9	8.0
2010 Q4	8.2	1.8	6.3
2010 Q3	5.6	1.6	4.0
2010 Q2	2.3	1.1	1.2
2010 Q1	3.4	0.5	2.9
2009 Q4	(3.2)	0.4	(3.6)
2009 Q3	(10.8)	0.3	(11.1)
2009 Q2	(16.1)	1.0	(16.9)
2009 Q1	(11.9)	1.6	(13.3)
2008 Q4	(4.0)	1.9	(5.8)
2008 Q3	2.7	2.1	0.6
2008 Q2	4.0	1.8	2.2
2008 Q1	2.7	1.9	0.7
2007 Q4	3.1	2.5	0.7
2007 Q3	2.7	2.4	0.3
2007 Q2	6.5	2.8	3.6
2007 Q1	5.2	3.0	2.1
2006 Q4	4.3	2.7	1.6
2006 Q3	6.1	3.1	3.0
2006 Q2	10.2	3.3	6.7
2006 Q1	7.1	3.2	3.8
2005 Q4	8.4	3.4	4.9
2005 Q3	10.8	3.3	7.2
2005 Q2	16.2	3.0	12.8
2005 Q1	11.1	3.2	7.7

Sources: U.S. Census Bureau (tax revenue) and Bureau of Economic Analysis (GDP).

Table 3. Quarterly State Tax Revenue By Major Tax

Year-Over-Year Percent Change					
Quarter	PIT	CIT	General Sales	Motor Fuel	Total
2017 Q2	(0.1)	10.9	3.1	2.6	2.7
2017 Q1	8.2	(27.1)	2.1	0.9	2.9
2016 Q4	0.0	(2.6)	1.7	1.2	1.2
2016 Q3	2.4	(8.9)	2.8	1.2	1.5
2016 Q2	(2.8)	(9.2)	0.8	1.4	(1.8)
2016 Q1	1.8	(5.7)	2.4	2.9	1.6
2015 Q4	5.1	(9.6)	2.2	3.5	2.0
2015 Q3	6.5	(0.0)	3.3	4.8	4.1
2015 Q2	13.9	6.0	3.2	3.1	6.7
2015 Q1	6.9	3.3	5.0	4.3	5.3
2014 Q4	8.6	9.5	7.1	2.4	5.8
2014 Q3	4.3	7.3	6.8	0.6	4.4
2014 Q2	(6.3)	(1.2)	4.5	4.0	(0.9)
2014 Q1	(0.9)	8.3	3.5	2.8	0.7
2013 Q4	0.6	2.9	4.5	3.5	3.0
2013 Q3	5.5	2.0	6.6	2.9	5.7
2013 Q2	18.3	11.6	5.3	2.1	10.2
2013 Q1	18.1	9.2	4.0	(1.4)	9.3
2012 Q4	10.7	3.4	3.4	1.3	5.9
2012 Q3	5.4	9.1	2.1	2.1	3.7
2012 Q2	5.8	(2.3)	2.4	1.7	3.5
2012 Q1	4.5	3.5	4.9	1.0	3.9
2011 Q4	3.4	(3.4)	2.9	0.7	3.2
2011 Q3	9.4	1.2	1.6	(0.2)	5.1
2011 Q2	15.3	17.0	5.7	7.4	11.0
2011 Q1	12.3	2.7	6.3	13.3	10.0
2010 Q4	10.5	14.6	5.4	11.8	8.2
2010 Q3	4.5	0.1	4.5	10.7	5.6
2010 Q2	1.8	(19.0)	4.5	4.1	2.3
2010 Q1	3.5	1.5	0.3	(0.1)	3.4
2009 Q4	(4.2)	(1.3)	(4.7)	(1.5)	(3.2)
2009 Q3	(11.6)	(20.9)	(9.7)	2.3	(10.8)
2009 Q2	(27.3)	2.9	(8.8)	(1.5)	(16.1)
2009 Q1	(18.6)	(19.6)	(8.4)	(3.6)	(11.9)
2008 Q4	(1.5)	(20.2)	(5.4)	(5.0)	(4.0)
2008 Q3	1.0	(12.5)	4.5	(5.0)	2.7
2008 Q2	7.4	(7.1)	3.6	(3.1)	4.0
2008 Q1	5.0	(1.8)	0.6	1.1	2.7
2007 Q4	2.4	(17.5)	4.0	1.8	3.1
2007 Q3	6.0	(5.2)	(0.7)	1.9	2.7
2007 Q2	9.1	2.0	7.1	0.2	6.5
2007 Q1	8.5	15.0	3.2	0.1	5.2
2006 Q4	4.4	12.2	4.9	6.4	4.3
2006 Q3	6.9	17.8	7.1	0.7	6.1
2006 Q2	18.9	1.0	5.5	5.3	10.2
2006 Q1	9.3	9.2	7.0	3.5	7.1
2005 Q4	7.3	34.1	7.2	(0.5)	8.4
2005 Q3	10.8	24.7	9.3	11.4	10.8
2005 Q2	20.1	64.0	9.9	5.3	16.2
2005 Q1	13.6	30.2	8.2	6.3	11.1

Source: U.S. Census Bureau (tax revenue).

Table 4. Percent Change in Quarterly State Tax Revenue

April-June, 2016-2017, Percent Change					
	PIT	CIT	Sales	MFT	Total
United States	(0.1)	10.9	3.1	2.6	2.7
New England	(1.4)	(14.4)	2.8	1.2	(1.5)
Connecticut	(6.9)	(4.5)	1.4	(4.3)	(3.7)
Maine	3.4	24.3	3.7	8.1	3.4
Massachusetts	1.9	(18.4)	3.6	(0.3)	(0.4)
New Hampshire	12.9	(36.6)	N/A	17.9	(15.3)
Rhode Island	0.2	22.4	4.4	1.1	2.8
Vermont	(2.6)	31.4	4.9	0.5	1.1
Mid-Atlantic	(2.4)	6.8	3.1	8.2	2.0
Delaware	3.9	7.7	N/A	5.8	3.5
Maryland	11.2	43.4	1.0	5.0	9.2
New Jersey	10.6	(17.6)	4.3	1.1	8.1
New York	(11.6)	22.6	2.0	1.5	(5.0)
Pennsylvania	2.1	1.4	4.4	15.2	5.3
Great Lakes	2.0	11.8	4.0	12.9	2.5
Illinois	0.2	(5.4)	(0.4)	0.1	(1.2)
Indiana	3.3	6.5	3.9	3.7	3.2
Michigan	2.3	121.2	10.1	44.8	12.4
Ohio	2.7	55.2	4.0	20.1	(0.2)
Wisconsin	2.6	20.2	4.0	0.0	1.6
Plains	(7.1)	13.5	3.3	(10.6)	3.0
Iowa	(25.0)	19.8	0.8	(37.1)	19.0
Kansas	0.3	19.5	1.9	2.4	3.1
Minnesota	(4.8)	(5.4)	4.7	(1.5)	(0.4)
Missouri	(6.9)	50.0	2.6	(3.1)	1.0
Nebraska	(5.0)	54.5	3.4	6.0	1.6
North Dakota	14.1	(23.6)	1.8	5.5	10.2
South Dakota	N/A	NM	12.0	(1.5)	5.3
Southeast	0.6	16.4	4.3	1.1	3.6
Alabama	(12.6)	40.6	2.2	2.7	(5.2)
Arkansas	(4.6)	23.0	4.7	1.2	4.0
Florida	N/A	16.7	4.4	1.1	5.0
Georgia	7.6	46.6	(0.1)	(0.8)	5.8
Kentucky	3.1	0.7	0.9	1.0	(1.1)
Louisiana	25.3	6.5	19.8	9.2	17.6
Mississippi	3.0	96.5	2.4	0.2	4.7
North Carolina	(6.0)	(18.5)	3.2	0.9	(1.5)
South Carolina	7.8	19.6	0.1	1.5	5.3
Tennessee	(22.8)	18.2	5.7	1.1	5.1
Virginia	1.7	16.3	4.4	1.1	2.6
West Virginia	(0.2)	54.6	3.6	(4.7)	6.3
Southwest	(0.5)	(11.6)	1.6	4.2	2.5
Arizona	(3.7)	(16.2)	5.5	1.1	0.3
New Mexico	1.7	22.4	4.4	1.1	0.9
Oklahoma	3.4	(9.2)	6.2	3.3	5.9
Texas	N/A	N/A	0.6	5.4	2.7
Rocky Mountain	5.3	8.1	7.2	(2.9)	6.7
Colorado	5.4	4.6	8.1	(2.5)	7.6
Idaho	7.1	12.4	6.5	(2.8)	6.2
Montana	(3.6)	71.3	N/A	(31.9)	1.9
Utah	7.2	(2.5)	6.0	7.9	13.0
Wyoming	N/A	N/A	9.9	2.4	(10.0)
Far West	1.9	18.5	1.8	(0.9)	3.3
Alaska	N/A	63.2	N/A	(13.2)	18.4
California	0.7	18.3	(0.7)	2.8	3.0
Hawaii	2.4	4.3	2.5	0.2	1.8
Nevada	N/A	N/A	5.4	3.5	6.2
Oregon	16.2	14.4	N/A	1.1	3.1
Washington	N/A	N/A	7.3	(11.7)	3.8

Source: U.S. Census Bureau (tax revenue).

Notes: PIT – personal income tax; CIT – corporate income tax; MFT – motor fuel tax; N/A – not applicable; NM – not meaningful.

Table 5. Personal Income Tax Withholding

Year-Over-Year Percent Change							
	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2017 Q1	2017 Q2	2017 Q3
United States	4.6	2.6	3.6	2.8	5.8	6.1	5.1
New England	3.4	2.8	4.6	1.4	2.1	5.0	4.5
Connecticut	4.1	3.9	4.0	(1.9)	1.5	1.7	2.2
Maine	(0.0)	(4.1)	(5.9)	(8.8)	3.5	3.9	3.3
Massachusetts	3.1	3.0	6.0	3.9	2.8	6.9	5.7
Rhode Island	3.2	3.5	7.9	4.7	3.6	3.0	4.2
Vermont	8.2	4.7	1.5	3.7	(12.0)	6.5	3.5
Mid-Atlantic	4.6	0.9	0.2	3.0	5.8	7.0	3.7
Delaware	1.2	1.2	1.6	2.7	9.2	6.2	4.7
Maryland	4.2	(0.6)	8.4	2.0	4.7	10.0	(2.9)
New Jersey	7.0	2.5	(9.1)	6.2	10.0	13.0	7.3
New York	3.7	0.8	0.9	2.5	5.2	4.9	4.6
Pennsylvania	6.8	1.5	(1.4)	2.7	4.4	3.7	4.4
Great Lakes	2.5	2.9	0.3	0.7	3.5	4.3	5.6
Illinois	(1.6)	1.3	(7.9)	(3.2)	2.2	0.6	22.9
Indiana	3.0	3.4	4.6	4.6	5.4	5.2	5.6
Michigan	8.6	5.0	4.9	2.3	3.9	4.7	(3.0)
Ohio	0.5	0.5	1.1	(0.8)	3.5	4.6	3.2
Wisconsin	4.3	4.8	4.8	4.1	3.6	7.8	(10.6)
Plains	3.8	1.9	5.9	2.3	4.8	5.3	9.1
Iowa	6.1	3.4	4.0	4.8	1.1	4.4	5.4
Kansas	1.6	2.1	3.5	2.9	3.8	3.8	51.3
Minnesota	4.2	1.7	9.0	1.3	7.1	6.9	3.7
Missouri	5.4	3.4	5.5	3.0	4.7	4.7	3.3
Nebraska	2.9	5.5	6.2	3.4	5.9	3.6	1.7
North Dakota	(23.4)	(33.8)	(23.4)	(16.9)	(9.9)	(1.2)	5.9
Southeast	5.3	3.2	3.8	4.4	5.0	4.2	2.1
Alabama	2.7	4.0	2.4	3.9	3.1	4.3	5.3
Arkansas	(5.8)	5.1	3.6	4.5	4.6	8.5	5.9
Georgia	8.1	6.0	4.6	5.5	7.3	5.5	2.9
Kentucky	6.4	4.7	4.9	3.5	2.3	3.5	3.9
Louisiana	(4.6)	(1.4)	(0.6)	(5.5)	8.8	2.9	(4.2)
Mississippi	3.4	3.6	1.6	2.2	1.6	2.6	3.1
North Carolina	9.1	4.2	3.6	6.4	2.3	0.2	(1.8)
South Carolina	8.9	5.8	7.5	6.7	5.1	7.6	1.7
Virginia	5.3	(0.5)	4.1	4.8	6.7	5.0	4.0
West Virginia	(2.7)	(2.5)	(1.0)	(0.1)	1.9	5.1	4.5
Southwest	0.5	(0.9)	(1.0)	(0.5)	6.0	4.0	6.9
Arizona	3.8	4.4	5.1	4.0	7.9	4.8	5.4
New Mexico	2.8	(5.2)	(6.8)	(5.5)	6.6	(7.0)	15.6
Oklahoma	(4.7)	(6.3)	(6.4)	(4.1)	3.1	7.5	5.2
Rocky Mountain	5.7	4.8	5.4	4.3	6.5	8.2	6.7
Colorado	4.6	4.9	3.9	3.8	7.4	8.4	6.8
Idaho	4.7	8.2	7.9	6.4	0.1	8.0	8.6
Montana	4.6	3.3	3.7	1.2	6.8	5.5	3.9
Utah	8.9	3.7	7.8	5.3	7.7	8.6	6.6
Far West	6.6	4.3	8.5	3.6	9.4	8.6	7.1
California	6.3	3.8	8.8	3.6	9.6	8.9	7.4
Hawaii	7.8	4.4	5.9	4.2	12.0	1.2	1.7
Oregon	8.6	8.5	6.9	3.7	7.2	8.2	5.4

Source: Individual state data, analysis by the Rockefeller Institute.

Notes: Nine states — Alaska, Florida, Nevada, New Hampshire, South Dakota, Tennessee, Texas, Washington, and Wyoming — have no broad-based personal income tax and are not shown in this table.

Table 6. Estimated Payments/Declarations

Year-Over-Year Percent Change				
State	Payments for tax year 2016		Payments for tax year 2017	
	July-Sep. (3rd payment)	April-Sep. (first three payments)	July-Sep. (3rd payment)	April-Sep. (first three payments)
Median	(1.8)	(3.9)	1.1	(1.1)
Average	(3.6)	(6.2)	1.7	(0.7)
Alabama	(8.5)	(6.7)	(3.5)	(1.0)
Arizona	(1.7)	(5.4)	4.9	6.0
Arkansas	3.2	(3.0)	(3.5)	(2.8)
California	(0.8)	(4.0)	9.5	3.9
Colorado	4.9	(4.5)	6.5	7.0
Connecticut	(9.9)	(8.9)	(5.7)	(6.0)
Delaware	14.0	2.8	2.9	5.7
Georgia	2.5	(1.3)	3.3	4.6
Hawaii	(28.5)	(10.4)	125.4	3.1
Illinois	(28.7)	(35.5)	11.8	11.5
Indiana	62.3	28.9	(2.6)	0.2
Iowa	3.7	(0.2)	3.2	5.7
Kansas	(15.2)	(13.8)	66.6	30.7
Kentucky	1.6	(1.5)	(0.7)	(2.7)
Louisiana	(9.8)	(8.5)	3.5	6.9
Maine	(2.5)	(6.0)	5.6	8.5
Maryland	23.7	6.4	(7.1)	(1.6)
Massachusetts	(3.6)	(3.6)	(17.8)	(17.1)
Michigan	1.6	(1.6)	9.6	9.7
Minnesota	(0.5)	(2.7)	(2.1)	(3.8)
Mississippi	(3.4)	(7.3)	(8.8)	(3.8)
Missouri	(2.4)	(2.1)	2.4	(3.2)
Montana	(1.8)	(3.9)	(1.6)	1.5
Nebraska	(2.4)	(4.6)	(3.2)	(4.6)
New Jersey	(16.8)	(10.5)	1.2	(2.2)
New York	(5.1)	(9.3)	(1.9)	(7.6)
North Carolina	0.3	(1.9)	2.7	3.1
North Dakota	(34.6)	(48.3)	(8.5)	(11.5)
Ohio	(31.2)	(31.4)	6.3	(1.5)
Oklahoma	(14.5)	(19.4)	0.2	(7.5)
Oregon	(1.1)	(1.4)	2.2	8.6
Pennsylvania	(5.2)	(4.8)	1.0	(0.8)
Rhode Island	(1.2)	(0.8)	(3.4)	(1.9)
South Carolina	4.9	2.3	(8.9)	0.9
Vermont	(0.8)	(2.0)	(11.7)	(8.1)
Virginia	3.2	1.6	1.2	(2.0)
West Virginia	(13.8)	(13.8)	4.3	(1.2)
Wisconsin	0.2	(2.8)	(0.6)	(2.1)

Source: Individual state data, analysis by the Rockefeller Institute.
Notes: Data for Hawaii and Missouri are preliminary.

Table 7. Final Payments

Year-Over-Year Percent Change			
State	2017 Q1	2017 Q2	2017 Q3
Median	(2.2)	(4.4)	(2.1)
Average	(1.1)	(5.3)	2.8
Alabama	0.6	0.0	(4.9)
Arizona	1.3	(3.2)	2.8
Arkansas	(14.8)	(14.8)	(13.2)
California	(1.8)	(10.1)	(1.9)
Colorado	(13.3)	4.7	9.3
Connecticut	11.7	(12.1)	(1.3)
Delaware	(3.2)	(3.5)	7.5
Georgia	(6.7)	0.1	25.1
Hawaii	13.8	(11.0)	(17.7)
Idaho	7.0	0.8	8.4
Illinois	(8.7)	(4.5)	2.9
Indiana	(4.9)	(1.4)	40.1
Iowa	25.3	(4.3)	(15.9)
Kansas	91.3	(8.2)	69.8
Louisiana	30.7	3.5	(12.7)
Maine	4.3	0.4	(5.1)
Maryland	(11.5)	2.7	(2.8)
Massachusetts	(13.0)	(4.8)	(1.2)
Michigan	(7.3)	(3.3)	(7.8)
Minnesota	(2.7)	(9.5)	1.8
Missouri	3.4	(9.7)	(2.3)
Montana	(19.0)	(9.1)	(9.0)
Nebraska	(3.5)	(16.6)	(13.8)
New Jersey	2.8	2.0	48.8
New Mexico	(4.1)	4.9	33.6
New York	(9.1)	(7.6)	(10.8)
North Carolina	12.7	(11.1)	(4.7)
North Dakota	(17.1)	(7.1)	0.0
Ohio	8.5	0.6	(27.4)
Oklahoma	4.8	(2.5)	(9.0)
Pennsylvania	0.2	(0.2)	(0.0)
Rhode Island	37.5	(7.3)	(7.8)
South Carolina	(19.6)	(4.4)	31.1
Utah	(4.9)	6.1	16.1
Vermont	(13.5)	(3.7)	13.0
Virginia	(36.1)	(6.9)	(19.8)
West Virginia	14.9	(12.0)	(9.2)
Wisconsin	3.2	(8.7)	(4.5)

Source: Individual state data, analysis by the Rockefeller Institute.
Notes: Data for Hawaii and Missouri are preliminary.

Table 8. Percent Change in Inflation-Adjusted Other State Taxes

Quarter	Property tax	Tobacco product sales tax	Alcoholic beverage sales tax	Motor vehicle & operators license taxes	Other taxes
Nominal collections (mlns), last 4 quarters	\$20,331	\$23,568	\$8,402	\$36,410	\$167,468
2017 Q2	0.9	2.0	1.7	2.4	(0.4)
2017 Q1	2.6	1.7	0.6	2.4	(1.5)
2016 Q4	3.0	1.0	0.7	2.4	(2.3)
2016 Q3	4.6	0.5	1.0	1.0	(2.3)
2016 Q2	4.5	0.9	1.5	1.9	(2.7)
2016 Q1	7.1	0.8	1.5	2.8	(1.4)
2015 Q4	6.1	(0.6)	1.6	1.7	(1.5)
2015 Q3	5.1	(2.0)	1.9	1.3	(0.6)
2015 Q2	4.8	(2.6)	0.2	1.0	(0.8)
2015 Q1	3.9	(4.3)	0.7	0.6	(1.1)
2014 Q4	2.0	(3.4)	1.6	0.2	(1.0)
2014 Q3	4.4	(0.7)	1.0	1.1	(0.1)
2014 Q2	4.9	0.7	0.2	0.9	0.7
2014 Q1	4.5	2.0	0.4	0.1	2.3
2013 Q4	4.0	3.2	(1.5)	0.4	4.2
2013 Q3	1.6	1.5	(1.6)	(0.1)	4.3
2013 Q2	(1.9)	(1.0)	0.1	0.2	4.0
2013 Q1	(3.9)	(1.6)	1.0	0.9	3.5
2012 Q3	(7.0)	(2.5)	1.8	2.5	3.3
2012 Q3	(9.7)	(3.2)	2.7	2.7	4.2
2012 Q2	(10.2)	(2.3)	2.0	2.5	6.6
2012 Q1	(10.3)	(1.9)	0.7	2.1	9.6
2011 Q4	(9.0)	(1.3)	0.3	1.1	11.5
2011 Q3	(5.4)	(0.0)	1.1	1.4	11.8
2011 Q2	(0.0)	1.6	2.1	2.6	11.4
2011 Q1	5.0	2.7	2.7	3.6	10.2
2010 Q4	9.3	2.0	3.2	4.1	5.9
2010 Q3	11.7	1.2	2.5	4.3	0.0
2010 Q2	11.4	0.2	1.5	2.6	(6.3)
2010 Q1	8.2	(0.8)	0.7	1.2	(9.9)
2009 Q4	2.7	(0.2)	0.7	(0.1)	(12.3)
2009 Q3	(0.8)	0.5	(0.0)	(1.0)	(9.6)
2009 Q2	(2.3)	1.8	0.1	(0.7)	(5.1)
2009 Q1	(2.4)	2.7	0.5	(0.9)	0.1
2008 Q4	(0.4)	3.8	0.1	(0.7)	4.2
2008 Q3	2.4	4.8	0.4	(0.3)	5.6
2008 Q2	2.6	5.7	0.7	(0.7)	3.7
2008 Q1	3.7	5.6	0.6	(0.9)	2.8
2007 Q4	3.0	4.6	1.1	(0.4)	1.6
2007 Q3	0.8	2.5	1.7	(0.5)	(0.4)
2007 Q2	1.3	2.3	0.8	(0.0)	(0.3)
2007 Q1	0.5	2.8	1.1	0.7	(0.5)
2006 Q4	0.1	3.9	1.7	0.7	1.0
2006 Q3	(0.5)	6.4	1.3	0.7	3.2
2006 Q2	2.1	7.6	1.5	0.8	4.7
2006 Q1	0.6	5.9	1.9	0.6	5.9
2005 Q4	2.6	5.2	0.6	1.4	6.4
2005 Q3	2.6	3.9	(0.2)	2.2	5.6
2005 Q2	3.7	2.8	(1.2)	3.0	5.9
2005 Q1	(4.2)	3.1	(1.3)	4.9	6.6

Source: U.S. Census Bureau (tax revenue).

Table 9. Preliminary Quarterly State Tax Revenue

July-September 2016 vs 2017, Percent Change				
	PIT	CIT	Sales	Total
United States	4.5	7.4	2.7	4.5
New England	2.9	(2.4)	(0.4)	1.6
Connecticut	1.9	(15.9)	(11.1)	(2.8)
Maine	3.1	17.2	5.2	2.6
Massachusetts	3.1	(0.0)	1.6	2.4
New Hampshire	12.7	(1.7)	N/A	1.7
Rhode Island	3.4	(1.0)	2.4	6.1
Vermont	3.2	(17.6)	4.8	1.4
Mid-Atlantic	1.8	1.9	2.8	2.9
Delaware	7.1	(69.1)	N/A	4.0
Maryland	(3.8)	22.6	0.1	(0.5)
New Jersey	3.9	(3.8)	(1.4)	5.3
New York	2.1	(1.3)	4.5	1.7
Pennsylvania	2.1	11.0	3.9	5.3
Great Lakes	6.5	31.0	(0.3)	4.6
Illinois	24.6	53.6	1.3	15.3
Indiana	4.5	(33.5)	3.0	3.8
Michigan	(3.3)	190.2	(1.2)	3.1
Ohio	4.1	NM	(3.8)	0.3
Wisconsin	(8.7)	(3.6)	1.6	(4.3)
Plains	4.6	19.4	1.7	7.8
Iowa	6.4	88.9	3.1	6.2
Kansas	18.7	24.6	4.1	19.6
Minnesota	3.0	5.5	1.1	2.3
Missouri	2.5	8.8	(0.1)	2.1
Nebraska	(1.2)	60.4	3.6	4.3
North Dakota	26.5	(69.5)	(5.7)	108.4
South Dakota	N/A	N/A	1.9	0.8
Southeast	2.4	0.2	2.7	2.8
Alabama	7.4	56.9	2.1	5.9
Arkansas	2.1	26.3	1.6	3.8
Florida	N/A	(18.6)	3.4	3.2
Georgia	4.1	11.0	1.9	3.2
Kentucky	3.0	13.5	0.8	2.4
Louisiana	(3.6)	8.7	4.3	0.3
Mississippi	5.6	(7.8)	0.9	1.0
North Carolina	(0.4)	(18.0)	2.8	0.7
South Carolina	2.4	33.4	4.5	1.9
Tennessee	NM	(12.1)	2.9	3.8
Virginia	2.9	27.9	1.2	3.5
West Virginia	1.8	32.0	1.0	3.7
Southwest	4.9	4.2	6.7	6.0
Arizona	5.4	(5.1)	5.0	4.8
New Mexico	ND	ND	ND	ND
Oklahoma	3.9	20.3	14.3	8.4
Texas	N/A	N/A	6.3	6.0
Rocky Mountain	7.0	(9.9)	8.4	6.4
Colorado	7.0	(17.0)	7.3	5.8
Idaho	8.4	(8.2)	8.1	6.8
Montana	2.5	2.6	N/A	8.0
Utah	7.8	(4.3)	8.7	6.6
Wyoming	N/A	N/A	14.4	ND
Far West	7.5	18.0	2.7	6.3
Alaska	N/A	NM	N/A	(58.6)
California	7.8	15.2	1.7	8.0
Hawaii	ND	ND	ND	ND
Nevada	N/A	N/A	4.8	2.9
Oregon	5.4	5.8	N/A	4.0
Washington	N/A	N/A	5.6	3.5

Source: Individual state data, analysis by Rockefeller Institute.

Notes: PIT – personal income tax; CIT – corporate income tax; N/A – not applicable; ND – no data; NM – not meaningful.

Table 10. Percent Change in Fiscal Year State Tax Revenue

State FY 2016 vs. State FY 2017, Percent Change					
	PIT	CIT	Sales	MFT	Total
United States	2.4	(4.7)	2.4	1.5	2.1
New England	0.3	(3.9)	2.5	(2.6)	(0.0)
Connecticut	(2.6)	12.6	1.4	(4.0)	(0.6)
Maine	(1.1)	27.5	6.1	3.2	2.5
Massachusetts	2.0	(6.2)	2.5	(5.9)	0.3
New Hampshire	6.8	(18.1)	N/A	4.9	(5.1)
Rhode Island	(0.3)	(10.0)	2.3	1.1	(0.1)
Vermont	1.9	(17.2)	1.2	4.7	1.4
Mid-Atlantic	1.4	(10.8)	2.9	4.3	1.3
Delaware	3.6	(22.6)	N/A	3.2	1.3
Maryland	5.9	(11.3)	2.3	5.9	3.7
New Jersey	7.0	(16.7)	2.7	(0.1)	5.1
New York*	(1.0)	(10.4)	3.3	2.4	(0.8)
Pennsylvania	1.1	(4.6)	2.8	5.7	1.2
Great Lakes	1.0	(5.3)	1.8	4.4	1.2
Illinois	(1.0)	(14.5)	0.2	(0.4)	(2.4)
Indiana	4.7	(0.9)	3.4	1.1	3.4
Michigan*	1.5	21.7	0.9	13.5	3.9
Ohio	(2.3)	(73.4)	2.3	6.9	1.3
Wisconsin	4.1	(2.7)	3.3	0.2	2.3
Plains	1.9	(13.4)	1.8	(1.6)	1.9
Iowa	2.2	1.8	0.7	(12.3)	7.8
Kansas	4.3	(6.6)	(1.0)	1.6	1.2
Minnesota	2.1	(19.0)	5.5	1.3	1.6
Missouri	2.1	(6.5)	1.9	0.5	2.2
Nebraska	(0.7)	(14.1)	2.9	3.6	0.1
North Dakota	(9.0)	(40.9)	(12.4)	(3.6)	(6.5)
South Dakota	N/A	3.2	10.0	1.2	5.4
Southeast	2.5	(0.8)	5.2	0.3	3.4
Alabama*	2.5	(12.4)	2.3	0.9	0.5
Arkansas	(0.5)	(11.8)	2.1	1.6	1.0
Florida	N/A	4.5	4.5	(2.3)	3.1
Georgia	5.2	(0.9)	4.2	4.2	4.2
Kentucky	2.6	1.8	0.7	1.5	0.7
Louisiana	2.5	88.2	34.7	2.5	17.0
Mississippi	(0.0)	(10.6)	1.2	0.4	(2.0)
North Carolina	0.4	(29.0)	6.5	(0.7)	2.6
South Carolina	7.2	(14.7)	0.8	1.4	4.6
Tennessee	(21.7)	12.2	3.8	2.0	4.7
Virginia	2.9	8.1	3.3	1.4	3.0
West Virginia	0.2	(19.6)	(0.4)	(3.1)	1.4
Southwest	1.1	(38.9)	(0.2)	2.8	0.8
Arizona	4.1	(35.5)	3.9	9.1	2.7
New Mexico	(3.8)	(14.1)	3.3	1.4	(0.2)
Oklahoma	(0.8)	(51.8)	(1.2)	0.0	(1.6)
Texas*	N/A	N/A	(1.1)	1.7	0.8
Rocky Mountain	4.8	(6.1)	3.8	5.5	3.7
Colorado	3.3	(15.6)	4.9	1.1	2.8
Idaho	9.1	14.6	5.8	4.8	7.0
Montana	(0.3)	5.1	N/A	1.9	4.6
Utah	7.3	(3.9)	4.4	16.2	6.9
Wyoming	N/A	N/A	(8.2)	(0.9)	(9.9)
Far West	4.5	3.7	1.4	(0.3)	3.1
Alaska	N/A	14.2	N/A	(7.2)	52.7
California	4.1	4.4	(1.9)	(2.4)	2.0
Hawaii	3.6	(18.7)	1.0	(6.0)	1.6
Nevada	N/A	N/A	14.5	3.7	10.0
Oregon	8.5	(4.0)	N/A	1.3	1.5
Washington	N/A	N/A	7.0	5.9	7.6

Source: U.S. Census Bureau.

Notes: PIT – personal income tax; CIT – corporate income tax; MFT – motor fuel tax; N/A – not applicable. * For Alabama, Michigan, New York, and Texas we report July-June data.

Adjustments to Census Bureau Tax Collection Data

The numbers in this report differ somewhat from those released by the U.S. Census Bureau in September 2017. We have adjusted [Census data](#) for selected states to arrive at figures that we believe are best suited for our purpose of examining underlying economic and fiscal conditions. In this section, we explain how and why we have adjusted Census Bureau data, and the consequences of these adjustments.

The Census Bureau and the Rockefeller Institute engage in two related efforts to gather data on state tax collections, and we communicate frequently in the course of this work. The Census Bureau has a highly rigorous and detailed data collection process that entails a survey of state tax collection officials, coupled with web and telephone follow-up. It is designed to produce, after the close of each quarter, comprehensive tax collection data that, in their final form after revisions, are highly comparable from state to state. These data abstract from the fund structures of individual states (e.g., taxes will be counted regardless of whether they are deposited to the general fund or to a fund dedicated for other purposes such as education, transportation, or the environment).

The Census Bureau's data collection procedure is of high quality, but is labor-intensive and time-consuming. States that do not report on time, or do not report fully, or that have unresolved questions, may be included in the Census Bureau data on an estimated basis, in some cases with data imputed by the Census Bureau. These imputations can involve methods such as assuming that collections for a missing state in the current quarter are the same as those for the same state in a previous quarter, or assuming that collections for a tax not yet reported in a given state will have followed the national pattern for that tax. In addition, state accounting and reporting for taxes can change from one quarter to another, complicating the task of reporting taxes on a consistent basis. For these reasons, some of the initial Census Bureau data for a quarter may reflect estimated amounts or amounts with unresolved questions, and will be revised in subsequent quarters when more data are available. As a result, the historical data from the Census Bureau are comprehensive and quite comparable across states, but on occasion amounts reported for the most recent quarter may not reflect all important data for that quarter.

The Rockefeller Institute also collects data on tax revenue, but in a different way and for different reasons. Because historical Census Bureau data are comprehensive and quite comparable, we rely almost exclusively on Census data for our historical analysis. Furthermore, in recent years Census Bureau data have become timely and we use them for the most recent quarter as well, although we supplement Census data for certain purposes. We collect our own data on a monthly basis so that we can get a more current read on the economy and state finances. In addition, we collect certain information that is not available in the Census Data — figures on withholding tax collections, payments of estimated income tax, final payments, and refunds, all of which are important to understanding income tax collections more fully. Our main uses for the data we collect are to report on state fiscal conditions more frequently, and to report on the income tax in more detail.

Ordinarily, there are not major differences between our data for a quarter and the Census data. The Census Bureau often reports imputed data for the states for which it does not receive data on a timely manner. We make adjustments to the imputed data based upon data received directly from the states. We also make adjustments to any other questionable data for the current and previous quarters. The Census Bureau's own resources are strained and the Bureau does not necessarily have resources available to examine questionable data. The net impact of these adjustments can be quite substantial.

Endnotes

- 1 See Lucy Dadayan and Donald J. Boyd, “Weak Stock Market and Declines in Oil Prices Depressed State Tax Revenues,” *State Revenue Report #104*, The Nelson A. Rockefeller Institute of Government, September 2016, http://www.rockinst.org/pdf/government_finance/state_revenue_report/2016-09-21-SRR_104_final.pdf; and Lucy Dadayan and Donald J. Boyd, “State Tax Revenue Continue Slow Rebound,” *State Revenue Report #90*, The Nelson A. Rockefeller Institute of Government, February 2013, http://www.rockinst.org/pdf/government_finance/state_revenue_report/SSR-90.pdf.
- 2 We have made several adjustments for the April-June quarter as well as some prior quarter tax revenue data reported by the Census Bureau, based on the information and data provided to us directly by the states.
- 3 See, for example, Liz Farmer, “Why a Record Number of States Passed Budgets Late This Year (If at All),” *Governing*, September 7, 2017, <http://www.governing.com/topics/finance/gov-record-number-late-state-budgets-this-year.html>
- 4 See Lucy Dadayan and Donald Boyd, “Double, Double, Oil and Trouble,” *By The Numbers Brief*, The Nelson A. Rockefeller Institute of Government, February 2016, http://www.rockinst.org/pdf/government_finance/2016-02-By_Numbers_Brief_No5.pdf.
- 5 For more information, see “Twelve-Month Total Net Tax Receipts Through May 31, 2017,” Memorandum from Jeff W. Robinson, senior legislative analyst, Iowa State Capitol, to Members of the Iowa Senate and House of Representatives, June 16, 2017, <https://www.legis.iowa.gov/docs/publications/TT/858195.pdf>.
- 6 For more information, see *FY 2018 First Quarterly Update* (Albany: New York State Division of the Budget, August 2017): 110, <https://openbudget.ny.gov/historicalFP/fy18archive/enactedfy18/fy2018fpq1.pdf>.

About the Nelson A. Rockefeller Institute of Government’s Fiscal Studies Program

The Nelson A. Rockefeller Institute of Government, the public policy research arm of the State University of New York (SUNY), was established in 1981 to bring the resources of the sixty-four-campus SUNY system to bear on public policy issues. The Institute is active nationally in research and special projects on the role of governments in American federalism and the management and finances of both state and local governments in major areas of domestic public affairs.

The Institute’s Fiscal Studies Program, originally the Center for the Study of the States, was established in May 1990 in response to the growing importance of state governments in the American federal system. Despite the ever-growing role of the states, there is a dearth of high-quality, practical, independent research about state and local programs and finances.

The mission of the Fiscal Studies Program is to help fill this important gap. The Program conducts research on the trends affecting all fifty states and serves as a national resource for public officials, the media, public affairs experts, researchers, and others.

This report was researched and written by Lucy Dadayan, senior research scientist at the Fiscal Studies Program. Thomas Gais, director for research, provided valuable feedback on the report.

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