Progress on the Redesign of the Quarterly Tax Survey
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Quarterly Survey of State & Local Tax Collections

- Purpose
- Coverage
- Background
- Redesign
Purpose

• Provide estimates of state and local government tax revenues
• National totals
• State government totals
• Trends in tax revenue
Coverage
Coverage

The universe for this survey includes:

• All state governments
• All local property tax collectors
• Selected local government non-property tax collectors
Content

• Property Taxes
• Sales and Gross Receipts Taxes
• License & Fees
• Income Taxes
• Other Taxes
Users

- BEA (NIPAs)
- Federal Reserve Board
- State and local governments
- Business and financial market analysts
- Macroeconomic analysts
Background
Background

- Collection began in 1962
- Sample drawn from each Census of Governments year
- Last sample drawn 1997 (new sample drawn for property tax in 2008 based on 2002 data)
- Non-property tax portion currently a panel
Publication

- Table 1- National totals of state and local government tax revenue
- Table 2- National totals of state government revenue
- Table 3- Quarterly summary of state government tax collections by state and detailed tax item
Three Components of QTax

• F71- sample collecting local government property tax data

• F72- census of state governments collecting state tax data

• F73- panel collecting local government non-property tax
Redesign
In 2007, the National Research Council (2007) issued a report entitled *State and Local Government Statistics at a Crossroads*. This report contained 21 recommendations for Governments Division.

- Recommendation 4-11
F71 - Local Property Tax

• Stratified sample of county-areas
  - Estimated number of tax collectors
  - Population
  - Annual collection of property tax

• 609 county-areas selected into the sample containing 5,407 tax collectors; not imposers

• National estimate of local property tax collections
F71 - Edit redesign

• Quarter to quarter edits

• Four quarter sum to four quarter sum prior year

• New edits reduced edit process from over a thousand edits to a couple hundred
F71 - Concurrent Samples

- Processing four quarters of old and new sample, concurrently
- Currently in third quarter of processing
- Imputation methodology
- Estimation
- Coefficient of variations
- Bridge study
F73 - Non-Property Tax

• Currently panel of 111 local governments with significant non-property tax collection yields

• Local general sales tax and individual income tax collectors

• Other local taxes
F73 - Non-Property Tax (cont.)

• Expanding form to meet statistical standards

• Forms design

• Cognitive interviews

• Imposers of taxes
F73 - Non-Property Tax (cont.)

• Current form asks for tax collections for two tax codes:
  • T09- General sales tax
  • T40- Individual income tax

• New form will be expanded to cover 11 categories of taxes and licenses imposed by local governments
F73 - Non-Property Tax (cont.)

- General Sales and Gross Receipts
- Motor Fuel Sales Tax
- Public Utilities Sales
- Alcoholic Beverage Sales
- Tobacco Product Sales
- Motor Vehicle and Operator’s Licenses
- Individual Income Tax
- Corporation Net Income Tax
- All Other
F73 - Non-Property Tax (cont.)

• Conducted two rounds of cognitive interviews

• 60 large and small governments across the nation

• Results:
  – Methodological issues
  – Questionnaire item issues
F73 - Non-Property Tax (cont.)

- Initially used the same methodology as the F71 design

- New methodology
  - Sample tax imposers
  - Frame being developed based on 2007 Census of Governments

- National estimate of local non-property tax collections
F73 - Non-Property Tax (cont.)

• New sample selection Fall 2009

• Begin dual processing Summer 2010

• Release new estimates with CVs Summer 2011
F72 Redesign

• Redesigned edits
• Imputation methodology
• Comparison to annual tax survey
• Benchmarking
Going Forward

• Estimates of property tax with CVs in Spring 2010
• Improved edit flags on state tax item imputes
• Regional estimates
• Classification Research for Hybrid Taxes
• Involvement from user community
• Comments, questions, suggestions?
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