

Governments Division State and Local Revenue Reports: Improvements and Implementation

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Federation of Tax Administrators
Revenue Estimation & Tax Research
Conference

Disclaimer: This report is released to inform interested parties of research and to encourage discussion of work in progress. The views expressed are those of the author and not necessarily those of the U.S. Census Bureau.

U S C E N S U S B U R E A U

Helping You Make Informed Decisions

Introduction to Governments Division

- Main Purposes of Governments Division Programs
 - Provide economic statistics about governments
 - Public counterpart to business, industry, and services economic data
 - Follow the activity of governments over time
- Response is Voluntary
- Virtually no Confidentiality Restrictions

Base Programs

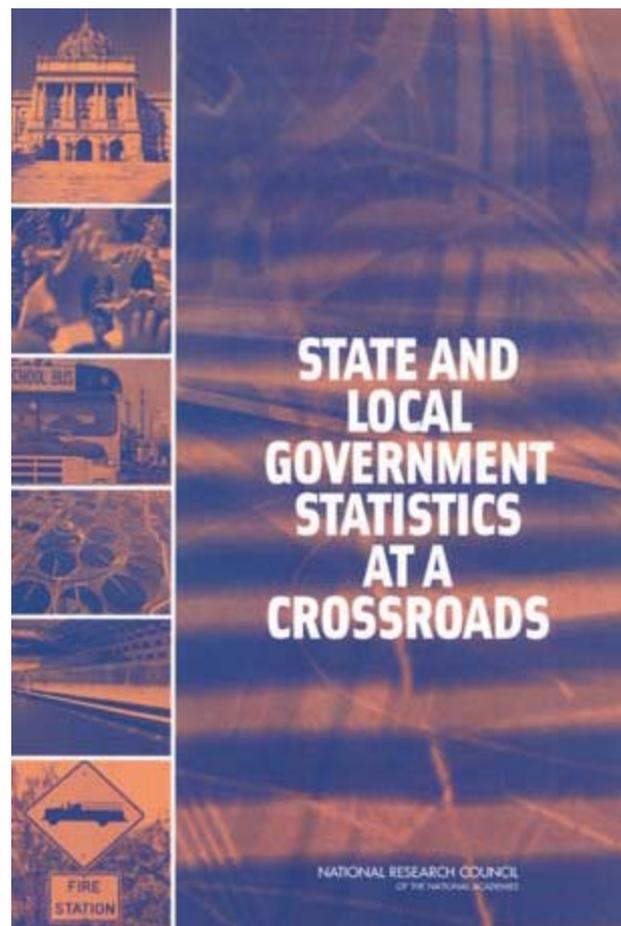
- Census of Governments and related programs
 - Organizational Data – number of governments & characters
 - Employment Data – number of employees by function & payroll
 - Finance Data – revenues by type, expenditures by character and function, indebtedness by term, & cash and securities holdings
- Oldest programs in Governments Division, often called the “base programs”

Base Programs Involving Revenue

- Annual Survey of State & Local Government Finances
- Annual Survey of State Government Finances
- Quarterly Tax Survey
- State Government Tax Collection Survey
- Special Studies
 - American Recovery and Reinvestment Act (ARRA)
 - Annual Survey of Federal Government Finances
 - Taxable Property Values (TPV)

State and Local Government Statistics at a Crossroads

- 2007 report issued by the Committee on National Statistics (CNStat)
- Suggested 21 recommendations for improving existing programs
- Working toward addressing the majority of recommendations by the 2012 Census of Governments



CNStat Report Themes

- Data Quality, Relevance, and Utility
- Dissemination
- Timeliness

CNStat Theme:

Data Quality, Relevance, and Utility

- Recommendations in Chapter 4: Conduct research on existing methods to identify efficiencies and improvements
- Progress Update:
 - Re-organized the division to develop an area devoted to research and methodology
 - Redesigning all aspects of the Quarterly Tax survey, State Tax Collections, and studying Taxable Property Value (TPV)
 - Local Government Finance Central Collection Evaluation
 - Expanding the Annual Survey of Public-Employee Retirement Systems to collect additional asset categories

CNStat Theme: Timeliness

- Recommendations in Chapter 5: Research the benefits/ costs of adopting earlier release procedures, i.e., releasing preliminary estimates or releasing estimates as they are compiled
- Progress Update:
 - Successful in moving up the release of several products
 - Some constraints due to data processing; are reviewing existing processes and methods to determine where efficiencies can be made

Data User Workshops

- 6 Data User Workshops held already
- Workshops explored the varying needs for data on government statistics
- Future workshops
 - Technical
 - e.g., Reevaluate classification schema for 2017 CoG planning
 - Outreach
 - e.g., Data uses, usability, data user relationship building

Progress on the Redesign of the Quarterly Tax Survey

Background: Quarterly Tax Survey

Provide estimates of state and local government tax revenues

- Collection began in 1962 as a Special Study
- 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 data*

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 - Improvements

- Redesigned data edit methodology
- Redesigned imputation methodology
- Redesigned estimation procedures
- Develop Coefficient-of-Variations
- Bridge study between old and new samples

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 - Improvements

- Revised content to ensure relevance
 - New form is expanded to cover 11 categories of taxes and licenses imposed by local governments
- Revised methodology
 - Sample tax imposers
 - Frame developed based on 2007 Census of Governments
 - 3,879 tax imposers sampled

F72 - Improvements

- Redesigned data edit methodology
- Redesigned imputation methodology
- Revisions will display item code rather than state
- Comparison to annual tax survey
- Benchmarking

Next Steps on Quarterly Tax

- Estimates of property tax with CVs September 2010
- Improved edit flags on state tax item imputes
- Mail new sample for F-73 for 4th Quarter 2010 collection
- Conduct Bridge Study for F-73 for several quarters
- Evaluate implemented revisions for all the QTax components
- Develop new sample for F-71, before 2012 CoG and again in 2014/2015 after CoG

Annual Survey of State Government Tax Collections (STC)

Survey of State Tax Collections

- Special Study by Governments Division in 1939 with intention of providing detail source information, whereas QTax serves more as an indicator.
- Data similar to QTax F-72
- Future focus improvements STC
 - Differentiate product from QTax
 - Identify process and products that add unique value to the tax data

Survey of State Tax Collections: Areas of Research

- Motor Vehicle Sales Taxes
 - Does the tax make an exemption for trade in?
 - Higher or lower rate than base sales tax?
 - Amount brought in by separate tax
- Medical Provider Taxes
- Cap & Trade Revenues

Federal Finances

American Recovery and Reinvestment Act (ARRA)

- GOVS is examining ARRA revenue at the state level
- Builds on existing programs tracking federal spending
- Revenue is generally easier to track than expenditures

Annual Survey of Federal Government Finances (Federal Compilation)

- Revives program that provided data between 1902 and 1995
- Classify Federal government on same basis as state and local
- Provide complete statistics for all levels of government finance – Federal, state, and local
- Detailed data on revenues and expenditures

Survey of Taxable Property Value (TPV)

Survey of Taxable Property Values

- Comprehensive source of the taxable property inventory
- Begun in 1850; conducted every 5 years between 1957 and 1992
- Discontinued in 1992
- Feasibility study began in 2010
 - Exploring cost effective means of obtaining comprehensive data consistent with quality standards
 - Exploring feasibility of differing TPV products:

Questions?

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For updated information on our efforts, please visit:

<http://harvester.census.gov/duw/>