Quarterly Summary of State and Local Government Tax Revenue for 2016: Q4[1]

PROPERTY AND SALES TAXES SHOW GROWTH

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2016 QUARTER 4

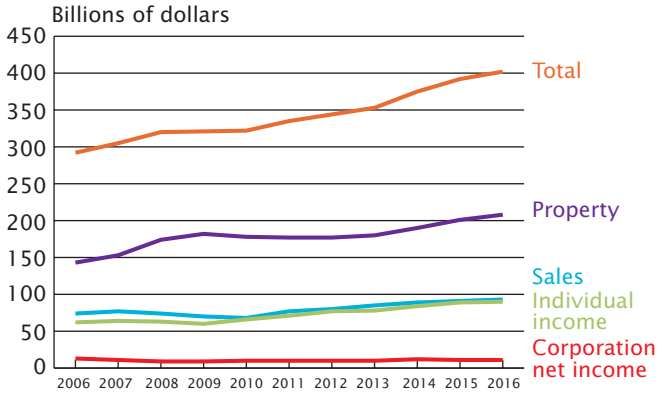
Fourth quarter 2016 tax revenues for the four largest state and local government tax categories increased 2.5 percent to $401.3 billion, from $391.6 billion in the same quarter of 2015.[2] See category breakouts in Figure 1.

State and local governments collect $208.3 billion in property tax revenue

The estimated total for fourth quarter 2016 state and local property tax revenue grew 3.8 percent to $208.3 billion (±6.6 billion), from the $200.6 billion (±6.7 billion) collected in the same quarter of 2015 (see Figure 2). Local governments collected $203.8 billion of total property tax revenue in the fourth quarter of 2016.

Figure 1.

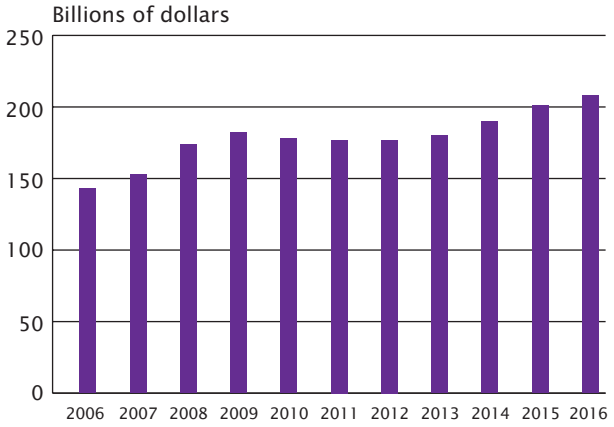
Historical State and Local Tax Revenue Trends for Selected Taxes (Q4): 2006–2016



Source: U.S. Census Bureau, Quarterly Summary of State and Local Government Tax Revenue.

Figure 2.

Historical State and Local Property Tax Revenue (Q4): 2006–2016



Source: U.S. Census Bureau, Quarterly Summary of State and Local Government Tax Revenue.

[1] The estimates for local or state and local totals are subject to sampling error. All estimates are subject to nonsampling errors, which include nonresponse, response, and keying errors. All comparative statements in this report have undergone statistical testing, and unless otherwise noted, all comparisons are statistically significant at the 10 percent significance level.

[2] As of the third quarter of 2013, the local nonproperty tax survey (F-73) was redesigned to include only general sales, personal income, and corporate net income taxes. No changes were made to the local property tax survey (F-71).

For further information on state and local government tax revenue, please contact International Trade Management Division, U.S. Census Bureau at **866-492-0140** or by e-mail at <**ewd.qtax@census.gov**>.

The data and technical documentation for this release can be found at <**www.census.gov/govs/www/qtax.html**>.

United States Census Bureau

U.S. Department of Commerce
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Individual income tax collections remain consistent

The fourth quarter of 2016 saw a slight rise in individual income tax collection. State and local revenue in the fourth quarter of 2016 was $89.5 billion (±0.3 billion), up 0.3 percent from $89.3 billion (±0.3 billion) in the same quarter of 2015.

General sales tax increases slightly

General sales and gross receipts tax revenue was $92.8 billion (±0.6 billion) in the fourth quarter, up 2.1 percent from the $90.8 billion (±0.4 billion) collected in the same quarter of 2015.

Corporation net income tax revenue continues to decline from prior year

Corporation net income tax revenue for the fourth quarter declined 1.9 percent to $10.7 billion (±0.1 billion). This is not statistically different from the $10.9 billion (±0.1 billion) in the same quarter of 2015.

STATE TAX COLLECTIONS INCREASE

Total state tax revenue increased 1.6 percent to $222.3 billion in the fourth quarter of 2016, from $218.8 billion reported in the same quarter of the prior year. Individual income tax, at $81.0 billion, is up slightly at 0.2 percent from the same quarter of 2015. The second largest category of state tax revenue, general sales and gross receipts taxes, accounted for $72.7 billion, an increase of 2.6 percent from the same quarter in 2015. At $8.7 billion, corporation net income tax collections is down from $9.0 billion the same quarter in 2015, a decrease of 3.0 percent.

The majority of the nation's state tax revenue came from individual income (36.4 percent) and sales and gross receipts (32.7 percent). Figure 3 illustrates the fourth quarter percentage distribution of state government revenues by tax type for the nation and the four Census regions. In the Northeast, West, and Midwest regions, individual income tax collections accounted for the largest percentage of tax collections with 45.3 percent, 41.4 percent, and 35.4 percent of total tax collections, respectively. In the South, sales and gross receipts taxes were the largest of the four main categories at 39.9 percent.

Total amounts of state tax revenue for the two largest tax subcategories, individual income and general sales and gross receipts, are summarized in Figure 4. Since the third quarter of 2012, income tax collections have been higher than general sales and gross receipts tax collections, especially in the second quarter due to the annual individual tax collection deadline. This trend continues in 2016.

Figure 3.

Distribution of State Government Revenue by Type of Tax for Nation and Census Regions: 2016 Q4

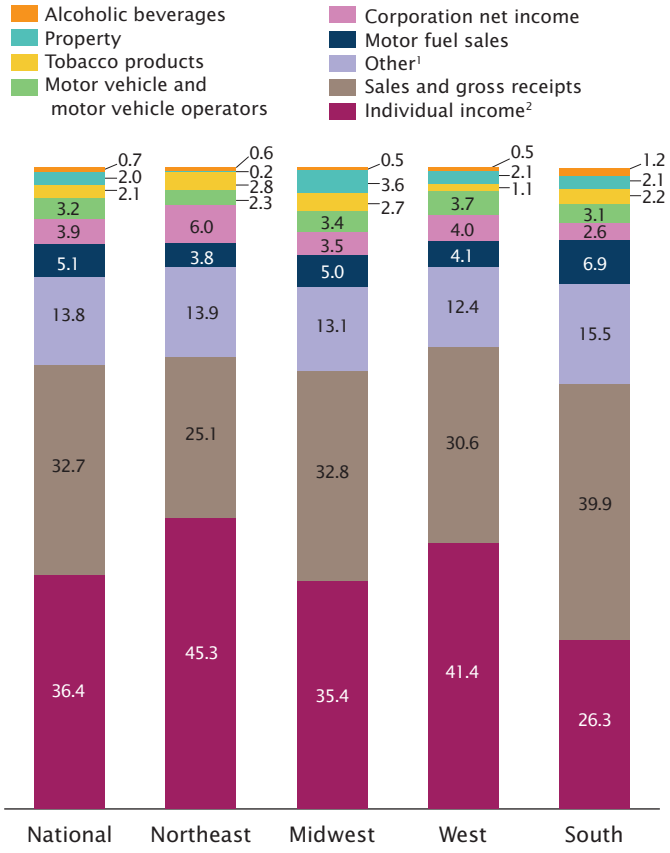
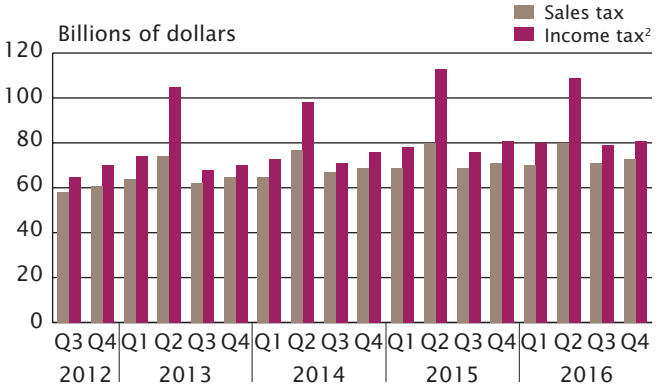


Figure 4.

Historical State Government Totals of General Sales and Gross Receipts and Individual Income Taxes: 2012–2016



[1] The category "other" consists of other taxes, not elsewhere classified.
[2] Individual income tax returns are typically filed in the second quarter resulting in higher second quarter collections.
Note: Percentages may not sum to 100 due to rounding.
Source: U.S. Census Bureau, Quarterly Summary of State and Local Government Tax Revenue.