



**THE NELSON A.  
ROCKEFELLER INSTITUTE OF GOVERNMENT**

*The public policy research arm of the State University of New York*



**NEWS**

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## **Rockefeller Institute: Continued Sober News in State Revenue Picture**

Albany, NY — Rockefeller Institute of Government Director of Fiscal Studies Don Boyd presented a sober picture of state tax revenues in a recent presentation to the National Association of Budget Officers Fall Meeting on October 14, 2016.

In analysis lacking short term promise, Boyd highlighted the following:

- States forecast weak growth in state personal and sales tax revenue collections in fiscal 2017.
- Public revenue forecasts do not fully reflect the April-June tax revenue declines and the recent further weakening of sales tax. We expect forecasts to come down further.
- Low inflation and slow real growth suggest continued slow growth in withholding and in consumption subject to sales tax
- Stock market booms and busts often lead to surges and falls in income tax revenue that swamp growth driven by inflation and the real economy. The stock market so far this year has been tepid.
- Not an ebullient environment for revenue.

The analysis was based in large part on data collection and analysis by Institute Senior Researcher Lucy Dadayan. The presentation reviewed recent trends in state tax revenue collections and their relationship to the economy. Particularly noteworthy is the continuing slowdown in state sales tax revenue, and continued weakness in wages and income tax withholdings.

The presentation is available at  
[www.rockinst.org/presentations/2016/Boyd\\_NASBO\\_State\\_Revenue\\_October\\_2016\(8\).pdf](http://www.rockinst.org/presentations/2016/Boyd_NASBO_State_Revenue_October_2016(8).pdf).

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### **About the Rockefeller Institute of Government**

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