



STATE REVENUE REPORT

Third Quarter, 2017

Revenues Likely to Fluctuate Due to the Passage of the Federal Tax Cuts and Jobs Act and as States Explore Ways to Mitigate Its Impact

March 12, 2018

Lucy Dadayan

Rockefeller
Institute of Government



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Summary

State and local government tax revenues continued modest growth in the third quarter of calendar year 2017. Preliminary data for the fourth quarter of calendar year 2017 show the strongest growth in state tax revenues in the post-Great Recession period. The strong growth in state tax revenues in the final quarter of 2017 may only be temporary given that it is partially attributable to the passage of the Tax Cuts and Jobs Act (TCJA). The TCJA created incentives for some high-income taxpayers to act fast and prepay their state and local taxes to take advantage of the expiring tax breaks, namely the state and local tax (SALT) deduction, which is now capped at \$10,000 per year. State and local tax revenues will likely continue to fluctuate in the coming quarters as some high-income states look for ways to mitigate the impact of the TCJA on their resident taxpayers, and some high-income taxpayers explore loopholes and adjust their financial behavior in light of the new provisions of the TCJA.

All major sources of state government tax revenues saw growth in the third quarter of 2017. Personal income tax revenues showed solid increases, while sales tax revenues continued sluggish growth, trailing behind the growth in other major tax revenue sources. State sales tax revenues also lagged behind rates of increases in previous economic expansions. Local government property taxes showed continuous growth, though their rate of increase slowed from recent trends.

Specific findings include the following:

- **State Government Revenue.** Total state government tax revenue from all sources increased 3.1 percent in the third quarter of 2017, a rate exceeding the average quarterly growth rate of 2.1 percent for the previous four quarters, driven mostly by higher personal income tax revenues, which increased 4.3 percent compared to an average quarterly rate of 2.8 percent for the previous four quarters. Growth in sales tax collections in the third quarter was weaker, at 1.4 percent, compared to its average quarterly rate of 2.3 percent for the previous four quarters.
- **Local Government Revenue.** Local government tax revenue from major sources increased in the third quarter of 2017 by 4.1 percent, an improvement from the 3.2 percent average growth in the prior four quarters. The stronger growth in local government tax revenues resulted largely from a strong quarterly growth in local sales tax revenues (6.8 percent). The largest single source of local government revenues, property taxes, increased 3.7 percent in the third quarter, a slight slowdown compared to the 3.9 percent average increase in the prior four quarters.

State and local tax revenues will likely continue to fluctuate in the coming quarters as some high-income states look for ways to mitigate the impact of the Tax Cuts and Jobs Act on their resident taxpayers, and some high-income taxpayers explore loopholes and adjust their financial behavior in light of the new provisions of the TCJA.

- **State and Local Government Revenue.** Using the latest data available, state and local government revenue from major taxes increased 3.5 percent in the third quarter of 2017 compared to a year earlier, which is stronger than the 2.7 percent average growth for the four previous quarters (see [Table 1](#)).
- **Preliminary Data for the Fourth Quarter of 2017.** Preliminary state government tax data for the fourth quarter indicate double-digit growth in personal income taxes at 16.6 percent and relatively strong growth in sales tax collections at 6.9 percent. Overall, state tax revenues grew 12.2 percent in the October-December of 2017 compared to the same quarter in 2016. The Rockefeller Institute has closely monitored estimated and final payments for income taxes, and these data show strong growth in both types of payments for the fourth quarter of 2017, most likely attributable to taxpayer responses to the TCJA.
- **Significant Regional Variation.** State tax collections continued to show large regional variations. Most of the states west of the Mississippi River reported stronger growth in the third quarter of 2017, while states east of the river had weaker growth or even declines — a pattern we also saw in the previous two quarters. Overall, fewer states saw revenue declines throughout 2017, compared to revenue declines observed throughout 2016, which were widespread and were both on the east and west side of the Mississippi River.

Table 1. State and Local Government Tax Revenue Growth Year-Over-Year Nominal Change

| | 2016 Q3 (\$ millions) | 2017 Q3 (\$ millions) | \$ change | % change | Prior 4 quarters ² |
|---------------------------------------|--------------------------|--------------------------|-----------------|-------------|----------------------------------|
| State and Local Government | | | | | |
| Total, major taxes¹ | 295,432 | \$305,706 | \$10,274 | 3.5% | 2.7% |
| State Government | | | | | |
| Total state taxes | 216,638 | \$223,322 | \$6,684 | 3.1% | 2.1% |
| Total major taxes | 162,883 | \$167,762 | \$4,879 | 3.0% | 2.0% |
| Sales tax | 71,660 | 72,640 | 981 | 1.4% | 2.3% |
| Personal income tax | 78,637 | 82,041 | 3,404 | 4.3% | 2.8% |
| Corporate income tax | 8,814 | 9,229 | 415 | 4.7% | -6.9% |
| Property tax | 3,772 | 3,851 | 79 | 2.1% | 3.2% |
| Total, other state taxes | \$53,756 | \$55,560 | \$1,805 | 3.4% | 2.4% |
| Local Government | | | | | |
| Total major taxes | \$132,549 | \$137,944 | \$5,395 | 4.1% | 3.2% |
| Sales tax | 20,717 | 22,119 | 1,402 | 6.8% | 0.7% |
| Personal income tax | 7,860 | 7,942 | 82 | 1.0% | 0.0% |
| Corporate income tax | 1,799 | 1,884 | 85 | 4.7% | 1.1% |
| Property tax | 102,173 | 105,999 | 3,826 | 3.7% | 3.9% |

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.

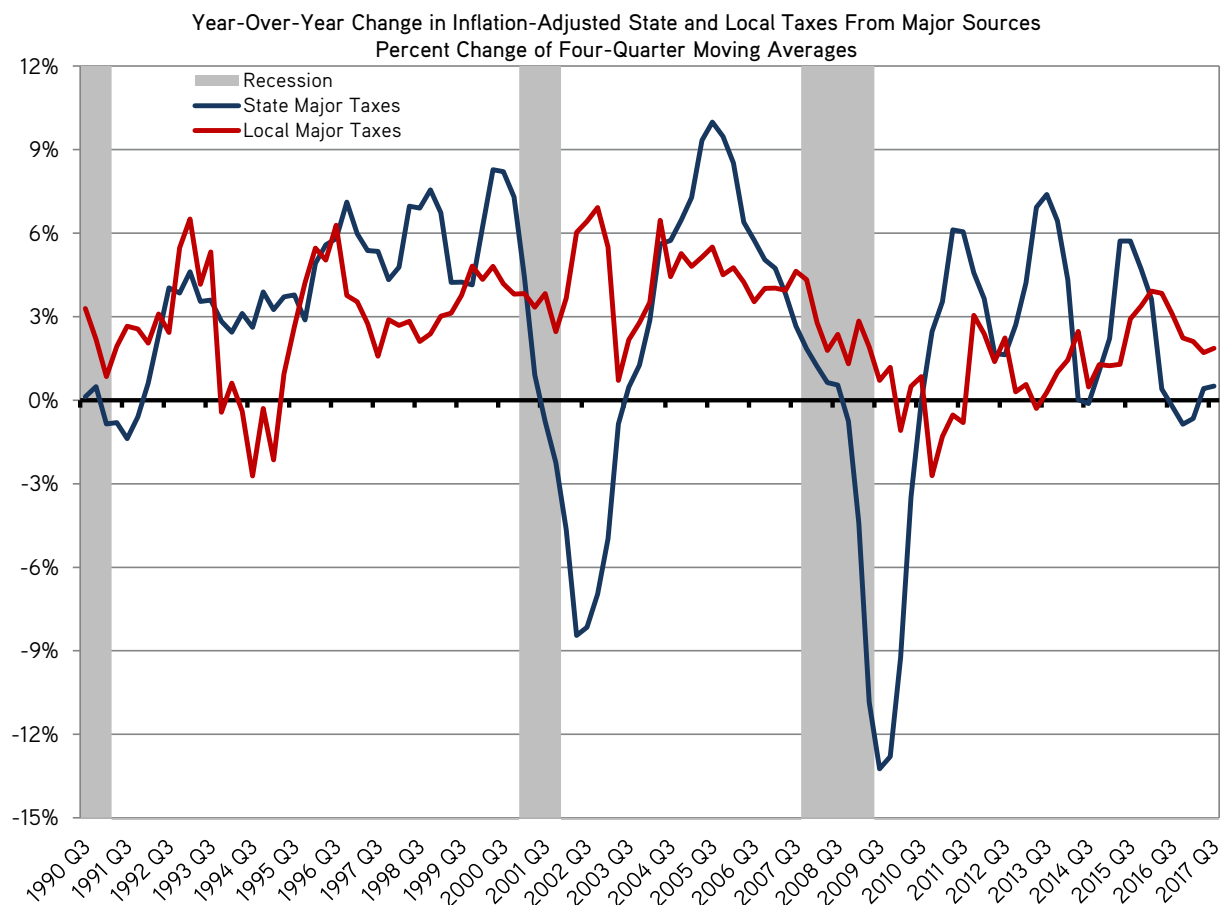
Trends in State and Local Tax Revenues

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.

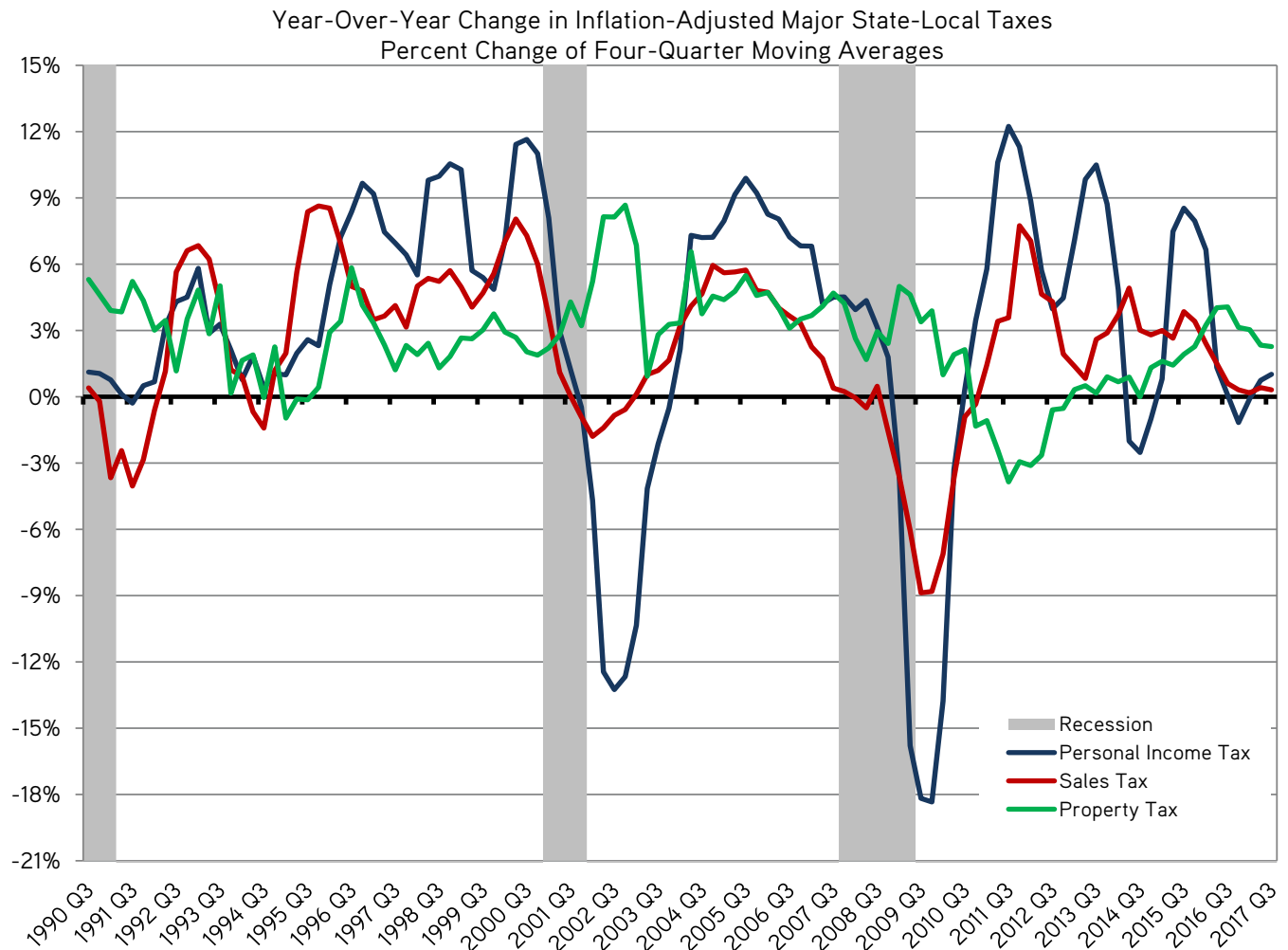
Figure 1. Slight Improvement in Major State Tax Revenue



SOURCE: Census Bureau, Quarterly Summary of State & Local Government Tax Revenue and Bureau of Economic Analysis (GDP).

NOTE: (1) Percentage change of four-quarter moving averages. (2) Data are for four major tax categories only: general sales tax, personal income tax, corporate income tax, and property tax. (3) Data are adjusted for inflation.

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



SOURCE: Census Bureau (tax revenue) and Bureau of Economic Analysis (GDP).

NOTE: (1) Percentage change of four-quarter moving averages. (2) Data are adjusted for inflation.

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 0.5 percent in the third quarter of 2017 (again, using the four-quarter moving average, compared to the same average in the third quarter of 2016). Major local taxes grew 1.9 percent in the third 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 five quarters. Income tax collections (including both state and local collections) declined in the last quarter of 2016 and first quarter of 2017, yet resumed growth in the second and third quarters of 2017 at 0.7 and 1.0 percent, respectively. State and local sales tax collections grew by 0.3 percent in the third quarter of 2017. Property taxes, nearly all of which are collected by local governments, grew by 2.3 percent.

State Tax Revenue

Total state government tax revenue grew 3.1 percent in the third quarter of 2017 relative to a year ago in nominal terms, according to Census Bureau data as adjusted by the Rockefeller Institute.² Growth in state personal income tax collections was strong at 4.3 percent, while sales tax revenues increased by 1.4 percent only. Motor fuel tax collections grew by 4.3 percent. After seven consecutive quarterly declines, state corporate income tax revenues grew for the second consecutive quarter at 4.7 percent. [Table 3](#) shows changes in state tax revenues with and without adjustments for inflation, and [Table 4](#) shows growth by major taxes in nominal terms.³

Nine states saw declines in total state tax collections in the third quarter of 2017 compared to the third quarter of 2016. Nonetheless, states continue to face large fiscal uncertainties, particularly in light of the passage of the TCJA. The third quarter of 2017 coincides with the first quarter of state fiscal year 2018 in forty-six states. And eleven states entered into state fiscal year 2018 with late budgets, a record number.

Total state tax revenues grew in all regions except the Great Lakes in the third quarter of 2017 (see [Table 5](#)). The Far West region had the strongest growth at 6.3 percent, while the Southeast region reported weak growth at 1.0 percent. State tax revenues in the Great Lakes region were slightly below 0 percent. Among individual states, Alaska and South Carolina reported the largest declines in total tax revenues at 41.9 and 9.5 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 and third quarters of 2017, which comes after the depressed revenue levels of the previous two years. For example, total state tax revenues grew double digits in Wyoming in the third quarter of 2017. The rest of the oil dependent states, except Alaska, also saw growth in overall state tax collections in the third quarter. In Alaska, severance taxes constituted most of Alaska's total tax revenue and remained less than half what they were four years ago.

Personal Income Tax

State personal income tax revenues grew 4.3 percent in nominal terms and 2.5 percent in inflation-adjusted terms in the third quarter of 2017 compared to the same quarter in 2016. Personal income tax collections grew across all regions, although the rates of increase varied. The Far West region saw the largest growth at 7.5 percent, while the Mid-Atlantic region reported the weakest growth at 1.8 percent. Only seven states reported declines in personal income tax collections, while thirty-six states reported growth. The largest growth was in Illinois at 24.6 percent, which was mostly attributable to the increase in the income tax rate from 3.75 percent to 4.95 percent effective July 1st, 2017.⁵

Table 2. Growth in Personal Income Tax (PIT) Components Year-Over-Year Percent Change

| PIT Component | 2016 Q1 | 2016 Q2 | 2016 Q3 | 2016 Q4 | 2017 Q1 | 2017 Q2 | 2017 Q3 | 2017 Q4* | Comments |
|--------------------|-------------|--------------|-------------|-------------|-------------|-------------|-------------|--------------|---|
| Withholding | 4.6% | 2.6% | 3.7% | 3.0% | 6.1% | 6.4% | 5.2% | 7.4% | Largest PIT component; generally reflects the current economy. |
| Estimated Payments | 3.1% | -7.4% | -3.6% | -1.5% | 1.0% | -1.8% | 1.8% | 52.9% | Second quarter payments usually are heavily influenced by the previous year's stock market. |
| Final Returns | 3.5% | -5.3% | -1.1% | -0.3% | -0.8% | -5.2% | 2.0% | 15.4% | Second quarter is usually the largest collections quarter by far. |
| Refunds | 9.0% | 7.7% | 5.1% | 25.2% | -2.9% | 9.4% | 6.6% | -7.3% | A positive number means that refunds increased; negative means refunds decreased. |
| PIT Total | 2.6% | -3.4% | 2.3% | 0.5% | 7.9% | 0.4% | 4.5% | 16.2% | |

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. Data for 2017Q4 are preliminary.

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 fourth quarter of 2017.

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 6](#) shows state-by-state, year-over-year quarterly growth in withholding for the last eight quarters. Average quarterly growth in withholding was 6.3 percent in calendar year 2017, substantially stronger compared to the average growth rate of 3.5 percent in calendar 2016. Growth in withholding was also widespread across the states. Thirty-nine states reported increases in withholding for the fourth quarter of 2017, with seven states reporting double-digit growth. However, in twenty-eight states growth in withholding was below the national average of 7.4 percent in the fourth quarter of 2017. The largest growth was in Illinois, mostly attributable to the income tax rate increase, as mentioned above. All regions showed growth; the Great Lakes states reported the largest increase at 13.7 percent, while states in the Southeast saw the weakest growth at 3.0 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 20 percent of total personal income tax revenues in the fourth quarter of 2017, which is substantially higher by historic standards. In the past ten years, estimated payments as a share of total personal income taxes for the fourth quarter represented 15 percent or less of total personal income taxes.

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-seven states for which we have complete data, the median third payment (usually paid in the months of September, October, and November) grew 1.2 percent (mostly attributable to the 2017 tax year). We have also collected estimated payment data for the fourth payment, which shows a large hike compared to last year. Median growth in estimated payments for the fourth payment for tax year 2017 (usually due in the months of December and January) was 40.8 percent, compared to the same period last year. That increase contrasts sharply with the 1.8 percent decline in median payments in the fourth payment for tax year 2016 (see [Table 7](#)). States varied substantially regarding growth rates in estimated payments in the months of December and January. Growth rates in estimated payments for the fourth payment were double digit in all states but Connecticut and Kansas, where estimated payments grew by triple digit.

Separate data for the month of December alone indicate 69 percent growth in estimated payments compared to December 2016. Growth of 69 percent is striking and there are several potential reasons for such an increase in December. First, according to early analysis from a number of states, after the passage of the TCJA, some high-income taxpayers rushed to prepay estimated tax payments to take advantage of 2017’s unlimited SALT deduction, which is capped at \$10,000 under the TCJA in 2018. Moreover, the TCJA lowered federal tax rates for 2018, which makes the value of deductions smaller. It is likely that a portion of estimated payments was borrowed from January and future months.

Some states indicated that another contributing factor is possibly due to changes in taxpayer behavior tied to the federal Emergency Economic Stabilization Act of 2008, under which hedge fund managers had until December 31, 2017, to repatriate accumulated offshore gains.⁶ Finally, the strong growth in the stock market throughout 2017 is likely another contributing factor for substantial growth in estimated payments in December of 2017. The calendar year average growth for the stock market was 16.8



percent in 2017 and the year-end to year-end growth was 19.4 percent, as measured by the S&P 500 index.⁷ All else equal, this would suggest relatively strong capital gains in 2017, which in turn could have led taxpayers to increase their estimated payments during December.

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 and 5 percent in the fourth quarter.

Total final payments resumed growth in the third quarter of 2017 after five consecutive quarterly declines, and showed double-digit growth in the final quarter of 2017, again likely attributable to the passage of the TCJA as discussed above. [Table 8](#) 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, 4.0 percent in the second quarter, and 2.9 percent in the third. Preliminary data indicate that final payments grew 7.4 percent in the median state.

Refunds

Personal income tax refunds grew 9.4 and 6.6 percent, respectively, in the second and third quarters of 2017 compared to the same quarters in 2016. Preliminary data indicate that refund declined 7.3 percent in the final quarter of 2017. States paid out about \$0.6 billion less in refunds in the fourth quarter of 2017. Preliminary data indicate that twenty-one states paid out more refunds and sixteen states paid out less refunds in the fourth quarter of 2017 compared to the same quarter of 2016. Massachusetts

and New York alone paid out \$476 million and \$357 million, respectively, less refunds in the fourth quarter of 2017.

Sales Tax

General state sales tax collections grew 1.4 percent in the third quarter of 2017 from the same period in 2016. However, inflation-adjusted numbers showed a decline of 0.4 percent. Sales tax collections have grown continuously since the first quarter of 2010, averaging 3.7 percent in quarterly growth in nominal terms. The growth slowed in calendar year 2016 and the first three quarters of 2017. Average quarterly growth for the past seven quarters was 2.0 percent.

Sales tax collections increased in all regions but the Great Lakes and New England, where collections declined 7.4 and 0.5 percent, respectively. The Rocky Mountain region reported the strongest growth at 8.4 percent, while the Southeast region saw the weakest growth at 1.2 percent. Thirty-eight states reported increases in sales tax collections in the third quarter of 2017. Seven states — Illinois, South Carolina, Connecticut, North Dakota, Ohio, New Jersey, and Michigan — 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 for the second consecutive quarter. Growth in the third quarter of 2017 was 4.7 percent compared to a year earlier. However, large disparities exist among states and regions. Corporate income tax collections declined in the Great Lakes, Rocky Mountain, and New England regions at 10.6, 7.1, and 1.8 percent, respectively. Other regions reported growth, with the Plains states reporting the largest growth at 26.8 percent. Overall, corporate income tax collections declined in eighteen states.

Motor Fuel Sales Tax

Motor fuel sales tax collections in the third quarter of 2017 increased by 4.3 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.

Motor fuel sales tax collections fell in the Far West region at 0.1 percent and grew elsewhere. The largest growth was in the Great Lakes region at 17.3 percent. Seventeen states reported declines in motor fuel sales tax collections in the third quarter of 2017.



We expect weaker growth in state tax revenues in the first quarter of 2018 and likely declines in the second quarter of 2018, again as a result of the passage of the TCJA.

Other Taxes

Census Bureau quarterly data on state tax collections provide detailed information for some of the smaller taxes. In [Table 9](#), we show growth rates for these taxes as year-over-year changes in the four-quarter average of inflation-adjusted revenue for the nation as a whole. In the third quarter of 2017, states collected \$47.5 billion from smaller tax sources, which comprised 21.3 percent of total state tax collections.

Revenues from smaller tax sources showed growth in the third quarter of 2017. Inflation-adjusted state property taxes increased by 1.0 percent. Tobacco tax revenues grew by a strong 3.9 percent in the third quarter of 2017, largely attributable to tax rate increases in several states. Tax revenues from alcoholic beverage sales and from motor vehicle and operators' licenses grew at rates of 2.6 and 2.5 percent, respectively, in the third quarter of 2017. After eleven consecutive quarterly declines, revenues from all other smaller tax sources grew 0.3 percent.

Preliminary Data Show Double-Digit Tax Revenue Growth in the Fourth Quarter of 2017

Preliminary figures collected by the Rockefeller Institute for the October-December quarter of 2017 showed double-digit growth in overall state tax collections, as well as in personal income tax collections. Total tax collections increased by 12.3 percent in the fourth quarter compared to the same quarter in 2016, while personal income tax collections grew 16.7 percent. Strong growth was also observed in sales tax and

corporate income tax collections at 6.9 and 11.0 percent, respectively. [Table 10](#) shows state-by-state changes in major tax revenues for the fourth 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.

Strong growth observed in the fourth quarter is largely attributable to the passage of the TCJA and will likely be followed by much weaker revenues

Conclusion

Although state government tax revenues grew in the third quarter of 2017, growth was mixed across different revenue sources. Sales taxes increased consistently but lagged behind growth rates in previous economic expansions. Personal income taxes showed stronger growth in the third quarter after weak growth in the second quarter, continuing their past pattern of volatile and uncertain change from quarter to quarter. Growth in corporate income taxes was substantially weaker in the third quarter compared to the double-digit growth seen in the second quarter, which was likely due to changes in filing deadlines that artificially bumped up the corporate income tax collections in the second quarter of 2017.

Local government tax revenues also increased in the third quarter. However, the growth was varied across different taxes, with most of the growth coming from a strong quarterly growth in local sales tax revenues as well as from the property taxes that represent the largest single source of local government revenues.

Taken together, state and local combined tax revenues from major sources grew 3.5 percent in the third quarter of 2017. That growth was stronger compared to the 2.7 percent average growth for the four previous quarters.

Early data for the fourth quarter of 2017 indicate robust growth in state tax revenues collections, which are likely windfall revenues and are partially attributable to changes in taxpayer behavior in response to the passage of the TCJA. We expect weaker growth in state tax revenues in the first quarter of 2018 and likely declines in the second quarter of 2018, again as a result of the passage of the TCJA. One thing is for sure: state and local governments face large fiscal uncertainties and state forecasters are struggling to sort out various impacts of the TCJA on the state tax revenues.

Finally, growth in state tax collections varied significantly across the regions. States west of the Mississippi River had stronger growth in tax revenue collections, while states east of the river had weaker revenue growth.

Table 3. Quarterly State Tax Revenue

| Year-Over-Year Percent Change | | | |
|-------------------------------|----------------|----------------|-------------|
| Quarter | Nominal Change | Inflation Rate | Real Change |
| 2017 Q3 | 3.1 | 1.8 | 1.3 |
| 2017 Q2 | 2.5 | 1.6 | 0.9 |
| 2017 Q1 | 3.1 | 2.0 | 1.1 |
| 2016 Q4 | 1.3 | 1.5 | (0.2) |
| 2016 Q3 | 1.4 | 1.2 | 0.2 |
| 2016 Q2 | (1.9) | 1.2 | (3.1) |
| 2016 Q1 | 1.7 | 1.2 | 0.5 |
| 2015 Q4 | 2.2 | 1.0 | 1.1 |
| 2015 Q3 | 4.0 | 1.0 | 2.9 |
| 2015 Q2 | 6.9 | 1.1 | 5.7 |
| 2015 Q1 | 5.3 | 1.1 | 4.1 |
| 2014 Q4 | 5.8 | 1.6 | 4.2 |
| 2014 Q3 | 4.5 | 1.9 | 2.5 |
| 2014 Q2 | (0.8) | 2.0 | (2.8) |
| 2014 Q1 | 0.7 | 1.7 | (0.9) |
| 2013 Q4 | 3.1 | 1.6 | 1.4 |
| 2013 Q3 | 5.8 | 1.5 | 4.3 |
| 2013 Q2 | 10.2 | 1.6 | 8.5 |
| 2013 Q1 | 9.2 | 1.8 | 7.3 |
| 2012 Q4 | 5.7 | 1.9 | 3.7 |
| 2012 Q3 | 3.5 | 1.7 | 1.8 |
| 2012 Q2 | 3.5 | 1.7 | 1.8 |
| 2012 Q1 | 4.0 | 2.0 | 1.9 |
| 2011 Q4 | 3.2 | 1.9 | 1.3 |
| 2011 Q3 | 5.1 | 2.3 | 2.7 |
| 2011 Q2 | 11.0 | 2.2 | 8.7 |
| 2011 Q1 | 10.0 | 1.9 | 8.0 |
| 2010 Q4 | 8.3 | 1.8 | 6.4 |
| 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 | (11.0) |
| 2009 Q2 | (16.2) | 1.0 | (17.0) |
| 2009 Q1 | (12.0) | 1.6 | (13.4) |
| 2008 Q4 | (4.0) | 1.9 | (5.8) |
| 2008 Q3 | 2.6 | 2.1 | 0.5 |
| 2008 Q2 | 4.1 | 1.8 | 2.2 |
| 2008 Q1 | 2.7 | 1.9 | 0.7 |
| 2007 Q4 | 3.0 | 2.5 | 0.5 |
| 2007 Q3 | 2.7 | 2.4 | 0.3 |
| 2007 Q2 | 6.5 | 2.8 | 3.6 |
| 2007 Q1 | 5.1 | 3.0 | 2.0 |
| 2006 Q4 | 4.2 | 2.7 | 1.5 |
| 2006 Q3 | 6.2 | 3.1 | 3.0 |
| 2006 Q2 | 10.1 | 3.3 | 6.6 |
| 2006 Q1 | 7.2 | 3.2 | 3.8 |
| 2005 Q4 | 8.4 | 3.4 | 4.9 |
| 2005 Q3 | 10.7 | 3.3 | 7.2 |
| 2005 Q2 | 16.2 | 3.0 | 12.8 |
| 2005 Q1 | 11.0 | 3.2 | 7.6 |

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

Table 4. Quarterly State Tax Revenue By Major Tax

| Year-Over-Year Percent Change | | | | | |
|-------------------------------|--------|--------|---------------|------------|--------|
| Quarter | PIT | CIT | General Sales | Motor Fuel | Total |
| 2017 Q3 | 4.3 | 4.7 | 1.4 | 4.3 | 3.1 |
| 2017 Q2 | 0.3 | 11.0 | 2.8 | 2.6 | 2.5 |
| 2017 Q1 | 8.2 | (27.2) | 2.2 | 0.9 | 3.1 |
| 2016 Q4 | 0.2 | (2.6) | 1.7 | 1.2 | 1.3 |
| 2016 Q3 | 2.5 | (8.9) | 2.7 | 1.2 | 1.4 |
| 2016 Q2 | (2.8) | (9.2) | 0.8 | 1.4 | (1.9) |
| 2016 Q1 | 1.8 | (5.5) | 2.4 | 2.9 | 1.7 |
| 2015 Q4 | 5.1 | (9.6) | 2.2 | 3.5 | 2.2 |
| 2015 Q3 | 6.5 | 0.0 | 3.3 | 4.8 | 4.0 |
| 2015 Q2 | 13.9 | 6.0 | 3.2 | 3.1 | 6.9 |
| 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 | 4.5 |
| 2014 Q2 | (6.3) | (1.2) | 4.5 | 4.0 | (0.8) |
| 2014 Q1 | (0.9) | 8.3 | 3.5 | 2.8 | 0.7 |
| 2013 Q4 | 0.6 | 2.9 | 4.5 | 3.5 | 3.1 |
| 2013 Q3 | 5.5 | 2.0 | 6.6 | 2.9 | 5.8 |
| 2013 Q2 | 18.3 | 11.6 | 5.3 | 2.1 | 10.2 |
| 2013 Q1 | 18.1 | 9.2 | 3.9 | (1.4) | 9.2 |
| 2012 Q4 | 10.7 | 3.5 | 3.4 | 1.3 | 5.7 |
| 2012 Q3 | 5.4 | 9.5 | 2.1 | 2.1 | 3.5 |
| 2012 Q2 | 5.8 | (2.3) | 2.4 | 1.7 | 3.5 |
| 2012 Q1 | 4.5 | 3.5 | 5.0 | 1.0 | 4.0 |
| 2011 Q4 | 3.4 | (3.8) | 2.9 | 0.7 | 3.2 |
| 2011 Q3 | 9.4 | 0.9 | 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 | 15.1 | 5.4 | 11.8 | 8.3 |
| 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) | (16.2) |
| 2009 Q1 | (18.6) | (19.6) | (8.4) | (3.6) | (12.0) |
| 2008 Q4 | (1.5) | (20.2) | (5.4) | (5.0) | (4.0) |
| 2008 Q3 | 1.0 | (12.5) | 4.5 | (5.0) | 2.6 |
| 2008 Q2 | 7.4 | (7.1) | 3.6 | (3.1) | 4.1 |
| 2008 Q1 | 5.0 | (1.7) | 0.6 | 1.1 | 2.7 |
| 2007 Q4 | 2.4 | (17.5) | 4.0 | 1.8 | 3.0 |
| 2007 Q3 | 6.0 | (5.2) | (0.7) | 1.9 | 2.7 |
| 2007 Q2 | 9.2 | 1.9 | 7.1 | 0.2 | 6.5 |
| 2007 Q1 | 8.5 | 14.9 | 3.2 | 0.1 | 5.1 |
| 2006 Q4 | 4.4 | 12.2 | 4.9 | 6.4 | 4.2 |
| 2006 Q3 | 6.9 | 17.8 | 7.1 | 0.7 | 6.2 |
| 2006 Q2 | 18.8 | 1.1 | 5.5 | 5.3 | 10.1 |
| 2006 Q1 | 9.3 | 9.2 | 7.0 | 3.5 | 7.2 |
| 2005 Q4 | 7.3 | 34.1 | 7.3 | (0.5) | 8.4 |
| 2005 Q3 | 10.8 | 24.7 | 9.2 | 11.4 | 10.7 |
| 2005 Q2 | 20.1 | 64.0 | 9.9 | 5.3 | 16.2 |
| 2005 Q1 | 13.6 | 30.2 | 8.2 | 6.3 | 11.0 |

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

Table 5. Percent Change in Quarterly State Tax Revenue

| July-September, 2016-17, Percent Change | | | | | |
|---|------------|---------------|--------------|--------------|------------|
| | PIT | CIT | Sales | MFT | Total |
| United States | 4.3 | 4.7 | 1.4 | 4.3 | 3.1 |
| New England | 2.8 | (1.8) | (0.5) | 0.6 | 1.6 |
| Connecticut | 1.9 | (14.4) | (11.1) | (0.8) | (3.2) |
| Maine | 2.9 | 17.2 | 4.7 | (3.8) | 2.3 |
| Massachusetts | 3.0 | (0.2) | 1.6 | (0.7) | 2.6 |
| New Hampshire | 12.4 | (0.3) | N/A | 19.5 | 1.7 |
| Rhode Island | 3.4 | (2.7) | 2.4 | 0.9 | 5.9 |
| Vermont | 3.1 | (9.3) | 4.6 | (0.4) | 0.8 |
| Mid-Atlantic | 1.8 | 6.9 | 2.8 | 4.8 | 3.0 |
| Delaware | 4.3 | (11.1) | N/A | 2.2 | 2.4 |
| Maryland | (3.8) | 22.6 | 0.6 | (12.4) | (0.2) |
| New Jersey | 3.9 | (3.8) | (1.4) | 0.9 | 0.9 |
| New York | 2.1 | 0.0 | 4.5 | (6.0) | 3.0 |
| Pennsylvania | 2.2 | 29.2 | 3.7 | 15.4 | 6.3 |
| Great Lakes | 5.6 | (10.6) | (7.4) | 17.3 | 0.0 |
| Illinois | 24.6 | (14.0) | (29.1) | 1.5 | (1.1) |
| Indiana | 4.5 | (33.5) | 3.0 | 61.4 | 3.8 |
| Michigan | (3.3) | 3.3 | (1.2) | 44.8 | (0.2) |
| Ohio | 4.1 | NM | (2.6) | (10.2) | 1.0 |
| Wisconsin | (8.8) | (5.5) | 1.6 | 4.9 | (3.8) |
| Plains | 4.1 | 26.8 | 1.6 | 2.4 | 3.2 |
| Iowa | 6.4 | 88.9 | 3.1 | 22.4 | 6.2 |
| Kansas | 20.7 | 24.6 | 2.7 | (2.2) | 8.4 |
| Minnesota | 1.9 | 11.0 | 2.2 | 2.1 | 1.5 |
| Missouri | 2.2 | 11.2 | 0.5 | (3.6) | 1.8 |
| Nebraska | (1.9) | 60.0 | 3.4 | 6.4 | 3.6 |
| North Dakota | 14.7 | 29.0 | (5.7) | 5.3 | 2.9 |
| South Dakota | N/A | NM | 0.8 | 2.3 | (0.1) |
| Southeast | 2.1 | 2.5 | 1.2 | 1.7 | 1.0 |
| Alabama | 7.4 | 60.6 | 1.8 | (2.4) | 4.2 |
| Arkansas | 2.3 | 25.9 | 1.7 | 0.9 | 3.1 |
| Florida | N/A | (18.6) | 3.4 | 0.9 | 1.1 |
| Georgia | 4.1 | 11.0 | 0.0 | 2.8 | 2.6 |
| Kentucky | 3.0 | 13.5 | 0.8 | 0.1 | 2.6 |
| Louisiana | (3.6) | 8.7 | 3.4 | (10.6) | 0.6 |
| Mississippi | 5.7 | 3.3 | 0.8 | (2.8) | 0.9 |
| North Carolina | (1.5) | (18.3) | 3.1 | 1.2 | (0.2) |
| South Carolina | 2.4 | 31.9 | (25.5) | 6.9 | (9.5) |
| Tennessee | (25.3) | (1.5) | 2.9 | 14.9 | 0.8 |
| Virginia | 2.9 | 27.9 | 1.2 | 0.9 | 3.2 |
| West Virginia | 1.8 | 32.0 | 1.0 | 0.9 | 1.4 |
| Southwest | 5.3 | 0.0 | 7.6 | 1.0 | 5.9 |
| Arizona | 5.4 | (5.1) | 5.2 | 0.9 | 5.0 |
| New Mexico | 4.1 | 3.3 | 26.3 | 0.9 | 11.5 |
| Oklahoma | 5.7 | 8.0 | 14.6 | (0.3) | 9.0 |
| Texas | N/A | N/A | 6.3 | 1.1 | 5.1 |
| Rocky Mountain | 7.0 | (7.1) | 8.4 | 8.1 | 5.5 |
| Colorado | 7.0 | (17.0) | 7.3 | (6.0) | 3.3 |
| Idaho | 8.4 | (8.2) | 8.1 | (2.3) | 3.3 |
| Montana | 2.5 | 26.4 | N/A | 200.2 | 8.0 |
| Utah | 7.8 | (3.9) | 8.7 | 1.4 | 9.2 |
| Wyoming | N/A | N/A | 14.3 | 8.6 | 12.2 |
| Far West | 7.5 | 18.8 | 3.3 | (0.1) | 6.3 |
| Alaska | N/A | NM | N/A | (9.1) | (41.9) |
| California | 7.8 | 15.2 | 1.7 | 1.1 | 7.5 |
| Hawaii | 6.6 | 67.0 | 12.5 | 4.8 | 9.1 |
| Nevada | N/A | N/A | 4.8 | (95.2) | 1.2 |
| Oregon | 5.4 | 5.8 | N/A | 0.9 | 3.1 |
| Washington | N/A | N/A | 5.0 | 2.4 | 4.7 |

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 6. Personal Income Tax Withholding

| | Year-Over-Year Percent Change | | | | | | | |
|-----------------------|-------------------------------|--------------|--------------|--------------|------------|------------|------------|-------------|
| | 2016 Q1 | 2016 Q2 | 2016 Q3 | 2016 Q4 | 2017 Q1 | 2017 Q2 | 2017 Q3 | 2017 Q4 |
| United States | 4.6 | 2.6 | 3.7 | 3.0 | 6.1 | 6.4 | 5.2 | 7.4 |
| New England | 3.4 | 2.8 | 4.6 | 1.4 | 2.1 | 5.0 | 4.5 | 5.7 |
| Connecticut | 4.1 | 3.9 | 4.0 | (1.9) | 1.5 | 1.7 | 2.2 | 3.4 |
| Maine | 0.0 | (4.1) | (5.9) | (8.8) | 3.5 | 3.9 | 3.3 | 5.8 |
| Massachusetts | 3.1 | 3.0 | 6.0 | 3.9 | 2.8 | 6.9 | 5.8 | 7.1 |
| Rhode Island | 3.2 | 3.5 | 7.9 | 4.7 | 3.6 | 3.0 | 4.2 | 4.4 |
| Vermont | 8.2 | 4.7 | 1.5 | 3.7 | (12.0) | 6.5 | 3.5 | 3.4 |
| Mid-Atlantic | 4.6 | 0.9 | 0.2 | 3.0 | 5.8 | 7.0 | 3.7 | 6.2 |
| Delaware | 1.2 | 1.2 | 1.6 | 2.7 | 9.2 | 6.2 | 4.7 | 4.8 |
| Maryland | 4.2 | (0.6) | 8.4 | 2.0 | 4.7 | 10.0 | (2.9) | 4.4 |
| New Jersey | 7.0 | 2.5 | (9.1) | 6.2 | 10.0 | 13.0 | 7.3 | 5.2 |
| New York | 3.7 | 0.8 | 0.9 | 2.5 | 5.2 | 4.9 | 4.6 | 7.8 |
| Pennsylvania | 6.8 | 1.5 | (1.4) | 2.7 | 4.4 | 3.7 | 4.4 | 4.4 |
| Great Lakes | 2.5 | 2.9 | 1.3 | 2.1 | 5.3 | 6.2 | 6.7 | 13.7 |
| Illinois | (1.6) | 1.3 | (4.7) | 1.7 | 8.6 | 7.8 | 26.3 | 29.3 |
| Indiana | 3.0 | 3.4 | 4.6 | 4.6 | 5.4 | 5.2 | 5.6 | 7.0 |
| Michigan | 8.6 | 5.0 | 4.9 | 2.3 | 3.9 | 4.7 | (3.0) | 3.8 |
| Ohio | 0.5 | 0.5 | 1.1 | (0.8) | 3.5 | 4.6 | 3.2 | 4.7 |
| Wisconsin | 4.3 | 4.8 | 4.8 | 4.1 | 3.6 | 7.8 | (10.6) | 15.8 |
| Plains | 3.8 | 1.9 | 5.9 | 2.3 | 4.8 | 5.3 | 9.2 | 5.8 |
| Iowa | 6.1 | 3.4 | 4.0 | 4.8 | 1.1 | 4.4 | 5.4 | 3.4 |
| Kansas | 1.6 | 2.1 | 3.5 | 2.9 | 3.8 | 3.8 | 51.3 | 20.0 |
| Minnesota | 4.2 | 1.7 | 9.0 | 1.3 | 7.1 | 6.9 | 3.7 | 4.8 |
| Missouri | 5.4 | 3.4 | 5.5 | 3.0 | 4.7 | 4.7 | 5.5 | 3.6 |
| Nebraska | 2.9 | 5.5 | 6.2 | 3.4 | 5.9 | 3.6 | 1.7 | 5.5 |
| North Dakota | (23.4) | (33.8) | (23.4) | (16.9) | (9.9) | (1.2) | 5.9 | 0.7 |
| Southeast | 5.3 | 3.2 | 3.8 | 4.4 | 5.0 | 4.2 | 2.1 | 3.0 |
| Alabama | 2.7 | 4.0 | 2.4 | 3.9 | 3.1 | 4.3 | 5.3 | 4.1 |
| Arkansas | (5.8) | 5.1 | 3.6 | 4.5 | 4.6 | 8.5 | 5.9 | 4.7 |
| Georgia | 8.1 | 6.0 | 4.6 | 5.5 | 7.3 | 5.5 | 2.9 | 5.6 |
| Kentucky | 6.4 | 4.7 | 4.9 | 3.5 | 2.3 | 3.5 | 3.9 | 3.3 |
| Louisiana | (4.6) | (1.4) | (0.6) | (5.5) | 8.8 | 2.9 | (4.2) | 11.7 |
| Mississippi | 3.4 | 3.6 | 1.6 | 2.2 | 1.6 | 2.6 | 3.1 | 3.4 |
| North Carolina | 9.1 | 4.2 | 3.6 | 6.4 | 2.3 | 0.2 | (1.8) | (3.1) |
| South Carolina | 8.9 | 5.8 | 7.5 | 6.7 | 5.1 | 7.6 | 1.7 | 5.3 |
| Virginia | 5.3 | (0.5) | 4.1 | 4.8 | 6.7 | 5.0 | 4.0 | 2.0 |
| West Virginia | (2.7) | (2.5) | (1.0) | (0.1) | 1.9 | 5.1 | 4.5 | 5.4 |
| Southwest | 0.5 | (0.9) | (1.0) | (0.5) | 6.0 | 4.0 | 4.6 | 6.9 |
| Arizona | 3.8 | 4.4 | 5.1 | 4.0 | 7.9 | 4.8 | 5.4 | 5.7 |
| New Mexico | 2.8 | (5.2) | (6.8) | (5.5) | 6.6 | (7.0) | 0.8 | 10.7 |
| Oklahoma | (4.7) | (6.3) | (6.4) | (4.1) | 3.1 | 7.5 | 5.2 | 6.9 |
| Rocky Mountain | 5.7 | 4.8 | 5.4 | 4.3 | 6.5 | 8.2 | 6.7 | 8.8 |
| Colorado | 4.6 | 4.9 | 3.9 | 3.8 | 7.4 | 8.4 | 6.8 | 7.7 |
| Idaho | 4.7 | 8.2 | 7.9 | 6.4 | 0.1 | 8.0 | 8.6 | 15.1 |
| Montana | 4.6 | 3.3 | 3.7 | 1.2 | 6.8 | 5.5 | 3.9 | 10.0 |
| Utah | 8.9 | 3.7 | 7.8 | 5.3 | 7.7 | 8.6 | 6.6 | 7.7 |
| Far West | 6.6 | 4.3 | 8.5 | 3.6 | 9.4 | 8.6 | 6.9 | 8.9 |
| California | 6.3 | 3.8 | 8.8 | 3.6 | 9.6 | 8.9 | 7.4 | 9.0 |
| Hawaii | 7.8 | 4.4 | 5.9 | 4.2 | 12.0 | 1.2 | (0.8) | ND |
| Oregon | 8.6 | 8.5 | 6.9 | 3.7 | 7.2 | 8.2 | 5.4 | 7.7 |

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.

ND – no data.

Table 7. Estimated Payments/Declarations

| State | Year-Over-Year Percent Change | | | | | |
|----------------|-------------------------------|--------------------------|--------------------------|----------------------------|--------------------------|--------------------------|
| | Payments for tax year 2016 | | | Payments for tax year 2017 | | |
| | June-Aug. 2nd payment | Sep.-Nov. 3rd payment | Dec.-Jan. 4th payment | June-Aug. 2nd payment | Sep.-Nov. 3rd payment | Dec.-Jan. 4th payment |
| Median | -4.2 | -1.3 | -1.8 | 1 | 1.2 | 40.8 |
| Average | -8.8 | -4.6 | 0.9 | 2 | -0.6 | 47.7 |
| Alabama | -3.4 | 0.7 | -4.7 | 0.8 | -2.8 | 46.2 |
| Arizona | -8.4 | 0.3 | 1.9 | 4.4 | 3.7 | 62.6 |
| Arkansas | -7.3 | 2.5 | -2.6 | -3 | -2.1 | 25 |
| California | -7.4 | -1.3 | 4.3 | 3.6 | 10.8 | 31.2 |
| Colorado | 9.6 | -0.4 | 5.5 | 3.4 | 12.1 | 45 |
| Connecticut | -10.2 | -9.7 | -8.1 | -6.2 | -3.3 | 159.6 |
| Delaware | 6.3 | 4.1 | -14.2 | 9.2 | 1.2 | 46.1 |
| Georgia | -3.9 | 4.3 | -2.1 | 6.9 | 2.6 | 69 |
| Hawaii | -48.3 | -6.8 | 66.2 | 72.6 | ND | ND |
| Illinois | -37.9 | -37 | -3.3 | 9.6 | 16.6 | 82.2 |
| Indiana | 13.5 | 5.1 | -0.7 | 1.7 | -3.1 | 37.4 |
| Iowa | -1.1 | -2.1 | 7.2 | -1.5 | 3.3 | 62 |
| Kansas | -11.7 | -14.3 | -15.6 | 33.2 | 55.2 | 335.9 |
| Kentucky | -8 | 1.5 | -3.5 | -0.4 | -1.1 | 30.2 |
| Louisiana | -5 | -13.9 | 3.7 | 1.8 | 8.7 | 61.4 |
| Maine | 0.4 | 3.8 | -4.1 | 19.2 | -2.2 | 15.6 |
| Maryland | -3.6 | 1.2 | 5.2 | 0.4 | 3.5 | 32.9 |
| Massachusetts | -3 | 2 | -8 | -13.4 | -48.6 | 68.2 |
| Michigan | -2.7 | 0.9 | 14.6 | 13.1 | 10.4 | 54 |
| Minnesota | -0.2 | -0.9 | -1.5 | -4.2 | -0.3 | 45 |
| Mississippi | -5.2 | -4.5 | 9 | -4.1 | -6.4 | 18.1 |
| Missouri | -1.3 | -4.6 | -4.7 | -1.9 | 1.9 | 42.4 |
| Montana | -10.7 | -8.9 | -2.1 | 0.6 | 5.3 | 48.3 |
| Nebraska | -4.2 | -3.3 | -11.1 | -4.8 | -3 | 35.9 |
| New Jersey | -9.8 | -12.8 | 5.3 | -0.3 | -0.2 | 17.2 |
| New York | -13 | -5.5 | -2.8 | -1.6 | -0.8 | 68.7 |
| North Carolina | 2.2 | 0 | 8.5 | 1.9 | 3.1 | 31.1 |
| North Dakota | -37.3 | -34.1 | -22 | -15.1 | -8.6 | 49.8 |
| Ohio | -31.2 | -31.5 | -27.3 | -3.8 | 1.3 | 58.4 |
| Oklahoma | -21.2 | -15.5 | -2.5 | 2.8 | 4.2 | 36.1 |
| Oregon | -3.4 | 3.4 | 4.9 | 6.2 | 8.9 | 40.8 |
| Pennsylvania | -10.5 | -4 | -1.3 | 2.1 | 1.2 | 33.4 |
| Rhode Island | -4.3 | 5.7 | 3.3 | 6.7 | -3.6 | 31.8 |
| South Carolina | -0.7 | 3.9 | 11.5 | -2 | -30.3 | 31.3 |
| Vermont | -2.8 | 2.5 | -5.4 | -7.5 | -12.8 | 23.6 |
| Virginia | -3.1 | -7.6 | 7.1 | 1.2 | -0.2 | 36.9 |
| West Virginia | -16.2 | -13 | -11.8 | 4.8 | 4.4 | 27.4 |
| Wisconsin | -3.8 | -1.3 | 3.1 | -1 | -0.3 | 17.8 |

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

Notes: ND – no data.

Table 8. Final Payments

| Year-Over-Year Percent Change | | | | |
|-------------------------------|--------------|--------------|--------------|-------------|
| State | 2017 Q1 | 2017 Q2 | 2017 Q2 | 2017 Q4 |
| Median | (2.2) | (4.0) | (2.9) | 7.4 |
| Average | (0.8) | (5.2) | 2.0 | 15.4 |
| Alabama | 0.6 | 0.0 | (4.9) | 6.4 |
| Arizona | 1.3 | (3.2) | 2.8 | (4.2) |
| Arkansas | (14.8) | (14.8) | (13.2) | (7.1) |
| California | (1.8) | (10.1) | (1.9) | (0.6) |
| Colorado | (13.3) | 4.7 | 9.3 | 12.7 |
| Connecticut | 11.7 | (12.1) | (1.3) | 54.5 |
| Delaware | (3.2) | (3.5) | 7.5 | 5.1 |
| Georgia | (6.7) | 0.1 | 25.1 | (3.3) |
| Hawaii | 13.8 | (11.0) | (7.4) | ND |
| Idaho | 14.2 | 0.8 | 8.4 | 10.1 |
| Illinois | (5.8) | (1.8) | (13.3) | 13.1 |
| Indiana | (4.9) | (1.4) | 40.1 | (13.6) |
| Iowa | 25.3 | (4.3) | (15.9) | (7.5) |
| Kansas | 91.3 | (8.2) | 69.8 | (13.2) |
| Louisiana | 30.7 | 3.5 | (12.7) | 26.5 |
| Maine | 4.3 | 0.4 | (5.1) | 2.7 |
| Maryland | (11.5) | 2.7 | 1.2 | 8.3 |
| Massachusetts | (13.0) | (4.8) | 0.6 | 31.4 |
| Michigan | (7.3) | (3.3) | (7.8) | (4.1) |
| Minnesota | (2.7) | (9.5) | 1.8 | 7.7 |
| Missouri | 3.4 | (9.7) | (3.9) | 4.9 |
| Montana | (19.0) | (9.1) | (9.0) | 11.8 |
| Nebraska | (3.5) | (16.6) | (13.8) | 16.9 |
| New Jersey | 2.8 | 2.0 | 48.8 | 97.7 |
| New Mexico | (4.1) | 4.9 | 9.6 | 41.7 |
| New York | (9.1) | (7.6) | (10.8) | (2.0) |
| North Carolina | 12.7 | (11.1) | (4.7) | 29.6 |
| North Dakota | (17.1) | (7.1) | 0.0 | (14.9) |
| Ohio | 8.5 | 0.6 | (27.4) | (6.7) |
| Oklahoma | 4.8 | (2.5) | (9.0) | (3.5) |
| Pennsylvania | 0.2 | (0.2) | 0.0 | 17.8 |
| Rhode Island | 37.5 | (7.3) | (7.8) | (5.5) |
| South Carolina | (19.6) | (4.4) | 31.1 | 30.4 |
| Utah | (4.9) | 6.1 | 16.1 | 72.3 |
| Vermont | (13.5) | (3.7) | 13.0 | 10.6 |
| Virginia | (36.1) | (6.9) | (19.8) | NM |
| West Virginia | 14.9 | (12.0) | (9.2) | 16.5 |
| Wisconsin | 3.2 | (8.7) | (4.5) | 7.1 |

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

Notes: ND – no data; NM – not meaningful.

Table 9. 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 | \$16,352 | \$19,239 | \$6,766 | \$29,114 | \$130,544 |
| 2017 Q3 | 1.0 | 3.9 | 2.6 | 2.5 | 0.3 |
| 2017 Q2 | 1.6 | 1.9 | 1.7 | 1.9 | (0.9) |
| 2017 Q1 | 2.6 | 1.7 | 0.6 | 2.4 | (1.6) |
| 2016 Q4 | 3.0 | 1.0 | 0.7 | 2.4 | (2.4) |
| 2016 Q3 | 4.6 | 0.5 | 1.0 | 1.0 | (2.5) |
| 2016 Q2 | 4.5 | 0.9 | 1.5 | 1.9 | (2.5) |
| 2016 Q1 | 7.1 | 0.8 | 1.5 | 2.8 | (1.0) |
| 2015 Q4 | 6.1 | (0.6) | 1.6 | 1.7 | (1.2) |
| 2015 Q3 | 5.1 | (2.0) | 1.9 | 1.3 | (0.4) |
| 2015 Q2 | 4.8 | (2.6) | 0.2 | 1.0 | (0.4) |
| 2015 Q1 | 3.9 | (4.3) | 0.7 | 0.6 | (1.0) |
| 2014 Q4 | 2.0 | (3.4) | 1.6 | 0.2 | (0.8) |
| 2014 Q3 | 4.4 | (0.7) | 1.0 | 1.1 | 0.3 |
| 2014 Q2 | 4.9 | 0.7 | 0.2 | 0.9 | 0.9 |
| 2014 Q1 | 4.5 | 2.0 | 0.4 | 0.1 | 2.3 |
| 2013 Q4 | 4.0 | 3.2 | (1.5) | 0.4 | 3.9 |
| 2013 Q3 | 1.6 | 1.5 | (1.6) | (0.1) | 3.6 |
| 2013 Q2 | (1.9) | (1.0) | 0.1 | 0.2 | 3.3 |
| 2013 Q1 | (3.9) | (1.6) | 1.0 | 0.9 | 2.9 |
| 2012 Q3 | (7.0) | (2.5) | 1.8 | 2.5 | 2.9 |
| 2012 Q3 | (9.7) | (3.2) | 2.7 | 2.7 | 4.0 |
| 2012 Q2 | (10.2) | (2.3) | 2.0 | 2.5 | 6.7 |
| 2012 Q1 | (10.3) | (1.9) | 0.7 | 2.1 | 9.7 |
| 2011 Q4 | (9.0) | (1.3) | 0.3 | 1.1 | 11.6 |
| 2011 Q3 | (5.4) | 0.0 | 1.1 | 1.4 | 11.9 |
| 2011 Q2 | 0.0 | 1.6 | 2.1 | 2.6 | 11.5 |
| 2011 Q1 | 5.0 | 2.7 | 2.7 | 3.6 | 10.3 |
| 2010 Q4 | 9.3 | 2.0 | 3.2 | 4.1 | 5.9 |
| 2010 Q3 | 11.7 | 1.2 | 2.5 | 4.3 | 0.1 |
| 2010 Q2 | 11.4 | 0.2 | 1.5 | 2.6 | (6.5) |
| 2010 Q1 | 8.2 | (0.8) | 0.7 | 1.2 | (10.2) |
| 2009 Q4 | 2.7 | (0.2) | 0.7 | (0.1) | (12.6) |
| 2009 Q3 | (0.8) | 0.5 | 0.0 | (1.0) | (9.9) |
| 2009 Q2 | (2.3) | 1.8 | 0.1 | (0.7) | (5.4) |
| 2009 Q1 | (2.4) | 2.7 | 0.5 | (0.9) | (0.1) |
| 2008 Q4 | (0.4) | 3.8 | 0.1 | (0.7) | 4.0 |
| 2008 Q3 | 2.4 | 4.8 | 0.4 | (0.3) | 5.2 |
| 2008 Q2 | 2.6 | 5.7 | 0.7 | (0.7) | 3.4 |
| 2008 Q1 | 3.7 | 5.6 | 0.6 | (0.9) | 2.3 |
| 2007 Q4 | 3.0 | 4.6 | 1.1 | (0.4) | 1.0 |
| 2007 Q3 | 0.8 | 2.5 | 1.7 | (0.5) | (0.8) |
| 2007 Q2 | 1.3 | 2.3 | 0.8 | 0.0 | (0.7) |
| 2007 Q1 | 0.5 | 2.8 | 1.1 | 0.7 | (0.8) |
| 2006 Q4 | 0.1 | 3.9 | 1.7 | 0.7 | 0.8 |
| 2006 Q3 | (0.5) | 6.4 | 1.3 | 0.7 | 3.0 |
| 2006 Q2 | 2.1 | 7.6 | 1.5 | 0.8 | 4.5 |
| 2006 Q1 | 0.6 | 5.9 | 1.9 | 0.6 | 5.7 |
| 2005 Q4 | 2.6 | 5.2 | 0.6 | 1.4 | 6.1 |
| 2005 Q3 | 2.6 | 3.9 | (0.2) | 2.2 | 5.3 |
| 2005 Q2 | 3.7 | 2.8 | (1.2) | 3.0 | 5.7 |
| 2005 Q1 | (4.2) | 3.1 | (1.3) | 4.9 | 6.4 |

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

Table 10. Preliminary Quarterly State Tax Revenue

| October–December 2016 vs 2017, Percent Change | | | | |
|---|-------------|---------------|-------------|-------------|
| | PIT | CIT | Sales | Total |
| United States | 16.6 | 11.2 | 6.9 | 12.2 |
| New England | 18.6 | 4.0 | 5.5 | 12.4 |
| Connecticut | 21.3 | (19.0) | 5.2 | 14.3 |
| Maine | 7.9 | (33.9) | 5.9 | 3.9 |
| Massachusetts | 19.3 | 17.8 | 5.4 | 13.7 |
| New Hampshire | 78.6 | 20.0 | N/A | 8.3 |
| Rhode Island | 11.5 | (19.3) | 6.5 | 9.8 |
| Vermont | 10.0 | (66.2) | 4.2 | 3.9 |
| Mid-Atlantic | 19.8 | (7.6) | 5.4 | 11.3 |
| Delaware | 7.9 | 14.3 | N/A | 13.5 |
| Maryland | 6.4 | 9.6 | 2.1 | 3.2 |
| New Jersey | 17.6 | 6.6 | 3.6 | 11.2 |
| New York | 26.4 | (18.3) | 8.0 | 15.4 |
| Pennsylvania | 9.5 | (3.3) | 5.1 | 6.2 |
| Great Lakes | 26.2 | 4.9 | 14.1 | 20.4 |
| Illinois | 33.3 | 118.1 | 0.5 | 6.3 |
| Indiana | 6.0 | (42.1) | 2.9 | 5.3 |
| Michigan | 70.2 | (40.3) | 57.9 | 67.3 |
| Ohio | 4.0 | NM | (4.7) | (0.4) |
| Wisconsin | 14.9 | 9.1 | 7.6 | 8.9 |
| Plains | 10.3 | 12.8 | 3.5 | 7.2 |
| Iowa | 4.5 | (33.7) | 2.5 | 0.7 |
| Kansas | 32.8 | 3.0 | 4.4 | 14.3 |
| Minnesota | 10.4 | 13.8 | 1.5 | 6.5 |
| Missouri | 5.1 | 48.0 | ND | 3.0 |
| Nebraska | 10.9 | 20.6 | 8.3 | 10.8 |
| North Dakota | 8.0 | 94.4 | 7.3 | 55.1 |
| South Dakota | N/A | N/A | 5.1 | 3.0 |
| Southeast | 6.2 | 9.7 | 4.4 | 4.9 |
| Alabama | 4.4 | 3.0 | 3.4 | 3.2 |
| Arkansas | 2.5 | (7.1) | 2.5 | 2.1 |
| Florida | N/A | (3.3) | 4.8 | 3.5 |
| Georgia | 7.2 | 3.0 | 3.9 | 4.9 |
| Kentucky | 4.2 | (5.8) | 4.7 | 2.9 |
| Louisiana | 16.8 | (148.4) | 5.9 | 16.2 |
| Mississippi | 2.6 | 2.7 | 1.5 | 1.6 |
| North Carolina | 0.7 | (2.8) | 4.8 | 1.6 |
| South Carolina | 6.5 | (4.1) | 7.0 | 7.7 |
| Tennessee | NM | 15.7 | 5.0 | 7.1 |
| Virginia | 9.3 | 12.6 | 3.1 | 6.8 |
| West Virginia | 9.5 | 23.8 | (0.1) | 7.6 |
| Southwest | 18.4 | (44.5) | 11.2 | 12.9 |
| Arizona | 15.2 | (40.6) | 6.6 | 8.1 |
| New Mexico | 44.6 | (68.3) | 8.1 | 18.6 |
| Oklahoma | 10.4 | NM | 17.9 | 15.4 |
| Texas | N/A | N/A | 11.6 | 13.1 |
| Rocky Mountain | 15.5 | 32.3 | 10.4 | 17.2 |
| Colorado | 10.3 | 35.0 | 8.8 | 10.7 |
| Idaho | 14.2 | (0.4) | 8.9 | 10.5 |
| Montana | 13.8 | 69.3 | N/A | 25.7 |
| Utah | 25.8 | 30.7 | 10.6 | 28.5 |
| Wyoming | N/A | N/A | 21.7 | ND |
| Far West | 17.4 | 41.9 | 3.2 | 15.3 |
| Alaska | N/A | NM | N/A | 127.7 |
| California | 17.7 | 43.2 | 2.1 | 16.4 |
| Hawaii | ND | ND | ND | ND |
| Nevada | N/A | N/A | ND | ND |
| Oregon | 14.5 | (14.2) | N/A | 10.9 |
| Washington | N/A | N/A | 7.4 | 6.4 |

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

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

Adjustments to Census Bureau Tax Collection Data

The numbers in this report differ somewhat from those released by the U.S. Census Bureau in December 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 (Albany: Nelson A. Rockefeller Institute of Government, September 2016), http://rockinst.org/wp-content/uploads/2018/02/2016-09-21-SRR_104_final.pdf; and Lucy Dadayan and Donald J. Boyd, *State Tax Revenue Continue Slow Rebound*, State Revenue Report #90 (Albany: Nelson A. Rockefeller Institute of Government, February 2013), <http://rockinst.org/wp-content/uploads/2018/02/SSR-90-1.pdf>.
2. We have made several adjustments for the July-September 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 (Albany: Nelson A. Rockefeller Institute of Government, February 2016), http://rockinst.org/wp-content/uploads/2018/02/2016-02-By_Numbers_Brief_No5.pdf.
5. For more information, see *Illinois Income Tax Increase Guidance — Detailed Instructions For Filing Your 2016 Illinois Income Tax Return and 2017 Estimated Payments*, Informational Bulletin FY 2018-02, Illinois Department of Revenue, July 2017, <http://www.revenue.state.il.us/Publications/Bulletins/2018/FY-2018-02.pdf>.
6. See, for example, “OLS Revenue Snapshot: FY 2018 – Through December 2017,” New Jersey Legislature, January 16, 2018, http://www.njleg.state.nj.us/legislativepub/budget/FY18_December.pdf.
7. The 16.8 percent calendar year average growth is adjusted for dividends and splits. For more information, see the S&P 500 database available through Yahoo! Finance, <https://finance.yahoo.com/quote/%5EGSPC/history?p=%5EGSPC>.



About the Fiscal Analysis Program

The Rockefeller Institute's Fiscal Analysis 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 Rockefeller Institute. Thomas Gais, director of policy and research, provided valuable feedback on the report.

For traditional tables and figures included in the previous reports, please contact Lucy Dadayan at lucy.dadayan@rockinst.suny.edu.

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A photograph of a historic, multi-story brick building with many windows and decorative architectural details. The image is overlaid with a solid blue color. The building has a prominent central gable and several smaller gables. There are flags flying from the ground floor windows.

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