

# Quarterly Summary of State and Local Government Tax Revenue for 2014:Q3

## THIRD QUARTER INCOME TAX COLLECTIONS GROW YEAR OVER YEAR

Released December 23, 2014

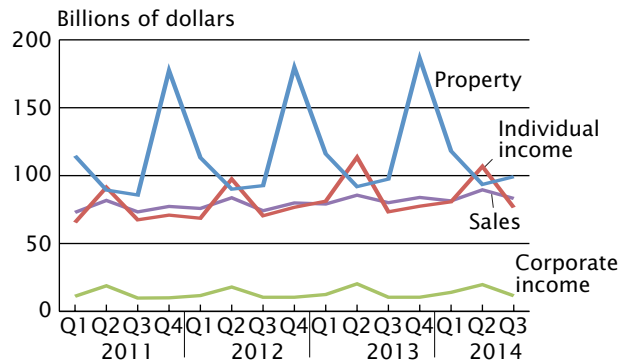
G14-QTAX3

### 2014 QUARTER 3

Third quarter 2014 tax revenues for the four largest state and local government tax categories increased 1.9 percent to \$270.4 billion from \$265.4 billion in the same quarter of 2013.<sup>1</sup> See Figure 1.

Figure 1.

#### Historical State and Local Government Tax Revenue Trends for Selected Taxes: 2011-2014



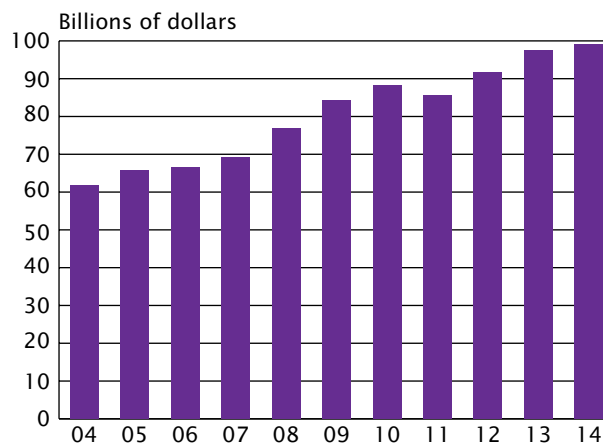
Source: U.S. Census Bureau, Quarterly Summary of State and Local Government Tax Revenue.

### State and local governments collect \$99.2 billion in property tax revenue

The estimated total third quarter 2014 state and local property tax revenue of \$99.2 billion ( $\pm 2.4$ ) was not statistically different from the \$97.7 billion ( $\pm 2.6$ ) that was collected in the same quarter of 2013 (see Figure 2). Local governments collected \$95.8 billion of total property tax revenue.

Figure 2.

#### Historical Third Quarter Property Tax Revenue: 2004-2014



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

<sup>1</sup> 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 Economy-Wide Statistics Division of the U.S. Census Bureau at **866-492-0140** or by e-mail at [govs.qtax@census.gov](mailto:govs.qtax@census.gov).

The data and technical documentation for this release can be found at [www.census.gov/govs/qtax.html](http://www.census.gov/govs/qtax.html).



## Individual income tax collections increase for first time since Q4 2013

The third quarter of 2014 marked the first quarter of growth for this category after two quarters of year-over-year decline. State and local individual income tax revenue in the third quarter of 2014 was \$76.5 billion, up 3.0 percent from \$74.3 billion in the same quarter of 2013.

## General sales tax collections were \$83.2 billion

General sales and gross receipts tax revenue was \$83.2 billion ( $\pm 0.4$ ) in the third quarter. This is not statistically different from the \$82.6 billion ( $\pm 0.3$ ) that was collected in the same quarter of 2013.

## Corporation net income tax rebounds following drop last quarter

Corporation net income tax revenue increased by 6.2 percent from the same quarter in the prior year. Revenue for the third quarter of 2014 was \$11.5 billion, up from \$10.8 billion in the same quarter of 2013.

## State tax collections showed growth after a quarter of decline

Total state tax revenue rose 4.5 percent to \$204.8 billion in the third quarter of 2014 from the \$196.0 billion reported in the same quarter of the prior year. Individual income tax, at \$70.9 billion, was up 3.7 percent from the same quarter of 2013. The second largest category of state tax revenue, general sales and gross receipts taxes, accounted for \$66.3 billion, an increase of 6.5 percent from the same quarter in 2013. At \$9.6 billion, corporation net income tax collections increased by 7.8 percent from the same quarter in 2013.

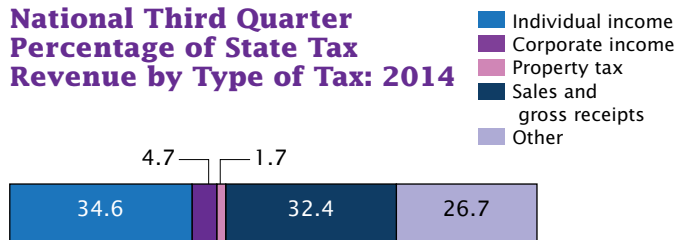
Overall, in the third quarter of 2014, individual income tax accounted for 34.6 percent of total state tax revenue, general sales and gross receipts taxes accounted for 32.4 percent, corporation net income tax accounted for 4.7 percent, property tax accounted for 1.7 percent, and other miscellaneous tax revenue accounted for 26.6 percent of total state tax revenue. See Figure 3.

Figure 4 shows the total amounts of state tax revenue for the two largest tax subcategories, individual income tax and general sales and gross receipts tax. Since 2009, income tax collections have been much higher than general sales and gross receipts tax collections, especially in quarter two. This trend continues in 2014.

Figure 5 shows the third quarter totals of state government revenues as a percentage of tax type by region. In the Northeast, Midwest, and West regions, individual income tax collections accounted for the largest percentage of tax collections with 45.3 percent, 34.7 percent, and 38.5 percent of total tax collections, respectively. In the South region, sales and gross receipts taxes were the largest of the four main categories at 37.6 percent.

Figure 3.

### National Third Quarter Percentage of State Tax Revenue by Type of Tax: 2014

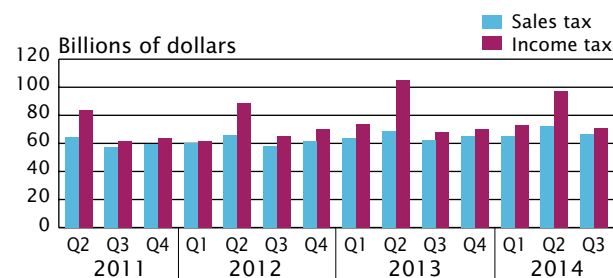


Note: May not add to 100 due to rounding.

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

Figure 4.

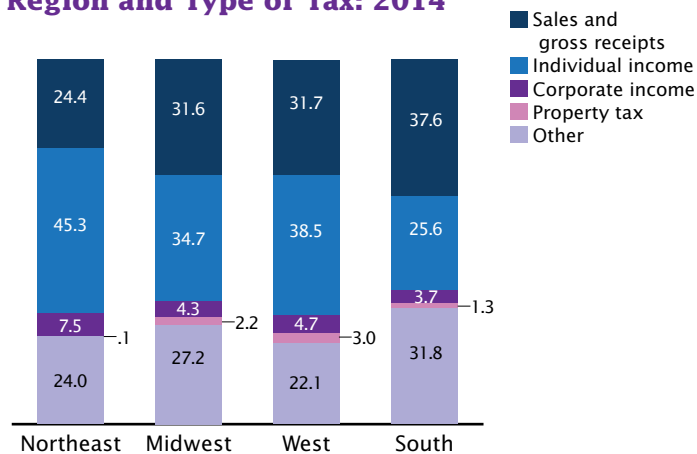
### Historical State Government Totals of General Sales and Gross Receipts and Individual Income Taxes: 2011–2014



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

Figure 5.

### National Third Quarter Percent Totals of State Government Revenue by Census Region and Type of Tax: 2014



Note: Percentages may not sum to 100 due to rounding.

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

Note: 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.