The State of State Budgets
Jackson Brainerd
Executive Committee Task Force on State and Local Taxation
General Fund Revenues

FY 2017 (estimated) 1.9%
FY 2018 (projected) 3.9%
General Fund Expenditures

FY 2017 (estimated): 3.4%
FY 2018 (projected): 3.3%
Change in General Fund Revenues and Appropriations FY 2018 (projected)

Revenues: 3.9%
Appropriations: 3.3%
Revenue Outlook for FY 2018

- Unlikely to Meet Forecast: 4
- Expected to Meet Forecast: 36
- Likely to Exceed Forecast: 5
- Not Available: 6
Personal Income Tax Collections

- Above Estimate: 15
- On Target: 14
- Below Estimate: 10
- Not levied: 8
- Not Available: 4
Corporate Income Tax Collections

- Above Estimate: 14
- On Target: 15
- Below Estimate: 11
- Not Levied: 6
- Not Available: 5

Legend:
- Green: Above Estimate
- Blue: On Target
- Orange: Below Estimate
- Gray: Not Levied
- Purple: Not Available
State Fiscal Summaries

- Florida
- Massachusetts
- New Mexico
- South Dakota
State Tax Revenue Since the Start of the Recession,
Four Quarter Moving Average Adjusted for Inflation

Percent change in inflation-adjusted state and local government tax revenue from major sources since start of recession (PIT + CIT + Sales + Property)

Source: Rockefeller Institute analysis of data from U.S. Census Bureau.
Notes: Data are shown only until the start of the next recession; 1980 & 1981 recessions are treated as single recession.
State Tax Actions: 2017

Net State Tax Changes by Year of Enactment 1995-2017

- Billions of dollars (left axis)
- Percent of previous year’s collections (right axis)
2017 Tax Action Cont.

- Personal Income: 14 reduced, 8 raised
- Sales and Use: 15 reduced, 12 raised
- Corporate Income: 10 reduced, 9 raised
- Largest Net Increases: Illinois (13.1%), Kansas (7.2%), Delaware (5.1%)
- Largest Net Decreases: New Jersey (-1.7%), Missouri, Minnesota, Maine (-0.7% each)
Significant State Tax Actions

- Illinois
- Kansas
- Delaware
- New Jersey
Trends in 2018

- Responding to Federal Tax Reform
- Tax Cuts
- Online Sales Tax Collection
- Digital Goods/Services
- Gas Taxes
- Gig Economy
- Tax Incentive Evaluation
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2017 Fall Budget Update: