



# General Fund Tax Collections

Informational  
Paper

1

Wisconsin Legislative Fiscal Bureau  
January, 2005



# General Fund Tax Collections

Prepared by

Rob Reinhardt

Wisconsin Legislative Fiscal Bureau  
One East Main, Suite 301  
Madison, WI 53703



# General Fund Tax Collections

General fund tax collections represent the major source of revenues available to fund appropriations from the state's general fund. In 2003-04, Wisconsin general fund tax collections totaled \$10.7 billion. While many different taxes provide revenues to the general fund, the three major general fund taxes are the individual income tax, the general sales and use tax, and the corporate income and franchise tax. In total for 2003-04, these three taxes represented 91.5% of general fund tax collections. A detailed summary for each of the general fund revenue sources is provided in separate informational papers prepared by the Legislative Fiscal Bureau. This paper provides information on the overall level and sources of general fund tax collections.

As background on the major sources of state taxes, information is provided on the history of general fund tax collections since 1993-94. The attached tables show: (1) the amount of Wisconsin general fund tax collections by source of tax annually since 1993-94; (2) the share each tax represented of total general fund tax collections in each fiscal year; and (3) the percentage change in each tax over the prior year's tax collection.

To illustrate the information in the attached tables, the individual income tax can be used as an

example. In fiscal year 2003-04, the individual income tax totaled \$5.277 billion. This amount comprised 49.14% of total general fund tax collections in 2003-04 and represented an increase of 4.46% from the individual income tax collections in the previous fiscal year, 2002-03. Along with comparisons within a particular fiscal year, the tables show the growth in tax collections since 1993-94.

While general fund tax collections data show the actual amount of revenues collected each year, several factors should be considered in using and interpreting this data. First, the growth in certain taxes, especially in the state's three major taxes, can be volatile because of changes in national economic growth and the way in which the state tax structure responds to such changes. Second, since 1993-94 many tax law changes, including one-time changes, have altered the amount of revenues collected from year to year. Moreover, modifications to payment dates, revisions of withholding tables, and the impact of lawsuits have also affected the pattern of state tax collections. Thus, while actual tax collections have tended to grow over time, annual variations have occurred because of many factors, including changes in economic growth and inflation, tax law provisions, and one-time modifications.

## Wisconsin General Fund Tax Collections: 1993-94 Through 2003-04 (In Millions)

Revenue Source	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
Individual Income Tax	\$3,638.71	\$3,992.95	\$4,183.60	\$4,558.26	\$5,047.51	\$5,162.24	\$5,962.01	\$5,156.57	\$4,979.66	\$5,052.00	\$5,277.12
Corporate Income Tax	541.28	631.75	636.01	643.82	627.02	635.20	644.63	537.16	503.01	526.54	650.53
General Sales & Use Tax	2,427.90	2,571.21	2,704.23	2,864.37	3,047.41	3,284.69	3,501.66	3,609.90	3,695.80	3,737.91	3,899.26
Excise Taxes											
Cigarette	173.85	176.89	197.97	204.57	247.74	257.42	247.59	243.51	288.77	293.70	291.32
Tobacco	6.33	6.95	7.39	8.78	9.35	9.40	10.31	11.36	13.93	15.51	16.10
Liquor & Wine	30.29	30.62	30.81	31.35	32.73	32.94	34.56	35.54	35.98	36.04	38.47
Beer	9.10	8.96	9.19	9.21	9.26	9.16	9.39	9.36	9.60	9.52	9.60
Total Excise Taxes	219.57	223.42	245.35	253.90	299.09	308.92	301.85	299.78	348.28	354.76	355.50
Inheritance & Gift Taxes											
Inheritance & Estate	52.24	39.73	45.39	50.67	80.05	116.82	133.28	77.08	82.63	68.70	86.36
Gift	0.96	1.05	0.21	0.16	0.06	0.08	---	---	---	---	---
Total Inheritance/Gift	53.20	40.78	45.60	50.83	80.11	116.90	133.28	77.08	82.63	68.70	86.36
Public Utility Taxes											
Priv. Light/Heat/Power	103.15	102.95	106.03	107.83	110.44	117.06	121.14	136.41	143.13	147.02	165.44
Muni. Light/Heat/Power	1.18	1.39	1.40	1.34	1.43	1.48	1.54	1.58	1.66	1.73	1.81
Telephone	145.98	149.73	160.12	176.43	158.52	149.39	114.72	80.38	86.64	106.26	81.59
Pipeline	9.43	9.73	9.17	10.94	7.59	9.46	11.88	10.43	10.26	10.54	10.56
Electric Cooperatives	6.89	6.96	7.50	7.89	7.46	7.54	7.80	8.25	8.59	9.42	8.49
Conservation/Regulation	0.17	0.16	0.14	0.75	0.68	0.68	0.64	0.59	0.57	0.55	0.51
Municipal Electric	1.34	1.08	0.94	0.91	1.88	1.34	1.39	1.39	1.27	1.23	1.30
Interest & Penalty Refund	0.10	-0.01	-0.01	0.15	0.35	0.15	0.86	0.21	0.12	0.04	0.12
Total Public Utility Tax	268.24	271.98	285.29	306.23	288.36	287.09	259.98	239.24	252.24	276.79	269.80
Insurance Premiums Tax	95.99	94.42	92.29	94.64	88.07	97.05	86.88	89.04	96.06	114.90	123.62
Pari-Mutuel Tax	5.90	4.74	3.65	2.62	2.36	2.19	---	---	---	---	---
Miscellaneous Taxes											
Lawsuits (Courts)	6.85	7.18	7.63	8.70	9.46	9.60	10.14	10.12	10.46	10.57	10.69
Real Estate Transfer Fee	29.30	27.81	31.39	33.54	38.44	43.97	45.29	44.22	51.18	57.38	66.33
Other	0.67	0.63	0.61	0.62	0.61	0.57	0.19	0.33	0.88	0.19	0.12
Total Miscellaneous Taxes	36.81	35.61	39.63	42.86	48.50	54.14	55.63	54.68	62.51	68.14	77.14
Total General Fund Taxes	\$7,287.60	\$7,806.87	\$8,235.64	\$8,817.54	\$9,528.43	\$9,948.41	\$10,945.90	\$10,063.44	\$10,020.18	\$10,199.74	\$10,739.32



## Change in Revenue Source Over Prior Year

Revenue Source	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
Individual Income Tax	5.60%	8.09%	6.37%	8.96%	10.73%	2.27%	15.49%	-13.51%	-3.43%	1.45%	4.46%
Corporate Income Tax	10.01	16.71	0.67	1.23	-2.61	1.30	1.48	-16.67	-6.36	4.68	23.55
General Sales & Use Tax	7.40	5.90	5.17	5.92	6.39	7.79	6.61	3.09	2.38	1.14	4.32
Excise Taxes											
Cigarette	4.18	1.75	11.92	3.33	21.11	3.91	-3.82	-1.65	18.59	1.71	-0.81
Tobacco	9.90	9.84	6.30	18.90	6.51	0.45	9.69	10.19	22.69	11.31	3.82
Liquor & Wine	-3.30	1.09	0.62	1.74	4.42	0.63	4.93	2.83	1.24	0.15	6.75
Beer	1.00	-1.58	2.53	0.21	0.58	-1.06	2.51	-0.30	2.48	-0.84	0.88
Total Excise Taxes	3.10	1.75	9.82	3.49	17.80	3.29	-2.29	-0.69	16.18	1.86	0.21
Inheritance & Gift Taxes											
Inheritance & Estate	-1.56	-23.95	14.25	11.62	57.99	45.94	14.07	-42.16	7.20	-16.86	25.70
Gift	42.73	10.11	-80.00	-24.24	-59.45	20.16	-100.00	---	---	---	---
Total Inheritance/Gift	-1.01	-23.34	11.81	11.45	57.62	45.92	14.00	-42.16	7.20	-16.86	25.70
Public Utility Taxes											
Priv. Light/Heat/Power	8.20	-0.20	3.00	1.69	2.42	5.99	3.49	12.60	4.93	2.71	12.53
Munit. Light/Heat/Power	7.99	17.77	0.72	-4.09	7.03	3.42	4.05	2.79	4.61	4.35	4.86
Telephone	-11.71	2.37	6.94	10.18	-10.15	-5.76	-23.21	-29.94	7.79	22.64	-23.22
Pipeline	2.02	3.15	-5.80	19.37	-30.62	24.60	25.63	-12.20	-1.64	2.75	0.12
Electric Cooperatives	5.61	1.00	7.79	5.08	-5.39	1.02	3.54	5.70	4.10	9.68	-9.89
Conservation/Regulation	0.59	-5.88	-11.88	431.91	-9.33	-0.29	-5.75	-7.20	-4.38	-2.65	-7.25
Municipal Electric	102.73	-19.39	-12.53	-3.29	106.26	-28.90	4.34	-0.07	-8.61	-3.14	5.11
Interest & Penalty Refund	-388.89	-108.65	33.33	-1,375.00	130.07	-56.53	463.40	-76.10	-40.78	-64.75	169.77
Total Public Utility Tax	-3.62	1.40	4.89	7.34	-5.84	-0.44	-9.44	-7.98	5.43	9.73	-2.53
Insurance Premiums Tax	10.46	-1.64	-2.26	2.55	-6.95	10.20	-10.48	2.49	7.88	19.62	7.59
Part-Mutuel Tax	-16.58	-19.58	-23.15	-28.23	-9.98	-6.96	-100.00	---	---	---	---
Miscellaneous Taxes											
Lawsuits (Courts)	-9.74	4.94	6.18	14.05	8.70	1.49	5.69	-0.20	3.27	1.07	1.17
Real Estate Transfer Fee	15.61	-5.11	12.91	6.82	14.62	14.39	3.01	-2.36	15.72	12.13	15.58
Other	---	-6.16	-2.24	1.96	-2.89	-6.12	-66.20	73.44	163.66	-78.93	-35.14
Total Miscellaneous Taxes	9.58	-3.26	11.28	8.14	13.17	11.62	2.76	-1.70	14.32	9.00	13.21
Total General Fund Taxes	6.06%	7.13%	5.49%	7.07%	8.06%	4.41%	10.03%	-8.06%	-0.43%	1.79%	5.29%