



**Informational Paper 1**

**General Fund Tax Collections**

**Wisconsin Legislative Fiscal Bureau**

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# 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 2007-08, Wisconsin general fund tax collections totaled \$13.0 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 2007-08, these three taxes represented 90.6% 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 1997-98. The attached tables show: (1) the amount of Wisconsin general fund tax collections by source of tax annually since 1997-98; (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 collections.

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

example. In fiscal year 2007-08, the individual income tax totaled \$6.71 billion. This amount comprised 51.47% of total general fund tax collections in 2007-08 and represented an increase of 2.13% from the individual income tax collections in the previous fiscal year, 2006-07. Along with comparisons within a particular fiscal year, the tables show the growth in tax collections since 1997-98.

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 1997-98 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: 1997-98 Through 2007-08 (In Millions)

Revenue Source	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Individual Income Tax	\$5,047.51	\$5,162.24	\$5,962.01	\$5,156.57	\$4,979.66	\$5,052.00	\$5,277.12	\$5,650.11	\$6,144.30	\$6,573.78	\$6,713.68
Corporate Income Tax	627.02	635.20	644.63	537.16	503.01	526.54	650.53	764.05	780.32	890.06	837.81
General Sales & Use Tax	3,047.41	3,284.69	3,501.66	3,609.90	3,695.80	3,737.91	3,899.26	4,038.72	4,127.58	4,158.61	4,268.05
Excise Taxes											
Cigarette	247.74	257.42	247.59	243.51	288.77	293.70	291.32	294.30	301.49	296.13	455.72
Tobacco	9.35	9.40	10.31	11.36	13.93	15.51	16.10	15.84	16.42	17.52	29.75
Liquor & Wine	32.73	32.94	34.56	35.54	35.98	36.04	38.47	39.53	41.02	42.67	45.17
Beer	9.26	9.16	9.39	9.36	9.60	9.52	9.60	9.77	9.76	9.53	9.62
Total Excise Taxes	299.09	308.92	301.85	299.78	348.28	354.76	355.50	359.44	368.69	365.85	540.25
Inheritance & Gift Taxes											
Inheritance & Estate	80.05	116.82	133.26	77.08	82.63	68.70	86.36	112.35	108.57	121.11	158.79
Gift	0.06	0.08	---	---	---	---	---	---	---	---	---
Total Inheritance/Gift	80.11	116.90	133.26	77.08	82.63	68.70	86.36	112.35	108.57	121.11	158.79
Public Utility Taxes											
Priv. Light/Heat/Power	110.44	117.06	121.14	136.41	143.13	147.02	165.44	159.57	189.06	195.43	212.13
Muni. Light/Heat/Power	1.43	1.48	1.54	1.58	1.66	1.73	1.81	1.94	2.44	2.34	2.70
Telephone	158.52	149.39	114.72	80.38	86.64	106.26	81.59	72.62	63.00	65.26	59.54
Pipeline	7.59	9.46	11.88	10.43	10.26	10.54	10.56	10.56	10.66	10.67	11.19
Electric Cooperatives	7.46	7.54	7.80	8.25	8.59	9.42	8.49	7.24	8.11	8.83	9.36
Conservation/Regulation	0.68	0.68	0.64	0.59	0.57	0.55	0.51	0.47	0.37	0.29	0.26
Municipal Electric	1.88	1.34	1.39	1.39	1.27	1.23	1.30	1.57	1.50	2.04	2.24
Interest & Penalty Refund	0.35	0.15	0.86	0.21	0.12	0.04	0.12	0.49	0.02	0.09	0.04
Total Public Utility Tax	288.36	287.09	259.98	239.24	252.24	276.79	269.80	254.44	275.15	284.94	297.46
Insurance Premiums Tax	88.07	97.05	86.88	89.04	96.06	114.90	123.62	129.84	134.67	141.41	156.61
Part-Mutual Tax	2.36	2.19	---	---	---	---	---	---	---	---	---
Miscellaneous Taxes											
Lawsuits (Courts)	9.46	9.60	10.14	10.12	10.46	10.57	10.69	10.38	10.17	10.41	10.74
Real Estate Transfer Fee	38.44	43.97	45.29	44.22	51.18	57.38	66.33	77.22	80.54	71.73	59.45
Other	0.61	0.57	0.19	0.33	0.88	0.19	0.12	0.10	0.10	0.11	0.11
Total Miscellaneous Taxes	48.50	54.14	55.63	54.68	62.51	68.14	77.14	87.70	90.81	82.24	70.30
Total General Fund Taxes	\$9,528.43	\$9,948.41	\$10,945.90	\$10,063.44	\$10,020.18	\$10,199.74	\$10,739.32	\$11,396.65	\$12,030.09	\$12,618.00	\$13,042.94



## Change in Revenue Source Over Prior Year

Revenue Source	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Individual Income Tax	10.73%	2.27%	15.49%	-13.51%	-3.43%	1.45%	4.46%	7.07%	8.75%	6.99%	2.13%
Corporate Income Tax	-2.61	1.30	1.48	-16.67	-6.36	4.68	23.55	17.45	2.13	14.06	-5.87
General Sales & Use Tax	6.39	7.79	6.61	3.09	2.38	1.14	4.32	3.58	2.20	0.75	2.63
Excise Taxes											
Cigarette	21.11	3.91	-3.82	-1.65	18.59	1.71	-0.81	1.02	2.44	-1.78	53.89
Tobacco	6.51	0.45	9.69	10.19	22.69	11.31	3.82	-1.62	3.66	6.66	69.84
Liquor & Wine	4.42	0.63	4.93	2.83	1.24	0.15	6.75	2.76	3.77	4.02	5.84
Beer	0.58	-1.06	2.51	-0.30	2.48	-0.84	0.88	1.76	-0.11	-2.35	0.99
Total Excise Taxes	17.80	3.29	-2.29	-0.69	16.18	1.86	0.21	1.11	2.57	-0.77	47.67
Inheritance & Gift Taxes											
Inheritance & Estate	57.99	45.94	14.07	-42.16	7.20	-16.86	25.70	30.09	-3.36	11.55	31.11
Gift	-59.45	20.16	-100.00	---	---	---	---	---	---	---	---
Total Inheritance/Gift	57.62	45.92	14.00	-42.16	7.20	-16.86	25.70	30.09	-3.36	11.55	31.11
Public Utility Taxes											
Priv. Light/Heat/Power	2.42	5.99	3.49	12.60	4.93	2.71	12.53	-3.54	18.48	3.37	8.54
Muni. Light/Heat/Power	7.03	3.42	4.05	2.79	4.61	4.35	4.86	6.78	25.98	-4.26	15.80
Telephone	-10.15	-5.76	-23.21	-29.94	7.79	22.64	-23.22	-11.00	-13.25	3.58	-8.75
Pipeline	-30.62	24.60	25.63	-12.20	-1.64	2.75	0.12	0.01	0.94	0.12	4.88
Electric Cooperatives	-5.39	1.02	3.54	5.70	4.10	9.68	-9.89	-14.74	12.04	8.88	6.04
Conservation/Regulation	-9.33	-0.29	-5.75	-7.20	-4.38	-2.65	-7.25	-8.40	-21.54	-20.92	-9.28
Municipal Electric	106.26	-28.90	4.34	-0.07	-8.61	-3.14	5.11	20.99	-4.08	35.90	9.49
Interest & Penalty Refund	130.07	-56.53	463.40	-76.10	-40.78	-64.75	169.77	322.41	-96.94	513.33	-58.70
Total Public Utility Tax	-5.84	-0.44	-9.44	-7.98	5.43	9.73	-2.53	-5.69	8.14	3.56	4.39
Insurance Premiums Tax	-6.95	10.20	-10.48	2.49	7.88	19.62	7.59	5.03	3.72	5.01	10.75
Pari-Mutuel Tax	-9.98	-6.96	-100.00	---	---	---	---	---	---	---	---
Miscellaneous Taxes											
Lawsuits (Courts)	8.70	1.49	5.69	-0.20	3.27	1.07	1.17	-2.89	-2.04	2.33	3.16
Real Estate Transfer Fee	14.62	14.39	3.01	-2.36	15.72	12.13	15.58	16.43	4.29	-10.93	-17.13
Other	-2.89	-6.12	-66.20	73.44	163.66	-78.93	-35.14	-18.33	2.04	6.00	6.60
Total Miscellaneous Taxes	13.17	11.62	2.76	-1.70	14.32	9.00	13.21	13.70	3.54	-9.43	-14.53
Total General Fund Taxes	8.06%	4.41%	10.03%	-8.06%	-0.43%	1.79%	5.29%	6.12%	5.56%	4.89%	3.37%