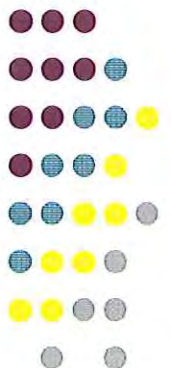




# Informational Paper **1**

## General Fund Tax Collections

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# General Fund Tax Collections

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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 2009-10, Wisconsin general fund tax collections totaled \$12.1 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 2009-10, these three taxes represented 89.6% 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 1999-00. The attached tables show: (1) the amount of Wisconsin general fund tax collections by source of tax annually since 1999-00; (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 2009-10, the individual income tax totaled \$6.09 billion. This amount comprised 50.19% of total general fund tax collections in 2009-10 and represented a decrease of 2.15% from the individual income tax collections in the previous fiscal year, 2008-09. Along with comparisons within a particular fiscal year, the tables show the growth in tax collections since 1999-00.

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 1999-00 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: 1999-00 Through 2009-10 (In Millions)**

<u>Revenue Source</u>	<u>1999-00</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>
Individual Income	\$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	\$6,222.74	\$6,089.17
Corporate Income	644.63	537.16	503.01	526.54	650.53	764.05	780.32	890.06	837.81	629.52	834.48
General Sales & Use Tax	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	4,083.96	3,944.19
Excise Taxes											
Cigarette	247.59	243.51	288.77	293.70	291.32	294.30	301.49	296.13	455.72	551.34	644.27
Tobacco	10.31	11.36	13.93	15.51	16.10	15.84	16.42	17.52	29.75	42.24	59.89
Liquor & Wine	34.56	35.54	35.98	36.04	38.47	39.53	41.02	42.67	45.17	44.13	44.18
Beer	<u>9.39</u>	<u>9.36</u>	<u>9.60</u>	<u>9.52</u>	<u>9.60</u>	<u>9.77</u>	<u>9.76</u>	<u>9.53</u>	<u>9.62</u>	<u>9.91</u>	<u>9.61</u>
Total Excise Taxes	301.85	299.78	348.28	354.76	355.50	359.44	368.69	365.85	540.26	647.62	757.95
Estate Tax	133.26	77.08	82.63	68.70	86.36	112.35	108.57	121.11	158.79	20.85	0.87
Public Utility Taxes											
Priv. Light/Heat/Power	121.14	136.41	143.13	147.02	165.44	159.57	189.06	195.43	212.13	223.47	208.62
Muni. Light/Heat/Power	1.54	1.58	1.66	1.73	1.81	1.94	2.44	2.34	2.70	2.75	2.93
Telephone	114.72	80.38	86.64	106.26	81.59	72.62	63.00	65.26	59.54	63.46	70.03
Pipeline	11.88	10.43	10.26	10.54	10.56	10.56	10.66	10.67	11.19	16.18	23.05
Electric Cooperatives	7.80	8.25	8.59	9.42	8.49	7.24	8.11	8.83	9.36	10.55	10.40
Conservation/Regulation	0.64	0.59	0.57	0.55	0.51	0.47	0.37	0.29	0.26	0.24	0.21
Municipal Electric	1.39	1.39	1.27	1.23	1.30	1.57	1.50	2.04	2.24	3.46	4.15
Interest & penalty refund	<u>0.86</u>	<u>0.21</u>	<u>0.12</u>	<u>0.04</u>	<u>0.12</u>	<u>0.49</u>	<u>0.02</u>	<u>0.09</u>	<u>0.04</u>	<u>0.01</u>	<u>---</u>
Total Public Utility Tax	259.98	239.24	252.24	276.79	269.80	254.44	275.15	284.94	297.46	320.11	319.38
Insurance Premiums Tax	86.88	89.04	96.06	114.90	123.62	129.84	134.67	141.41	156.61	136.29	130.72
Miscellaneous Taxes											
Lawsuits (Courts)	10.14	10.12	10.46	10.57	10.69	10.38	10.17	10.41	10.74	10.79	10.49
Real Estate Transfer Fee	45.29	44.22	51.18	57.38	66.33	77.22	80.54	71.73	59.45	41.16	44.31
Other	<u>0.19</u>	<u>0.33</u>	<u>0.88</u>	<u>0.19</u>	<u>0.12</u>	<u>0.10</u>	<u>0.10</u>	<u>0.11</u>	<u>0.11</u>	<u>0.11</u>	<u>0.11</u>
Total Miscellaneous Taxes	55.63	54.68	62.51	68.14	77.14	87.70	90.81	82.24	70.30	52.06	54.91
<b>Total General Fund Taxes</b>	<b>\$10,945.90</b>	<b>\$10,063.44</b>	<b>\$10,020.18</b>	<b>\$10,199.74</b>	<b>\$10,739.32</b>	<b>\$11,396.65</b>	<b>\$12,030.09</b>	<b>\$12,618.00</b>	<b>\$13,042.94</b>	<b>\$12,113.15</b>	<b>\$12,131.66</b>



### Change in Revenue Source Over Prior Year

<u>Revenue Source</u>	<u>1999-00</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>
Individual Income	15.49%	-13.51%	-3.43%	1.45%	4.46%	7.07%	8.75%	6.99%	2.13%	-7.31%	-2.15%
Corporate Income	1.48	-16.67	-6.36	4.68	23.55	17.45	2.13	14.06	-5.87	-24.86	32.56
General Sales & Use Tax	6.61	3.09	2.38	1.14	4.32	3.58	2.20	0.75	2.63	-4.31	-3.42
Excise Taxes											
Cigarette	-3.82	-1.65	18.59	1.71	-0.81	1.02	2.44	-1.78	53.89	20.98	16.86
Tobacco	9.69	10.19	22.69	11.31	3.82	-1.62	3.66	6.66	69.84	41.99	41.78
Liquor & Wine	4.93	2.83	1.24	0.15	6.75	2.76	3.77	4.02	5.84	-2.29	0.11
Beer	2.51	-0.30	2.48	-0.84	0.88	1.76	-0.11	-2.35	0.99	3.00	-3.07
Total Excise Taxes	-2.29	-0.69	16.18	1.86	0.21	1.11	2.57	-0.77	47.67	19.87	17.04
Estate Tax	14.07	-42.16	7.20	-16.86	25.70	30.09	-3.36	11.55	31.11	-86.87	-95.82
Public Utility Taxes											
Priv. Light/Heat/Power	3.49	12.60	4.93	2.71	12.53	-3.54	18.48	3.37	8.54	5.35	-6.65
Muni. Light/Heat/Power	4.05	2.79	4.61	4.35	4.86	6.78	25.98	-4.26	15.80	1.59	6.48
Telephone	-23.21	-29.94	7.79	22.64	-23.22	-11.00	-13.25	3.58	-8.75	6.57	10.36
Pipeline	25.63	-12.20	-1.64	2.75	0.12	0.01	0.94	0.12	4.88	44.63	42.45
Electric Cooperatives	3.54	5.70	4.10	9.68	-9.89	-14.74	12.04	8.88	6.04	12.72	-1.46
Conservation/Regulation	-5.75	-7.20	-4.38	-2.65	-7.25	-8.40	-21.54	-20.92	-9.28	-10.23	-10.97
Municipal Electric	4.34	-0.07	-8.61	-3.14	5.11	20.99	-4.08	35.90	9.49	54.56	19.86
Interest & penalty refund	463.40	-76.10	-40.78	-64.75	169.77	322.41	-96.94	513.33	-58.70	-76.32	-100.00
Total Public Utility Tax	-9.44	-7.98	5.43	9.73	-2.53	-5.69	8.14	3.56	4.39	7.61	-0.23
Insurance Premiums Tax	-10.48	2.49	7.88	19.62	7.59	5.03	3.72	5.01	10.75	-12.97	-4.09
Miscellaneous Taxes											
Lawsuits (Courts)	5.69	-0.20	3.27	1.07	1.17	-2.89	-2.04	2.33	3.16	0.49	-2.75
Real Estate Transfer Fee	3.01	-2.36	15.72	12.13	15.58	16.43	4.29	-10.93	-17.13	-30.76	7.65
Other	-66.20	73.44	163.66	-78.93	-35.14	-18.33	2.04	6.00	6.60	-2.65	0.91
Total Miscellaneous Taxes	2.76	-1.70	14.32	9.00	13.21	13.70	3.54	-9.43	-14.53	-25.94	5.48
Total General Fund Taxes	10.03%	-8.06%	-0.43%	1.79%	5.29%	6.12%	5.56%	4.89%	3.37%	-7.13%	0.15%