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general fund tax collections

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Prepared by

Sean Moran

Wisconsin Legislative Fiscal Bureau
One East Main, Suite 301
Madison, WI 53703
<http://legis.wisconsin.gov/lfb>

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 2019-20, Wisconsin general fund tax collections totaled \$17.5 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/franchise tax. In total for 2019-20, these three taxes represented 92.3% 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 2009-10. The attached tables show: (a) the amount of Wisconsin general fund tax collections by source of tax annually since 2009-10; (b) the share each tax represented of total general fund tax collections in each fiscal year; and (c) 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 2019-20, the individual

income tax totaled \$8.74 billion. This amount comprised 49.86% of total general fund tax collections in 2019-20 and represented a decrease of 2.80% from the individual income tax collections in the previous fiscal year, 2018-19. Along with comparisons within a particular fiscal year, the tables show the growth in tax collections since 2009-10.

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 2009-10, many tax law changes, including one-time changes, have altered the amount of revenues collected from year to year. Moreover, modifications to payment dates and accrual procedures, revisions of withholding tables, enhanced collection measures, and the impact of lawsuits and audits 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: 2009-10 Through 2019-20 (In Millions)

<u>Revenue Source</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
Individual Income	\$6,089.17	\$6,700.65	\$7,041.67	\$7,496.85	\$7,061.39	\$7,325.82	\$7,740.83	\$8,039.51	\$8,479.15	\$8,994.10	\$8,742.27
Corporate Income/Franchise	834.48	852.86	906.58	925.38	967.18	1,004.93	963.03	920.95	893.89	1,338.06	1,607.87
General Sales & Use Tax	3,944.19	4,109.02	4,288.74	4,410.13	4,628.34	4,892.13	5,065.76	5,223.93	5,448.12	5,695.55	5,836.21
Excise Taxes											
Cigarette	644.27	604.83	587.75	569.15	573.04	569.55	573.41	564.20	538.90	514.27	523.56
Tobacco	59.89	60.89	65.52	63.02	67.69	71.92	76.13	80.28	80.20	85.52	91.36
Vapor Products	---	---	---	---	---	---	---	---	---	---	1.32
Liquor & Wine	44.18	45.80	47.04	48.29	48.99	48.77	49.99	52.08	51.97	53.60	54.78
Beer	<u>9.61</u>	<u>9.33</u>	<u>9.24</u>	<u>9.00</u>	<u>8.97</u>	<u>8.83</u>	<u>8.98</u>	<u>9.13</u>	<u>8.91</u>	<u>8.53</u>	<u>8.49</u>
Total Excise Taxes	757.95	720.85	709.55	689.46	698.69	699.06	708.51	705.68	679.98	661.92	679.51
Estate Tax	0.87	-0.13	0.32	0.31	-0.08	-0.11	1.75	0.43	-0.03	0.01	0.04
Public Utility Taxes											
Priv. Light/Heat/Power	208.62	227.32	231.58	226.08	232.35	243.79	226.05	229.62	235.39	231.47	225.41
Muni. Light/Heat/Power	2.93	3.19	3.03	3.17	3.35	3.30	3.49	2.90	3.07	2.70	2.73
Telephone	70.03	67.02	80.98	67.34	72.20	81.94	76.47	70.78	63.59	67.20	66.17
Pipeline	23.05	27.11	33.67	28.40	35.46	34.99	37.32	39.73	45.53	44.88	44.51
Electric Cooperatives	10.40	11.55	11.16	11.28	12.09	12.23	11.75	12.05	12.46	13.35	12.75
Conservation & Regulation	0.08	0.12	0.13	0.13	0.15	0.19	0.22	0.21	0.22	0.33	0.27
Car Line Companies	0.13	0.17	0.18	0.18	0.19	0.20	0.16	0.14	0.21	0.27	0.21
Municipal Electric	4.15	4.86	5.17	4.99	5.17	5.16	4.95	4.93	4.80	4.71	4.44
Interest & Penalty Refund	<u>0.00</u>	<u>0.00</u>	<u>0.01</u>	<u>-0.31</u>	<u>0.00</u>	<u>0.02</u>	<u>0.20</u>	<u>0.12</u>	<u>0.07</u>	<u>0.03</u>	<u>0.66</u>
Total Public Utility Tax	319.38	341.34	365.91	341.26	360.97	381.82	360.60	360.47	365.34	364.94	357.15
Insurance Premiums Tax	130.72	139.95	148.08	159.28	165.77	165.45	177.33	181.58	186.27	194.36	217.38
Miscellaneous Taxes											
Lawsuits (Courts)	10.49	11.67	13.83	14.88	14.60	14.23	14.49	14.40	14.80	15.02	14.26
Real Estate Transfer Fee	44.31	35.56	39.84	48.02	51.18	57.82	65.13	70.55	76.60	77.39	77.43
Other	<u>0.11</u>	<u>0.10</u>	<u>0.10</u>	<u>0.07</u>	<u>0.07</u>	<u>0.07</u>	<u>0.07</u>	<u>0.07</u>	<u>0.05</u>	<u>0.05</u>	<u>0.00</u>
Total Miscellaneous Taxes	54.91	47.32	53.77	62.96	65.85	72.12	79.70	85.02	91.45	92.46	91.69
Total General Fund Taxes	\$12,131.66	\$12,911.87	\$13,514.63	\$14,085.63	\$13,948.10	\$14,541.20	\$15,097.49	\$15,517.59	\$16,144.17	\$17,341.40	\$17,532.12

Change in Revenue Source Over Prior Year

<u>Revenue Source</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
Individual Income	-2.15%	10.04%	5.09%	6.46%	-5.81%	3.74%	5.67%	3.86%	5.47%	6.07%	-2.80%
Corporate Income/Franchise	32.56	2.20	6.30	2.07	4.52	3.90	-4.17	-4.37	-2.94	49.69	20.16
General Sales & Use Tax	-3.42	4.18	4.37	2.83	4.95	5.70	3.55	3.12	4.29	4.54	2.47
Excise Taxes											
Cigarette	16.86	-6.12	-2.82	-3.16	0.68	-0.61	0.68	-1.61	-4.48	-4.57	1.81
Tobacco	41.78	1.67	7.62	-3.82	7.41	6.24	5.86	5.45	-0.10	6.63	6.83
Vapor Products	---	---	---	---	---	---	---	---	---	---	N/A
Liquor & Wine	0.11	3.67	2.69	2.66	1.46	-0.46	2.51	4.17	-0.21	3.14	2.20
Beer	-3.07	-2.93	-0.92	-2.61	-0.38	-1.52	1.70	1.63	-2.38	-4.31	-0.45
Total Excise Taxes	17.04	-4.89	-1.57	-2.83	1.34	0.05	1.35	-0.40	-3.64	-2.66	2.66
Estate Tax	-95.82	-114.70	-352.34	-5.57	-125.57	43.59	-1,658.04	-75.13	-107.60	-133.33	254.55
Public Utility Taxes											
Priv. Light/Heat/Power	-6.65	8.96	1.87	-2.38	2.77	4.92	-7.28	1.58	2.51	-1.66	-2.62
Muni. Light/Heat/Power	6.48	9.06	-5.05	4.62	5.84	-1.67	5.76	-17.00	5.87	-12.07	1.26
Telephone	10.36	-4.30	20.82	-16.84	7.22	13.50	-6.67	-7.44	-10.16	5.67	-1.52
Pipeline	42.45	17.60	24.22	-15.67	24.89	-1.33	6.64	6.46	14.61	-1.42	-0.83
Electric Cooperatives	-1.46	11.15	-3.38	1.00	7.21	1.17	-3.96	2.55	3.47	7.13	-4.50
Conservation & Regulation	20.29	43.37	11.76	-3.01	14.73	25.00	16.22	-2.33	3.81	52.29	-19.28
Car Line Companies	-23.81	32.03	5.92	2.23	5.46	4.15	-20.40	-13.13	53.96	25.70	-23.79
Municipal Electric	19.86	17.29	6.33	-3.46	3.57	-0.15	-4.17	-0.26	-2.68	-1.83	-5.71
Interest & Penalty Refund	-100.00	N/A	500.00	-5,233.33	-100.97	433.33	1,150.00	-41.50	-43.59	-62.12	2,524.00
Total Public Utility Tax	-0.23	6.88	7.20	-6.74	5.78	5.78	-5.56	-0.03	1.35	-0.11	-2.13
Insurance Premiums Tax	-4.09	7.06	5.81	7.56	4.07	-0.19	7.18	2.40	2.58	4.34	11.85
Miscellaneous Taxes											
Lawsuits (Courts)	-2.75	11.23	18.53	7.54	-1.86	-2.56	1.87	-0.65	2.76	1.54	-5.06
Real Estate Transfer Fee	7.65	-19.75	12.06	20.51	6.59	12.98	12.65	8.32	8.57	1.03	0.05
Other	0.91	-11.71	1.02	-32.32	5.97	1.41	2.78	0.00	-32.43	-4.00	-100.00
Total Miscellaneous Taxes	5.48	-13.82	13.63	17.08	4.59	9.52	10.51	6.68	7.55	1.11	-0.83
Total General Fund Taxes	0.15%	6.43%	4.67%	4.23%	-0.98%	4.25%	3.83%	2.78%	4.04%	7.42%	1.10%