

# Governments Division State and Local Revenue Reports: Improvements and Implementation

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Federation of Tax Administrators  
Revenue Estimation & Tax Research  
Conference

U S C E N S U S B U R E A U  
*Helping You Make Informed Decisions*

## Introduction to Governments Division

- **Main Purposes of Governments Division Programs**
  - Provide economic statistics about governments
  - Public counterpart to business, industry, and services economic data
  - Follow the activity of governments over time
- **Response is Voluntary**
- **Virtually no Confidentiality Restrictions**

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## Base Programs

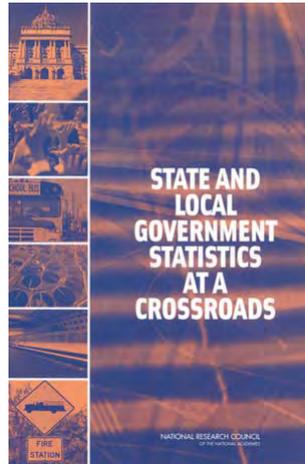
- Census of Governments and related programs
  - Organizational Data – number of governments & characters
  - Employment Data – number of employees by function & payroll
  - Finance Data – revenues by type, expenditures by character and function, indebtedness by term, & cash and securities holdings
- Oldest programs in Governments Division, often called the “base programs”

## Base Programs Involving Revenue

- Annual Survey of State & Local Government Finances
- Annual Survey of State Government Finances
- Quarterly Tax Survey
- State Government Tax Collection Survey
- Special Studies
  - American Recovery and Reinvestment Act (ARRA)
  - Annual Survey of Federal Government Finances
  - Taxable Property Values (TPV)

## State and Local Government Statistics at a Crossroads

- 2007 report issued by the Committee on National Statistics (CNStat)
- Suggested 21 recommendations for improving existing programs
- Working toward addressing the majority of recommendations by the 2012 Census of Governments



## CNStat Report Themes

- Data Quality, Relevance, and Utility
- Dissemination
- Timeliness

## CNStat Theme: Data Quality, Relevance, and Utility

- Recommendations in Chapter 4: Conduct research on existing methods to identify efficiencies and improvements
- Progress Update:
  - Re-organized the division to develop an area devoted to research and methodology
  - Redesigning all aspects of the Quarterly Tax survey, State Tax Collections, and studying Taxable Property Value (TPV)
  - Local Government Finance Central Collection Evaluation
  - Expanding the Annual Survey of Public-Employee Retirement Systems to collect additional asset categories

## CNStat Theme: Timeliness

- Recommendations in Chapter 5: Research the benefits/ costs of adopting earlier release procedures, i.e., releasing preliminary estimates or releasing estimates as they are compiled
- Progress Update:
  - Successful in moving up the release of several products
  - Some constraints due to data processing; are reviewing existing processes and methods to determine where efficiencies can be made

## Data User Workshops

- 6 Data User Workshops held already
- Workshops explored the varying needs for data on government statistics
- Future workshops
  - Technical
    - e.g., Reevaluate classification schema for 2017 CoG planning
  - Outreach
    - e.g., Data uses, usability, data user relationship building

## Progress on the Redesign of the Quarterly Tax Survey

## Background: Quarterly Tax Survey

Provide estimates of state and local government tax revenues

- Collection began in 1962 as a Special Study
- F71 - Sample collecting local government *property tax data*
- F72 - Census of state governments collecting *state tax data*
- F73 - Panel collecting local government *non-property tax data*

## F71 - Local Property Tax

- Stratified sample of county-areas
  - Estimated number of tax collectors
  - Population
  - Annual collection of property tax
- 609 county-areas selected into the sample containing 5,407 tax collectors; not imposers
- National estimate of local property tax collections

## F71 - Improvements

- Redesigned data edit methodology
- Redesigned imputation methodology
- Redesigned estimation procedures
- Develop Coefficient-of-Variations
- Bridge study between old and new samples

## F73 - Non-Property Tax

- Currently panel of 111 local governments with significant non-property tax collection yields
- Local general sales tax and individual income tax collectors
- Other local taxes

## F73 - Improvements

- Revised content to ensure relevance
  - New form is expanded to cover 11 categories of taxes and licenses imposed by local governments
- Revised methodology
  - Sample tax imposers
  - Frame developed based on 2007 Census of Governments
  - 3,879 tax imposers sampled

## F72 - Improvements

- Redesigned data edit methodology
- Redesigned imputation methodology
- Revisions will display item code rather than state
- Comparison to annual tax survey
- Benchmarking

## Next Steps on Quarterly Tax

- Estimates of property tax with CVs September 2010
- Improved edit flags on state tax item imputes
- Mail new sample for F-73 for 4<sup>th</sup> Quarter 2010 collection
- Conduct Bridge Study for F-73 for several quarters
- Evaluate implemented revisions for all the QTax components
- Develop new sample for F-71, before 2012 CoG and again in 2014/2015 after CoG

## Annual Survey of State Government Tax Collections (STC)

## Survey of State Tax Collections

- Special Study by Governments Division in 1939 with intention of providing detail source information, whereas QTax serves more as an indicator.
- Data similar to QTax F-72
- Future focus improvements STC
  - Differentiate product from QTax
  - Identify process and products that add unique value to the tax data

## Survey of State Tax Collections: Areas of Research

- Motor Vehicle Sales Taxes
  - Does the tax make an exemption for trade in?
  - Higher or lower rate than base sales tax?
  - Amount brought in by separate tax
- Medical Provider Taxes
- Cap & Trade Revenues

# Federal Finances

## American Recovery and Reinvestment Act (ARRA)

- GOVS is examining ARRA revenue at the state level
- Builds on existing programs tracking federal spending
- Revenue is generally easier to track than expenditures

## Annual Survey of Federal Government Finances (Federal Compilation)

- Revives program that provided data between 1902 and 1995
- Classify Federal government on same basis as state and local
- Provide complete statistics for all levels of government finance – Federal, state, and local
- Detailed data on revenues and expenditures

## Survey of Taxable Property Value (TPV)

## Survey of Taxable Property Values

- Comprehensive source of the taxable property inventory
- Begun in 1850; conducted every 5 years between 1957 and 1992
- Discontinued in 1992
- Feasibility study began in 2010
  - Exploring cost effective means of obtaining comprehensive data consistent with quality standards
  - Exploring feasibility of differing TPV products:

## Questions?

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For updated information on our efforts, please visit:

<http://harvester.census.gov/duw/>