

SOURCES OF INCREASED STATE  
TAX COLLECTIONS: ECONOMIC  
GROWTH VS. POLITICAL CHOICE

An Information Report

M-41



ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS  
WASHINGTON, D. C. 20575  
OCTOBER 1968

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## PREFACE

In this report, the Advisory Commission has presented data concerning the relative importance of various sources of State government revenue growth. This effort is designed to determine that part of State government revenue growth during the period 1950-1967 which was due to the behavior of the economy and that part which was due to legislative decisions to alter the existing State government tax structures. A more detailed analysis for the individual States by type of legislative activity—whether a tax rate change, a new adoption, etc.—is also presented for the fiscal years ending 1966 and 1967.

This report is designed to provide current information as well as an historical perspective on the quantitative aspects of State government tax policies. As such, it should serve to complement the Commission's report *State and Local Taxes, Significant Features, 1968* by adding the financial dimension to recent State government tax decisions.

No new suggestions of a policy character are contained and this report is issued strictly as an informational and reference document.

Farris Bryant  
*Chairman*

## ACKNOWLEDGMENTS

The analysis was conducted by Richard Gabler of the Commission staff. The tabulations relating to fiscal years 1966 and 1967 are based on data provided by State tax administrators whose cooperation made this information report possible.

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## TABLE OF CONTENTS

	<i>Page</i>
Preface . . . . .	iii
Acknowledgments . . . . .	iv
Principal Findings . . . . .	1
Growth Components: Legislative and Automatic, 1950-1967 . . . . .	1
Statement of Assumption and Procedure . . . . .	2
Empirical Results . . . . .	4
Sources of State Revenue Growth, Fiscal Years 1966 and 1967 . . . . .	5
State Tax Growth, Fiscal Years 1966 and 1967 . . . . .	5
The Responsiveness of State Government Tax Structures, 1967 . . . . .	8

### TABLES

1. Rates of Growth in State Tax Collections, By Source, 1950-1967 . . . . .	2
2. Income Elasticities of the Major Categories of State Tax Revenue . . . . .	3
3. Legislative and Economic Contributions to Growth in Selected State Government Taxes, 1950-1967 . . . . .	4
4. State Government Tax Revenue Growth, Fiscal 1966 and 1967 . . . . .	6
5. Sources of State Government Revenue Growth, Selected Taxes, Fiscal Years 1966 and 1967 . . . . .	6
6. Legislative Actions Affecting State Government Revenue Growth, Selected Taxes, Fiscal Years 1966 and 1967 . . . . .	7
7. Response of State Tax Structures to One Percent Change in Personal Income, 1967 . . . . .	10

**APPENDIX TABLES**

	<i>Page</i>
A-1. Components of General Sales Tax Increase, By Region and State, Fiscal Year Ending 1966 . . . . .	12
A-2. Components of General Sales Tax Increase, By Region and State, Fiscal Year Ending 1967 . . . . .	13
A-3. Components of Corporate Income Tax Increase, By Region and State, Fiscal Year Ending 1966 . . . . .	14
A-4. Components of Corporate Income Tax Increase, By Region and State, Fiscal Year Ending 1967 . . . . .	15
A-5. Components of Individual Income Tax Increase, By Region and State, Fiscal Year Ending 1966 . . . . .	16
A-6. Components of Individual Income Tax Increase, By Region and State, Fiscal Year Ending 1967 . . . . .	17
A-7. Components of Increases in Selected Sales Taxes, By Region and State, Fiscal Year Ending 1966 . . . . .	18
A-8. Components of Increases in Selected Sales Taxes, By Region and State, Fiscal Year Ending 1967 . . . . .	19



# SOURCES OF STATE GOVERNMENT TAX REVENUE GROWTH: ECONOMIC VERSUS POLITICAL AND ADMINISTRATIVE CONTRIBUTIONS

Legislative or "discretionary" decisions to alter State tax systems as well as the "automatic" response of established taxes to economic growth have propelled State collections steadily upward during the post-World War II period. This study seeks to measure the respective contribution to revenue growth of these political and economic forces for the fifty State governments as a group over the 1950-1967 time span. A more detailed breakdown of the sources of revenue growth is undertaken for fiscal years 1966 and 1967 for individual States. In addition, the overall responsiveness of State government tax structures to economic growth is presented for 1967.

## Principal Findings

(1) Over the long period (1950-1967), an estimated 53 percent of the growth in the major State government tax sources resulted from political or legislative initiative (including that stemming from the subsequent economic growth) and 47 percent directly from the automatic response of existing State taxes to economic growth. Had the major 1950 State tax sources—individual and corporate income as well as general and selected sales—remained unchanged through 1967, they would have yielded only \$15.3 billion or \$10.4 billion less than the actual 1967 collections of \$25.7 billion from these four major revenue sources.

(2) For the two-year period 1966 and 1967, economic growth was the predominant source of the State government tax advance—accounting for two-thirds of the total increase from the major taxes. Had these State taxes remained unchanged from their 1965 bases, they would have yielded some \$24.1 billion or \$1.6 billion less than actual 1967 collections. The difference in time period helps explain these contrasting results.

(3) Aside from any legislative tax action, most State tax systems can be expected to produce an increase in revenue roughly proportional to the percentage increase in State personal income. That is, for every one percent change in income, there is approximately a one percent change in tax revenue. Nonetheless, as of 1967, this automatic response varied from a low of 0.7 percent (Nebraska) to a high of 1.4 percent (Oregon) for each one percent change in State personal income. The main reason for this varying response is the absence or presence of an individual income tax; those States with the income tax have, by and large, built a greater degree of "automatic response" into their tax system.

## Growth Components: Legislative and Automatic, 1950-1967

Total State tax revenues increased from \$7.9 billion to \$31.9 billion between 1950 and 1967, an average annual rate of 8.5 percent. Although there is no single levy in State tax structures comparable to the property tax at the local level, sales taxes—general and selective—as well as income levies—individual and corporate—dominate. The growth rates differ for the various State taxes, of course, but generally have averaged over 7 percent per year; for the individual income tax, the growth rate has been just under 12 percent (see table 1).

**TABLE 1.—RATES OF GROWTH IN STATE TAX COLLECTIONS,  
BY SOURCE, 1950-1967**

Tax	Amount (millions)			Average annual growth rate (percent)
	1950	1967	Absolute increase	
General sales .....	\$1,670	\$ 8,924	\$ 7,254	10.4
Selective sales .....	3,000	9,652	6,652	7.1
Individual income .....	724	4,909	4,185	11.9
Corporation net income .....	586	2,227	1,641	8.2
All other .....	1,932	6,223	4,291	7.1
Total .....	\$7,912	\$31,926	\$24,014	8.5

*Source:* U.S. Department of Commerce, Bureau of the Census, *State Government Finances in 1950 and 1967*.

This substantial growth in State tax collections can be traced to two broad developments—discretionary authority and economic growth. Since 1950, there have been innumerable changes initiated by elected officials to alter their tax systems. Among the more obvious legislative changes are the adoption of new tax sources, rate increases on existing levies, redefinition of the tax base, the introduction of tax credits, etc. Also to be considered as a manifestation of discretionary authority is improved tax administration which has the effect of narrowing the gap between the legally defined tax base and the administratively attainable level of compliance. The introduction of income tax withholding stands out as the most striking example of a discretionary action to improve tax compliance.

The second major development contributing to the growth in tax collections has been the natural or “automatic” increase that takes place as the economy grows. All taxes respond, though in different degrees, to economic growth which—apart from any discretionary decision—results in an expansion of the tax base. Thus a tax, even with no change in rate, legal base and administrative procedure, will produce additional revenues as it is applied to a broadened economic base (the result of economic growth).

The relative importance of these two components differs considerably for the specific taxes. Not only do different taxes respond differently to economic growth; they also vary in their sensitivity to discretionary changes. Following the health report on cigarette smoking, tax rate increases on this consumption item were predictable—and forthcoming. Indeed, cigarette taxes score relatively high on the discretionary side but low on the automatic; conversely, the individual income tax has a quite high automatic but a relatively low discretionary component. Hence, it is to be expected that the discretionary-automatic mix varies by type of tax.

*Statement of Assumptions and Procedures*

The first step in this analysis is to estimate what the established taxes, as of 1950, would have yielded in fiscal 1967 if no discretionary authority had been exerted since then. As such, this estimate provides a measure of the automatic component of State revenue growth on the assumption that no new taxes were introduced, no rate or base changes occurred, and that the level of taxpayer compliance remained constant.

To gauge the relative importance of legislative and automatic growth components, income elasticity estimates of the major sources of State tax structures were used. The elasticity concept is designed to

measure the response of individual taxes to economic growth—that is, it reflects the sensitivity of tax collections from a constant rate and base structure—to increases in some measure of income. It therefore abstracts from changes enacted by legislatures and measures the percentage change in tax collections that would result from a one percent change in income.

For each of several selected State taxes, the estimated elasticity was multiplied by the actual percentage change in the income concept used to derive the elasticity; each of the taxes included in this study was calculated with regard to the change in gross national product. This product of the elasticity estimate and the relevant income change was then applied to base year collections for each selected tax. This estimate (including the base year collections) then provides a measure of the automatic component of State government revenue growth; that is, what the State tax structures as of 1950 would have yielded in fiscal 1967, if no changes in rates, base, administration or new taxes had subsequently been adopted.

The effect of the second major source of tax collections increase can be approximated by comparing the above “as if” calculation of revenue growth with the increase that actually took place between 1950 and 1967. This discretionary element includes not only the direct revenue effect of such decisions, but also that generated by subsequent economic growth on the discretionary actions enacted following 1950. As such it provides an approximation of the contribution that such changes have “added-on” to the established tax structures of 1950. Alternatively, this component may be viewed as a measure of the failure of 1950 State-local tax structures to produce the tax revenues necessary for the present day.

It should be emphasized that the above procedure is only an approximate measure for the relative importance of the legislative-automatic components of State revenue growth. Numerous studies demonstrate lack of general agreement as to “the” elasticity figure for any particular tax (see table 2). As the elasticity figures were derived from time series data, part of the differences in estimates may simply result from differences in the time period studied. To minimize these limitations, the medium elasticity estimate was used for each of the State taxes. Even the medium elasticities, however, must be considered as average measures for the period to which they relate, and their application to the time span 1950-1967 introduces some incomparability and does not allow for any cyclical changes for time periods falling within the longer period. For these various reasons then, the results of these procedures must be viewed as approximations.

**TABLE 2.—INCOME ELASTICITIES OF THE MAJOR CATEGORIES OF STATE TAX REVENUE**

Tax		Elasticity estimates		
		Low	Medium	High
Income taxes:	individual .....	1.5	1.65	1.8
	corporate .....	1.1	1.2	1.3
Sales taxes:	general .....	0.9	1.00	1.05
	motor fuel .....	0.4	0.5	0.6
	alcoholic beverages .....	0.4	0.5	0.6
	tobacco .....	0.3	0.35	0.4
	public utilities .....	0.9	0.95	1.0
	other .....	0.9	1.0	1.1

Sources: David George Davies, “The Sensitivity of Consumption Taxes to Fluctuations in Income,” *National Tax Journal*, Vol. 15, September 1962, pp. 281-90; James S. Duesenberry, Otto

*Sources (Cont'd on next page)*

Eckstein, and Gary Fromm, "A Simulation of the United States Economy in Recession," *Econometrica*, Vol. 28, October 1960, pp. 749-809; Harold M. Groves and C. Harry Kahn, "The Stability of State and Local Tax Yields," *American Economic Review*, Vol. 42, March 1952, pp. 87-102; Robert Harris and Selma Mushkin, "The Revenue Outlook in 1970: A Further Report on Project '70," unpublished paper prepared for the National Association of Tax Administrators' 1964 Conference on Revenue Estimating, October 1964, p. 16; Dick Netzer, "Financial Needs and Resources Over the Next Decade: State and Local Governments," in *Public Finances: Needs, Sources and Utilization*, a Report of the National Bureau of Economic Research (Princeton University Press, Princeton: 1961), pp. 23-65; Robert W. Rafuse, Jr., "The Cyclical Behavior of State-Local Finances," in Richard A. Musgrave, *Essays in Multi-Level Finance*, Studies of Government Finance, The Brookings Institution, Washington, D.C., 1965; Lee Soltow, "The Historic Rise in the Number of Taxpayers in a State with a Constant Tax Law," *National Tax Journal*, Vol. 8, December 1955, pp. 379-81.

### Empirical Results

Discretionary or legislative activity was the dominant component of the increase in State government tax structures. For the selected State taxes considered—which account for more than 80 percent of the increase for all State taxes—some 53 percent of the advance or \$10.4 billion can be attributed to discretionary initiative and only 47 percent or \$9.3 billion to automatic growth (see table 3).

**TABLE 3.—LEGISLATIVE AND ECONOMIC CONTRIBUTIONS TO GROWTH IN SELECTED STATE GOVERNMENT TAXES, 1950-1967<sup>1</sup>**

Tax	(Amount in millions)			Percent	
	Economic growth	Legislative	Total increase	Economic growth	Legislative
Income tax—individual . . . . .	2,098	2,087	4,185	50	50
Income tax—corporate . . . . .	1,235	406	1,641	75	25
Sales tax—general . . . . .	2,933	4,321	7,254	40	60
Sales tax—selective:					
Motor fuel . . . . .	1,356	1,939	3,295	41	59
Alcoholic beverages . . . . .	369	252	621	59	41
Tobacco . . . . .	254	934	1,188	21	79
Public utilities . . . . .	309	106	415	74	26
Other . . . . .	766	343	1,109	69	31
Total . . . . .	9,320	10,388	19,708	47	53

<sup>1</sup> Based on medium elasticity estimates.

This legislative authority on the part of State government officials has been concentrated in general sales taxes and selected levies on both motor fuel and tobacco. For these levies discretionary actions have accounted for 60, 59, and 79 percent respectively of the increase in tax yields; taken together, discretionary activity has added some \$7.2 billion to what the 1950 structure of these taxes would otherwise have yielded during fiscal 1967.

To summarize then, legislative action has been the major component of the growth in aggregate State government tax collections, reflecting the importance of sales taxes, both general and selective. Economic growth considerations have been the principal source of revenue increase for the remaining State government tax collections—aside from the individual income tax, where the mix is equally divided.

### **Sources of State Revenue Growth, Fiscal Years 1966 and 1967**

Against the backdrop of the long-run post-World War II estimates of State tax activity, experience during fiscal 1966 and 1967 reveals the extent to which tax policymakers are currently assuming political initiative in response to public expenditure demands. To determine the relative contributions of the various sources of revenue growth during these two fiscal years, a questionnaire was sent to State tax officials asking for an allocation of the revenue increase, by selected tax sources, among the following categories:

1. New adoption of tax
2. Rate change on existing tax
3. Legislative extension of the tax base
4. Legislative exemption from the tax base
5. Economic growth
6. Other legislative and administrative decisions with significant revenue effects.

This information was requested for the general sales tax, the individual income tax, the corporate income tax and the selected sales levies for both fiscal 1966 and 1967. Based on these responses, a detailed analysis of the recent year-to-year sources of State government tax activity is possible.

For several reasons, however, these results must be interpreted with a degree of caution. Covering a two-year period, it is not possible to draw conclusions as to any long-run trends of tax activity among the various States. Indeed since tax activity does not occur uniformly either among States or through time, but is highly discontinuous in nature, the results of this survey must be interpreted only for the period specifically covered. (As certain States where tax activity has occurred in these two years have not responded to the questionnaire an additional source of bias is included.) Lastly, a few cases where it was impossible to separate out the effects of two or more tax actions affecting a given fiscal year, required an arbitrary determination; the amounts involved here, however, were small. Nonetheless despite these limitations, the results of this survey provide a more complete as well as generally accurate statement of current State tax activity than has previously been available.

### *State Tax Growth, Fiscal Years 1966 and 1967*

For the two-year period considered here, total State government taxes increased by some \$5.8 billion—a \$3.3 billion growth during fiscal 1966 (over 1965) and a further \$2.5 billion advance during fiscal 1967 (over 1966). The major components of this aggregate advance were the tax levies considered in this analysis. Taken together, the general sales, individual and corporate income, as well as the selected sales taxes accounted for \$5.1 billion of the \$5.8 billion increase for the two-year period (see table 4).

**TABLE 4.—STATE GOVERNMENT TAX REVENUE GROWTH,  
FISCAL 1966 & 1967 (in billions)**

Tax	Fiscal 1966 (over 1965)	Fiscal 1967 (over 1966)	Two-year growth
General Sales . . . . .	\$1.2	\$1.1	\$2.3
Individual Income . . . . .	0.6	0.6	1.2
Corporate Income . . . . .	0.1	0.2	0.3
Selected Sales . . . . .	0.8	0.5	1.3
Total Above . . . . .	2.7	2.4	5.1
All State Taxes . . . . .	\$3.3	\$2.5	\$5.8

For the two-year period considered here as well as for each of the individual fiscal years, economic growth was far and away the dominant component of the total tax increase for the various taxes included—accounting for no less than 67 percent of the total tax increase from these revenue sources for the two years combined; 68 percent in fiscal 1966 and 66 percent in fiscal 1967 (see table 5). Political initiative in the form of rate changes (including both rate increases and decreases) and new tax adoptions

**TABLE 5.—SOURCES OF STATE GOVERNMENT REVENUE GROWTH, SELECTED TAXES,  
FISCAL YEARS 1966 AND 1967**

Item		Amount (millions of dollars)			Percent	
		Total Increase	Economic Growth	All Legislative	Economic Growth	All Legislative
General Sales	1966	1,145.5	596.2	549.2	52.0	48.0
	1967	1,039.7	360.3	679.4	34.7	65.3
Total		2,185.2	956.5	1,228.6	43.8	56.2
Individual Income	1966	623.6	495.1	128.3	79.4	20.6
	1967	644.5	589.4	55.1	91.5	8.5
Total		1,268.1	1,084.5	183.4	85.5	14.5
Corporate Income	1966	110.2	233.1	-122.9	211.5	-111.5
	1967	182.1	184.0	-1.9	101.0	-1.0
Total		292.3	417.1	-124.8	142.7	-42.7
Selected Sales	1966	800.6	503.1	297.5	62.8	37.2
	1967	470.2	403.1	67.1	85.7	14.3
Total		1,270.8	906.2	364.6	71.3	28.7
Total Above Taxes	1966	2,679.9	1,827.5	852.1	68.2	31.8
Total Above Taxes	1967	2,336.5	1,536.8	799.7	65.8	34.2
Total Above Taxes	& 1966 1967	5,016.4	3,364.3	1,651.8	67.1	32.9

were the major sources of legislative activity during this period, adding \$950.0 million or 19 percent and \$663.2 million or 13 percent of the total two-year increase from these tax sources.

Not only did economic growth dominate the total increase in tax collections, it was also the single most important source of additional tax revenues for each of the major tax sources considered here in each of the two fiscal years—with the exception of the general sales tax in 1967. Indeed, political initiative in the form of new tax adoptions and rate changes on existing sales taxes were more important for this revenue source than for all the remaining levies together. During this two-year period, the general sales tax initially became effective in six States—Massachusetts, New York, Idaho, Hawaii, New Jersey, and Virginia. In those States, where the tax was initially effective for only part of the fiscal year, the first year's revenues were considered as a new adoption while the second year's collections (the first full-year collections) were recorded as a rate increase. On this basis then, rate changes on the general sales tax added \$379.0 million (net of rate decreases) or 37 percent of the total general sales tax increase during fiscal 1967 while new adoptions of this levy accounted for an additional \$300.1 million or 29 percent. For fiscal 1966 and for the two years combined, however, economic growth was the single most important source of revenue increase—accounting for 52 percent of the general sales tax advance in fiscal 1966 and 44 percent for the two-year period.

**TABLE 6.—LEGISLATIVE ACTIONS AFFECTING STATE GOVERNMENT REVENUE GROWTH, SELECTED TAXES, FISCAL YEARS 1966 AND 1967**

(In millions of dollars)

Item		All Legislative	Rate Increase	Rate Decrease	New Tax	Base Extension	Base Exemption	Other Administrative
General Sales	1966	549.2	82.8	-0.4	351.0	24.2	-16.8	108.4
	1967	679.4	380.3	-1.3	300.1	7.7	-15.0	7.6
Total		1,228.6	463.1	-1.7	651.1	31.9	-31.8	116.0
Individual Income	1966	128.3	74.8	-5.0	—	—	-6.8	65.3
	1967	55.1	27.6	—	—	7.5	—	20.0
Total		183.4	102.4	-5.0	—	7.5	-6.8	85.3
Corporate Income	1966	-122.9	15.1	—	—	2.4	-0.1	-140.3
	1967	-1.9	2.0	—	—	10.3	-0.3	-13.9
Total		-124.8	17.1	—	—	12.7	-0.4	-154.2
Selected Sales	1966	297.5	300.6	-0.2	—	0.8	-0.2	-3.4
	1967	67.1	66.8	-9.9	12.1	0.9	—	-2.7
Total		364.6	367.4	-10.1	12.1	1.7	-0.2	-6.1
Total Selected Taxes	1966	852.1	473.3	-5.6	351.0	27.4	-23.9	30.0
Total Selected Taxes	1967	799.7	476.7	-11.2	312.2	26.4	-15.3	11.0
Total Selected Taxes	& 1966 1967	1,651.8	950.0	-16.8	663.2	53.8	-39.2	41.0

Legislative actions on the individual income tax by comparison were pallid—representing only 15 percent of the two-year revenue growth; 21 percent in fiscal 1966, attributable mainly to the introduction of withholding, and but 9 percent in fiscal 1967. Although rate changes were important components of the growth in income tax collections in certain States—Wisconsin, Minnesota and Hawaii—they were

relatively unimportant in the aggregate, accounting for only 8 percent (net of decreases) of the two-year collections increase from this levy. While there were no new adoptions of the individual income tax that were effective in either fiscal 1966 and 1967, both Michigan and Nebraska subsequently adopted this tax.

On the corporate income tax front, economic growth was not only the single most important component of the increase in tax revenues, it actually exceeded the total advance in collections for each of the two fiscal years. This is explained by the fact that legislative actions—mainly in the form of changing the scheduling of payments—tended to reduce tax collections and thereby offset the increases otherwise attributable to economic growth. Rate changes, while enacted in several States, were relatively small by comparison and no new adoptions of this levy were initially effective in either fiscal 1966 or 1967; adoptions of this revenue source by Michigan, Nebraska and West Virginia in 1967, however, will be reflected in fiscal 1968 collections.

For the selected sales taxes, economic growth was again the major source of revenue increase—accounting for 71 percent of the total increase for the two-year period; 63 percent in fiscal 1966 and 86 percent in fiscal 1967. Legislative activity on these various levies mainly took the form of rate increases—particularly on cigarettes and to a lesser extent motor fuels, alcoholic beverages and public utilities. Such rate changes (net of decreases) accounted for some 28 percent of the total increase from these taxes for the two-year period; 38 percent in fiscal 1966 but only 12 percent in fiscal 1967.

Thus, economic growth was the dominant component of the aggregate tax revenue growth for fiscal 1966 and 1967. While relatively less important, legislative actions—particularly on the general sales tax—were also responsible for a sizeable portion of the total increase in the revenue growth of the selected taxes. The relative mix of economic and legislative actions, of course, varies among the particular States. Such interstate comparisons can be made from the individual State data presented in Appendix tables 1 through 8, though because the need for additional tax activity does not occur at the same time in individual States and because only a short “slice-of-time” has been presented here, these interstate comparisons may not be very meaningful. Additional annual surveys of this type, however, will eventually permit a more substantive interpretation of these trends and individual State comparisons.

### **The Responsiveness of State Government Tax Structures, 1967**

Faced with continuing demands on the expenditure side, further upward pressures on State government tax revenues can be expected. As in the past, any shortfall between automatic revenue growth and expenditure needs will require legislative action. Prior to the political decision to initiate changes in tax structures through new adoptions, rate increases and base extensions, however, some estimate must be made on the “automatic” part of revenue increases.

Since the various taxes respond differently to economic growth, the overall elasticity of a State tax structure will depend on the extent to which each tax source is tapped. The individual income tax, which has a relatively high elasticity—hence “automatic” component—is used by only 38 of the 50 States; and in three such States it is applied only to certain types of income (New Jersey, Tennessee, New Hampshire). Thus, those States making relatively intensive use of the individual income tax will have a greater elasticity built into their tax structures than States whose primary reliance is on taxes with a sluggish response to economic growth. Indeed, because of the differing composition of State tax structures and the varying response of particular taxes to economic growth, the overall elasticity of a State tax structure will change with the passage of time. By definition, taxes with a greater sensitivity to



economic growth will yield larger increases in tax collections than the less responsive levies. As a result, the more elastic taxes will become increasingly important components of the State tax structures unless legislative initiative occurs on the less sensitive tax sources.

Ideally, each of the diverse State tax sources should be analyzed to obtain a precise measure of the economic responsiveness of a State tax system. As a practical matter, a reasonable estimate of the overall elasticity can be obtained by examining the major State taxes. For this purpose then, the individual income, general sales, and combined selective sales taxes were used.<sup>1</sup> The elasticities of each of these taxes or tax categories were then weighted by their relative importance in the particular State tax structure.

Since certain taxes are omitted in this procedure, however, the overall elasticities will not be precise. Nonetheless, the taxes included in the weighted elasticity account for more than half of total State tax collections (in fiscal 1967) in each State except Alaska (where an elasticity estimate for the individual income tax is lacking) and for more than 70 percent of total tax collections in the majority of State governments. Because these three taxes dominate State tax structures, and because the excluded portions are fragmented between levies with a relatively high elasticity (such as the corporate income tax) and those with quite low responsiveness to economic growth (auto license and registration fees, for example), the weighted elasticities presented here again reflect approximate estimates of the overall sensitivity of a State government tax structure to economic growth.

As expected, the "automatic" response of State government tax structures differs considerably from State to State. At the low end of the spectrum, the tax structure of Nebraska (which as of fiscal 1967 included neither an individual income nor a general sales tax) showed only a 0.7 percent increase in tax collections for every one percent increase in personal income. By way of contrast, the tax structure of Oregon (which relies heavily on the individual income tax) yielded a 1.4 percent increase in total tax collections for a comparable one percent income increase (see table 7). The automatic component of revenue increase in Oregon was, in effect, double that of Nebraska. Since Nebraska has subsequently enacted a broad-based income tax as well as a general sales tax, however, it can be expected that the tax structure of this State will be more responsive to economic growth in the future.

For 28 State tax structures, the automatic response in tax collections is roughly equal to the percentage change in personal income. That is, tax collections rise from between 0.90 to 1.19 percent for every 1.0 percent increase in personal income. Nonetheless, there are 11 State governments where the automatic response is relatively low, 0.70 to 0.89—and 11 where it is rather high—1.20 or greater. The elasticities of State government tax structures were distributed as follows for fiscal 1967.

<i>Elasticity</i>	<i>No. of States</i>
0.70-0.79 . . . . .	2
0.80-0.89 . . . . .	9
0.90-0.99 . . . . .	11
1.00-1.09 . . . . .	11
1.10-1.19 . . . . .	6
1.20-1.29 . . . . .	9
1.30-1.39 . . . . .	1
1.40-1.49 . . . . .	1

<sup>1</sup>The elasticities used were taken from Selma J. Mushkin, *Property Taxes: The 1970 Outlook*, Council of State Governments, October 1965 and Robert Harris, *Income and Sales Taxes: The 1970 Outlook for States and Localities*, Council of State Governments, January 1966.

TABLE 7.—RESPONSE OF STATE TAX STRUCTURES<sup>1</sup> TO ONE PERCENT CHANGE IN PERSONAL INCOME, 1967

State	Low to medium elasticity (0.70 to 0.89)		State	Medium to high elasticity (0.90 to 1.19)		State	High Elasticity (1.20 and above)	
	Weighted elasticity	Percent of tax collections included		Weighted elasticity	Percent of tax collections included		Weighted elasticity	Percent of tax collections included
Nebraska . . . . .	0.70	56.0	Tennessee . . . . .	0.90 <sup>2</sup>	71.4 <sup>2</sup>	Hawaii . . . . .	1.21	93.0
Ohio . . . . .	0.77	75.2	N.H. . . . .	0.90 <sup>2</sup>	61.8 <sup>2</sup>	Iowa . . . . .	1.21	77.9
Texas . . . . .	0.80	61.4	New Mex. . . . .	0.91	63.6	Utah . . . . .	1.21	76.7
Maine . . . . .	0.81	79.8	Wyoming . . . . .	0.91	61.9	Wisconsin . . . . .	1.21	73.0
New Jersey . . . . .	0.81 <sup>2</sup>	67.8 <sup>2</sup>	Illinois . . . . .	0.92 <sup>3</sup>	84.4 <sup>3</sup>	Arkansas . . . . .	1.25	76.3
Florida . . . . .	0.84	75.0	Mississippi . . . . .	0.93	81.2	Montana . . . . .	1.25	66.7
South Dakota . . . . .	0.84	81.1	Washington . . . . .	0.93	81.8	Minnesota . . . . .	1.27	66.9
Connecticut . . . . .	0.85	65.7	Maryland . . . . .	0.95	81.0	Virginia . . . . .	1.27	77.1
Pennsylvania . . . . .	0.86	67.4	Rhode I. . . . .	0.95	72.6	New York . . . . .	1.29	74.6
Michigan . . . . .	0.89	69.2	Delaware . . . . .	0.97	62.4	Idaho . . . . .	1.39 <sup>3</sup>	74.4 <sup>3</sup>
West Virginia . . . . .	0.89	87.3	Louisiana . . . . .	0.98	52.3	Oregon . . . . .	1.40	71.4
			Arizona . . . . .	1.00	71.4			
			Kansas . . . . .	1.00	77.8			
			Nevada . . . . .	1.00 <sup>3</sup>	80.4 <sup>3</sup>			
			N. Dak. . . . .	1.02	67.5			
			Oklahoma . . . . .	1.04 <sup>3</sup>	63.7			
			Alabama . . . . .	1.05	82.1			
			Georgia . . . . .	1.06	83.8			
			S.C. . . . .	1.06	80.8			
			Calif. . . . .	1.07	70.3			
			Colorado . . . . .	1.08	78.3			
			Missouri . . . . .	1.09	51.9			
			Alaska . . . . .	1.10 <sup>2,3</sup>	27.8 <sup>2,3</sup>			
			Indiana . . . . .	1.11	85.9			
			Kentucky . . . . .	1.14	77.9			
			N.C. . . . .	1.14	74.6			
			Vermont . . . . .	1.15	73.6			
			Massachusetts . . . . .	1.19	71.6			

<sup>1</sup>Includes individual income, general sales and selected sales taxes.

<sup>2</sup>Excludes individual income tax receipts due to lack of elasticity estimate.

<sup>3</sup>Elasticity may be slightly overstated since rate increases were not totally excluded from selected sales tax elasticity estimate.

Thus, State tax structures respond quite differently to the process of economic growth. To be sure, tax actions in the future as well as the different rates of growth of present tax structures will cause these overall State elasticities to change over-time. Nonetheless elasticities such as these, when coupled with estimates of future expenditure needs and personal income growth help to determine the magnitude of the expenditure-revenue divergence and in choosing among alternative fiscal actions to close this gap.

**TABLE A-1.—COMPONENTS OF GENERAL SALES TAX INCREASE, BY REGION AND STATE,  
FISCAL YEAR ENDING 1966**

(In millions of dollars)

Region and State	Total Increase	Economic Growth	Rate Change	Base Extension	New Adoption	Administrative Changes	Base Exemption	Tax Credit
<b>New England &amp; Mideast</b>								
Maine .....	5.8	4.3		1.5				
New Hampshire .....	--							
Vermont .....	--							
Massachusetts .....	16.5				16.5			
Rhode Island .....	N.R.							
Connecticut .....	13.5	13.5						
New York .....	298.4				298.4			
New Jersey .....	--							
Pennsylvania .....	49.9	49.9						
Delaware .....	--							
Maryland .....	13.3	13.3						
Dist. of Columbia .....	2.1	2.1						
<b>Midwest</b>								
Michigan .....	63.7	63.7						
Ohio .....	30.1	30.1						
Indiana .....	24.5	24.5						
Illinois .....	46.7	46.7						
Wisconsin .....	8.7	8.7						
Minnesota .....	--							
Iowa .....	21.3	12.3				9.0		
Missouri .....	27.8	27.8						
North Dakota .....	N.R.							
South Dakota .....	8.7	2.9	4.3	1.5				
Nebraska .....	--							
Kansas .....	22.7	2.0	20.7					
<b>South</b>								
Virginia .....	--							
West Virginia .....	8.4	8.4						
Kentucky .....	10.0	8.6				1.4		
Tennessee .....	17.2	17.6	-0.4				-0.1	
North Carolina .....	19.8	19.8						
South Carolina .....	13.4	13.4						
Georgia .....	19.6	19.6						
Florida .....	22.4	22.4						
Alabama .....	11.7	11.7						
Mississippi .....	12.2	12.2						
Louisiana .....	20.1	7.1				13.0		
Arkansas .....	8.2	8.2						
Oklahoma .....	4.9	4.9						
Texas .....	18.8	18.8						
New Mexico .....	3.9	3.7		0.2				
Arizona .....	N.R.							
<b>West</b>								
Montana .....	N.R.							
Idaho .....	28.4				28.4			
Wyoming .....	5.0							
Colorado .....	33.3	5.5	30.3	4.2			-1.4	-5.3
Utah .....	2.5	2.5						
Washington .....	59.5	46.7	13.9	1.1			-1.3	-0.9
Oregon .....	--							
Nevada .....	0.4	0.4						
California .....	155.6	55.5		15.2		85.0	-0.1	
*Alaska .....	--							
Hawaii .....	16.5	7.4	9.1		7.7		-7.7	

N.R. = No report.

-- = Tax not used by State.

Note: Detail may not add to total because of rounding.

TABLE A-2.—COMPONENTS OF GENERAL SALES TAX INCREASE, BY REGION AND STATE,  
FISCAL YEAR ENDING 1967

(In millions of dollars)

Region and State	Total Increase	Economic Growth	New Adoption	Rate Changes	Increased Exemptions	Administrative Changes	Extension of tax base
<b>New England &amp; Mideast</b>							
Maine .....	2.4	2.4					
New Hampshire .....	—						
Vermont .....	—						
Massachusetts .....	111.6	0.2 <sup>1</sup>		110.4 <sup>1</sup>		1.0	
Rhode Island .....	N.R.						
Connecticut .....	9.2	9.2					
New York .....	305.9	39.4 <sup>1</sup>	212.3	266.5 <sup>1</sup>			
New Jersey .....	208.3				-4.0		
Pennsylvania .....	38.1	39.5			-1.4		
Delaware .....	—						
Maryland .....	8.7	8.7					
Dist. of Columbia .....	1.2	0.2		0.3			0.8
<b>Midwest</b>							
Michigan .....	22.7	22.7					
Ohio .....	13.1	13.1					
Indiana .....	18.6	18.6					
Illinois .....	43.4	43.4					
Wisconsin .....	5.6	5.6					
Minnesota .....	—						
Iowa .....	-8.5	-8.5					
Missouri .....	12.4	12.4					
North Dakota .....	N.R.						
South Dakota .....	4.0	4.0					
Nebraska .....	—						
Kansas .....	4.8	4.8					
<b>South</b>							
Virginia .....	87.1		87.1				
West Virginia .....	6.7	6.7					
Kentucky .....	8.4	8.4					
Tennessee .....	10.7	10.7					
North Carolina .....	13.4	13.4					
South Carolina .....	7.7	7.7					
Georgia .....	14.6	14.6					
Florida .....	17.8	17.8					
Alabama .....	4.1	5.7		-1.3	-0.4		
Mississippi .....	7.7	7.7					
Louisiana .....	6.6	6.6					
Arkansas .....	4.2	4.2					
Oklahoma .....	1.6	1.6					
Texas .....	18.6	18.6					
New Mexico .....	2.0	2.0					
Arizona .....	N.R.						
<b>West</b>							
Montana .....	N.R.						
Idaho .....	4.4	1.3		3.1			
Wyoming .....	-1.0	-1.0					
Colorado .....	-0.9	5.9			-6.8		
Utah .....	2.1	2.1					
Washington .....	41.5	34.9				6.6	
Oregon .....	—						
Nevada .....	0.0	0.0					
California .....	-37.9	-42.4			-2.4		6.9
Alaska .....	—						
Hawaii .....	10.8	10.1	0.7				

<sup>1</sup> ACIR estimate.

N.R. = No report.

— = Tax not used by State.

Note: Detail may not add to total because of rounding.

**TABLE A-3.—COMPONENTS OF CORPORATE INCOME TAX INCREASE, BY REGION AND STATE,  
FISCAL YEAR ENDING 1966**

(In millions of dollars)

Region and State	Total Increase	Economic Growth	Administrative Change	Tax Base Change	Rate Change
<b>New England &amp; Mideast</b>					
Maine .....	---				
New Hampshire .....	---				
Vermont .....	0.8	0.8			
Massachusetts .....	6.5	6.5			
Rhode Island .....	N.R.				
Connecticut .....	10.6	7.7			2.9
New York .....	-135.5	43.5	-179.0		
New Jersey .....	7.1	7.1			
Pennsylvania .....	44.4	44.4			
Delaware .....	2.8	2.8			
Maryland .....	4.9	4.9			
Dist. of Columbia .....	1.4	1.4			
<b>Midwest</b>					
Michigan .....	---				
Ohio .....	---				
Indiana .....	4.9	4.9			
Illinois .....	---				
Wisconsin .....	10.5	8.2		2.3	
Minnesota .....	30.3	12.8	17.5		
Iowa .....	1.9	0.4			1.5
Missouri .....	-2.2	-2.2			
North Dakota .....	N.R.				
South Dakota .....	(a)				
Nebraska .....	---				
Kansas .....	12.7		4.0		8.7
<b>South</b>					
Virginia .....	8.1	8.1			
West Virginia .....	---				
Kentucky .....	7.0	7.0			
Tennessee .....	7.0	7.0			
North Carolina .....	11.0	11.0			
South Carolina .....	13.0	13.0			
Georgia .....	11.1	11.1			
Florida .....	---				
Alabama .....	3.6	3.6			
Mississippi .....	1.3	1.3			
Louisiana .....	4.4	4.4			
Arkansas .....	7.1	7.1			
Oklahoma .....	5.2	5.2			
Texas .....	---				
New Mexico .....	(included with individual income tax)				
Arizona .....	N.R.				
<b>West</b>					
Montana .....	N.R.				
Idaho .....	0.3	0.3			
Wyoming .....	---				
Colorado .....	0.8	0.8			
Utah .....	1.4				1.4
Washington .....	---				
Oregon .....	4.5	4.5			
Nevada .....	---				
California .....	18.7	1.4	17.2	0.1	
Alaska .....	2.2	2.2			
Hawaii .....	2.4	1.9		-0.1	0.6

(a) Less than \$100,000.

N.R. = No report.

--- = Tax not used by State.

Note: Detail may not add to total because of rounding.

**TABLE A-4.—COMPONENTS OF CORPORATE INCOME TAX INCREASE, BY REGION AND STATE,  
FISCAL YEAR ENDING 1967**

(In millions of dollars)

Region and State	Total Increase	Economic Growth	Administrative Change	Rate Change	Base Change
<b>New England &amp; Mideast</b>					
Maine .....	--				
New Hampshire .....	--				
Vermont .....	0.8	1.2	-0.5		
Massachusetts .....	15.3	8.0			7.3
Rhode Island .....	N.R.				
Connecticut .....	12.1	12.1			
New York .....	51.4	60.4	-9.0		
New Jersey .....	5.6	4.4		1.2	
Pennsylvania .....	15.4	15.4			
Delaware .....	-0.3	-0.3			
Maryland .....	2.9	2.9			
Dist. of Col. ....	0.6	0.6			
<b>Midwest</b>					
Michigan .....	--				
Ohio .....	--				
Indiana .....	0.2	0.2			
Illinois .....	--				
Wisconsin .....	10.5	10.5			
Minnesota .....	-5.7	1.8	-7.5		
Iowa .....	4.2	4.2			
Missouri .....	4.0	4.0			
North Dakota .....	N.R.				
South Dakota .....	(a)				
Nebraska .....	--				
Kansas .....	-2.4 <sup>1</sup>		-2.4		
<b>South</b>					
Virginia .....	1.5	1.5			
West Virginia .....	--				
Kentucky .....	4.2	1.2	3.0		
Tennessee .....	5.2	5.2			
North Carolina .....	8.0	8.0			
South Carolina .....	5.9	5.9			
Georgia .....	5.3	5.3			
Florida .....	--				
Alabama .....	7.1	7.1			
Mississippi .....	1.1	1.1			
Louisiana .....	2.7	2.7			
Arkansas .....	4.3	4.3			
Oklahoma .....	-0.8	-0.8			
Texas .....	--				
New Mexico .....	(included with individual income tax)				
Arizona .....	N.R.				
<b>West</b>					
Montana .....	N.R.				
Idaho .....	1.1	0.4	0.7		
Wyoming .....	--				
Colorado .....	0.6	0.6			
Utah .....	3.0	3.0			
Washington .....	--				
Oregon .....	1.1	1.4			-0.3
Nevada .....	--				
California .....	17.4	12.6	1.8		3.0
Alaska .....	-0.7	-0.7			
Hawaii .....	0.6	-0.2		0.8	

(a) Less than \$100,000.

<sup>1</sup>Total decrease reflects comparison with previous year's receipts which were swelled by introduction of declaration of estimated tax plus the elimination of installment payment of tax.

N.R. = No report.

-- = Tax not used by State.

Note: Detail may not add to total because of rounding.

**TABLE A-5.—COMPONENTS OF INDIVIDUAL INCOME TAX INCREASE, BY REGION AND STATE,  
FISCAL YEAR ENDING 1966**

(In millions of dollars)

Region and State	Total Increase	Economic Growth	Rate Change	Base Change	Administrative Changes	Tax Credit
<b>New England &amp; Mideast</b>						
Maine .....	--					
New Hampshire .....	0.2	0.2				
Vermont .....	2.9	3.2			-0.3	
Massachusetts .....	34.1	22.1			12.0	
Rhode Island .....	N.R.					
Connecticut .....	--					
New York .....	139.2	139.2				
New Jersey .....	1.4	1.4				
Pennsylvania .....	--					
Delaware .....	7.8	7.8				
Maryland .....	19.6	19.6				
Dist. of Col. ....	4.2	4.2				
<b>Midwest</b>						
Michigan .....	--					
Ohio .....	--					
Indiana .....	20.4	20.4				
Illinois .....	--					
Wisconsin .....	46.9	24.0	22.9			
Minnesota .....	47.4	39.4	8.0			
Iowa .....	29.2		2.0		27.0	
Missouri .....	11.6	11.6				
North Dakota .....	N.R.					
South Dakota .....	--					
Nebraska .....	--					
Kansas .....	39.8		22.8		17.0	
<b>South</b>						
Virginia .....	23.1	23.1				
West Virginia .....	3.0	3.0				
Kentucky .....	12.9	12.9				
Tennessee .....	1.4	1.4				
North Carolina .....	28.7	28.7				
South Carolina .....	9.6	9.6				
Georgia .....	16.0	16.0				
Florida .....	--					
Alabama .....	7.1	7.5		-0.4		
Mississippi .....	0.8	0.8				
Louisiana .....	6.9	6.9				
Arkansas .....	9.5				9.5	
Oklahoma .....	3.9	3.9				
Texas .....	--					
New Mexico .....	1.3 <sup>1</sup>	1.2			0.1	
Arizona .....	N.R.					
<b>West</b>						
Montana .....	N.R.					
Idaho .....	0.3	10.3	-5.0	-5.0		
Wyoming .....	--					
Colorado .....	10.3	10.3				
Utah .....	15.5		15.5			
Washington .....	--					
Oregon .....	11.5	11.5				
Nevada .....	--					
California .....	45.2	45.4		-0.2		
Alaska .....	3.1	3.1				
Hawaii .....	8.8	6.4	3.6	-1.2		

<sup>1</sup>Includes corporate income tax.

N.R. = No report.

-- = Tax not used by State

Note: Detail may not add to total because of rounding.



**TABLE A-6.—COMPONENTS OF INDIVIDUAL INCOME TAX INCREASE, BY REGION AND STATE,  
FISCAL YEAR ENDING 1967**

(In millions of dollars)

Region and State	Total Increase	Economic Growth	New Adoption	Rate Change	Increased Exemption	Administrative Change	Base Extension	Change in Tax Credit
<b>New England &amp; Mideast</b>								
Maine .....	--							
New Hampshire .....	0.4	0.4						
Vermont .....	3.5	3.8				-0.3		
Massachusetts .....	14.2	14.2						
Rhode Island .....	N.R.							
Connecticut .....	--							
New York .....	256.2	256.2						
New Jersey .....	1.1	1.1						
Pennsylvania .....	--							
Delaware .....	4.4	4.4						
Maryland .....	21.9	21.9						
Dist. of Columbia .....	9.6	4.9		4.7				
<b>Midwest</b>								
Michigan .....	--							
Ohio .....	--							
Indiana .....	14.8	14.8						
Illinois .....	--							
Wisconsin .....	49.7	33.9		15.9				
Minnesota .....	26.7	26.7						
Iowa .....	19.3	17.3				2.0		
Missouri .....	13.3	13.3						
North Dakota .....	N.R.							
South Dakota .....	--							
Nebraska .....	--							
Kansas .....	14.3					14.3		
<b>South</b>								
Virginia .....	27.5	27.5						
West Virginia .....	3.4	3.4						
Kentucky .....	10.9	7.9				3.0		
Tennessee .....	0.8	0.8						
North Carolina .....	23.5	23.5						
South Carolina .....	9.8	9.8						
Georgia .....	17.8	17.8						
Florida .....	--							
Alabama .....	4.8	4.8						
Mississippi .....	0.7	0.7						
Louisiana .....	5.3	5.3						
Arkansas .....	3.8					3.8		
Oklahoma .....	2.1	2.1						
Texas .....	--							
New Mexico .....	1.1 <sup>1</sup>	0.3				0.7		
Arizona .....	N.R.							
<b>West</b>								
Montana .....	N.R.							
Idaho .....	2.0	2.0						
Wyoming .....	--							
Colorado .....	10.2	10.2						
Utah .....	1.9	1.9						
Washington .....	--							
Oregon .....	6.0	9.5				-3.5		
Nevada .....	--							
California .....	43.8	40.8					3.0	
Alaska .....	3.5	3.5						
Hawaii .....	16.2	4.7		7.0				4.5

<sup>1</sup>Includes corporate income tax.

N.R. = No report.

-- = Tax not used by State.

Note: Detail may not add to total because of rounding.

**TABLE A-7.—COMPONENTS OF INCREASES IN SELECTED SALES TAXES<sup>1</sup>,  
BY REGION AND STATE, FISCAL YEAR ENDING 1966**

(In millions of dollars)

Region and State	Total Increase	Economic Growth	Rate Change	Base Extension	Base Exemption	Administrative Change
<b>New England &amp; Mideast</b>						
Maine .....	3.2	1.0	2.2			
New Hampshire .....	3.9	3.5	0.4			
Vermont .....	4.3	3.3	1.0			
Massachusetts .....	33.5	17.3	20.6			-4.4
Rhode Island .....	N.R.					
Connecticut .....	13.5	5.5	8.0			
New York .....	125.4	34.7	89.2			1.5
New Jersey .....	24.9	24.9				
Pennsylvania .....	36.9	37.8				-0.9
Delaware .....	6.4	6.4				
Maryland .....	15.5	15.5				
Dist. of Columbia .....	2.2	2.2				
<b>Midwest</b>						
Michigan .....	21.8	21.8				
Ohio .....	46.3	46.3				
Indiana .....	19.7	10.0	9.7			
Illinois .....	74.5	19.8	54.7			
Wisconsin .....	16.8	4.1	12.7			
Minnesota .....	8.7	8.7				
Iowa .....	18.5	10.5	8.0			
Missouri .....	10.3	10.3				
North Dakota .....	N.R.					
South Dakota .....	4.0	3.1	0.9			
Nebraska .....	6.9	4.0	2.9			
Kansas .....	6.4	2.4	4.0			
<b>South</b>						
Virginia .....	9.9	9.9				
West Virginia .....	8.9	8.9				
Kentucky .....	9.3	11.5				-2.2
Tennessee .....	12.2	12.2				
North Carolina .....	16.4	16.4				
South Carolina .....	11.2	11.2				
Georgia .....	11.6	11.6				
Florida .....	17.7	17.7				
Alabama .....	11.3	8.0	3.2	0.1		
Mississippi .....	7.2	7.2				
Louisiana .....	8.5	6.6				1.9
Arkansas .....	14.5	14.5				
Oklahoma .....	8.4	8.4				
Texas .....	43.8	15.6	28.2			
New Mexico .....	2.1	2.1				
Arizona .....	N.R.					
<b>West</b>						
Montana .....	N.R.					
Idaho .....	1.5	1.5				
Wyoming .....	0.4	0.4				
Colorado .....	15.0	4.0	11.0			
Utah .....	2.3	2.3				
Washington .....	20.4	4.8	15.8		-0.2	
Oregon .....	2.2	2.1	0.1			
Nevada .....	7.7	7.7				
California .....	47.1	22.5	24.6			
Alaska .....	1.5	1.5				
Hawaii .....	6.0	1.4	3.1	0.7		0.7

<sup>1</sup>Selective sales taxes included were: motor fuels, alcoholic beverages, tobacco products, insurance, public utilities, parimutuals, amusements, and "other."

N.R. = No report.

Note: Detail may not add to total because of rounding.

TABLE A-8.—COMPONENTS OF INCREASES IN SELECTED SALES TAXES<sup>1</sup>,  
BY REGION AND STATE, FISCAL YEAR ENDING 1967

(In millions of dollars)

Region and State	Total Increase	Economic Growth	New Adoption	Rate Change	Increased Exemption	Broadened Base	Administrative Change
<b>New England &amp; Mideast</b>							
Maine .....	1.0	1.0					
New Hampshire .....	2.8	2.8					
Vermont .....	1.1	1.1					
Massachusetts .....	30.1	15.3		14.8			
Rhode Island .....	N.R.						
Connecticut .....	8.7	8.7					
New York .....	25.6	26.6					-1.0
New Jersey .....	26.0	6.4		19.6			
Pennsylvania .....	26.4	27.1					-0.7
Delaware .....	0.7	0.7					
Maryland .....	9.8	9.8					
Dist. of Columbia .....	4.3	1.3		3.0			
<b>Midwest</b>							
Michigan .....	7.7	7.7					
Ohio .....	9.0	9.0					
Indiana .....	7.9	7.9					
Illinois .....	29.3	21.9		7.4			
Wisconsin .....	22.9	8.7		14.2			
Minnesota .....	12.0	12.0					
Iowa .....	13.7	13.7					
Missouri .....	5.1	5.1					
North Dakota .....	N.R.						
South Dakota .....	1.2	1.2					
Nebraska .....	3.8	3.7		0.1			
Kansas .....	3.2	3.2					
<b>South</b>							
Virginia .....	6.8	12.0		-5.2			
West Virginia .....	(not available)						
Kentucky .....	6.2	6.2					
Tennessee .....	14.6	14.6					
North Carolina .....	18.9	18.9					
South Carolina .....	11.3	11.3					
Georgia .....	16.0	16.0					
Florida .....	28.7	28.7					
Alabama .....	5.9	6.2		-0.3			
Mississippi .....	11.0	11.0					
Louisiana .....	8.4	8.2		0.2			
Arkansas .....	5.4	5.4					
Oklahoma .....	1.2	1.2					
Texas .....	14.8	14.8					
New Mexico .....	0.8	0.9			-0.1		
Arizona .....	N.R.						
<b>West</b>							
Montana .....	N.R.						
Idaho .....	0.5	0.5					
Wyoming .....	2.1	2.1					
Colorado .....	-0.3	4.1		-4.4			
Utah .....	1.7	1.7					
Washington .....	24.7	21.6		3.1			
Oregon .....	17.3	2.4	12.1	2.8			
Nevada .....	3.3	3.3					
California .....	13.8	12.9				0.9	
Alaska .....	1.8	1.8					
Hawaii .....	2.9	2.4		1.6			-1.0

<sup>1</sup> Selective sales taxes included were: motor fuels, alcoholic beverages, tobacco products, insurance, public utilities, parimutuals, amusements and "other."

N.R. = No report.

Note: Detail may not add to total because of rounding.







**PUBLISHED REPORTS OF THE ADVISORY COMMISSION  
ON INTERGOVERNMENTAL RELATIONS<sup>1</sup>**

- Coordination of State and Federal Inheritance, Estate and Gift Taxes.* Report A-1, January 1961. 134 pages, printed.
- Investment of Idle Cash Balances by State and Local Governments.* Report A-3, January 1961. 61 pages (out of print; summary available).
- Investment of Idle Cash Balances by State and Local Governments—A Supplement to Report A-3.* January 1965. 16 pages, offset.
- Governmental Structure, Organization, and Planning in Metropolitan Areas.* Report A-5, July 1961. 83 pages; U.S. House of Representatives, Committee on Government Operations, Committee Print, 87th Cong. 1st Sess.
- State and Local Taxation of Privately Owned Property Located on Federal Areas.* Report A-6, June 1961. 34 pages, offset (out of print; summary available).
- Intergovernmental Cooperation in Tax Administration.* Report A-7, June 1961. 20 pages, offset.
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- Intergovernmental Responsibilities for Water Supply and Sewage Disposal in Metropolitan Areas.* Report A-13, October 1962. 135 pages, offset.
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- Statutory and Administrative Controls Associated with Federal Grants for Public Assistance.* Report A-21, May 1964. 108 pages, printed.
- The Problem of Special Districts in American Government.* Report A-22, May 1964. 112 pages, printed.
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- Building Codes: A Program for Intergovernmental Reform.* Report A-28, January 1966. 103 pages, offset.
- \**Intergovernmental Relations in the Poverty Program.* Report A-29, April 1966. 278 pages, offset. (\$1.50).
- \**State-Local Taxation and Industrial Location.* Report A-30, April 1967. 114 pages, offset. (60¢)
- \**Fiscal Balance in the American Federal System.* Report A-31, October 1967. Vol. 1, 385 pages offset. (\$2.50); Vol. 2. *Metropolitan Fiscal Disparities*, 410 pages offset. (\$2.25).
- \**Urban and Rural America: Policies for Future Growth.* Report A-32, April 1968. 186 pages, printed. (\$1.25).
- Intergovernmental Problems in Medicaid.* Report A-33. September 1968.
- Factors Affecting the Voter Reactions to Governmental Reorganization in Metropolitan Areas.* Report M-15, May 1962. 80 pages, offset.
- \**Measures of State and Local Fiscal Capacity and Tax Effort.* Report M-16, October 1962. 150 pages, printed. (\$1.00).
- \**Performance of Urban Functions: Local and Areawide.* Report M-21, September 1963. 281 pages, offset. (\$1.50).
- State Technical Assistance to Local Debt Management.* Report M-26, January 1965. 80 pages, offset.
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- \**State and Local Taxes, Significant Features, 1968.* Report M-37, January 1968. 212 pages, offset. (\$1.00).
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- New Proposals for 1969: ACIR State Legislative Program.* Report M-39, June 1968.

<sup>1</sup>Single copies of reports may be obtained without charge from the Advisory Commission on Intergovernmental Relations, Washington, D. C. 20575.

\*Multiple copies of items may be purchased from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.

