
A PROFILE OF THE MAINE STATE AND LOCAL TAX SYSTEM

Matthew N. Murray
Professor of Economics
The University of Tennessee
Knoxville TN 37996
mmurray1@utk.edu

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Note: The views expressed in this paper do not necessarily reflect those of either the trustees, officers, or staff members of the Brookings Institution; GrowSmart Maine; the project's funders; or the project's steering committee. The paper has also not been subject to a formal peer review process.

ABOUT THE AUTHOR

Matthew Murray is a professor of economics at the University of Tennessee at Knoxville. His many publications include the 2002 report, "Tax Policy and Economic Development in Maine: A Survey of the Issues."

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I. INTRODUCTION AND SUMMARY OF KEY FINDINGS

In 2002 a report titled *Tax Policy and Economic Development in Maine: A Survey of the Issues* was released by the Margaret Chase Smith Center for Public Policy at the University of Maine. The purpose of the current report is to update selected data on state and local government finances that were presented in the 2002 study, and so provide a more current starting point for assessing Maine's state and local tax system.

By and large, the findings of the earlier report remain applicable today, although of course the actual data is somewhat different.

What follows, then, is a brief update of the original report. For ease of comparison, all updated figures and tables use the same titles and numbers as in the 2002 study. Note that two addendum tables have been included at the end of the report and represent new additions to the suite of tables. And, of course, the reader is referred to the initial report for additional background and information.

As to the specific findings that emerge from this update, they run as follows:

- The state continues to place great emphasis on tax fairness and vertical equity. While laudable, the approach taken is not always cost-effective from a revenue perspective. For example, homestead exemptions are available to all resident households, and there is no sales tax on groceries. Such provisions benefit all taxpayers, not just needy, low-income households, but raise the revenue cost of low-income relief. The relatively low reliance on selective sales taxes and other taxes may, in part, be a result of their perceived regressivity. Low-income relief should be focused on the income tax, which can target needy segments of the population at lower revenue cost to the state.
- Municipalities continue to have a very narrow tax portfolio and must rely heavily on the local property tax (and intergovernmental aid). Given a single tax instrument, it is perhaps no surprise that property tax rates are as high as they are. Local-option sales taxes are one means of enabling local revenue diversification.
- Maine's corporate income tax continues to decline in relative importance, as is the case with most states. Effective tax rates on the corporate entity are not known with any degree of precision. The state continues to impose a progressive rate structure on corporations, unlike the majority of states. Limited liability corporations are encouraged through a lower top personal income tax rate relative to the top corporate rate. The state has implemented entity-level withholding for limited liability corporations with non-resident members, which should enhance tax compliance.
- The sales tax remains the largest tax on businesses in Maine, with collections exceeding corporate tax revenue by a wide margin.
- There continues to be capacity to raise selective sales taxes and other taxes, as well as to broaden the base of the sales tax to include more services. Sales taxation of services can enhance revenue yield and revenue elasticity. Business acquisition of services should be tax exempt.

- Maine's state and local revenue structure relies disproportionately on taxes. Charges, fees, miscellaneous revenue, and own-source, non-tax revenue are all below the national average as a share of personal income and on a per capita basis. Greater revenue balance could be achieved by shifting reliance away from taxes and toward these other revenue sources.
- Overall tax burdens are relatively high, giving rise to tax-induced distortions. In particular, the top bracket rate of the personal income tax is high by national standards. While burdens in Maine have fallen some in recent years, burdens in other states have shown a similar trend, resulting in no improvement in the state's relative standing.

II. TAXPAYER EQUITY

Figure 1 shows data on the state and local tax burden for the lowest 20 percent and top 1 percent of taxpayers for Maine and other states in the region for 2002. Maine's tax burden on the lowest income quintile falls below the national average and below the burdens for similar taxpayers in Connecticut, Rhode Island, and Vermont. For the top 1 percent of taxpayers, Maine's burden is nearly 31 percent above the national average, and above all other states in the region with the exception of Vermont. Adjacent New Hampshire enjoys the lowest burden on the top 1 percent of taxpayers (1.9 percent) a result that likely reflects the absence of a broad-based income tax in the state. Compared to 1995, Maine's tax burden on both classes of taxpayers has fallen. In fact, for all areas shown, burdens have been reduced, with the exception of the lowest quintiles in Rhode Island and Vermont, and the top 1 percent of taxpayers in Vermont.

The State of Maine maintains its own tax-incidence model, and periodically provides effective tax rate estimates for residents in different income categories and across broad tax categories. Data for 2003 are shown in Table 4. In comparison to 1998, when there were 502,500 families in the state, in 2003 there were 679,568 families, reflecting growth of more than 35 percent. (This change largely reflects a methodological adjustment in the way in which families are defined in the incidence model.) The total state burden in 2003 was 7.4 percent of income, versus 7.3 percent in 1998; the total state and local tax burden was 11.7 percent in 2003, as opposed to 11.5 percent in 1998. The personal income tax has a consistently progressive burden across income categories, while the sales tax and local property tax have regressive burdens. For the property tax, both the homestead exemption and circuit-breaker programs generally favor lower-income households, thus providing some offset to the nominally regressive property tax. Total state taxes and total state and local taxes show a significant regressive burden, moving from the lowest to second-lowest income group. This pattern is not uncommon for incidence studies. The state tax system is progressive for those with incomes between \$13,458 and \$45,360. Tax burdens then fall as a share of income until one reaches the highest-income category. A similar pattern emerges for the total state and local tax system, with the exception of the top income group, which enjoys a tax burden very close to the second income category. Note that when making comparisons to 1998, the income categories are inconsistent.

III. FACTS AND FIGURES ON GOVERNMENT FINANCE

Table 5 provides a synopsis of state general-fund budgeted revenue for fiscal years 2005, 2006, and 2007, as well as the biennium of 2006 and 2007. With the exception of the service-provider tax category, all revenue sources correspond to the presentation in the 2002 report. The new service-provider tax, effective July 1, 2004, taxes activities that, by and large, were previously taxed under the state sales tax at a 5 percent rate. Non-medical institutional services represent a new component of the new service-provider tax base. Statutory liability for the provider tax falls on providers, whereas the burden of the sales tax falls on consumers. The new law allows the tax to be shifted forward to consumers. Of course, in practice, the economic incidence of the tax is the same, whether the statutory incidence falls on producers or consumers, and it would be impossible to preclude forward shifting by legal decree.

Perhaps the most striking feature of Table 5 is the dominant role played by the sales and individual income taxes, which together account for 77.4 percent of revenue for the biennium. This pattern of reliance is similar to most other states that employ both a sales and income tax (see Table 6 below). The corporate income tax is becoming an ever-smaller share of the revenue pie in Maine and other states; in fiscal year 2007, budgeted revenue for the corporate tax is expected to represent only 3.6 percent of revenue, versus 4.7 percent in 2002. Compared to 2002, corporate tax revenue in 2007 will be down nearly \$12 million. In contrast, sales-tax revenue will be up 16.2 percent, and personal income tax collections will be up at the smaller rate of 4.4 percent.

Appendix Table 1 shows the components of *total* revenue for the state of Maine as a share of personal income for the 2002 fiscal year. The 2002 *Survey* referenced above focused on taxes as opposed to other important revenue sources that are included in this Appendix table. It is clear that high property taxes (ranked second in 2004 across all states) are the major force in moving Maine's tax burden close to the top in the nation. And as noted below, the choice to not tax many specific services contributes to a sales-tax burden that is below the national average. But the state and local revenue system relies far less on charges and miscellaneous revenue, as well as own-source, non-tax revenue, than the typical state. In 2002, state and local own-source, non-tax revenue was more than 27 percent of total general revenue, placing the state 42nd among all states when measured as a share of personal income.

An interstate perspective on the nature of Maine's tax system is presented in Table 6. (Note the definitions of the various tax categories in the footnote.) The table shows the percent distribution of the major own-source revenue categories, along with rankings across all states based on the same distributions. Maine relied heavily on the sales tax in 1970, but this relative contribution and its ranking among the states have fallen significantly since then. The income tax has taken up the slack from the sales tax over time. By 2004, the income tax accounted for 40 percent of state tax revenue, yielding a ranking of 14th among the states. There has been little change in the relative roles of the sales and income taxes since 2000. The state has seen all other major tax shares decline in relative importance, as dependence on the income tax has risen. Maine's reliance on the income tax places it third among New England states, but well ahead of the regional and national averages. For the

region, this result is due largely to the absence of a broad-based income tax in New Hampshire. The state's relative reliance on the sales tax ranks second in the region but trails the national average. For the other four tax categories shown, Maine consistently ranks below the regional and national averages.

IV. TAX BURDENS

Simple tax burden statistics are presented in Tables 7 and 8. Table 7 shows nominal state, local, and combined state and local tax burdens on a per capita basis. Maine's combined state and local tax burden of \$3,789 in 2004 places it well above the national average (\$3,440), and third within the region. The state burden per capita was 109 percent of the national average, while the local burden was 112.3 percent of the national average.

Table 8 presents more detail on state per capita burdens by tax category, where the revenues have been adjusted for inflation (and are expressed in 2000 dollars). Overall real taxes stood at \$2,035 (for a rank of 16th among states) in 2004, versus \$810 (for a rank of 32nd) in 1970. Sales, income, and other license fees rank above the national average. Within the region, the state ranks third for sales and gross receipts taxes as well as the income tax.

To control for ability to pay and reflect tax burdens relative to the size of the economy, Table 9 shows tax burdens relative to personal income. Total state taxes as a share of personal income amounted to 7.6 percent in 2004, down from 8.4 percent in 2000. However, total burdens for the region and the nation also declined over the same period. Maine's state taxes as a share of income placed it 10th among all states in 2004; the state burden was 115.9 percent of the regional average and 119.8 percent of the national average in 2004. Tax burdens in Maine calculated relative to personal income are relatively high when compared to per capita burdens since the state's per capita income falls below the national average. Only the corporate income taxes and other tax categories have burdens below the regional and national averages.

Updated data on effective state and local tax rates are not yet available. Figure 2 is thus analogous to the 2002 study. Effective tax rates have generally drifted downward from 1996 through 2003.

V. TAX STRUCTURE CHARACTERISTICS

Personal Income Tax. The top bracket rate for the income tax in the region's states is presented in Figure 3. Maine's rate of 8.5 percent is the same as reported in 2002, and falls below the region's top rate of 9.5 percent (Vermont). Rhode Island's rate is pegged to federal tax liability, and the top rate effectively can become 9.9 percent. These rates are among the highest in the nation, and may give rise to significant distortions for high-income taxpayers. The state is fortunate to some extent to be in a region characterized by high personal income tax rates, as within-region distortions may not be as significant (e.g., given within-region migration). But within a broader national context, the rates are high and distortionary.

State income-tax thresholds are illustrated in Figure 4. All states in the region, with the exception of Connecticut, have increased their thresholds relative to the 2002 report (for tax year 2000). The state remains third in the region for the size of the income tax threshold. Figure 5 accounts for all features of state income taxes and presents burdens by income class. For most income classes, for both Maine and the U.S. average, tax burdens have fallen relative to the 2002 report (reflecting 1995 tax burdens). But the state's high degree of progressivity has been sustained. For the top 1 percent of taxpayers, Maine's burden is 151.1 percent of the national average (up from 141.3 percent in 1995), while the burden on the bottom quintile is 80 percent of the national average (up from 41.7 percent in 1995).

Corporate Income Tax. Top bracket rates for the state corporate income tax are presented in Figure 6. Relative to the 2002 report (tax year 2001), New Hampshire reduced its top rate (from 8.5 to 8.0 percent). Maine and Vermont are the only two states in the region with progressive corporate income-tax structures; 31 states and the District of Columbia employ flat-rate corporate tax systems. Note that the top rate on corporations in Maine is higher than the top rate on the personal income tax, thus encouraging business taxpayers to change from being corporate entities to pass-through limited-liability corporations.

Top-bracket tax rates are a crude way to evaluate the burden of the state corporate income tax. However, top rates may send an important signal regarding business climate. Factors such as tax incentives, apportionment formulas, and throwback rules, among other things, all influence corporate tax liabilities. Evaluating all of these features of the tax is exceedingly difficult to do in practice. Tannenwald (1996) has not updated his analysis of net rates of return for hypothetical firms based on 1991 data. Table 7 from the 2002 report is nonetheless included here to provide some insight on the relative burdens among the region's states. Maine's implied burden is tied for third. *State Policy Reports*, which is the source for Table 10, has similarly not done an update of effective corporate tax liability. Nonetheless, for completeness Table 10 from the 2002 report is also included here. Maine's national rank is 44th, suggesting an attractive corporate tax climate. As noted in the 2002 study, these findings for the corporate income tax are mixed, and do not provide a clear answer to the burden created by the tax.

Sales Tax. State sales tax rates are shown in Figure 8 for tax year 2004. The only change from the 2002 report (tax year 2001) is a 1 percentage point increase in Vermont's sales-tax rate. Of the 46 states with state-level sales taxes, 25 have rates that exceed Maine's 5.0 percent rate. The majority of states with a sales tax enable local-option levies, which are not allowed in Maine.

The sales tax remains a significant tax on business purchases. But, updated estimates of the business sales-tax burden are not available relative to the 2002 report. Figure 9 shows the same data on business sales tax burdens and indicates that 43 percent of state sales tax revenue in Maine is derived from taxing various business inputs. Based on budgeted sales tax revenue for 2007 of \$999,553,179 (see Table 5), this translates into revenue of \$429.8 million, an increase of about \$60 million from the 2002 report (2002 fiscal year budgeted revenues). This is more than four times the amount of revenue from the corporate income tax, an increase of one-third since 2002.

In the 2002 report, data from Mikesell and CCH, Inc. were each used to show the tax status of various elements of the potential sales-tax base. Mikesell has not updated his study, while CCH, Inc., maintains fairly detailed coverage of the sales tax. Table 12 combines most of the categories of the potential sales-tax base that were separately included in Tables 11 and 12 from the 2002 report. The data are organized by category. There is considerable conformity in the sales-tax treatment of the various elements of the table, although there are exceptions. For example, Maine fully taxes clothing purchases, while all other states in the region provide a full or partial exemption. Maine, like Massachusetts, imposes a tax on nonprescription drugs, while other states in the region provide an exemption. The state is a regional outlier in its taxation of utilities and fuels for the manufacturing sector.

Most services remain exempt under the state sales tax. A summary of the services enumerated for taxation in Maine and surrounding states is shown in Table 13. Based on the Federation of Tax Administrators updated survey, Maine is actually taxing a smaller share of potential services than was the case in the 2002 study (based on a 1996 survey). Rhode Island and Vermont marginally have increased their share of potential services subject to sales taxation. As the economy increasingly shifts toward services, the failure to add services to the base means an ever-eroding sales tax base, compromising both revenue yield and revenue elasticity. Some of the services listed in the table are business-to-business services, and should be exempt from taxation to avoid pyramiding and the distortions this creates.

The erosion of the tax base due to remote sales has been the primary impetus for the Streamlined Sales Tax Project of the states. Under the project, states voluntarily participate to harmonize the structure of their sales tax to make it easier for companies to collect and remit sales taxes on remote sales to the states. (For more information, see www.streamlinedsalestax.org/.) Fox and Bruce have updated their estimates of the revenue losses associated with electronic commerce, and the revisions are presented in Table 14. They have lowered their estimates of potential revenue losses to state and local governments. The reason is that they have found that more firms without sales tax collection responsibilities have nonetheless been voluntarily collecting and remitting sales-

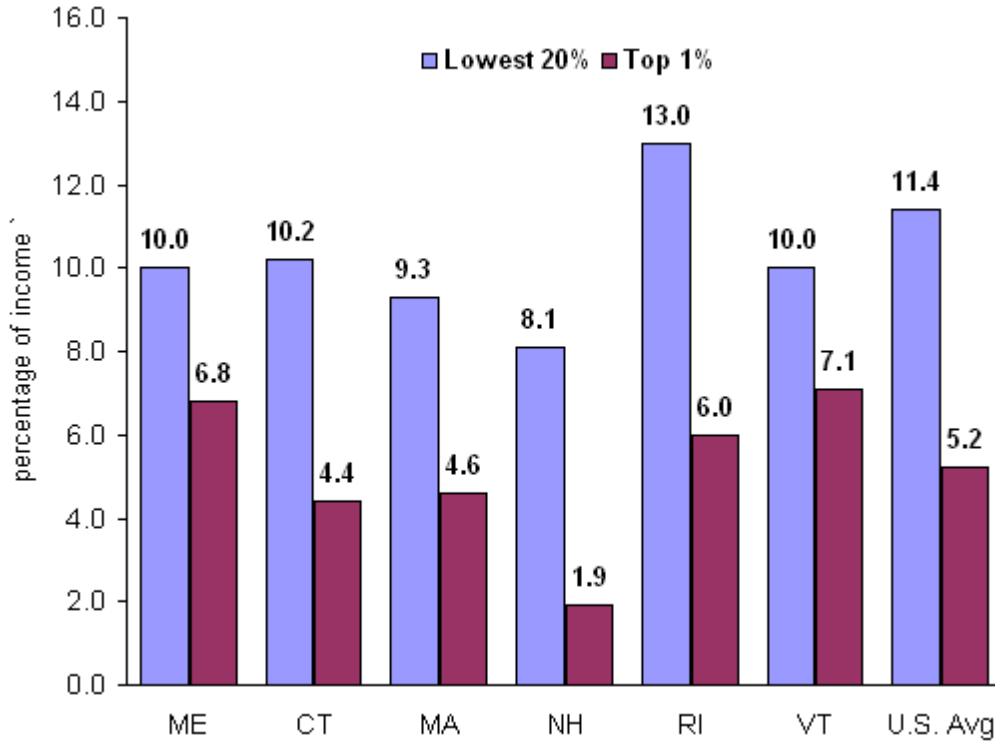
tax revenue to the states. While the revenue loss to the state was estimated at \$150.6 million in 2006, the revised estimates for 2008 range from a low of \$81 million to a high of \$126.6 million.

Local Property Tax. Data from the District of Columbia study on property-tax burdens for the largest city in each state is given in Table 15. The effective tax rate per \$100 of value in Portland is 2.20, placing the city 11th among all major cities. This is down from the 2.40 effective tax rate and 10th place ranking for 2000. The median rate across all cities has risen slightly from 1.52 to 1.54.

VI. CONCLUSION

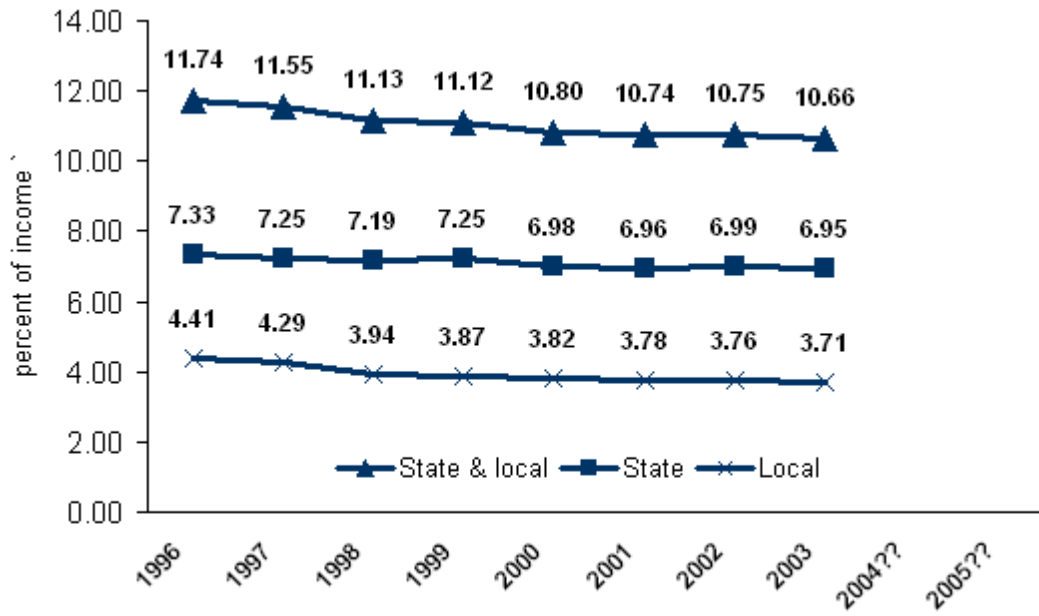
In sum, little has changed since the 2002 assessment of Maine's state and local tax system. Tax burdens have fallen some, but burdens have also fallen in other states, leading to no improvement in the state's relative standing. The state and local tax system continues to have numerous provisions that promote tax progressivity, translating into high tax burdens on upper-income taxpayers. Local governments still have a very narrow tax portfolio, which means high property tax rates and the potential for significant tax-induced distortions for both households and businesses. At the state level, the relative reliance on selective sales taxes, sales taxes on services, other taxes, charges and fees, and miscellaneous revenues, is lower than in most other states.

Figure 1. State and Local Tax Burden, Lowest 20 Percent Income Group and Top 1 Percent Income Group, 2002



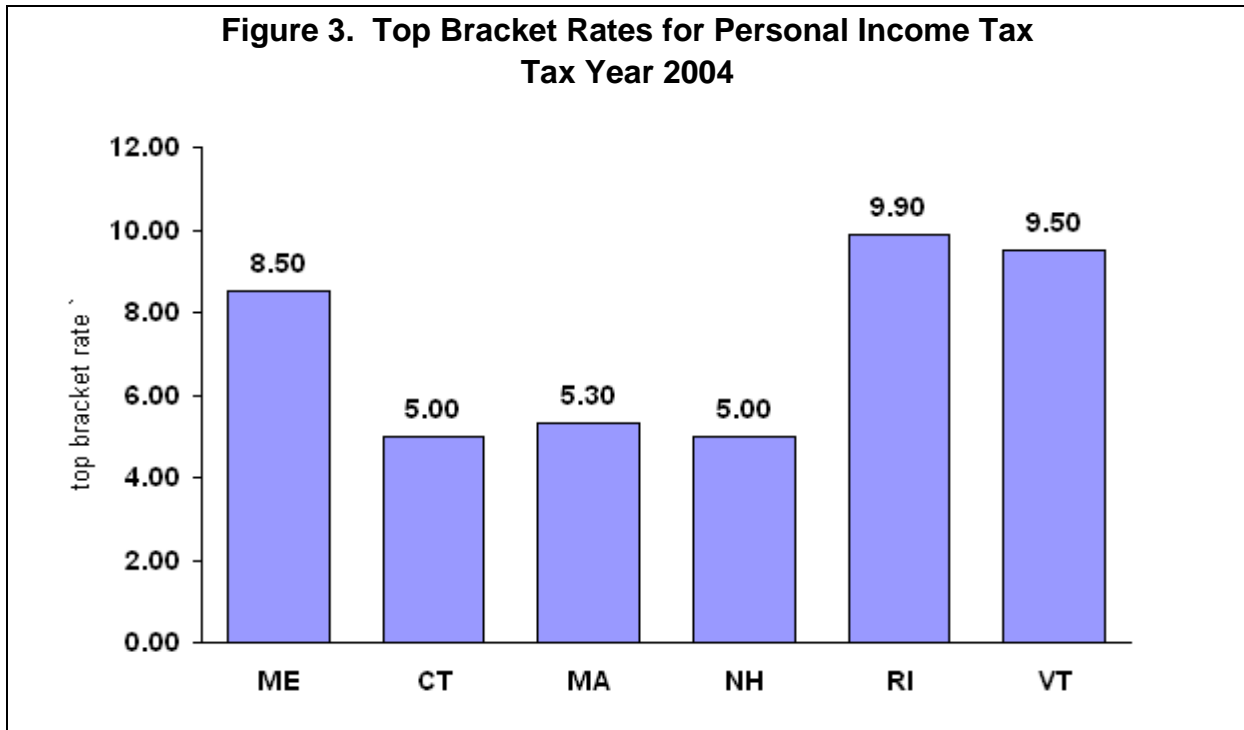
Note: Data are for non-elderly taxpayers (singles and couples, with and without children) and account for federal deductibility, which means the effective tax rate is somewhat reduced.

Figure 2. Maine State and Local Effective Tax Rates, 1996 to 2003



Source: *Maine Tax Incidence Study* | requested latest version from author.

**Figure 3. Top Bracket Rates for Personal Income Tax
Tax Year 2004**



NOTES: Connecticut: Resident estates and trusts are subject to the 5% income tax rate on all of their income. Additional state minimum tax imposed on resident individuals, trusts and estates that are subject to the federal alternative minimum tax, equal to the amount by which the CT minimum tax exceeds the CT basic income tax (the lesser of (a) 19% of adjusted federal tentative minimum tax, or (b) 5.5% of adjusted federal alternative minimum taxable income). Separate provisions apply for non- and part-year resident individuals, trusts and estates.

Maine: Additional state minimum tax is imposed equal to the amount by which the tentative minimum tax exceeds regular income tax liability.

Massachusetts: Part A income [tax rate of 12%] represents either interest and dividends or short-term capital gains. However, interest and dividends are taxed at the same rate as Part B income, 5.3%. Part B income [tax rate of 5.3%] represents wages, salaries, tips, pensions, state bank interest, partnership income, business income, rents, alimony, winnings, and certain other items of income. Part C income [tax rate of 5.3%] represents gains from the sale of capital assets held for more than one year.

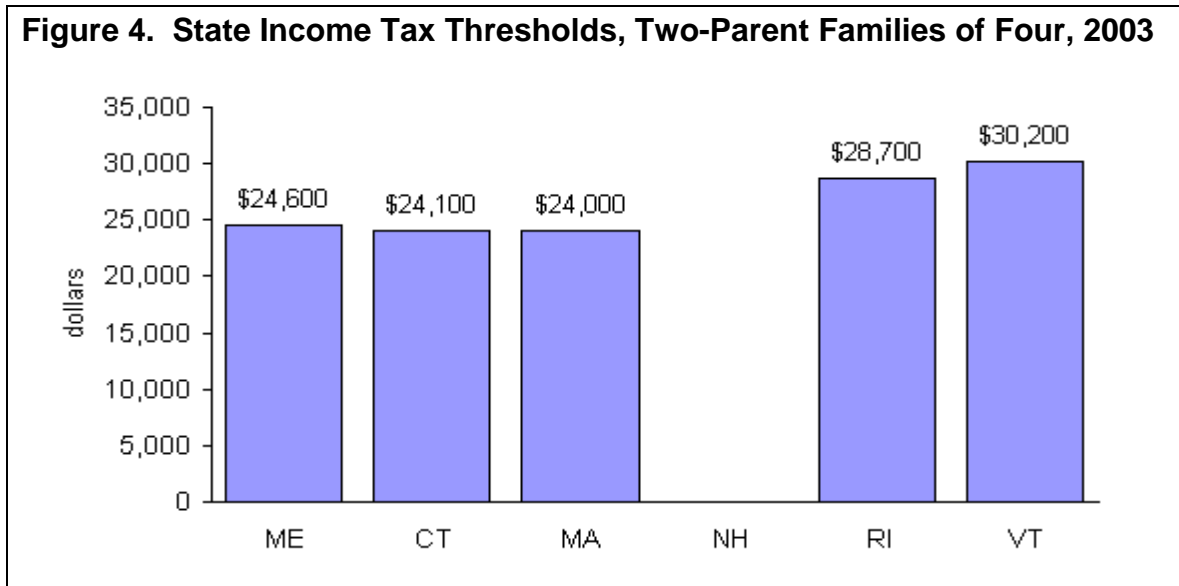
New Hampshire: 5% on interest and dividends only, regardless of filing status.

Rhode Island: 25% of the federal income tax rates, including capital gains rates and any other special rates for other types of income, that were in effect prior to enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001. The top rate can reach 9.9%.

Vermont: The tax amount in the schedules is increased by 24% of a taxpayer's federal tax liability for: additional taxes assessed due to early withdrawals from qualified retirement plans, individual retirement accounts, and medical savings accounts; recapture of the federal investment tax credit; or tax on qualified lump-sum distributions of pension income not included in federal taxable income. The amount of tax is decreased by 24% of the reduction in the taxpayer's federal liability due to farm income averaging.

Source: "2005 State Tax Handbook," CCH, Inc.

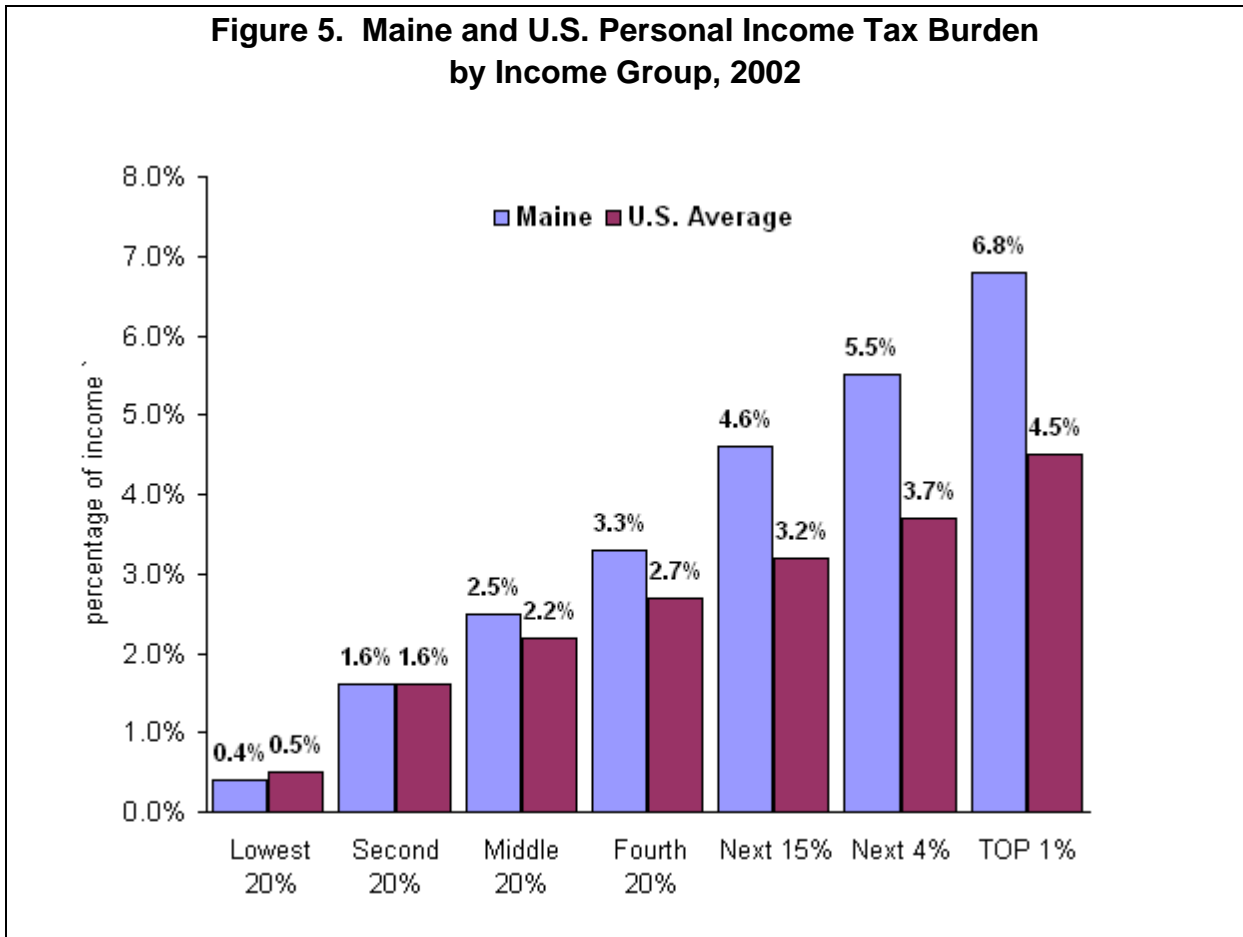
Figure 4. State Income Tax Thresholds, Two-Parent Families of Four, 2003



Note: A threshold is the lowest income level at which a family has state income tax liability. In this table thresholds are rounded to the nearest \$100. The 2003 poverty line is a Census Bureau estimate based on the actual 2002 line adjusted for inflation. The threshold calculations include earned income tax credits, other general tax credits, exemptions, and standard deductions. Credits that are intended to offset the effects of taxes other than the income tax or that are not available to all low-income families are not taken into account.

Source: **"State Income Tax Burdens on Low-Income Families in 2003,"** by Bob Zahradnik and Joseph Llobrera, Center on Budget and Policy Priorities, April 2004, <<http://www.cbpp.org/4-8-04sfp.htm>>.

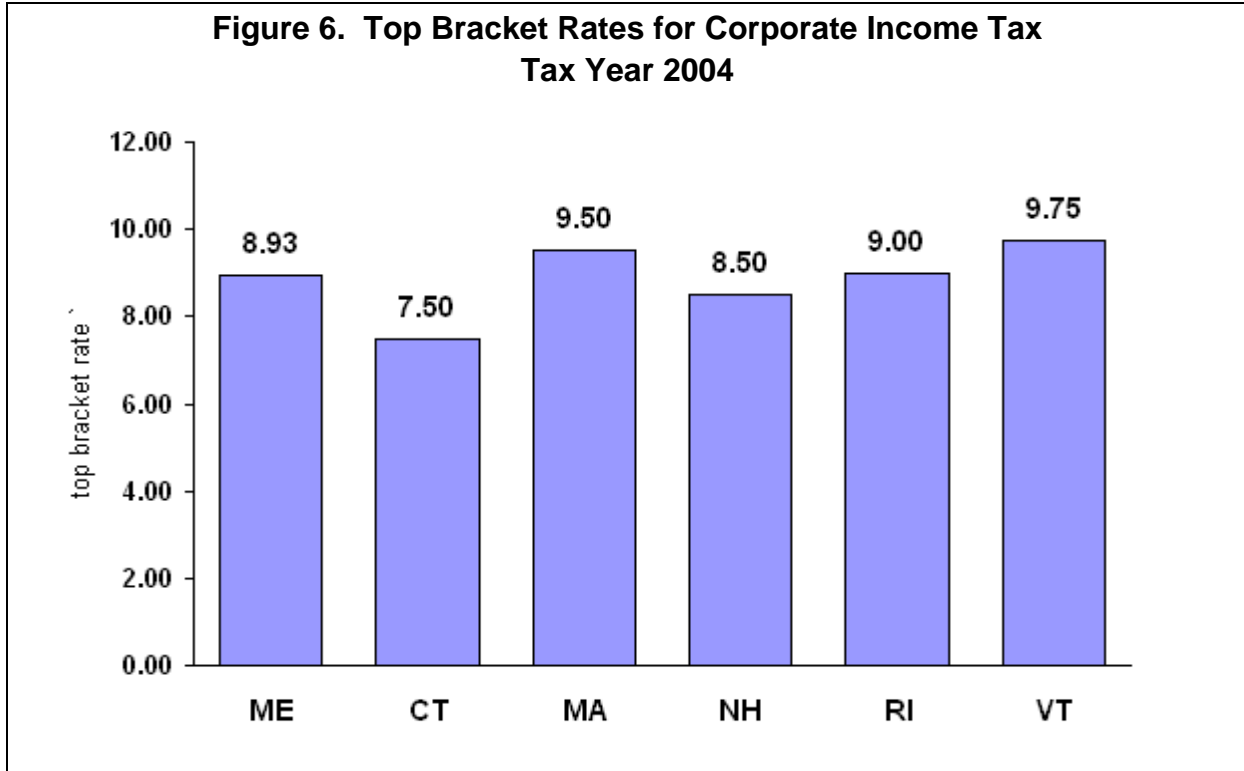
Figure 5. Maine and U.S. Personal Income Tax Burden by Income Group, 2002



Note: Data are for non-elderly taxpayers (singles and couples, with and without children); top three income ranges account for the top 20% income group.

Source: *Who Pays? A Distributional Analysis of the Tax Systems in All 50 States, 2nd Edition*, January 2003. Institute on Taxation and Economic Policy, Washington, D.C.

**Figure 6. Top Bracket Rates for Corporate Income Tax
Tax Year 2004**



NOTES: **Maine:** Or a 27% tax on federal alternative minimum taxable income.

Connecticut: Or 3.1 mills per dollar of capital stock and surplus (maximum tax \$1 million) or \$250.

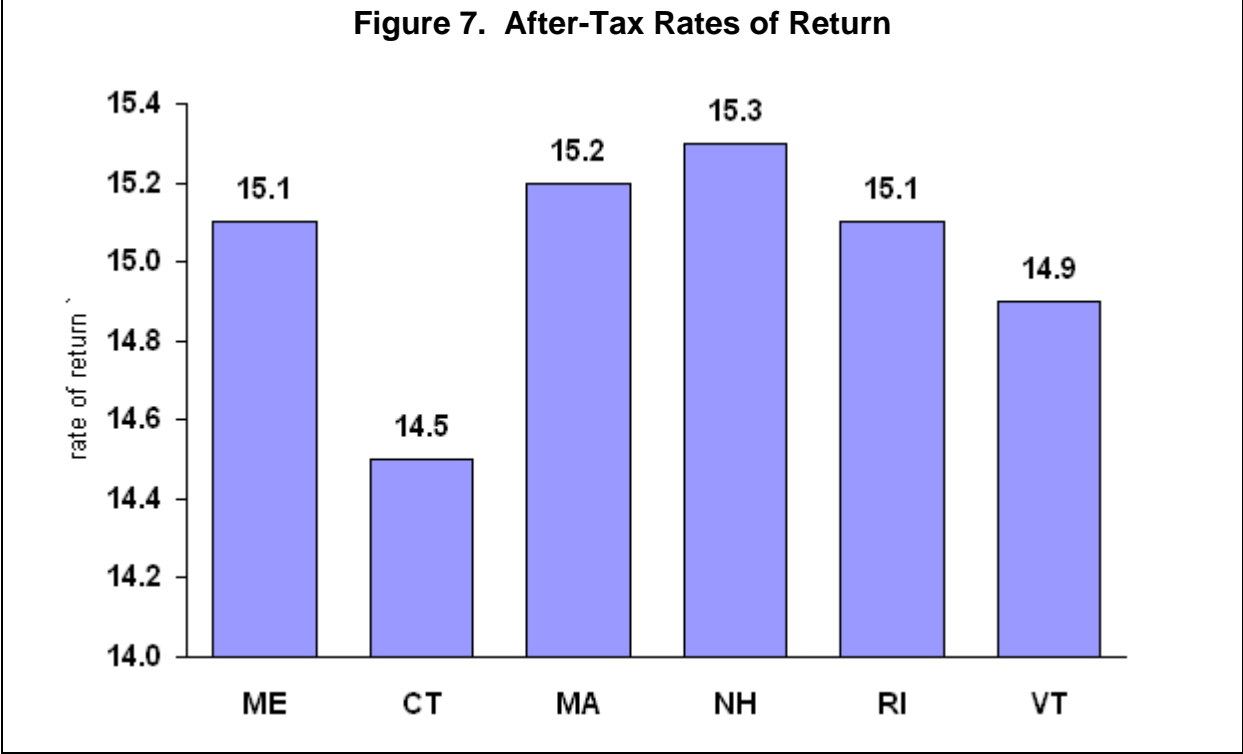
Massachusetts: Rate includes a 14% surtax, as does the following: an additional tax of \$7.00 per \$1,000 on taxable tangible property (or net worth allocable to state, for intangible property corporations).

New Hampshire: Plus a 0.50 percent tax on the enterprise base (total compensation, interest and dividends paid). Business profits tax imposed on both corporations and unincorporated associations.

Rhode Island & Vermont: Minimum tax is \$250.

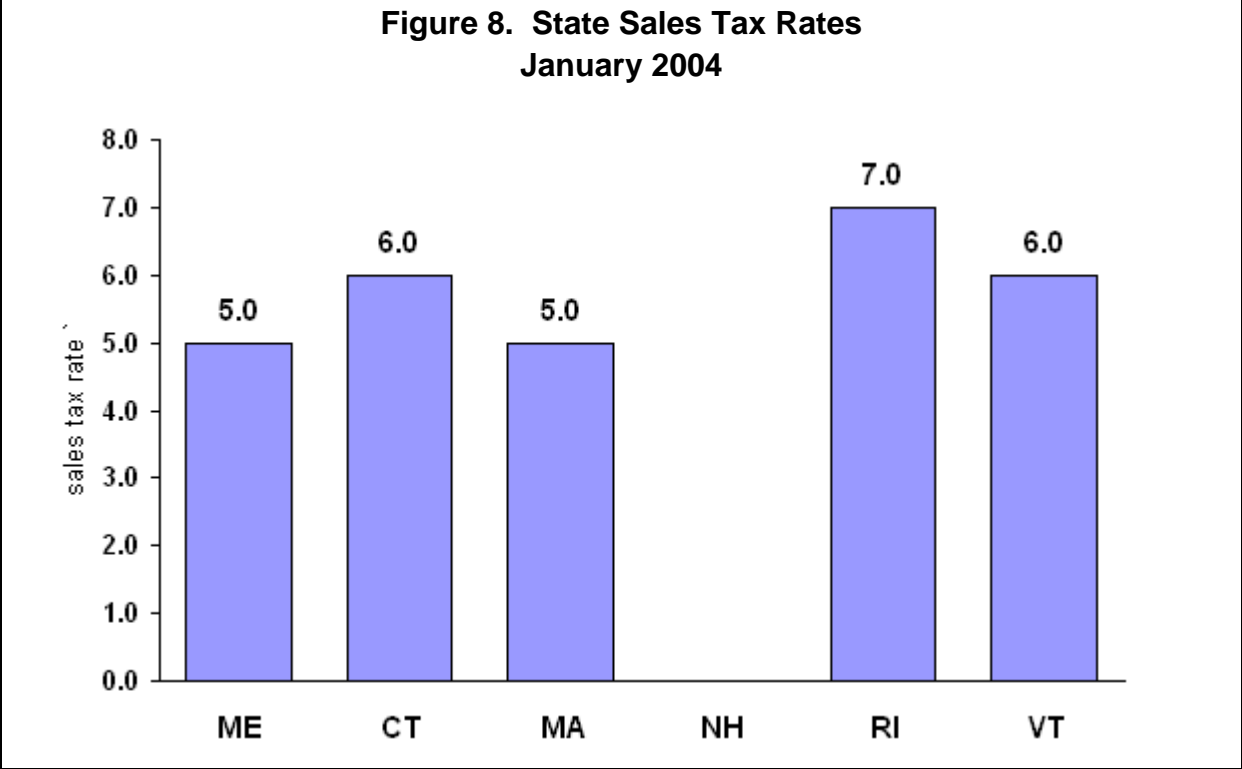
Compiled by the Federation of Tax Administrators from various sources.

Source: Tax Facts Database, Tax Policy Center <<http://www.taxpolicycenter.org/TaxFacts/tfdb/>>.



Note: Based on data for 1991; assumes a 25% pre-tax rate of return.

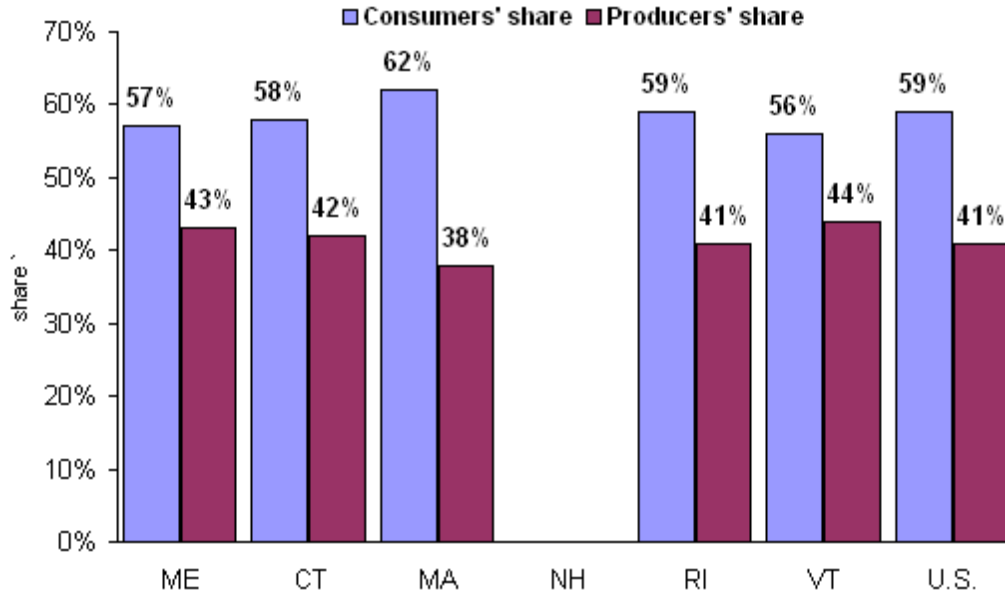
Source: "State Business Climate: How Should It Be Measured and How Important is It?" by Robert Tannenwald, *New England Economic Review* 33 (1996).



Compiled by the Federation of Tax Administrators from various sources.

Source: Tax Facts Database, Tax Policy Center <<http://www.taxpolicycenter.org/TaxFacts/tfdb/>>.

**Figure 9. Consumers' and Producers' Share of Sales Tax Burden
New England States**



Note: Estimates are for 1989; producers' share includes sales to government and nonprofits.

Source: "Consumers' and Producers' Share of the General Sales Tax," by Raymond J. Ring, Jr. *National Tax Journal* 52(1999):79-90.

Table 4. Maine Effective Tax Rates by Income Range and Tax Type, 2003

Expanded income range	Tax families	Individual	Consumer		Total	Local property	Property tax relief programs			Total state & local
		income tax	Sales tax	Excise tax	state taxes	taxes, individuals	Home- tead	Circ. Break	BETR	taxes
0 - \$8,997	136,239	0.4%	4.2%	2.9%	9.3%	9.1%	-0.5%	-1.0%	-0.2%	18.1%
\$ 8,998 - \$13,457	67,632	0.4%	2.3%	1.5%	5.2%	5.5%	-0.3%	-0.5%	-0.1%	10.6%
\$13,458 - \$18,654	67,982	0.8%	2.4%	1.6%	6.1%	5.3%	-0.3%	-0.4%	-0.1%	11.6%
\$18,655 - \$25,400	67,932	1.4%	2.7%	1.6%	6.8%	5.1%	-0.2%	-0.3%	-0.1%	12.3%
\$25,401 - \$34,060	67,956	2.0%	2.8%	1.5%	7.5%	4.7%	-0.2%	-0.2%	-0.1%	12.7%
\$34,061 - \$45,360	67,960	2.7%	2.4%	1.2%	7.4%	4.4%	-0.2%	-0.1%	-0.1%	12.4%
\$45,361 - \$61,420	67,954	3.1%	2.1%	0.8%	7.1%	4.2%	-0.1%	0.0%	-0.1%	11.9%
\$61,421 - \$88,045	67,956	3.9%	1.7%	0.5%	7.0%	3.9%	-0.1%	0.0%	-0.1%	11.6%
> \$88,045	67,957	4.9%	1.4%	0.3%	7.8%	2.5%	0.0%	0.0%	-0.1%	10.9%
Total	679,568	3.6%	1.9%	0.8%	7.4%	3.8%	-0.1%	-0.1%	-0.1%	11.7%

Source: Maine Revenue Services, unpublished data.

Table 5. General Fund Budgeted Revenue

SOURCE	BUDGET FY 2005		BUDGET FY 2006		BUDGET FY 2007		TOTAL BIENNIUM	
	dollars	percent	dollars	percent	dollars	percent	dollars	percent
Sales and Use	914,710,000	33.6	958,476,698	34.2	999,553,179	34.3	1,958,029,877	34.3
Service Provider Tax	46,700,000	1.7	48,801,500	1.7	51,095,171	1.8	99,896,671	1.7
Individual Income Tax	1,220,849,053	44.9	1,198,058,875	42.8	1,264,471,305	43.5	2,462,530,180	43.1
Corporate Income Tax	123,351,604	4.5	112,521,311	4.0	106,115,201	3.6	218,636,512	3.8
Cigarette & Tobacco Tax	96,019,864	3.5	95,225,360	3.4	94,533,494	3.2	189,758,854	3.3
Public Utilities Tax	26,675,000	1.0	25,440,000	0.9	24,495,000	0.8	49,935,000	0.9
Insurance Company Tax	78,615,872	2.9	77,141,931	2.8	79,644,425	2.7	156,786,356	2.7
Inheritance & Estate Tax	29,042,767	1.1	30,103,203	1.1	31,527,061	1.1	61,630,264	1.1
Property Tax - Unorganized Territory	10,580,086	0.4	10,690,713	0.4	10,982,067	0.4	21,672,780	0.4
Income from Investments	4,084,735	0.2	6,046,546	0.2	6,046,546	0.2	12,093,092	0.2
Transfer to Municipal Revenue Sharing	-116,324,258	-4.3	-117,140,769	-4.2	-122,475,204	-4.2	-239,615,973	-4.2
Transfer from Liquor	0	0.0	0	0.0	0	0.0	0	0.0
Transfer from Lottery	52,292,750	1.9	52,834,250	1.9	52,834,250	1.8	105,668,500	1.8
Other Revenues	233,892,081	8.6	304,033,349	10.8	311,140,052	10.7	615,173,401	10.8
TOTAL REVENUE	2,720,489,554	100.0	2,802,232,967	100.0	2,909,962,547	100.0	5,712,195,514	100.0

Source: State of Maine Bureau of Budget, *The Governor's Budget Document for the 2006-2007 Biennium*, <http://www.maine.gov/budget/fy0607_gov_bud_doc.htm>.

Table title in source: **SUMMARY OF GENERAL FUND REVENUES**

Table 6. Distribution of State Taxes: 1970, 2002 and 2004

Area	General sales and gross receipts						Selective sales taxes						Corporate taxes					
	1970		2002		2004		1970		2002		2004		1970		2002		2004	
	Percent	Rank	Percent	Rank	Percent	Rank	Percent	Rank	Percent	Rank	Percent	Rank	Percent	Rank	Percent	Rank	Percent	Rank
Maine	40.1	8	31.8	27	31.7	24	31.6	19	15.3	26	15.3	29	6.1	33	4.6	38	5.7	31
Connecticut	34.9	23	33.7	23	30.4	30	34.8	12	16.3	20	17.2	21	16.9	5	3.0	47	5.0	35
Massachusetts	12.1	45	24.9	40	22.2	42	25.6	35	10.2	47	11.0	47	17.2	4	6.2	26	8.7	11
New Hampshire	-	-	-	-	-	-	66.2	12	31.9	2	33.6	1	3.2	44	23.1	3	23.6	3
Rhode Island	34.3	24	34.4	22	33.4	20	34.6	13	20.2	12	20.8	12	11.9	10	3.0	46	4.3	42
Vermont	12.6	44	14.1	45	14.5	45	36.1	10	23.4	10	24.4	8	4.9	40	3.9	40	4.9	38
New England	22.3	(x)	23.2	(x)	22.0	(x)	38.2	(x)	19.5	(x)	20.4	(x)	10.0	(x)	7.3	(x)	8.7	(x)
United States	29.6	(x)	33.6	(x)	33.4	(x)	27.3	(x)	15.5	(x)	16.1	(x)	10.5	(x)	7.6	(x)	8.1	(x)
Area	Individual income						Other licenses						Other taxes					
	1970		2002		2004		1970		2002		2004		1970		2002		2004	
	Percent	Rank	Percent	Rank	Percent	Rank	Percent	Rank	Percent	Rank	Percent	Rank	Percent	Rank	Percent	Rank	Percent	Rank
Maine	9.1	35	40.8	15	40.0	14	9.0	19	4.0	21	3.6	26	4.2	28	3.5	27	3.7	26
Connecticut	0.7	42	40.8	16	42.0	10	7.0	31	3.2	35	2.4	47	5.7	18	3.1	30	3.0	31
Massachusetts	37.2	5	53.4	3	52.4	3	4.5	45	2.7	43	3.0	39	3.4	38	2.6	34	2.6	32
New Hampshire	3.7	39	3.8	42	2.7	42	17.1	2	6.5	8	6.7	7	9.8	10	34.7	3	33.4	3
Rhode Island	8.2	37	38.7	17	37.4	18	7.2	29	2.6	44	2.5	45	3.9	31	1.1	44	1.6	37
Vermont	32.3	9	26.9	37	24.3	38	10.7	10	3.4	28	4.3	17	3.3	39	28.3	4	27.6	4
New England	15.2	(x)	34.1	(x)	33.1	(x)	9.3	(x)	3.7	(x)	3.7	(x)	5.1	(x)	12.2	(x)	12.0	(x)
United States	19.1	(x)	34.7	(x)	33.3	(x)	7.0	(x)	3.7	(x)	3.8	(x)	6.6	(x)	5.0	(x)	5.3	(x)

Source: "State Tax Collections," U.S. Bureau of the Census.

New England is simple average of 6 states.

General sales and gross receipts (same number as State Govt Tax Collections with same label)

Selective sales (same number as State Govt Tax Collections with same label)

Corporate taxes = Corporate licenses + Occupation & business licenses + Corporation net income

Individual income (same number as State Govt Tax Collections with same label)

Other licenses = Total licenses - Corporate licenses - Occupation & business licenses

Other taxes = Property tax + Death & gift tax + Documentary & stock transfer + Severance + Other taxes

Total taxes (same number as State Govt Tax Collections with same label)

Table 8. State Taxes Per Capita by Type of Tax: New England States and U.S.
(constant 2000 \$)

AREA	General sales and gross receipts						Selective sales taxes					
	1970		2002		2004		1970		2002		2004	
	Amount	Rank	Amount	Rank	Amount	Rank	Amount	Rank	Amount	Rank	Amount	Rank
Maine	325	15	623	21	644	22	256	24	299	23	311	26
Connecticut	331	13	850	5	826	9	330	3	411	6	468	6
Massachusetts	115	45	557	28	540	30	243	34	228	36	268	34
New Hampshire	-	-	-	-	-	-	330	4	459	4	480	5
Rhode Island	320	17	661	16	688	17	323	5	388	12	428	9
Vermont	149	43	337	45	382	42	426	2	556	2	640	2
New England	206	(x)	583	(x)	575	(x)	318	(x)	327	(x)	369	(x)
U.S.	271	(x)	603	(x)	624	(x)	250	(x)	277	(x)	301	(x)
AREA	Individual income						Corporate taxes					
	1970		2002		2004		1970		2002		2004	
	Amount	Rank	Amount	Rank	Amount	Rank	Amount	Rank	Amount	Rank	Amount	Rank
Maine	74	37	799	13	815	12	49	33	91	33	116	26
Connecticut	6	42	1,029	4	1,140	4	160	4	75	40	136	18
Massachusetts	353	9	1,192	2	1,273	2	163	3	138	12	212	9
New Hampshire	18	39	54	42	39	42	16	46	332	3	337	4
Rhode Island	76	36	744	16	770	15	111	11	58	45	89	37
Vermont	381	8	639	22	639	21	58	29	92	32	127	20
New England	151	(x)	955	(x)	1,019	(x)	93	(x)	128	(x)	182	(x)
U.S.	176	(x)	623	(x)	623	(x)	96	(x)	137	(x)	151	(x)
AREA	Other licenses						Other taxes					
	1970		2002		2004		1970		2002		2004	
	Amount	Rank	Amount	Rank	Amount	Rank	Amount	Rank	Amount	Rank	Amount	Rank
Maine	73	18	78	17	74	21	34	30	68	26	75	27

Table 8. State Taxes Per Capita by Type of Tax: New England States and U.S. - Continued
(constant 2000 \$)

AREA	General sales and gross receipts						Selective sales taxes					
	1970		2002		2004		1970		2002		2004	
	Amount	Rank	Amount	Rank	Amount	Rank	Amount	Rank	Amount	Rank	Amount	Rank
Connecticut	67	29	80	16	66	30	54	17	77	22	81	26
Massachusetts	43	43	59	31	72	23	32	32	58	29	64	31
New Hampshire	85	10	93	13	95	16	49	20	499	4	476	5
Rhode Island	67	27	51	40	52	41	36	26	21	45	34	35
Vermont	126	2	82	15	112	10	39	25	673	3	726	4
New England	77	(x)	70	(x)	73	(x)	41	(x)	127	(x)	133	(x)
U.S.	64	(x)	66	(x)	70	(x)	61	(x)	89	(x)	100	(x)

AREA	Total taxes					
	1970		2002		2004	
	Amount	Rank	Amount	Rank	Amount	Rank
Maine	810	32	1,956	14	2,035	16
Connecticut	948	18	2,523	4	2,717	4
Massachusetts	949	17	2,233	6	2,428	8
New Hampshire	498	50	1,437	44	1,426	46
Rhode Island	933	19	1,923	15	2,061	14
Vermont	1,178	5	2,380	5	2,627	7
New England	886	(x)	2,189	(x)	2,352	(x)
U.S.	918	(x)	1,795	(x)	1,868	(x)

Per capita amounts calculated using data from **Population Estimates Program**, U.S. Bureau of the Census
<http://www.census.gov/popest/national/files/NST_EST2005_ALLDATA.csv>; and **State Government Tax Collections** <<http://www.census.gov/govs/www/statetax.html>>
Source: U.S. Bureau of the Census.

USED 2002 & 2004 STATE GOVT TAX COLLECTIONS DATA.
USED 2002 & 2004 POPULATION FROM CENSUS
COPIED 1970 DATA FROM ORIGINAL TABLE

1970 New England is simple average of 6 states.

General sales and gross receipts (same number as State Govt Tax Collections with same label)

Selective sales (same number as State Govt Tax Collections with same label)

Corporate taxes = Corporate licenses + Occupation & business licenses + Corporation net income

Individual income (same number as State Govt Tax Collections with same label)

Other licenses = Total licenses - Corporate licenses - Occupation & business licenses

Other taxes = Property tax + Death & gift tax + Documentary & stock transfer + Severance + Other taxes

Total taxes (same number as State Govt Tax Collections with same label)

**Table 9. State Taxes as a Share of Personal Income, 1970, 2002 and 2004:
New England States and U.S.**

Area	General sales and gross receipts			Selective sales taxes			Corporate taxes		
	1970	2002	2004	1970	2002	2004	1970	2002	2004
Maine	2.55	2.27	2.40	2.01	1.09	1.16	0.39	0.33	0.43
Connecticut	1.72	2.00	2.04	1.71	0.97	1.15	0.83	0.18	0.33
Massachusetts	0.68	1.43	1.43	1.44	0.59	0.71	0.97	0.36	0.56
New Hampshire	-	-	-	2.23	1.36	1.47	0.11	0.99	1.03
Rhode Island	2.09	2.14	2.25	2.11	1.26	1.40	0.73	0.19	0.29
Vermont	1.10	1.16	1.34	3.14	1.92	2.25	0.43	0.32	0.45
New England	1.36	1.57	1.59	2.11	0.88	1.02	0.58	0.34	0.51
U.S.	1.76	1.97	2.11	1.62	0.91	1.02	0.62	0.45	0.51

Area	Individual income			Other licenses			Other taxes			Total taxes		
	1970	2002	2004	1970	2002	2004	1970	2002	2004	1970	2002	2004
Maine	0.58	2.92	3.03	0.57	0.28	0.27	0.27	0.25	0.28	5.48	7.14	7.57
Connecticut	0.03	2.42	2.81	0.35	0.19	0.16	0.28	0.18	0.20	6.65	5.93	6.70
Massachusetts	2.09	3.07	3.37	0.26	0.15	0.19	0.19	0.15	0.17	6.74	5.74	6.42
New Hampshire	0.12	0.16	0.12	0.58	0.28	0.29	0.33	1.48	1.46	6.24	4	4.37
Rhode Island	0.50	2.41	2.51	0.44	0.16	0.17	0.24	0.07	0.11	7.13	6.23	6.72
Vermont	2.81	2.20	2.25	0.93	0.28	0.39	0.29	2.32	2.55	7.68	8.21	9.24
New England	1.02	2.57	2.83	0.52	0.19	0.20	0.27	0.34	0.37	6.65	5.88	6.53
U.S.	1.14	2.04	2.11	0.41	0.22	0.24	0.39	0.29	0.34	5.95	5.88	6.32

Calculated using data from the **Bureau of Economic Analysis** <<http://www.bea.gov/bea/regional/spi>> and **State Government Tax Collections** <<http://www.census.gov/govs/www/statetax.html>>

Source: U.S. Bureau of the Census.

2002 & 2004 STATE GOVT TAX COLLECTIONS DATA.

**2002 & 2004 TOTAL PERSONAL INCOME (CURRENT \$) FROM BEA (USED QUARTERLY DATA TO ARRIVE AT FISCAL YR
AMT)**

COPIED 1970 DATA FROM ORIGINAL TABLE

General sales and gross receipts (same number as State Govt Tax Collections with same label)

Selective sales (same number as State Govt Tax Collections with same label)

Corporate taxes = Corporate licenses + Occupation & business licenses + Corporation net income

Individual income (same number as State Govt Tax Collections with same label)

Other licenses = Total licenses - Corporate licenses - Occupation & business licenses

Other taxes = Property tax + Death & gift tax + Documentary & stock transfer + Severance + Other taxes

Total taxes (same number as State Govt Tax Collections with same label)

Table 10. Estimated Effective Corporate Tax Effort

Area	1996 Effort	1996 National rank	1986-96 Effort change
Maine	48.8	44	-4.3
Connecticut	105.8	15	-49.2
Massachusetts	118.5	10	-55.3
New Hampshire	105.0	16	-13.2
Rhode Island	75.0	30	-2.9
Vermont	55.8	43	-11.7

Source: *State Policy Reports* 18(22):2000.

Table 12. Tax Status of Selected Components of the Sales Tax Base

Component	ME	CT	MA	NH	RI	VT
Clothing	T	<\$50 E	<\$175 E	–	E	<\$110 E
Computer Hardware	T	T	T	–	T	T
Computer Software						
Canned software	T	T	T	–	T	T
Custom software	E	T	E	–	E	E
Downloaded software	T	T	E	–	E	E
Modified canned software	E	T	E	–	T	E
Food and Meals						
Food sales by caterers	T	T	T	–	T	E
Grocery food	E	E	E	–	E	E
Meals	T	T	T	–	T	E
Leases and Rentals						
Rooms, lodgings	T	T	T	–	T	E
Tangible personal property	T	T	T	–	T	T
Vehicles	T	T	T	–	T	E
Manufacturing and Machinery						
Farm machinery	E	E	E	–	E	E
Manufacturing machinery	E	E	E	–	E	E
Utilities/Fuels	T	E	E	–	E	E
Medicines, Medical Services and Devices						
Medical devices	E	E	E	–	E	E
Medical services	E	E	E	–	E	E
Nonprescription medicines	T	E	T	–	E	E
Newspapers and Periodicals						
Newspapers	E	E	E	–	E	E
Periodicals	E	T	E	–	T	T
Occasional Sales						
Motor vehicles, vessels, aircraft	T	T	T	–	T	E
All other	E	E	E	–	E	E
Pollution Control Equipment						
Air	E	E	T	–	E	T
Water	E	E	T	–	E	T
Sales for Resale	MTC	MTC	no	–	MTC	MTC
Services						
Cleaning	E	T	E	–	E	E
General treatment	NT	MT	NT	–	NT	NT

Table 12. Tax Status of Selected Components of the Sales Tax Base

Component	ME	CT	MA	NH	RI	VT
Professional/personal services	E	T	E	–	E	E
Repair	E	T	E	–	E	E
Transportation	E	E	E	–	E	E
Trade-Ins	T	excluded	T	–	T	excluded
Vending Machine Sales						
Food sales	E	E	T	–	T	T
Other sales	T	T	T	–	T	T

Notes:

Special taxes may apply in specific instances.

E = exempt

T = taxable

MTC indicates use of Multistate Tax Compact (MTC) Uniform Multijurisdictional Exemption Certificate.

MT = many taxed

NT = not taxed

Source: "2005 State Tax Handbook," CCH, Inc.

Table 13. Number of Services Taxed by Category and State, 2004

Service	ME		CT		MA		NH		RI		VT		Potential service categories
	Number of services	%	Number of services	%	Number of services	%	Number of services	%	Number of services	%	Number of services	%	
Utilities	9	56.3	10	62.5	9	56.3	6	37.5	10	62.5	6	37.5	16
Personal services	1	5.0	9	45.0	1	5.0	1	5.0	1	5.0	2	10.0	20
Business services	6	17.6	20	58.8	4	11.8	0	0.0	6	17.6	5	14.7	34
Computer services	0	0.0	6	75.0	0	0.0	2	25.0	3	37.5	2	25.0	8
Admissions/ amusements	2	13.3	10	66.7	1	6.7	0	0.0	4	26.7	11	73.3	15
Professional services	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	9
Fabrication, repair, and installation	4	21.1	11	57.9	2	10.5	0	0.0	3	15.8	2	10.5	19
Other services	2	4.3	14	29.8	2	4.3	2	4.3	2	4.3	1	2.1	47
Total	24	14.3	80	47.6	19	11.3	11	6.5	29	17.3	29	17.3	168

Source: "*Sales Taxation of Services, 2004*," Federation of Tax Administrators.

Table 14. Sales Tax and Electronic Commerce

State	2006			2008		2011		
	Revenue loss (mil \$)	Percent of total state taxes	Percentage point rate increase to replace revenue	Low growth scenario revenue loss (mil \$)	High growth scenario revenue loss (mil \$)	Revenue loss (mil \$)	Percent of total state taxes	Percentage point rate increase to replace revenue
ME	150.6	4.17	0.99	81.0	126.6	221.6	4.88	1.20
CT	658.8	4.79	1.19	320.5	501.2	974.2	5.61	1.44
MA	687.2	3.42	0.97	345.1	539.6	1015.9	4.01	1.18
NH	—	—	—	—	—	—	—	—
RI	126.5	4.75	1.40	70.5	110.3	184.8	5.53	1.69
VT	73.2	3.70	0.98	35.1	54.8	108.6	4.34	1.19

Source: "State and Local Sales Tax Revenue Losses from E-Commerce: Updated Estimates," by Donald Bruce and William F. Fox, Center for Business and Economic Research, The University of Tennessee, September 2001; and "State and Local Sales Tax Revenue Losses from E-Commerce: Estimates as of July 2004," by Donald Bruce and William F. Fox, Center for Business and Economic Research, The University of Tennessee, July 2004.

Table 15. Residential Property Tax Rates in the Largest City in Each State, 2004

Rank	City	State	Nominal rate per \$100	Assess- ment level	Effective rate per \$100	Rank	City	State	Nominal rate per \$100	Assess- ment level	Effective rate per \$100
1	Houston	TX	2.99	100.0%	2.99	28	Columbus	OH	4.91	30.3%	1.49
2	Providence	RI	2.97	100.0%	2.97	29	Portland	OR	2.23	64.2%	1.43
3	Indianapolis	IN	2.78	100.0%	2.78	30	Wilmington	DE	2.71	51.2%	1.39
4	Bridgeport	CT	3.90	70.0%	2.73	31	Little Rock	AR	6.90	20.0%	1.38
5	Philadelphia	PA	8.26	32.0%	2.64	32	Phoenix	AZ	13.21	10.0%	1.32
6	Manchester	NH	2.64	100.0%	2.64	33	Wichita	KS	11.43	11.5%	1.31
7	Milwaukee	WI	2.63	96.8%	2.54	34	Minneapolis	MN	1.48	88.6%	1.31
8	Baltimore	MD	2.46	100.0%	2.46	35	Albuquerque	NM	3.80	33.3%	1.27
9	Newark	NJ	2.43	94.7%	2.30	36	Los Angeles	CA	1.25	100.0%	1.25
10	Des Moines	IA	4.56	48.5%	2.21	37	Boston	MA	1.23	100.0%	1.23
11	Portland	ME	2.68	82.0%	2.20	38	Oklahoma City	OK	10.91	11.0%	1.20
12	Omaha	NE	2.21	94.0%	2.08	39	Kansas City	MO	6.30	19.0%	1.20
13	Jacksonville	FL	2.02	98.0%	1.98	40	New York City	NY	14.46	8.0%	1.16
14	Fargo	ND	48.41	3.9%	1.89	41	Charlotte	NC	1.18	95.8%	1.13
15	Detroit	MI	6.71	27.8%	1.86	42	Louisville	KY	1.23	90.0%	1.10
16	Columbia	SC	46.10	4.0%	1.84	43	Las Vegas	NV	3.12	35.0%	1.09
17	Chicago	IL	7.88	22.1%	1.74	44	Virginia Beach	VA	1.22	88.7%	1.08
18	New Orleans	LA	17.40	10.0%	1.74	45	Seattle	WA	1.09	94.1%	1.03
19	Memphis	TN	7.27	23.8%	1.73	46	Washington	DC	0.96	100.0%	0.96
20	Boise	ID	1.78	97.3%	1.73	47	Charleston	WV	1.47	60.0%	0.88
21	Atlanta	GA	4.29	40.0%	1.72	48	Birmingham	AL	6.95	10.0%	0.70
22	Jackson	MS	17.09	10.0%	1.71	49	Cheyenne	WY	7.11	9.5%	0.68
23	Anchorage	AK	1.63	100.0%	1.63	50	Denver	CO	6.69	8.0%	0.53
24	Sioux Falls	SD	1.84	85.0%	1.56	51	Honolulu	HI	0.38	100.0%	0.38
25	Billings	MT	1.94	80.0%	1.55						
26	Burlington	VT	2.28	67.6%	1.54		Unweighted average		6.29	59.3%	1.62
27	Salt Lake City	UT	1.53	99.0%	1.51		Median				1.54

Note: All rates and percentages in this table are rounded.

Source: "Tax Rates and Tax Burdens in the District of Columbia: A Nationwide Comparison," Government of the District of Columbia, August 2005.

Addendum Table 1
State and Local Government Revenue as a
Percentage of Total Personal Income, FY2004

Category	Maine	U.S. Rank	U.S. Average
Total Revenue	29.06%	13	25.91%
General Revenue	24.85%	7	20.10%
Intergovernmental Revenue			
From Federal Government	6.99%	10	4.53%
From State Government	NA	NA	NA
From Local Government	NA	NA	NA
Subtotal	6.99%	10	4.53%
Own-Source General Revenue	17.86%	8	15.58%
Percent General Revenue from Own Sources	71.87%	39	77.47%
Taxes	13.01%	4	10.75%
Property Taxes	5.48%	2	3.39%
Sales and Gross Receipts Taxes	3.49%	36	3.84%
Individual Income Taxes	3.03%	11	2.29%
Percent Own-Source General Revenue from Taxes	72.84%	10	69.01%
Charges and Misc. General Revenue	4.85%	27	4.83%
Percent Own-Source General Revenue from Non-Tax Sources	27.16%	42	30.99%

Source: U.S. Census Bureau, 2004 State Tax Collections. Personal income figures from U.S. Bureau of Economic Analysis

Addendum Table 2: State Government Tax Collections, 2004

Area	Total state taxes		General sales and gross receipts		Individual income		Property taxes		Total state taxes as a share of personal income	
	per capita	rank	per capita	rank	per capita	rank	per capita	rank	percent	rank
Alabama	1,550.86	45	418.21	41	495.77	36	48.94	15	5.77	41
Alaska	2,035.27	23	–	–	–	–	72.01	13	6.14	34
Arkansas	972.26	49	374.49	44	293.66	40	90.65	10	8.15	8
Arizona	2,087.50	18	1,025.60	4	503.25	35	75.28	12	6.11	35
California	31,171.45	1	9,638.88	1	13,235.99	1	756.12	1	7.03	15
Colorado	196.74	50	53.27	45	95.25	41	–	–	4.38	49
Connecticut	2,941.24	4	893.76	9	1,234.52	4	–	–	6.70	22
Delaware	2,861.79	6	–	–	941.14	10	–	–	8.32	4
Florida	1,756.31	36	985.22	6	–	–	15.92	20	5.79	40
Georgia	1,633.82	41	551.84	33	765.91	16	7.30	23	5.67	43
Hawaii	3,049.73	2	1,505.70	2	926.38	11	–	–	9.78	1
Idaho	1,897.87	32	743.24	18	650.68	27	–	–	7.37	14
Illinois	2,005.24	25	544.57	35	640.30	29	4.49	25	5.87	37
Indiana	1,920.40	30	764.38	14	611.55	30	1.43	33	6.53	26
Iowa	1,741.72	38	547.77	34	663.31	23	–	–	5.86	38
Kansas	1,932.80	28	707.07	21	700.71	19	21.05	18	6.41	30
Kentucky	2,043.39	22	595.40	28	680.71	22	109.97	9	7.73	9
Louisiana	1,781.91	34	594.83	29	486.40	37	8.82	22	6.73	20
Maine	2,202.88	16	697.53	22	882.16	12	34.46	16	7.57	10
Maryland	2,214.36	15	529.56	36	949.03	9	86.09	11	5.79	39
Massachusetts	2,628.10	8	584.20	30	1,378.15	2	0.01	37	6.42	29
Michigan	2,381.29	10	781.30	13	650.82	26	277.41	4	7.49	11
Minnesota	2,891.16	5	797.95	12	1,120.28	6	119.27	8	8.27	7
Mississippi	1,766.68	35	855.95	11	366.01	38	13.87	21	7.47	12
Missouri	1,583.40	44	512.20	38	646.02	28	3.95	27	5.34	46
Montana	1,753.86	37	–	–	653.33	25	198.44	7	6.56	25
Nebraska	2,082.62	19	872.34	10	710.99	18	1.34	35	6.63	24
Nevada	2,031.33	24	970.79	7	–	–	56.78	14	6.33	31
New Hampshire	1,543.59	46	–	–	42.16	42	379.93	3	4.37	50
New Jersey	2,415.78	9	720.96	19	852.11	14	0.42	36	5.97	36
New Mexico	2,102.87	17	758.43	16	529.29	34	27.89	17	8.29	5
New York	2,376.80	11	521.26	37	1,278.33	3	–	–	6.45	28
North Carolina	1,971.37	26	509.55	39	879.46	13	–	–	6.97	16
North Dakota	1,931.28	29	577.24	31	336.29	39	2.32	31	6.68	23
Ohio	1,962.90	27	688.33	23	760.27	17	3.55	28	6.46	27
Oklahoma	1,823.93	33	452.45	40	658.18	24	–	–	6.74	19
Oregon	1,699.37	40	–	–	1,189.17	5	4.42	26	5.72	42
Pennsylvania	2,045.01	21	627.15	27	590.86	31	5.52	24	6.32	32
Rhode Island	2,230.60	14	745.10	17	833.34	15	1.42	34	6.72	21
South Carolina	1,620.71	42	649.53	25	580.94	33	2.76	30	6.16	33
South Dakota	1,379.05	47	760.93	15	–	–	–	–	4.61	47
Tennessee	1,616.95	43	991.84	5	23.75	43	–	–	5.59	44
Texas	1,368.48	48	687.99	24	–	–	–	–	4.60	48
Utah	1,733.36	39	644.81	26	698.98	20	–	–	6.76	17

Appendix Table 2: State Government Tax Collections, 2004

Area	Total state taxes		General sales and gross receipts		Individual income		Property taxes		Total state taxes as a share of personal income	
	per capita	rank	per capita	rank	per capita	rank	per capita	rank	percent	rank
Vermont	2,843.89	7	413.63	42	691.88	21	721.47	2	9.24	2
Virginia	1,902.48	31	397.98	43	992.08	7	2.78	29	5.50	45
Washington	2,238.64	13	1,357.03	3	–	–	245.95	6	6.75	18
West Virginia	2,068.37	20	563.50	32	589.34	32	1.86	32	8.28	6
Wisconsin	2,296.39	12	708.53	20	954.15	8	18.93	19	7.38	13
Wyoming	2,974.53	3	914.91	8	–	–	276.36	5	8.98	3
New England	2,546.00	(x)	622.24	(x)	1,103.56	(x)	69.52	(x)	6.53	(x)
United States	2,022.16	(x)	674.97	(x)	673.84	(x)	38.91	(x)	6.32	(x)

NOTES:

Dollar amounts in current dollars. U.S. Totals include the 50 state governments and does not include the District of Columbia or any local government.

- zero or rounds to zero; X not applicable

Source: U.S. Census Bureau, Population Division, <<http://www.census.gov/popest/estimates.php>>; Bureau of Economic Analysis <<http://www.bea.gov/bea/regional/spi>> and State Government Tax Collections <<http://www.census.gov/govs/www/statetax.html>>.

Per capita amounts calculated using population from the U.S. Census Bureau, vintage 2006.

Total Personal Income from the Bureau of Economic Analysis quarterly personal income data.