



MONTHLY STATE REVENUE HIGHLIGHTS

State Tax Revenues Up 5.5 Percent in October 2019

Preliminary data from 46 states for October 2019 show growth in overall state tax collections for the nation. States also reported growth in personal income, corporate income, and sales tax collections. State tax revenues fluctuated wildly following enactment of the TCJA. But growth in state tax revenues returned to normal levels in the first four months of state fiscal year 2020 in 46 states.

State Tax Revenue Trends

Tax source	October 2018 (\$ millions)	October 2019 (\$ millions)	YOY percentage change	Fiscal YTD 2019 (\$ millions)	Fiscal YTD 2020 (\$ millions)	YOY percentage change
Total state tax revenues	\$61,933	\$66,197	6.9%	\$260,622	\$276,298	6.0%
Personal income tax	25,713	28,171	9.6	109,276	115,331	5.5
Corporate income tax	1,832	2,439	33.1	13,231	15,135	14.4
Sales tax	22,865	23,908	4.6	94,021	100,384	6.8

Note: YOY = year-over-year; YTD = year-to-date.

October State Tax Revenue Summary

- State **total tax** revenues totaled \$66.2 billion in October 2019, which was \$4.3 billion or 6.9 percent higher than a year earlier. Growth in the median state was 5.5 percent.
- October state **personal income tax** revenues totaled \$28.2 billion, which was \$2.5 billion or 9.6 percent higher than the previous year. Growth in the median state was weaker, at 7.1 percent.
- October state **corporate income tax** revenues totaled \$2.4 billion, which was \$0.6 billion or 33.1 percent above the previous year. Growth in the median state was slightly weaker, at 29.3 percent.
- October state **sales tax** revenues totaled \$23.9 billion, which was \$1.0 billion or 4.6 percent higher than a year earlier. Growth in the median state was higher, at 6.1 percent.

Fiscal Year-to-Date State Tax Revenue Summary

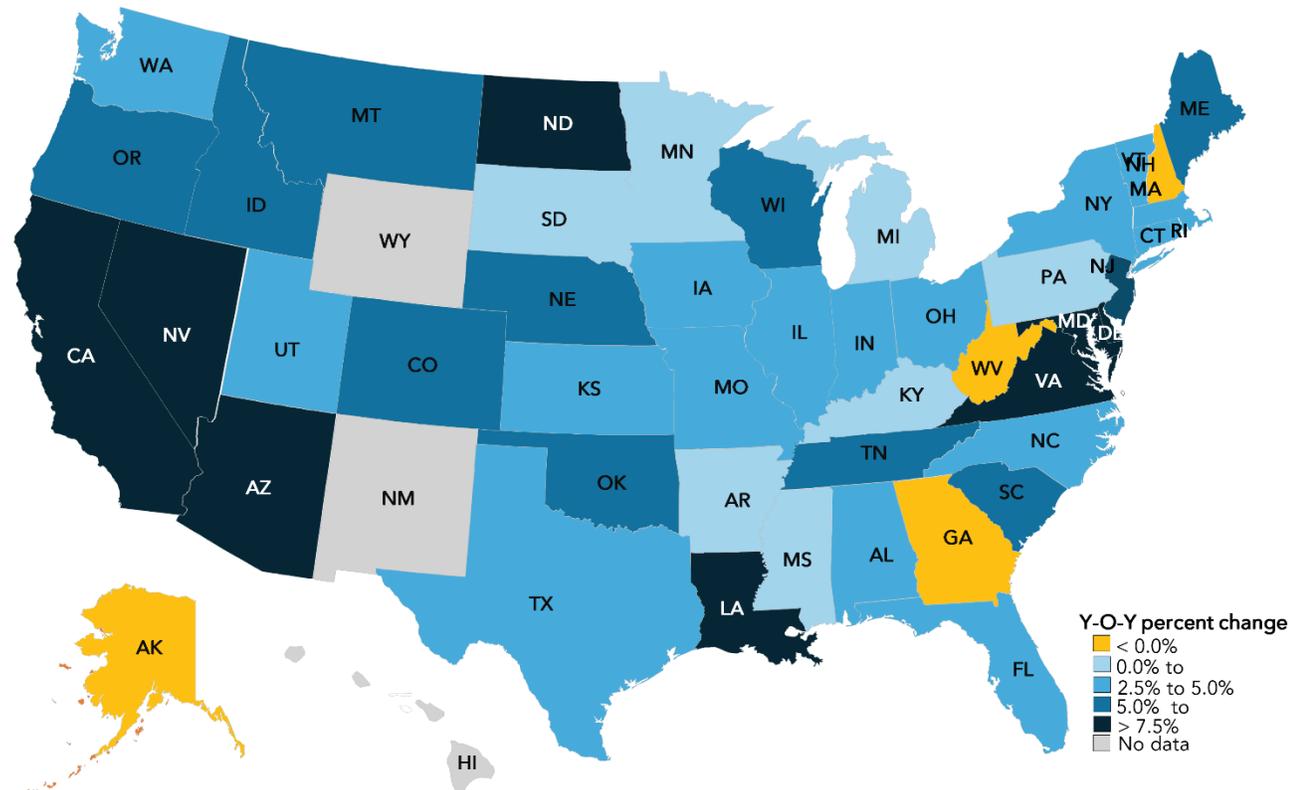
- State **total tax** revenues totaled \$276.3 billion in the first four months of state fiscal year 2020, which was \$15.7 billion or 6.0 percent higher than the previous year. Growth in the median state was weaker, at 4.7 percent.
- Fiscal year-to-date state **personal income tax** revenues totaled \$115.3 billion, which was \$6.1 billion or 5.5 percent higher than the previous year. Growth in the median state was 5.6 percent.
- Fiscal year-to-date state **corporate income tax** revenues totaled \$15.1 billion, which was \$1.9 billion or 14.4 percent higher than a year earlier. Growth in the median state was weaker, at 8.3 percent.
- Fiscal year-to-date state **sales tax** revenues totaled \$100.4 billion, which was \$6.4 billion or 6.8 percent higher than a year earlier. Growth in the median state was weaker, at 5.3 percent.

State Variations

- 42 states reported growth while 4 states reported declines in state **total tax** revenue collections in the July–October 2019 period, compared with the same period a year earlier. (Four states still did not report data.)
- 37 states reported growth in **personal income tax** collections, while 3 states reported declines.
- 26 states reported growth in **corporate income tax** collections, while 16 states reported declines.
- 40 states reported growth in **sales tax** collections, while 1 state reported declines.

Percent Change in State Fiscal Year-to-Date Tax Revenues

July through October 2019 versus 2020, percent change



Growth in state tax revenues has softened substantially in the first four months of state fiscal year 2020, mostly because of the disappearing impact of the TCJA. This follows two years of high volatility in state income tax revenue growth due not to underlying economic factors, but because of federal policy changes and state responses. While the TCJA could continue to have lingering effects on state personal and corporate income tax collections in the next few years, we believe the largest swings are behind us for now.

ABOUT THE PROJECT

The [State and Local Finance Initiative](#) at the Urban Institute launched a new series of *Monthly State Revenue Highlights*, which provide overviews of state tax revenue trends for major sources of taxes and trends across the states, based on analysis by [Lucy Dadayan](#). For more comprehensive analysis of trends in state tax revenues and the underlying economic indicators, please read our [State Tax and Economic Review](#) quarterly reports. You can gain access to the full datasets through our subscription service available [here](#).