Bond Case Briefs

Municipal Finance Law Since 1971

Most States Close Out Fiscal 2019 with Revenue Growth (Updated July 31).

Following strong gains in April tax collections, most states ended fiscal 2019 with year-over-year revenue growth. Many states saw positive gains in personal income tax collections, attributing the increases to both the payroll withholding component, reflecting continued economic growth, and a second consecutive year of higher collections from non-wage income (capital gains, dividends, bonuses). Changes in taxpayer behavior following federal tax reform significantly altered the timing of estimated state personal income tax payments, with some states noting that those taxpayers no longer had incentive to pay in December and instead made higher payments with their tax returns in the spring. In addition to gains in personal income taxes, corporate income taxes showed their largest yearly growth rate since fiscal year 2011, with states reporting that there was strong incentive for corporations to shift taxable income to tax year 2018 to take advantage of the 40 percent federal tax rate cut. Sales taxes also grew in most states in fiscal 2019, with several states attributing part of the growth to expanded online sales tax collections.

Continue reading.

NASBO

By Brian Sigritz

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com