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## **Sales Tax Revenue Forecast and Federal CARES Act in the Current Economic Downturn.**

**With a “shelter-in-place” directive, rising unemployment figures and Coronavirus fears, the biggest component of the US GDP - consumer spending - has taken an unexpected tumble. This is particularly worrisome for local and state governments that heavily rely on sales tax revenues.**

For instance, in California the sales tax forecast is expected to decline by 36% in the second quarter of 2020 with only a moderate regrowth in the following quarters.

In this article, we will take a closer look at sales tax forecasts for local and state economies and how they're likely to affect local and state revenue and expenditure budgets.

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