

Department of Commerce
U.S. Census Bureau
OMB Information Collection Request
Quarterly Summary of State & Local Government Tax Revenues Forms
OMB Control No. 0607-0112

Part A – Justification

1. Necessity of the Information Collection

The Census Bureau conducts the Quarterly Summary of State & Local Government Tax Revenues (QTax Survey) to provide quarterly estimates of state and local government tax revenue at a national level, as well as detailed tax revenue data for individual states. The Census Bureau is requesting an extension of the current clearance for this survey without changes to the forms. Quarterly measurement of, and reporting on, these fund flows provides valuable insight into trends in the national economy and that of individual states. Information collected on the type and quantity of taxes collected gives comparative data on how the various levels of government fund their public sector obligations. There are three components to the QTax Survey; the first component is the Quarterly Survey of Property Tax Collections (F-71), which collects property tax data from local governments, the second component is the Quarterly Survey of State Tax Collections (F-72), which collects data on 28 different tax categories for all 50 states, and the third component is the Quarterly Survey of Selected Non-Property Taxes (F-73), which collects local tax revenue data for three taxes: sales and gross receipts, individual income, and corporation net income taxes.

Title 13, Sections 161 and 182, of the United States Code authorizes the Secretary of Commerce to conduct this survey.

The Census Bureau is requesting approval to conduct the 2024, 2025 and 2026 Quarterly Summary of State & Local Government Tax Revenues.

The information contained in this survey is the most current information available on a nationwide basis for state and local government tax collections. Data are collected for fifty state governments and the District of Columbia and a sample of the local governments (approximately 7,411).

The Census Bureau's previous request for an extension submitted on 03/23/2021 requested approval to remove the collection of all license taxes from the F-72 component of the Quarterly Summary of State and Local Government Tax Revenue. The Census Bureau reconsidered that plan and decided not to remove the collection of all license taxes from the F-72 component of the survey. Keeping the license taxes on the survey allows for a consistent time series and maintains item comparability with other surveys.

2. Needs and Uses

The Census Bureau conducts the three components of the QTax Survey to collect state and local government tax data for this data series established in 1962. It serves as a timely source of tax data for many data users and policy makers and is the most current information available on a nationwide basis for government tax collections. Tax collection data are used to measure economic activity nationwide, as well as for comparison among the states. These data are also used in comparing the variety of taxes employed by individual states and in determining the revenue raising capacity of different types of taxes in different states.

Key users of these data include the Bureau of Economic Analysis (BEA), the Federal Reserve Board (FRB), and the Department of Housing and Urban Development (HUD) who rely on these data to provide they provide insight into and the most current information on the complex nature and fiscal health of state and local government finances. These data are included in the quarterly estimates of the National Income and Product Accounts developed by BEA. HUD has used the property tax data as one of nine cost indicators for developing Section 8 rent adjustments. These data are widely used by Federal, state, and local legislators, policy makers, analysts, economists, and researchers to follow the changing characteristics and monitor trends in public sector revenues. These data are also widely used by the media and academia.

Information quality is an integral part of the pre-dissemination review of the information disseminated by the Census Bureau (fully described in the Census Bureau's Information Quality Guidelines). Information quality is also integral to the information collections conducted by the Census Bureau and is incorporated into the clearance process required by the Paperwork Reduction Act.

3. Use of Information Technology

The Census Bureau is using automated data collection techniques for these surveys. Respondents to the Quarterly Survey of Property Tax Collections (F-71) and Quarterly Survey of Selected Non-Property Taxes (F-73) are directed to report their data electronically via the Centurion instrument, which allows respondents the option of saving and printing their responses to the Internet-based questionnaire (Attachment 2). The electronic data collection has a direct correlation with the reduction in keying workload at the Census Bureau's National Processing Center. Respondents are able edit their data online, view prefilled data from previous quarters, and save data in multiple online sessions. Respondents to the Quarterly Survey of State Tax Collections (F-72) are sent via email with a fillable spreadsheet because the small number (51) of respondents does not justify the cost of converting it to an electronic form (Attachment 2).

4. Efforts to Identify Duplication

The Census Bureau subscribes to publications of, and maintains contact with, professional associations in the field of public finance. Any duplication of effort would become apparent through these contacts. No duplication has been identified. None of the suppliers of government data have indicated that our request duplicates other agencies' collection efforts.

The Urban Institute and Brookings Institution's Tax Policy Center does collect preliminary quarterly tax data for some states for a limited amount of tax categories. However, these data are not available at the same level of detail classification and are not standardized between states, making them unsuitable for cross-state and trend analysis needed by data users such as the BEA and FRB.

5. Minimizing Burden

The Census Bureau uses a county area sample methodology for the Quarterly Survey of Property Tax Collections and canvasses governments who collect property taxes rather than those that impose and retain property taxes. This minimizes the burden on some smaller governments, as their property taxes are collected by larger governments such as a city or county.

The Census Bureau's electronic data collection for two of the three components of the QTax Survey provides a more efficient and less time-consuming method of collection and the emailed fillable spreadsheets allows for greater ease in reporting.

The Census Bureau also consults with state officials to simplify their reporting. Where possible, we obtain published reports from the states that we use to compile the data requested. Some states issue monthly or quarterly reports detailing their tax revenues for the period; in those cases, the Census Bureau recasts such data into our classification, making the reporting burden minimal for those states.

6. Consequences of Less Frequent Collection

The QTax Survey is the most timely indicator of the financial health of state and local governments collected by the Census Bureau. Less frequent collection would adversely impact the BEA, FRB, and other policy makers in determining the impact of trends on the national economy and individual states. For example, if this collection were discontinued, the Census Bureau could not supply BEA with data that are important to the construction and maintenance of several key tables in the National Income and Product Accounts in the monthly Gross Domestic Product estimates. The FRB meets regularly to determine monetary policy and less frequent collection would leave them without timely data on state and local tax revenue when setting policy.

Researchers, state officials, policy organizations, and others would also be negatively impacted by less frequent collection, because their ability to provide reports and influence policy decisions in a timely manner would be hindered or delayed.

7. Special Circumstances

There are no special circumstances relating to this request.

8. Consultations Outside the Agency

A notice inviting comment on plans to submit this request was published in the Federal Register on December 8, 2023 (88 FR, pg. 85582-83). No public comments were received except the letter in support that was received from BEA.

The Census Bureau consult frequently and informally with data suppliers and users. State and Local government officials are consulted as part of the normal quality follow-up activity that is a regular part of this survey.

9. Paying Respondents

Respondents are not paid or provided with gifts.

10. Assurance of Confidentiality

The surveys do not request any confidential data. These data are subject to provisions of Title 13, United States Code, Section 9(b) exempting data that are customarily provided in public records from rules of confidentiality. All forms contain information regarding this exemption of confidentiality and the voluntary nature of the surveys.

11. Justification for Sensitive Questions

There are no sensitive questions in this data collection program.

12. Estimate of Hour Burden

The Census Bureau requests responses quarterly from state agencies and local governments on the forms itemized below. Table 1 provides an estimate of the average number of respondents

and burden hours for the individual forms in the 2024, 2025, and 2026 QTax Survey. The numbers presented in the table are a slight refinement of those included in the December 8, 2023 Federal Register notice.

Table 1:

Quarterly Summary of State and Local Government Tax Revenues				
	F-71	F-72	F-73	Total
Number of Respondents	5,499	51	1,861	7,411
Frequency of Responses	4	4	4	4
Total Responses annually	21,996	204	7,444	29,644
Estimate minutes per response	15	30	20	N/A
Estimate annual response hours	5,499	102	2,481	8,082
Estimated cost per burden hour*	\$27.21	\$29.09	\$27.21	
Total annual cost to respondents	\$149,628	\$2,967	\$ 67,508	\$ 220,103

* Estimated hourly cost is derived from the mean hourly wage for the Tax Examiners and Collectors and Revenue Agents occupational series (State Government Employed and Local Government Employed) within the May 2022 National Occupational and Wage Estimates, BLS.

13. Estimate of Cost Burden

We do not expect respondents to incur any costs other than that of their time to respond. The information requested is of the type and scope normally carried in government records and no special hardware or accounting software or system is necessary to provide answers to this information collection. Therefore, respondents are not expected to incur any capital and start-up costs or system maintenance costs in responding. Further, purchasing of outside accounting or information collection services, if performed by the respondent, is part of usual and customary business practices and not specifically required for this information collection.

14. Cost to Federal Government

The estimated cost for FY 2023 for the Quarterly Summary of State and Local Government Tax Revenues is \$1,050,000. The activities covered in the cost include data collection, non-response follow up, data processing and review, imputation, estimation, publication, equipment, overhead and associated support staff. The cost of conducting this survey in subsequent fiscal years will approximate these costs.

15. Reason for Change in Burden

The annual reporting burden has risen slightly from 8,002 hours to 8,082 hours due to a change in the sample size for the F73 survey, with a small increase compared to the previous sample.

16. Project Schedule

The project schedule for each quarterly report lasts approximately 90 days from survey mail-out to public release of data on the Internet. Request emails are provided the first week after the reference period closes, processed during the subsequent 75 days following the initial contact and released within 90 days after the reference period. A typical schedule follows:

Table 2.

Table 2. Quarterly Summary of State and Local Government Tax Revenues – FY2024	
<i>Activity</i>	<i>Period</i>
Survey Mail-out	March 2024
Data Collection	March – June 2024
Analytical Review	April – June 2024
Release	June 2024

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17. Request to Not Display Expiration Date

The expiration date will be displayed on the forms.

18. Exceptions to the Certification

There are no exceptions to the certification.