

HOW FLORIDA COMPARES



State and Local Taxes in Florida and the Nation

July 2004



www.floridatxwatch.org

"Improving taxpayer value, citizen understanding and government accountability"

About Florida TaxWatch

Florida TaxWatch is the only statewide organization entirely devoted to protecting and promoting the political and economic freedoms of Floridians as well as the economic prosperity of our state. Since its inception in 1979, Florida TaxWatch has become widely recognized as the watchdog of citizens' hard-earned tax dollars. The nationally distributed City and State magazine (now Governing magazine) published a poll of the nation's statewide taxpayer research centers. Based on this poll, the publication cited Florida TaxWatch as one of the six most influential and respected government watchdogs and taxpayer research institutes in the nation.

In recent years, news stories about Florida TaxWatch have run in all Florida newspapers, The Wall Street Journal, The New York Times and The Washington Post and Fortune magazine. In addition, Florida TaxWatch has been featured on the prestigious MacNeil/Lehrer Newshour.

Florida TaxWatch is a private, non-profit, non-partisan research institute supported by voluntary, tax-deductible membership contributions and philanthropic foundation grants. Membership is open to any organization or individual interested in helping to make Florida competitive, healthy and economically prosperous by supporting a credible research effort that promotes constructive taxpayer improvements. Members, through their loyal support, help Florida TaxWatch to bring about a more effective, responsive government that is accountable to the citizens it serves.

Florida TaxWatch is supported by all types of taxpayers — homeowners, small businesses, corporations, professional firms, labor unions, associations, individuals and philanthropic foundations — representing a wide spectrum of Florida's citizens.

Florida TaxWatch's empirically sound research products recommend productivity enhancements and explain statewide impact of economic and tax and spend policies and practices. Without lobbying, Florida TaxWatch has worked diligently and effectively to build government efficiency and promote responsible, cost-effective improvements that add value and benefit taxpayers. This diligence has yielded impressive results: through the years, three-fourths of TaxWatch's cost-saving recommendations have been implemented, saving taxpayers over \$6.2 billion (according to an independent assessment by Florida State University). That translates to approximately \$1,067 in added value for every Florida family.

With your help, we will continue our diligence to make certain your tax investments are fair and beneficial to you, the taxpaying customer who supports Florida's government. Florida TaxWatch is ever present to ensure that taxes are equitable, not excessive, that their public benefits and costs are weighed, and that government agencies are more responsive and productive in the use of your hard-earned tax dollars.

How Does Florida Compare?

FY 2002 State and Local Taxes

This is Florida TaxWatch's annual report of how Florida's state and local taxes compare with those of the other 49 states. The recession hit state and local governments hard across the nation. Florida fared better than most during this downturn. Florida had the eighth highest growth in state general revenue collections in the period from 2001 to 2003. In fact, 31 states, had decreasing revenue. Still, in terms of total state taxation, Floridians' individual tax burdens are lessening. In fact, when viewed in terms of percentage of personal income, tax burdens have been getting smaller across America. The portion of personal income taken up by state and local taxes is smaller than it was five years, both in Florida and nationally.

In FY 2002, Floridians' per capita state tax burden fell \$38, but its tax ranking still rose one spot. This highlights the revenue problems experienced by other states. The combined state and local tax burden increased \$6 in FY 2002, reaching \$2,600 per Floridian.

Relative to other states, Florida's state and local tax burden is lower than average. But Florida has a higher reliance on local governments than many states, so our local tax burden is relatively greater than our state burden.

State Taxes. Floridians' per capita state tax ranking now stands at 44th, up one spot from the previous year but down three from five years ago. As a percent of personal income (5.9%), Florida ranks 45th in state taxes, down two spots from the prior year.

Local Taxes. Floridians' per capita local tax ranking fell four spots in 2002 to 22nd, although the per capita burden rose \$45. It appears that states are relying on local governments to raise additional revenue.

What's Next?

The Florida Legislature has been largely holding the line on taxes and has even cut taxes in recent years. Still, the state currently forecasts that state general revenue, which is fueled mostly by the sales tax, will grow 14.6% from 2002 to 2005. Again, our economy and tax structure has allowed Florida to weather the storm without raising taxes. Other states have not been able to do the same. Certainly, Florida will continue to be a relatively low tax state for the near future. A rise in our tax burden rankings is unlikely during the next two editions of this report.

Key Facts and Findings

- Even though Floridians' per capita state tax burden was \$38 less in FY 2002 than it was in FY 2001, Florida's state tax ranking rose one spot to 44th. This highlights the effect the economy has had on government coffers. While its effect has been felt in Florida, our state has fared better than many.
- With the economy and many states avoiding tax increases, tax growth has been relatively slow. In fact, when viewed in terms of percentage of personal income, tax burdens are getting smaller, both nationally and in Florida.
- Florida's per capita combined state and local tax ranking fell one spot in 2002 to 37th. These taxes total \$2,600, up only \$6 from the previous year and still lower than Floridians' tax burden in 1999.
- Florida relies on its local governments more than many states. Floridians have the nation's 22nd largest per capita local tax burden. However, this burden of \$1,115 per person is \$133 less than the national average.
- State taxes take 5.2% of Floridians' personal income, and state and local combine to take out 9.2%. This compares to the national average of 6.1% and 10.3%, respectively. The portion of personal income taken up by state and local taxes is smaller than it was five years, both in Florida and nationally.
- Floridians' per capita burden for local government's largest tax source—the property tax—fell \$22 in 2000 (latest available national data) to \$834. Florida's ranking is 22nd, down four spots, and our per capita burden is just below the national average.
- Transaction taxes (general and selective sales taxes) account for 76% of all Florida's state tax collections. This compares to the national average of 49%. Florida has the sixth largest per capita general sales tax collections, and it fell by \$37 in 2002, reaching \$862. However, Floridians' per capita selective sales taxes (on motor fuels, tobacco, alcoholic beverages, etc.) rose slightly in 2002. Floridians' ranking for these taxes now stand at 27th.
- Florida is one of seven states without a personal income tax. Of the four largest states, Florida and Texas have no personal income tax.
- Businesses pay nearly half (48%) of all state and local taxes in Florida. This is the 13th highest percentage in the nation and higher than the national average of 43%.

Summary of Tax Rankings FY 2002

Taxes Per Capita

Tax	Florida	Rank	U.S. Average
State Taxes	\$1,485	44	\$1,853
General Taxes	862	6	622
Selective Taxes	270	27	285
License	93	33	122
Corporate Income	73	20	90
Documentary Stamp	114	1	18
Property	26	17	33
Personal Income	No Tax	No Tax	643
Local Taxes	1,115	22	1,248
Property (FY 2000)	834	21	848
State and Local Taxes	\$2,600	37	\$3,102

Taxes Per \$1000 Personal Income

Tax	Florida	Rank	U.S. Average
State Taxes	\$52.28	45	\$61.47
General Taxes	30.36	9	20.62
Selective Taxes	9.51	30	9.45
License	3.28	34	4.05
Corporate Income	2.57	24	2.98
Documentary Stamp	4.00	1	0.59
Property	0.90	17	1.09
Personal Income	No Tax	No Tax	21.32
Local Taxes	39.26	23	41.39
Property (FY 2000)	31.77	19	30.68
State and Local Taxes	\$91.54	42	\$102.86

Source: U.S. Department of Commerce and Florida TaxWatch, March 2004

Floridians' Per Capita State Tax Burden Rises One Spot to 44th

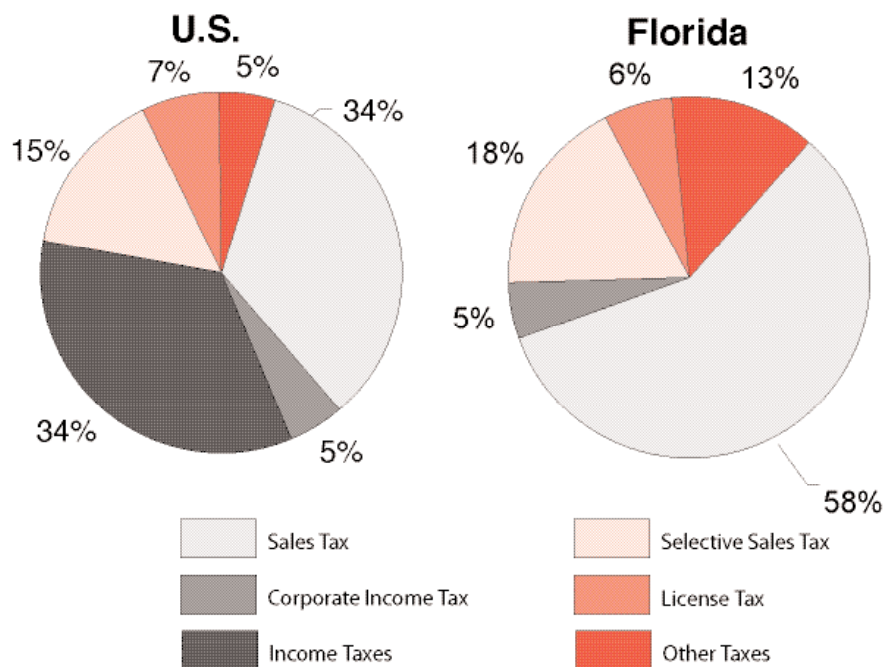
Total Per Capita State Taxation FY 2002

State	Dollars	State	Dollars
1. Hawaii	\$2,747.75	26. North Dakota	\$1,762.00
2. Delaware	2,692.16	27. Virginia	1,752.39
3. Connecticut	2,610.25	28. Oklahoma	1,732.45
4. Minnesota	2,577.11	29. Nebraska	1,730.60
5. Vermont	2,487.84	30. Ohio	1,717.55
6. Massachusetts	2,305.58	31. Iowa	1,704.69
7. New York	2,258.23	32. Utah	1,694.71
8. California	2,214.24	33. Idaho	1,693.40
9. Wyoming	2,194.50	34. Alaska	1,692.34
10. Michigan	2,175.43	35. Mississippi	1,646.68
11. Wisconsin	2,171.18	36. Louisiana	1,638.76
12. New Jersey	2,133.66	37. Indiana	1,622.74
13. Washington	2,080.83	38. Georgia	1,608.84
14. Maine	2,029.28	39. Montana	1,586.37
15. Rhode Island	1,988.93	40. Arizona	1,553.57
16. Maryland	1,982.80	41. Colorado	1,536.25
17. West Virginia	1,971.16	42. Alabama	1,533.25
18. New Mexico	1,955.76	43. Missouri	1,529.92
19. Kentucky	1,948.42	44. Florida	1,484.82
20. North Carolina	1,887.19	45. New Hampshire	1,477.52
21. Arkansas	1,857.55	46. Oregon	1,459.41
U.S. Average	1,853.50	47. South Carolina	1,399.84
22. Nevada	1,815.20	48. Tennessee	1,345.06
23. Pennsylvania	1,794.52	49. Texas	1,316.00
24. Illinois	1,782.47	50. South Dakota	1,283.20
25. Kansas	1,770.46		

Florida's 5-Year History	Rank	Dollars	% of U.S. Average
1998	41	\$1,479.87	85.7%
1999	39	\$1,527.84	85.8%
2000	43	\$1,552.79	80.8%
2001	45	\$1,523.13	77.5%
2002	44	\$1,484.82	80.1%

Source: U.S. Department of Commerce and Florida TaxWatch, March 2004.

Percentage of Total State Taxes Provided by Each Source



Transaction Taxes = Sales Tax + Selective Sales Tax

Florida = 76% U.S. = 49%

Source: U.S. Department of Commerce and Florida TaxWatch, March 2004

Floridians' Per Capita State and Local Tax Burden Rises Slightly After Falling For Two Years

Total Per Capita State and Local Taxation FY 2002

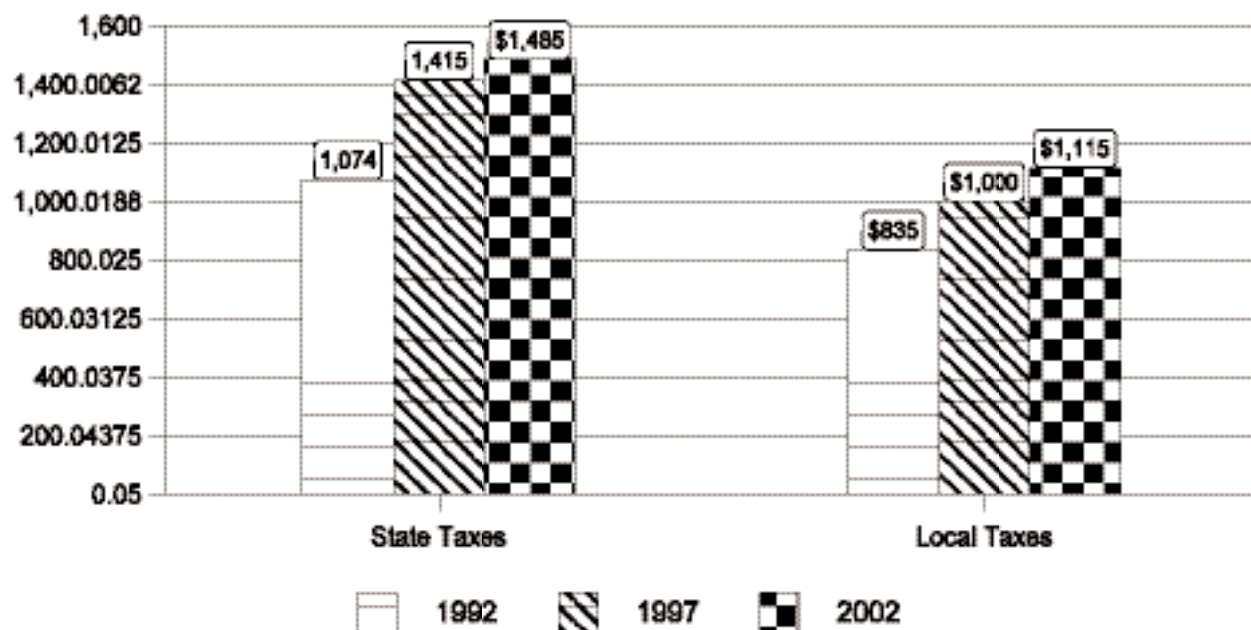
State	Dollars	State	Dollars
1. New York	\$4,687.54	26. North Dakota	\$2,850.64
2. Connecticut	4,417.80	27. Indiana	2,834.09
3. New Jersey	3,932.55	28. Georgia	2,826.94
4. Minnesota	3,703.50	29. Iowa	2,774.55
5. Massachusetts	3,675.62	30. North Carolina	2,722.56
6. Alaska	3,661.55	31. New Hampshire	2,678.88
7. Maryland	3,527.51	32. Arizona	2,664.64
8. Maine	3,434.71	33. Utah	2,612.72
9. Wisconsin	3,424.15	34. Louisiana	2,608.06
10. Delaware	3,371.94	35. Missouri	2,602.63
11. Rhode Island	3,330.92	36. Kentucky	2,601.12
12. California	3,289.51	37. Florida	2,599.73
13. Hawaii	3,288.07	38. New Mexico	2,597.21
14. Illinois	3,275.68	39. West Virginia	2,551.26
15. Wyoming	3,256.34	40. Oregon	2,530.14
16. Michigan	3,224.05	41. Texas	2,528.44
17. Washington	3,193.83	42. Oklahoma	2,474.22
18. Vermont	3,116.50	43. Montana	2,436.53
U.S. Average	3,101.80	44. Idaho	2,408.26
19. Ohio	3,095.50	45. South Dakota	2,372.97
20. Pennsylvania	3,073.41	46. Tennessee	2,283.11
21. Colorado	2,998.73	47. Arkansas	2,280.36
22. Nebraska	2,991.19	48. Mississippi	2,254.58
23. Virginia	2,968.13	49. South Carolina	2,238.28
24. Kansas	2,922.19	50. Alabama	2,219.75
25. Nevada	2,894.58		

Florida's 5-Year History	Rank	Dollars	% of U.S. Average
1998	31	\$2,545.96	88.7%
1999	28	\$2,663.29	88.9%
2000	35	\$2,623.99	84.5%
2001	36	\$2,593.03	83.7%
2002	37	\$2,599.73	83.8%

Note: Local taxes for 2001 and 2002 are estimated by Florida TaxWatch using data from the Census Bureau and Tax Foundation.

Source: U.S. Department of Commerce, Tax Foundation and Florida TaxWatch, March 2004.

Florida's Per Capita Tax Growth 1992-2002



Note: 2002 Local Taxes are estimated.

Source: Florida TaxWatch, U.S. Department of Commerce and Tax Foundation, March 2004.

Floridians' Per Capita Local Tax Burden Rises \$45 in 2002

Per Capita Local Taxation FY 2002

State	Dollars	State	Dollars
1. New York	\$2,429.31	26. North Dakota	\$1,088.64
2. Alaska	1,969.21	27. Nevada	1079.38
3. Connecticut	1,807.55	28. California	1075.27
4. New Jersey	1,798.89	29. Missouri	1072.71
5. Maryland	1,544.91	30. Oregon	1070.73
6. Illinois	1,493.21	31. Iowa	1069.86
7. Colorado	1,462.48	32. Wyoming	1063.84
8. Maine	1,405.43	33. Michigan	1048.62
9. Ohio	1,377.95	34. Louisiana	969.30
10. Massachusetts	1,370.04	35. Tennessee	938.05
11. Rhode Island	1,341.99	36. Utah	918.01
12. Pennsylvania	1,278.89	37. North Carolina	855.37
13. Nebraska	1,260.59	38. Montana	850.16
14. Wisconsin	1,252.97	39. South Carolina	838.64
U.S. Average	1,248.10	40. Oklahoma	741.77
15. Virginia	1,235.74	41. Idaho	712.86
16. Georgia	1,218.10	42. Alabama	688.50
17. Texas	1,212.44	43. Delaware	679.79
18. Indiana	1,211.35	44. Kentucky	652.70
19. New Hampshire	1,201.36	45. New Mexico	641.45
20. Kansas	1,151.73	46. Vermont	628.66
21. Minnesota	1,128.39	47. Mississippi	607.90
22. Florida	1,114.91	48. West Virginia	580.11
23. Washington	1,113.00	49. Hawaii	540.32
24. Arizona	1,111.07	50. Arkansas	422.81
25. South Dakota	1,089.77		

Florida's 5-Year History	Rank	Dollars	% of U.S. Average
1998	23	\$1,035.82	92.8%
1999	20	\$1,088.37	93.9%
2000	20	\$1,071.17	90.4%
2001	18	\$1,069.90	94.5%
2002	22	\$1,114.91	89.3%

Note: Local taxes for 2001 and 2002 are estimated by Florida TaxWatch using data from the Census Bureau and Tax Foundation.

Source: U.S. Department of Commerce, Tax Foundation and Florida TaxWatch, March 2004.

The Portion of Personal Income Taken Up by State and Local Taxes Is Less Than It Was Five Years Ago, Both in Florida and Nationally

State & Local Taxes as a Percent of Personal Income FY 2002

State	Percent	State	Percent
1. New York	13.11%	26. California	10.24%
2. Maine	12.93%	27. Montana	10.22%
3. Alaska	12.01%	28. Iowa	10.20%
4. Wisconsin	11.78%	29. Maryland	10.18%
5. Hawaii	11.53%	30. Washington	10.11%
6. New Mexico	11.38%	31. North Carolina	10.06%
7. Minnesota	11.30%	32. Georgia	10.05%
8. Wyoming	11.18%	33. Pennsylvania	10.04%
9. West Virginia	11.15%	34. Arkansas	10.03%
10. Rhode Island	11.14%	35. Illinois	10.01%
11. Utah	11.03%	36. Nevada	9.99%
12. North Dakota	11.00%	37. Oklahoma	9.97%
13. Vermont	10.97%	38. Idaho	9.92%
14. Michigan	10.89%	39. Massachusetts	9.52%
15. Ohio	10.79%	40. Virginia	9.35%
16. Louisiana	10.67%	41. Missouri	9.29%
17. Arizona	10.59%	42. Florida	9.15%
18. Delaware	10.53%	43. Colorado	9.14%
19. Connecticut	10.52%	44. Oregon	9.11%
20. Kentucky	10.51%	45. South Carolina	9.09%
21. Nebraska	10.45%	46. Alabama	9.07%
22. Mississippi	10.42%	47. Texas	9.04%
23. New Jersey	10.34%	48. South Dakota	8.95%
24. Kansas	10.31%	49. Tennessee	8.54%
U.S. Average	10.29%	50. New Hampshire	7.95%
25. Indiana	10.27%		

Florida's 5-Year History

Rank

Florida

U.S.

1998	42	9.5%	10.5%
1999	41	9.6%	10.5%
2000	44	10.0%	11.2%
2001	45	9.3%	10.5%
2002	42	9.2%	10.3%

Note: Local taxes for 2001 and 2002 are estimated by Florida TaxWatch using data from the Census Bureau and Tax Foundation.

Source: U.S. Department of Commerce, Tax Foundation and Florida TaxWatch, March 2004.

Floridians' State Taxes as a Percentage of Personal Income Stays Below 6%, Ranks 45th

Percent of Personal Income Spent on State Taxes FY 2002

State	Percent	State	Percent
1. Hawaii	9.63%	27. Nevada	6.26%
2. Vermont	8.76%	28. Kansas	6.25%
3. West Virginia	8.62%	29. Connecticut	6.22%
4. New Mexico	8.57%	30. Arizona	6.17%
5. Delaware	8.40%	U.S. Average	6.15%
6. Arkansas	8.17%	31. Nebraska	6.05%
7. Kentucky	7.87%	32. Ohio	5.99%
8. Minnesota	7.86%	33. Massachusetts	5.97%
9. Maine	7.64%	34. Indiana	5.88%
10. Mississippi	7.61%	35. Pennsylvania	5.86%
11. Wyoming	7.53%	36. Maryland	5.72%
12. Wisconsin	7.47%	37. Georgia	5.72%
13. Michigan	7.35%	38. South Carolina	5.69%
14. Utah	7.15%	39. New Jersey	5.61%
15. Idaho	6.98%	40. Alaska	5.55%
16. Oklahoma	6.98%	41. Virginia	5.48%
17. North Carolina	6.90%	42. Missouri	5.46%
18. California	6.89%	43. Illinois	5.45%
19. North Dakota	6.80%	44. Oregon	5.25%
20. Louisiana	6.71%	45. Florida	5.23%
21. Montana	6.65%	46. Tennessee	5.03%
22. Rhode Island	6.65%	47. South Dakota	4.84%
23. Washington	6.59%	48. Texas	4.70%
24. New York	6.32%	49. Colorado	4.68%
25. Alabama	6.27%	50. New Hampshire	4.38%
26. Iowa	6.27%		

Florida's 5-Year History

Rank

Florida

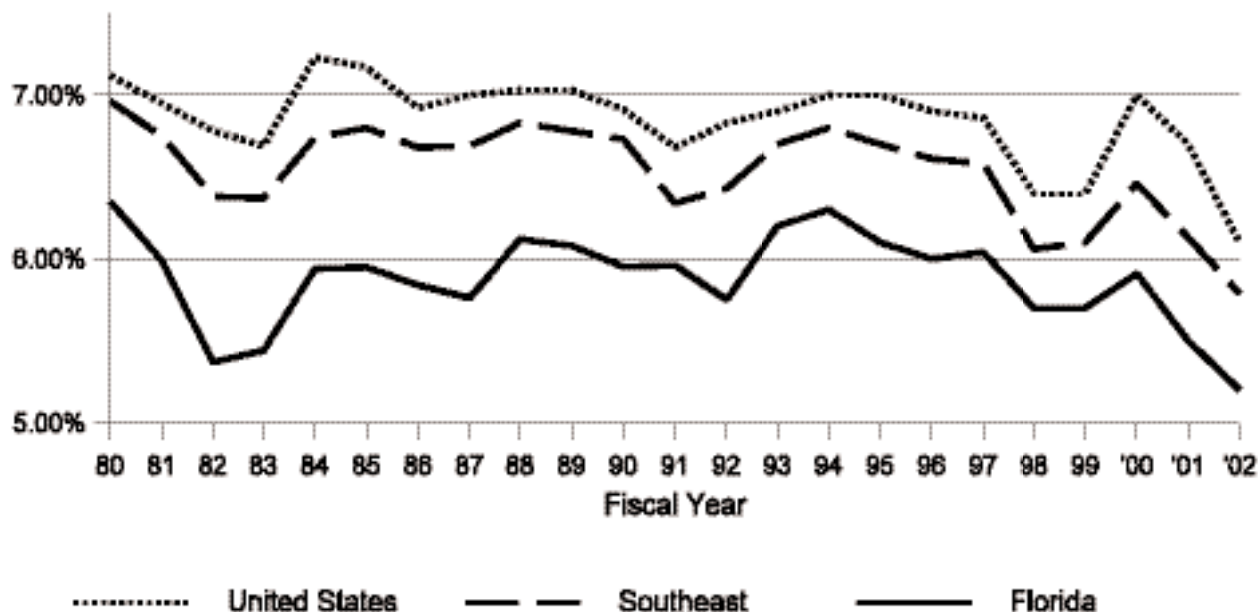
U.S.

1998	43	5.6%	6.4%
1999	41	5.7%	6.4%
2000	45	5.9%	7.0%
2001	45	5.5%	6.7%
2002	45	5.2%	6.1%

Source: U.S. Department of Commerce and Florida TaxWatch, March 2004.

State Taxes as % of Personal Income

Florida, Southeast and United States



Southeastern states are Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina and Tennessee.
 Source: Florida TaxWatch and U.S. Department of Commerce, March 2004.

Sales Taxes Are Florida's Main Tax Source; Florida's Burden is 6th Largest in Nation

Per Capita State General Sales Taxes FY 2002

State	Dollars	State	Dollars
1. Washington	\$1,302.36	25. Iowa	\$594.88
2. Hawaii	1,295.15	26. Pennsylvania	594.27
3. Nevada	952.39	27. Idaho	593.07
4. Wyoming	893.28	28. Massachusetts	574.98
5. Connecticut	879.63	29. South Carolina	568.56
6. Florida	862.12	30. Kentucky	564.94
7. Mississippi	814.99	31. Georgia	564.64
8. Tennessee	806.39	32. Ohio	559.61
9. Arizona	786.18	33. West Virginia	534.31
10. Michigan	774.52	34. North Dakota	529.27
11. Minnesota	745.19	35. Louisiana	519.08
12. New Mexico	720.90	36. Illinois	509.43
13. Arkansas	707.78	37. Missouri	503.25
14. New Jersey	698.09	38. Maryland	492.92
15. South Dakota	687.20	39. New York	449.31
16. Rhode Island	683.91	40. Oklahoma	437.78
17. Wisconsin	679.22	41. Colorado	422.05
18. California	676.22	42. Alabama	389.66
19. Texas	668.48	43. North Carolina	386.06
20. Kansas	662.58	44. Virginia	383.84
21. Utah	647.72	45. Vermont	349.43
22. Maine	645.93		
U.S. Average	621.76	Alaska, Delaware, New Hampshire, Montana and Oregon have no state general sales tax.	
23. Nebraska	618.32		
24. Indiana	618.73		

Florida's 5-Year History

Rank

Dollars

% of U.S. Average

1998	5	\$849.29	149.8%
1999	5	\$891.42	150.9%
2000	5	\$939.24	151.2%
2001	5	\$898.80	142.7%
2002	6	\$862.12	138.7%

Source: U.S. Department of Commerce and Florida TaxWatch, March 2004.

State General Sales Tax Rates

as of January 1, 2004

7%	Mississippi, Rhode Island, Tennessee
6.50%	Minnesota, Nevada, Washington
6.25%	Illinois, Texas
6%	California, Connecticut, Florida , Kentucky, Idaho, Michigan, New Jersey, Pennsylvania, Vermont, West Virginia
5.6%	Arizona
5.5%	Nebraska
5.3%	Kansas
5.125%	Arkansas
5%	Indiana, Iowa, Maine, Maryland, Massachusetts, New Mexico, North Dakota, Ohio, South Carolina, Wisconsin
4.75%	Utah
4.50%	North Carolina, Oklahoma
4.25%	New York
4.225%	Missouri
4%	Alabama, Georgia, Hawaii, Louisiana, South Dakota, Wyoming
3.5%	Virginia
2.9%	Colorado
No Tax	Alaska, Delaware, Montana, New Hampshire, Oregon

States changing rates from last year: Arizona from 5.0% to 5.6%, California from 7% to 5.75% and Virginia from 4.5% to 3.5%.

Source: National Federation of Tax Administrators and Florida TaxWatch, March 2004.

Florida County Local Option Sales Tax Rates

as of November 2003

1.5%	Escambia, Jackson, Leon, Monroe
1%	Baker, Bradford, Calhoun, Charlotte, Clay, Columbia, DeSoto, Dixie, Duval, Flagler, Gadsden, Gilchrist, Glades, Hamilton, Hardee, Hendry, Highlands, Hillsborough, Holmes, Indian River, Jefferson, Lafayette, Lake, Levy, Liberty, Madison, Marion, Miami-Dade, Nassau, Okeechobee, Osceola, Pinellas, Putnam, Sarasota, Seminole, Sumter, Suwannee, Taylor, Union, Wakulla, Walton, Washington
0.5%	Bay, Gulf, Manatee, Orange, Polk, St. Lucie, Santa Rosa, Volusia
No Tax	Alachua, Brevard, Broward, Citrus, Collier, Franklin, Hernando, Lee, Martin, Okaloosa, Palm Beach, Pasco, St. Johns,

Source: Florida Department of Revenue and Florida TaxWatch, March 2004.

Floridian's Selective Sales Taxes Buden Slightly Less Than National Average

Per Capita State Selective Sales Taxes FY 2002

State	Dollars	State	Dollars
1. Nevada	\$583.39	26. Virginia	\$271.85
2. West Virginia	531.65	27. Florida	269.94
3. Vermont	510.54	28. Iowa	269.50
4. New Hampshire	474.79	29. New Mexico	261.75
5. North Dakota	448.44	30. Nebraska	252.19
6. Connecticut	425.42	31. Indiana	250.20
7. Louisiana	415.99	32. Arkansas	247.64
8. Texas	414.03	33. Idaho	239.34
9. Montana	407.72	34. Tennessee	236.49
10. Hawaii	406.15	35. Massachusetts	235.69
11. Minnesota	403.62	36. New York	235.58
12. North Carolina	402.69	37. Kansas	232.95
13. Rhode Island	401.06	38. Michigan	227.35
14. Delaware	399.85	39. Missouri	226.62
15. Illinois	370.17	40. Utah	225.70
16. Maryland	368.01	41. Alaska	220.65
17. Alabama	364.39	42. Oklahoma	212.74
18. Kentucky	349.11	43. Ohio	212.12
19. Washington	337.10	44. Colorado	206.95
20. South Dakota	333.97	45. South Carolina	200.29
21. New Jersey	323.69	46. Wyoming	197.24
22. Wisconsin	318.29	47. California	196.08
23. Maine	309.88	48. Arizona	195.83
24. Mississippi	293.49	49. Oregon	184.66
25. Pennsylvania	293.29	50. Georgia	138.32
U.S. Average	284.86		

Florida's 5-Year History	Rank	Dollars	% of U.S. Average
1998	26	\$263.11	101.5%
1999	25	\$259.35	98.1%
2000	29	\$257.81	93.0%
2001	27	\$261.86	94.7%
2002	27	\$269.94	94.7%

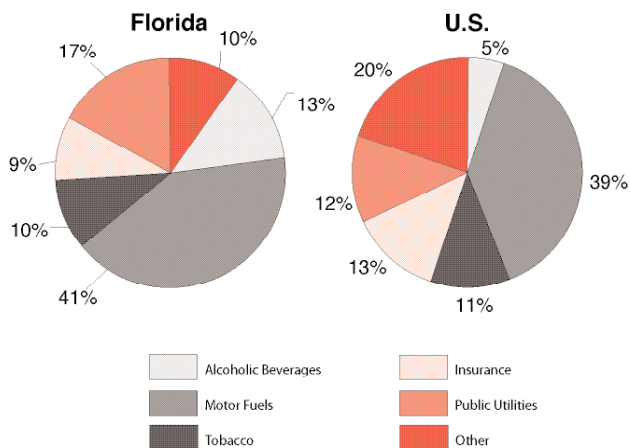
Source: U.S. Department of Commerce and Florida TaxWatch, March 2004.

Florida Has Second Largest Beverage Tax Collections in the Nation; Parimutuels Tax Collections Are Shrinking *(per capita dollars - FY 2002)*

Source	Florida	Rank	U.S. Average
Motor Fuels*	\$108.23	39	\$110.87
Utilities	\$46.04	15	\$33.76
Alcoholic Beverages	\$32.77	2	\$14.80
Tobacco	\$27.91	26	\$30.93
Insurance	\$24.79	45	\$38.66
Parimutuels	\$1.78	10	\$1.06

*Includes only state motor fuel taxes. When local taxes are considered, Florida's top gas tax rate is the highest in the nation.

Percent of Selective Sales Taxes Provided by Source *FY 2002*



Source: Florida TaxWatch and U.S. Department of Commerce, March 2004.

Floridians' License Tax Burden Has Changed Little In Five Years

Per Capita State License Taxes FY 2002

State	Dollars	State	Dollars
1. Delaware	\$966.54	26. Nebraska	\$113.21
2. Oklahoma	235.68	27. Vermont	112.39
3. Montana	219.34	28. New Jersey	111.43
4. Nevada	201.87	29. North Carolina	108.26
5. Wyoming	190.67	30. Mississippi	104.94
6. Iowa	176.99	31. Washington	103.94
7. South Dakota	174.83	32. West Virginia	96.93
8. Texas	173.46	33. Florida	93.15
9. Minnesota	172.11	34. New Mexico	92.39
10. Pennsylvania	166.48	35. Hawaii	89.81
11. Idaho	165.73	36. Alabama	88.04
12. California	162.12	37. Arkansas	86.69
13. North Dakota	162.10	38. Rhode Island	86.44
14. Illinois	151.82	39. Kansas	84.68
15. Tennessee	144.21	40. Missouri	82.06
16. Oregon	140.96	41. Maryland	79.87
17. Ohio	138.80	42. Massachusetts	77.89
18. New Hampshire	134.50	43. South Carolina	75.66
19. Kentucky	131.74	44. Virginia	74.41
20. Michigan	129.08	45. Utah	63.74
U.S. Average	122.06	46. Colorado	61.69
21. Wisconsin	119.64	47. Georgia	57.73
22. Connecticut	116.90	48. New York	54.29
23. Alaska	115.13	49. Arizona	49.60
24. Maine	114.90	50. Indiana	48.66
25. Louisiana	114.83		

Florida's 5-Year History

Rank

Dollars

% of U.S. Average

1999	33	\$94.88	88.7%
1999	33	\$96.12	88.7%
2000	36	\$94.17	80.6%
2001	35	\$94.60	82.0%
2002	33	\$93.15	76.3%

Source: U.S. Department of Commerce and Florida TaxWatch, March 2004.

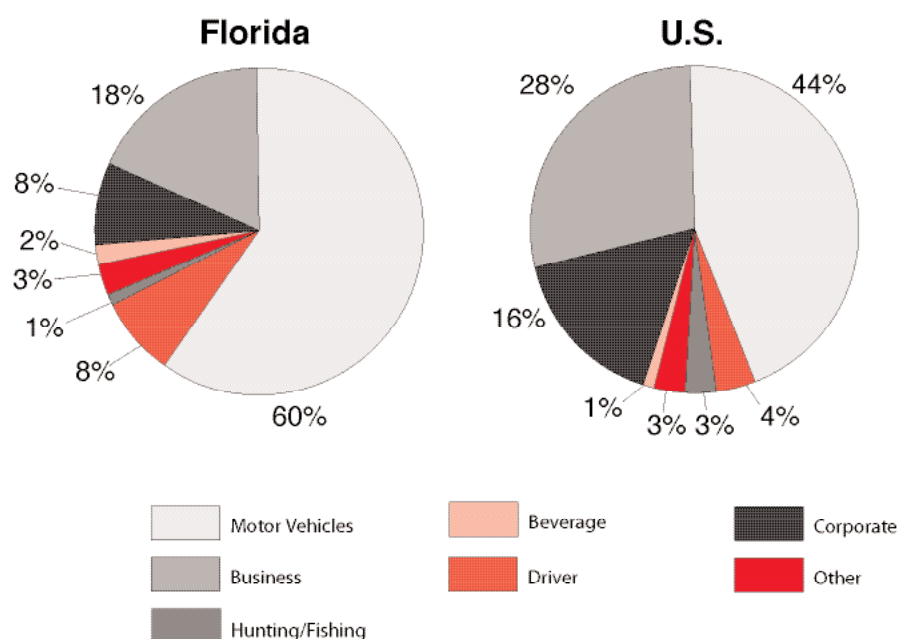
What Makes Up Florida's \$93.15 Per Capita License Tax Burden?

License

Motor Vehicle Tags	\$56.27
Business Licenses	\$16.86
Corporate Fees	\$7.67
Driver Licenses	\$7.26
Beverage Licenses	\$1.83
Hunting and Fishing Licenses	\$0.77
Other Licenses	<u>\$2.49</u>

TOTAL **\$93.15**

Percent of Total License Taxes by Source



Source: Florida TaxWatch and U.S. Department of Commerce, March 2004.

Florida's Per Capita Corporate Income Tax Collections Fall, But Not As Much as Nationally

Per Capita State Corporate Income Taxes FY 2002

State	Dollars	State	Dollars
1. Alaska	418.26	26. Maryland	65.85
2. Delaware	311.68	27. Arizona	63.46
3. New Hampshire	295.92	28. Nebraska	62.24
4. Michigan	205.49	29. Vermont	60.50
5. Illinois	183.61	30. Maine	59.77
6. California	151.87	31. Arkansas	59.42
7. New Jersey	128.20	32. Louisiana	58.99
8. Massachusetts	126.37	33. Idaho	57.24
9. West Virginia	122.18	34. Oregon	55.73
10. New York	117.86	35. Missouri	53.29
11. Indiana	108.32	36. South Dakota	53.28
12. Minnesota	108.13	37. South Carolina	52.91
13. Pennsylvania	97.16	38. Oklahoma	49.72
14. Wisconsin	95.86	39. Utah	47.92
U.S. Average	89.95	40. Colorado	45.54
15. Tennessee	86.76	41. Kansas	44.90
16. North Carolina	80.30	42. Connecticut	43.19
17. North Dakota	78.83	43. Virginia	42.31
18. Montana	74.96	44. Hawaii	42.28
19. Kentucky	73.82	45. Iowa	30.07
20. Florida	72.93	46. Rhode Island	26.43
21. Alabama	71.91	Nevada, Texas, Washington and Wyoming have no state corporate income tax. South Dakota's applies only to financial institutions.	
22. Mississippi	68.19		
23. New Mexico	67.02		
24. Ohio	66.63		
25. Georgia	66.36		

Florida's 5-Year History	Rank	Dollars	% of U.S. Average
1998	30	\$83.54	73.9%
1999	27	\$81.36	74.3%
2000	35	\$74.01	64.3%
2001	26	\$97.20	87.3%
2002	20	\$72.93	81.1%

Source: U.S. Department of Commerce and Florida TaxWatch, March 2004.

State Corporate Income Tax Rates 2004 Tax Rates



*Note: Michigan imposes a single business tax (or value added tax) of 1.9% on federal taxable income of the business, compensation paid to employees, dividends, interest, royalties paid and other items. Texas imposes a franchise tax of 4.5% of earned surplus.

Source: National Federation of Tax Administrators and Florida TaxWatch, January 2004

Florida is One of Seven States Without a Personal Income Tax

Per Capita State Personal Income Taxes FY 2002

State	Dollars	State	Dollars
1. New York	\$1,334.91	26. Michigan	\$609.45
2. Massachusetts	1,231.05	27. Vermont	607.28
3. Minnesota	1,084.67	28. Iowa	602.48
4. Connecticut	1,064.94	29. Indiana	574.90
5. Oregon	1,043.57	30. West Virginia	574.22
6. California	941.07	31. Montana	569.10
7. Virginia	920.10	32. Illinois	551.66
8. Wisconsin	914.07	33. Arkansas	549.15
9. Hawaii	892.92	34. Pennsylvania	545.98
10. Delaware	887.61	35. Alabama	534.90
11. North Carolina	873.21	36. New Mexico	529.84
12. Maryland	861.90	37. South Carolina	475.39
13. Maine	828.77	38. Louisiana	396.98
14. New Jersey	795.90	39. Arizona	383.15
15. Colorado	771.27	40. Mississippi	343.03
16. Rhode Island	769.84	41. North Dakota	314.76
17. Georgia	757.87	42. New Hampshire	56.02
18. Ohio	729.83	43. Tennessee	25.23
19. Utah	693.06		
20. Kansas	682.96		
21. Nebraska	687.05		
22. Kentucky	654.39		
23. Oklahoma	654.35		
U.S. Average	642.83		
24. Missouri	637.35		
25. Idaho	628.11		

Alaska, **Florida**, Nevada, South Dakota, Texas, Washington and Wyoming have no state personal income tax.

Florida's 5-Year History (calendar year)	Per Capita Pers. Income	Rank	% of U.S. Average
1998	\$26,161	21	97.3%
1999	\$26,978	20	96.8%
2000	\$28,366	21	95.3%
2001	\$29,048	21	95.5%
2002	\$29,596	23	95.7%

Source: U.S. Department of Commerce and Florida TaxWatch, March 2004.

Florida Has Nation's Largest Documentary Stamp and Stock Transfer Tax Collections

Per Capita Documentary Stamp and Stock Transfer Taxes FY 2002

State	Dollars	State	Dollars
1. Florida	\$113.73	23. Illinois	\$5.07
2. New Hampshire	76.93	24. North Carolina	4.24
3. Delaware	74.55	25. Nebraska	4.17
4. Washington	71.33	26. West Virginia	4.06
5. Minnesota	45.89	27. Iowa	3.68
6. Vermont	35.18	28. Oklahoma	2.72
7. Connecticut	33.99	29. Rhode Island	2.48
8. Virginia	29.23	30. Nevada	2.02
9. Massachusetts	28.39	31. Kentucky	0.81
10. Pennsylvania	27.78	32. South Dakota	0.19
11. New York	26.20		
12. Michigan	25.18	Alaska, Arizona, California,	
13. Tennessee	23.28	Colorado, Idaho, Indiana,	
14. Maryland	22.75	Kansas, Louisiana, Mississippi,	
U.S. Average	17.71	Missouri, Montana, New Mexico,	
15. New Jersey	16.56	North Carolina, North Dakota,	
16. Maine	14.76	Ohio, Texas, Utah and	
17. Wisconsin	9.41	Wyoming have no	
18. South Carolina	8.23	documentary stamp or	
19. Hawaii	8.09	stock transfer tax.	
20. Alabama	7.72		
21. Oregon	7.56	Note: Includes intangibles tax on	
22. Arkansas	7.04	mortgages and other realty transfer	
		or stock transfer taxes.	

Florida's 5-Year History	Rank	Dollars	% of U.S. Average
1998	2	\$81.40	632.1%
1999	1	\$91.88	630.3%
2000	1	\$90.07	601.3%
2001	1	\$93.97	599.3%
2002	1	\$113.73	642.2%

Source: U.S. Department of Commerce and Florida TaxWatch, March 2004.

Phase-Out of Intangibles Tax Leads to Steady Drop in Florida's Ranking

Per Capita State Property Taxes FY 2002

State	Dollars	State	Dollars
1. Vermont	\$785.48	26. South Carolina	\$3.10
2. New Hampshire	393.48	27. Virginia	2.82
3. Wyoming	288.70	28. North Dakota	2.17
4. Washington	240.14	29. West Virginia	2.12
5. Montana	199.57	30. Minnesota	1.82
6. Michigan	188.13	31. Ohio	1.62
7. Arkansas	179.66	32. Rhode Island	1.06
8. Kentucky	108.97	33. Indiana	0.67
9. Alaska	77.13	34. Mississippi	0.43
10. Arizona	60.34	35. New Jersey	0.38
11. California	55.57	36. Massachusetts	0.01
12. Nevada	51.81		
13. Maryland	49.98	Colorado, Connecticut, Delaware, Hawaii, Idaho, Iowa, New York, North Carolina, Oklahoma, Oregon, South Dakota, Tennessee, Texas and Utah have no state property taxes.	
14. Alabama	43.49		
15. Maine	37.19		
U.S. Average	32.89		
16. New Mexico	28.45		
17. Florida	25.59	Note: Florida's Constitution prohibits a state property tax except on intangible property such as stocks and bonds	
18. Kansas	20.10		
19. Wisconsin	18.85	Note: Florida's intangible tax on mortgages is included in the table on page 21.	
20. Louisiana	7.38		
21. Georgia	6.32		
22. Illinois	4.51		
23. Pennsylvania	4.13		
24. Nebraska	3.69		
25. Missouri	3.61		

Florida's 5-Year History	Rank	Dollars	% of U.S. Average
1998	8	\$64.71	167.0%
1999	9	\$61.70	153.7%
2000	13	\$47.72	121.9%
2001	16	\$30.47	83.2%
2002	17	\$25.59	77.8%

Source: U.S. Department of Commerce and Florida TaxWatch, March 2004.

Floridians' Per Capita Local Property Tax Burden Falls Just Below National Average

Per Capita Local Property Taxes FY 2000 (latest available local data)

State	Dollars	State	Dollars
1. New Jersey	\$1,716.88	26. Kansas	\$790.44
2. Connecticut	1,587.63	27. Michigan	784.48
3. New York	1,326.09	28. Montana	763.98
4. Rhode Island	1,296.35	29. Georgia	718.73
5. New Hampshire	1,257.37	30. Arizona	703.35
6. Maine	1,229.76	31. California	676.21
7. Massachusetts	1,203.71	32. Nevada	672.94
8. Illinois	1,164.08	33. Idaho	670.07
9. Alaska	1,142.96	34. South Carolina	664.88
10. Wisconsin	1,044.41	35. Washington	643.85
11. Texas	950.37	36. Vermont	619.85
12. Minnesota	926.14	37. Missouri	605.26
13. Indiana	912.47	38. Utah	583.61
14. Nebraska	902.72	39. North Carolina	572.42
15. Iowa	888.35	40. Mississippi	513.40
16. Maryland	859.75	41. Tennessee	507.49
17. Colorado	855.57	42. Hawaii	497.22
U.S. Average	848.07	43. Delaware	487.87
18. Virginia	840.77	44. West Virginia	471.01
19. Ohio	838.68	45. Louisiana	384.29
20. South Dakota	837.58	46. Oklahoma	377.46
21. Florida	834.43	47. Kentucky	329.76
22. Wyoming	832.78	48. New Mexico	321.93
23. North Dakota	817.10	49. Alabama	260.92
24. Oregon	815.11	50. Arkansas	180.98
25. Pennsylvania	810.12		

Florida's 5-Year History

Rank

Dollars

% of U.S. Average

1996	16	\$767.94	102.1%
1997	19	\$787.67	101.2%
1998	18	\$814.29	100.4%
1999	17	\$856.34	102.3%
2000	21	\$834.43	98.4%

Source: U.S. Department of Commerce and Florida TaxWatch, March 2004.

Florida's State Debt Burden Amounts to \$1,137 for Each Floridian

Per Capita State Debt Burden FY 2001 (latest available data)

State	Dollars	State	Dollars
1. Alaska	\$7,109.00	26. Oregon	\$1,847.84
2. Massachusetts	6,584.79	27. California	1,801.82
3. Connecticut	5,539.17	28. Virginia	1,801.18
4. Rhode Island	5,502.55	29. Louisiana	1,784.65
5. Delaware	4,879.01	30. Idaho	1,772.88
6. New Hampshire	4,454.24	31. Utah	1,765.24
7. Hawaii	4,320.01	32. Oklahoma	1,724.93
8. New York	4,212.16	33. Ohio	1,646.03
9. Vermont	3,793.82	34. Nevada	1,614.51
10. New Jersey	3,492.87	35. Pennsylvania	1,564.58
11. Maine	3,279.52	36. Indiana	1,390.23
12. Montana	3,027.24	37. Mississippi	1,335.48
13. South Dakota	2,822.84	38. Alabama	1,247.97
14. Wyoming	2,725.35	39. North Carolina	1,218.38
15. North Dakota	2,432.26	40. Florida	1,136.83
16. Illinois	2,415.95	41. Minnesota	1,128.16
17. South Carolina	2,353.60	42. Colorado	1,109.72
18. New Mexico	2,351.07	43. Arkansas	1,054.48
19. West Virginia	2,272.03	44. Nebraska	1,046.30
20. Wisconsin	2,251.61	45. Georgia	894.61
21. Maryland	2,165.13	46. Iowa	867.12
22. Washington	2,103.70	47. Kansas	808.24
23. Kentucky	2,051.50	48. Texas	786.85
U.S. Average	2,024.97	49. Arizona	699.25
24. Missouri	2,017.60	50. Tennessee	589.25
25. Michigan	2,010.20		

Florida's 5-Year History

Rank

Dollars

% of U.S. Average

1997	36	\$1,093.33	64.1%
1998	37	\$1,137.66	63.5%
1999	37	\$1,179.62	62.9%
2000	40	\$1,137.62	58.3%
2001	40	\$1,136.83	56.1%

Source: U.S. Department of Commerce and Florida TaxWatch, March 2004.

Business Pays Nearly Half of All State and Local Taxes in Florida

Share of Total State and Local Taxes Paid by Business FY 2003

State	Percent	State	Percent
1. Alaska	77.0%	26. Kansas	43.0%
2. Wyoming	69.0%	27. Michigan	41.0%
3. New Hampshire	64.0%	28. Colorado	41.0%
4. South Dakota	58.0%	29. Kentucky	41.0%
5. Louisiana	57.0%	30. New Jersey	41.0%
6. Texas	56.0%	31. Alabama	41.0%
7. Delaware	56.0%	32. New York	40.0%
8. Montana	55.0%	33. California	40.0%
9. North Dakota	54.0%	34. Pennsylvania	40.0%
10. Washington	54.0%	35. Idaho	40.0%
11. New Mexico	50.0%	36. Missouri	39.0%
12. Tennessee	50.0%	37. Ohio	39.0%
13. Florida	48.0%	38. Arkansas	39.0%
14. West Virginia	48.0%	39. Georgia	39.0%
15. Illinois	48.0%	40. Minnesota	38.0%
16. Vermont	47.0%	41. Massachusetts	38.0%
17. Nevada	47.0%	42. Hawaii	38.0%
18. Arizona	47.0%	43. Connecticut	37.0%
19. Maine	46.0%	44. Indiana	37.0%
20. Rhode Island	46.0%	45. Virginia	37.0%
21. Nebraska	45.0%	46. Wisconsin	37.0%
22. Mississippi	45.0%	47. North Carolina	36.0%
23. Oklahoma	44.0%	48. Oregon	35.0%
24. Iowa	43.0%	49. Utah	34.0%
25. South Carolina	43.0%	50. Maryland	32.0%
U.S. Average	43.0%		

Source: Council on State Taxation from Ernst & Young calculations, January 2004

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