



February 25, 2021

Mr. Thomas Smith
Census Bureau
4600 Silver Hill Rd
Washington, DC 20233

RE: *Federal Register* notice of January 15, 2021, for the Quarterly Summary of State and Local Government Tax Revenue (OMB Number: 0607-0112)

Dear Mr. Smith:

The Bureau of Economic Analysis (BEA) uses data collected by the Census Bureau on forms:

- F-71, Quarterly Survey of Property Tax Collections
- F-72, Quarterly Survey of State Tax Collections

BEA uses the information from these surveys to prepare the national income and product (NIPA) and regional accounts. As part of our effort to maintain and improve the quality of the source data used to prepare these accounts, BEA has reviewed the *Federal Register* notice of January 15, 2021, and has the following comments.

The data obtained through these forms are important to BEA for maintaining reliable estimates of state and local government personal current taxes and taxes on production and imports in the NIPAs. For annual NIPA state and local tax estimates, the quarterly data based on these forms are used to help convert Census State Government Tax Collections Survey data from a fiscal year basis to a calendar year basis.

For many quarterly NIPA state and local tax series, the data from these forms are seasonally-adjusted and used to determine the quarterly pattern of change. These data underlie NIPA estimates of state and local government receipts, disposable personal income (DPI), and gross domestic income (GDI). They are also used in preparing estimates of disposable personal income by state and of gross state product for the most recent year. See the attachment for the items used and how they are used in the NIPA and regional estimates.

We support the proposed changes to collect data on cannabis sales and license taxes and sports betting sales taxes. Additional detail about these tax collections will help us produce better estimates of state and local taxes on production in the national accounts and ensure that those taxes are recorded in the correct industries in the industry accounts.

Please keep BEA informed about any modifications to these forms. We are particularly interested in any modifications proposed during the forms' approval process that would substantially affect our use of these data. For additional information, please contact Tiffany

Burrell, Source Data Coordinator, on 301-278-9618 or by e-mail at Tiffany.Burrell@bea.gov. Should you need assistance in justifying this form to the Office of Management and Budget, please do not hesitate to contact BEA.

Sincerely,

DENNIS FIXLER

Digitally signed by DENNIS
FIXLER

Date: 2021.02.25 18:09:24 -05'00'

Dennis J. Fixler
Chief Economist

Attachment

Attachment

Items Used by BEA from Forms F-71 and F-72

Form	Item	BEA Use
F-71	1. Total Property tax by agency	1. Government Receipts
F-72	1. Property tax 2. General Sales tax 3. Fuel tax 4. Selective sales tax 5. License tax 6. Income tax	1. DPI- Total and by state 2. GDI- Total and by state 2. Personal current taxes 3. Taxes on production and imports