



February 18, 2021

Thomas Smith
U.S. Census Bureau
4600 Silver Hill Road
Washington, DC 20233

RE: *Federal Register* notice of January 27, 2021, for the U.S. Census Bureau's Annual Survey of State and Local Government Finances (OMB Number: 0607-0585)

Dear Mr. Smith:

The Bureau of Economic Analysis (BEA) strongly supports the continued collection of data by the Census Bureau's State and Local Government Finances surveys. The data collected are crucial to key components of BEA's economic statistics. Government Finances is a multi-instrument survey system that collects and produces a database of financial information for the 50 states and for all types of local governments. The survey forms used are:

- F-5, Annual Survey of State Government Tax Collections
- F-11, Locally-Administered Defined Benefit Plans
- F-12, State-Administered Defined Benefit Plans
- F-13, Finances of Insurance Trust Systems
- F-25, State Agencies
- F-28, County, Municipal, and Township
- F-29, Multi-Function Special Agencies
- F-32, Special Agencies
- F-42, School Building Agencies

BEA uses the information from these surveys to prepare the national income and product (NIPA) and regional accounts. More specifically, the data obtained through these forms are essential to BEA for maintaining reliable estimates of state and local government finances in the NIPAs. State and local governments currently account for about 11% of GDP, and the government finances data constitute the only systematic collection of financial data from which NIPA estimates and regional accounts can be constructed.

We support the changes, described in the Federal Register notice, to the Annual Survey of State Tax Collections (F-5) to add the collection of cannabis sales and license taxes, and sports betting sales taxes to the Annual Survey of State Tax Collections. The additional data collected for these taxes will help BEA produce and maintain reliable estimates of state and local government finances in the NIPAs.

Please continue to inform BEA about any proposed modifications to these forms, before the forms' final approval, as the Government Finances series of surveys plays a critical role in

BEA's local state and government sector. 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 these forms to the Office of Management and Budget, please do not hesitate to contact BEA.

Sincerely,

Dennis J. Fixler
Chief Economist

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BEA Uses of the Annual Survey of State and Local Government Finances

Form	Series Used	BEA Use
F-5	All	To prepare estimates of the state and local government sectors in the National Income and Product Accounts, and to prepare related Regional Accounts for states and local areas.
F-11	All	
F-12	All	
F-13	All	
F-25	All except assets and debt	
F-28	All except assets and debt	
F-29	All except assets and debt	
F-32	All except assets and debt	
F-42	All except assets and debt	