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**SEND A LETTER TO  
THE EDITOR**

The Platte Institute strongly believes in the importance of citizens participating in the public dialogue on issues important to Nebraska. Writing a letter to the editor is an outstanding

# PLATTE CHAT

## A Look at Where Nebraska's Tax Receipts Come From

With governments throughout the country beset by lagging tax receipts, now seems like an appropriate time to look at where revenues come from in Nebraska.

According to a report issued by the Tax Foundation earlier this month, Nebraska's state and local governments rely heavily on property taxes – which should not come as surprise to anyone living in the state.

In fiscal year 2007, Nebraska governments collected more than 33 percent of their revenue from property tax, which includes residential and commercial real estate as well as personal property taxes on cars, boats, etc. Nebraska's rate ranked 16<sup>th</sup> in the nation.

On the flip side, Nebraska received only eight percent of its tax receipts from selective sales taxes, which ranked 46<sup>th</sup> among all state.

way to partake in the discussion and have your voice heard by thousands of people. To make the process easier, the Platte Institute has assembled a list of links which allow you to submit a letter to the editor to nearly all Nebraska newspapers. Simply [CLICK HERE](#) for a listing of the newspapers and follow the appropriate link to submit your letter.

Selective sales taxes are those which are levied on items such as motor fuel, tobacco, insurance premiums, public utilities, amusements and alcoholic beverages.

The relatively low level of reliance on selective sales taxes as well as Nebraska's ranking of 23rd on dependence on general sales taxes (24 percent) has certainly played a large role in Nebraska faring somewhat better than most states during current economic struggles.

Nebraska received just three percent of its tax receipts from corporate income taxes in 2007, which was the 38<sup>th</sup> highest total and the Cornhusker State garnered eight percent of its receipts from licenses and other taxes, which ranks Nebraska as the 24<sup>th</sup> highest.

Below is a breakdown of how Nebraska's tax receipts for 2007 compared to bordering states in terms of dependence by category:

Property Taxes:

Wyoming	36.8%
South Dakota	34.2%
<b>Nebraska</b>	<b>33.5%</b>
Iowa	33.1%
Kansas	30.5%
Colorado	30.4%
Missouri	27.4%

General Sales Taxes:

South Dakota	40.6%
Wyoming	28.3%
Colorado	27.1%
Kansas	26.6%

Missouri	26.2%
<b><u>Nebraska</u></b>	<b><u>24.3%</u></b>
Iowa	21.2%

Selective Sales Taxes:

South Dakota	13.5%
Missouri	11.4%
Iowa	10.4%
Kansas	8.9%
Colorado	8.2%
<b><u>Nebraska</u></b>	<b><u>8.0%</u></b>
Wyoming	4.8%

Individual Income Taxes:

Missouri	27.0%
Colorado	25.8%
Iowa	25.1%
Kansas	24.2%
<b><u>Nebraska</u></b>	<b><u>23.2%</u></b>
South Dakota	0%
Wyoming	0%

Corporate Income Taxes:

Kansas	4.6%
South Dakota	3.2%
Iowa	3.0%
<b><u>Nebraska</u></b>	<b><u>3.0%</u></b>
Colorado	2.7%
Missouri	2.0%
Wyoming	0%

Licenses and Other Taxes:

Wyoming	30.1%
South Dakota	8.5%
<b><u>Nebraska</u></b>	<b><u>8.0%</u></b>
Iowa	7.2%
Missouri	6.1%
Colorado	5.9%
Kansas	5.3%

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