

# Tax and Budgets: 2022 and Beyond

**Morgan Scarboro**

Senior Director, Tax Policy  
[mscarboro@multistate.us](mailto:mscarboro@multistate.us)



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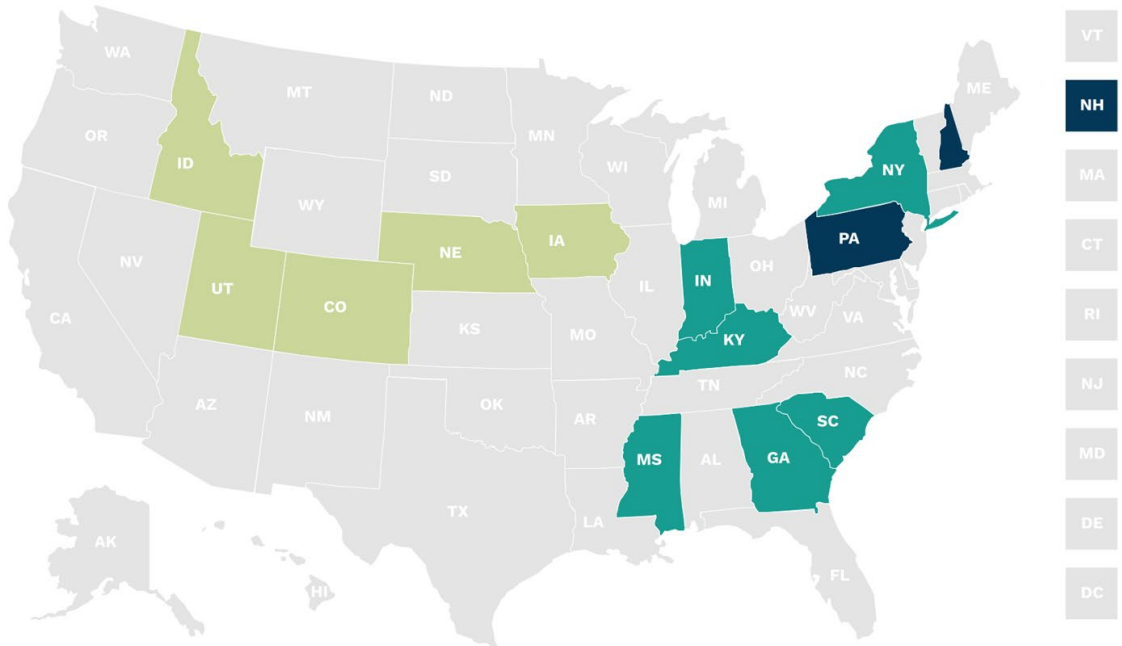
# Income Tax Cuts in 2022

## Which states passed income tax cuts in 2022?

■ Passed corporate income tax rate cut

■ Passed individual income tax rate cut

■ Passed corporate + individual tax rate cut



Source: MultiState and Tax Foundation for individual income tax data. Data as of November 2022

Note: Colorado cut the individual and corporate income tax rates via ballot measure.



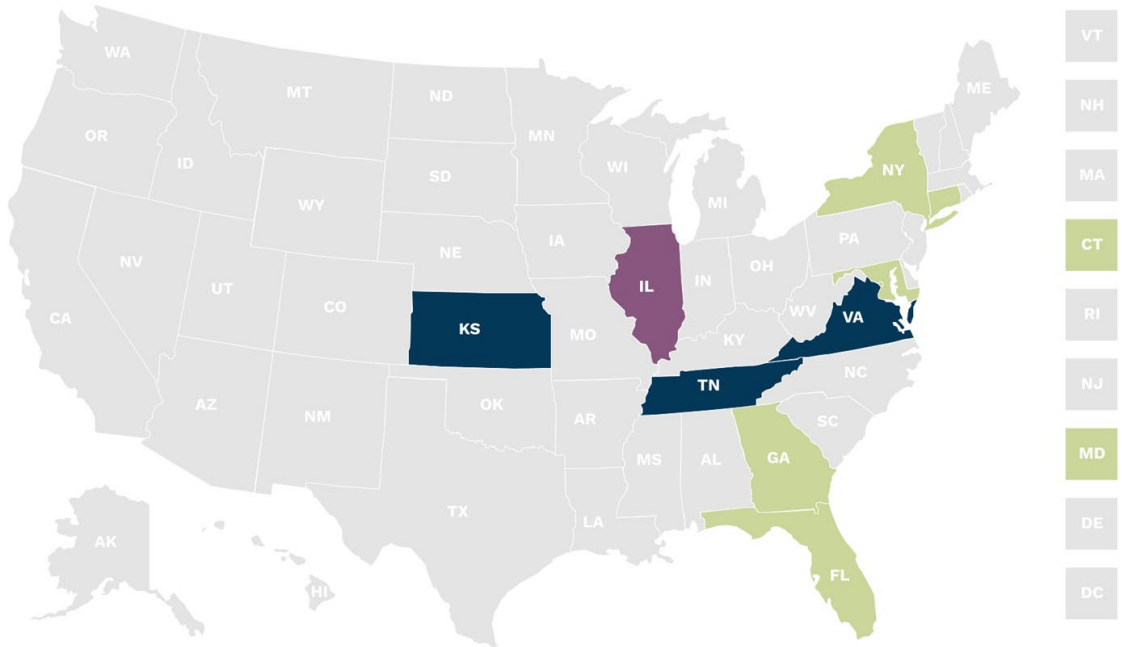
# New Sales Tax Exemptions and Gas Tax Holidays in 2022

Which states created new sales tax exemptions or gas tax holidays in 2022?

■ State exempted sales tax on groceries

■ Passed exemption for sales tax on groceries **and** gas tax holiday

■ State passed a gas tax holiday



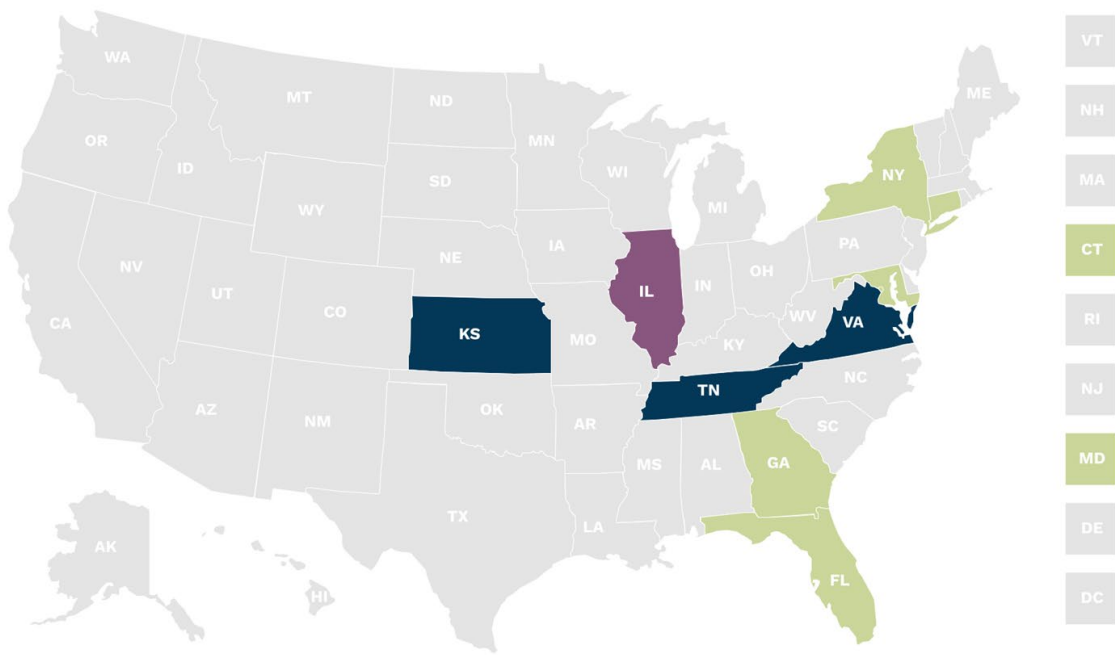
Source: MultiState. Data as of November 2022. Note: Illinois delayed its annual inflation adjustment to the gas tax.



# New Sales Tax Holidays and Rebate Checks in 2022

Which states created new sales tax exemptions or gas tax holidays in 2022?

- State exempted sales tax on groceries
- Passed exemption for sales tax on groceries **and** gas tax holiday
- State passed a gas tax holiday

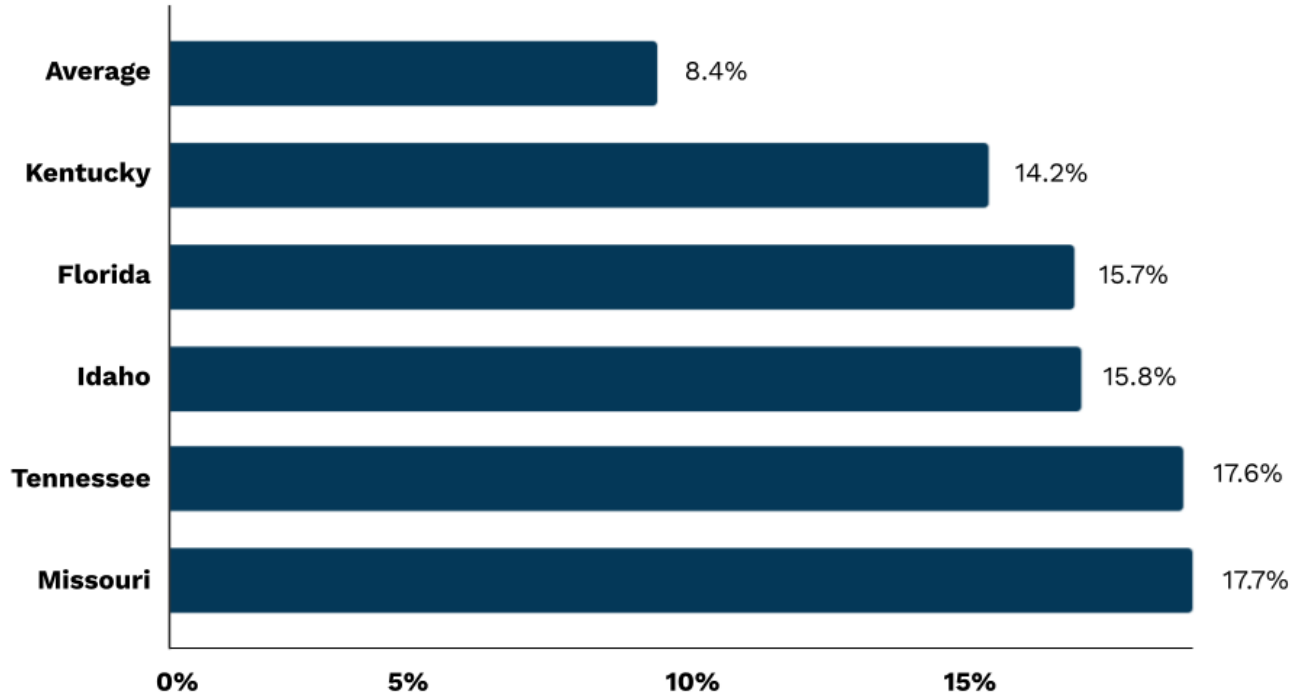


Source: MultiState. Data as of November 2022. Note: Illinois delayed its annual inflation adjustment to the gas tax.



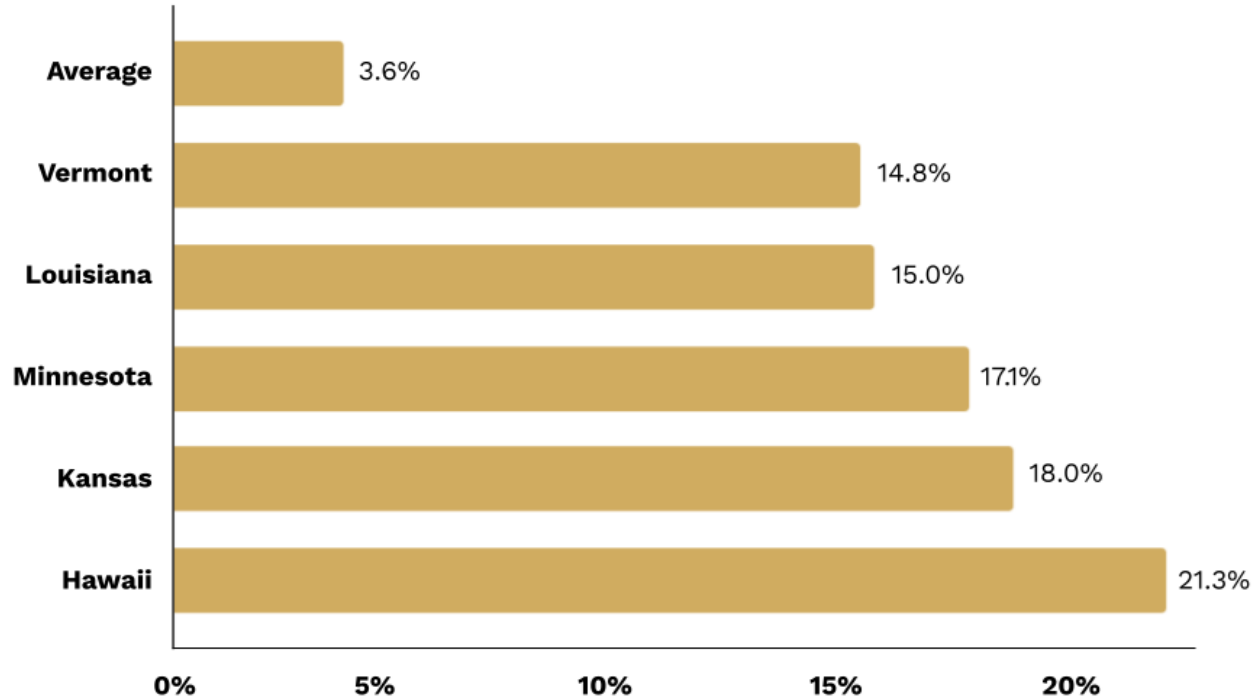
# State Revenues Reached Historic Levels

## Sales Tax Overperformance: FY 2022



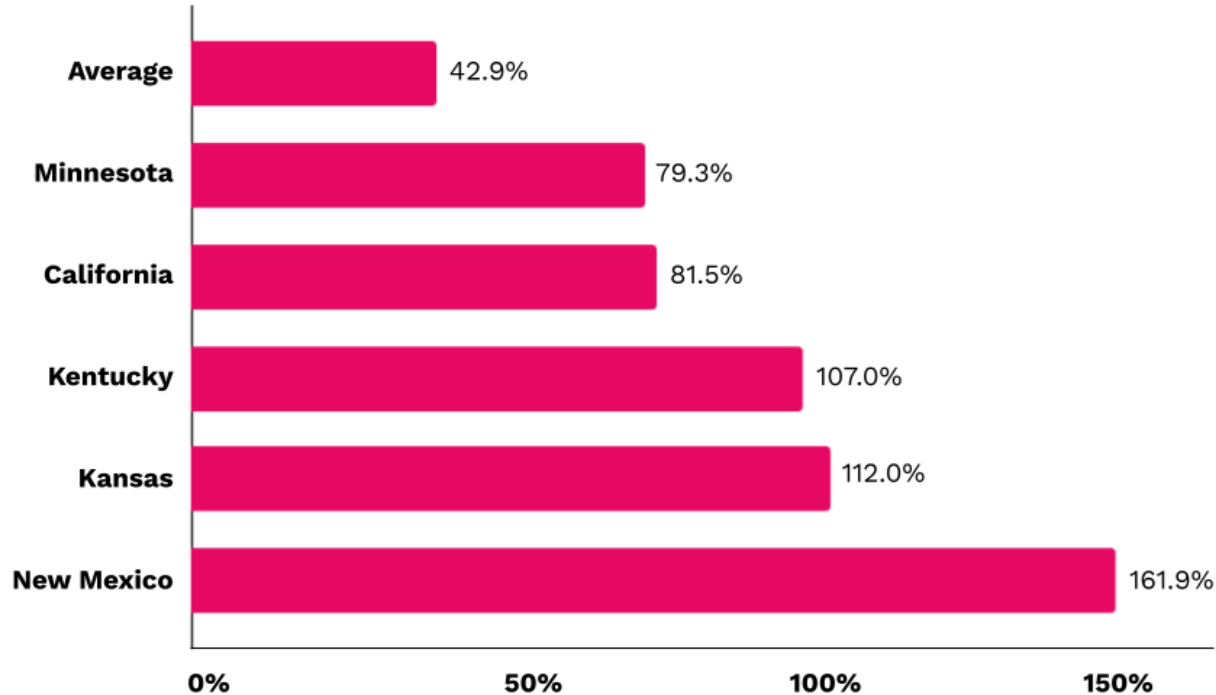
# State Revenues Reached Historic Levels

## Individual Income Tax Overperformance: FY 2022



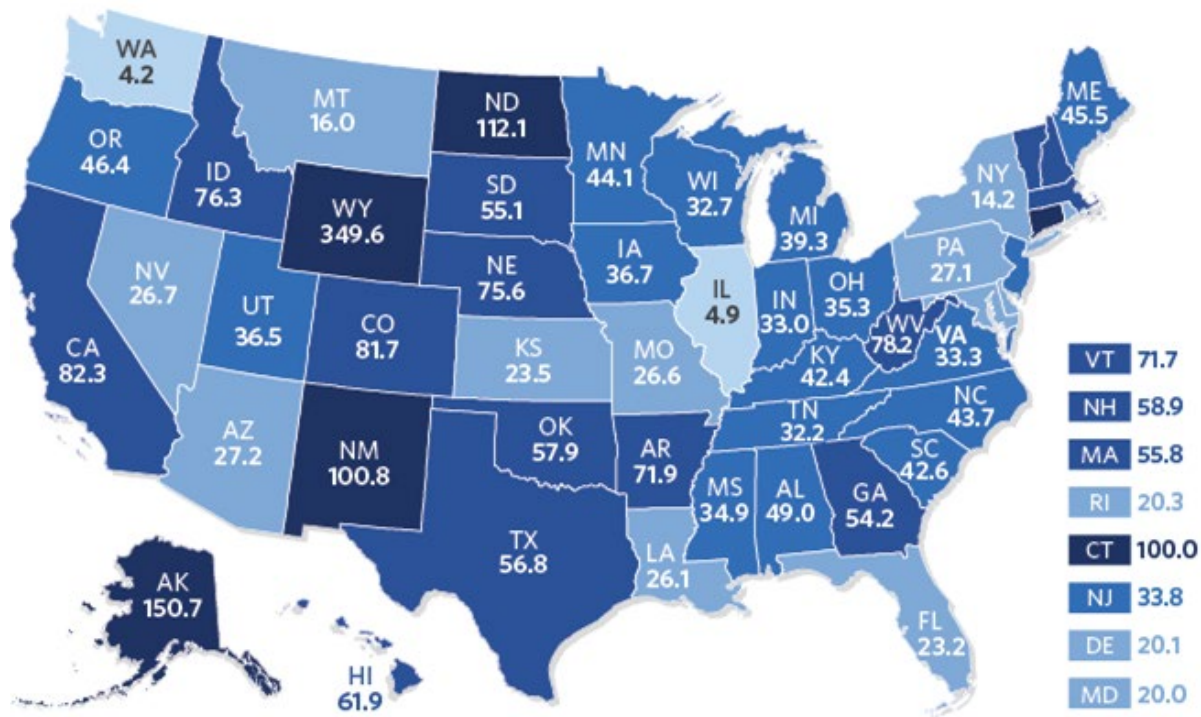
# State Revenues Reached Historic Levels

## Corporate Income Tax Overperformance: FY 2022



## Number of days each state could run on savings alone, FY 2022 estimates

# Rainy Day Funds Vary Widely by State



0 to 6.9 days    7 to 29.9 days    30 to 49.9 days  
50 to 99.9 days    100 days or more

**42.5** 50-state median

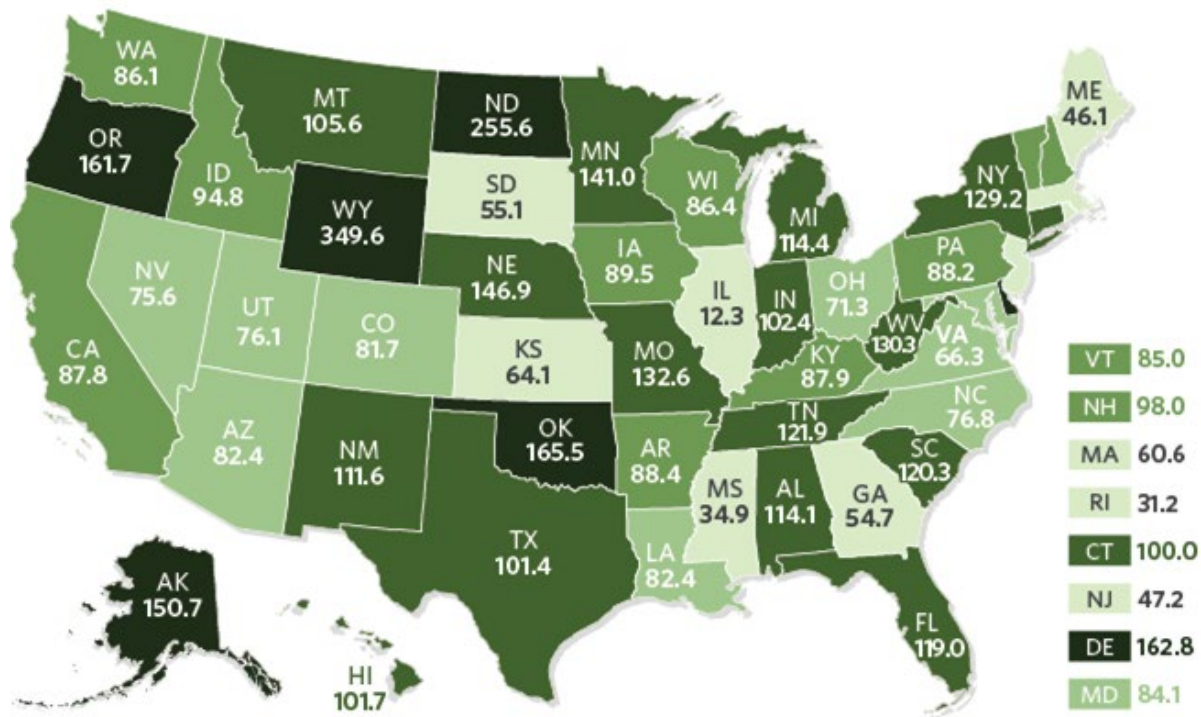
Note: Colorado and Illinois do not have a rainy day fund as defined by The Pew Charitable Trusts, despite balances reported within NASBO's surveys.

Source: Pew analysis of data from the National Association of State Budget Officers



Number of days each state could run on savings and ending balances, FY 2022 estimates

## Total Balances Vary by State



10 to 64.9 days    65 to 84.9 days    85 to 99.9 days  
100 to 149.9 days    150 days or more

**88.9** 50-state median

Source: Pew analysis of data from the National Association of State Budget Officers

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