ECONOMIC SNAPSHOT

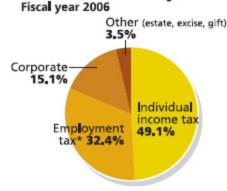
Individuals pay most of the federal taxes in Wisconsin

It is that time of year again
— tax time.

According to the Internal Revenue Service, over 2.6 million individual federal tax returns were filed by Wisconsin residents in 2006. Last year, the IRS collected \$34.9 billion in individual income and employment taxes from Wisconsin residents. Individuals paid 83.4 percent of all federal tax collections from Wisconsin, compared to 81.5% nationally. Corporate income taxes (\$6.1 billion) comprised 14.6 percent of total federal taxes from Wisconsin (15.1 percent nationally). The

remainder consisted of estate, gift and excise taxes. The total federal taxes from Wisconsin are equivalent to \$7,502 for every resident of the state of Wisconsin and compares to a national average of \$8,379

Federal taxes collected nationally



* Employment taxes include Social Security, Medicare, FICA, unemployment, SECA and railroad retirement taxes in federal taxes per capita.

In 2006, over 2 million Wisconsin residents received refunds from the IRS. That is equivalent to 79.2 percent of the total individual returns filed from Wisconsin. Refunds to Wisconsin individuals totaled \$3.9 billion or an average of \$1,860 per refund. The national average refund was \$2,246.

Nearly two-thirds of the individual returns filed from Wisconsin were filed electronically. Nationally, approximately half of the individual returns were efiled in 2006.

Part 1 of this month's series on taxes Next week: Where your taxes go

Economic Snapshot is a weekly feature provided by the Center for Community and Economic Development, University of Wisconsin Extension.

QUESTIONS: Contact Bill Pinkovitz, Center for Community and Economic Development, University of Wisconsin Extension at bill.pinkovitz@uwex.edu.



Tax data from the 2006 Internal Revenue Data Book can be downloaded free at: http://www.irs.gov/taxstats/index.html.