

Alabama Department of Revenue

News Release

Oct. 5, 2000

Record Year-End Collections Top \$6 Billion

Montgomery—The Alabama Department of Revenue closed out its 2000 fiscal year with record year-end collections set at \$6 billion, up 6.5 percent over last year's collections of \$5.7 billion, announced State Revenue Commissioner Michael L. Patterson.

“Fiscal 2000 was a record-setting year for the department, marking the most successful collection-year ever in the history of the Revenue Department,” said Patterson.

In releasing the September 2000 Revenue Abstract, a detailed fiscal year compilation of the various state taxes collected by the department, Patterson noted collection totals for several tax categories. The larger revenue-producers topped the list. Individual income tax collections topped out at \$2,409,067,980, up almost 8 percent over collections in 1999. Corporate income tax collections also showed a marked increase at \$258 million, up 2.32 percent over last year's collections.

State sales tax collections, the state's second largest revenue producer, showed a moderate increase, closing out the year at \$1,530,050,363, up 3 percent over last year's collections. Paralleling the sales tax increase was the use tax. Use tax collections totaled \$187,079,976, up 3 percent over last year's collections of \$181,489,276.

On the consumer front, taxes such as rental, motor fuels, and lodgings recorded increases. Rental and lodgings taxes showed the healthiest increases, up 6.09 percent and 6.03 percent, respectively. Rental tax collections totaled \$63,873,517 for the 2000 fiscal year, with the increase in collections being driven by the popularity and convenience of consumer leasing options, such as automobile, computer systems, etc., as well as greater use of broadened lease options of other consumer products. Lodgings tax collections totaled \$28,362,390 for fiscal 2000, compared to \$26,749,585 in 1999.

—MORE—

Record Year-End Collections Top \$6 Billion
Add One
Oct. 5, 2000

Gasoline tax collections held steady this year at \$384,976,107, up less than one-half percent over last year's collections of 383,277,757. Motor fuels (diesel) tax collections reported a higher percentage increase at 5 percent, with year-end collections at \$120,873,767.

Alabama's utility gross receipts tax collections closed out the year at record collections of \$294,468,857, up 5.62 percent over last year's collections of \$278,810,165. Department analysts speculate that weather conditions favorable to increased utility consumption were the basis of the gain.

The cellular radio telecommunications services tax, a relative newcomer to the tax portfolio, continued with its consistency in producing increased collections. Collections for 2000 totaled \$27,861,226, up 22.65 percent over last year's collections of \$22,716,447.

Alabama's financial institutions' excise tax closed out the year at \$24,999,612, up 7.54 percent over the \$23,247,274 collected in 1999

Compared to past years when collections lagged, oil and gas privilege and production tax revenues bumped comparison percentages up impressively some 81 and 78 percent, respectively. Oil and gas privilege tax collections closed the year out at \$50,305,393, compared to \$27,794,294 collected in 1999. Impressive increases continued with the production taxes. Fiscal year 2000 collections totaled \$18,035,660 compared to \$10,104,630 collected in 1999. Supply and demand factors, coupled with higher market prices, contributed to the marked increase in the oil and gas severance taxes.

All taxes collected by the department are earmarked for specific state and local government funds.