

Online tool shows COVID-19 impact on sales tax

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Three Georgia regions experienced double-digit declines in sales tax distributions in the June quarter during the coronavirus pandemic, according to an online interactive data tool created by Georgia State University's Fiscal Research Center (FRC).

The tool allows users to explore year-over-year changes in sales tax distributions at the county, regional or state level—by commodity—from January 2016 through June 2020. The sales tax data, provided by the Georgia Department of Revenue, will be updated monthly.

"Illustrating the effects of the coronavirus slowdown in the [second quarter](#), the tool shows eight of the 12 planning regions of the state saw declines in sales tax distributions compared to the same period a year earlier. Three of them experienced declines of more than 10 percent," said economist Robert Buschman, associate director of the FRC.

Sales taxes account for a significant share of revenues for [local governments](#) and schools, providing a useful measure of economic strength. Many governments use data on sales tax distributions to plan their annual budgets.

Policymakers, government leaders and other users can use this tool to gain a better understanding of the level of sales activity in a county, region or statewide at a granular scale.

"For most governments, [sales taxes](#) are not only an important revenue source, they also serve as an indicator of economic vitality," Buschman said.

He developed the tool with FRC research associate Chris Thayer.

More information: Access the FRC's sales tax distribution tool online at <https://frc.gsu.edu/georgia-sales-tax-distributions/>.

Provided by Georgia State University

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