

TABLE 1. STATE IMPOSED TAXES AS A PERCENTAGE OF GROSS STATE PRODUCT

Fiscal year	Gross state product * [current dollars] [calendar year basis]		State imposed taxes [July - June (fiscal year basis)]				State imposed taxes as percent of gross state product
	Amount [\$]	Percent change %	General tax amount [\$]	Unemployment tax amount [\$]	Total tax amount [\$]	Percent change	
1990-1991...	140,272,000,000	4.18%	7,823,742,362	238,802,899	8,062,545,261	1.03%	5.75%
1991-1992...	146,502,000,000	4.44%	8,623,278,831	287,573,871	8,910,852,702	10.52%	6.08%
1992-1993...	159,245,000,000	8.70%	9,352,031,265	240,911,191	9,592,942,456	7.65%	6.02%
1993-1994...	167,200,000,000	5.00%	10,090,021,534	213,482,978	10,303,504,512	7.41%	6.16%
1994-1995...	179,574,000,000	7.40%	10,998,266,033	146,886,610	11,145,152,643	8.17%	6.21%
1995-1996...	191,579,000,000	6.69%	11,437,419,807	166,869,206	11,604,289,013	4.12%	6.06%
1996-1997...	201,329,000,000	5.09%	12,322,659,335	286,139,389	12,608,798,724	8.66%	6.26%
1997-1998...	228,864,000,000	13.68%	13,292,313,251	327,929,720	13,620,242,971	8.02%	5.95%
1998-1999...	242,870,000,000	6.12%	14,207,776,552	385,286,674	14,593,063,226	7.14%	6.01%
1999-2000...	257,604,000,000	6.07%	14,764,555,772	322,387,404	15,086,943,176	3.38%	5.86%
2000-2001...	274,306,000,000	6.48%	15,060,521,397	363,694,451	15,424,215,848	2.24%	5.62%
2001-2002...	287,281,000,000	4.73%	15,047,708,303	607,603,987	15,655,312,290	1.50%	5.45%
2002-2003...	301,254,000,000	4.86%	15,274,873,627	398,632,751	15,673,506,378	0.12%	5.20%
2003-2004...	315,456,000,000	4.71%	16,192,608,072	843,899,596	17,036,507,668	8.70%	5.40%
2004-2005...	336,398,000,000	6.64%	17,951,338,614	1,109,594,315	19,060,932,930	11.88%	5.67%

* Discontinuity exists in the GSP series beginning with 1997 when the data basis changed from SIC industry definitions to NAICS industry definitions. Data discontinuity may affect both the levels and computed growth rates of the GSP estimates.

State imposed taxes include all taxes imposed under Chapter 105 of the Revenue Laws of North Carolina including the 3% highway use tax, 3% motor vehicle lease tax, 3% motor vehicle tax, 3% motor vehicle lease tax, motor fuels taxes (including gasoline and oil inspection fees), related taxes imposed under other statutes, and payroll (unemployment insurance) taxes imposed under Chapter 96 of the North Carolina General Statutes. State imposed tax collections are net collections before deduction of local shares, certain reimbursements to local governments, and transfers to special funds.

Sources: Bureau of Economic Analysis. *Gross State Product Data Table*, Comprehensive Revision of Gross State Product (GSP), Accelerated GSP Estimates for 2004, released October 26, 2005.

North Carolina Employment Security Commission. Unemployment taxes

Figure 1.1 North Carolina Gross State Product Compared to State Tax Revenue

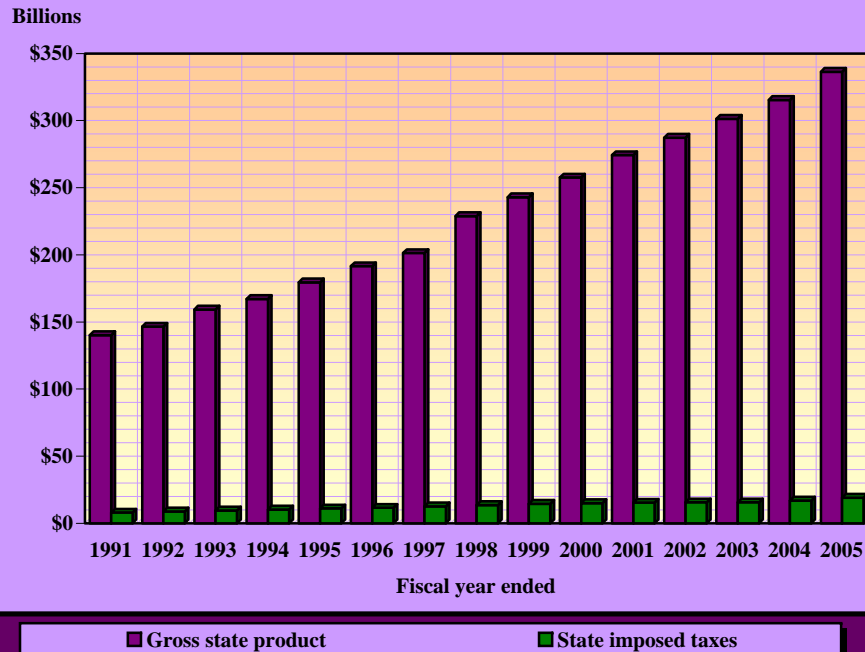


Figure 1.2 State Imposed Taxes as a Percentage of Gross State Product

