

**Table 9.39-- STATE AND LOCAL SALES TAX REVENUE LOSSES FROM E-COMMERCE FOR THE UNITED STATES AND HAWAII: 2003 AND 2008**

[In millions of dollars unless otherwise specified. Estimates of losses due to jurisdiction's inability to collect taxes on sales via the Internet. See source for discussion of assumptions]

Tax revenue losses	Low-growth scenario		High-growth scenario	
	Total	New 1/	Total	New 1/
2003				
Total state and local				
U.S. (including Dist.of Columbia)	15,455.8	8,148.0	16,106.1	8,473.6
Hawaii	112.6	59.4	117.3	61.7
2008				
Total state and local	21,535.6	11,801.8	33,677.8	17,872.9
State	17,800.1	(X)	27,835.7	(X)
Local	3,735.4	(X)	5,841.4	(X)
Hawaii state and local	157.0	86.0	245.5	130.3
State	157.0	(X)	245.5	(X)
Local	-	(X)	-	(X)
State (as percent of total 2003 collections)				
U.S. (excluding Dist. of Columbia)	3.3	(X)	5.2	(X)
Hawaii	4.4	(X)	6.9	(X)

X Not applicable.

1/ Estimates tax revenue losses due to untaxed sales that would not have occurred except for the Internet.

Source: Donald Bruce and William F. Fox, "State and Local Sales Tax Revenue Losses from E-Commerce: Estimates as of July 2004," Center for Business and Economic Research, College of Business Administration, University of Tennessee <<http://cber.bus.utk.edu/ecomm/Ecom0704.pdf>> accessed February 8, 2005; and calculations by Hawaii Department of Business, Economic Development & Tourism.