

Table 9.41-- STATE AND LOCAL SALES AND USE TAX REVENUE LOSSES FROM E-COMMERCE FOR HAWAII AND THE UNITED STATES: 2007 TO 2012

[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]

Category	Baseline			Optimistic 1/		
	Due	Collections	Losses	Due	Collections	Losses
2007						
Total state and local						
Hawaii	149.5	111.4	38.2	149.5	111.4	38.2
U.S. (incl. Dist.of Col.)	29,176.8	21,931.2	7,245.6	29,176.8	21,931.2	7,245.6
2008						
Total state and local						
Hawaii	159.4	118.7	40.7	159.8	119.0	40.8
U.S. (incl. Dist.of Col.)	31,112.6	23,386.3	7,726.3	31,190.6	23,444.9	7,745.7
2009						
Total state and local						
Hawaii	143.4	106.8	36.6	154.8	115.3	39.5
U.S. (incl. Dist.of Col.)	27,992.3	21,040.8	6,951.4	30,212.3	22,709.6	7,502.7
2010						
Total state and local						
Hawaii	177.9	132.5	45.4	204.7	152.4	52.2
U.S. (incl. Dist.of Col.)	34,713.2	26,092.7	8,620.4	39,945.1	30,025.4	9,919.7
2011						
Total state and local						
Hawaii	209.2	155.8	53.4	233.6	174.0	59.6
U.S. (incl. Dist.of Col.)	40,815.2	30,679.5	10,135.8	45,596.1	34,273.1	11,323.1
2012						
Total state and local						
Hawaii	235.1	175.1	60.0	261.0	194.4	66.6
U.S. (incl. Dist.of Col.)	45,876.6	34,483.9	11,392.7	50,937.9	38,288.3	12,649.6

1/ Forecasts a higher growth rate of the economy and of resulting internet sales.

Source: Donald Bruce, William F. Fox, William B. Stokely and LeAnn Luna, "State and Local Government Sales Tax Revenue Losses from Electronic Commerce" (April 13, 2009) Center for Business and Economic Research, College of Business Administration, University of Tennessee
<http://cber.bus.utk.edu/ecomm/ecom0409.pdf> accessed September 1, 2011; and calculations by Hawaii Department of Business, Economic Development & Tourism.