

WISCONSIN'S ECONOMIC OUTLOOK

Wednesday, October 5



SECRETARY
PETER BARCA



CHIEF ECONOMIST
JOHN B. KOSKINEN



SR. ECONOMIST
EMILY CAMFIELD



DOA.WI.GOV



Mission

Strengthen Wisconsin through fair tax and lottery administration, while educating and serving the public, our customers and communities.

Vision

To be the premier agency in providing innovative, accessible resources, and exceptional customer service built on a foundation of trust, inclusivity and creativity.

Values

- Integrity
- Innovation
- Inclusivity
- Knowledge
- Empathy
- Security



Wisconsin Business & Economic Roundtable

Wisconsin Department of Revenue | Secretary Peter Barca

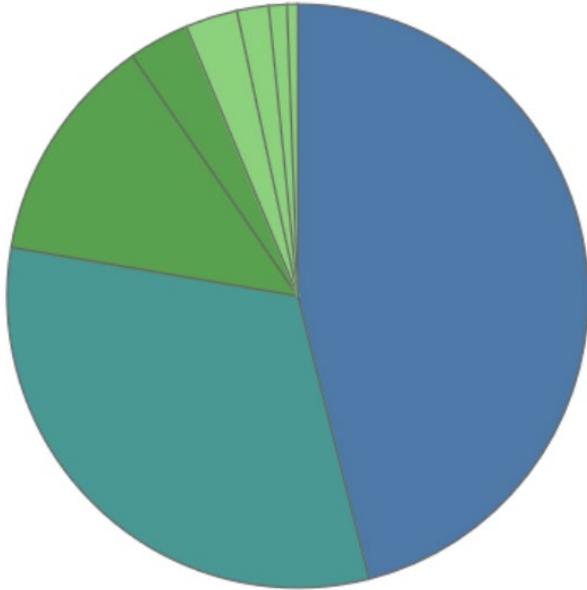
Wisconsin Department of Administration Office of Business Development Series

September 29, 2022

Fiscal state of the state - strongest in a half century

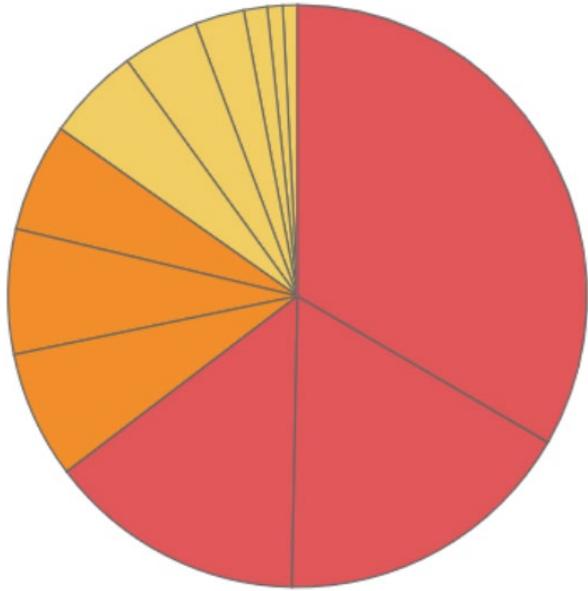
- ▷ Major tax relief
- ▷ Tax rate drop amongst the largest in the nation
- ▷ Equalized values breaking records
- ▷ Lottery credit highest ever in its 33-year history
- ▷ Best fiscal position in a half century
- ▷ Main Street and infrastructure investments

FY 2021 General Fund Revenue = \$20.2 billion



| Tax/Program | Amount | % of Total |
|---------------------------|-----------|------------|
| Individual Income Tax | \$9,283M | 46.1% |
| General Sales & Use Tax | \$6,374M | 31.6% |
| Corporate Income Tax | \$2,560M | 12.7% |
| Excise Taxes | \$678M | 3.4% |
| Departmental Revenues | \$586M | 2.9% |
| Public Utility Taxes | \$356M | 1.8% |
| Insurance Companies Pre.. | \$202M | 1.0% |
| Miscellaneous Taxes | \$120M | 0.6% |
| Grand Total | \$20,158M | 100.0% |

FY 2021 General Fund Expenditures = \$19.3 billion



| Tax/Program | Amount | % of Total |
|-----------------------------|--------------------|---------------|
| School Aids | (\$6,437M) | 33.4% |
| Medical Assistance | (\$3,267M) | 16.9% |
| All Others | (\$2,773M) | 14.4% |
| State Property Tax Relief | (\$1,367M) | 7.1% |
| Correctional Services | (\$1,339M) | 6.9% |
| UW System | (\$1,162M) | 6.0% |
| Transfers | (\$1,012M) | 5.2% |
| Shared Revenue | (\$826M) | 4.3% |
| WI Technical College Syst.. | (\$529M) | 2.7% |
| Community Aids | (\$252M) | 1.3% |
| Individual Tax Relief | (\$166M) | 0.9% |
| State Supplement to SSI | (\$158M) | 0.8% |
| Grand Total | (\$19,288M) | 100.0% |

Tax Relief

One of the largest tax cuts in Wisconsin state history:

- ▷ \$2 billion in individual income tax relief over the biennium
- ▷ 2.4 million filers receiving tax relief when combined with the tax rate cuts in 2021 WI Act 1
- ▷ Median family of 4 will enjoy over \$800 in annual tax relief beginning tax year 2021 – from this budget along with cuts in 2019 WI Act 9 and 10.
- ▷ Combined with the tax rate cut, wage earners are keeping more of their paychecks each month

With all tax cuts Governor Evers signed into law, **86 percent of Wisconsin taxpayers** see a **15 percent income tax cut**.

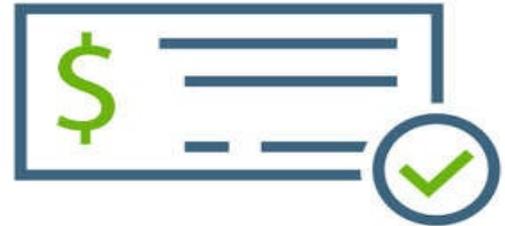
Other tax relief

- ▷ Ongoing tax relief of \$1 billion annually
- ▷ 2/3 funding for education means property tax relief
- ▷ \$72 million over the biennium in Tech College property tax relief
- ▷ Child and dependent care tax credit claimers will be able to claim 50% of the federal credit for WI purposes
- ▷ Exempts all "active-duty" income



Withholding Table updates

- ▷ Withholding tables change effective January 1, 2022
- ▷ Combined with the tax rate cut, wage earners are keeping more of their paychecks each month



Governor Evers new plan to cut taxes

Helps working families afford rising costs and reduce barriers to employment

- ▷ 10% tax cut for working families
- ▷ Increase Homestead Credit income limit to \$35,000 and index
- ▷ Expand Veterans and Surviving Spouse eligibility to 70% disability
- ▷ Eliminate gasoline minimum mark-up law
- ▷ Cap cost-sharing of insulin at \$35
- ▷ Caregiver tax credit of up to \$500
- ▷ Expand Child and Dependent Care Credit to 100% of federal credit

- ▷ In 2019, Wisconsin ranked 23rd in total state and local taxes as a percentage of personal income
- ▷ In 1999, Wisconsin ranked 4th
 - Decline is due, in part, to growth in the economy and personal income
 - Also due to the drop in individual income taxes and property taxes as a share of income
 - Recently enacted tax cuts in the budget may further improve the ranking

Wisconsin's drop in
tax rank among
nation's largest

Wisconsin Public Schools ranked 8th in nation

- Wisconsin ranks 5th for quality
- Wisconsin ties with Minnesota for the highest median SAT score
- Wisconsin's pupil-to-teacher ration is 15:1, lower than the U.S. average

Equalized Values breaking records

- ▷ The 2022 report indicates that the increase was approximately 14%
- ▷ Largest increase since 1979
- ▷ Largest market value increase on record
- ▷ New construction values increased by \$11.6 billion (2%) while market value increased by \$77.3 billion (12%).
- ▷ Residential market value experienced a robust increase of 15%

Wisconsin Lottery

On a roll for homeowners



- ▷ In 2021, Lottery and Gaming Credit found on property tax bills was 38 percent higher than in 2020
- ▷ \$229 average credit to homeowners in 2021
- ▷ \$166 average credit to homeowners in 2020
- ▷ Highest amount ever certified for distribution in the Lottery's 33-year history
- ▷ Overall, \$343.6 million available 2021. In 2020, that figure was \$237 million.

State fiscal health is strongest in a half century

- FY22 Revenue collections ended \$1.6 billion above estimates. On track to close FY 23 with a \$5 billion surplus
- On track to close FY22 with highest-ever positive GAAP balance in state history at more than \$4.4 billion
- \$1.7 billion sitting in our 'rainy day' fund, the highest it's ever been and is at capacity

State fiscal health is strongest in a half century

Bond Rating Upgrade:

- ▷ Upgraded to AAA from AA+ by Kroll
- ▷ Upgraded to AA+ from AA by S&P
- ▷ **First AAA rating since 1982**

| Bond Rating | | | |
|-------------|----------|----------------|------------|
| Moody's | S&P | Grade | Risk |
| Aaa | AAA | Investment | Lowest |
| Aa | AA | Investment | Low |
| A | A | Investment | Low |
| Baa | BBB | Investment | Medium |
| Ba,B | BB,B | Non Investment | High |
| Caa/Ca/C | CCC/CC/C | Non Investment | Highest |
| C | D | Non Investment | In Default |

BADGER BOUNCEBACK

Through federal pandemic aid the Evers administration:

- Supported more than 100,000 small businesses, and nearly 3,000 of which have opened new storefronts on Main Streets across our state
- Directed \$100 million to support Wisconsin farmers through our Farm Support Program. In one round alone, we helped more than 20,000 farmers in more than half of Wisconsin's 72 counties

\$1 billion in direct support for

▷ small businesses

▷ farmers

▷ tourism, lodging and entertainment industries

#1 in the nation for
returning funds back to
the people

Gov Evers Main Street BounceBack

- ▷ Governor Evers announced \$100 million in grants
- ▷ \$10,000 grants to locate in vacant commercial spaces
- ▷ New and existing business and nonprofits
- ▷ Grants made in all 72 counties
- ▷ Program extended until 12/31/2022



For more info: wedc.org

Work left to do after Budget

- ▷ Economic Development
 - \$200 million to assist small businesses with retaining and rehiring employees
 - \$100 million venture capital fund of funds to spur long-term growth across the state
- ▷ Personal Property Tax repeal
 - Left \$200 million in budget for the repeal
 - Drafted bill that reduces litigation risk and funds local governments
- ▷ Badger Care
 - Provide coverage to tens of thousands of uninsured Wisconsinites – a savings of **\$630M** in state dollars
- ▷ Workforce Housing \$500 million bonding

Infrastructure investments pay dividends



Governor Evers and our administration:

Transportation

- Secured \$105 million reallocated from other states to invest back into our infrastructure because we kept all 375 transportation projects for 2020 on track
- Improved more than 1,700 miles of highways and 1,250 bridges over the last three years
- Fixed highways end to end, would just about extend from Platteville to Denver and back

Broadband

- Directed \$105 million of our federal funds to expand reliable, affordable high-speed internet
- These funds alone—which included the largest single round of broadband funding in state history—are projected to give new or improved broadband access to more than 110,000 Wisconsinites in nearly 50,000 homes as well as almost 2,200 businesses

We protect against fraud, and you can too

Use Federal and State Identity Protection (IP) PINs

- ▷ The federal IP PIN at [irs.gov](https://www.irs.gov) and Wisconsin IP PIN at revenue.wi.gov help prevent unauthorized persons from using taxpayer personal information to fraudulently file tax returns in their names.

Be alert

- ▷ A call, email or message received without first receiving a letter from DOR is a red flag for a phishing scam or other fraud. **We send letters first.**

Be proactive

- ▷ Keep firewall, malware and anti-virus software up to date
- ▷ Encrypt tax and other sensitive records stored on electronic devices
- ▷ Use strong, unique passwords for online tax preparation accounts and two-factor authentication.
- ▷ Never send tax information through unencrypted email or a public Wi-Fi connection
- ▷ Choose reputable tax preparers
- ▷ File electronically



Business Development and Government Relations

Research and Policy Division

- ▷ DOR compiles local, state, and federal economic and tax data
- ▷ Review most bills introduced to the legislature and provide fiscal estimates
- ▷ Dozens of reports, the Wisconsin Economic Outlook, Interactive Data Visualizations: [DORViz.wi.gov](https://www.dor.wisconsin.gov/reports-and-publications/interactive-data-visualizations)



Thanks!
Any questions?



DORSecretary@wisconsin.gov

Wisconsin Recovery: Growth After the Pandemic

Wisconsin's Economic Outlook: Challenges & Opportunities

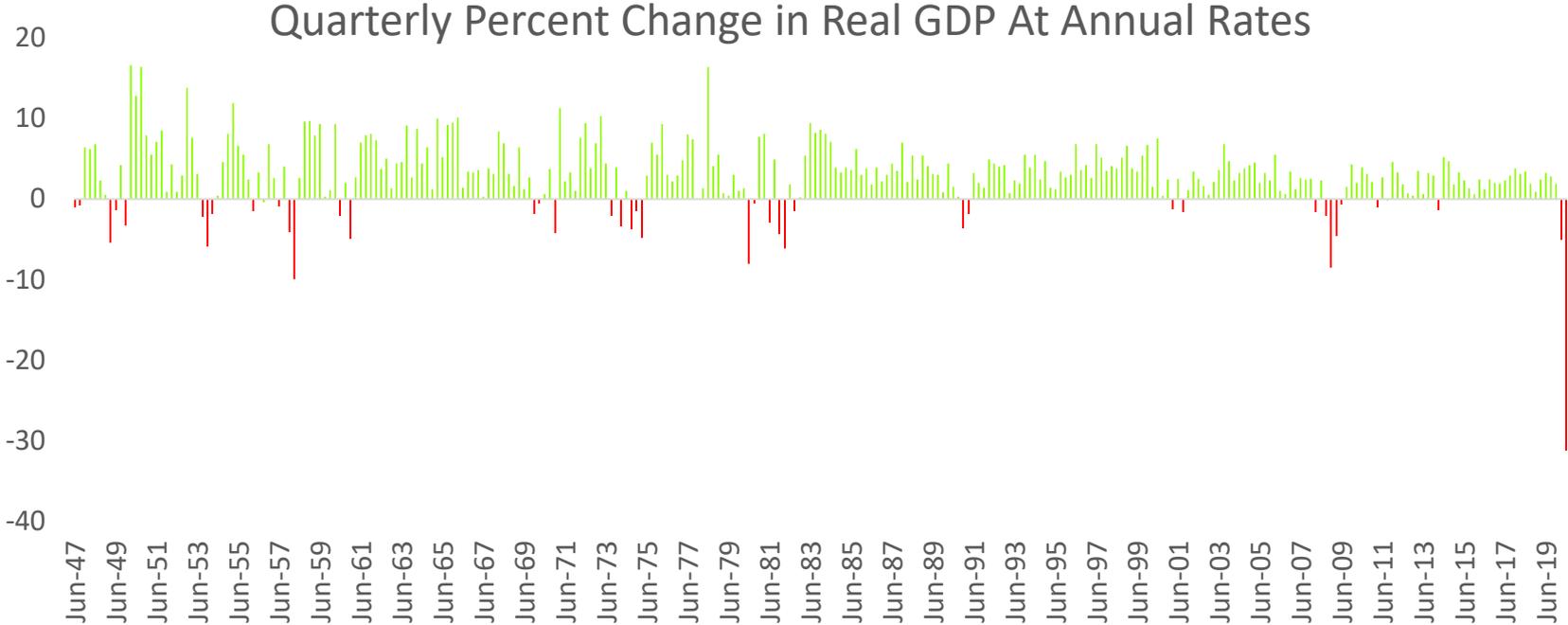
Wisconsin Department of Administration

Small Business Webinar

October 5, 2022

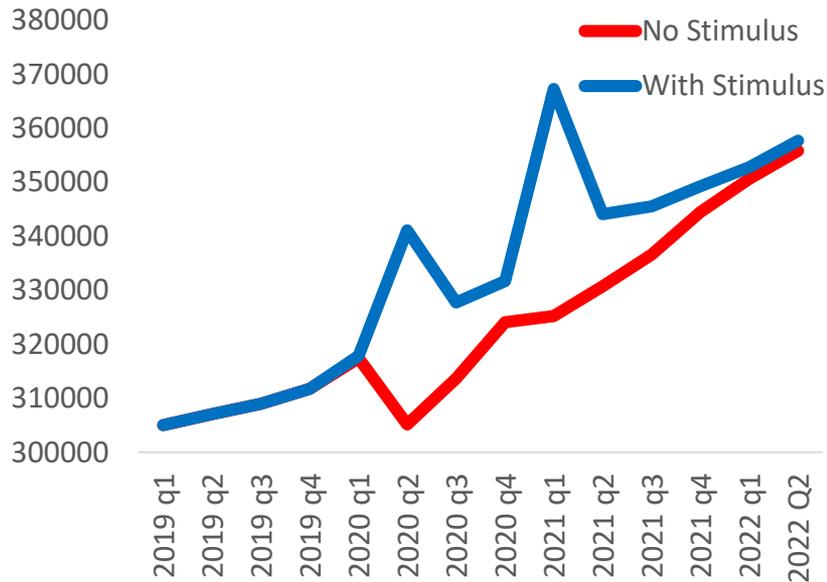
Recap COVID Contraction

COVID Contraction: Worst Quarter in U.S. Economic History

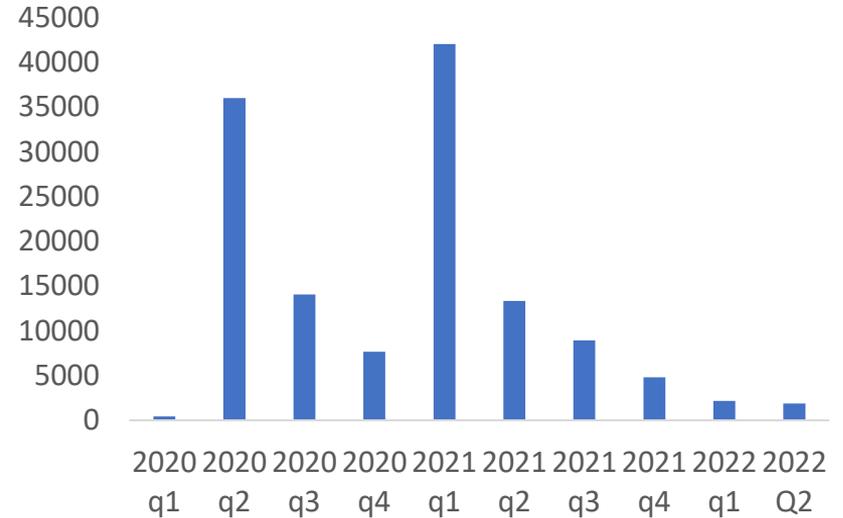


Stimulus Funds Lifted Wisconsin Personal Income Particularly 2020 Q2 and 2021 Q1

Wisconsin Personal Income \$M

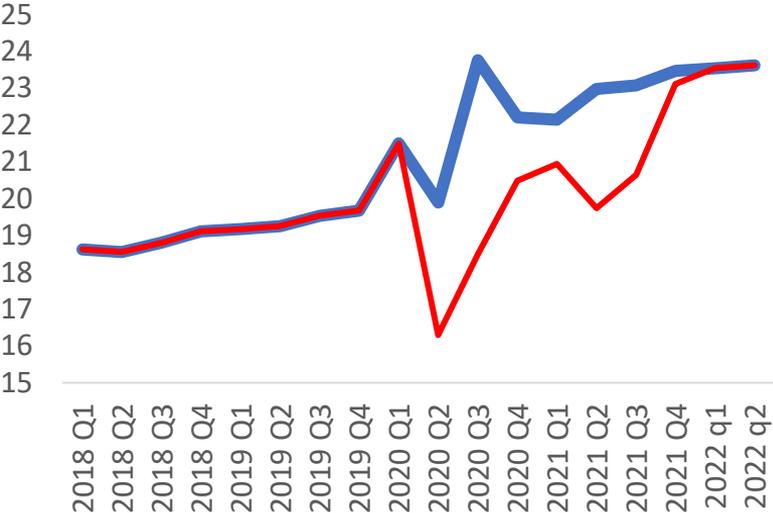


Total Stimulus Funds Paid in WI \$M

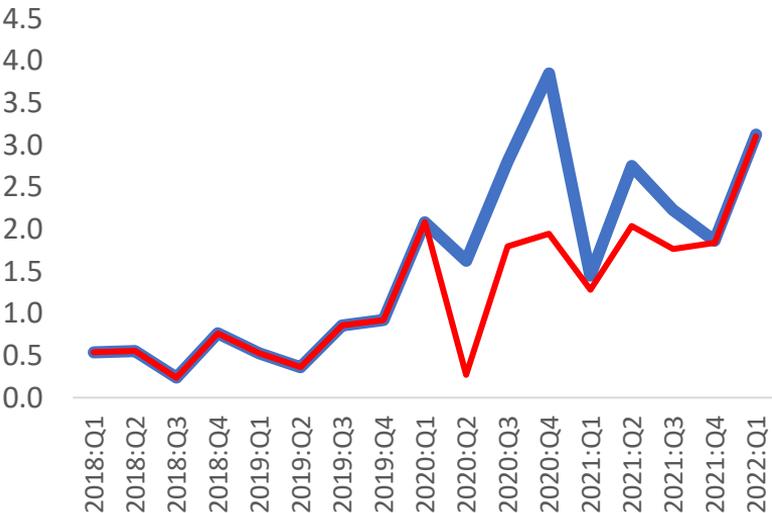


Stimulus Boosted WI Proprietor's Income Now Ahead of Pre-Pandemic Levels W/O Stimulus

Wisconsin Nonfarm Proprietor's
Income \$B



Wisconsin Farm Proprietor's
Income \$B

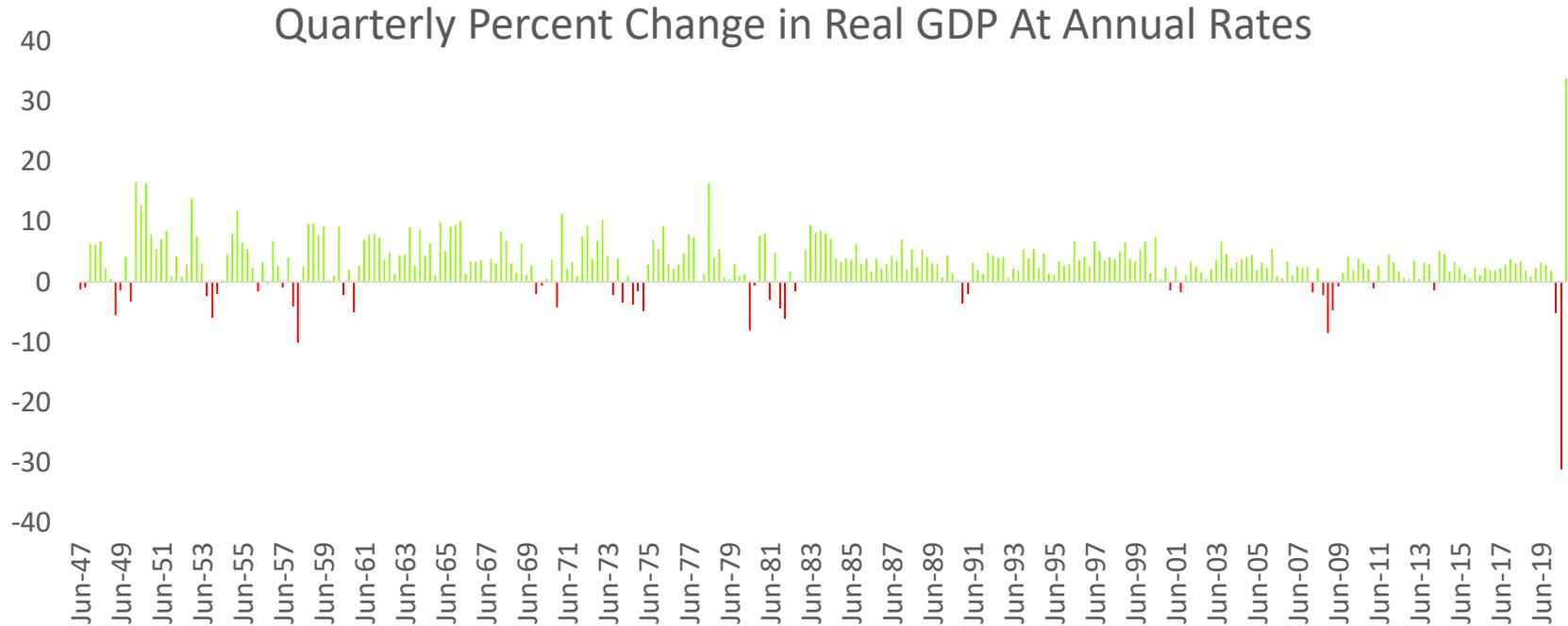


COVID Contraction: Shortest in U.S. Economic History

| Start Date | End Date | Length in Months | Start Date | End Date | Length in Months | Start Date | End Date | Length in Months |
|------------------|---------------|------------------|----------------|---------------|------------------|----------------------|-------------------|------------------|
| June 1857 | December 1858 | 18 | September 1902 | August 1904 | 23 | November 1948 | October 1949 | 11 |
| October 1860 | June 1861 | 8 | May 1907 | June 1908 | 13 | July 1953 | May 1954 | 10 |
| April 1865 | December 1867 | 32 | January 1910 | January 1912 | 24 | August 1957 | April 1958 | 8 |
| June 1869 | December 1870 | 18 | January 1913 | December 1914 | 23 | April 1960 | February 1961 | 10 |
| October 1873 | March 1879 | 65 | August 1918 | March 1919 | 7 | December 1969 | November 1970 | 11 |
| March 1882 | May 1885 | 38 | January 1920 | July 1921 | 18 | November 1973 | March 1975 | 16 |
| March 1887 | April 1888 | 13 | May 1923 | July 1924 | 14 | January 1980 | July 1980 | 6 |
| July 1890 | May 1891 | 10 | October 1926 | November 1927 | 13 | July 1981 | November 1982 | 16 |
| January 1893 | June 1894 | 17 | August 1929 | March 1933 | 43 | July 1990 | March 1991 | 8 |
| December 1895 | June 1897 | 18 | May 1937 | June 1938 | 13 | March 2001 | November 2001 | 8 |
| June 1899 | December 1900 | 18 | February 1945 | October 1945 | 8 | December 2007 | June 2009 | 18 |
| | | | | | | February 2020 | April 2020 | 2 |
| Average Duration | | 23 | | | 18 | | | 10 |

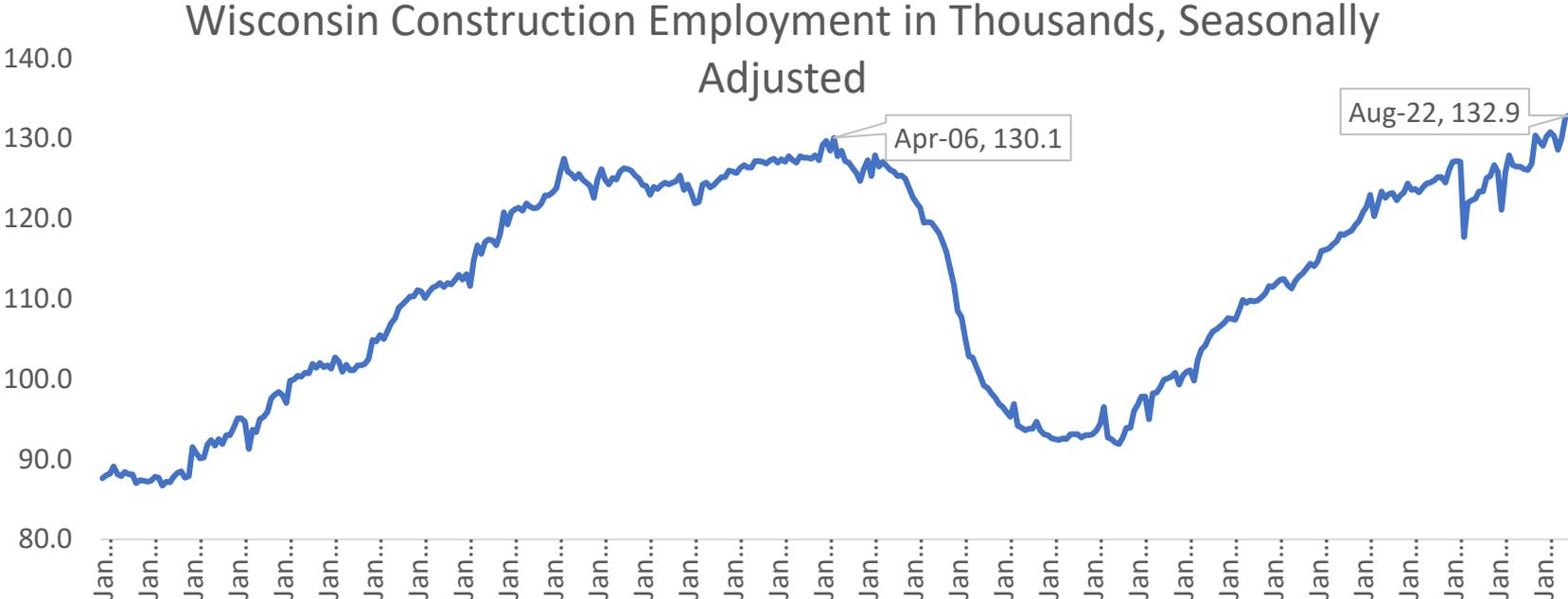
Source: National Bureau of Economic Research

Recovery from COVID Contraction: Best Quarter in U.S. Economic History



Housing & Construction

Construction Employment in Wisconsin Reaches Record High

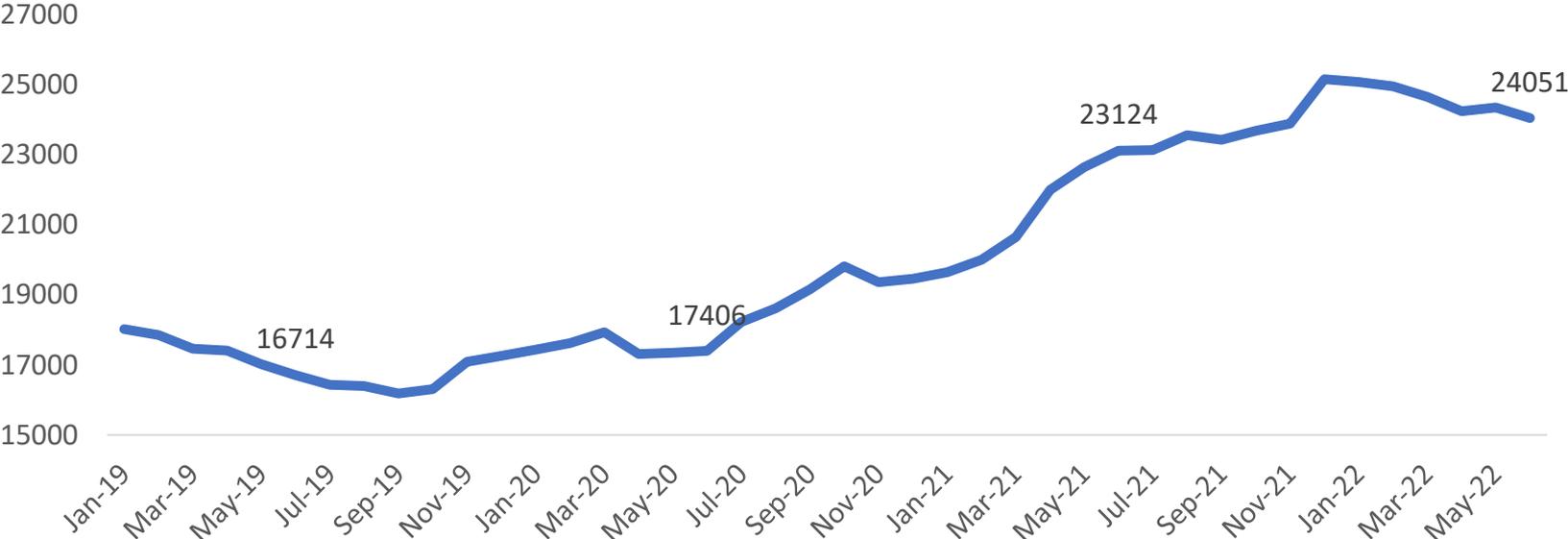


Housing:

Wisconsin Housing Construction Bounces Back

Highest Building Permit Total in Over 15 Years

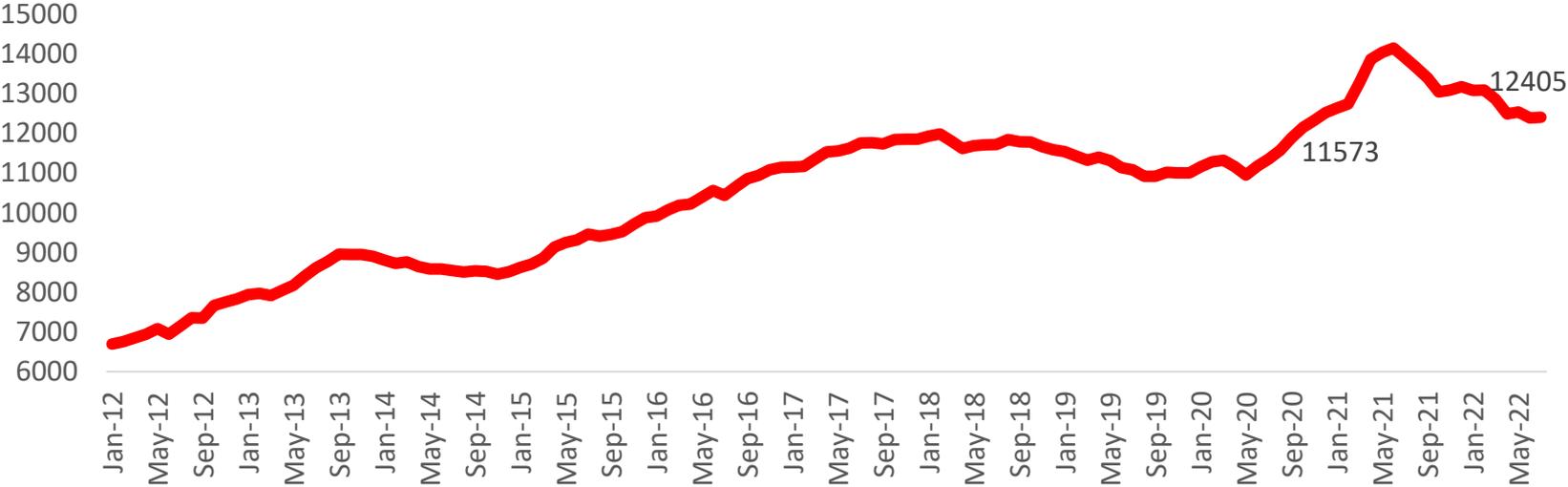
Wisconsin Building Permits Issued, 12-Month Total



Source: U.S. Bureau of the Census, Building Permits Survey, Author Tabulation

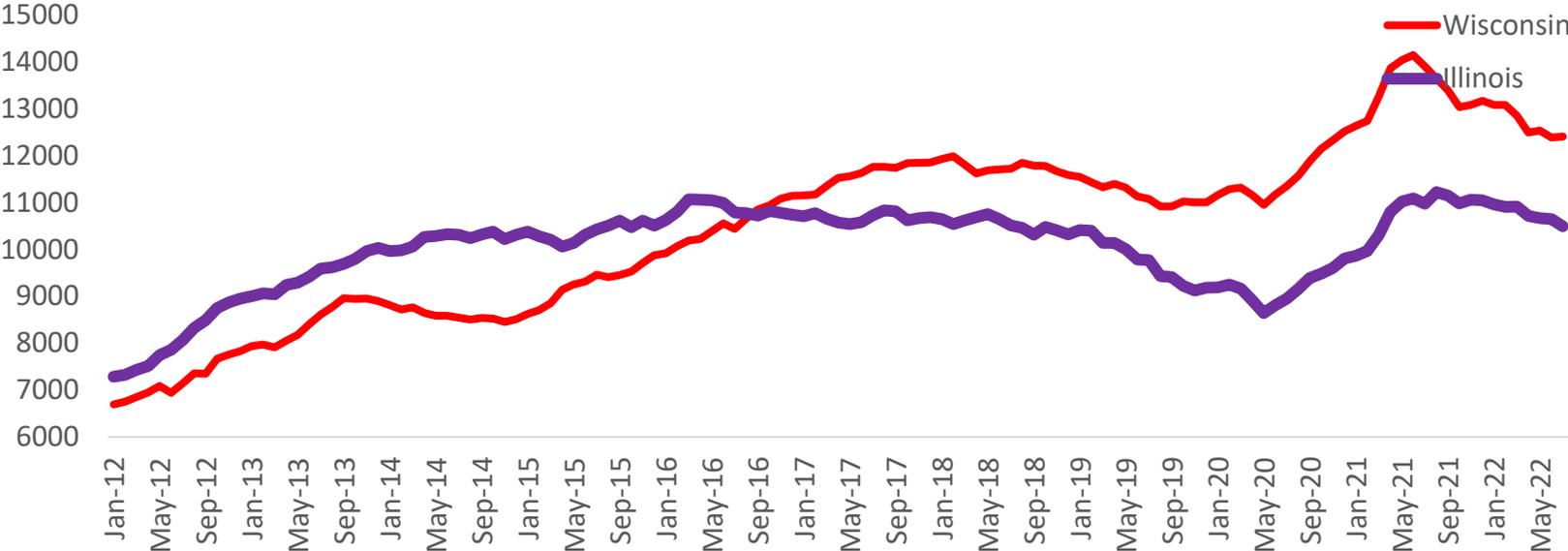
Wisconsin Single Family Home Construction Retreating But Still Above 2019 Levels

Wisconsin Single Family Building Permits, 12-Month Running Total



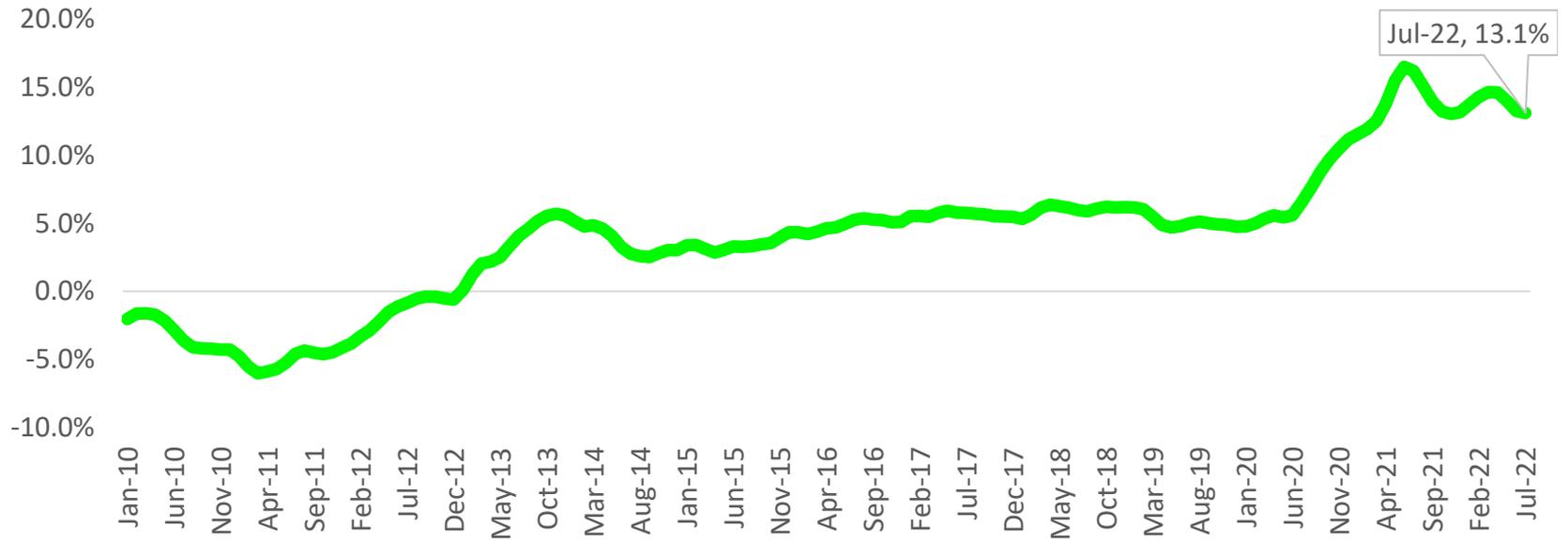
Wisconsin Building More Single Unit Homes than Illinois Since 2017

Building Permits, Single Unit Homes, 12-Month Total



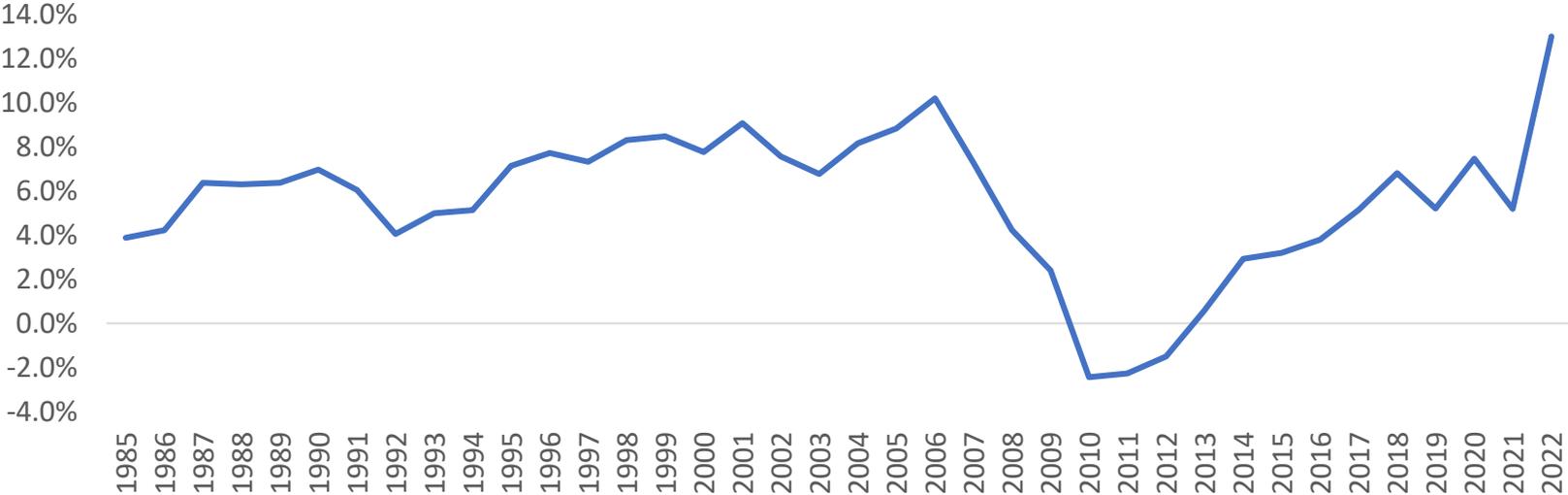
Home Price Increases Have Eased But Still Double-Digit Increase Through July

Wisconsin FMHPI Percent Change Over Prior Year



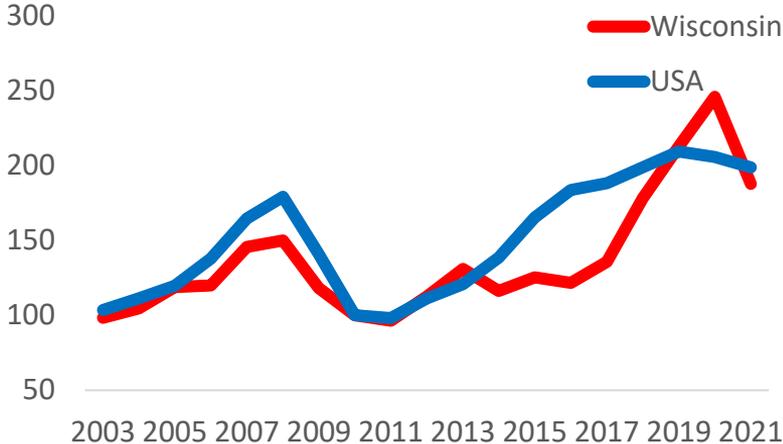
Wisconsin Commercial Values Did Not Falter During COVID Contraction

Percent Change in Equalized Commercial Values, Percent Change Over Prior Year

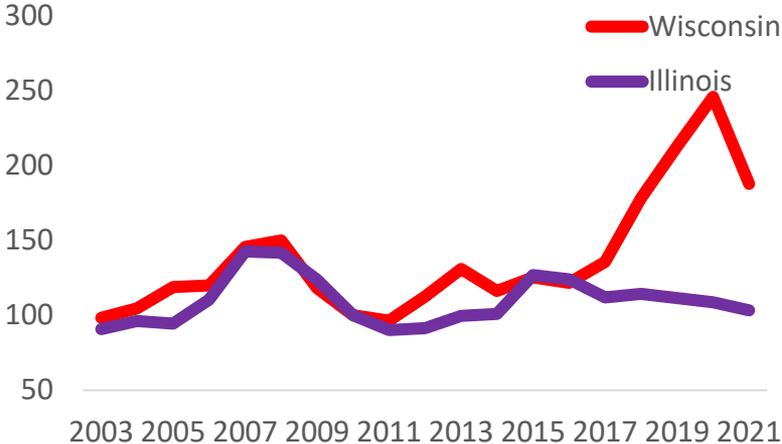


Wisconsin Non-Residential Construction Outpaced The U.S. in 2020

Value of Non-Residential Construction
Index Value 2010 Level = 100



Value of Non-Residential Construction
Index Value 2010 Level = 100

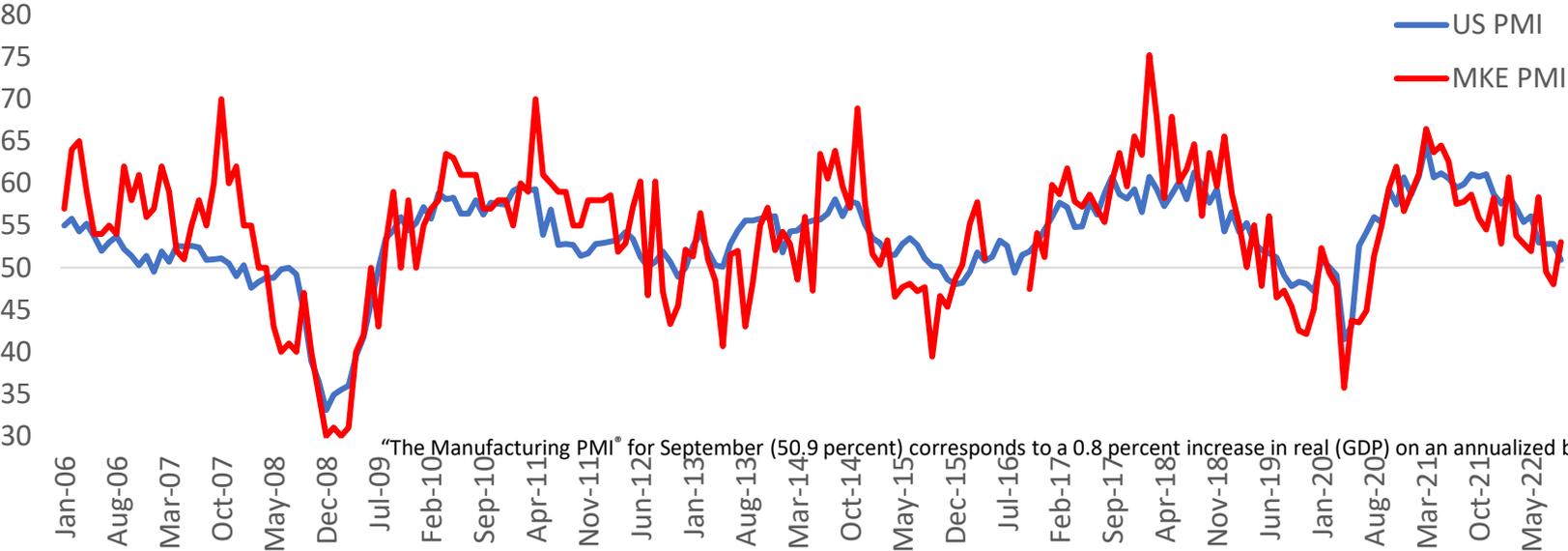


Manufacturing in the Recovery

Manufacturing Still Positive

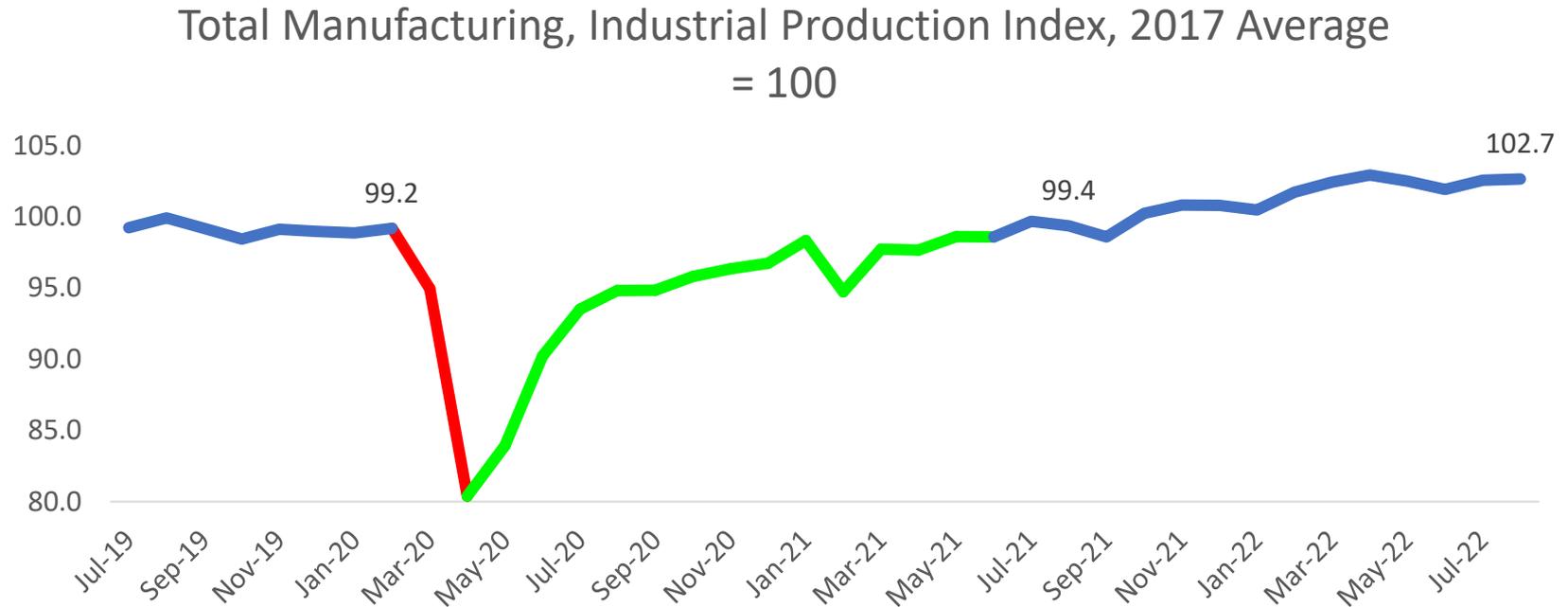
Constrained by Parts and Labor

Purchasing Managers Index: Manufacturing



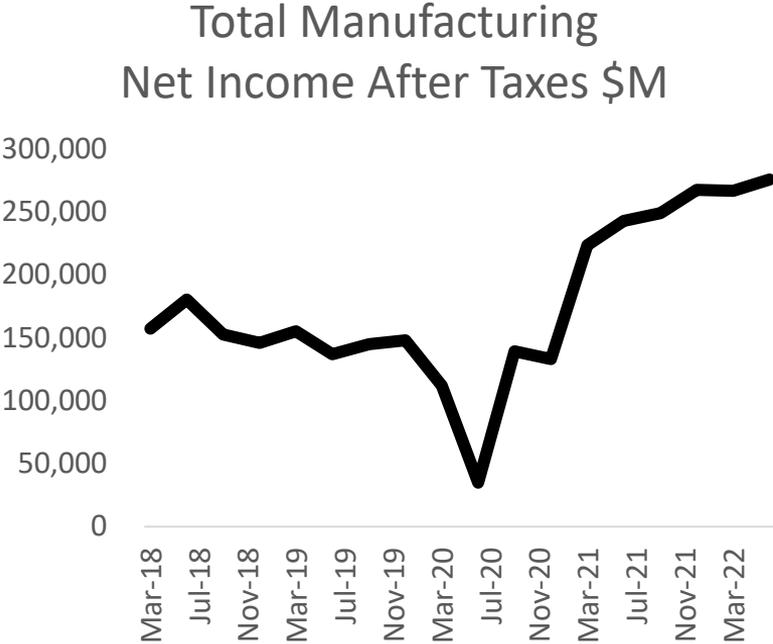
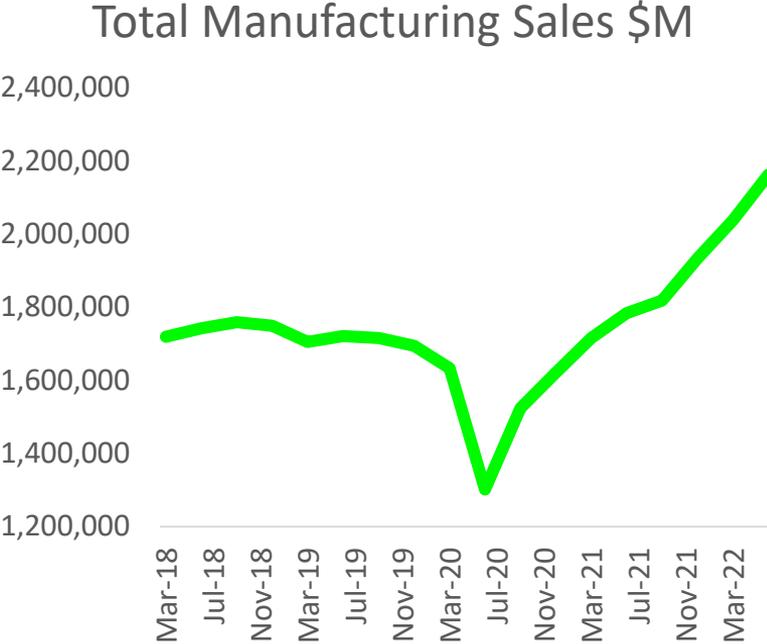
“The Manufacturing PMI® for September (50.9 percent) corresponds to a 0.8 percent increase in real (GDP) on an annualized basis.”

Total Industrial Production Above Pre-Pandemic Levels And Still Rising



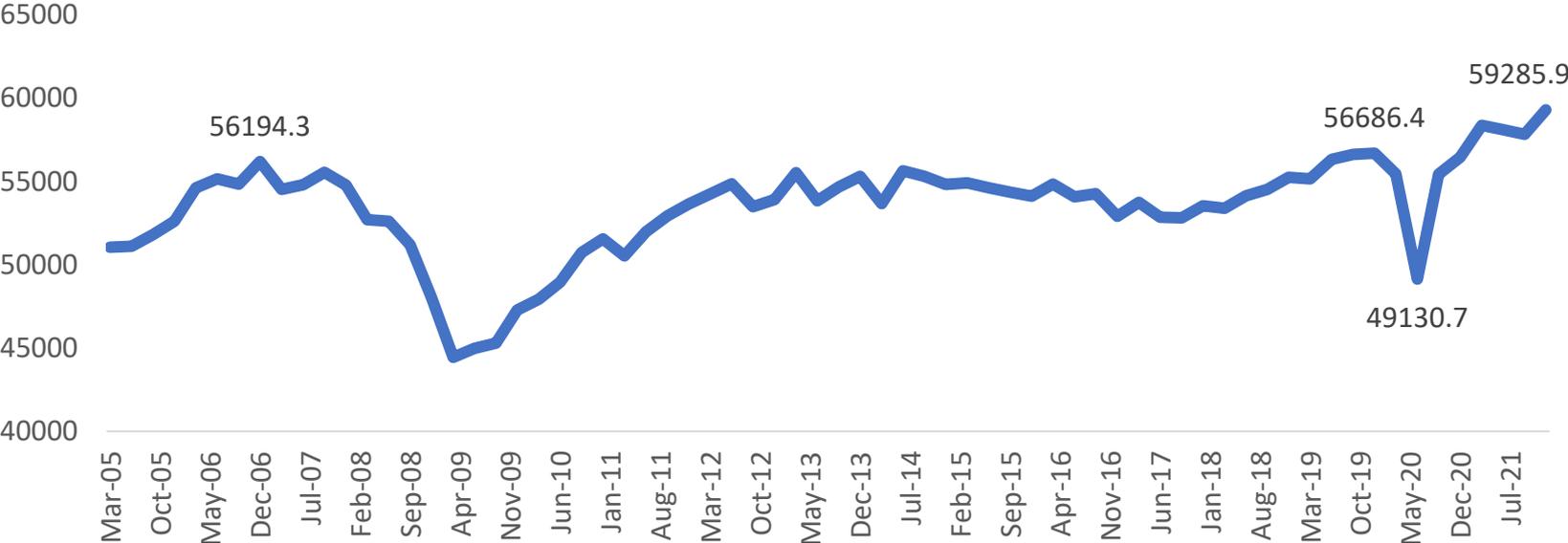
Source: Federal Reserve Board of Governor's, Industrial Production Index, <https://www.federalreserve.gov/releases/g17/Current/default.htm>

Total Manufacturing Sales at Record Highs 2022 Q2 Net Income Record in 2022 Q2



Wisconsin Manufacturing Real GDP Reached New High 2021 Q4

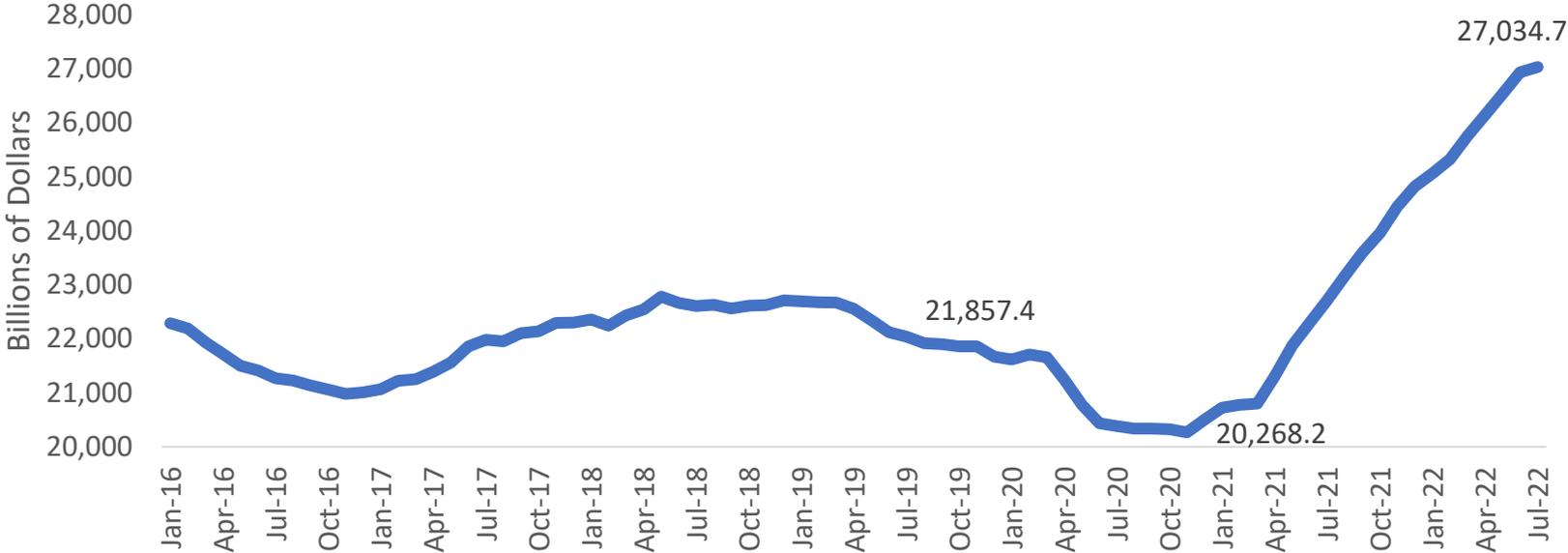
Wisconsin Manufacturing Real GDP



Wisconsin Exports Recovered from COVID Contraction

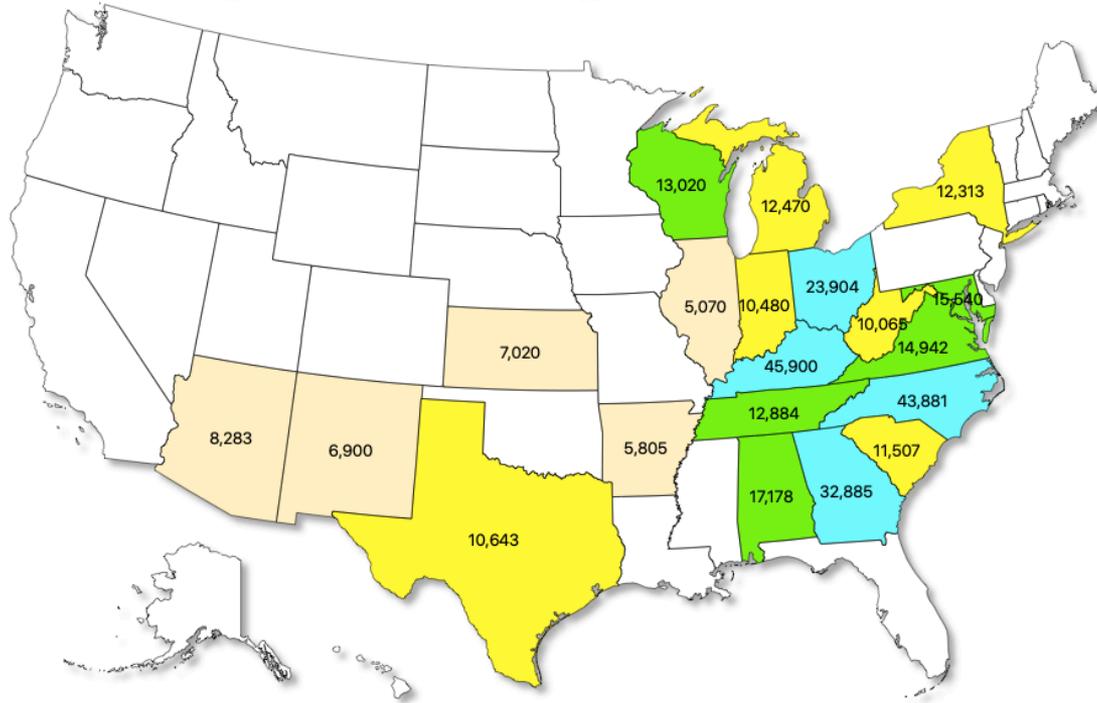
July 2022 Up 19% Over July 2021

Wisconsin Exports, 12-Month Total, \$B



Wisconsin Among States Increasing Employment From Reshoring and Foreign Direct Investment

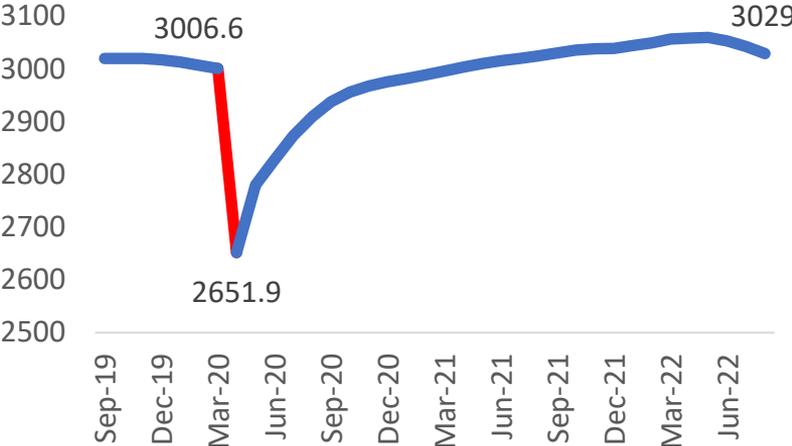
Re-shoring and Foreign Direct Investment Job Announcements First Half 2022



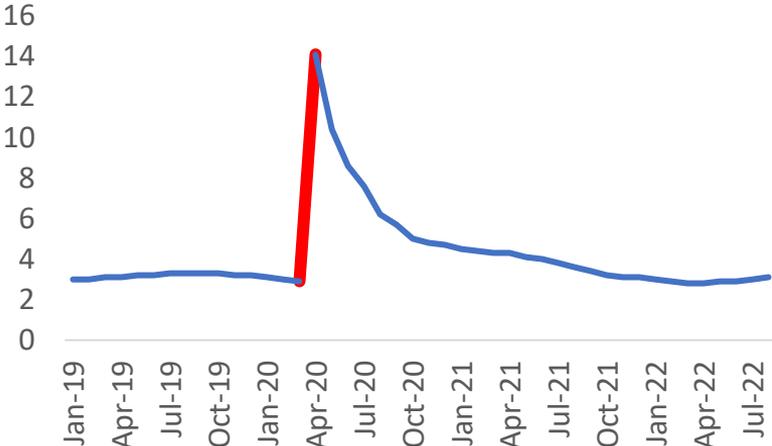
Labor Markets

By Household Survey,
 Wisconsin Employment 23,000 Above Pre-Recession Levels
 And Unemployment Rate Running Near Record Lows

Wisconsin Employment,
 Household Survey in
 Thousands



Wisconsin Unemployment Rate
 Percent of Labor Force
 Unemployed

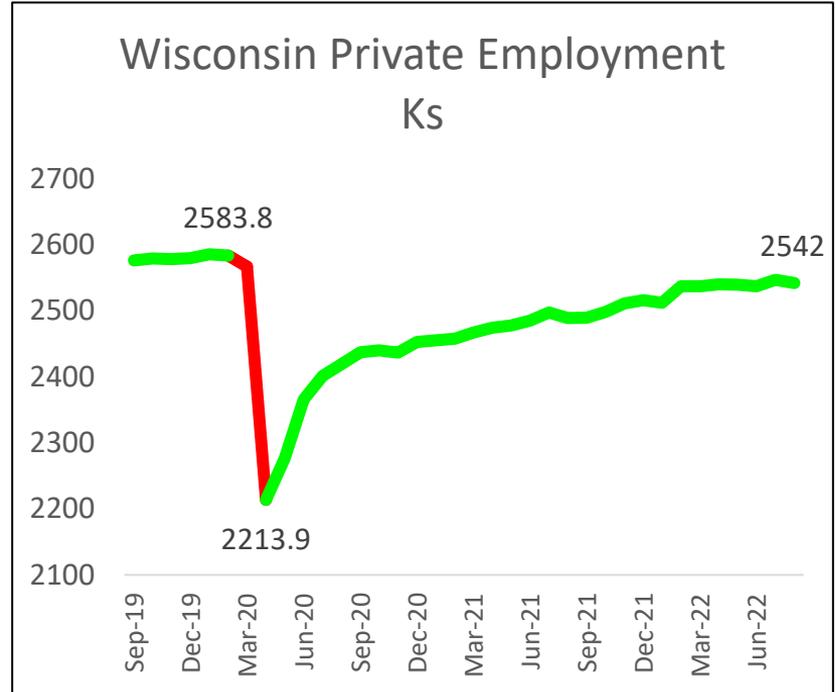
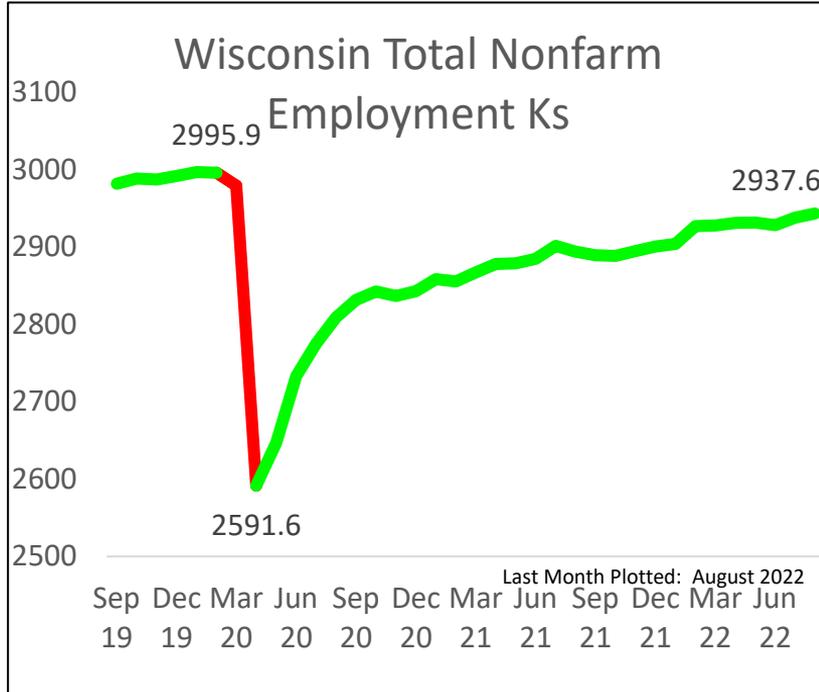


Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics
 Last Month Plotted: July 2022

Wisconsin Recovered 342,000 Jobs Since April 2020

87% of Total Job Losses Recovered

89% of Private Sector Jobs Recovered

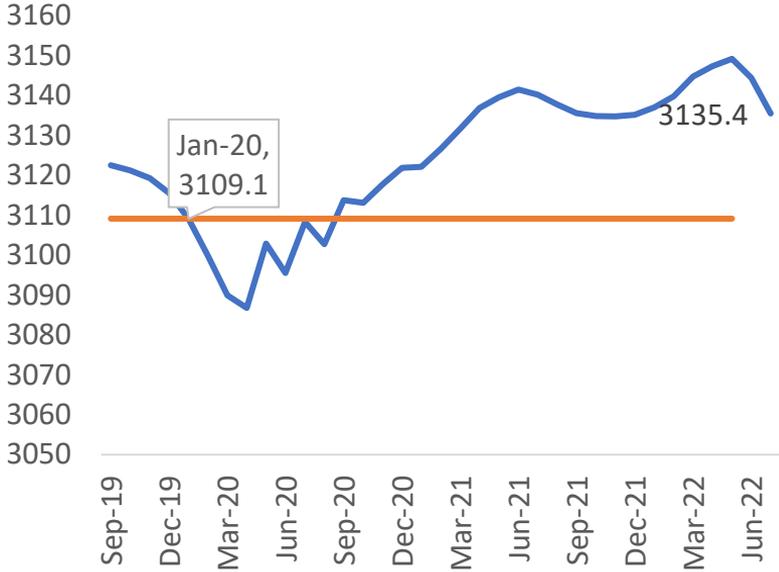


Wisconsin's Labor Force Above Pre-Pandemic Levels

Labor Force Participation At Pre-Pandemic Levels

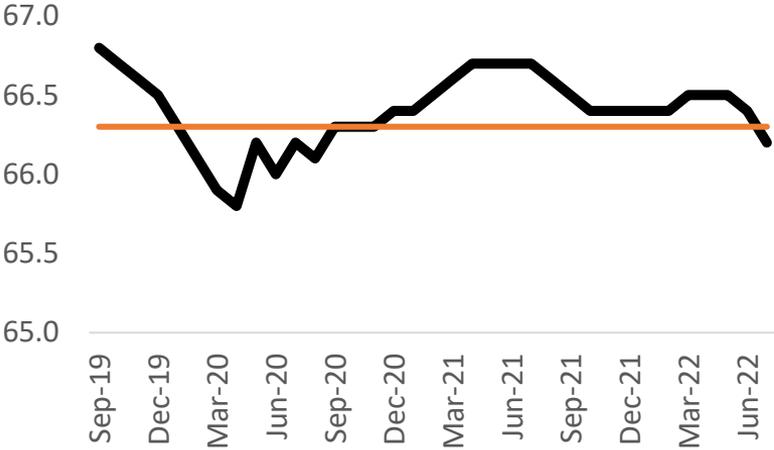
Reference Line = January 2020

Wisconsin Labor Force (Ks)

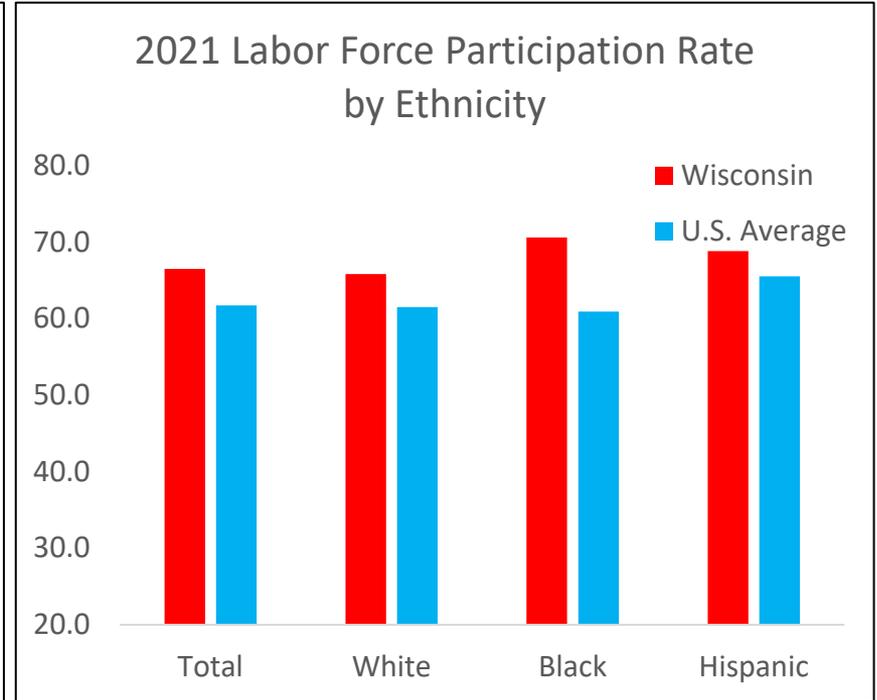
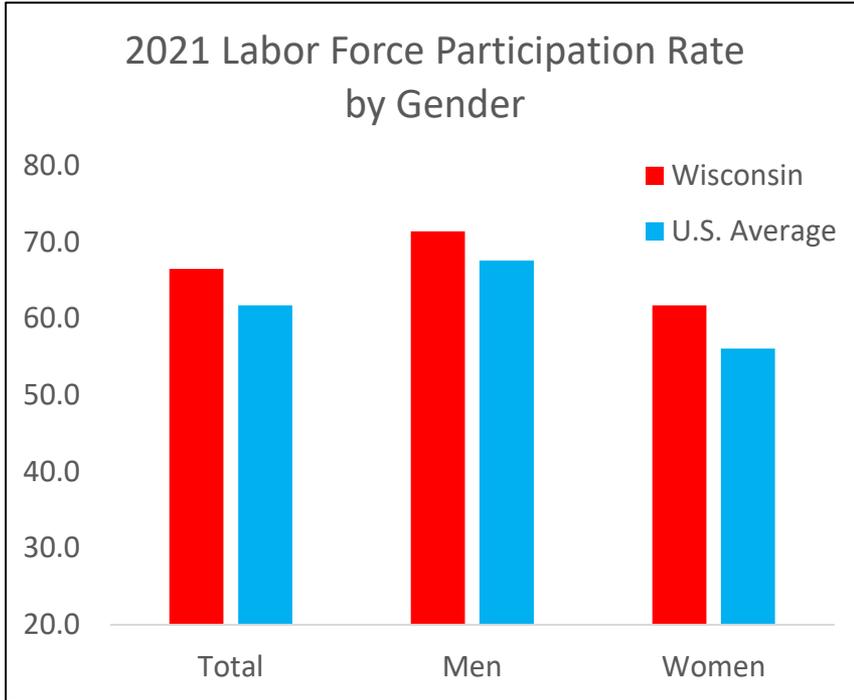


WI Labor Force Participation Rate

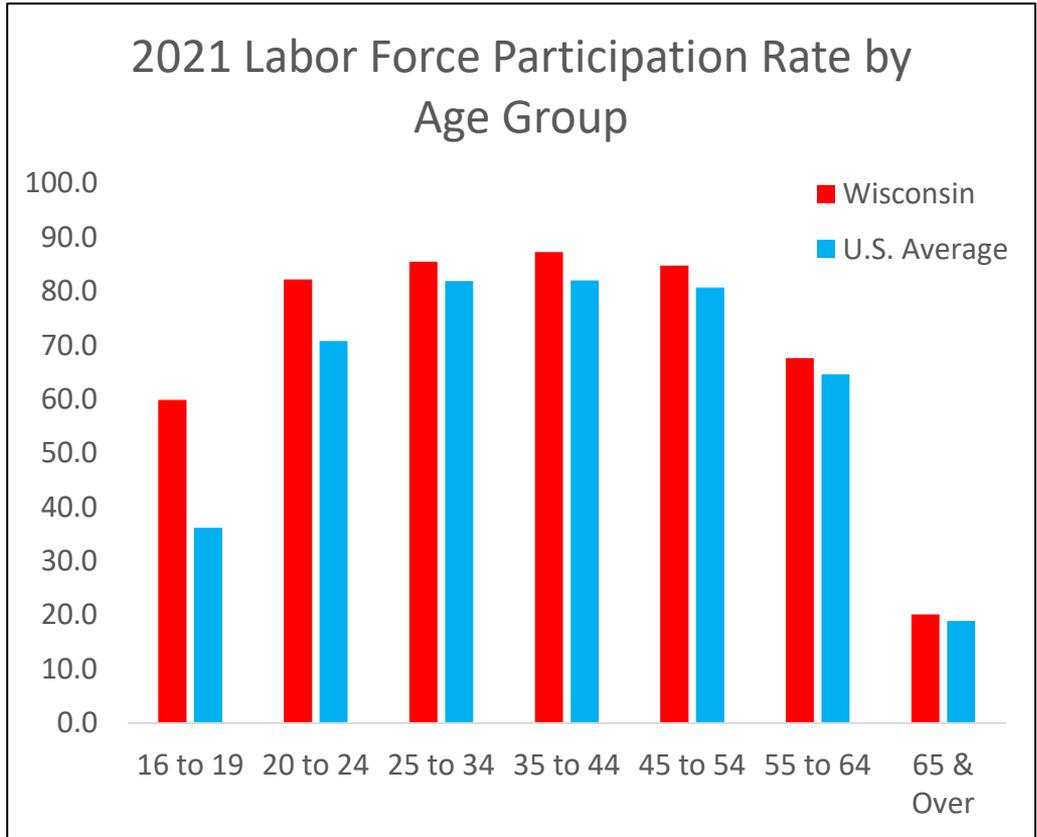
Percent of Population



Wisconsin Workers More Engaged than the U.S. Average by Gender or Ethnicity

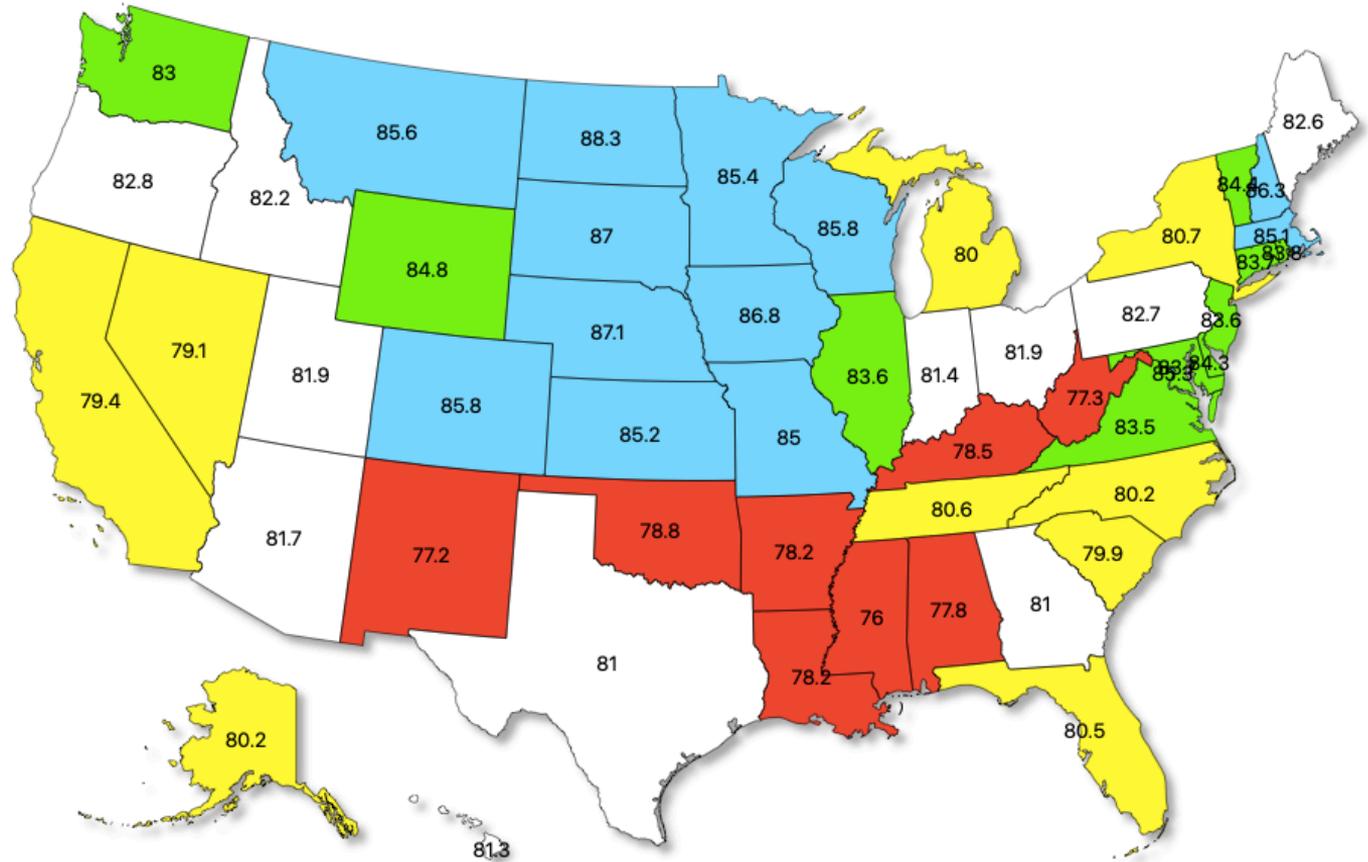


Wisconsin
Workers
More
Engaged than
the U.S. at
Every Age
Group



For Prime Working Age Population, Wisconsin has the 6th Highest Labor Force Participation Rate

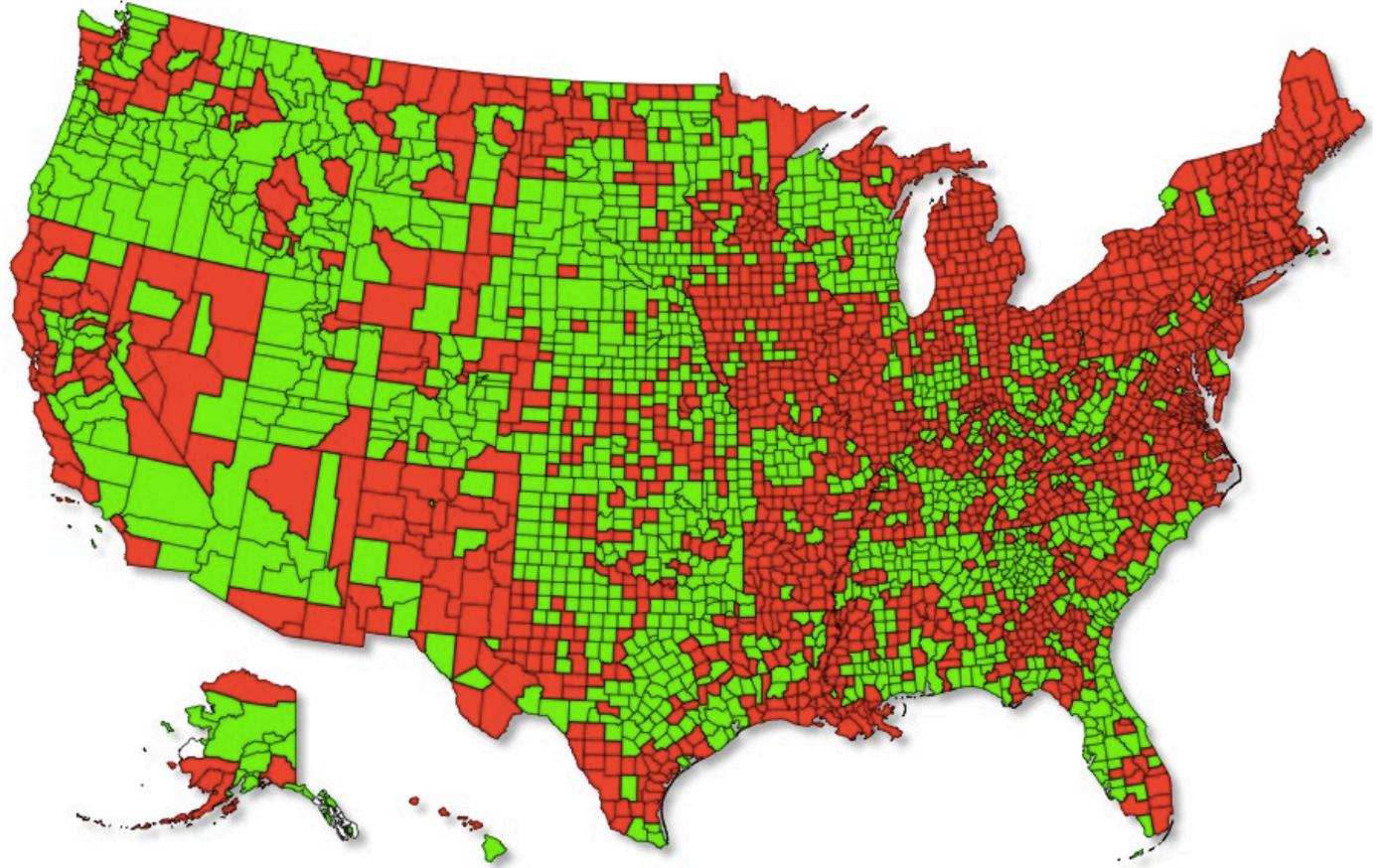
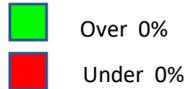
U.S. Average 77.6%



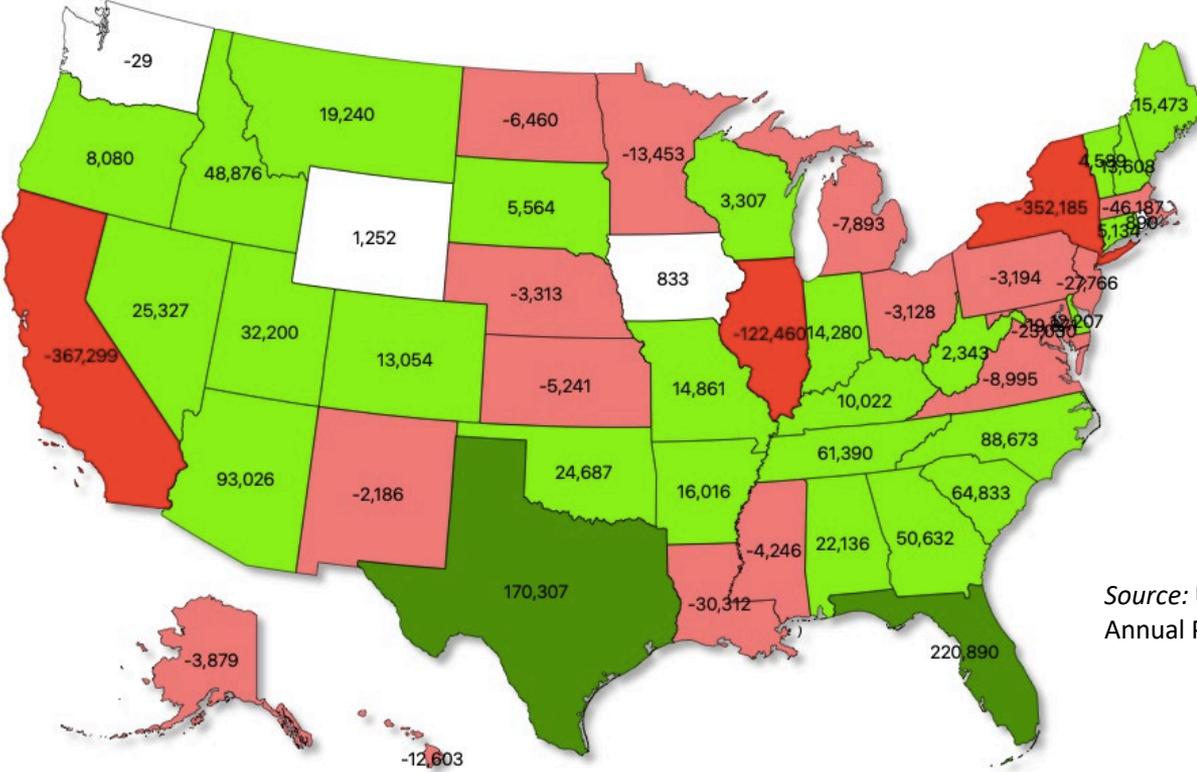
Take A Satellite View,
Wisconsin
Employment
Gains Spread
Across the State

Change in Employment,
Feb 2020 to Feb 2022

Source: U.S. Bureau of Labor
Statistics, LAUS



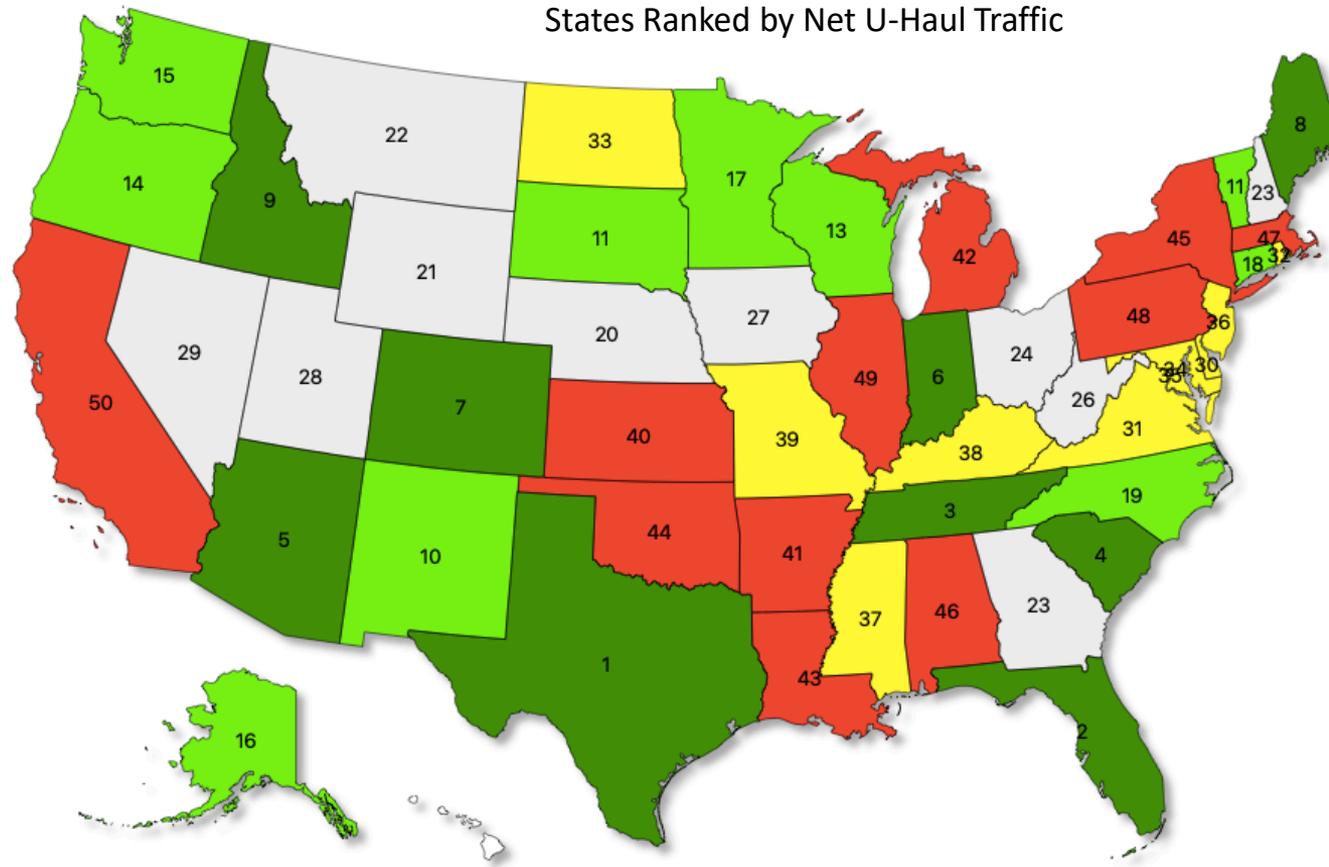
Wisconsin Gained Population from Domestic In-Migration in 2021



Source: U.S. Census Bureau, Annual Population Estimates

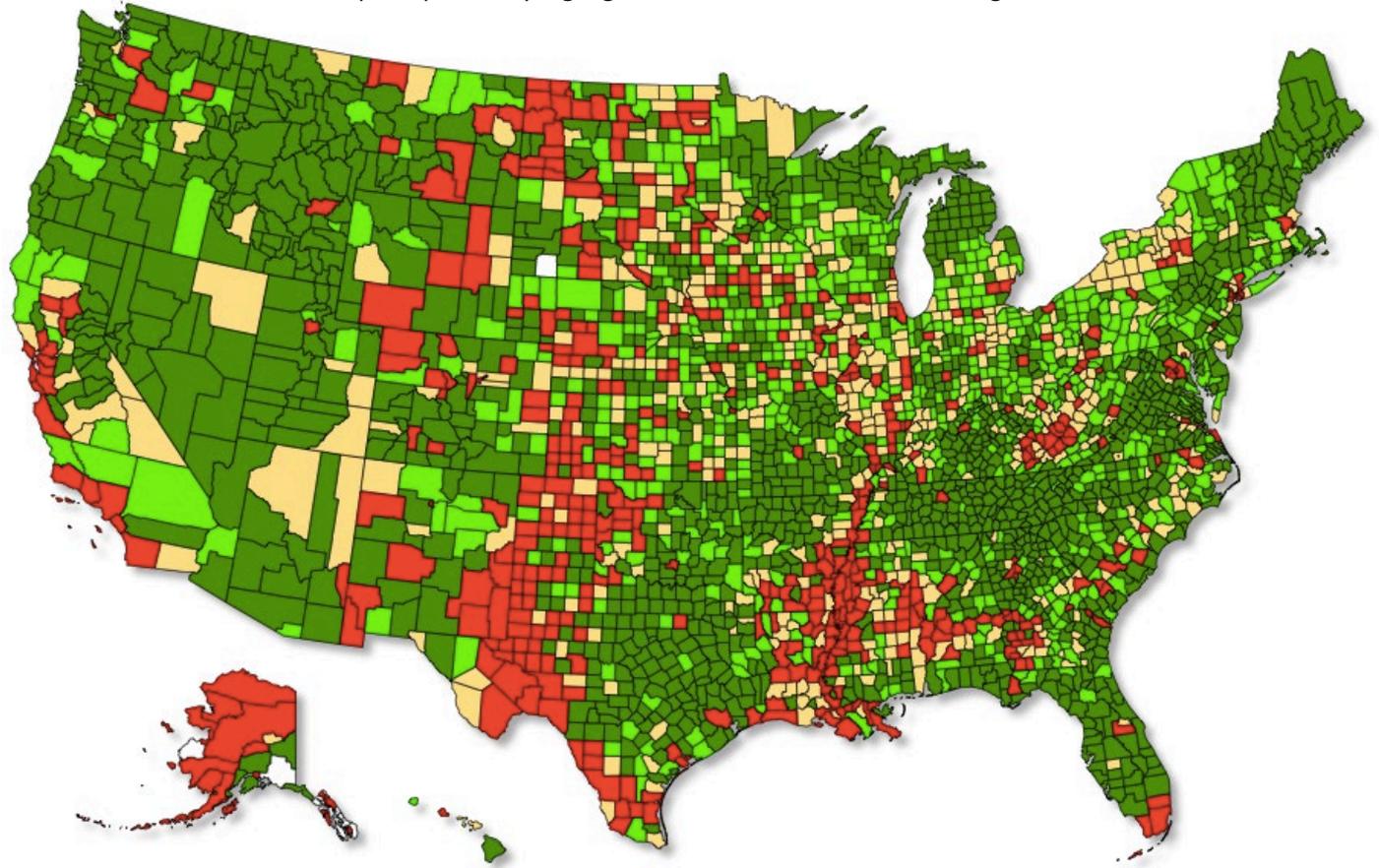
For 2021
Wisconsin
Gained in Net
Moves,
IL Did Not

Of The 25 MSA Destinations
Madison #5
Milwaukee #14

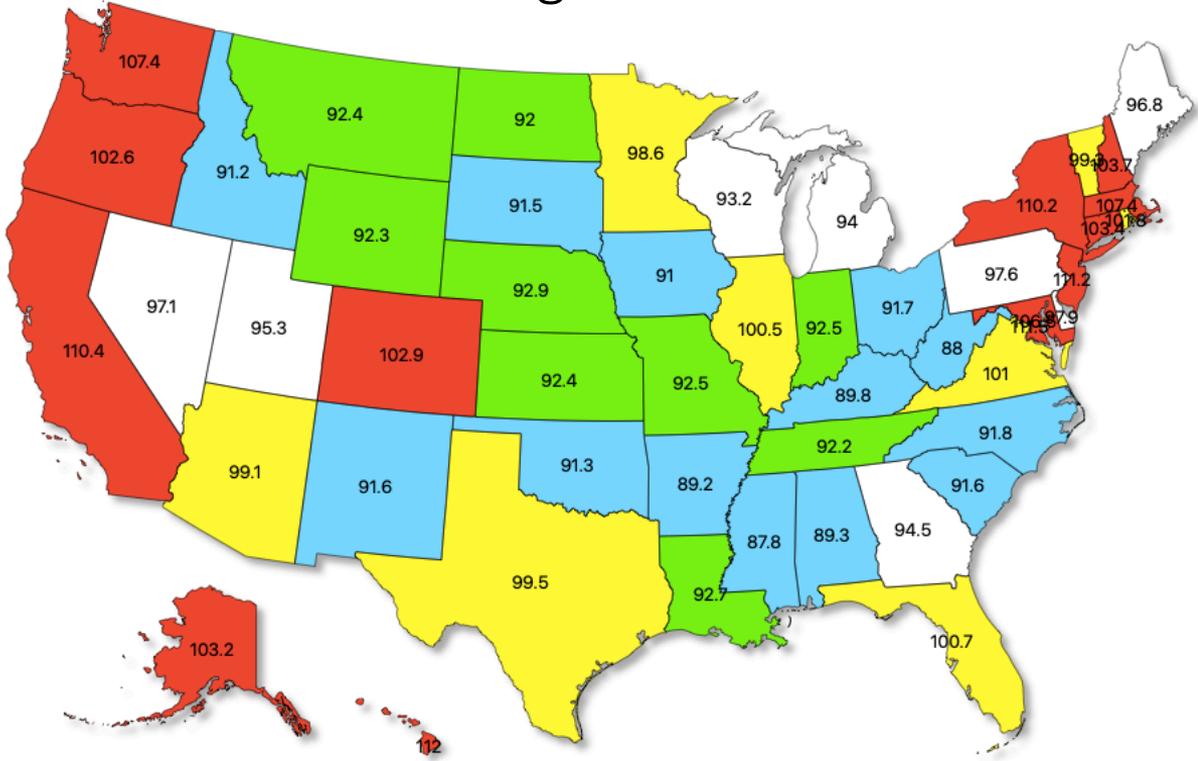


2021
Population
Change
from Net
Domestic
Migration
Per 1,000
Residents

Census Bureau report specifically highlights Northern Wisconsin as net migration destination



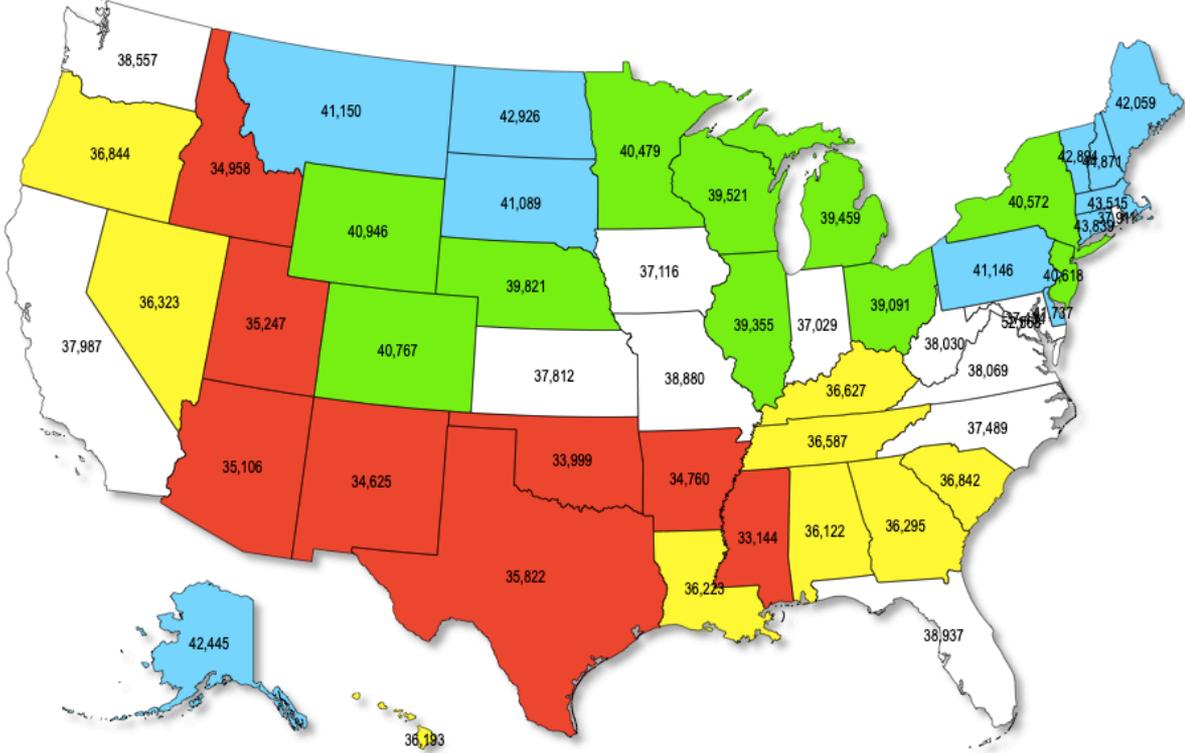
Wisconsin's Cost of Living Ranks 29th -- 7% Below U.S. Average



2020 Regional Price Parity Index
U.S. Average = 100

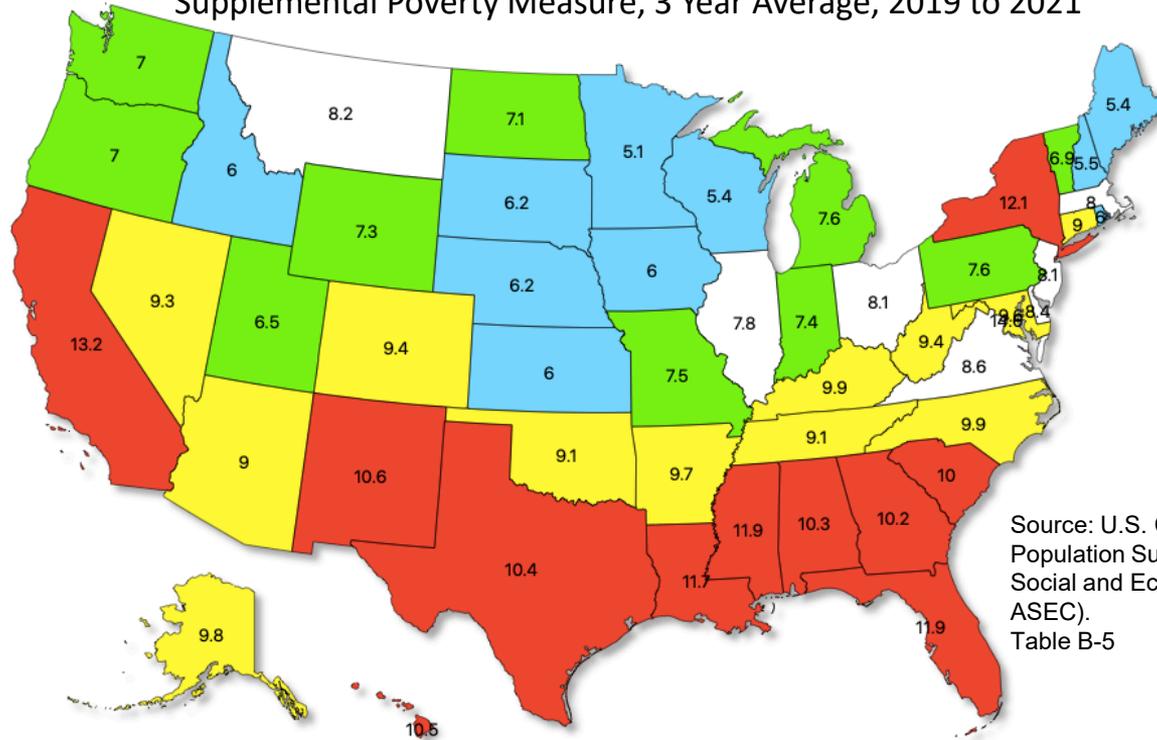
- Over 102
- 98 to 102
- 93 to 98
- 91 to 93
- Under 91

Wisconsin's Real Per Capita Income Above U.S. Average



Wisconsin: 2nd Lowest Poverty Rate in the U.S.

Percent of Population Below the Poverty Level
Supplemental Poverty Measure, 3 Year Average, 2019 to 2021



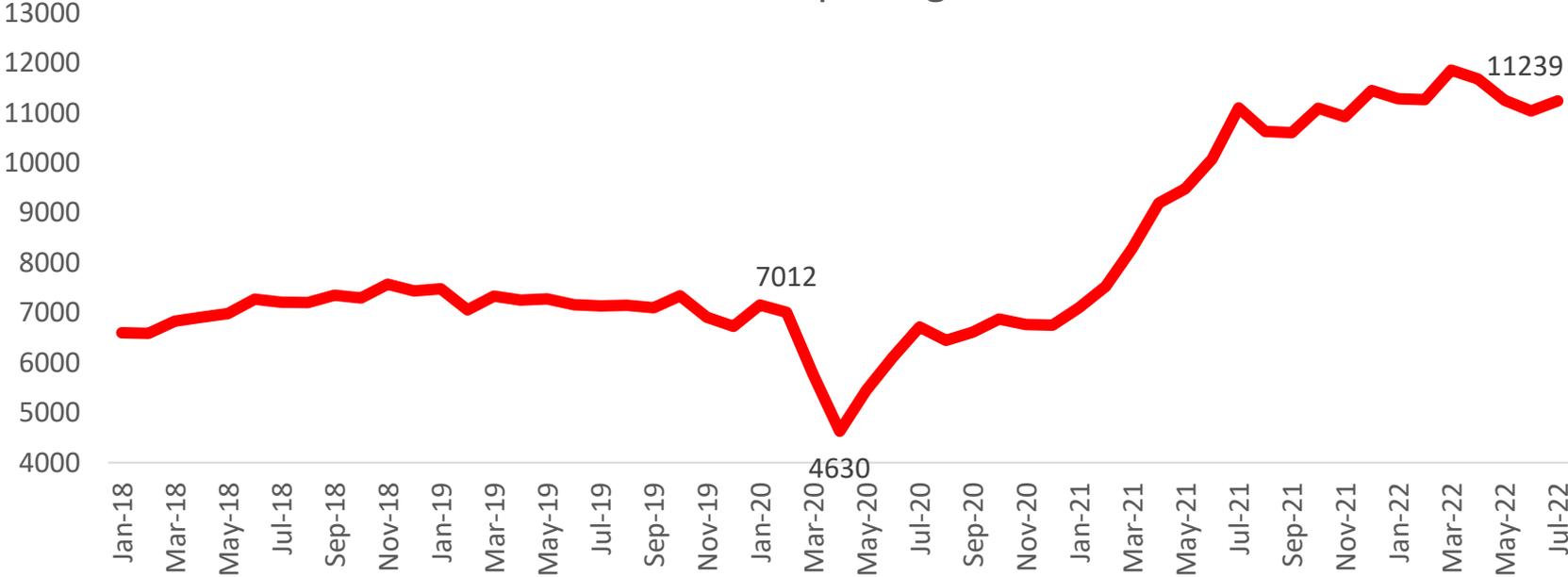
Source: U.S. Census Bureau, Current Population Survey, 2020 to 2022 Annual Social and Economic Supplements (CPS ASEC).
Table B-5

Labor Market Still Tight

Total U.S. Job Openings

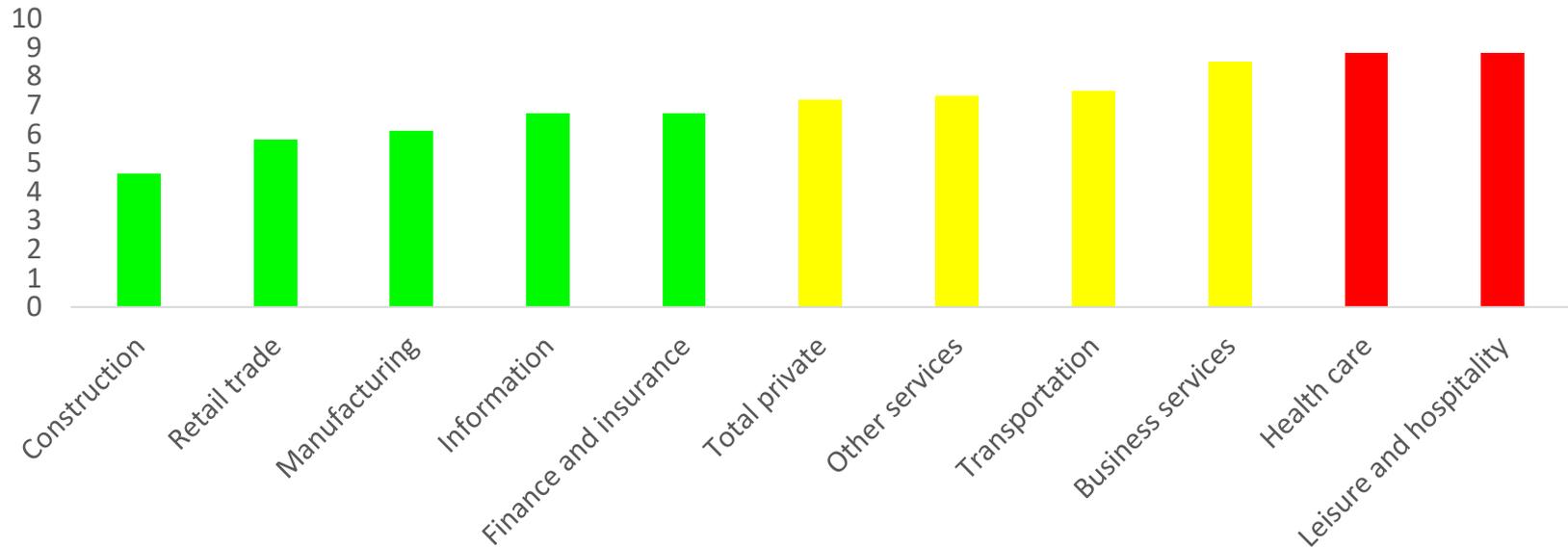
Exceed 10 Million Since June 2021

U.S. Total Nonfarm Job Openings in Thousands



U.S. Job Shortages Acute in Health Care and Leisure and Hospitality

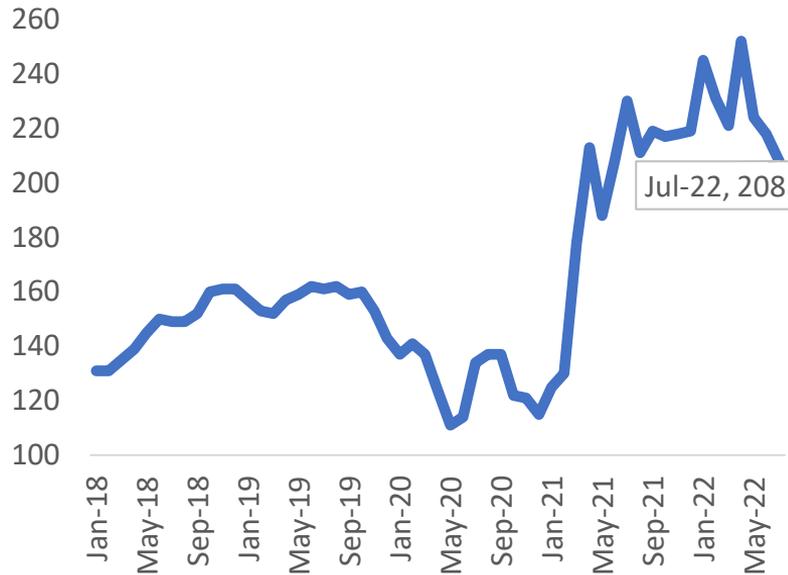
Job Openings by Industry, Percent of Employment



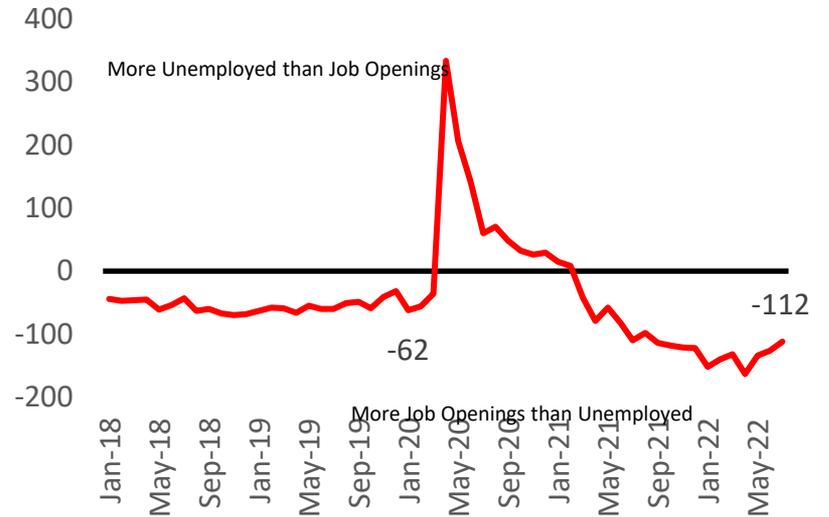
Wisconsin Job Openings: Remain High July 2022

Consistently Over 200,000 Since June 2021

WI Job Openings in Thousands



Gap: Unemployment Less Job Openings Ks



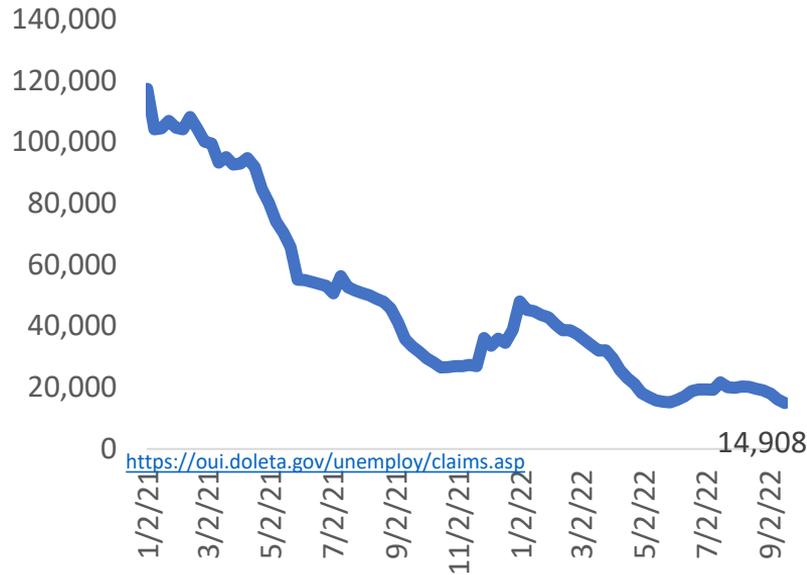
Last Month Plotted, July 2022

Source: U.S. Bureau of Labor Statistics, Job Openings and Labor Turnover Survey and Local Area Unemployment Statistics

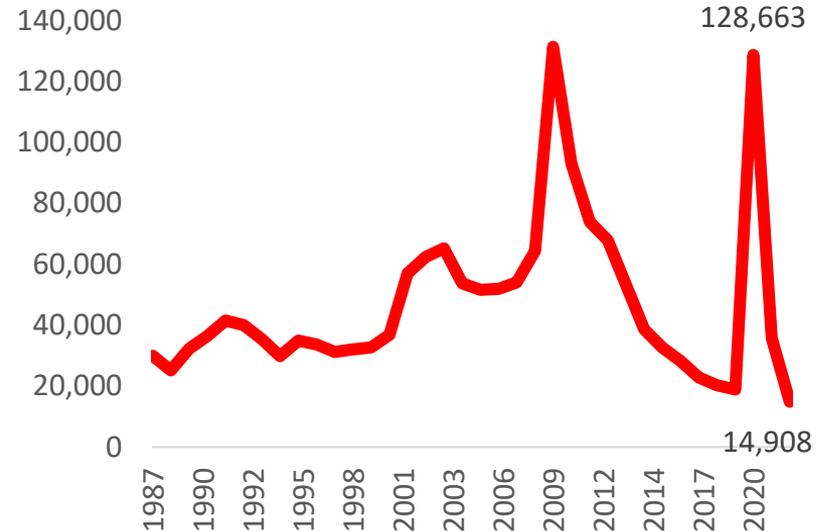
Fewest Wisconsin Residents Receiving Unemployment Benefits

Week of September 10, 2022, Unemployment Compensation Claims Reach New Low

Continuing UC Claims



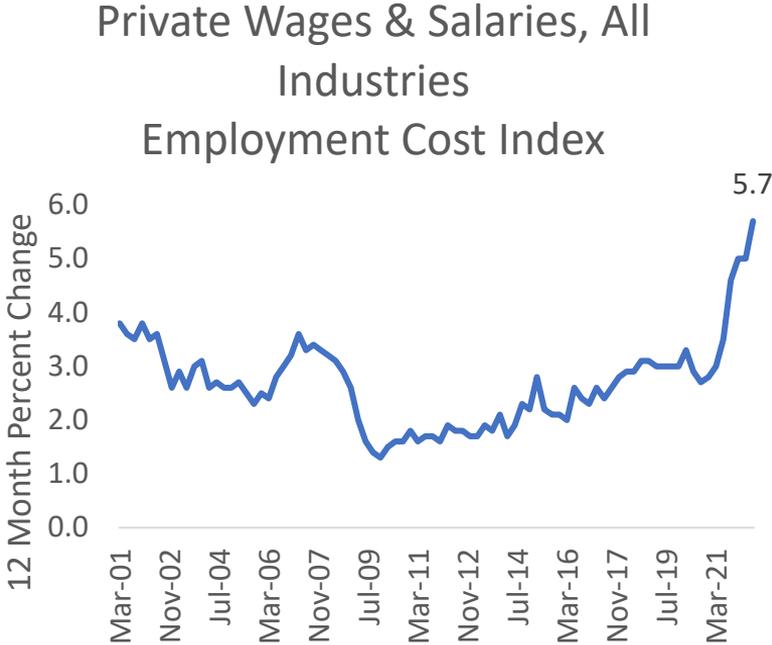
Continuing UC Claims, 2nd Week of September



Source: U.S. Department of Labor, Employment and Training Administration
Last Week Plotted, September 10, 2022

Wage Increases Highest in 21 Years

Wage Pressure Greatest in Industries With Largest Labor Shortages

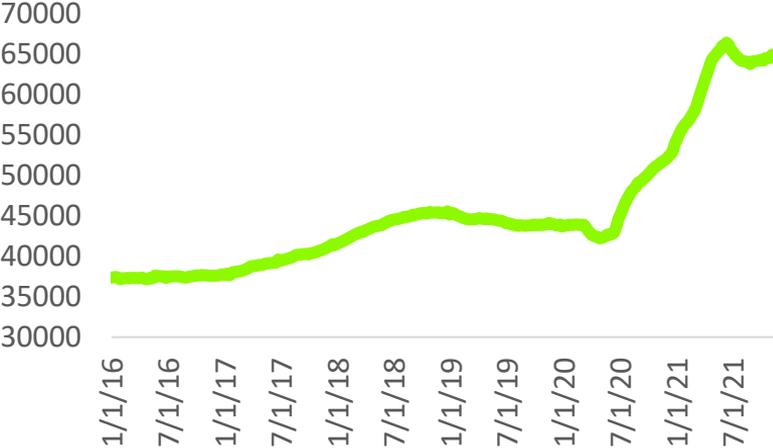


Source: U.S. Bureau of Labor Statistics, Employment Cost Index, Data Retrieved, August 10, 2022

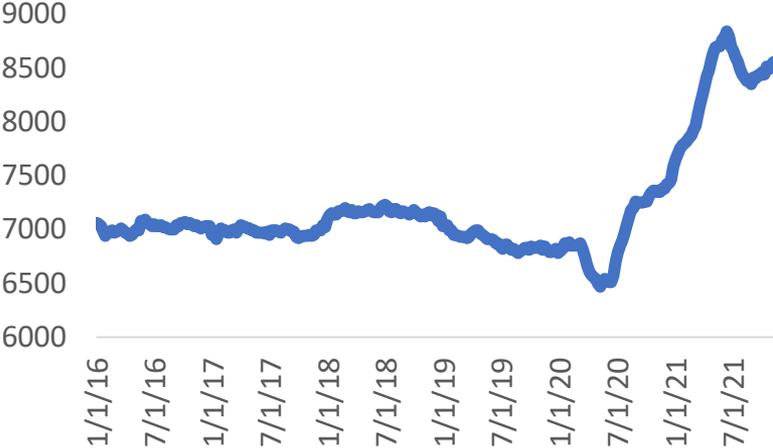
Wisconsin Entrepreneurship

Wisconsin Entrepreneurship Surged Coming Out of Contraction

WI New Business Formations All Types 52 Week Total



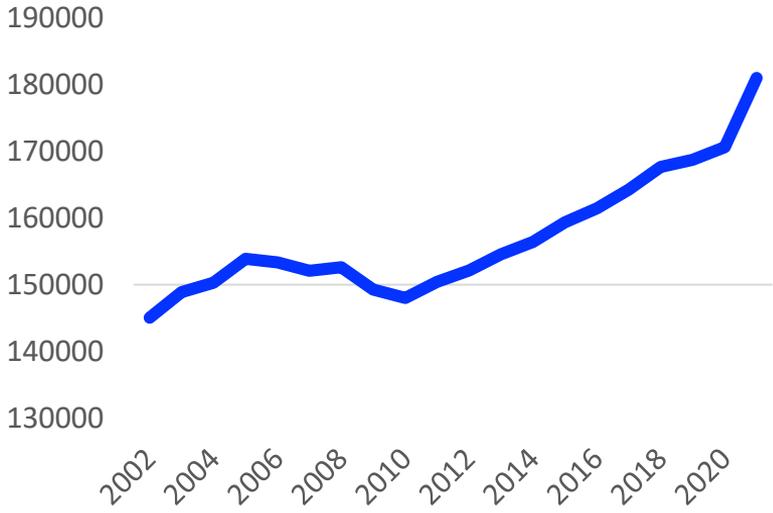
Wisconsin New Business Formations With Payroll. 52 Week Total



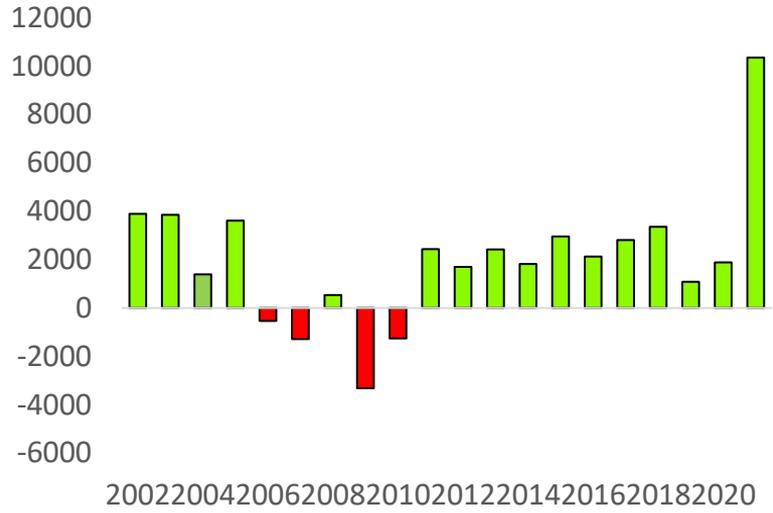
Source: U.S. Bureau of the Census, Business Formation Statistics

Wisconsin Total Number of Businesses Rose Sharply in 2021

WI Total Private Establishments, Annual Avg

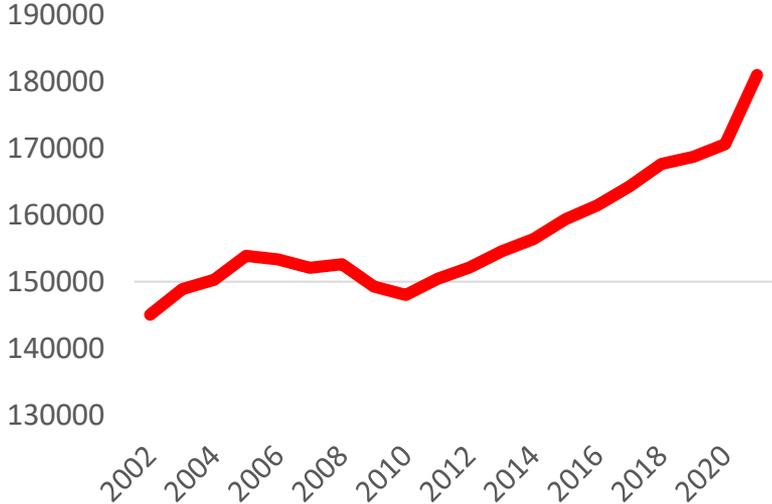


WI Total Private Establishments Change From Prior Year

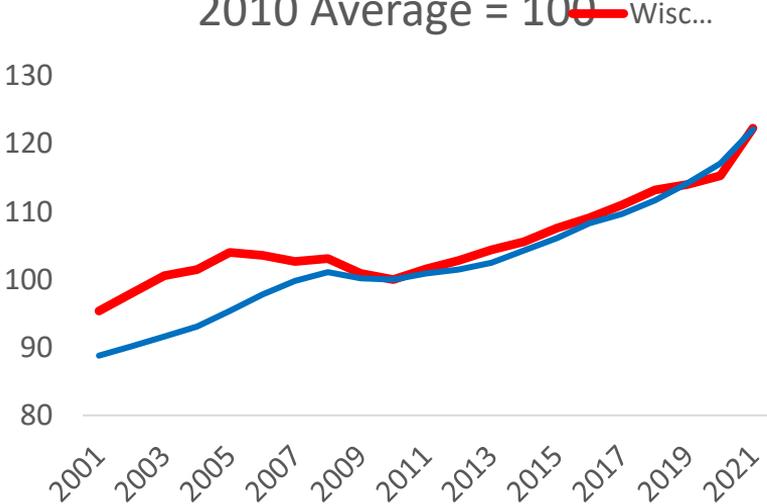


Since 2010, Wisconsin Has Matched U.S. Growth in Businesses

WI Total Private Establishments, Annual Avg

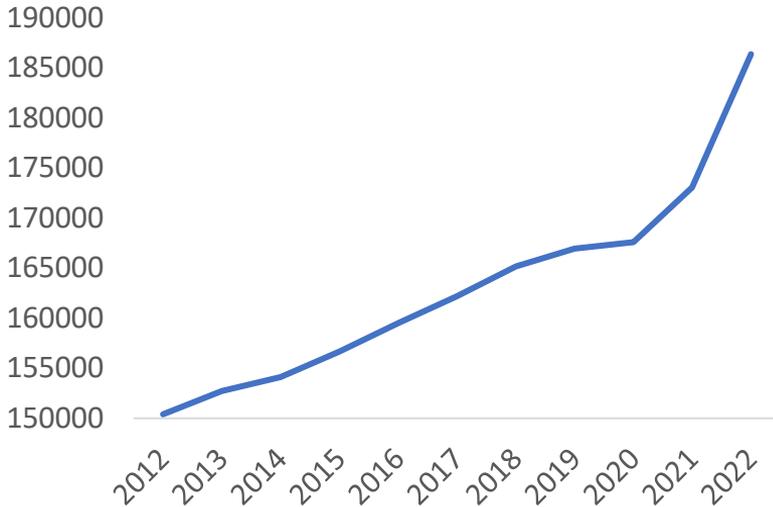


Number of Private Establishments 2010 Average = 100

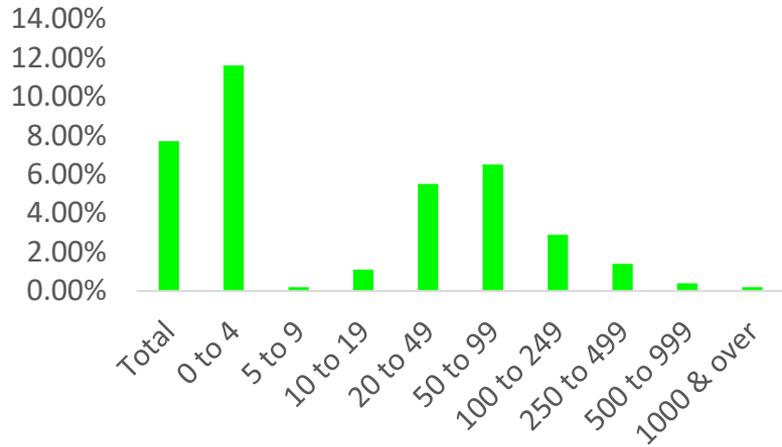


Small Businesses Drive the Gain in Wisconsin Entrepreneurship

WI Total Private Establishments 1st Qtr

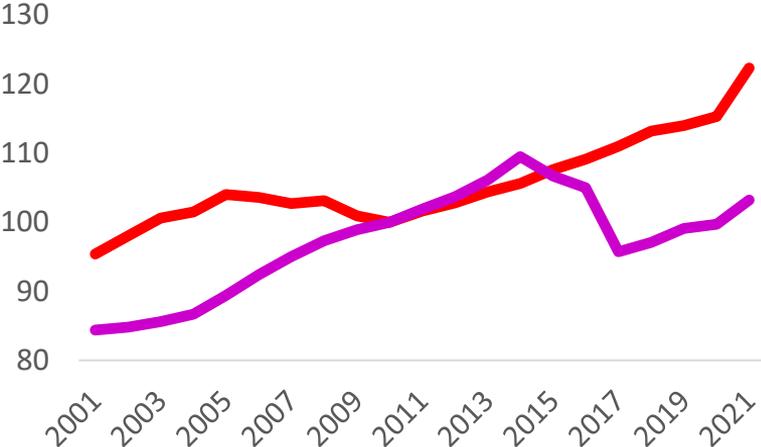


Pct Change In Establishments By Firm Size, 2022 Q1 Over 2021 Q1

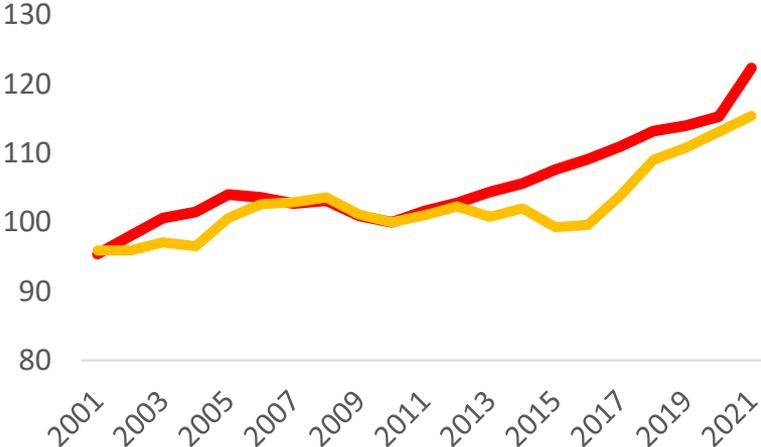


Wisconsin Business Growth Ahead of Illinois and Minnesota

Number of Private Establishments
2010 Average = 100

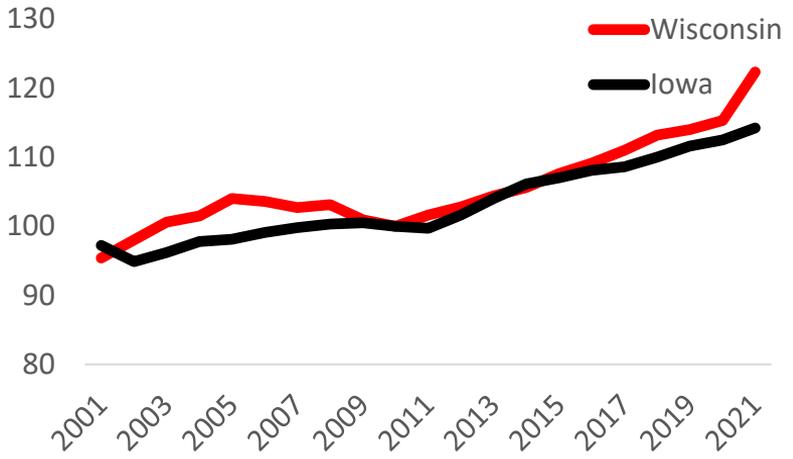


Number of Private Establishments
2010 Average = 100

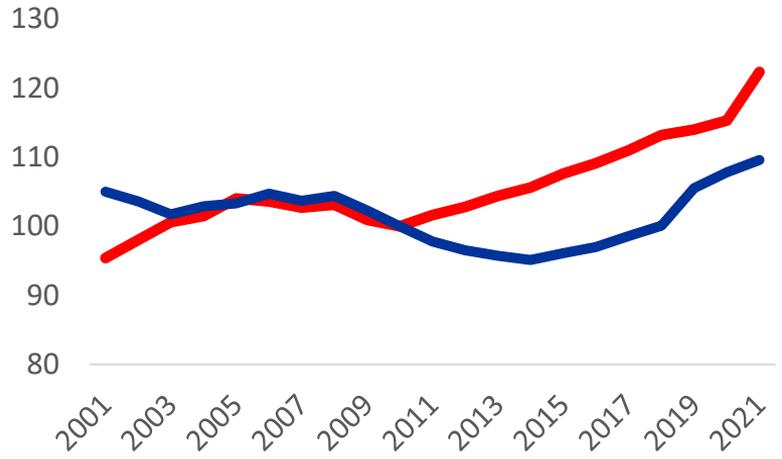


Wisconsin Business Growth Running Ahead of Iowa and Michigan

Number of Private Establishments
2010 Average = 100



Number of Private Establishments
2010 Average = 100



U.S. Outlook

Lower Growth,
Higher Prices,
Higher Interest Rates

Federal Reserve Moves To Phase-In Higher Interest Rates

- Federal Reserve revises real GDP, inflation, and interest rate outlook.
- Fed will phasing-out bond purchases designed to keep long-term rates low.
- FOMC's September 2022 Outlook lifts short-term rates by 380 basis points in 2022 compared to last year's outlook.

| | Real GDP. Pct. Chg. | | |
|---------------|---------------------|-------------|-------------|
| | 2022 | 2023 | 2024 |
| Sep-21 | 3.8 | 2.5 | 2.0 |
| Dec-21 | 4.0 | 2.2 | 2.0 |
| Mar-22 | 2.8 | 2.2 | 2.0 |
| Jun-22 | 1.7 | 1.7 | 1.9 |
| Sep-22 | 0.2 | 1.2 | 1.7 |
| Change | -3.6 | -1.3 | -0.3 |

| | Unemployment Rate | | |
|---------------|-------------------|------------|------------|
| | 2022 | 2023 | 2024 |
| Sep-21 | 3.8 | 3.5 | 3.5 |
| Dec-21 | 3.5 | 3.5 | 3.5 |
| Mar-22 | 3.5 | 3.5 | 3.6 |
| Jun-22 | 3.7 | 3.9 | 4.1 |
| Sep-22 | 3.8 | 4.4 | 4.4 |
| Change | 0.0 | 0.9 | 0.9 |

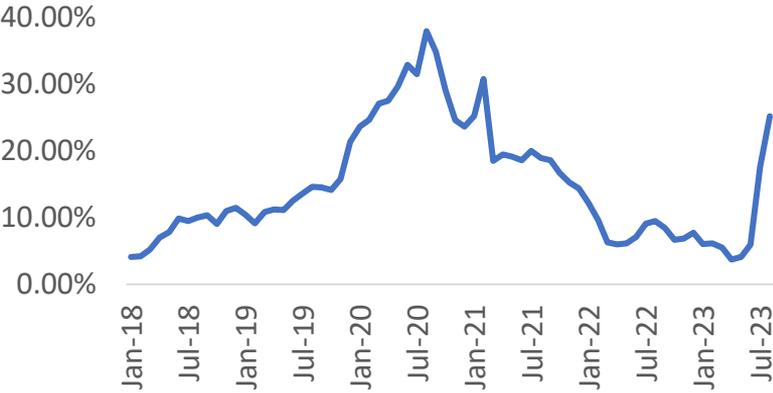
| | Inflation Rate | | |
|---------------|----------------|------------|------------|
| | 2022 | 2023 | 2024 |
| Sep-21 | 2.2 | 2.2 | 2.1 |
| Dec-21 | 2.6 | 2.3 | 2.1 |
| Mar-22 | 4.3 | 2.7 | 2.3 |
| Jun-22 | 5.2 | 2.6 | 2.2 |
| Sep-22 | 5.4 | 2.8 | 2.3 |
| Change | 3.2 | 0.6 | 0.2 |

| | Federal Funds Rate | | |
|---------------|--------------------|------------|------------|
| | 2022 | 2023 | 2024 |
| Sep-21 | 0.3 | 1.0 | 1.8 |
| Dec-21 | 0.9 | 1.6 | 2.1 |
| Mar-22 | 1.9 | 2.8 | 2.8 |
| Jun-22 | 3.4 | 3.8 | 3.4 |
| Sep-22 | 4.4 | 4.6 | 3.9 |
| Change | 4.1 | 3.6 | 2.1 |

Yield Spread Moves To Increase Recession Risk

Recession Chance By August 2023 to 25%

FRB New York Estimated
Recession Risk:
Chance Of Recession Within 12
Months

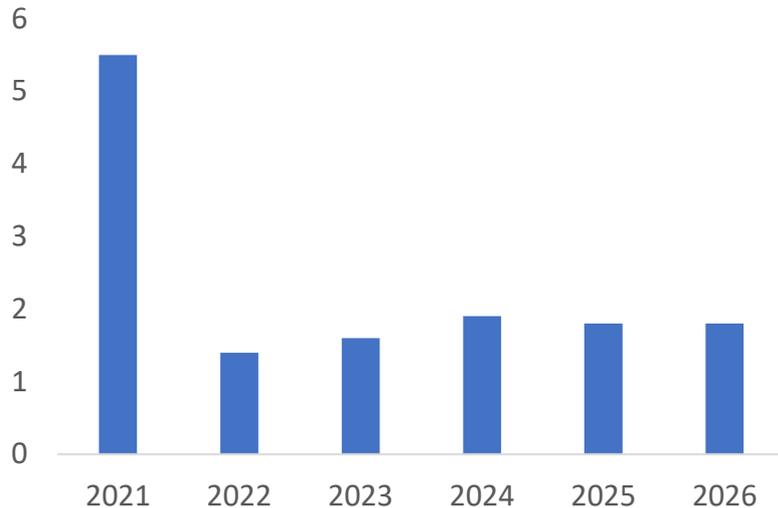


- Federal Reserve policy still stimulative.
- That will change. Multiple interest rate moves scheduled for 2022 and 2023 totaling an additional 150 basis points

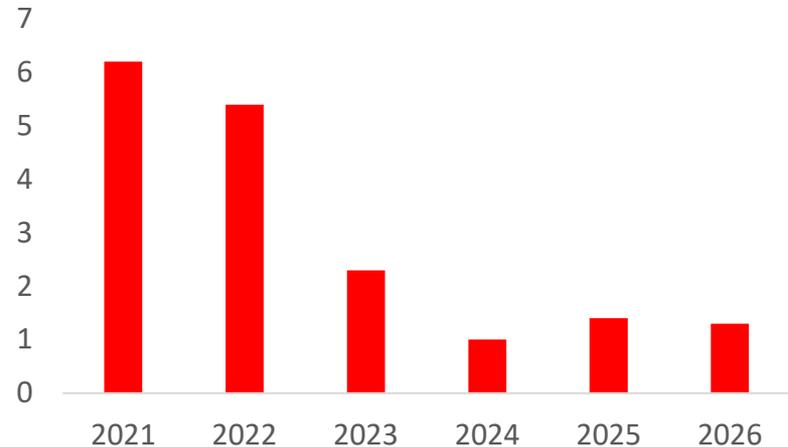
U.S. Economic Outlook

Economy Downshifts to Lower Growth

Percent Change Real GDP
% Change Q4/Q4

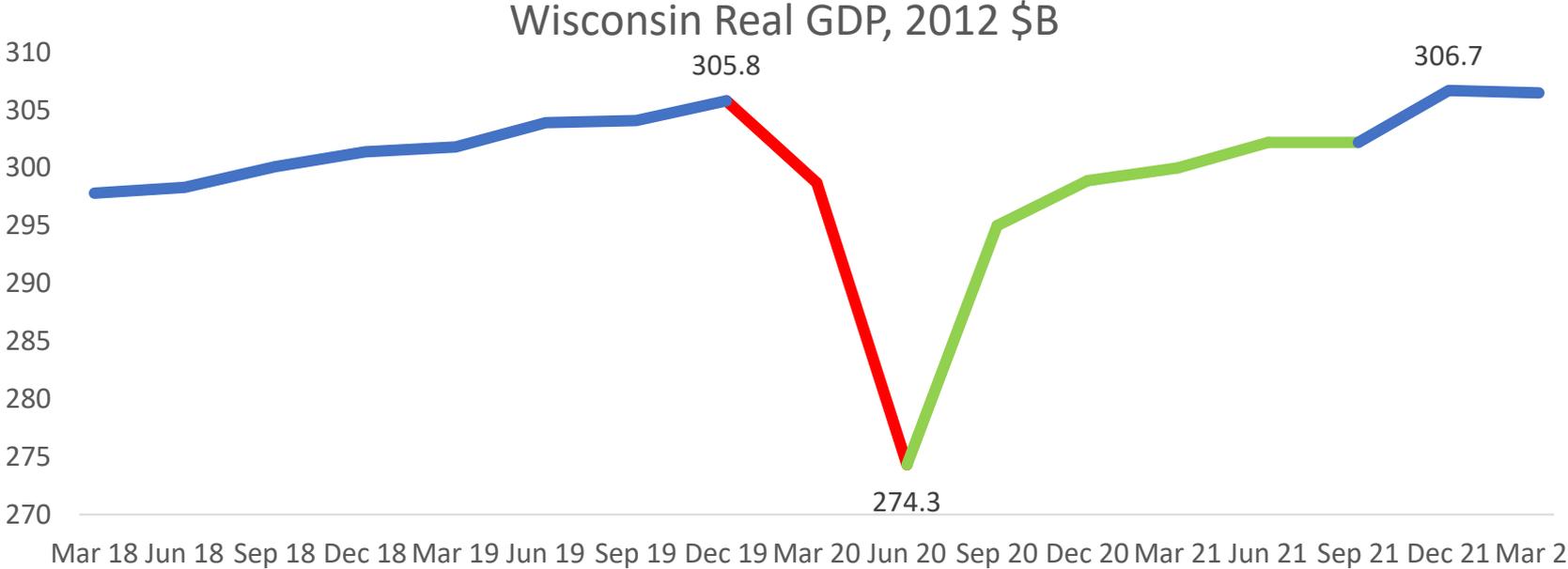


Manufacturing Industrial
Production
% Change over Prior Year

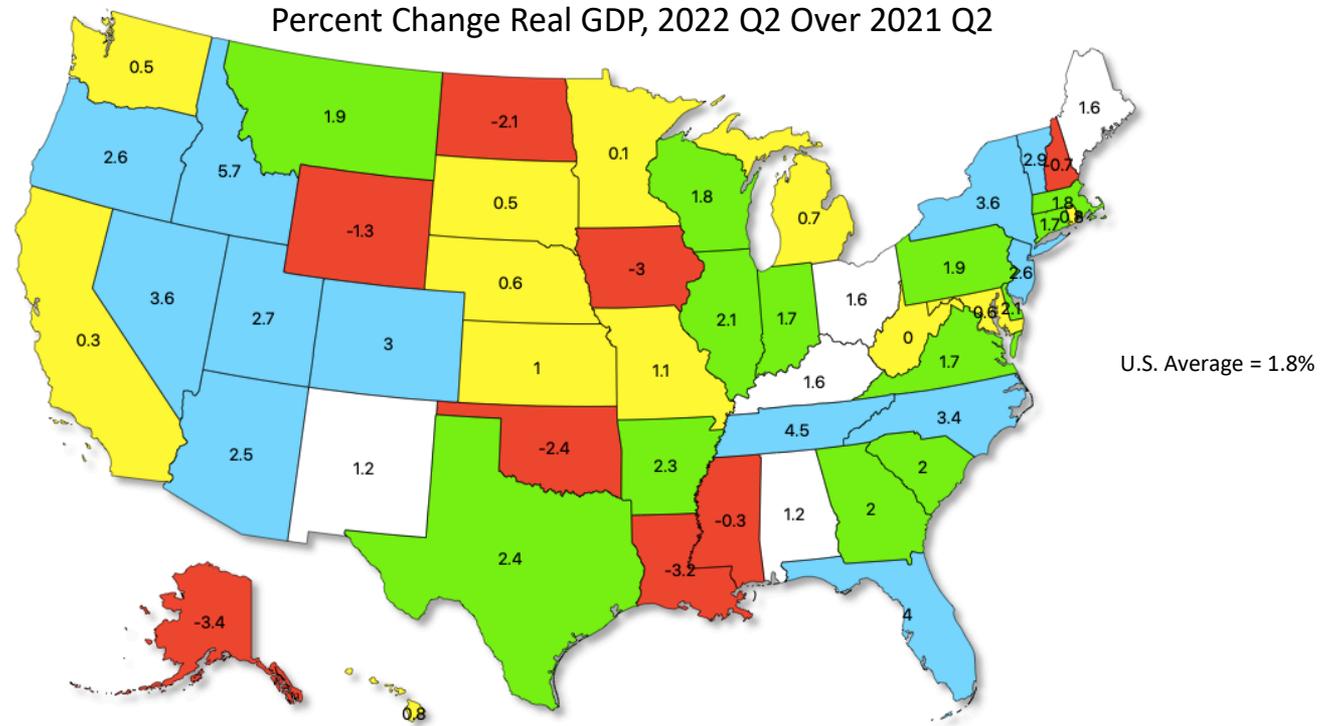


Wisconsin Outlook

Wisconsin Real GDP Recovered from COVID Contraction 2021 Q4

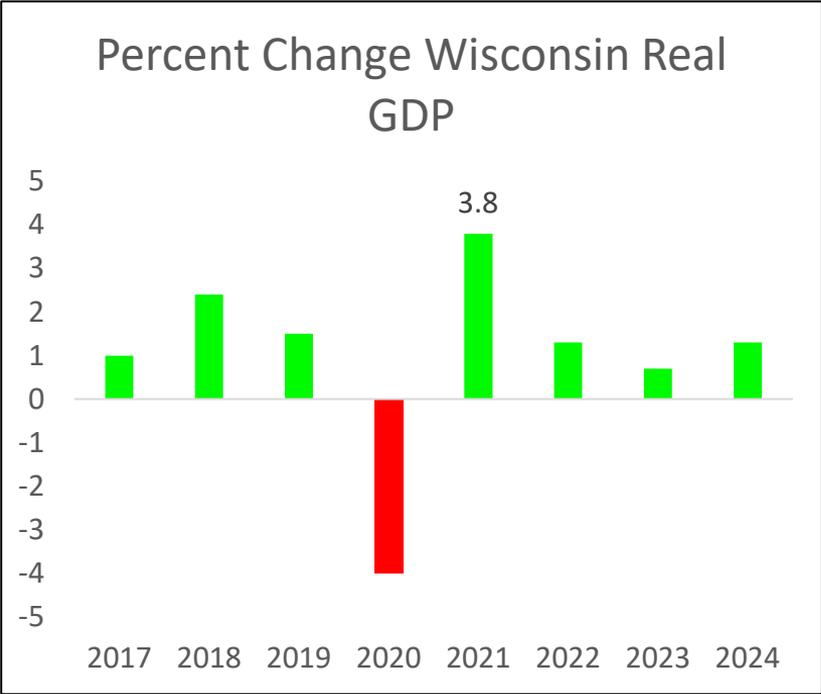
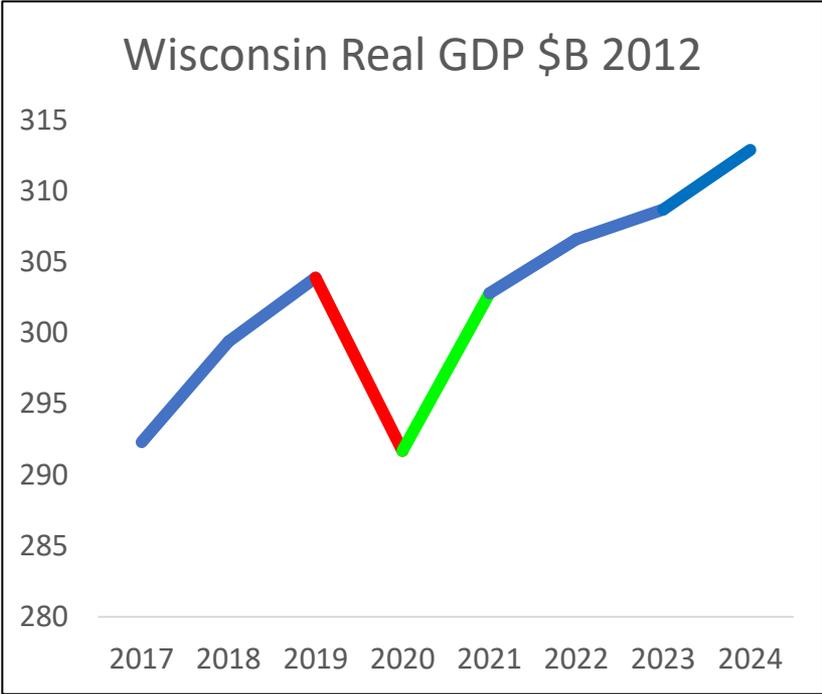


Wisconsin Ranks 21st in Real GDP Growth



Wisconsin Outlook

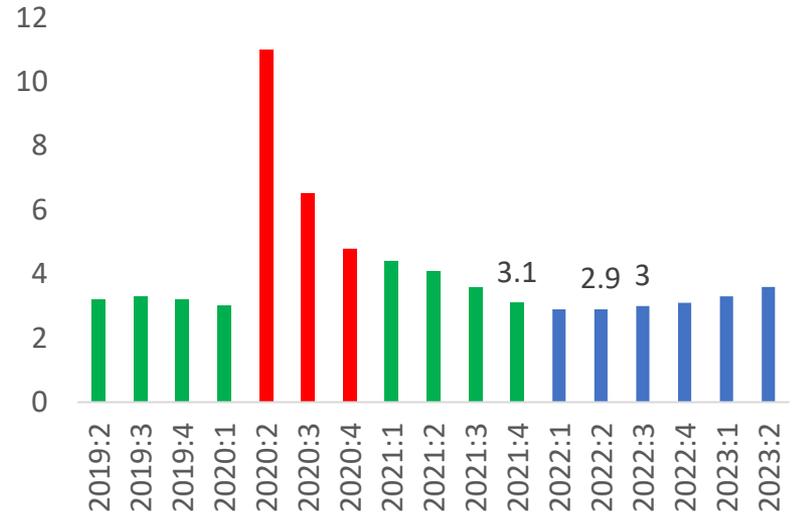
Growth Continues Through 2024



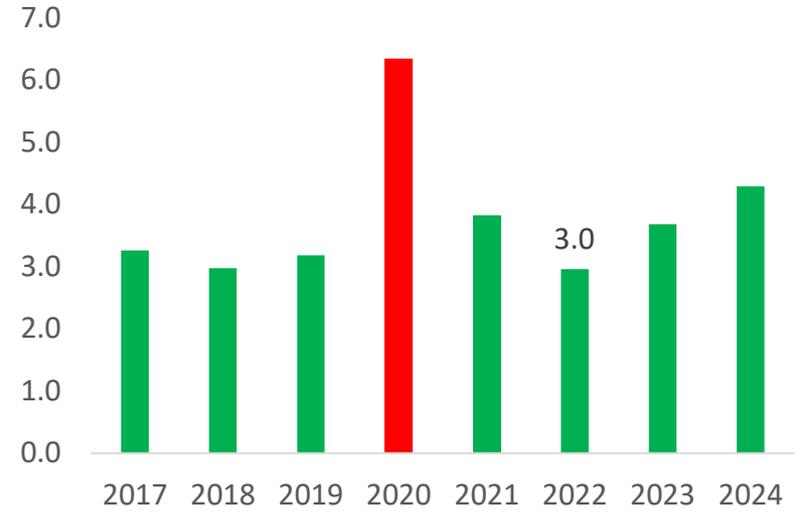
Wisconsin's Economic Outlook: Unemployment Rate

Full Employment Reached in 1st Quarter 2021, Reaches Record Low in 2022
Will Drift Higher With Slower Growth

WI Unemployment Rate by Quarter



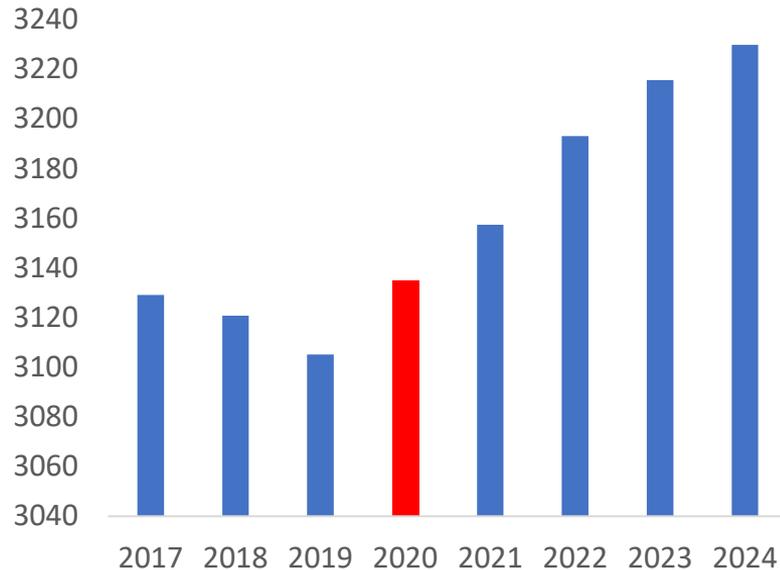
WI Unemployment Rate Annual Avg.



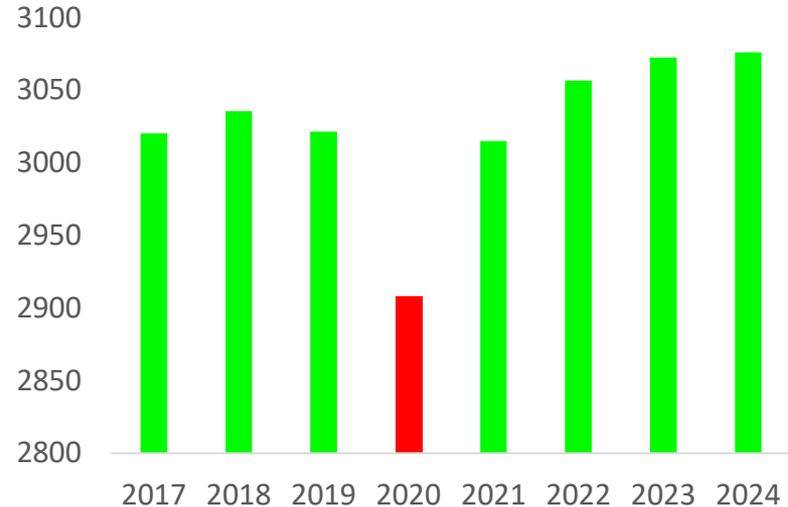
Wisconsin Economic Outlook

Labor Force Expansion Continues in 2022

WI Labor Force in Thousands

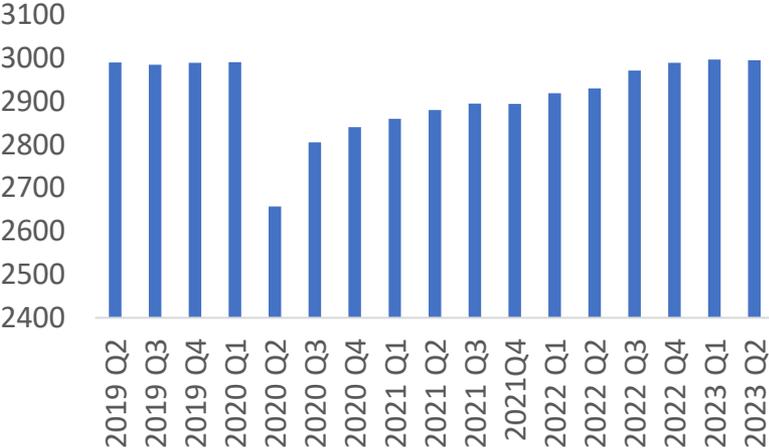


Wisconsin Household Employment Ks

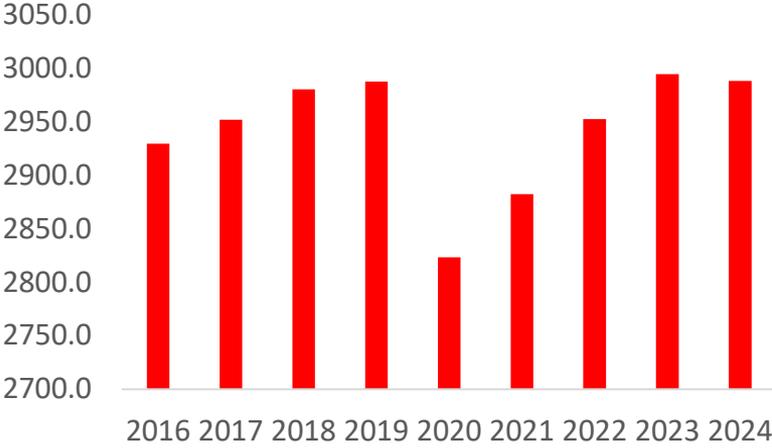


Wisconsin Employment Rebounding Fully Recovered by 2023

Wisconsin Non-Farm Employment by Quarter



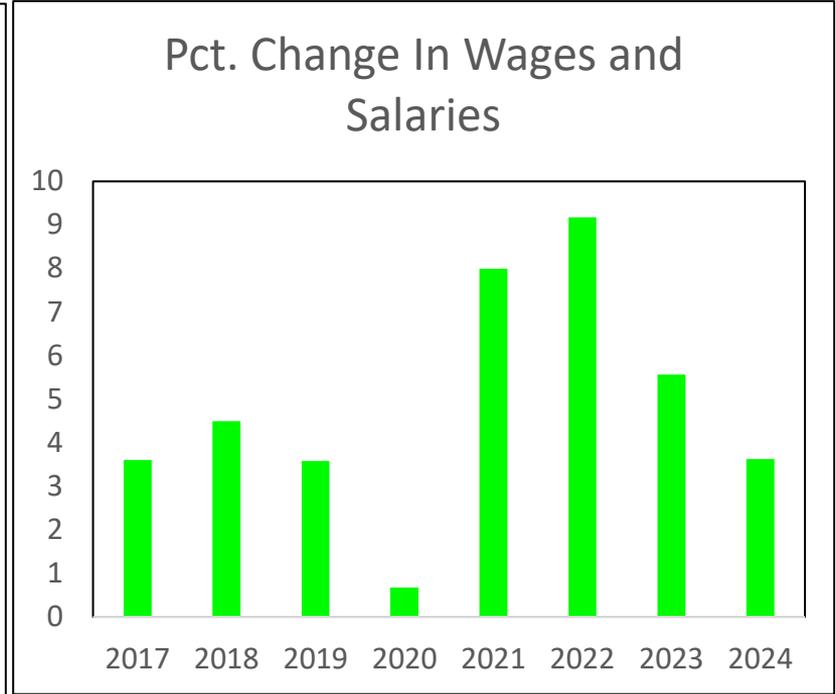
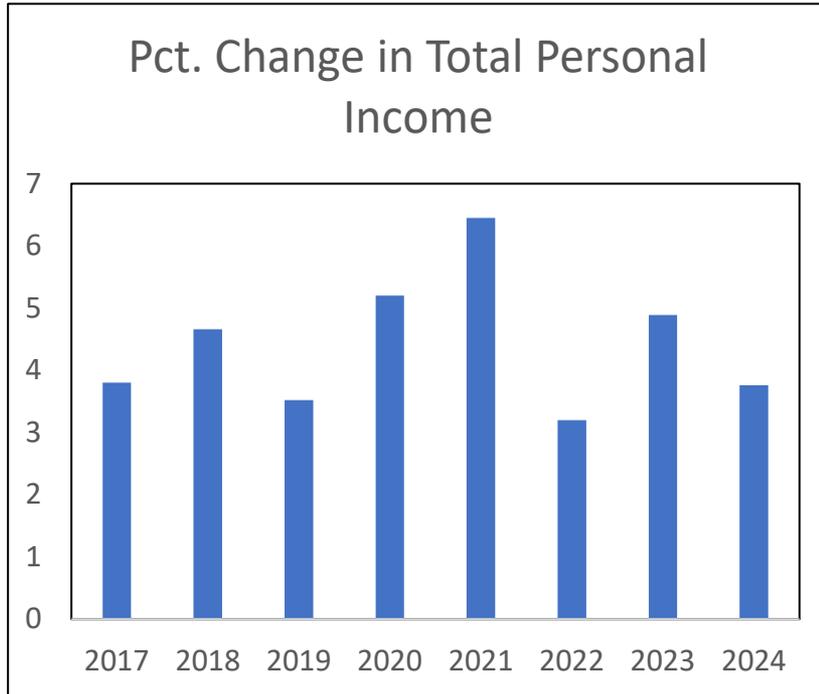
Wisconsin Nonfarm Employment Annual Average

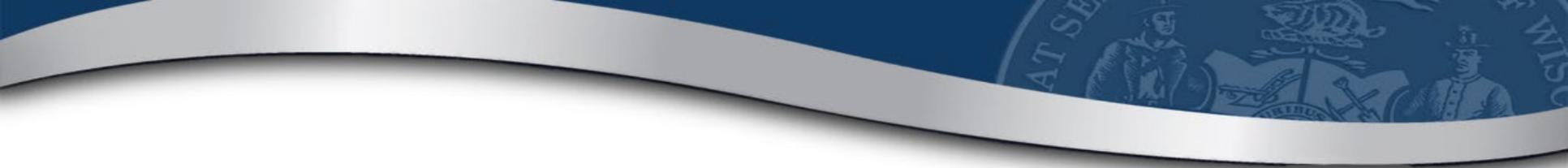


Wisconsin Economic Outlook: Personal Income

Supported by Wage Growth & Stimulus in 2021

Strong Wage Growth More Than Offsets Stimulus Phase-Out in 2022





Tax and Economic Data Visualizations

Emily Camfield
Wisconsin Department of Revenue
Division of Research & Policy



Where do I find DOR's data visualizations?

– <https://dorviz.wi.gov/>

What are the data visualizations about?

– Wisconsin tax and economic data

- Tax returns, credits, sales tax returns, corporate taxes by industry, equalized values, past tax revenues, Wisconsin exports, etc.

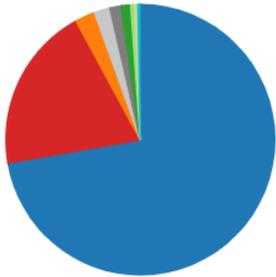
– Want to see something else? We are always open to suggestions!

• doreconomists@Wisconsin.gov

Equalized Values

Location (search by name, county, or code) Select Year Select Property Class

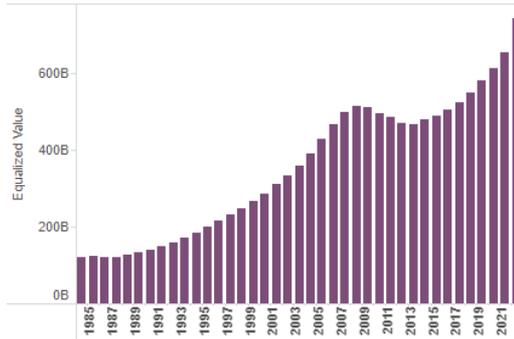
State of Wisconsin (Total) - 2022



Property Class

- Residential
- Commercial
- Manufacturing
- Other
- Personal
- Productive Fore...
- Agricultural For...
- Agricultural
- Undeveloped

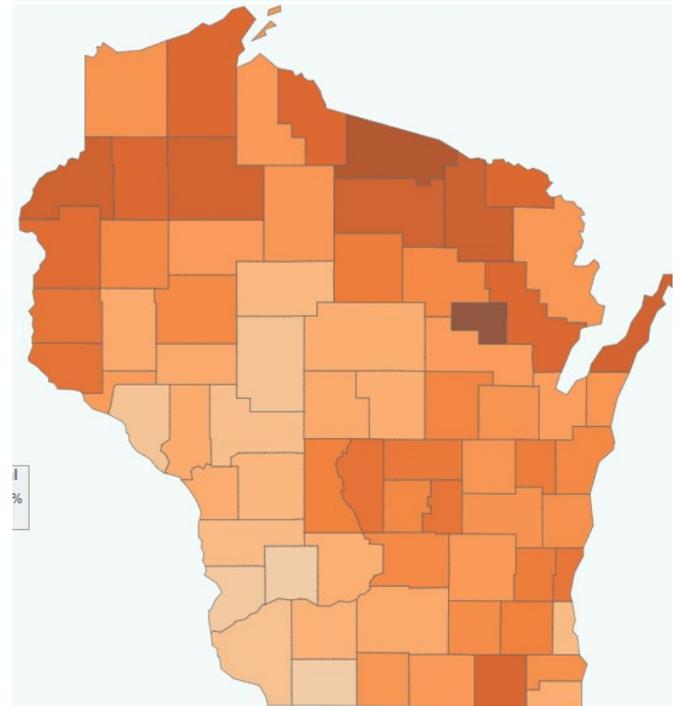
State of Wisconsin - (All) Property



State of Wisconsin (Total)

| Property Class | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | 1990 |
|------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| (All) | 122,060,946,775 | 123,021,487,280 | 120,574,776,770 | 121,883,655,590 | 126,587,557,530 | 133,206,184,580 | 141,370,307,160 |
| Residential | 69,942,491,600 | 71,485,143,500 | 72,039,565,900 | 74,078,540,200 | 77,444,095,300 | 81,922,725,900 | 87,520,932,000 |
| Commercial | 18,970,501,900 | 19,704,680,600 | 20,536,346,200 | 21,844,668,200 | 23,218,444,900 | 24,695,094,600 | 26,416,134,700 |
| Manufacturing | 5,660,956,400 | 5,365,572,100 | 5,076,485,200 | 5,016,460,600 | 5,020,594,400 | 5,232,690,900 | 5,487,865,400 |
| Personal | 5,085,431,775 | 5,363,590,280 | 5,649,688,870 | 5,950,442,690 | 6,191,699,830 | 6,734,777,580 | 7,232,161,560 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Productive Forest L... | 2,620,566,900 | 2,550,286,200 | 2,285,252,500 | 2,128,854,800 | 2,061,948,100 | 2,053,246,900 | 2,057,221,000 |
| Agricultural Forest | | | | | | | |
| Agricultural | 19,635,112,700 | 18,396,685,900 | 14,850,510,400 | 12,729,774,000 | 12,508,459,800 | 12,423,362,000 | 12,501,528,500 |
| Undeveloped | 145,885,500 | 155,528,700 | 136,927,700 | 134,915,100 | 142,315,200 | 144,286,700 | 154,464,000 |

Class Share of Total Equalized Value by County

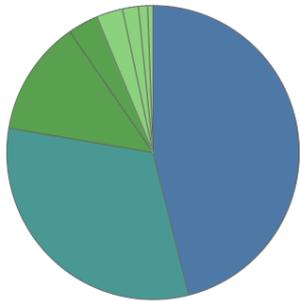


State Fiscal Dashboard

Select Fiscal Year

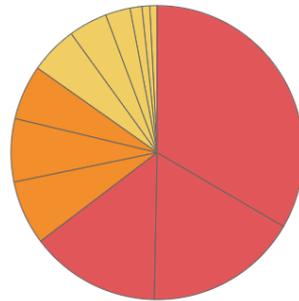
2021

General Fund Revenue - FY2021

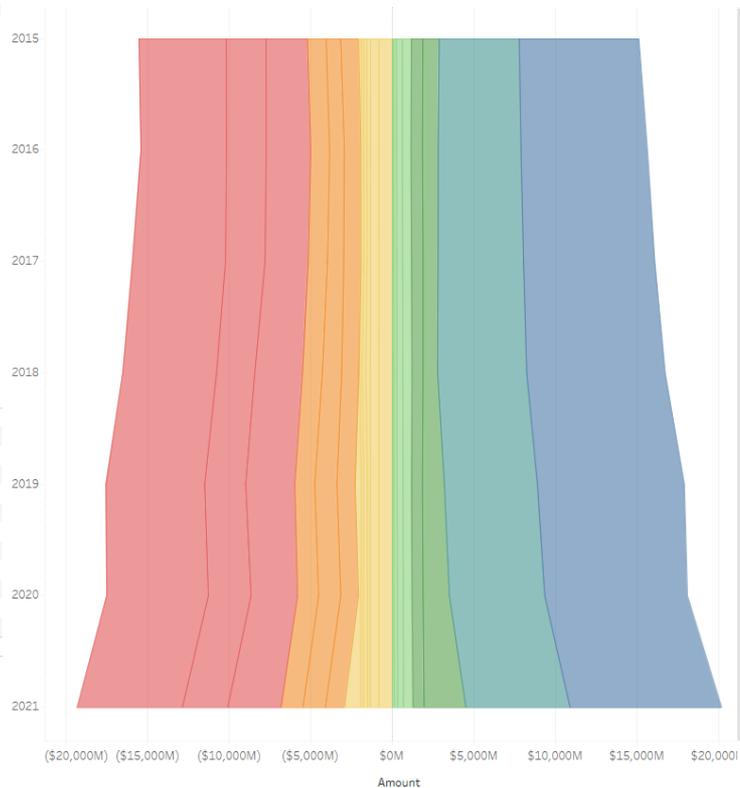


| Tax/Program | Amount | % of Total |
|---------------------------|------------------|---------------|
| Individual Income Tax | \$9,283M | 46.1% |
| General Sales & Use Tax | \$6,374M | 31.6% |
| Corporate Income Tax | \$2,560M | 12.7% |
| Excise Taxes | \$678M | 3.4% |
| Departmental Revenues | \$586M | 2.9% |
| Public Utility Taxes | \$356M | 1.8% |
| Insurance Companies Pre.. | \$202M | 1.0% |
| Miscellaneous Taxes | \$120M | 0.6% |
| Grand Total | \$20,158M | 100.0% |

General Fund Expenditures - FY2021



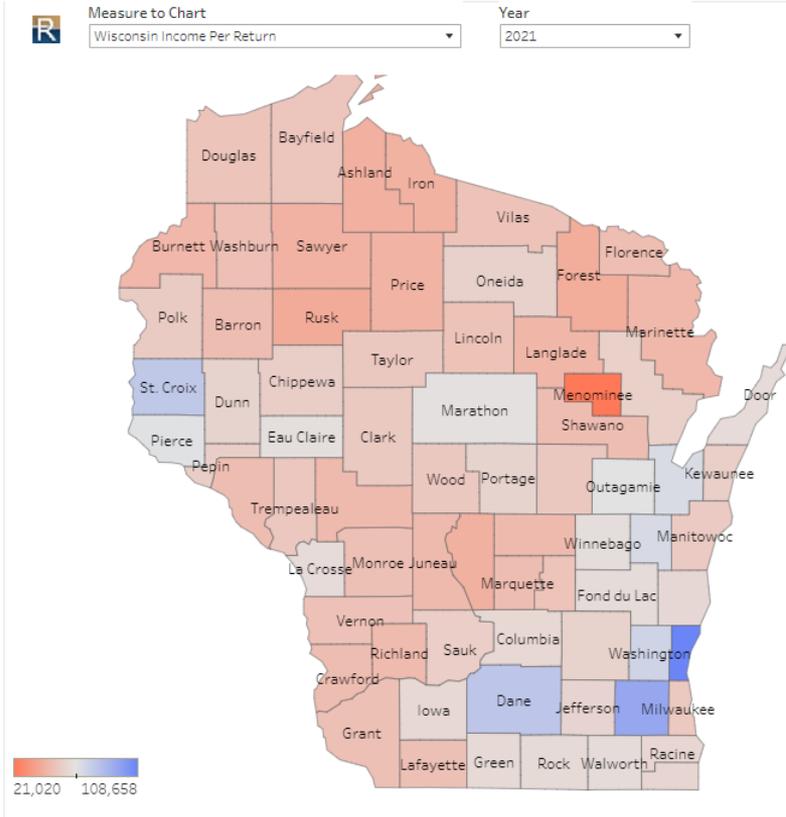
| Tax/Program | Amount | % of Total |
|-----------------------------|--------------------|---------------|
| School Aids | (\$6,437M) | 33.4% |
| Medical Assistance | (\$3,267M) | 16.9% |
| All Others | (\$2,773M) | 14.4% |
| State Property Tax Relief | (\$1,367M) | 7.1% |
| Correctional Services | (\$1,339M) | 6.9% |
| UW System | (\$1,162M) | 6.0% |
| Transfers | (\$1,012M) | 5.2% |
| Shared Revenue | (\$826M) | 4.3% |
| WI Technical College Syst.. | (\$529M) | 2.7% |
| Community Aids | (\$252M) | 1.3% |
| Individual Tax Relief | (\$166M) | 0.9% |
| State Supplement to SSI | (\$158M) | 0.8% |
| Grand Total | (\$19,288M) | 100.0% |



Wisconsin Individual Income Tax Credits -

Also has info on
income and taxes by
county

Wisconsin Income Per Return for Fiscal Year 2021

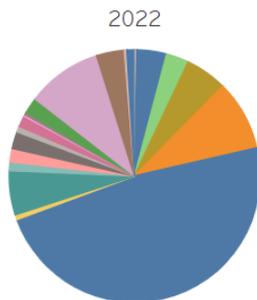


Sales Taxes by Industry

Select Year
2022

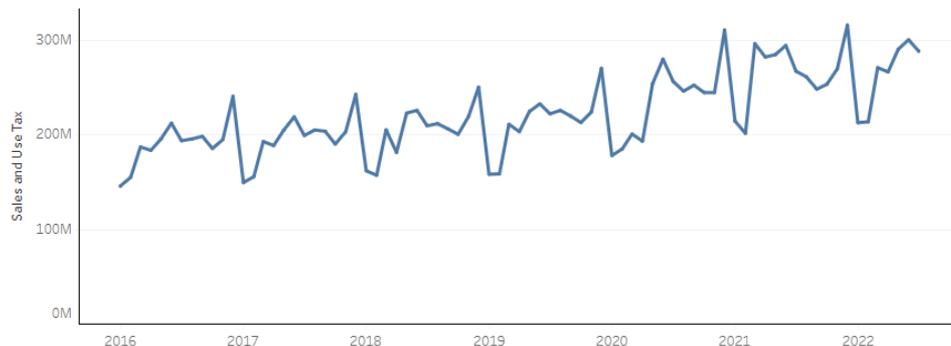
Wisconsin Sales Taxes by Industry - 2022

| Sector | 2022 Sales and Use Tax | Share of Total |
|---|---------------------------|----------------|
| 11 Agriculture, Forestry, Fishing and Hunting | 5,591,399 | 0.15% |
| 21 Mining, Quarrying, and Oil and Gas Extraction | 5,440,172 | 0.14% |
| 22 Utilities | 147,227,617 | 3.84% |
| 23 Construction | 111,845,499 | 2.92% |
| 31 Manufacturing | 205,180,058 | 5.35% |
| 42 Wholesale Trade | 346,760,706 | 9.04% |
| 44-45 Retail | 1,838,963,677 | 47.95% |
| 48 Transportation and Warehousing | 24,705,696 | 0.64% |
| 51 Information | 216,881,385 | 5.65% |
| 52 Finance and Insurance | 42,988,018 | 1.12% |
| 53 Real Estate and Rental and Leasing | 65,665,136 | 1.71% |
| 54 Professional, Scientific, and Technical Services | 83,448,388 | 2.18% |
| 55 Management of Companies and Enterprises | 29,349,247 | 0.77% |
| 56 Administrative and Support and Waste Management and Remediation Services | 55,404,639 | 1.44% |
| 61 Educational Services | 5,188,285 | 0.14% |
| 62 Health Care and Social Assistance | 12,475,842 | 0.33% |
| 71 Arts, Entertainment, and Recreation | 80,186,277 | 2.09% |
| 72 Accommodations and Food Services | 370,775,645 | 9.67% |
| 81 Other Services (except Public Administration) | 137,592,338 | 3.59% |
| 92 Public Administration | 12,426,044 | 0.32% |
| 99 Not Reported | 37,178,696 | 0.97% |
| Grand Total | 3,835,274,765 | 100.00% |



- Sector
- 11 Agriculture, Forestry, Fishing and...
 - 21 Mining, Quarrying, and Oil and Ga...
 - 22 Utilities
 - 23 Construction
 - 31 Manufacturing
 - 42 Wholesale Trade
 - 44-45 Retail
 - 48 Transportation and Warehousing
 - 51 Information
 - 52 Finance and Insurance
 - 53 Real Estate and Rental and Leasing
 - 54 Professional, Scientific, and Tech...
 - 55 Management of Companies and E...
 - 56 Administrative and Support and ...
 - 61 Educational Services
 - 62 Health Care and Social Assistance
 - 71 Arts, Entertainment, and Recreat...
 - 72 Accommodations and Food Service
 - 81 Other Services (except Public Ad...
 - 92 Public Administration
 - 99 Not Reported

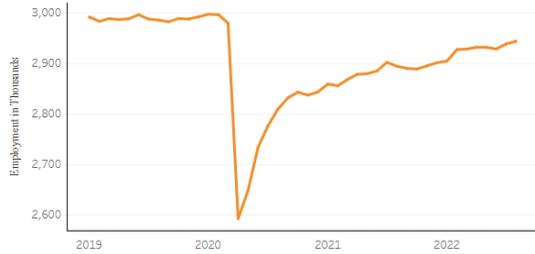
State Sales and Use Tax
44-45 Retail



Wisconsin Economic Indicators

Wisconsin Total Nonfarm Employment

Employment in Thousands

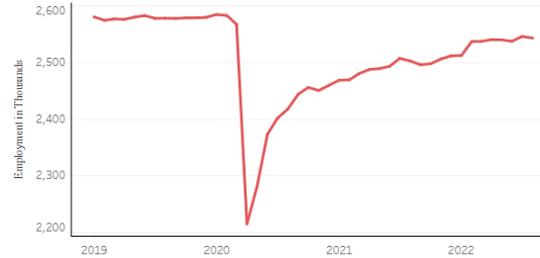


Wisconsin Total Nonfarm Employment

| Year | Employment |
|------|------------|
| 2011 | 2,752 |
| 2012 | 2,781 |
| 2013 | 2,810 |
| 2014 | 2,853 |
| 2015 | 2,894 |
| 2016 | 2,930 |
| 2017 | 2,952 |
| 2018 | 2,980 |
| 2019 | 2,988 |
| 2020 | 2,823 |
| 2021 | 2,883 |

Wisconsin Total Private Employment

Employment in Thousands

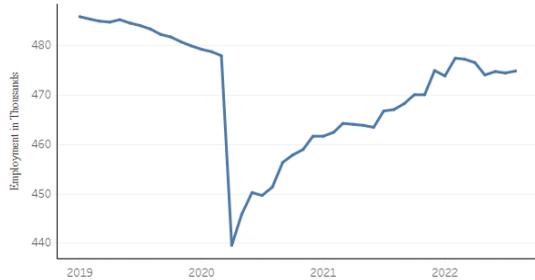


Wisconsin Total Private Employment

| Year | Employment |
|------|------------|
| 2011 | 2,337 |
| 2012 | 2,370 |
| 2013 | 2,401 |
| 2014 | 2,441 |
| 2015 | 2,483 |
| 2016 | 2,515 |
| 2017 | 2,541 |
| 2018 | 2,567 |
| 2019 | 2,578 |
| 2020 | 2,436 |
| 2021 | 2,492 |

Wisconsin Manufacturing Employment

Employment in Thousands

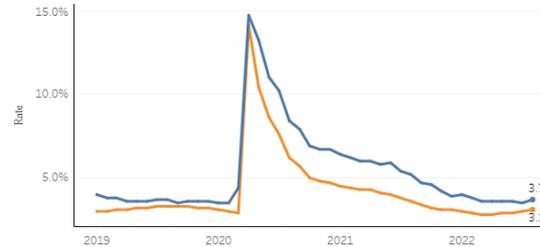


Wisconsin Manufacturing Employment

| Year | Employment |
|------|------------|
| 2011 | 448 |
| 2012 | 458 |
| 2013 | 460 |
| 2014 | 467 |
| 2015 | 470 |
| 2016 | 468 |
| 2017 | 470 |
| 2018 | 480 |
| 2019 | 484 |
| 2020 | 459 |
| 2021 | 466 |

Unemployment Rate

Percent of Labor Force



WI Unemployment Rate

| Year | Rate (%) |
|------|----------|
| 2011 | 7.5% |
| 2012 | 6.9% |
| 2013 | 6.6% |
| 2014 | 5.4% |
| 2015 | 4.4% |
| 2016 | 3.9% |
| 2017 | 3.3% |
| 2018 | 3.0% |
| 2019 | 3.2% |
| 2020 | 6.3% |
| 2021 | 3.8% |

Years:



Category: Unemployment Rate

Source: U.S. Bureau of Labor Statistics (BLS), Current Employment Statistics Program (CES) and Local Area Unemployment Statistics (LAUS).



Questions? Comments?

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