

# Tax-Exempt Bonds, 2006

by Cynthia Belmonte and Emily Shammas

**T**he total amount of tax-exempt bonds issued by State and local governments declined 9.8 percent between Calendar Years 2005 and 2006, from \$474.8 billion in 2005 to \$428.3 billion in 2006. For 2006, Governmental bonds accounted for \$319.4 billion (74.6 percent) of total tax-exempt bond proceeds, while private activity bonds accounted for the remaining \$108.9 billion (25.4 percent).

Tax-exempt bonds are issued by State and local governments to finance a variety of projects, including construction or improvement of essential facilities and infrastructure, as well as to help provide services for citizens.<sup>1</sup> Bonds issued by State and local governments are classified as either “Governmental” or “private activity,” depending on whether the proceeds are used and secured by public or private entities and resources.

When a bond is issued, the issuer is obligated to repay the borrowed bond proceeds, at a specified rate of interest, by some future date. For Federal income tax purposes, investors who purchase Governmental bonds and certain types of private activity bonds are allowed to exclude the bond interest from their gross incomes.<sup>2</sup> This tax exemption effectively lowers the borrowing cost incurred by tax-exempt debt issuers, since holders of tax-exempt bonds are generally willing to accept an interest rate lower than that earned on comparable taxable bonds.

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The interest exclusion for tax-exempt bonds is not allowed for arbitrage bonds and bonds not in registered form.<sup>3,4</sup>

Both Governmental and private activity bonds are obligations issued by or on behalf of State and local governmental units; it is the use of proceeds that differentiates the two. Governmental bond proceeds finance essential government operations, facilities, and services that are for general public use, and the debt service on these bonds is paid from general Governmental sources. Private activity bond proceeds are used by one or more private entities, and the debt service is paid or secured by one or more private entities. Specifically, Internal Revenue Code (IRC) section 141 defines a bond as a private activity bond if either of the following applies: 1) the private business tests set forth in IRC section 141(b); or 2) the private loan financing test set forth in IRC section 141(c).<sup>5</sup> Interest income earned on private activity bonds is taxable. Over the years, Congress has deemed certain types of private activities necessary for the public good and, therefore, allows for a similar treatment of interest income as that allowed for Governmental bonds. Interest income earned on “qualified private activity bonds,” as defined in IRC section 141(e), is generally tax-exempt.<sup>6,7</sup>

In recent years, Congress has expanded the list of qualified private activities eligible for tax-exempt financing. Some of the recently enacted tax-exempt bond legislation was introduced to encourage development and construction of key infrastructure in targeted communities, such as disaster-stricken areas around New York City and the Gulf Coast region.<sup>8</sup>

<sup>1</sup> The term “State” includes the District of Columbia and any possession of the United States.

<sup>2</sup> In addition, for State income tax purposes, most States allow for the exclusion of interest on bonds issued by government agencies within their own States, thus increasing the benefit to bondholders.

<sup>3</sup> An arbitrage bond is one in which any portion of the proceeds is used to purchase higher-yielding investments, or is used to replace proceeds which have been used to purchase higher-yielding investments. Certain rules allow for arbitrage earnings with respect to tax-exempt bonds within a specified time period, so long as these earnings are rebated to the Department of the Treasury.

<sup>4</sup> A registered bond is defined as: “a bond whose owner is designated on records maintained by a registrar, the ownership of which cannot be transferred without the registrar recording the transfer on its records.” (From the Municipal Securities Rulemaking Board’s *Glossary of Municipal Securities Terms* <<http://www.msrb.org/msrb1/glossary/>>. See also IRC section 149(a) for additional information.)

<sup>5</sup> The private business tests of IRC section 141(b) define a bond as a private activity bond if both of the following criteria are met: 1) more than 10 percent of the bond proceeds are used for a private business purpose; and, 2) more than 10 percent of the bond debt service is derived from private business use and is secured by privately used property. The private loan financing test of IRC section 141(c) defines a bond as a private activity bond if the amount of proceeds used to (directly or indirectly) finance loans to nongovernmental persons exceeds the lesser of \$5 million or 5 percent of the proceeds.

<sup>6</sup> Tax-exempt private activity bonds include “exempt facility bonds,” qualified mortgage bonds, qualified veterans’ mortgage bonds, qualified small issue bonds, qualified student loan bonds, qualified redevelopment bonds, and qualified section 501(c)(3) bonds (all of which are defined in the “Explanation of Terms” section of this data release). Examples of exempt facilities include airports; docks and wharves; sewage facilities; solid waste disposal facilities; qualified residential rental projects; and facilities for the local furnishing of electricity or gas. Qualified section 501(c)(3) bonds are issued by State and local governments to finance the activities of charitable and similar organizations that are tax-exempt under IRC section 501(c)(3). The primary beneficiaries of these bonds are hospitals, universities, and organizations that provide low-income housing or assisted living facilities.

<sup>7</sup> The interest income from qualified private activity bonds (other than qualified section 501(c)(3) bonds) is subject to the alternative minimum tax calculations.

<sup>8</sup> Legislation authorizing the issuance of New York Liberty Zone bonds was passed shortly after the terrorist attack on September 11, 2001. Legislation authorizing the issuance of Gulf Opportunity Zone bonds was passed in late 2005, following the Hurricane Katrina disaster. Additional information about these, and other types of tax-exempt bonds, can be found in the “Explanation of Terms” section of this data release.

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## Bond Volume, by Term of Issue

Bonds are classified as either short-term or long-term, depending on the length of time from issuance to maturity. Bonds having maturities of less than 13 months are typically classified as short-term, while those having maturities of 13 months or more are classified as long-term. Governmental bond issues totaled \$319.4 billion in 2006, a 12.4-percent decrease from the record \$364.5 billion issued in 2005. Long-term bonds accounted for \$272.2 billion, more than 85 percent of all Governmental bond proceeds. Long-term bonds are generally used to finance construction or other capital improvement projects. The remaining \$47.2 billion of Governmental bonds was issued for short-term projects.

Most short-term Governmental bonds are issued in the form of tax anticipation notes (TANs), revenue anticipation notes (RANs), or bond anticipation notes (BANs). TANs and RANs generally mature within 1 year of issuance, at which time the proceeds are paid from specific tax receipts or other revenue sources. The proceeds of a BAN are typically used to pay for startup costs associated with a future, long-term bond-financed project. A renewal BAN can be issued on maturity of an outstanding BAN, until, eventually, the proceeds of the future bond issue are used to pay off, or retire, the outstanding BAN. Combined, TANs, RANs, and BANs comprised 89.5 percent of all short-term Governmental bond proceeds for 2006.

Tax-exempt private activity bond issues totaled \$108.9 billion in 2006, a 1.3-percent decrease from the \$110.3 billion issued in 2005. Short-term bonds accounted for \$0.3 billion, only 0.3 percent, of the total private activity bond proceeds for 2006.

## Long-Term Bond Volume, by Type of Issue

Total bond issuance is composed of both nonrefunding (“new money”) issues and refunding issues. The proceeds of new money issues finance new capital projects, while proceeds of refunding issues retire outstanding debt of prior bond issues. A bond issue can include both new and refunding proceeds.

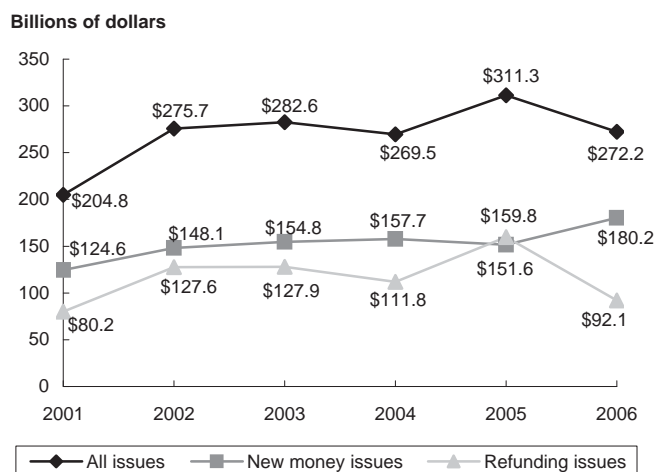
Figures A1 and A2 show total issuance, as well as the split between new money and refunding issues, for both Governmental and tax-exempt private activity bonds issued between 2001 and 2006. Of the \$272.2 billion of long-term Governmental bond proceeds issued during 2006, new money issues outnumbered refunding issues 2 to 1. For tax-exempt

private activity bonds, this ratio was slightly less—of the \$108.6 billion of total long-term issues, 58.3 percent was new money, and 41.7 percent was refunding. For 2005, long-term new money and refunding proceeds were nearly equal, for both Governmental and tax-exempt private activity bonds.

Figure A3 charts the behavior of tax-exempt bond interest rates over the same period. Refunding activity occurs more often when interest rates are

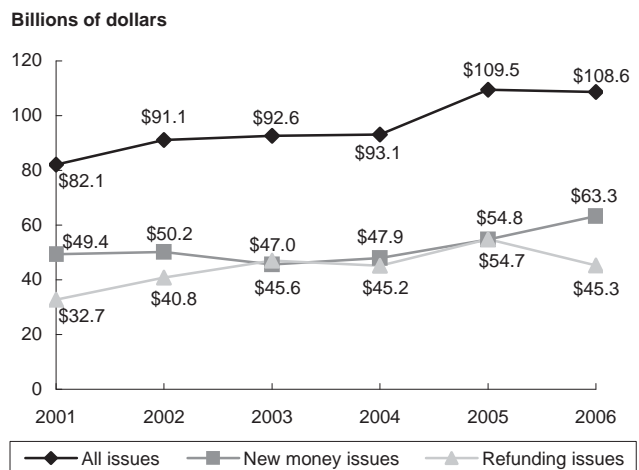
**Figure A1**

**Volume of Long-Term Governmental Bonds Issued, by Type and Issue Year, 2001-2006**



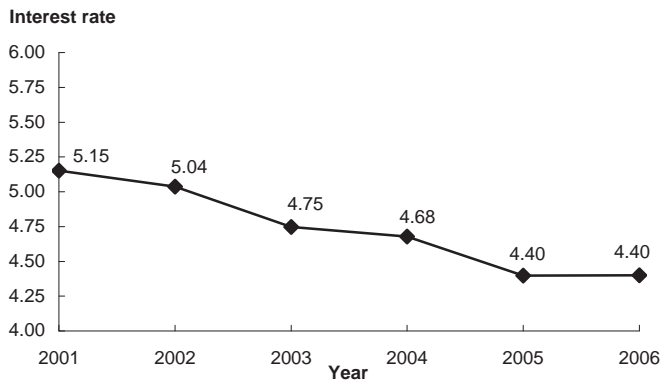
**Figure A2**

**Volume of Long-Term Private Activity Bonds Issued, by Type and Issue Year, 2001-2006**



**Figure A3**

**Average Annual Interest Rates on Tax-Exempt State and Local Bonds, 2001-2006 [1]**



[1] Interest rate data obtained from Federal Reserve Board, "Federal Statistical Release H.15: Selected Interest Rates, Historical Data." These data can be found at: <http://www.federalreserve.gov/releases/H15/data.htm>.

NOTE: Detail may not add to total because of rounding.

falling, as borrowers look to reduce future debt service payments over the life of the bond. The overall increase in refunding issues for Issue Years 2001 through 2005 illustrates this point. The sharp reduction in refundings between 2005 and 2006 might be attributed to uncertainty about market conditions and future changes in interest rates, as well as the reduced inventory of outstanding bonds resulting from refunding activity in recent years.<sup>9</sup>

**Long-Term Bond Volume, by Selected Purpose**

Figure B presents the composition of long-term tax-exempt bond proceeds, by selected purpose as well as type of issue, for both Governmental and private activity bond issues. More than half (61.9 percent) of the total \$272.2 billion long-term Governmental bond proceeds for 2006 financed education, utilities, and transportation projects. Just over one-fourth (26.3 percent) of the long-term Governmental bond proceeds were allocated for "other bond purposes" (i.e., specific purpose(s) did not apply or were not separately allocated by the issuer). For all of the Governmental bond purposes shown in Figure B, more proceeds were spent financing new capital projects than were put toward refunding prior bond issues.

Qualified section 501(c)(3) bonds, which include total qualified hospital bonds and qualified nonhos-

pital bonds issued to benefit entities exempt from income tax under IRC section 501(c)(3), combined, accounted for 51.9 percent of the \$108.6 billion of long-term private activity bonds issued for 2006. Private activity bonds issued to provide housing assistance in the form of qualified residential rental projects and qualified mortgages (including Gulf Opportunity Zone mortgages and qualified veterans' mortgages not shown in Figure B) accounted for another 28.9 percent of total proceeds.

**Overview of Bond Issues, by State**

Total new money long-term Governmental bond volume increased \$28.6 billion (18.9 percent) from 2005 to 2006. States with significant increases in new money long-term Governmental bond issues from 2005 to 2006 include Tennessee, whose issuance jumped from \$1.2 billion in 2005 to \$6.4 billion in 2006; Wyoming, whose issuance rose 172.6 percent, from slightly less than \$49 million in 2005 to \$133.7 million in 2006; the District of Columbia, whose issuance more than doubled, from just less than \$0.5 billion in 2005 to \$0.9 billion in 2006; and Louisiana, whose issuance also more than doubled, from \$1.6 billion in 2005 to \$3.3 billion in 2006.

Vermont experienced a significant decrease in new money long-term Governmental bond issues, from \$314.0 million in 2005 to \$94.4 million in 2006, as did Massachusetts, whose issuance fell 47.5 percent, from \$5.5 billion in 2005 to \$2.9 billion in 2006. In all, 18 States reduced the amount of new money long-term Governmental bonds issued from 2005 to 2006, by \$10.2 billion, down from the 23 States whose combined issuance fell \$23.7 billion for the corresponding 2004 to 2005 timeframe.

Figure C1 presents the amount of Governmental bonds issued for the top 15 States, in terms of total dollar volume of new money long-term tax-exempt Governmental bonds issued for 2006. Combined, the top 15 States accounted for 68.2 percent of the total \$180.2 billion of new money long-term Governmental bond issues for the year. About \$78.5 billion (43.5 percent) of the total were issued by authorities in the following five States: California (12.8 percent), Texas (10.6 percent), New York (8.3 percent), Florida (7.4 percent), and Illinois (4.4 percent). According to 2006 Census estimates, together, these

<sup>9</sup> There is a limit on the number of times tax-exempt bonds can be refunded. New tax-exempt Governmental bonds are limited to one advance refunding. Advance refundings are prohibited with respect to tax-exempt private activity bonds. Three exceptions to this rule are qualified section 501(c)(3) bonds, certain bonds designated as "liberty advance refunding bonds," and bonds designated as "Gulf Opportunity Zone advance refunding bonds," all of which are allowed one advance refunding.

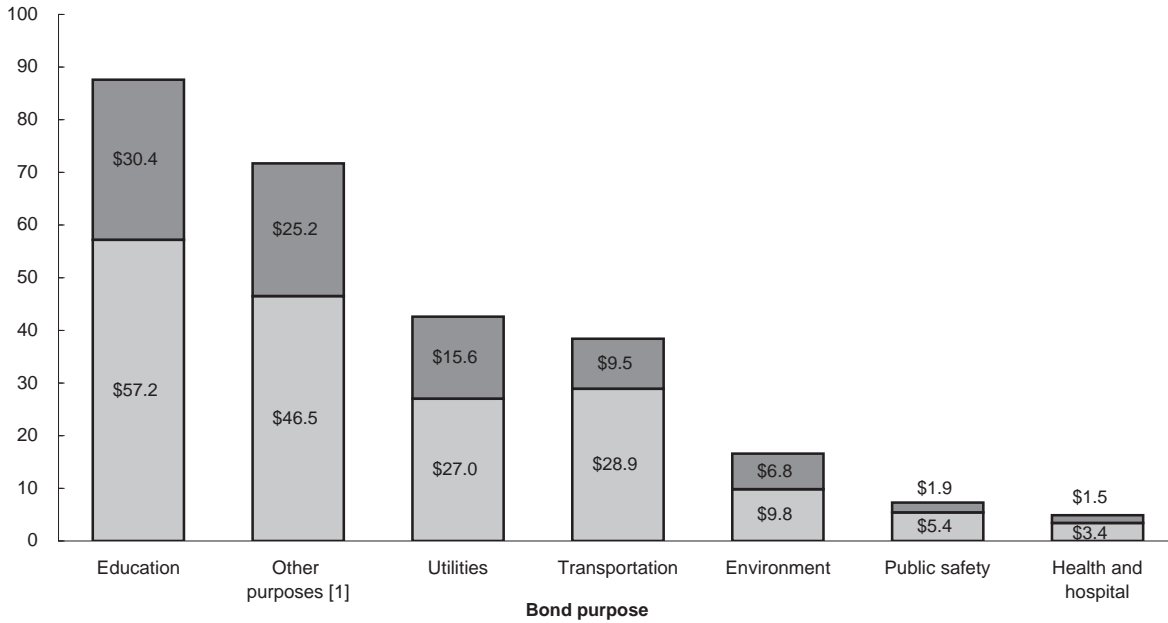
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## Figure B

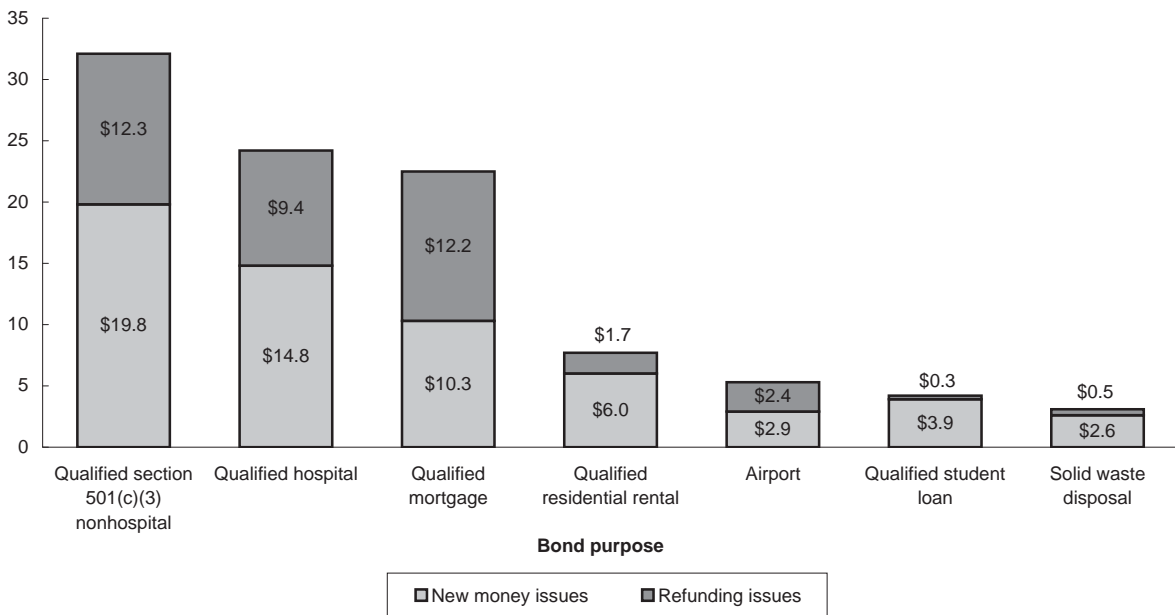
### Long-Term Governmental Bonds, by Selected Bond Purpose and Type of Issue, 2006

Billions of dollars



### Long-Term Tax-Exempt Private Activity Bonds, by Selected Bond Purpose and Type of Issue, 2006

Billions of dollars



[1] "Other purposes" refer to obligations for which a specific purpose either did not apply or was not clearly indicated on Form 8038-G.

**Figure C1**

**New Money Long-Term Governmental Bonds, by Selected Bond Purpose, for Top 15 States, Ranked by Total Governmental Bond Issuance, 2006**

[Money amounts are in millions of dollars]

State of issue	Total	Selected bond purpose									
		Education		Other purposes [1]		Transportation		Utilities		Environment	
	Amount	Amount	Percentage of State total	Amount	Percentage of State total	Amount	Percentage of State total	Amount	Percentage of State total	Amount	Percentage of State total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
<b>Total, all States</b>	<b>180,167</b>	<b>57,162</b>	<b>31.7</b>	<b>46,480</b>	<b>25.8</b>	<b>28,912</b>	<b>16.0</b>	<b>26,980</b>	<b>15.0</b>	<b>9,849</b>	<b>5.5</b>
California	23,069	9,698	42.0	4,625	20.0	3,509	15.2	2,396	10.4	1,736	7.5
Texas	19,175	6,625	34.6	2,249	11.7	4,494	23.4	4,990	26.0	216	1.1
New York	15,017	3,633	24.2	5,619	37.4	4,726	31.5	353	2.4	377	2.5
Florida	13,345	4,208	31.5	4,523	33.9	814	6.1	2,648	19.8	315	2.4
Illinois	7,845	2,757	35.1	1,656	21.1	1,842	23.5	749	9.5	567	7.2
Tennessee	6,404	283	4.4	516	8.1	34	0.5	5,327	83.2	4	0.1
Pennsylvania	5,399	2,155	39.9	1,706	31.6	568	10.5	70	1.3	572	10.6
Missouri	4,854	1,022	21.1	1,024	21.1	1,000	20.6	1,284	26.5	167	3.4
Washington	4,486	1,585	35.3	970	21.6	593	13.2	795	17.7	212	4.7
Georgia	4,409	1,132	25.7	1,355	30.7	960	21.8	35	0.8	585	13.3
New Jersey	4,142	1,579	38.1	771	18.6	1,314	31.7	21	0.5	234	5.6
Colorado	3,916	1,365	34.9	805	20.6	711	18.2	363	9.3	77	2.0
Virginia	3,842	1,663	43.3	1,325	34.5	129	3.4	193	5.0	135	3.5
Arizona	3,498	1,054	30.1	864	24.7	537	15.4	591	16.9	315	9.0
North Carolina	3,477	1,568	45.1	918	26.4	83	2.4	501	14.4	103	3.0

Footnotes at end of figure C2.

five States accounted for 36.7 percent of the total U.S. population.<sup>10</sup>

An examination of issuance by State reveals some differences in the allocation of proceeds by bond purpose. Overall, for 2006, 31.7 percent of the \$180.2 billion of new money long-term Governmental bonds was issued for educational purposes. However, of the total amount of new money long-term bonds issued in North Carolina, 45.1 percent was issued for education, compared to 24.2 percent in New York and 4.4 percent in Tennessee for the same purpose.

Transportation projects accounted for 16.0 percent of States' total new money long-term proceeds. In New Jersey, however, 31.7 percent of the total new money long-term Governmental bond proceeds was for transportation, while, in Florida, only 6.1 percent was allocated for the same purpose. Transportation bonds accounted for only 3.4 percent of

Virginia's total amount of new money long-term bond issues.

Tennessee allocated 83.2 percent of its total amount of new money long-term bonds to utility projects, considerably more than the U.S. total (15.0 percent). Missouri and Texas also spent large portions of their totals on utility projects—26.5 percent and 26.0 percent, respectively.

Total new money long-term tax-exempt private activity bond volume increased \$8.6 billion (15.7 percent) from 2005 to 2006. Figure C2 presents the amount of bonds issued for the top 15 states, in terms of total dollar volume of new money long-term tax-exempt private activity bonds. Mississippi substantially increased its issuance of new money long-term private activity bonds from 2005 to 2006, from \$217.2 million in 2005 to \$814.2 million in 2006. The majority of this increase is attributed to the \$419.0 million of Gulf Opportunity Zone and

<sup>10</sup> The resident population estimates were produced by the U.S. Bureau of the Census and published in *Internal Revenue Bulletin* Number 2006-11 (Notice 2006-22).

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**Figure C2**

## New Money Long-Term Tax-Exempt Private Activity Bonds, by Selected Bond Purpose, for Top 15 States, Ranked by Total Tax-Exempt Private Activity Bond Issuance, 2006

[Money amounts are in millions of dollars]

State of issue	Total	Selected bond purpose									
		Qualified section 501(c)(3) nonhospital		Qualified hospital		Qualified mortgage		Qualified residential rental		Airports, docks, and wharves [2]	
		Amount	Percentage of State total	Amount	Percentage of State total	Amount	Percentage of State total	Amount	Percentage of State total	Amount	Percentage of State total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
<b>Total, all States</b>	<b>63,286</b>	<b>19,791</b>	<b>31.3</b>	<b>14,846</b>	<b>23.5</b>	<b>10,318</b>	<b>16.3</b>	<b>6,036</b>	<b>9.5</b>	<b>3,496</b>	<b>5.5</b>
California	6,031	2,957	49.0	745	12.4	423	7.0	1,451	24.1	d	d
New York	4,529	2,375	52.4	184	4.1	181	4.0	1,307	28.9	260	5.7
Texas	3,867	907	23.5	1,061	27.4	500	12.9	436	11.3	d	d
Ohio	3,443	603	17.5	1,360	39.5	910	26.4	161	4.7	d	d
Florida	2,929	631	21.5	926	31.6	522	17.8	267	9.1	284	9.7
Pennsylvania	2,668	1,368	51.3	435	16.3	416	15.6	d	d	0	0.0
Indiana	2,320	484	20.9	624	26.9	309	13.3	d	d	d	d
North Carolina	2,308	309	13.4	1,043	45.2	130	5.6	d	d	d	d
Illinois	2,034	847	41.6	366	18.0	520	25.6	203	10.0	d	d
Washington	1,852	813	43.9	480	25.9	188	10.2	243	13.1	d	d
Maryland	1,833	1,287	70.2	254	13.9	205	11.2	45	2.5	d	d
Virginia	1,814	690	38.0	391	21.6	d	d	119	6.6	d	d
Massachusetts	1,774	903	50.9	224	12.6	d	d	272	15.3	0	0.0
Colorado	1,710	464	27.1	861	50.4	135	7.9	80	4.7	58	3.4
Wisconsin	1,661	575	34.6	520	31.3	414	24.9	d	d	d	d

d—Data deleted to avoid disclosure of information about specific bonds. However, the data are included in the appropriate totals.

[1] For purposes of this figure, "other purposes" refer to obligations for which a specific purpose either did not apply or was not clearly indicated on the Form 8038-G. It does not include specific purposes, such as public safety and housing, that are not shown separately in this figure. See Table 1.

[2] For purposes of this figure, certain bond purposes were combined. For this reason, data in this figure will differ slightly from the data in Tables 8 and 9.

NOTE: Detail may not add to totals because of rounding.

Gulf Opportunity Zone mortgage bonds issued to provide relief from the effects of Hurricane Katrina. Significant increases also occurred in Alabama, whose issuance more than tripled, from \$243.9 million in 2005 to \$903.0 million in 2006; California, whose issuance was up from \$4.8 billion in 2005 to \$6.0 billion in 2006; Texas, whose issuance increased from \$2.8 billion in 2005 to \$3.9 billion in 2006; Florida, whose issuance increased from \$2.0 billion in 2005 to \$2.9 billion in 2006; and Maryland, whose issuance doubled, from \$0.9 billion in 2005 to \$1.8 billion in 2006.

New York experienced a significant decrease in new money long-term private activity bond issuance, from \$6.8 billion in 2005 to \$4.5 billion in 2006, as did Arizona, whose issuance fell 63.2 percent, from \$1.6 billion in 2005 to \$0.6 billion in 2006; Georgia,

whose issuance fell 48.1 percent, from \$1.8 billion in 2005 to \$0.9 billion in 2006; and Michigan, whose issuance fell 31.2 percent, from \$2.3 billion in 2005 to \$1.6 billion in 2006. In all, 17 States issued a smaller amount of new money long-term private activity bonds in 2006 than in 2005, for a total reduction of \$6.6 billion.

Combined, the top 15 States accounted for 64.4 percent of the total \$63.3 billion of new money long-term private activity bond issues for the year. Close to one-third (\$20.8 billion) of the total was issued by authorities in the following five States: California (9.5 percent), New York (7.2 percent), Texas (6.1 percent), Ohio (5.4 percent), and Florida (4.6 percent).

Similar to Governmental bond issuance, there were differences in the composition of total new money long-term private activity bond issuance, by

purpose, among the States. Examining the bond allocations by purpose for 2006, overall, 31.3 percent of the amount of new money long-term private activity bonds was issued for qualified IRC section 501(c)(3) nonhospital organizations. Another 23.5 percent was issued for qualified hospital bonds.

Of the total amount of new money long-term private activity bonds issued in Maryland, 70.2 percent was issued for IRC section 501(c)(3) nonhospital organizations, compared to 17.5 percent in Ohio and 13.4 percent in North Carolina for the same purpose. Qualified hospital bonds accounted for 50.4 percent of Colorado's new money long-term private activity bond issues, compared to 12.6 percent in Massachusetts and 4.1 percent in New York for the same purpose.

Together, States allocated only 9.5 percent of the \$63.3 billion of new money long-term private activity bonds in 2006 for qualified residential rental projects. However, both New York and California directed a much larger share of their total new money long-term issuances to this purpose, 28.9 percent and 24.1 percent, respectively.

Tax-exempt private activity bonds are subject to State volume limitations, or volume caps. Most types of private activity bonds are subject to the unified State volume cap, which limits the aggregate dollar amount of bonds that each State can issue annually. For each of the qualified issue types subject to the unified volume cap, there is no specific limit on the dollar amount of issuance; rather, each State must allocate issuance authority in such a way that the combined issuance does not exceed the annual volume cap. The unified State volume cap is adjusted annually for population growth and is also indexed for inflation.<sup>11</sup> Other types of private activity bonds are subject to separate volume limitations based on the specific bond purpose, or types of projects being financed. Refunding bonds are not subject to volume cap limitations, as long as there is no increase in the principal amount of the outstanding bond. Issuers can elect to carry forward unused volume cap for a specified bond purpose, and bonds issued with respect to the specified bond purpose

during the following 3 calendar years are not subject to the volume cap.

Figure D shows the total amount of new money long-term tax-exempt private activity bond issuance, new issues subject to the unified State volume cap, amounts applied from prior-year carryforward elections, and volume cap allocations, by State, for 2006. The total amount of new bonds issued by a State can exceed that State's total volume cap allocation in instances where bonds are issued for purposes other than those subject to the unified State volume cap and where amounts are being carried forward from previous years' allocations.

Unlike private activity bonds, Governmental bonds are generally not subject to the volume cap; however, if more than \$15 million of the proceeds of an issue are used in private use or disproportionate use, then the amount in excess of \$15 million is subject to the volume cap, and the issuer is required to report the amount of the State volume cap allocated to the Governmental issue.<sup>12, 13</sup> For 2006, issuers reported allocating a combined \$408.1 million of State volume cap to the total \$319.4 billion of total Governmental bond issues. This indicates some private business involvement, but not in an amount sufficient to satisfy the 10-percent use criteria for private activity bonds for each Governmental bond issue.

## Summary

Over 25,000 Governmental bonds were issued in 2006, raising \$319.4 billion of proceeds for public projects such as schools, transportation infrastructure, and utilities. Of the \$272.2 billion of long-term Governmental bonds issued, \$180.2 billion of proceeds were used to finance new projects, while the remaining \$92.0 billion of proceeds refunded prior Governmental bond issues. In addition, over 3,800 tax-exempt private activity bonds were issued in 2006, for a total \$108.9 billion in proceeds. These tax-exempt private activity bond proceeds financed qualified private facilities (such as residential rental facilities, single family housing, and airports), as well as the facilities of Internal Revenue Code section 501(c)(3) organizations (such as hospitals and

<sup>11</sup> For 2006, the volume cap was the greater of \$80 per capita or \$246,610,000. Volume caps for U.S. possessions, with the exception of Puerto Rico, are determined under IRC section 146(d)(4).

<sup>12</sup> Disproportionate use occurs when the proceeds to be used for the private business use exceed the amount of proceeds used for the related Governmental use.

<sup>13</sup> IRC section 141(b)(5) states that a Governmental bond will be treated as a private activity bond if: (1) the "nonqualified amount" exceeds \$15 million, but is less than the amount needed to meet any of the private activity bond tests; and (b) the issuer does not allocate a portion of its volume cap to the issue in an amount equal to the excess of such nonqualified amount over \$15 million.

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**Figure D**

## New Money Long-Term Tax-Exempt Private Activity Bonds, Carryforward, and Volume Cap, by State of Issue, 2006

[Money amounts are in millions of dollars]

State of issue	Total amount of bonds issued	Amount subject to the unified State volume cap [1]	Amount not subject to the volume cap under a carryforward election [2]	Total volume cap allocation [3]
	(1)	(2)	(3)	(4)
<b>Total, all States</b>	<b>63,285.9</b>	<b>24,023.0</b>	<b>11,098.7</b>	<b>26,751.0</b>
Alabama	903.0	318.8	257.9	364.6
Alaska	730.6	386.8	339.8	246.6
Arizona	574.4	268.8	d	475.1
Arkansas	401.3	291.5	d	246.6
California	6,030.9	2,321.2	649.1	2,890.6
Colorado	1,710.4	327.4	162.3	373.2
Connecticut	910.6	339.8	d	280.8
Delaware	373.4	296.5	296.5	246.6
District of Columbia	775.0	44.7	41.8	246.6
Florida	2,928.8	1,060.6	606.0	1,423.2
Georgia	911.8	329.1	256.0	725.8
Hawaii	d	d	d	246.6
Idaho	250.9	243.9	195.0	246.6
Illinois	2,033.9	777.0	509.3	1,021.1
Indiana	2,319.6	501.6	d	501.8
Iowa	577.3	301.5	142.3	246.6
Kansas	642.6	262.2	215.4	246.6
Kentucky	694.0	215.7	42.8	333.9
Louisiana	832.6	430.5	153.4	361.9
Maine	454.8	83.5	77.9	246.6
Maryland	1,833.1	264.7	236.9	448.0
Massachusetts	1,773.7	646.9	d	511.9
Michigan	1,596.0	451.5	241.6	809.7
Minnesota	1,190.4	444.4	137.0	410.6
Mississippi	814.2	356.8	299.3	246.6
Missouri	980.6	602.9	334.6	464.0

Footnotes at end of figure.

private universities). Of the \$108.6 billion of long-term private activity bonds issued, \$63.3 billion of proceeds were used to finance new projects, while the remaining \$45.3 billion of proceeds refunded prior tax-exempt private activity bond issues.

### Data Sources and Limitations

The data presented in this data release are based on the populations of Forms 8038, *Information Return for Tax-Exempt Private Activity Bond Issues*, and Forms 8038-G, *Information Return for Tax-Exempt Governmental Obligations*, filed with the Internal Revenue Service for bonds issued during Calendar

Year 2006. The data exclude returns filed for commercial paper transactions, as well as issues that are loans from the proceeds of another tax-exempt bond issue (pooled financings).

Bond issuers were required to file these tax-exempt bond information returns by the 15th day of the second calendar month after the close of the calendar quarter in which the bond was issued. However, in an effort to include as many applicable returns for a particular issue year as possible, the study period extended well beyond this timeframe. The study includes returns processed from January 1, 2006, to May 4, 2008, for bonds issued in 2006. Where pos-



**Figure D—Continued**

## New Money Long-Term Tax-Exempt Private Activity Bonds, Carryforward, and Volume Cap, by State of Issue, 2006—Continued

[Money amounts are in millions of dollars]

State of issue	Total amount of bonds issued	Amount subject to the unified State volume cap [1]	Amount not subject to the volume cap under a carryforward election [2]	Total volume cap allocation [3]
	(1)	(2)	(3)	(4)
Montana	442.4	330.0	270.1	246.6
Nebraska	461.4	407.4	349.8	246.6
Nevada	541.6	125.4	110.8	246.6
New Hampshire	419.4	214.5	51.8	246.6
New Jersey	1,221.1	458.8	94.7	697.4
New Mexico	235.4	189.7	d	246.6
New York	4,529.4	1,525.2	706.9	1,540.4
North Carolina	2,307.8	655.7	382.7	694.7
North Dakota	175.8	123.2	d	246.6
Ohio	3,443.2	1,472.7	d	917.1
Oklahoma	612.3	290.4	65.7	283.8
Oregon	291.8	25.1	21.4	291.3
Pennsylvania	2,667.5	859.5	521.9	994.4
Rhode Island	430.4	319.7	216.5	246.6
South Carolina	633.0	403.4	82.9	340.4
South Dakota	138.1	82.9	d	246.6
Tennessee	1,422.4	338.3	171.6	477.0
Texas	3,867.1	1,787.6	414.1	1,828.8
Utah	209.4	191.6	66.3	246.6
Vermont	377.4	311.8	d	246.6
Virginia	1,814.1	629.1	524.2	605.4
Washington	1,852.2	472.0	81.7	503.0
West Virginia	562.4	272.3	251.2	246.6
Wisconsin	1,661.1	539.8	420.3	442.9
Wyoming	387.0	386.3	230.8	246.6
U.S. Possessions [4]	d	d	d	313.0

d—Data deleted to avoid disclosure of information for specific bonds when compared to other published data. However, the data are included in the appropriate totals.

[1] These calculations are based on the data reported on Part II of Form 8038 for type of issue, and include the following: mass commuting facilities, water furnishing facilities, sewage facilities, solid waste disposal facilities, qualified residential rental projects, local electric energy or gas furnishing facilities, local district heating and cooling facilities, qualified hazardous waste facilities, high-speed intercity rail facilities, qualified mortgage bonds, qualified small issue bonds, qualified student loan bonds, and qualified redevelopment bonds. No distinction was made for governmentally-owned solid waste or high-speed intercity rail facilities (which are not subject to the volume cap). As a result, figures could be slightly overstated.

[2] As reported on Form 8038, line 44b. An issuing authority can elect to carry forward its unused volume cap for one or more carryforward purposes (see IRC section 146(f)). If the election is made, bonds issued with respect to a specified carryforward purpose are not subject to the volume cap under IRC section 146(a) during the 3 calendar years following the calendar year in which the carryforward arose, but only to the extent that the amount of such bonds does not exceed the amount of the carryforward elected for that purpose.

[3] The volume cap amount was calculated based on State population estimates produced by the U.S. Bureau of the Census and published in *Internal Revenue Bulletin* Number 2006-11 (Notice 2006-22). For 2006, the volume cap was the greater of \$80 per capita or \$246.6 million.

[4] U.S. possessions include Puerto Rico, the U.S. Virgin Islands, Guam, and the Northern Mariana Islands.

sible, data from amended returns filed and processed before the cutoff date were included. Late-filed returns for tax-exempt bonds issued during 2006 processed after the cutoff date were not included in the statistics.

During statistical processing, returns were subject to thorough testing and correction procedures

to ensure data accuracy and validity. Additional checks were conducted to identify and exclude duplicate returns. Wherever possible, returns with incomplete information, mathematical errors, or other reporting anomalies were edited to resolve internal inconsistencies. However, in other cases, it was not possible to reconcile reporting discrepancies. Thus,

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a certain amount of reporting and processing error may remain.

### Explanation of Selected Terms

**Commercial paper**—Commercial paper consists of short-term notes that are continually rolled-over. Maturities average about 30 days but can extend up to 270 days. Many localities use commercial paper to raise cash needed for current transactions.

**Enterprise Zone facility bond**—Established by the passage of the Revenue Reconciliation Act of 1993, this type of exempt facility bond may be issued for certain businesses in “empowerment zones” or “enterprise communities.” Empowerment Zone and Enterprise Community designations are made by the Secretaries of Agriculture and Housing and Urban Development and last for a 10-year period. The Taxpayer Relief Act of 1997 provided certain economically depressed census tracts within the District of Columbia designation as the “District of Columbia Enterprise Zone.” Qualified enterprise zone facility bonds are generally subject to the same rules as exempt facility bonds.

**Exempt facility bond**—Bond issue of which 95 percent or more of the net proceeds is used to finance a tax-exempt facility (as listed in IRC sections 142(a)(1) through (13) and 142(k)). These facilities include airports, docks and wharves, mass commuting facilities, facilities for the furnishing of water, sewage facilities, solid waste disposal facilities, qualified residential rental projects, facilities for the local furnishing of electric energy or gas, local district heating or cooling facilities, qualified hazardous waste facilities, high-speed intercity rail facilities, environmental enhancements of hydroelectric generating facilities, and qualified public educational facilities.

**Governmental bond**—Any obligation issued by a State or local government unit that is not a private activity bond (see below). The interest on a Governmental bond is excluded from gross income under IRC section 103.

**Gulf Opportunity Zone bond**—The Gulf Opportunity Zone Act of 2005, signed into law as Public Law 109-135 on December 21, 2005, authorized a new category of tax-exempt bonds. The proceeds of such bonds are used to finance the construction and rehabilitation of certain residential and nonresidential property located in certain localities in Alabama, Louisiana, and Mississippi, designated as the “Gulf

Opportunity Zone.” This area constitutes the portion of the Hurricane Katrina disaster area determined by the President to warrant individual or individual and public assistance from the Federal Government, under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

IRC section 1400N(a)(2) defines a qualified Gulf Opportunity Zone Bond as any bond issued as part of an issue if it meets the following requirements: (1) 95 percent or more of the net proceeds is to be used for qualified project costs, or such issue meets the requirements of a qualified mortgage issue, except as otherwise provided in IRC section 1400N(a); (2) such bond is issued by the State of Alabama, Louisiana, or Mississippi or any political subdivision thereof; (3) such bond is designated for purposes of IRC section 1400N(a) either by the Governor, or approved bond commission, of such State; (4) the bond is issued after December 21, 2005, and before January 1, 2011; and (5) no portion of the proceeds of such issue is to be used to provide any property described in IRC section 144(c)(6)(B).

Gulf Opportunity Zone Bonds that meet the general requirements of a qualified mortgage bond issue, and the proceeds of such bond issues that finance residences located in the Gulf Opportunity Zone, shall be treated as qualified mortgage bonds (“Gulf Opportunity Zone Mortgage Bonds”), as described in IRC section 1400N(a)(2)(A)(ii). The Act also authorized the issuance of “Gulf Opportunity Zone Advance Refunding Bonds,” which allow for an additional advance refunding for certain bonds, issued by the States of Alabama, Louisiana, or Mississippi (or any political subdivision thereof), and outstanding on August 28, 2005. This provision was effective for bonds issued between December 21, 2005, and January 1, 2011. (See Internal Revenue Service Notice 2006-41, *Internal Revenue Bulletin* 2006-18, for additional information.)

**New York Liberty Zone bonds**—The Job Creation and Worker Assistance Act of 2002 created Section 1400L of the Internal Revenue Code of 1986 to provide various tax benefits for the area of New York City damaged or affected by the terrorist attack on September 11, 2001. IRC section 1400L(d) authorizes the issuance of an additional type of exempt facility bond, namely, “Liberty Bonds.” Liberty Bonds are subject to the following additional requirements: (1) 95 percent or more of the net proceeds of such issue must be used for qualified project costs; (2) the

bond must be issued by the State of New York or any political subdivision thereof; (3) the Governor of the State of New York or the Mayor of the City of New York must designate the bond for purposes of section 1400L(d); and (4) the bond must be issued after March 9, 2002, and before January 1, 2005. The maximum aggregate face amount of bonds that may be designated as Liberty Bonds is \$8 billion.

*Nongovernmental output property bond*—Bonds used to finance the acquisition of property used by a nongovernmental entity in connection with an output facility (such as an electric or gas power project). This bond must meet additional tests under IRC section 141(d).

*Pooled financing*—An arrangement whereby a portion of the proceeds of a Governmental bond issue is used to make loans to other governmental units.

*Private activity bond*—Bond issue of which more than 10 percent of the proceeds is used for any private business use, and more than 10 percent of the payment of the principal or interest is either secured by an interest in property to be used for private business use (or payment for such property), or is derived from payments for property (or borrowed money) used for a private business use. A bond is also considered a private activity bond if the amount of the proceeds used to make or finance loans (other than loans described in IRC section 141(c)(2)) to persons other than governmental units exceeds the lesser of 5 percent of the proceeds or \$5 million.

*Qualified green building and sustainable design project*—Bond issue of which 95 percent or more of the net proceeds is used to finance qualified green building and sustainable design projects, as designated by the Secretary of the Treasury, after consultation with the Administrator of the Environmental Protection Agency. The project must be nominated by a State or local government, and the issuer must submit a detailed application to the Treasury Department for consideration, and, on approval, allocation of a specified issuance amount. Section 701 of the American Jobs Creation Act of 2004 added IRC sections 142(a)(14) and 142(l), authorizing up to \$2 billion of tax-exempt private activity bonds, not subject to the unified volume cap, for qualified green building and sustainable design projects, to be issued between December 31, 2004, and October 1, 2009. (See Internal Revenue Service Notice 2006-41, *Internal Revenue Bulletin* 2006-18, for additional information.)

*Qualified highway or surface transfer freight facility bond*—Bond issue of which 95 percent or more of the net proceeds is used to provide qualified highway or surface freight transfer facilities. Section 11143 of the Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy for Users (SAFETEA-LU) Public Law 109-59, signed into law on August 10, 2005, added IRC sections 142(a)(15) and 142(m). Section 142(m)(1) defines the term “qualified highway or surface freight transfer facilities” as: (a) any surface transportation project that receives Federal assistance under title 23, United States Code (as in effect on August 10, 2005); (b) any project for an international bridge or tunnel for which an international entity authorized under Federal or State law is responsible and that receives Federal assistance under title 23, United States Code (as so in effect); or, (c) any facility for the transfer of freight from truck to rail or rail to truck (including any temporary storage facilities directly related to such transfers) that receives Federal assistance under either title 23 or title 49, United States Code (as so in effect). This legislation authorized issuance of up to \$15 billion of such bonds, not subject to the unified volume cap, applicable to bonds issued after August 10, 2005. Allocation of the \$15-billion national limitation is under the jurisdiction of the Department of Transportation. (See Internal Revenue Service Notice 2006-45, *Internal Revenue Bulletin* 2006-20, for additional information.)

*Qualified mortgage bond*—Bond issue of which the proceeds (except issuance costs and reasonably required reserves) are used to provide financing assistance for single-family residential property, and which meets the additional requirements in IRC section 143. Bond proceeds can be applied toward the purchase, improvement, or rehabilitation of owner-occupied residences, as well as to finance qualified home-improvement loans.

*Qualified public educational facility bond*—Bond issue of which 95 percent or more of the net proceeds is used to provide qualified public educational facilities, defined by IRC section 142(k)(1) as any school facility that is: (a) part of a public elementary or secondary school; and (b) is owned by a private, for-profit corporation under a public-private partnership agreement with a State or local educational agency. Under a “public-private partnership agreement,” the corporation agrees to construct, rehabilitate, refurbish, or equip a school facility and,

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at the end of the term of the agreement, to transfer the school facility to the State or local educational agency for no additional consideration. Such bonds are not subject to the unified volume cap; rather, the annual State limit is equal to the lesser of \$10 per resident or \$5 million.

*Qualified redevelopment bond*—Bond issue of which 95 percent or more of the net proceeds is used to finance certain specified real property acquisition and redevelopment in blighted areas (see IRC section 144(c) for additional requirements).

*Qualified section 501(c)(3) bond*—Bonds issued by State and local governments to finance the activities of charitable organizations that are tax-exempt under IRC section 501(c)(3). A bond must meet the following conditions to be classified as a section 501(c)(3) bond: 1) all property financed by the net proceeds of the bond issue is to be owned by a section 501(c)(3) organization or a governmental unit; and 2) the bond would not be a private activity bond if section 501(c)(3) organizations were treated as governmental units with respect to their activities that are not related trades or businesses, and the private activity bond definition was applied using a 5-percent threshold rather than a 10-percent threshold. The primary beneficiaries of these bonds are private, nonprofit hospitals, colleges, and universities. A qualified hospital bond issue is one in which 95 percent or more of the net proceeds is to be used for a hospital.

*Qualified small issue bond*—Bond issue generally not exceeding \$1 million, and of which 95 percent or more of the net proceeds is used to finance the acquisition of land and depreciable property or to refund such issues. In certain instances, an election to take certain capital expenditures into account can increase the limit on bond size, from \$1 million to \$10 million. These bonds may only be used to finance manufacturing facilities and to benefit certain first-time farmers.

*Qualified student loan bond*—Bond issue of which 90 percent or more of the net proceeds is used to make or finance student loans under a program of general application subject to the Higher Education Act of 1965 (see IRC section 144(b)(1)(A) for additional requirements), or of which 95 percent or more of the net proceeds is used to make or finance student loans under a program of general application approved by the State (see Code section 144(b)(1)(B) for additional requirements).

*Qualified veterans' mortgage bond*—In general, a bond issue of which 95 percent or more of the net proceeds is used to finance the purchase, improvement, or rehabilitation of owner-occupied residences for veterans who: 1) served prior to January 1, 1977; and, 2) applied for such a mortgage prior to the date 30 years after leaving active service or January 31, 1985, whichever is later. The payment of interest and principal must be secured by a general obligation of the State, and the bond must meet certain of the requirements of IRC section 143. The issuance of qualified veterans' mortgage bonds was limited to the following five states: Alaska, California, Oregon, Texas, and Wisconsin, each of which had a veterans' mortgage bond program in effect prior to June 22, 1984.

*Tax Reform Act transition property bond*—A bond issued under transitional rules contained in the Tax Reform Act of 1986. Proceeds from bonds issued under these rules include issues used to fund such items as pollution control facilities, parking facilities, industrial parks, sports stadiums, and convention facilities. Proceeds from other bonds issued under the transitional rules are included in this category only if they could not be identified as another issue type.

**NOTE: Additional tax-exempt bond data, including data for prior years, can be found on the SOI Web site: <http://www.irs.gov/taxstats>. (Click on "Tax-Exempt Bonds.")**

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**Table 1. Governmental Bonds, by Type and Term of Issue, 2006**

[Money amounts are in millions of dollars]

Type and term of issue	Number	Amount
<b>All issues, total [1]</b>	<b>25,226</b>	<b>319,394</b>
Short-term	6,671	47,160
Long-term	18,555	272,234
<b>New money issues, total</b>	<b>20,880</b>	<b>218,318</b>
Short-term	5,064	38,150
Long-term	15,816	180,167
<b>Refunding issues, total</b>	<b>6,412</b>	<b>101,076</b>
Short-term	2,248	9,009
Long-term	4,164	92,067

[1] A given bond issue can include both new money and refunding proceeds. Thus, the number of new money issues plus the number of refunding issues will sometimes exceed the total number of issues. However, the money amounts add to the totals.

NOTE: Detail may not add to totals because of rounding.

**Table 2. Long-Term Governmental Bonds, by Bond Purpose and Type of Issue, 2006**

[Money amounts are in millions of dollars]

Bond purpose	All issues		New money issues		Refunding issues	
	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
<b>Total [1]</b>	<b>18,555</b>	<b>272,234</b>	<b>15,816</b>	<b>180,167</b>	<b>4,164</b>	<b>92,067</b>
Education	6,109	87,605	4,979	57,162	1,526	30,443
Health and hospital	445	4,899	403	3,381	80	1,518
Transportation	1,221	38,379	1,062	28,912	282	9,467
Public safety	2,399	7,261	2,291	5,390	203	1,872
Environment	1,296	16,696	1,062	9,849	447	6,847
Housing	143	930	116	444	38	487
Utilities	2,109	42,546	1,655	26,980	747	15,567
Bond and tax/revenue anticipation notes	319	2,204	297	1,570	45	634
Other purposes [2]	5,690	71,713	4,931	46,480	1,319	25,233

[1] A given bond issue can include more than one purpose and can include both new money and refunding proceeds. Thus, the summation of number of issues by purpose or by type of issue will sometimes exceed the total number of issues. However, the money amounts add to the totals.

[2] "Other purposes" refer to obligations for which a specific purpose either did not apply or was not clearly indicated on the Form 8038-G.

NOTE: Detail may not add to totals because of rounding.

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**Table 3. Computation of Lendable Proceeds for Long-Term Governmental Bonds, by Bond Purpose, 2006**

[Money amounts are in millions of dollars]

Bond purpose	Entire issue price		Bond issuance costs		Credit enhancement		Allocation to reserve fund	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>Total [1]</b>	<b>18,555</b>	<b>272,234</b>	<b>11,217</b>	<b>2,454</b>	<b>4,700</b>	<b>847</b>	<b>1,507</b>	<b>2,838</b>
Education	6,109	87,605	3,880	771	2,010	188	317	385
Health and hospital	445	4,899	235	56	90	32	43	100
Transportation	1,221	38,379	814	257	309	121	97	399
Public safety	2,399	7,261	719	73	294	21	59	73
Environment	1,296	16,696	885	134	344	44	140	198
Housing	143	930	93	11	18	2	32	10
Utilities	2,109	42,546	1,741	407	782	150	306	685
Bond and tax/revenue anticipation notes	319	2,204	245	10	4	[2]	3	1
Other purposes [3]	5,690	71,713	3,675	736	1,371	288	554	989

Bond purpose	Total lendable proceeds		Proceeds used to refund prior issues		Nonrefunding proceeds	
	Number	Amount	Number	Amount	Number	Amount
	(9)	(10)	(11)	(12)	(13)	(14)
<b>Total [1]</b>	<b>18,555</b>	<b>266,095</b>	<b>4,164</b>	<b>90,333</b>	<b>15,816</b>	<b>175,762</b>
Education	6,109	86,261	1,526	30,013	4,979	56,248
Health and hospital	445	4,710	80	1,453	403	3,257
Transportation	1,221	37,602	282	9,291	1,062	28,311
Public safety	2,399	7,095	203	1,839	2,291	5,256
Environment	1,296	16,320	447	6,732	1,062	9,588
Housing	143	907	38	478	116	429
Utilities	2,109	41,304	747	15,291	1,655	26,013
Bond and tax/revenue anticipation notes	319	2,194	45	633	297	1,561
Other purposes [3]	5,690	69,701	1,319	24,602	4,931	45,098

[1] A given bond issue can include more than one purpose. Thus, the summation of number of issues by purpose will sometimes exceed the total number of issues. However, the money amounts add to the totals.

[2] Indicates an amount less than \$500,000.

[3] "Other purposes" refer to obligations for which a specific purpose either did not apply or was not clearly indicated on the Form 8038-G.

NOTE: Detail may not add to totals because of rounding.

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**Table 4. New Money Long-Term Governmental Bonds, by Bond Purpose and Size of Entire Issue, 2006**

[Money amounts are in millions of dollars, except for size of entire issue, which is in whole dollars]

Bond purpose	All issues		Size of entire issue					
			Under \$500,000 [1]		\$500,000 under \$1,000,000		\$1,000,000 under \$5,000,000	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>Total [2]</b>	<b>15,816</b>	<b>180,167</b>	<b>5,972</b>	<b>1,409</b>	<b>1,881</b>	<b>1,283</b>	<b>3,753</b>	<b>8,701</b>
Education	4,979	57,162	1,733	413	543	375	1,045	2,442
Health and hospital	403	3,381	94	26	52	34	105	229
Transportation	1,062	28,912	357	78	117	71	269	488
Public safety	2,291	5,390	1,415	326	266	180	324	619
Environment	1,062	9,849	284	65	133	76	314	572
Housing	116	444	19	6	22	15	42	99
Utilities	1,655	26,980	340	82	198	126	568	1,216
Bond and tax/revenue anticipation notes	297	1,570	50	14	40	27	151	344
Other purposes [3]	4,931	46,480	1,739	400	571	379	1,226	2,693

Bond purpose	Size of entire issue—continued							
	\$5,000,000 under \$10,000,000		\$10,000,000 under \$25,000,000		\$25,000,000 under \$75,000,000		\$75,000,000 or more	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
<b>Total [2]</b>	<b>1,546</b>	<b>10,265</b>	<b>1,276</b>	<b>18,367</b>	<b>880</b>	<b>32,887</b>	<b>508</b>	<b>107,255</b>
Education	526	3,536	537	7,725	401	15,222	194	27,449
Health and hospital	53	345	45	623	31	919	23	1,206
Transportation	90	363	85	835	58	1,691	86	25,386
Public safety	120	626	78	752	55	1,302	33	1,585
Environment	127	592	92	977	58	1,397	54	6,170
Housing	13	70	9	116	6	98	5	39
Utilities	259	1,430	114	1,396	91	2,929	85	19,801
Bond and tax/revenue anticipation notes	32	210	12	162	9	328	3	486
Other purposes [3]	518	3,093	455	5,781	286	9,002	136	25,133

[1] Form 8038-G returns with an entire issue price less than \$100,000 are excluded from the study. Issuers of these bonds are instructed to file Form 8038-GC, *Information Return for Small Tax-Exempt Governmental Bond Issues, Leases, and Installment Sales*. Statistics of Income (SOI) does not process data from the Forms 8038-GC filed with the Internal Revenue Service.

[2] A given bond issue can include more than one purpose. Thus, the summation of number of issues by purpose will sometimes exceed the total number of issues. However, the money amounts add to the totals.

[3] "Other purposes" refer to obligations for which a specific purpose either did not apply or was not clearly indicated on the Form 8038-G.

NOTE: Detail may not add to totals because of rounding.

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**Table 5. New Money Long-Term Governmental Bonds, by State of Issue and Bond Purpose, 2006**

[Money amounts are in millions of dollars]

State of issue	Total [1]		Bond purpose							
			Education		Health and hospital		Transportation		Public safety	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<b>All States</b>	<b>15,816</b>	<b>180,167</b>	<b>4,979</b>	<b>57,162</b>	<b>403</b>	<b>3,381</b>	<b>1,062</b>	<b>28,912</b>	<b>2,291</b>	<b>5,390</b>
Alabama	328	1,741	61	400	11	83	9	31	38	101
Alaska	40	792	17	160	d	d	5	168	3	1
Arizona	335	3,498	154	1,054	d	d	15	537	44	133
Arkansas	284	1,092	142	612	3	1	9	79	20	50
California	1,177	23,069	498	9,698	44	599	58	3,509	110	309
Colorado	311	3,916	67	1,365	9	180	22	711	43	381
Connecticut	131	2,251	52	252	d	d	14	23	34	52
Delaware	33	567	3	174	0	0	18	143	6	24
District of Columbia	8	932	d	d	d	d	0	0	d	d
Florida	543	13,345	69	4,208	8	406	33	814	92	355
Georgia	402	4,409	84	1,132	13	72	15	960	79	234
Hawaii	18	897	d	d	10	10	0	0	d	d
Idaho	81	805	21	311	5	54	15	203	10	4
Illinois	813	7,845	369	2,757	9	45	41	1,842	90	217
Indiana	409	2,891	133	1,332	d	d	23	187	88	201
Iowa	351	1,383	89	510	d	d	35	36	34	138
Kansas	309	1,236	55	292	13	139	65	374	25	17
Kentucky	305	2,580	183	706	d	d	7	228	31	29
Louisiana	188	3,267	36	484	17	51	13	1,359	38	84
Maine	124	186	47	48	d	d	19	26	20	7
Maryland	180	2,249	54	923	9	35	14	172	43	82
Massachusetts	259	2,860	76	250	d	d	29	303	32	36
Michigan	547	3,281	184	1,173	12	47	32	331	64	70
Minnesota	640	3,038	100	886	9	21	33	121	40	82
Mississippi	245	987	38	176	12	68	9	159	29	19
Missouri	431	4,854	152	1,022	d	d	42	1,000	57	231
Montana	69	184	13	49	d	d	9	8	5	34
Nebraska	575	1,648	39	503	d	d	24	39	26	67
Nevada	69	2,606	13	665	d	d	6	438	d	d
New Hampshire	74	443	25	164	0	0	4	15	21	9
New Jersey	445	4,142	214	1,579	11	29	7	1,314	103	158
New Mexico	137	1,522	52	301	4	17	6	436	29	96
New York	756	15,017	355	3,633	6	71	58	4,726	109	171
North Carolina	471	3,477	85	1,568	8	22	23	83	158	133
North Dakota	121	244	29	79	0	0	8	8	0	0
Ohio	420	3,376	131	1,703	8	45	27	428	96	71
Oklahoma	343	1,281	238	658	12	74	13	30	18	60
Oregon	99	1,842	38	448	d	d	15	704	17	31
Pennsylvania	602	5,399	231	2,155	0	0	25	568	106	155
Rhode Island	52	768	15	245	d	d	8	298	12	27
South Carolina	262	3,101	75	1,901	6	60	13	152	58	42
South Dakota	68	192	20	67	d	d	9	3	13	31
Tennessee	208	6,404	35	283	6	155	17	34	40	62
Texas	1,217	19,175	337	6,625	35	155	59	4,494	145	415
Utah	141	1,000	23	389	4	102	12	197	27	43
Vermont	63	94	d	d	0	0	d	d	9	2
Virginia	236	3,842	90	1,663	3	8	12	129	58	340
Washington	241	4,486	77	1,585	19	209	11	593	32	30
West Virginia	110	284	10	85	3	6	d	d	48	18
Wisconsin	478	2,139	107	372	13	38	110	443	75	86
Wyoming	53	134	25	20	5	44	d	d	7	4
U.S. Possessions [2]	14	3,399	4	344	d	d	3	373	d	d

Footnotes at end of table.



# Tax-Exempt Bonds, 2006

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**Table 5. New Money Long-Term Governmental Bonds, by State of Issue and Bond Purpose, 2006—Continued**

[Money amounts are in millions of dollars]

State of issue	Bond purpose—continued									
	Environment		Housing		Utilities		Bond and tax/revenue anticipation notes		Other purposes [3]	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
<b>All States</b>	<b>1,062</b>	<b>9,849</b>	<b>116</b>	<b>444</b>	<b>1,655</b>	<b>26,980</b>	<b>297</b>	<b>1,570</b>	<b>4,931</b>	<b>46,480</b>
Alabama	d	d	0	0	49	402	d	d	160	709
Alaska	0	0	d	d	0	0	0	0	12	443
Arizona	12	315	d	d	13	591	0	0	99	864
Arkansas	16	69	0	0	62	135	0	0	43	145
California	54	1,736	d	d	57	2,396	d	d	353	4,625
Colorado	14	77	d	d	22	363	d	d	135	805
Connecticut	15	39	0	0	8	202	d	d	69	1,674
Delaware	d	d	0	0	d	d	d	d	8	96
District of Columbia	0	0	0	0	0	0	0	0	6	464
Florida	25	315	5	13	67	2,648	5	64	241	4,523
Georgia	71	585	4	35	32	35	0	0	118	1,355
Hawaii	0	0	0	0	d	d	0	0	5	476
Idaho	6	26	0	0	6	15	7	47	13	144
Illinois	42	567	d	d	67	749	d	d	211	1,656
Indiana	32	532	d	d	26	251	21	45	74	286
Iowa	32	99	d	d	36	138	16	78	133	345
Kansas	38	37	0	0	60	89	17	41	106	246
Kentucky	3	102	d	d	24	1,217	22	120	30	163
Louisiana	22	66	0	0	27	51	6	25	34	1,146
Maine	9	8	0	0	d	d	6	21	35	73
Maryland	40	199	4	21	9	172	4	4	74	640
Massachusetts	35	379	d	d	27	20	5	6	150	1,843
Michigan	86	831	d	d	42	510	d	d	121	309
Minnesota	36	94	6	13	84	199	48	124	303	1,499
Mississippi	9	3	0	0	4	112	0	0	144	450
Missouri	27	167	d	d	48	1,284	d	d	91	1,024
Montana	5	3	d	d	5	2	d	d	26	83
Nebraska	16	65	d	d	45	709	24	34	394	195
Nevada	13	516	0	0	9	33	0	0	22	923
New Hampshire	d	d	d	d	3	13	5	31	16	183
New Jersey	14	234	4	5	8	21	3	33	99	771
New Mexico	4	23	0	0	13	201	0	0	29	448
New York	28	377	d	d	22	353	d	d	202	5,619
North Carolina	24	103	d	d	31	501	d	d	166	918
North Dakota	d	d	13	9	54	112	d	d	13	31
Ohio	24	153	3	1	16	130	5	12	129	832
Oklahoma	3	5	0	0	39	274	0	0	35	180
Oregon	3	291	0	0	10	180	d	d	16	177
Pennsylvania	88	572	6	15	21	70	12	158	130	1,706
Rhode Island	5	29	d	d	d	d	0	0	24	159
South Carolina	15	31	9	19	17	559	0	0	80	336
South Dakota	d	d	d	d	13	73	d	d	7	16
Tennessee	9	4	7	7	65	5,327	16	16	51	516
Texas	36	216	d	d	295	4,990	d	d	326	2,249
Utah	d	d	0	0	38	144	d	d	32	114
Vermont	8	4	0	0	17	12	d	d	12	58
Virginia	15	135	3	17	22	193	4	31	72	1,325
Washington	10	212	10	52	29	795	9	40	51	970
West Virginia	16	50	0	0	d	d	4	1	25	44
Wisconsin	71	428	4	5	93	167	17	71	194	528
Wyoming	d	d	0	0	5	11	0	0	5	50
U.S. Possessions [2]	d	d	0	0	d	d	d	d	7	2,046

d—Data deleted to avoid disclosure of information about specific bonds. However, the data are included in the appropriate totals.

[1] A given bond issue can include more than one purpose. Thus, the summation of number of issues by purpose will sometimes exceed the total number of issues. However, the money amounts add to the totals.

[2] U.S. Possessions include Puerto Rico, the U.S. Virgin Islands, Guam, and the Northern Mariana Islands.

[3] "Other purposes" refer to obligations for which a specific purpose either did not apply or was not clearly indicated on the Form 8038-G.

NOTE: Detail may not add to totals because of rounding.

## Tax-Exempt Bonds, 2006

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**Table 6. Tax-Exempt Private Activity Bonds, by Type and Term of Issue, 2006**

[Money amounts are in millions of dollars]

Type and term of issue	Number	Amount
<b>All issues, total [1]</b>	<b>3,804</b>	<b>108,941</b>
Short-term	58	360
Long-term	3,746	108,581
<b>New money issues, total</b>	<b>3,048</b>	<b>63,467</b>
Short-term	42	181
Long-term	3,006	63,286
<b>Refunding issues, total</b>	<b>1,361</b>	<b>45,474</b>
Short-term	20	179
Long-term	1,341	45,295

[1] A given bond issue can include both new money and refunding proceeds. Thus, the number of new money issues plus the number of refunding issues will sometimes exceed the total number of issues. However, the money amounts add to the totals.

NOTE: Detail may not add to totals because of rounding.

# Tax-Exempt Bonds, 2006

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**Table 7. Long-Term Tax-Exempt Private Activity Bonds, by Bond Purpose and Type of Issue, 2006**

[Money amounts are in millions of dollars]

Bond purpose	All issues		New money issues		Refunding issues	
	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
<b>Total [1]</b>	<b>3,746</b>	<b>108,581</b>	<b>3,006</b>	<b>63,286</b>	<b>1,341</b>	<b>45,295</b>
Airport	60	5,339	42	2,894	24	2,445
Docks and wharves	25	1,584	12	602	16	982
Water	13	372	7	54	7	318
Sewage	24	117	18	83	7	34
Solid waste disposal	114	3,049	98	2,560	21	490
Qualified residential rental	574	7,757	458	6,036	136	1,721
Local electricity or gas furnishing facilities	7	383	4	128	3	254
Local district heating or cooling facilities	3	20	3	20	0	0
Qualified hazardous waste facilities	d	d	d	d	d	d
Tax Reform Act of 1986 transition property	54	3,405	3	16	53	3,389
Qualified new empowerment zone	d	d	d	d	d	d
Qualified public educational facilities	d	d	d	d	d	d
Qualified green building and sustainable design	d	d	d	d	d	d
Qualified Gulf Opportunity Zone	27	624	d	d	d	d
Qualified New York Liberty Zone	6	548	3	183	3	365
Qualified mortgage	301	22,480	230	10,318	203	12,162
Qualified Gulf Opportunity Zone mortgage	6	175	d	d	d	d
Qualified veterans' mortgage	8	954	3	105	6	849
Qualified small issue	534	974	496	878	51	97
Qualified student loan	36	4,217	35	3,938	9	279
Qualified redevelopment	4	21	d	d	d	d
Qualified hospital	417	24,248	340	14,846	172	9,403
Qualified section 501(c)(3) nonhospital	1,584	32,112	1,253	19,791	662	12,321
Gulf Opportunity Zone advance refunding	d	d	d	d	d	d
Other purposes [2]	14	55	13	29	4	26

d—Data deleted to avoid disclosure of information about specific bonds. However, the data are included in the appropriate totals.

[1] A given bond issue can include more than one purpose and can include both new money and refunding proceeds. Thus, the summation of number of issues by purpose or by type of issue will sometimes exceed the total number of issues. However, the money amounts add to the totals.

[2] For this table, "other purposes" refer to obligations for which a specific purpose either did not apply or was not clearly indicated on the Form 8038.

NOTE: Detail may not add to totals because of rounding.

# Tax-Exempt Bonds, 2006

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**Table 8. Computation of Lendable Proceeds for Long-Term Tax-Exempt Private Activity Bonds, by Selected Bond Purpose, 2006**

[Money amounts are in millions of dollars]

Selected bond purpose	Entire issue price		Bond issuance costs		Credit enhancement		Allocation to reserve fund	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>Total [1]</b>	<b>3,746</b>	<b>108,581</b>	<b>2,259</b>	<b>727</b>	<b>970</b>	<b>513</b>	<b>626</b>	<b>1,299</b>
Airport	60	5,339	49	41	33	23	17	167
Docks and wharves	25	1,584	24	10	15	5	7	13
Water	13	372	d	d	d	d	d	d
Sewage	24	117	18	1	4	[2]	3	3
Solid waste disposal	114	3,049	85	30	33	9	9	14
Qualified residential rental	574	7,757	119	18	31	5	38	18
Qualified Gulf Opportunity Zone and Gulf Opportunity Zone mortgage	33	799	25	6	d	d	d	d
Qualified mortgage	301	22,480	72	30	7	[2]	53	127
Qualified veterans' mortgage	8	954	d	d	d	d	0	0
Qualified small issue	534	974	233	13	90	4	8	2
Qualified student loan	36	4,217	27	19	11	2	17	23
Qualified hospital	417	24,248	335	195	152	240	87	356
Qualified section 501(c)(3) nonhospital	1,584	32,112	1,286	356	587	219	384	561
All other bonds, combined [3]	94	4,578	26	4	10	3	15	11

Selected bond purpose	Total lendable proceeds		Proceeds used to refund prior issues		Nonrefunding proceeds	
	Number	Amount	Number	Amount	Number	Amount
	(9)	(10)	(11)	(12)	(13)	(14)
<b>Total [1]</b>	<b>3,746</b>	<b>106,042</b>	<b>1,341</b>	<b>44,480</b>	<b>3,094</b>	<b>61,562</b>
Airport	60	5,107	24	2,384	44	2,723
Docks and wharves	25	1,556	16	969	13	587
Water	13	369	7	317	7	52
Sewage	24	112	7	34	18	78
Solid waste disposal	114	2,996	21	488	98	2,509
Qualified residential rental	574	7,716	136	1,718	460	5,997
Qualified Gulf Opportunity Zone and Gulf Opportunity Zone mortgage	33	791	3	101	31	689
Qualified mortgage	301	22,323	203	12,093	242	10,229
Qualified veterans' mortgage	8	953	6	843	4	109
Qualified small issue	534	955	51	96	496	859
Qualified student loan	36	4,173	9	277	35	3,896
Qualified hospital	417	23,457	172	9,122	350	14,335
Qualified section 501(c)(3) nonhospital	1,584	30,975	662	11,947	1,314	19,029
All other bonds, combined [3]	94	4,559	67	4,091	33	469

d—Data deleted to avoid disclosure of information for specific bonds. However, the data are included in the appropriate totals.

[1] A given bond issue can include more than one purpose. Thus, the summation of number of issues by purpose will sometimes exceed the total number of issues. However, the money amounts add to the totals.

[2] Indicates an amount less than \$500,000.

[3] For purposes of this table, this category includes all issues for which a specific purpose either did not apply or was not clearly indicated on the Form 8038, as well as bonds issued for: local electricity or gas furnishing facilities, local district heating or cooling facilities, qualified hazardous waste facilities, facilities issued under a transitional rule of the Tax Reform Act of 1986, new empowerment zone facility bonds, qualified public educational facilities, qualified green building and sustainable design projects, New York Liberty Zone bonds, qualified redevelopment bonds, and Gulf Opportunity Zone advance refunding bonds.

NOTE: Detail may not add to totals because of rounding.

# Tax-Exempt Bonds, 2006

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**Table 9. New Money Long-Term Tax-Exempt Private Activity Bonds, by Selected Bond Purpose and Size of Entire Issue, 2006**

[Money amounts are in millions of dollars, except for size of entire issue, which is in whole dollars]

Selected bond purpose	All issues		Size of entire issue					
			Under \$1,000,000		\$1,000,000 under \$5,000,000		\$5,000,000 under \$10,000,000	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>Total [1]</b>	<b>3,006</b>	<b>63,286</b>	<b>358</b>	<b>111</b>	<b>757</b>	<b>1,995</b>	<b>574</b>	<b>3,756</b>
Airport	42	2,894	d	d	d	d	9	61
Docks and wharves	12	602	0	0	0	0	d	d
Water	7	54	0	0	3	8	0	0
Sewage	18	83	0	0	3	7	5	19
Solid waste disposal	98	2,560	4	1	14	44	17	94
Qualified residential rental	458	6,036	6	4	88	275	161	1,139
Qualified Gulf Opportunity Zone and Gulf Opportunity Zone mortgage	31	698	0	0	d	d	6	38
Qualified mortgage	230	10,318	d	d	d	d	3	29
Qualified veterans' mortgage	3	105	0	0	0	0	0	0
Qualified small issue	496	878	238	44	212	549	46	285
Qualified student loan	35	3,938	0	0	0	0	0	0
Qualified hospital	340	14,846	10	5	62	180	51	335
Qualified section 501(c)(3) nonhospital	1,253	19,791	87	53	350	877	277	1,736
All other bonds, combined [2]	33	484	4	2	11	26	d	d

Selected bond purpose	Size of entire issue—continued							
	\$10,000,000 under \$25,000,000		\$25,000,000 under \$50,000,000		\$50,000,000 under \$100,000,000		\$100,000,000 or more	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
<b>Total [1]</b>	<b>601</b>	<b>8,100</b>	<b>285</b>	<b>8,106</b>	<b>239</b>	<b>12,729</b>	<b>192</b>	<b>28,488</b>
Airport	3	61	5	173	4	220	10	2,360
Docks and wharves	d	d	4	134	4	290	d	d
Water	d	d	d	d	0	0	0	0
Sewage	5	20	d	d	d	d	d	d
Solid waste disposal	26	362	19	675	11	612	7	772
Qualified residential rental	155	2,201	30	1,001	13	729	5	687
Qualified Gulf Opportunity Zone and Gulf Opportunity Zone mortgage	12	193	3	65	5	193	d	d
Qualified mortgage	52	700	49	1,212	65	3,043	52	5,329
Qualified veterans' mortgage	0	0	d	d	d	d	0	0
Qualified small issue	0	0	0	0	0	0	0	0
Qualified student loan	d	d	d	d	15	981	16	2,848
Qualified hospital	54	689	48	1,312	52	2,602	63	9,722
Qualified section 501(c)(3) nonhospital	300	3,768	123	3,263	76	3,717	40	6,378
All other bonds, combined [2]	5	57	6	113	4	239	d	d

d—Data deleted to avoid disclosure of information for specific bonds. However, the data are included in the appropriate totals.

[1] A given bond issue can include more than one purpose. Thus, the summation of number of issues by purpose will sometimes exceed the total number of issues. However, the money amounts add to the totals.

[2] For purposes of this table, this category includes all issues for which a specific purpose either did not apply or was not clearly indicated on the Form 8038, as well as bonds issued for: local electricity or gas furnishing facilities, local district heating or cooling facilities, qualified hazardous waste facilities, facilities issued under a transitional rule of the Tax Reform Act of 1986, new empowerment zone facility bonds, qualified public educational facilities, qualified green building and sustainable design projects, New York Liberty Zone bonds, qualified redevelopment bonds, and Gulf Opportunity Zone advance refunding bonds.

NOTE: Detail may not add to totals because of rounding.

# Tax-Exempt Bonds, 2006

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**Table 10. New Money Long-Term Tax-Exempt Private Activity Bonds, by State of Issue and Selected Bond Purpose, 2006**

[Money amounts are in millions of dollars]

State of issue	Total [1]		Selected bond purpose							
			Airports, docks, and wharves [2]		Water, sewage, and solid waste disposal [2]		Qualified residential rental		Qualified Gulf Opportunity Zone and Gulf Opportunity Zone mortgage	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<b>All States</b>	<b>3,006</b>	<b>63,286</b>	<b>54</b>	<b>3,496</b>	<b>123</b>	<b>2,697</b>	<b>458</b>	<b>6,036</b>	<b>31</b>	<b>698</b>
Alabama	49	903	4	75	d	d	d	d	10	163
Alaska	13	731	4	254	0	0	0	0	0	0
Arizona	28	574	d	d	6	82	d	d	0	0
Arkansas	21	401	0	0	d	d	d	d	0	0
California	223	6,031	d	d	13	208	120	1,451	0	0
Colorado	88	1,710	5	58	d	d	10	80	0	0
Connecticut	25	911	0	0	d	d	d	d	0	0
Delaware	14	373	0	0	0	0	0	0	0	0
District of Columbia	18	775	d	d	0	0	3	19	0	0
Florida	115	2,929	9	284	6	240	26	267	0	0
Georgia	58	912	0	0	3	43	12	126	0	0
Hawaii	d	d	d	d	0	0	0	0	0	0
Idaho	15	251	0	0	4	38	0	0	0	0
Illinois	152	2,034	d	d	d	d	20	203	0	0
Indiana	74	2,320	d	d	5	97	d	d	0	0
Iowa	160	577	0	0	d	d	d	d	0	0
Kansas	64	643	0	0	d	d	d	d	0	0
Kentucky	47	694	d	d	3	50	d	d	0	0
Louisiana	41	833	0	0	4	82	3	63	7	115
Maine	13	455	0	0	0	0	d	d	0	0
Maryland	53	1,833	d	d	0	0	6	45	0	0
Massachusetts	107	1,774	0	0	4	73	11	272	0	0
Michigan	72	1,596	0	0	d	d	6	258	0	0
Minnesota	146	1,190	d	d	d	d	13	62	0	0
Mississippi	19	814	0	0	0	0	0	0	14	419
Missouri	79	981	d	d	0	0	32	226	0	0
Montana	15	442	0	0	0	0	d	d	0	0
Nebraska	48	461	d	d	d	d	0	0	0	0
Nevada	10	542	d	d	0	0	d	d	0	0
New Hampshire	29	419	0	0	0	0	d	d	0	0
New Jersey	69	1,221	d	d	d	d	4	130	0	0
New Mexico	10	235	0	0	0	0	d	d	0	0
New York	188	4,529	7	260	4	3	46	1,307	0	0
North Carolina	39	2,308	d	d	d	d	d	d	0	0
North Dakota	24	176	0	0	0	0	0	0	0	0
Ohio	100	3,443	d	d	4	115	18	161	0	0
Oklahoma	24	612	0	0	0	0	d	d	0	0
Oregon	18	292	d	d	0	0	3	18	0	0
Pennsylvania	173	2,668	0	0	4	111	d	d	0	0
Rhode Island	17	430	0	0	0	0	4	95	0	0
South Carolina	29	633	0	0	d	d	6	46	0	0
South Dakota	21	138	0	0	4	1	0	0	0	0
Tennessee	60	1,422	d	d	d	d	12	89	0	0
Texas	147	3,867	d	d	19	659	39	436	0	0
Utah	17	209	0	0	0	0	d	d	0	0
Vermont	15	377	0	0	0	0	d	d	0	0
Virginia	66	1,814	d	d	d	d	6	119	0	0
Washington	76	1,852	d	d	d	d	18	243	0	0
West Virginia	24	562	0	0	3	119	0	0	0	0
Wisconsin	78	1,661	d	d	3	55	d	d	0	0
Wyoming	8	387	0	0	d	d	0	0	0	0
U.S. Possessions [4]	d	d	d	d	0	0	0	0	0	0

Footnotes at end of table.

# Tax-Exempt Bonds, 2006

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**Table 10. New Money Long-Term Tax-Exempt Private Activity Bonds, by State of Issue and Selected Bond Purpose, 2006—Continued**

[Money amounts are in millions of dollars]

State of issue	Selected bond purpose—continued									
	Qualified mortgage		Qualified small issue		Qualified hospital		Qualified section 501(c)(3) nonhospital		All other bonds, combined [3]	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
<b>All States</b>	<b>230</b>	<b>10,318</b>	<b>496</b>	<b>878</b>	<b>340</b>	<b>14,846</b>	<b>1,253</b>	<b>19,791</b>	<b>71</b>	<b>4,527</b>
Alabama	4	281	5	19	6	186	20	126	d	d
Alaska	3	253	0	0	d	d	3	32	d	d
Arizona	d	d	d	d	5	131	10	138	d	d
Arkansas	0	0	4	10	8	72	6	37	d	d
California	7	423	d	d	12	745	62	2,957	3	217
Colorado	7	135	d	d	6	861	45	464	d	d
Connecticut	3	268	0	0	8	373	11	197	d	d
Delaware	4	297	0	0	0	0	7	73	3	4
District of Columbia	d	d	0	0	0	0	11	187	0	0
Florida	16	522	d	d	10	926	37	631	d	d
Georgia	3	146	6	15	6	64	29	519	0	0
Hawaii	0	0	0	0	d	d	d	d	d	d
Idaho	6	195	d	d	0	0	d	d	0	0
Illinois	12	520	49	38	12	366	57	847	0	0
Indiana	3	309	20	67	7	624	34	484	0	0
Iowa	5	183	96	23	9	90	36	165	8	60
Kansas	8	215	29	21	5	129	17	252	0	0
Kentucky	3	72	4	16	9	375	24	61	d	d
Louisiana	7	105	d	d	4	46	11	241	d	d
Maine	d	d	3	9	4	237	6	134	0	0
Maryland	3	205	d	d	3	254	38	1,287	0	0
Massachusetts	d	d	16	44	14	224	59	903	d	d
Michigan	0	0	24	72	20	894	22	250	d	d
Minnesota	8	261	15	23	7	196	97	546	3	73
Mississippi	d	d	0	0	d	d	0	0	d	d
Missouri	4	234	22	29	4	88	15	194	d	d
Montana	d	d	0	0	4	57	7	55	d	d
Nebraska	11	352	17	3	d	d	15	42	0	0
Nevada	3	55	d	d	d	d	d	d	d	d
New Hampshire	7	132	d	d	3	57	16	147	d	d
New Jersey	0	0	19	46	10	484	28	260	4	267
New Mexico	d	d	0	0	d	d	5	44	d	d
New York	3	181	8	34	26	184	93	2,375	4	185
North Carolina	4	130	4	11	10	1,043	16	309	d	d
North Dakota	d	d	4	2	d	d	17	38	0	0
Ohio	4	910	10	37	25	1,360	36	603	d	d
Oklahoma	9	149	4	2	d	d	7	118	d	d
Oregon	d	d	d	d	3	146	6	77	d	d
Pennsylvania	8	416	31	70	17	435	107	1,368	d	d
Rhode Island	4	120	d	d	d	d	5	92	d	d
South Carolina	d	d	6	27	3	119	10	110	d	d
South Dakota	d	d	11	4	d	d	4	19	0	0
Tennessee	3	172	3	12	9	771	29	288	0	0
Texas	20	500	0	0	15	1,061	50	907	d	d
Utah	7	67	4	12	d	d	d	d	d	d
Vermont	3	131	0	0	d	d	6	57	d	d
Virginia	d	d	3	7	5	391	49	690	d	d
Washington	6	188	8	27	8	480	34	813	0	0
West Virginia	3	136	4	17	4	273	10	18	0	0
Wisconsin	3	414	21	57	22	520	35	575	d	d
Wyoming	d	d	d	d	0	0	d	d	d	d
U.S. Possessions [4]	0	0	0	0	0	0	d	d	0	0

d—Data deleted to avoid disclosure of information about specific bonds. However, the data are included in the appropriate totals.

[1] A given bond issue can include more than one purpose. Thus, the summation of number of issues by purpose will sometimes exceed the total number of issues. However, the money amounts add to the totals.

[2] For purposes of this table, certain bond purposes were combined. For this reason, data in this table will differ slightly from the data in Tables 8 and 9.

[3] This category includes all issues for which a specific purpose either did not apply or was not clearly indicated on the Form 8038, as well as bonds issued for: local electricity or gas furnishing facilities, local district heating or cooling facilities, qualified hazardous waste facilities, facilities issued under a transitional rule of the Tax Reform Act of 1986, new empowerment zone facility bonds, qualified public educational facilities, qualified green building and sustainable design projects, New York Liberty Zone bonds, qualified veterans' mortgage bonds, qualified student loan bonds, qualified redevelopment bonds, and Gulf Opportunity Zone advance refunding bonds.

[4] U.S. Possessions include Puerto Rico, the U.S. Virgin Islands, Guam, and the Northern Mariana Islands.

NOTE: Detail may not add to totals because of rounding.