

Monthly Revenue Update

August 2020



On August 27, the Independent Fiscal Office (IFO) released monthly revenue projections for fiscal year (FY) 2020-21 based on its official estimate released June 22. Compared to those estimates, General Fund collections of \$2,548.4 million in August were \$247.7 million (10.8 percent) higher than anticipated. The overage was largely attributable to sales and use tax (SUT) and personal income tax (PIT). Fiscal year-to-date (FYTD) collections exceed estimate by \$392.3 million (6.3 percent).

Monthly SUT revenues were \$150.8 million (17.1 percent) above estimate due to overages in both non-motor vehicle (NMV) and motor vehicle (MV) collections. August NMV SUT collections exceeded estimate by \$133.0 million (18.1 percent), a 4.6 percent increase over the same month from the prior fiscal year. MV SUT grew at a rate of 17.7 percent in August, and surpassed the estimate by \$17.8 million (12.4 percent). FYTD SUT collections are exceeding estimate by \$321.0 million (16.3 percent).

August PIT collections were \$69.8 million (8.7 percent) higher than anticipated, due primarily to overages in withholding and annual payments. Compared to the same month of the prior year, withholding collections declined by 3.1 percent in August (after adjusting for changes in due dates and transfers), but exceeded estimate by \$41.0 million (5.4 percent). Annual payments were \$21.5 million (94.4 percent) over estimate, due to the continued processing of payments from the COVID-related tax due date extension. FYTD PIT collections are \$4.6 million (-0.1 percent) below estimate.

Corporate net income tax (CNIT) collections for the month totaled \$287.3 million, \$16.5 million (6.1 percent) higher than expected. The IFO estimates that \$235 million of the monthly amount was shifted from the prior fiscal year under the extended due date for most tax year 2019 final payments. (The due date for these payments was extended from May 15 to August 14.) FYTD CNIT collections are exceeding estimate by \$36.9 million (7.6 percent).

All remaining tax revenues exceeded estimate by \$13.8 million for the month, or 4.3 percent more than anticipated. FYTD collections are outperforming estimates by \$46.6 million (8.1 percent), due to unusually strong cigarette tax collections which are \$41.3 million (28.6 percent) over estimate.

Non-tax collections fell short of estimate by \$3.2 million (-13.2 percent) for the month and are \$7.6 million below estimate for the FYTD, with an overage in licenses and fees (\$9.5 million) more than offset by shortfalls in the other revenue categories.

FY 2020-21 Revenue Performance Through August

	August Collections			Fiscal Year Collections		
	<u>Actual</u>	<u>Estimate</u>	<u>\$ Diff</u>	<u>Actual</u>	<u>Estimate</u>	<u>\$ Diff</u>
General Fund	\$2,548.4	\$2,300.7	\$247.7	\$6,652.4	\$6,260.1	\$392.3
Corporate Net Income	287.3	270.8	16.5	524.0	487.1	36.9
SUT - Non-Motor	868.9	735.9	133.0	1,932.5	1,666.2	266.3
SUT - Motor Vehicle	161.5	143.7	17.8	353.6	298.9	54.7
PIT - Withholding	796.4	755.4	41.0	1,719.0	1,670.0	49.0
PIT - Non-Withholding	79.7	50.9	28.8	1,469.6	1,523.2	-53.6
Cigarette	111.7	96.9	14.8	185.7	144.4	41.3
Inheritance	92.1	109.0	-16.9	210.4	218.6	-8.2
Other Taxes	130.3	114.3	16.0	222.8	209.3	13.5
Non-Tax	20.6	23.8	-3.2	34.8	42.4	-7.6

Dollar amounts in millions. Estimate refers to IFO official estimate published in August 2020.

GENERAL FUND REVENUES SUMMARY

Revenue Source	Aug 2020	Aug 2019	FYTD 2020-21	FYTD 2019-20	Monthly Growth	FYTD Growth
Total General Fund	\$2,548.4	\$2,192.9	\$6,652.4	\$4,522.1	16.2%	47.1%
Total Tax Revenue	2,527.8	2,175.0	6,617.6	4,470.2	16.2	48.0
Total Corporation Taxes	303.3	69.0	543.8	185.9	339.8	192.5
Accelerated Deposits	11.4	(0.8)	12.7	0.3	n.a.	n.a.
Corporate Net Income	287.3	63.3	524.0	156.4	353.7	235.0
Gross Receipts	3.2	4.4	4.1	8.7	-25.9	-52.4
Utility Property	0.5	0.2	0.5	0.6	164.2	-16.3
Insurance Premium	0.5	0.5	0.7	18.1	-8.2	-96.1
Financial Institution	0.4	1.4	1.8	1.9	-70.4	-5.8
Total Consumption Taxes	1,186.9	1,116.4	2,562.2	2,136.2	6.3	19.9
Sales and Use - Total	1,030.4	967.9	2,286.1	1,893.3	6.5	20.7
Non-Motor	868.9	830.6	1,932.5	1,613.6	4.6	19.8
Motor Vehicle	161.5	137.2	353.6	279.6	17.7	26.4
Cigarette	111.7	102.6	185.7	153.3	8.9	21.1
Other Tobacco Products	10.8	11.9	21.9	22.8	-9.0	-4.2
Malt Beverage	2.1	2.0	4.2	4.2	8.4	0.3
Liquor	31.9	32.2	64.4	62.6	-0.7	2.8
Total Other Taxes	1,037.5	989.6	3,511.6	2,148.1	4.8	63.5
Personal Income - Total	876.1	824.0	3,188.6	1,846.9	6.3	72.6
Withholding	796.4	760.1	1,719.0	1,705.4	4.8	0.8
Quarterly	35.4	36.4	502.0	84.4	-2.8	494.8
Annual	44.3	27.6	967.6	57.1	60.8	n.a.
Realty Transfer	56.5	53.9	74.4	74.9	4.9	-0.7
Inheritance	92.1	97.0	210.4	195.5	-5.1	7.6
Gaming	13.8	13.9	26.4	24.8	-0.8	6.2
Minor and Repealed	(0.9)	0.8	11.8	5.9	-214.8	99.2
Total Non-Tax Revenue	20.6	17.9	34.8	51.9	15.4	-32.9
State Store Fund Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Lic., Fees & Misc.	14.9	10.6	24.7	37.0	39.9	-33.3
Licenses and Fees	17.4	5.9	32.8	26.6	195.4	23.3
Miscellaneous	(2.6)	4.7	(8.1)	10.4	-154.2	-177.7
Treasury	1.0	5.7	2.1	11.5	-81.6	-81.4
Escheats	(5.9)	(6.2)	(14.3)	(10.6)	5.4	-34.9
Other Miscellaneous	2.3	5.3	4.1	9.6	-56.9	-57.4
Fines, Penalties & Interest	5.8	7.3	10.1	14.9	-20.5	-32.0

Note: Dollar amounts in millions. Growth rates computed from same time period in previous year and use unrounded amounts.