

# Monthly Revenue Update

October 2020



Revenue collections for October were \$2.59 billion, which was \$275.2 million (11.9 percent) above the monthly projection associated with the Independent Fiscal Office's (IFO) June 2020 Official Estimate. The key variances are attributable to sales and use tax (SUT), personal income tax (PIT) and corporate net income tax (CNIT). Fiscal year-to-date (FYTD) collections exceed estimate by \$1.01 billion (8.8 percent).

SUT revenues for October totaled \$1,089.4 million, \$132.5 million (13.8 percent) over estimate, mainly due to stronger than anticipated non-motor vehicle collections, which were \$117.2 million (14.2 percent) above estimate. Motor vehicle SUT collections for October exceeded estimate by \$15.4 million (11.4 percent). FYTD SUT collections remain strong, surpassing the estimate by \$586.4 million (15.5 percent) and growing at a year-over-year rate through October of 5.7 percent. FYTD growth is likely driven by: (1) substantial federal transfer payments distributed in 2020 Q2 and Q3, (2) a significant increase in home refinancings that likely lowered household monthly payments/increased cash flow and (3) a shift in spending from out-of-state travel, gasoline, etc., to home furnishings, electronics and other taxable household goods. SUT growth is expected to slow in the coming months, with less federal support flowing to households in 2020 Q4.

October PIT collections were \$1,024.5 million and \$86.9 million (9.3 percent) above projections. The overage was primarily due to non-withholding payments (\$65.3 million, 46.3 percent), but withholding was also over estimate by \$21.6 million (2.7 percent). FYTD PIT collections are \$170.9 million (3.2 percent) above estimate. The surplus in quarterly (\$116.7 million) and withholding (\$93.4 million) payments more than offsets the FYTD shortfall in annual payments of \$39.2 million. FYTD withholding collections have declined by 2.4 percent as compared to the same period in the prior year (after adjusting for one-time transfers).

Monthly CNIT collections were \$31.7 million (35.5 percent) higher than expected. The October excess was caused by larger than anticipated final (+\$19.3 million) and estimated (+\$12.4 million) payments. FYTD CNIT collections exceed estimate by \$189.2 million (18.0 percent).

Non-tax revenues outperformed estimate for October by \$11.0 million (51.8 percent), largely the result of higher than anticipated escheats collections (+\$21.4 million), which offset a \$15.6 million shortfall in licenses and fees collections. FYTD non-tax collections exceed estimates by \$7.5 million (9.5 percent), due entirely to higher than expected escheats collections (+\$19.0 million).

## FY 2020-21 Revenue Performance Through October

	October Collections			Fiscal Year Collections		
	Actual	Estimate	\$ Diff	Actual	Estimate	\$ Diff
<b>General Fund</b>	<b>\$2,592.5</b>	<b>\$2,317.3</b>	<b>\$275.2</b>	<b>\$12,506.5</b>	<b>\$11,491.8</b>	<b>\$1,014.7</b>
Corporate Net Income	121.0	89.3	31.7	1,239.1	1,049.9	189.2
SUT - Non-Motor	939.8	822.6	117.2	3,709.5	3,222.7	486.8
SUT - Motor Vehicle	149.7	134.3	15.4	662.5	562.9	99.6
PIT - Withholding	818.0	796.4	21.6	3,440.4	3,347.0	93.4
PIT - Non-Withholding	206.5	141.2	65.3	2,105.9	2,028.4	77.5
Cigarette	96.4	87.4	9.0	380.3	331.6	48.7
Inheritance	97.1	107.3	-10.2	405.6	422.5	-16.9
Other Taxes	131.7	117.5	14.2	476.6	447.6	29.0
Non-Tax	32.3	21.3	11.0	86.7	79.2	7.5

Dollar amounts in millions. Estimate refers to the IFO Official Estimate published in June 2020 and the associated monthly distributions published in August 2020.

## GENERAL FUND REVENUES SUMMARY

Revenue Source	Oct 2020	Oct 2019	FYTD 2020-21	FYTD 2019-20	Monthly Growth	FYTD Growth
<b>Total General Fund</b>	\$2,592.5	\$2,670.0	\$12,506.5	\$10,377.0	-2.9%	20.5%
<b>Total Tax Revenue</b>	2,560.1	2,640.6	12,419.8	10,253.2	-3.0	21.1
<b>Total Corporation Taxes</b>	122.6	145.2	1,263.6	958.3	-15.6	31.9
Accelerated Deposits	(2.5)	(1.2)	0.7	0.8	n.a.	n.a.
Corporate Net Income	121.0	141.1	1,239.1	908.1	-14.2	36.4
Gross Receipts	3.3	3.7	11.0	16.4	-12.1	-33.1
Utility Property	0.1	0.3	2.0	1.9	-62.7	7.8
Insurance Premium	0.1	0.2	1.3	18.6	-43.0	-93.0
Financial Institution	0.5	1.0	9.5	12.3	-48.2	-22.7
<b>Total Consumption Taxes</b>	1,233.6	1,174.5	4,936.3	4,401.0	5.0	12.2
Sales and Use - Total	1,089.4	1,031.4	4,372.0	3,870.2	5.6	13.0
Non-Motor	939.8	897.8	3,709.5	3,319.8	4.7	11.7
Motor Vehicle	149.7	133.6	662.5	550.4	12.0	20.4
Cigarette	96.4	98.4	380.3	353.4	-2.1	7.6
Other Tobacco Products	10.6	10.5	44.1	45.0	1.6	-2.1
Malt Beverage	2.1	1.8	8.5	8.1	14.5	5.1
Liquor	35.0	32.4	131.5	124.2	8.1	5.8
<b>Total Other Taxes</b>	1,204.0	1,320.9	6,219.9	4,894.0	-8.9	27.1
Personal Income - Total	1,024.5	1,161.4	5,546.3	4,286.1	-11.8	29.4
Withholding	818.0	963.3	3,440.4	3,471.7	-15.1	-0.9
Quarterly	88.0	72.8	982.8	597.3	20.9	64.5
Annual	118.5	125.3	1,123.1	217.0	-5.4	417.5
Realty Transfer	65.4	54.3	193.2	178.7	20.4	8.1
Inheritance	97.1	91.0	405.6	373.2	6.7	8.7
Gaming	19.1	16.6	63.1	54.7	15.0	15.4
Minor and Repealed	(2.1)	(2.4)	11.7	1.4	12.0	752.5
<b>Total Non-Tax Revenue</b>	32.3	29.4	86.7	123.8	10.0	-30.0
State Store Fund Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Lic., Fees & Misc.	25.6	21.5	62.6	93.4	19.2	-32.9
Licenses and Fees	4.8	13.7	54.4	39.2	-65.4	38.8
Miscellaneous	20.8	7.7	8.2	54.2	169.3	-84.8
Treasury	2.3	2.1	5.0	17.7	6.0	-71.9
Escheats	11.5	3.7	(12.9)	22.6	208.2	-156.9
Other Miscellaneous	7.1	1.9	16.1	13.9	275.6	15.9
Fines, Penalties & Interest	6.7	7.9	24.1	30.4	-15.0	-20.9

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