

Monthly Revenue Update

January 2022



In August, the Independent Fiscal Office (IFO) released monthly revenue projections for fiscal year (FY) 2021-22. General Fund revenues surpassed estimate by \$440.6 million (14.0%) for January and by \$2.20 billion (9.2%) for the fiscal year-to-date (FYTD). The monthly overage was primarily due to stronger than expected sales and use tax (SUT) and personal income tax (PIT) collections.

SUT collections for the month came in at \$1.26 billion and were \$159.9 million (14.5%) over estimate, driven by non-motor vehicle SUT collections (+\$147.4 million, 15.1%). Monthly motor vehicle SUT revenues were \$12.5 million (10.1%) over estimate. FYTD SUT collections surpass the forecast by \$646.7 million (8.5%) due primarily to non-motor vehicle collections (+\$565.6 million, 8.6%).

Monthly PIT collections were \$1.75 billion, which were \$138.4 million (8.6%) over estimate, mostly due to withholding (+\$57.6 million, 5.9%) and estimated (+\$64.4 million, 10.8%) payments. Final payments were \$16.4 million (58.0%) over the January estimate. FYTD PIT collections of \$8.62 billion are \$454.5 million (5.6%) above projections largely due to withholding (+\$235.9 million, 3.6%) and estimated (+\$164.4 million, 12.4%) payments. Adjusting for due dates and one-time transfers, FYTD withholding revenues grew 10.0%.

January corporate net income tax (CNIT) revenues were \$53.9 million (49.7%) above estimate due entirely to estimated (+\$65.9 million, 148.9%) payments, which were slightly offset by a shortfall in final payments (-\$12.0 million, -18.7%). FYTD CNIT collections are \$690.6 million (37.5%) higher than anticipated. The overage is comprised of estimated (+\$546.0 million, 41.9%) and final (+\$144.5 million, 26.8%) payments.

Other tax revenues of \$397.6 million exceeded the January estimate by \$82.4 million (26.2%) due to inheritance (+\$31.6 million), realty transfer (+\$29.7 million) and insurance premiums (+\$18.5 million) tax revenues. FYTD other tax revenues are \$2.65 billion, or \$335.2 million (14.5%) above the forecast due to inheritance (+\$166.7 million), realty transfer (+\$67.7 million), gaming (+\$36.0 million) and insurance premiums (+\$19.1 million) tax revenues. The minor and repealed category is \$18.5 million over the FYTD estimate due to deposits to a clearing account that are expected to clear in February.

January non-tax revenues totaled \$21.9 million and were \$6.0 million (37.6%) stronger than expected due entirely to licenses and fees collections (+\$10.9 million). Collections were undercut by a shortfall in other miscellaneous (-\$3.4 million) and escheats (-\$1.5 million) revenues. Non-tax revenues for the FYTD are \$74.2 million (1.8%) over the forecast due to escheats (+\$28.1 million), other miscellaneous (+\$23.8 million) and licenses and fees (+\$21.6 million) collections.

FY 2021-22 Revenue Performance Through January

	January Collections			Fiscal Year Collections		
	<u>Actual</u>	<u>Estimate</u>	<u>\$ Diff</u>	<u>Actual</u>	<u>Estimate</u>	<u>\$ Diff</u>
General Fund	\$3,589.4	\$3,148.8	\$440.6	\$26,148.6	\$23,947.3	\$2,201.3
Corporate Net Income	162.4	108.5	53.9	2,531.0	1,840.4	690.6
SUT - Non-Motor	1,123.3	975.9	147.4	7,153.9	6,588.3	565.6
SUT - Motor Vehicle	135.9	123.4	12.5	1,060.0	978.9	81.1
PIT - Withholding	1,041.9	984.3	57.6	6,795.1	6,559.2	235.9
PIT - Non-Withholding	706.4	625.6	80.8	1,823.0	1,604.4	218.6
Cigarette	52.8	51.0	1.8	571.9	572.9	-1.0
Inheritance	133.6	102.0	31.6	888.7	722.0	166.7
Other Taxes	211.3	162.2	49.1	1,189.0	1,019.5	169.5
Non-Tax	21.9	15.9	6.0	4,135.9	4,061.7	74.2

Dollar amounts in millions. Estimate refers to the IFO official estimate published in August 2021.

GENERAL FUND REVENUES SUMMARY

Revenue Source	Jan 2022	Jan 2021	FYTD 2021-22	FYTD 2020-21	Monthly Growth	FYTD Growth
Total General Fund	\$3,589.4	\$2,658.3	\$26,148.6	\$21,187.5	35.0%	23.4%
Total Tax Revenue	3,567.5	2,632.1	22,012.6	20,495.9	35.5	7.4
Total Corporation Taxes	205.3	186.3	2,665.6	2,362.2	10.2	12.8
Accelerated Deposits	(10.5)	(2.4)	(2.6)	1.4	n.a.	n.a.
Corporate Net Income	162.4	146.0	2,531.0	2,284.3	11.3	10.8
Gross Receipts	2.1	2.6	35.1	17.9	-17.6	95.4
Utility Property	0.0	0.0	1.9	2.5	-3.9	-21.3
Insurance Premium	50.3	33.7	70.9	35.3	49.3	101.0
Financial Institution	0.9	6.4	29.3	20.8	-86.3	40.7
Total Consumption Taxes	1,355.2	1,167.9	9,147.1	8,413.3	16.0	8.7
Sales and Use - Total	1,259.2	1,081.4	8,213.9	7,460.7	16.4	10.1
Non-Motor	1,123.3	960.1	7,153.9	6,414.0	17.0	11.5
Motor Vehicle	135.9	121.3	1,060.0	1,046.6	12.0	1.3
Cigarette	52.8	43.1	571.9	615.2	22.6	-7.0
Other Tobacco Products	12.8	11.4	88.3	78.3	12.1	12.7
Malt Beverage	1.7	1.8	13.2	14.0	-0.9	-5.9
Liquor	28.7	30.3	259.7	245.1	-5.3	6.0
Total Other Taxes	2,007.1	1,277.9	10,200.0	9,720.4	57.1	4.9
Personal Income - Total	1,748.3	1,096.0	8,618.1	8,485.7	59.5	1.6
Withholding	1,041.9	886.7	6,795.1	6,032.2	17.5	12.6
Quarterly	661.8	196.3	1,492.6	1,276.1	237.2	17.0
Annual	44.6	13.0	330.4	1,177.4	243.1	-71.9
Realty Transfer	87.9	54.4	490.9	371.3	61.6	32.2
Inheritance	133.6	101.6	888.7	706.6	31.5	25.8
Gaming	32.8	19.9	187.0	127.1	65.2	47.1
Minor and Repealed	4.5	6.1	15.2	29.7	-25.6	-48.8
Total Non-Tax Revenue	21.9	26.3	4,135.9	691.6	-16.7	498.0
State Store Fund Transfers	0.0	0.0	100.0	100.0	n.a.	n.a.
Lic., Fees & Misc.	16.7	21.6	3,991.4	548.8	-22.6	627.4
Licenses and Fees	18.4	4.8	95.7	100.7	283.1	-5.0
Miscellaneous	(1.7)	16.7	3,895.7	448.0	-110.3	769.5
Treasury	0.5	0.2	7.2	5.7	118.4	27.6
Escheats	(6.7)	(4.8)	(7.3)	(24.1)	-39.6	69.7
Other Miscellaneous	4.5	21.3	3,895.8	466.4	-78.9	735.2
Fines, Penalties & Interest	5.2	4.7	44.5	42.8	10.3	3.9

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