

Monthly Revenue Update

November 2022



The Independent Fiscal Office (IFO) released monthly revenue projections for fiscal year (FY) 2022-23 at the beginning of September. General Fund collections for November were \$129.0 million (-4.5%) below the IFO's official estimate, and are \$731.8 million (4.9%) above estimate for the fiscal-year-to-date (FYTD). (The IFO monthly estimate was \$72.9 million lower than the estimate certified by the Governor.) The implementation of the Department of Revenue's tax modernization project resulted in the delay of roughly \$200 million of revenue that would normally have been received in November to December (\$184 million is withholding).

Monthly sales and use tax (SUT) collections of \$1.12 billion were \$56.6 million (5.3%) over estimate due predominantly to non-motor vehicle revenues (+\$52.0 million, 5.4%). Motor vehicle revenues were \$4.6 million (4.6%) higher than projected. FYTD SUT collections are \$5.95 billion, which exceeds the forecast by \$423.0 million (7.7%) due to non-motor vehicle (+\$414.2 million, 8.4%) revenues.

November corporate net income tax (CNIT) revenues came in at \$174.6 million, which surpassed the monthly estimate by \$4.6 million (2.7%), due to an overage in estimated payments (+\$4.8 million, 9.5%). FYTD CNIT collections are \$1.67 billion, and are \$196.1 million (13.3%) above the forecast due to estimated (\$123.3 million, 12.8%) and final (\$72.8 million, 14.4%) payments.

Personal income tax (PIT) collections of \$994.1 million for the month fell short of estimate by \$168.4 million (-14.5%). The shortfall in withholding (-\$186.3 million, -16.7%) revenue was due to the previously mentioned posting delay and was partially offset by overages in annual (+\$15.8 million, 77.3%) and estimated (+\$2.1 million, 8.3%) payments. FYTD PIT collections total \$6.04 billion, which are \$51.3 million (0.9%) above expectations.

Other tax revenues were \$329.1 million for November which were \$46.1 million (-12.3%) below estimate. The shortfall is driven by weak realty transfer (-\$19.7 million), cigarette (-\$8.9 million) and gaming (-\$5.5 million) tax revenues. FYTD other tax revenues are \$1.71 billion, \$41.1 million (-2.3%) below projections. The FYTD shortage is due to cigarette (-\$37.6 million), realty transfer (-\$13.8 million) and minor and repealed (-\$14.3 million) taxes which are under estimate.

Non-tax collections for November were \$136.0 million, which exceeded the forecast by \$24.4 million (21.9%), as a result of treasury (+\$28.9 million) collections. FYTD non-tax revenues are \$291.2 million, \$102.5 million (54.3%) above projections due to stronger than expected treasury (+\$118.7 million) and other miscellaneous (+\$14.0 million) receipts. Treasury collections for the fiscal year are exceeding estimate due to unusually high General Fund balances and rising interest rates.

FY 2022-23 Revenue Performance Through November

	November Collections			Fiscal Year Collections		
	Actual	Estimate	\$ Diff	Actual	Estimate	\$ Diff
General Fund	\$2,753.5	\$2,882.5	-\$129.0	\$15,657.5	\$14,925.7	\$731.8
Corporate Net Income	174.6	170.0	4.6	1,666.1	1,470.0	196.1
SUT - Non-Motor	1,017.1	965.1	52.0	5,363.2	4,949.0	414.2
SUT - Motor Vehicle	102.7	98.1	4.6	586.7	577.9	8.8
PIT - Withholding	930.7	1,117.0	-186.3	4,827.7	5,058.7	-231.0
PIT - Non-Withholding	63.4	45.5	17.9	1,209.3	927.0	282.3
Cigarette	81.8	90.7	-8.9	370.9	408.5	-37.6
Inheritance	109.3	113.8	-4.5	587.7	565.1	22.6
Other Taxes	138.0	170.7	-32.7	754.7	780.8	-26.2
Non-Tax	136.0	111.6	24.4	291.2	188.7	102.5

Dollar amounts in millions. Estimate refers to the IFO official estimate published on September 1, 2022.

GENERAL FUND REVENUES SUMMARY

Revenue Source	Nov 2022	Nov 2021	FYTD 2022-23	FYTD 2021-22	Monthly Growth	FYTD Growth
Total General Fund	\$2,753.5	\$6,621.5	\$15,657.5	\$18,713.2	-58.4%	-16.3%
Total Tax Revenue	2,617.5	2,669.3	15,366.3	14,638.2	-1.9	5.0
Total Corporation Taxes	181.0	180.2	1,730.2	1,546.9	0.4	11.8
Accelerated Deposits	(0.3)	0.0	(3.4)	(3.0)	n.a.	n.a.
Corporate Net Income	174.6	177.4	1,666.1	1,478.9	-1.6	12.7
Gross Receipts	5.2	1.7	24.6	28.7	206.3	-14.4
Utility Property	0.0	0.0	3.3	1.9	19.8	69.4
Insurance Premium	0.1	0.4	25.9	20.4	-83.9	26.6
Financial Institution	1.5	0.7	13.8	19.9	113.1	-30.8
Total Consumption Taxes	1,255.7	1,263.8	6,577.2	6,454.9	-0.6	1.9
Sales and Use - Total	1,119.8	1,118.2	5,949.9	5,771.2	0.1	3.1
Non-Motor	1,017.1	957.8	5,363.2	4,985.7	6.2	7.6
Motor Vehicle	102.7	160.5	586.7	785.4	-36.0	-25.3
Cigarette	81.8	92.3	370.9	432.6	-11.3	-14.3
Other Tobacco Products	12.7	12.5	63.9	62.9	1.1	1.6
Malt Beverage	1.9	2.1	10.0	9.6	-13.5	4.0
Liquor	39.5	38.6	182.6	178.7	2.4	2.2
Total Other Taxes	1,180.8	1,225.3	7,058.9	6,636.4	-3.6	6.4
Personal Income - Total	994.1	997.5	6,037.0	5,559.3	-0.3	8.6
Withholding	930.7	933.9	4,827.7	4,587.9	-0.3	5.2
Quarterly	27.1	33.8	856.4	722.1	-19.9	18.6
Annual	36.3	29.8	353.0	249.4	22.0	41.6
Realty Transfer	46.1	67.6	296.1	311.5	-31.7	-4.9
Inheritance	109.3	121.7	587.7	611.9	-10.2	-4.0
Gaming	35.0	36.1	145.4	128.9	-3.0	12.8
Minor and Repealed	(3.7)	2.4	(7.3)	24.7	-251.6	-129.6
Total Non-Tax Revenue	136.0	3,952.1	291.2	4,075.0	-96.6	-92.9
State Store Fund Transfers	100.0	100.0	100.0	100.0	n.a.	n.a.
Lic., Fees & Misc.	29.2	3,846.3	160.5	3,941.6	-99.2	-95.9
Licenses and Fees	8.9	5.8	39.4	50.4	51.4	-21.8
Miscellaneous	20.4	3,840.5	121.1	3,891.2	-99.5	-96.9
Treasury	30.0	0.8	126.8	5.1	n.a.	n.a.
Escheats	(16.9)	(5.8)	(49.6)	0.3	-190.3	n.a.
Other Miscellaneous	7.3	3,845.5	43.8	3,885.7	-99.8	-98.9
Fines, Penalties & Interest	6.8	5.8	30.8	33.4	16.1	-7.9

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