

Monthly Revenue Update

January 2023



The Independent Fiscal Office (IFO) released monthly revenue projections for fiscal year (FY) 2022-23 at the beginning of September. General Fund collections for January were \$32.8 million (0.9%) above the IFO's official estimate, and are \$1.19 billion (5.4%) above estimate for the fiscal-year-to-date (FYTD). (The IFO monthly estimate was \$238.4 million lower than the estimate certified by the Governor.) Due to a processing delay on the last day of the month, roughly \$94 million of revenue that would normally have been receipted in January will be shifted to February (\$69 million is withholding).

January sales and use tax (SUT) collections of \$1.26 billion were \$63.9 million (5.3%) over estimate due mostly to non-motor vehicle revenues (+\$56.4 million, 5.2%). Motor vehicle collections were also higher than projected (+\$7.5 million, 7.2%). FYTD SUT collections are \$8.39 billion, which is \$555.6 million (7.1%) above the forecast due to non-motor vehicle (+\$547.9 million, 7.8%) revenues.

Corporate net income tax (CNIT) collections for January came in at \$166.8 million, which surpassed the monthly estimate by \$11.8 million (7.6%), due to an overage in estimated payments (+\$12.5 million, 13.9%). FYTD CNIT collections are \$2.83 billion, and are \$347.5 million (14.0%) above the forecast due to estimated (+\$265.5 million, 15.0%) and final (+\$82.0 million, 11.6%) payments.

Monthly personal income tax (PIT) collections of \$1.73 billion were below estimate by \$54.4 million (-3.0%). A shortfall in withholding (-\$80.4 million, -7.3%) revenue was due to the previously mentioned processing delay and was partially offset by overages in annual (+\$21.0 million, 82.5%) and quarterly (+\$4.9 million, 0.7%) payments. FYTD collections total \$9.20 billion, which is \$203.2 million (2.3%) above expectations. For the fiscal year, the strength in quarterly (+\$210.2 million, 14.4%) and annual (+\$150.4 million, 50.3%) payments offsets the shortfall in withholding (-\$88.4 million, -1.2%, adjusted for the processing delay).

Other tax revenues were \$367.0 million for January which is \$1.5 million (0.4%) above estimate. The result is driven by an overage in inheritance (+\$10.9 million) and gross receipts (+\$6.3 million) taxes and offset by a shortfall in realty transfer (-\$16.3 million) tax revenues. FYTD other tax revenues are \$2.46 billion, \$47.0 million (-1.9%) below projections. The FYTD shortfall is due to cigarette (-\$55.4 million) and realty transfer (-\$50.4 million) tax collections, and is partially offset by an overage in inheritance tax (+\$53.2 million) revenues.

Non-tax collections for January were \$37.9 million, which exceeded the forecast by \$10.1 million (36.2%), due to an overage in treasury collections (+\$37.3 million). FYTD non-tax revenues are \$384.6 million, \$135.1 million (54.1%) above projections due to stronger than expected treasury collections (+\$190.0 million), and are partially offset by lower than anticipated escheat collections (-\$61.9 million).

FY 2022-23 Revenue Performance Through January

	January Collections			Fiscal Year Collections		
	Actual	Estimate	\$ Diff	Actual	Estimate	\$ Diff
General Fund	\$3,565.7	\$3,532.9	\$32.8	\$23,265.0	\$22,070.6	\$1,194.4
Corporate Net Income	166.8	155.0	11.8	2,827.5	2,480.0	347.5
SUT - Non-Motor	1,148.8	1,092.4	56.4	7,586.6	7,038.7	547.9
SUT - Motor Vehicle	111.8	104.3	7.5	800.3	792.6	7.7
PIT - Withholding	1,017.2	1,097.6	-80.4	7,085.3	7,242.7	-157.4
PIT - Non-Withholding	716.2	690.3	25.9	2,118.4	1,757.8	360.6
Cigarette	45.7	49.7	-4.0	498.0	553.4	-55.4
Inheritance	125.9	115.0	10.9	851.6	798.4	53.2
Other Taxes	195.4	200.8	-5.4	1,112.8	1,157.5	-44.7
Non-Tax	37.9	27.8	10.1	384.6	249.5	135.1

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

GENERAL FUND REVENUES SUMMARY

Revenue Source	Jan 2023	Jan 2022	FYTD 2022-23	FYTD 2021-22	Monthly Growth	FYTD Growth
Total General Fund	\$3,565.7	\$3,589.4	\$23,265.0	\$26,148.6	-0.7%	-11.0%
Total Tax Revenue	3,527.8	3,567.5	22,880.4	22,012.6	-1.1	3.9
Total Corporation Taxes	223.4	205.3	2,962.2	2,665.6	8.8	11.1
Accelerated Deposits	0.0	(10.5)	(3.4)	(2.6)	n.a.	n.a.
Corporate Net Income	166.8	162.4	2,827.5	2,531.0	2.7	11.7
Gross Receipts	8.5	2.1	38.4	35.1	301.7	9.7
Utility Property	0.0	0.0	3.3	1.9	-97.1	68.9
Insurance Premium	47.6	50.3	74.1	70.9	-5.5	4.5
Financial Institution	0.5	0.9	22.3	29.3	-44.1	-23.9
Total Consumption Taxes	1,352.6	1,355.2	9,256.4	9,147.1	-0.2	1.2
Sales and Use - Total	1,260.6	1,259.2	8,386.9	8,213.9	0.1	2.1
Non-Motor	1,148.8	1,123.3	7,586.6	7,153.9	2.3	6.0
Motor Vehicle	111.8	135.9	800.3	1,060.0	-17.7	-24.5
Cigarette	45.7	52.8	498.0	571.9	-13.4	-12.9
Other Tobacco Products	12.8	12.8	89.6	88.3	-0.2	1.4
Malt Beverage	1.5	1.7	13.3	13.2	-12.1	0.3
Liquor	32.0	28.7	268.7	259.7	11.6	3.5
Total Other Taxes	1,951.9	2,007.1	10,661.8	10,200.0	-2.8	4.5
Personal Income - Total	1,733.5	1,748.3	9,203.7	8,618.1	-0.8	6.8
Withholding	1,017.2	1,041.9	7,085.3	6,795.1	-2.4	4.3
Quarterly	669.7	661.8	1,669.2	1,492.6	1.2	11.8
Annual	46.5	44.6	449.2	330.4	4.4	36.0
Realty Transfer	55.5	87.9	407.4	490.9	-36.8	-17.0
Inheritance	125.9	133.6	851.6	888.7	-5.8	-4.2
Gaming	34.6	32.8	213.0	187.0	5.5	13.9
Minor and Repealed	2.4	4.5	(13.9)	15.2	-47.4	-191.5
Total Non-Tax Revenue	37.9	21.9	384.6	4,135.9	73.1	-90.7
State Store Fund Transfers	0.0	0.0	100.0	100.0	n.a.	0
Licenses, Fees & Misc.	32.6	16.7	243.6	3,991.4	95.8	-93.9
Licenses and Fees	0.2	18.4	77.1	95.7	-99.0	-19.4
Miscellaneous	32.5	(1.7)	166.4	3,895.7	n.a.	-95.7
Treasury	37.8	0.5	199.2	7.2	n.a.	n.a.
Escheats	(23.9)	(6.7)	(95.2)	(7.3)	-257.0	n.a.
Other Miscellaneous	18.5	4.5	62.4	3,895.8	311.4	-98.4
Fines, Penalties & Interest	5.2	5.2	41.0	44.5	0.4	-7.9

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