

Monthly Revenue Update

March 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 March were \$494.1 million (8.7%) above the IFO's official estimate, and are \$2.10 billion (6.9%) above estimate for the fiscal-year-to-date (FYTD). (The IFO monthly estimate was \$5.3 million higher than the estimate certified by the Governor.)

March corporate net income tax (CNIT) collections were \$791.9 million, which surpassed the estimate by \$216.9 million (37.7%), due to higher than expected final and estimated payments (+\$82.8 million, 46.0% and +\$134.1, 34.0%, respectively). The overage in final payments likely reflects early payments for tax year 2022 (typically paid in April and May). FYTD CNIT collections are \$3.83 billion, and are \$691.9 million (22.1%) above the forecast due to final (+\$265.6 million, 28.4%) and estimated (+\$426.3 million, 19.4%) payments.

Monthly sales and use tax (SUT) collections of \$1.07 billion were \$93.0 million (9.5%) over estimate due mostly to non-motor vehicle revenues (+\$79.2 million, 9.2%). Motor vehicle collections were also higher than projected (+\$13.8 million, 11.9%). FYTD SUT collections total \$10.46 billion, which is \$728.5 million (7.5%) above the forecast primarily due to non-motor vehicle (+\$692.9 million, 7.9%) tax revenues.

March personal income tax (PIT) collections of \$1.63 billion were over estimate by \$35.5 million (2.2%), due to quarterly payments (+\$55.4 million, 123.2%). FYTD PIT collections total \$11.99 billion, which is \$332.6 million (2.9%) above expectations. For the FYTD, the strength in quarterly (+\$265.5 million, 17.3%) and annual (+\$170.5 million, 33.5%) payments exceed the shortfall in withholding (-\$103.3 million, -1.1%). FYTD withholding collections exceed the prior year by 5.8% (adjusted).

Other tax revenues were \$2.46 billion for March, which was \$80.7 million (3.4%) above estimate. The result is driven by an overage in gross receipts (+\$115.0 million), inheritance (+\$30.6 million) and insurance premiums (+\$27.5 million) tax revenues and partially offset by a shortfall in bank shares (-\$91.1 million) tax revenues. FYTD other tax revenues are \$5.33 billion, \$106.5 million (2.0%) above projections. The FYTD overage is due to gross receipts (+\$142.8 million), inheritance (+\$113.0 million) and insurance premiums (+\$60.8 million) tax collections, and is partially offset by shortfalls in realty transfer (-\$81.0 million), bank shares (-\$82.4 million) and cigarette (-\$58.7 million) tax revenues.

Non-tax collections for March were \$241.9 million, which exceeded the forecast by \$67.9 million (39.0%), due to an overage in treasury collections (+\$41.9 million). FYTD non-tax revenues are \$676.2 million, \$235.9 million (53.6%) above projections due to stronger than expected treasury collections (+\$269.3 million), and are partially offset by lower than anticipated escheat collections (-\$53.8 million).

FY 2022-23 Revenue Performance Through March

	March Collections			Fiscal Year Collections		
	Actual	Estimate	\$ Diff	Actual	Estimate	\$ Diff
General Fund	\$6,190.3	\$5,696.2	\$494.1	\$32,283.1	\$30,187.7	\$2,095.5
Corporate Net Income	791.9	575.0	216.9	3,826.9	3,135.0	691.9
SUT - Non-Motor	942.3	863.1	79.2	9,441.4	8,748.5	692.9
SUT - Motor Vehicle	129.7	115.9	13.8	1,019.5	983.8	35.7
PIT - Withholding	1,350.5	1,373.8	-23.3	9,514.3	9,617.6	-103.3
PIT - Non-Withholding	278.7	219.9	58.8	2,479.2	2,043.2	436.0
Cigarette	71.5	75.7	-4.2	643.6	702.3	-58.7
Inheritance	160.7	130.1	30.6	1,145.5	1,032.5	113.0
Other Taxes	2,223.1	2,168.7	54.4	3,536.6	3,484.5	52.1
Non-Tax	241.9	174.0	67.9	676.2	440.3	235.9

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

GENERAL FUND REVENUES SUMMARY

Revenue Source	Mar 2023	Mar 2022	FYTD 2022-23	FYTD 2021-22	Monthly Growth	FYTD Growth
Total General Fund	\$6,190.3	\$5,557.0	\$32,283.1	\$34,140.0	11.4%	-5.4%
Total Tax Revenue	5,948.4	5,364.6	31,606.9	29,792.7	10.9	6.1
Total Corporation Taxes	2,960.9	2,356.4	6,226.9	5,158.0	25.7	20.7
Accelerated Deposits	0.0	1.6	(3.4)	(1.3)	n.a.	n.a.
Corporate Net Income	791.9	631.7	3,826.9	3,249.3	25.4	17.8
Gross Receipts	1,098.8	957.5	1,176.8	1,018.5	14.8	15.5
Utility Property	(0.0)	(0.0)	3.3	1.9	98.1	68.9
Insurance Premium	761.1	371.6	877.5	456.5	104.8	92.3
Financial Institution	309.1	394.0	345.9	433.1	-21.5	-20.1
Total Consumption Taxes	1,193.8	1,263.0	11,573.0	11,462.0	-5.5	1.0
Sales and Use - Total	1,072.0	1,131.4	10,460.8	10,281.0	-5.3	1.7
Non-Motor	942.3	941.7	9,441.4	8,931.9	0.1	5.7
Motor Vehicle	129.7	189.8	1,019.5	1,349.1	-31.6	-24.4
Cigarette	71.5	84.6	643.6	727.6	-15.4	-11.5
Other Tobacco Products	11.7	11.4	114.0	111.5	2.1	2.2
Malt Beverage	1.7	1.6	16.4	16.4	8.6	0.3
Liquor	36.8	34.0	338.1	325.5	8.3	3.9
Total Other Taxes	1,793.8	1,745.1	13,807.0	13,172.6	2.8	4.8
Personal Income - Total	1,629.2	1,575.4	11,993.4	11,226.1	3.4	6.8
Withholding	1,350.5	1,288.5	9,514.3	9,034.1	4.8	5.3
Quarterly	100.4	102.5	1,799.5	1,636.1	-2.0	10.0
Annual	178.3	184.4	679.7	555.9	-3.3	22.3
Realty Transfer	50.5	74.8	487.0	624.3	-32.5	-22.0
Inheritance	160.7	158.8	1,145.5	1,163.5	1.2	-1.6
Gaming	35.6	24.6	277.8	230.5	45.0	20.5
Minor and Repealed	(82.2)	(88.4)	(96.8)	(71.8)	7.0	-34.8
Total Non-Tax Revenue	241.9	192.5	676.2	4,347.3	25.7	-84.4
State Store Fund Transfers	85.1	85.1	185.1	185.1	0	0
Lic., Fees & Misc.	150.5	102.3	438.5	4,107.7	47.1	-89.3
Licenses and Fees	54.0	40.4	140.3	143.8	33.5	-2.4
Miscellaneous	96.5	61.9	298.2	3,964.0	56.0	-92.5
Treasury	42.3	0.6	279.9	9.7	n.a.	n.a.
Escheats	53.7	58.4	(49.8)	50.3	-8.1	-199.0
Other Miscellaneous	0.6	2.8	68.0	3,904.0	-80.0	-98.3
Fines, Penalties & Interest	6.3	5.1	52.6	54.4	24.1	-3.4

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