

# Monthly Revenue Update

February 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 February were \$407.0 million (16.8%) above the IFO's official estimate, and are \$1.60 billion (6.5%) above estimate for the fiscal-year-to-date (FYTD). (The IFO monthly estimate was \$55.2 million lower than the estimate certified by the Governor.)

Corporate net income tax (CNIT) collections for the month were \$207.5 million, which surpassed the estimate by \$127.5 million (159.4%), due primarily to an overage in final payments (+\$100.8 million, 201.6%), which was likely the result of early payments for tax year 2022. FYTD CNIT collections are \$3.04 billion, and are \$475.0 million (18.6%) above the forecast due to estimated (+\$292.2 million, 16.2%) and final (+\$182.8 million, 24.2%) payments.

February sales and use tax (SUT) collections of \$1.00 billion were \$79.9 million (8.7%) over estimate due mostly to non-motor vehicle revenues (+\$65.8 million, 7.8%). Motor vehicle collections were also higher than projected (+\$14.1 million, 18.8%). FYTD SUT collections are higher than projected at \$9.39 billion, which is \$635.5 million (7.3%) above the forecast primarily due to non-motor vehicle (+\$613.7 million, 7.8%) revenues.

Monthly personal income tax (PIT) collections of \$1.16 billion were over estimate by \$93.9 million (8.8%), mostly due to withholding (+\$77.4 million, 7.7%). The withholding overage was the result of \$69 million in revenue that was delayed from January to February. FYTD collections total \$10.36 billion, which is \$297.1 million (3.0%) above expectations. For the FYTD, the strength in quarterly (+\$210.1 million, 14.1%) and annual (+\$167.1 million, 50.0%) payments exceed the shortfall in withholding (-\$80.0 million, -1.0%).

Other tax revenues were \$408.1 million for February which was \$72.7 million (21.7%) above estimate. The result is driven by an overage in inheritance (+\$29.3 million), gross receipts (+\$24.6 million) and insurance premiums (+\$19.6 million) tax revenues and offset by a shortfall in realty transfer (-\$16.9 million) tax revenues. FYTD other tax revenues are \$2.87 billion, \$25.7 million (0.9%) above projections. The FYTD overage is due to inheritance (+\$82.4 million), insurance premiums (+\$33.4 million) and gross receipts (+\$27.8 million) tax collections, and is partially offset by shortfalls in realty transfer (-\$67.3 million) and cigarette (-\$54.5 million) tax revenues.

Non-tax collections for February were \$49.8 million, which exceeded the forecast by \$33.0 million (196.2%), due to an overage in treasury collections (+\$37.5 million). FYTD non-tax revenues are \$434.3 million, \$168.0 million (63.1%) above projections due to stronger than expected treasury collections (+\$227.5 million), and are partially offset by lower than anticipated escheat collections (-\$69.0 million).

## FY 2022-23 Revenue Performance Through February

	February Collections			Fiscal Year Collections		
	Actual	Estimate	\$ Diff	Actual	Estimate	\$ Diff
<b>General Fund</b>	<b>\$2,827.8</b>	<b>\$2,420.8</b>	<b>\$407.0</b>	<b>\$26,092.8</b>	<b>\$24,491.4</b>	<b>\$1,601.4</b>
Corporate Net Income	207.5	80.0	127.5	3,035.0	2,560.0	475.0
SUT - Non-Motor	912.5	846.7	65.8	8,499.1	7,885.4	613.7
SUT - Motor Vehicle	89.4	75.3	14.1	889.7	867.9	21.8
PIT - Withholding	1,078.5	1,001.1	77.4	8,163.8	8,243.8	-80.0
PIT - Non-Withholding	82.0	65.5	16.5	2,200.4	1,823.3	377.1
Cigarette	74.2	73.2	1.0	572.1	626.6	-54.5
Inheritance	133.3	104.0	29.3	984.8	902.4	82.4
Other Taxes	200.7	158.2	42.5	1,313.5	1,315.7	-2.2
Non-Tax	49.8	16.8	33.0	434.3	266.3	168.0

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

## GENERAL FUND REVENUES SUMMARY

Revenue Source	Feb 2023	Feb 2022	FYTD 2022-23	FYTD 2021-22	Monthly Growth	FYTD Growth
<b>Total General Fund</b>	\$2,827.8	\$2,434.3	\$26,092.8	\$28,582.9	16.2%	-8.7%
<b>Total Tax Revenue</b>	2,778.0	2,415.5	25,658.5	24,428.1	15.0	5.0
<b>Total Corporation Taxes</b>	303.8	136.1	3,266.1	2,801.7	123.3	16.6
Accelerated Deposits	0.0	(0.2)	(3.4)	(2.9)	n.a.	n.a.
Corporate Net Income	207.5	86.6	3,035.0	2,617.6	139.5	15.9
Gross Receipts	39.5	26.0	78.0	61.0	52.2	27.8
Utility Property	0.0	0.0	3.3	2.0	-67.6	67.9
Insurance Premium	42.4	14.0	116.5	84.9	203.3	37.2
Financial Institution	14.4	9.7	36.8	39.0	48.9	-5.8
<b>Total Consumption Taxes</b>	1,122.8	1,051.9	10,379.3	10,199.0	6.7	1.8
Sales and Use - Total	1,001.9	935.6	9,388.8	9,149.6	7.1	2.6
Non-Motor	912.5	836.3	8,499.1	7,990.3	9.1	6.4
Motor Vehicle	89.4	99.3	889.7	1,159.3	-10.0	-23.3
Cigarette	74.2	71.1	572.1	643.1	4.3	-11.0
Other Tobacco Products	12.8	11.8	102.4	100.1	8.5	2.3
Malt Beverage	1.5	1.6	14.7	14.8	-7.9	-0.6
Liquor	32.5	31.8	301.2	291.5	2.3	3.4
<b>Total Other Taxes</b>	1,351.4	1,227.5	12,013.1	11,427.5	10.1	5.1
Personal Income - Total	1,160.5	1,032.5	10,364.2	9,650.6	12.4	7.4
Withholding	1,078.5	950.5	8,163.8	7,745.6	13.5	5.4
Quarterly	29.9	41.0	1,699.1	1,533.6	-27.1	10.8
Annual	52.2	41.0	501.4	371.4	27.2	35.0
Realty Transfer	29.1	58.5	436.5	549.5	-50.4	-20.6
Inheritance	133.3	116.1	984.8	1,004.8	14.8	-2.0
Gaming	29.2	19.0	242.2	206.0	53.8	17.6
Minor and Repealed	(0.7)	1.4	(14.6)	16.6	-148.6	-187.9
<b>Total Non-Tax Revenue</b>	49.8	18.9	434.3	4,154.8	163.6	-89.5
State Store Fund Transfers	0.0	0.0	100.0	100.0	n.a.	0.0
Lic., Fees & Misc.	44.5	14.0	288.0	4,005.4	217.7	-92.8
Licenses and Fees	9.2	7.6	86.4	103.3	21.1	-16.4
Miscellaneous	35.2	6.4	201.7	3,902.1	453.3	-94.8
Treasury	38.5	1.9	237.7	9.1	n.a.	n.a.
Escheats	(8.3)	(0.9)	(103.5)	(8.2)	-831.7	n.a.
Other Miscellaneous	5.1	5.4	67.5	3,901.2	-6.4	-98.3
Fines, Penalties & Interest	5.3	4.9	46.3	49.4	8.5	-6.2

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