

Monthly Revenue Update

May 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 May were -\$84.9 million (-2.5%) below the IFO's official estimate, and are \$2.45 billion (6.3%) above estimate for the fiscal-year-to-date (FYTD). (The IFO monthly estimate was \$38.8 million higher than the estimate certified by the Governor.) Weaker than anticipated corporate net income tax (CNIT) final payments and personal income tax (PIT) withholding payments were the primary reason monthly collections fell short of the estimate.

CNIT collections for the month were \$424.4 million, which fell below projections by \$24.8 million (-5.5%). This result was due to a larger share of final payments for tax year 2022 arriving in April instead of May, which resulted in a shortfall of -\$54.5 million (-13.6%). The monthly shortfall was partially offset by an overage in estimated payments (+\$29.6 million, 59.3%). FYTD CNIT collections total \$5.13 billion, \$991.1 million (24.0%) above the forecast due to final (+\$505.7 million, 28.1%) and estimated (+\$485.4 million, 20.8%) payments.

PIT collections of \$1.30 billion for May were \$0.5 million (0.0%) above projections. Quarterly (+\$6.4 million, 25.5%) and annual (+\$46.6 million, 59.9%) payments came in stronger than expected and offset the shortfall from withholding (-\$52.5 million, -4.4%) payments. FYTD PIT collections are \$16.19 billion, which is \$299.2 million (1.9%) above the forecast. For the FYTD, the strength in quarterly (+\$240.2 million, 11.8%) and annual (+\$166.3 million, 8.0%) payments exceed the shortfall in withholding (-\$107.3 million, -0.9%) revenues.

May sales and use tax (SUT) collections of \$1.12 billion were \$47.0 million (-4.0%) under estimate due to non-motor vehicle revenues of \$985.1 million, which were -\$48.2 million (-4.7%) below estimate. May motor vehicle collections were \$131.1 million, \$1.2 million (0.9%) greater than projected. FYTD SUT collections are \$12.81 billion, \$783.9 million (6.5%) above estimate due to non-motor vehicle (+\$773.7 million, 7.2%) collections.

Other tax revenues were \$370.1 million for May, \$60.7 million (-14.1%) below estimate. The shortfall is due to minor and repealed (-\$21.8 million, an expected May transfer was received in April), realty transfer (-\$19.3 million) and utility property (-\$12.1 million, a larger share of payments were received in April) tax revenues. FYTD other tax revenues are \$6.04 billion, \$39.3 million (0.7%) above projections. The FYTD overage is due to gross receipts (+\$137.5 million), inheritance (+\$101.8 million) and insurance premiums (+\$61.6 million) tax collections, and is partially offset by shortfalls in realty transfer (-\$128.7 million), financial institutions (-\$76.8 million, largely bank shares) and cigarette (-\$64.2 million) tax revenues.

May non-tax collections were \$82.4 million, which exceeded projections by \$47.2 million (133.8%), due to an overage in treasury (+\$55.2 million) but partially offset by escheats (-\$12.1 million) collections. FYTD non-tax revenues are \$1.07 billion, \$331.5 million (45.0%) above estimate.

FY 2022-23 Revenue Performance Through May

	May Collections			Fiscal Year Collections		
	Actual	Estimate	\$ Diff	Actual	Estimate	\$ Diff
General Fund	\$3,292.2	\$3,377.1	-\$84.9	\$41,231.0	\$38,786.0	\$2,445.0
Corporate Net Income	424.4	449.2	-24.8	5,125.3	4,134.2	991.1
SUT - Non-Motor	985.1	1,033.3	-48.2	11,551.6	10,777.9	773.7
SUT - Motor Vehicle	131.1	129.9	1.2	1,261.1	1,250.9	10.2
PIT - Withholding	1,143.3	1,195.8	-52.5	11,659.6	11,766.9	-107.3
PIT - Non-Withholding	155.7	102.8	52.9	4,528.3	4,121.8	406.5
Cigarette	85.4	85.2	0.2	687.4	751.6	-64.2
Inheritance	131.4	133.9	-2.5	1,395.6	1,293.8	101.8
Other Taxes	153.3	211.7	-58.4	3,953.4	3,951.8	1.7
Non-Tax	82.4	35.3	47.2	1,068.7	737.2	331.5

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

GENERAL FUND REVENUES SUMMARY

Revenue Source	May 2023	May 2022	FYTD 2022-23	FYTD 2021-22	Monthly Growth	FYTD Growth
Total General Fund	\$3,292.2	\$3,231.1	\$41,231.0	\$43,889.7	1.9%	-6.1%
Total Tax Revenue	3,209.8	3,201.4	40,162.4	39,282.1	0.3	2.2
Total Corporation Taxes	445.4	510.9	7,664.4	6,345.0	-12.8	20.8
Accelerated Deposits	0.0	0.3	(3.4)	(2.3)	n.a.	n.a.
Corporate Net Income	424.4	476.6	5,125.3	4,353.1	-11.0	17.7
Gross Receipts	(3.2)	(0.5)	1,177.4	1,019.5	-563.6	15.5
Utility Property	18.0	30.9	45.5	39.5	-41.6	15.3
Insurance Premium	2.8	0.7	960.3	491.5	322.4	95.4
Financial Institution	3.3	2.9	359.3	443.7	14.5	-19.0
Total Consumption Taxes	1,254.2	1,340.7	14,071.6	14,030.6	-6.5	0.3
Sales and Use - Total	1,116.2	1,202.7	12,812.7	12,696.8	-7.2	0.9
Non-Motor	985.1	1,029.7	11,551.6	11,015.0	-4.3	4.9
Motor Vehicle	131.1	173.0	1,261.1	1,681.7	-24.2	-25.0
Cigarette	85.4	87.9	687.4	780.4	-2.9	-11.9
Other Tobacco Products	12.1	12.2	139.2	136.6	-0.3	1.9
Malt Beverage	1.8	2.0	20.1	20.4	-10.9	-1.2
Liquor	38.7	35.9	412.2	396.5	7.6	4.0
Total Other Taxes	1,510.2	1,349.8	18,426.4	18,906.5	11.9	-2.5
Personal Income - Total	1,299.1	1,110.0	16,187.9	16,484.6	17.0	-1.8
Withholding	1,143.3	950.9	11,659.6	10,950.1	20.2	6.5
Quarterly	31.4	45.4	2,284.0	2,258.2	-30.9	1.1
Annual	124.4	113.7	2,244.3	3,276.3	9.4	-31.5
Realty Transfer	50.3	69.3	579.2	771.1	-27.3	-24.9
Inheritance	131.4	132.3	1,395.6	1,428.8	-0.7	-2.3
Gaming	28.9	27.6	336.6	288.2	4.9	16.8
Minor and Repealed	0.4	10.6	(73.0)	(66.3)	-95.9	-10.2
Total Non-Tax Revenue	82.4	29.7	1,068.7	4,607.6	177.6	-76.8
State Store Fund Transfers	0.0	0.0	185.1	185.1	n.a.	0
Lic., Fees & Misc.	75.6	23.3	818.6	4,355.4	224.4	-81.2
Licenses and Fees	10.8	4.3	151.0	162.0	152.7	-6.8
Miscellaneous	64.8	19.0	667.5	4,193.4	240.5	-84.1
Treasury	56.7	3.3	385.2	14.3	n.a.	n.a.
Escheats	7.4	12.6	213.2	267.9	-41.2	-20.4
Other Miscellaneous	0.7	3.2	69.1	3,911.2	-77.1	-98.2
Fines, Penalties & Interest	6.8	6.4	65.0	67.1	7.1	-3.1

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