



May 1, 2019

To: Legislative Budget Committee

STATE GENERAL FUND (SGF) RECEIPTS

July 2018 through April 2019, FY 2019

This is the first monthly report of State General Fund (SGF) receipts in FY 2019 based upon the revised estimates made by the Consensus Estimating Group on April 20, 2019. The figures in the "Estimate" and "Actual" columns under FY 2019 in the following table include actual total receipts through March, so this report focuses on a comparison of the estimated and actual total receipts for April only.

Total receipts through April of FY 2019 were \$81.2 million, or 1.4 percent, above the revised estimate. The component of total SGF receipts from taxes was \$81.2 million, or 1.3 percent, above the revised estimate.

There were three tax sources that exceeded the newly adjusted estimate by more than \$1.0 million: individual income tax (\$69.8 million or 2.3 percent); corporation income tax (\$8.5 million or 2.4 percent); and financial institutions tax (\$5.4 million or 16.6 percent).

The one tax source that fell below the estimate by more than \$1.0 million was retail sales tax (\$1.8 million or 0.1 percent).

Total SGF receipts through April of FY 2019 were \$84.1 million, or 1.4 percent above total FY 2018 receipts for the same period. Tax receipts only for the same period were above FY 2018 by \$392.8 million, or 6.9 percent.

Individual income tax receipts, which finished \$70 million above the estimate made on April 18, exceeded last April's collections by more than \$250 million. Withholding and estimated payments continued to grow during the month and were up 3.5 percent and 12 percent, respectively, above last April. More significantly, balance due collections were \$240 million, or 70 percent above similar collections in April of 2018. According to the Department of Revenue, approximately \$70 million of that amount is due to checks having been processed faster in 2019 than had been processed in 2018. Slightly more than \$60 million can be attributed to previously unanticipated capital gains. The remaining \$110 million is attributable to some combination of economic growth and various changes in state and federal tax law. The growth in remittances accelerated dramatically during the last two weeks. During the first 17 days of April, average balance due remittances had increased by 36 percent over the same period in 2018 (from \$730 to \$990). But during the April 18-30 period, average balance dues increased by 93 percent over the same days in 2018 (from \$1,772 to \$3,412).

The growth in corporation income tax is due primarily to higher than anticipated estimated payments that also came in during the last half of April.

Following *sine die* adjournment, the estimate for FY 2019 receipts will be adjusted one final time to account for all legislation signed into law after April 18.

This report excludes a deposit to the SGF of \$600.0 million due to the issuance of a Certificate of Indebtedness. The Certificate will be discharged prior to the end of the fiscal year.

STATE GENERAL FUND RECEIPTS
July-April, FY 2019
(Dollars in Thousands)

	Actual FY 2018	FY 2019			Percent change relative to:	
		Estimate*	Actual	Difference	FY 2018	Estimate
Property Tax/Fee:						
Motor Carriers	\$ 11,167	\$ 11,000	\$ 10,687	\$ (313)	(4.3) %	(2.8) %
Income Taxes:						
Individual	\$ 2,766,446	\$ 3,020,000	\$ 3,089,760	\$ 69,760	11.7 %	2.3 %
Corporation	290,432	350,000	358,470	8,470	23.4	2.4
Financial Inst.	35,204	32,500	37,893	5,393	7.6	16.6
<i>Total</i>	<u>\$ 3,092,082</u>	<u>\$ 3,402,500</u>	<u>\$ 3,486,123</u>	<u>\$ 83,623</u>	<u>12.7 %</u>	<u>2.5 %</u>
Excise Taxes:						
Retail Sales	\$ 1,947,955	\$ 1,937,000	\$ 1,935,197	\$ (1,803)	(0.7) %	(0.1) %
Compensating Use	340,556	355,000	354,688	(312)	4.1	(0.1)
Cigarette	99,222	96,200	95,700	(500)	(3.5)	(0.5)
Tobacco Products	7,179	7,400	7,366	(34)	2.6	(0.5)
Cereal Malt Beverages	1,230	984	1,087	103	(11.6)	10.5
Liquor Gallonage	16,412	17,000	17,015	15	3.7	0.1
Liquor Enforcement	59,681	61,500	61,684	184	3.4	0.3
Liquor Drink	9,550	10,000	10,057	57	5.3	0.6
Corporate Franchise	4,599	4,500	4,370	(130)	(5.0)	(2.9)
Severance	31,513	34,500	34,527	27	9.6	0.1
Gas	9,858	8,600	8,605	5	(12.7)	0.1
Oil	21,655	25,900	25,922	22	19.7	0.1
<i>Total</i>	<u>\$ 2,517,897</u>	<u>\$ 2,524,084</u>	<u>\$ 2,521,691</u>	<u>\$ (2,393)</u>	<u>0.2 %</u>	<u>(0.1) %</u>
Other Taxes:						
Insurance Premiums	\$ 110,340	\$ 104,800	\$ 104,905	\$ 105	(4.9) %	0.1 %
Miscellaneous	2,106	2,900	3,031	131	43.9	4.5
<i>Total</i>	<u>\$ 112,446</u>	<u>\$ 107,700</u>	<u>\$ 107,935</u>	<u>\$ 235</u>	<u>(4.0) %</u>	<u>0.2 %</u>
Total Taxes	\$ 5,733,592	\$ 6,045,284	\$ 6,126,436	\$ 81,151	6.9 %	1.3 %
Other Revenue:						
Interest	\$ 16,085	\$ 40,300	\$ 40,059	\$ (241)	149.0 %	(0.6) %
Transfers (net)	214,231	(121,300)	(121,535)	(235)	(156.7)	(0.2)
Agency Earnings & Misc	41,678	44,200	44,773	573	7.4	1.3
Total Other Revenue	\$ 271,994	\$ (36,800)	\$ (36,703)	\$ 97	(113.5) %	0.3 %
TOTAL RECEIPTS	\$ 6,005,586	\$ 6,008,484	\$ 6,089,733	\$ 81,248	1.4 %	1.4 %

* Consensus Estimate as of April 18, 2019.

Excludes a Certificate of Indebtedness of \$600 million that must be redeemed prior to the end of the fiscal year.

Note: Details may not add to totals due to rounding.