



January 2, 2020

To: Legislative Budget Committee

STATE GENERAL FUND (SGF) RECEIPTS

July through December, FY 2020

This is the second monthly report based on the revised estimate of SGF receipts in FY 2020 made by the Consensus Estimating Group on November 7, 2019. The figures in both the “Estimate” and “Actual” columns under FY 2020 on the following table include actual amounts received in July-October. Thus, this report essentially deals with the difference between the estimated and actual receipts in November and December.

Total receipts through December of FY 2020 were \$53.9 million, or 1.5 percent, above the estimate. The component of SGF receipts from taxes only was \$50.9 million, or 1.4 percent, above the estimate. Total receipts through November of FY 2020 had been \$15.1 million, or 0.5 percent, above the estimate and taxes only were \$12.2 million, or 0.4 percent, above the estimate.

Receipts through the end of January 2020 will include additional sales and use tax receipts on a number of holiday purchases made during December 2019. January is also an important month to monitor for individual income tax estimated payments.

Tax sources that exceeded the estimate by more than \$1.0 million were: corporation income tax (\$21.1 million or 9.3 percent); individual income tax (\$12.3 million or 0.7 percent); retail sales tax (\$7.4 million or 0.6 percent); insurance premium tax (\$3.6 million or 5.5 percent); cigarette tax (\$2.0 million or 3.4 percent); liquor enforcement tax (\$1.5 million or 4.3 percent); financial institutions privilege tax (\$1.4 million or 8.3 percent); and compensating use tax (\$1.3 million or 0.6 percent).

The growth in corporation income tax receipts in December came largely from estimated payments. Although the number of such payments was not up significantly from December 2018, the average amount of such payment had increased by about 30 percent. The increase likely reflects improved profit expectations for many corporate filers.

There were no tax sources that fell below the estimate by more than \$1.0 million.

Interest earnings were below the estimate by \$1.5 million. Net transfers were slightly above the estimate by \$0.6 million. Agency earnings were above the estimated amount by \$3.9 million.

Total SGF receipts through December of FY 2020 were \$204.9 million or 6.1 percent above FY 2019 for the same period. Tax receipts only, for the same period, were above FY 2019 by \$193.3 million or 5.7 percent.

This report excludes a deposit to the SGF which totals \$275.0 million pursuant to issuance of a Certificate of Indebtedness. The Certificate will be discharged prior to the end of the fiscal year.

STATE GENERAL FUND RECEIPTS
July-December, FY 2020
(Dollars in Thousands)

	Actual FY 2019	FY 2020			Percent change relative to:	
		Estimate*	Actual	Difference	FY 2019	Estimate
Property Tax/Fee:						
Motor Carriers	\$ 5,142	\$ 5,500	\$ 5,416	\$ (84)	5.3 %	(1.5) %
Income Taxes:						
Individual	\$ 1,564,263	\$ 1,646,900	\$ 1,659,246	\$ 12,346	6.1 %	0.7 %
Corporation	207,888	227,300	248,354	21,054	19.5	9.3
Financial Inst.	17,407	17,210	18,636	1,426	7.1	8.3
<i>Total</i>	<u>\$ 1,789,558</u>	<u>\$ 1,891,410</u>	<u>\$ 1,926,235</u>	<u>\$ 34,825</u>	<u>7.6 %</u>	<u>1.8 %</u>
Excise Taxes:						
Retail Sales	\$ 1,179,929	\$ 1,206,100	\$ 1,213,531	\$ 7,431	2.8 %	0.6 %
Compensating Use	212,002	229,000	230,344	1,344	8.7	0.6
Cigarette	62,361	58,600	60,568	1,968	(2.9)	3.4
Tobacco Products	4,560	4,600	4,596	(4)	0.8	(0.1)
Liquor Gallonage	11,325	11,200	11,075	(125)	(2.2)	(1.1)
Liquor Enforcement	37,493	35,800	37,341	1,541	(0.4)	4.3
Liquor Drink	5,971	6,200	6,292	92	5.4	1.5
Severance	23,132	12,450	12,840	390	(44.5)	3.1
Gas	3,722	50	(59)	(109)	(101.6)	(218.0)
Oil	19,410	12,400	12,899	499	(33.5)	4.0
<i>Total</i>	<u>\$ 1,536,773</u>	<u>\$ 1,563,950</u>	<u>\$ 1,576,586</u>	<u>\$ 12,637</u>	<u>2.6 %</u>	<u>0.8 %</u>
Other Taxes:						
Insurance Premiums	\$ 53,133	\$ 66,200	\$ 69,819	\$ 3,619	31.4 %	5.5 %
Corporate Franchise	1,282	1,050	1,034	(16)	(19.3)	(1.5)
Miscellaneous	1,732	1,900	1,796	(104)	3.7	(5.5)
<i>Total</i>	<u>\$ 56,147</u>	<u>\$ 69,150</u>	<u>\$ 72,648</u>	<u>\$ 3,498</u>	<u>29.4 %</u>	<u>5.1 %</u>
Total Taxes	\$ 3,387,620	\$ 3,530,010	\$ 3,580,885	\$ 50,875	5.7 %	1.4 %
Other Revenue:						
Interest	\$ 22,887	\$ 36,000	\$ 34,529	\$ (1,471)	50.9 %	(4.1) %
Transfers (net)	(98,337)	(95,130)	(94,500)	630	3.9	0.7
Agency Earnings & Misc	32,783	25,100	28,987	3,887	(11.6)	15.5
Total Other Revenue	\$ (42,667)	\$ (34,030)	\$ (30,984)	\$ 3,046	27.4 %	9.0 %
TOTAL RECEIPTS	\$ 3,344,953	\$ 3,495,980	\$ 3,549,901	\$ 53,921	6.1 %	1.5 %

* Consensus Estimate as of November 7, 2019.

Excludes a Certificate of Indebtedness of \$275 million that must be redeemed prior to the end of the fiscal year.

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