



STATE GENERAL FUND (SGF) RECEIPTS

July through December, FY 2023

Total receipts through December FY 2023 were \$110.2 million, or 2.6 percent, **above** the estimate. The component of SGF receipts from taxes only was \$104.1 million, or 2.3 percent, above the estimate.

Three tax sources were above the estimate by more than \$1.0 million. Five tax sources were below the estimate by more than \$1.0 million. Those **tax sources** are bolded in the attached table.

Corporation income tax receipts exceeded the estimate for December-only receipts by \$151.0 million, or 116.2 percent. However, the majority of the December excess is attributable to changes in taxpayer behavior associated with the SALT Parity Act, enacted in 2022 Senate Sub. for HB 2239. The SALT Parity Act allows for certain income taxes that would otherwise be paid by individuals to be paid by business entities and the individual owners to receive a tax credit equal to the amount of tax paid. Accordingly, receipts under the SALT Parity Act will reduce individual income tax receipts by an equal amount during individual income tax filing season.

Individual income tax receipts are **below** the estimate for the year-to-date by **\$26.3 million**, or 1.3 percent. However, withholding payments continued to show strength, exceeding the prior year's monthly amount by 6.6 percent.

Sales and use taxes combined were **below** the estimate by **\$22.5 million**, or 1.2 percent. In previous years, December sales and use tax receipts largely reflected transactions occurring in the latter half of November and first half of December. With the elimination of estimated sales tax remittances in FY 2023, December receipts now reflect transactions occurring only in the month of November, thereby capturing less of the holiday shopping season.

Insurance premium tax collections were **below** the estimate by **\$1.0 million**; however, it appears that some insurance companies have not paid taxes due in December and, accordingly, future receipts are expected to be more than was previously expected.

For **non-tax revenue** sources, **interest exceeded** the estimate by \$3.3 million due to higher interest rates and fund balances. **Agency earnings exceeded** the estimate by \$3.9 million due to stronger than anticipated unclaimed property receipts.

This is the second monthly report based on the revised estimate for FY 2023 made by the Consensus Revenue Estimating Group on November 9, 2022. That revision increased the previous total receipts estimate for FY 2023 by \$794.2 million. The figures in both the Estimate and Actual columns under FY 2023 on the following table include receipts through December, so this report compares estimated and actual receipts for November and December 2022.

There has not been a Certificate of Indebtedness issued for FY 2023.

STATE GENERAL FUND RECEIPTS
July-December, FY 2023
(Dollars in Thousands)

	Actual FY 2022	FY 2023		Percent change relative to:		
		Estimate*	Actual	Difference	FY 2022	Estimate
Income Taxes:						
Individual Corporation	\$ 1,910,581	\$ 2,100,000	\$ 2,073,722	\$ (26,278)	8.5 %	(1.3) %
Financial Inst.	382,356	398,000	548,944	150,944	43.6	37.9
	27,414	23,000	24,999	1,999	(8.8)	8.7
<i>Total</i>	\$ 2,320,351	\$ 2,521,000	\$ 2,647,665	\$ 126,665	14.1 %	5.0 %
Sales & Use Taxes:						
Retail Sales	1,360,885	1,405,000	1,384,463	(20,537)	1.7	(1.5)
Compensating Use	377,086	391,000	389,089	(1,911)	3.2	(0.5)
<i>Total</i>	\$ 1,737,971	\$ 1,796,000	\$ 1,773,552	\$ (22,448)	2.0 %	(1.2) %
Other Excise Taxes:						
Cigarette	59,105	52,400	54,972	2,572	(7.0)	4.9
Tobacco Products	5,157	5,250	5,281	31	2.4	0.6
Liquor Gallonage	12,493	13,100	12,767	(333)	2.2	(2.5)
Liquor Enforcement	41,757	40,900	41,398	498	(0.9)	1.2
Liquor Drink	6,768	7,390	7,301	(89)	7.9	(1.2)
Gas Severance	8,520	16,350	15,775	(575)	85.2	(3.5)
Oil Severance	15,121	24,300	23,105	(1,195)	52.8	(4.9)
<i>Total</i>	\$ 148,920	\$ 159,690	\$ 160,598	\$ 908	7.8 %	0.6 %
Other Taxes:						
Insurance Premiums	\$ 71,098	\$ 77,100	\$ 76,061	\$ (1,039)	7.0 %	(1.3) %
Motor Carriers	6,266	5,380	5,317	(63)	(15.1)	(1.2)
Corporate Franchise	1,095	1,390	1,385	(5)	26.5	(0.4)
Miscellaneous	2,180	2,480	2,525	45	15.8	1.8
<i>Total</i>	\$ 80,640	\$ 86,350	\$ 85,288	\$ (1,062)	5.8 %	(1.2) %
Total Taxes	\$ 4,287,882	\$ 4,563,040	\$ 4,667,102	\$ 104,062	8.8 %	2.3 %
Other Revenue:						
Interest	\$ 1,406	\$ 30,400	\$ 33,687	\$ 3,287	2,296.8 %	10.8 %
Transfers (net)	(110,925)	(490,600)	(491,593)	(993)	(343.2)	(0.2)
Agency Earnings & Misc	37,684	67,100	70,987	3,887	88.4	5.8
Total Other Revenue	\$ (71,835)	\$ (393,100)	\$ (386,920)	\$ 6,180	(438.6) %	1.6 %
TOTAL RECEIPTS	\$ 4,216,047	\$ 4,169,940	\$ 4,280,183	\$ 110,243	1.5 %	2.6 %

* Consensus Estimate as of November 9, 2022.

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