

# ***FASTFACTS***

*House Appropriations Committee (D)*

**JOE MARKOSEK**, DEMOCRATIC CHAIRMAN

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## **June General Fund Revenue Update**

General Fund revenues closed out 2015/16 on a disappointing and concerning note: June revenues finished \$67.2 million below the official estimate. The month's performance reduced the year-end revenue surplus, which was \$97 million at the end of May, to just \$29.9 million in June.

June's shortfall was primarily driven by lower-than-projected collections in non-motor sales tax and in quarterly estimated payments from the personal income tax.

While the legislature and the governor have monitored the General Fund's revenue performance in June as the spending plan coalesced, the year-end total underscores the need for a sustainable revenue package to responsibly fund the budget.

### **During June 2016:**

- Total General Fund collections were \$67.2 million lower than expected (2.1 percent)
- General Fund tax revenues were \$66.5 million less than anticipated (2.1 percent)
- Corporation taxes were \$16.2 million higher estimate, or 3.0 percent
- Sales and use tax collections came in lower than expected, missing the estimate by \$45.0 million (4.7 percent)
- Non-motor collections were \$41.4 million lower than projected (5.0 percent)
- Motor vehicle collections were \$3.5 million below estimate (2.8 percent)
- Personal income tax collections were \$51.5 million lower than expected (3.9 percent)
- Employer withholdings on wages and salaries were \$7.5 million less than anticipated (0.9 percent)
- Non-withheld collections were \$44.0 million less than estimated (9.2 percent). Of the non-withheld collections, quarterly estimate payments were

\$49.7 million under estimate, or 14.5%.

- Non-tax revenues were \$688,000 million less than anticipated (2.3 percent).

### **For the 2015/16 fiscal year in total,**

- Cumulative General Fund revenues were \$29.9 million higher than expected (0.1 percent)
- General Fund tax revenue was \$72.6 million lower than projected (0.2 percent)
- Corporation taxes were \$101.9 million above the official estimate (2.0 percent)
- Sales and use taxes fell \$29.5 million below expectations (0.3 percent)
- Personal income tax collections dropped \$201.9 million below anticipated levels (1.6 percent)
- Non-tax revenues were \$102.5 million more than estimated (18.9 percent)

### **2015/16's growth rates compared to 2014/15:**

- Total General Fund revenues increased by 1.0 percent
- General Fund tax revenue was 2.6 percent higher

- Corporation taxes were 0.4 percent higher
- Sales and use taxes increased by 3.2 percent

- Personal income tax collections are 3.3 percent higher

<b>General Fund Revenues - Year-to-Date Performance vs Official Estimate</b>			
(in millions of dollars)	YTD Estimate	YTD Collections	Change
General Fund Total	\$30,871.7	\$30,901.6	29.9
Tax Revenue Total	\$30,330.4	\$30,257.8	(72.6)
Corporation Taxes	\$5,035.9	\$5,137.8	101.9
Consumption Taxes	\$11,114.7	\$11,079.7	(35.0)
Sales and Use Tax	\$9,824.7	\$9,795.2	(29.5)
Cigarette Tax	\$919.0	\$911.5	(7.5)
Malt Beverage Tax	\$24.5	\$24.9	0.4
Liquor Tax	\$346.5	\$348.1	1.6
Other Taxes	\$14,179.8	\$14,040.3	(139.5)
Personal Income Tax	\$12,707.9	\$12,506.0	(201.9)
Realty Transfer Tax	\$478.1	\$481.7	3.6
Inheritance Tax	\$927.5	\$962.2	34.7
Table Games	\$101.9	\$100.2	(1.7)
Minor and Repealed	\$(35.6)	\$(9.8)	25.8
Non-Tax Revenue	\$541.3	\$643.8	102.5

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Miriam A. Fox, Executive Director

Eric Dice, Budget Analyst

Mark Shade, Director of Communications