

## General Fund Revenue Update - November

Revenues chugged along in November and continued to exceed the official estimate this fiscal year. Monthly revenues were \$95.5 million above estimate, or 4.3 percent, bringing the year-to-date total to \$333.6 million more than expected (2.8 percent). While it's positive that the General Fund is ahead of projections at this point in the year, keep in mind that March, April and June are the largest revenue months and key determinants of the overall revenue performance for the fiscal year.

November's gain was split between tax and non-tax revenues as the tax side added \$46.8 million while non-tax revenues were \$48.7 million ahead of estimate. The "big three" tax types continued their same pattern with the corporate net income tax and the sales tax exceeding official estimates while the personal income tax lagged behind.

A good portion of the non-tax revenue collected this month can be attributed to gaming-related license fees. The official estimate assumed that most of these fees would be collected in the second half of the fiscal year, so collections in future months might fall short in this area due to the timing differences.

Looking to December's report, the holiday shopping season brings higher sales tax receipts, so we will watch if the trend so far this fiscal year continues. Additionally, many corporations will make quarterly estimated payments.

The administration will provide its mid-year budget update to the General Assembly Dec. 11, detailing its thoughts on 2018/19 revenues and expenditures so far as we move toward the release of the governor's 2019/20 executive budget in early February.

### For November:

- Total General Fund collections were \$95.5 million higher than expected (4.3 percent)
- General Fund tax revenues were \$46.8 million higher than anticipated (2.2 percent)
- Corporation taxes were \$27.3 million above estimate (24.7 percent)
- Sales and use tax collections finished higher than expected by \$45.4 million (5.3 percent)
  - Non-motor collections were \$41.3 million higher than projected (5.5 percent)
  - Motor vehicle collections were \$4.2 million above estimate (3.8 percent)
- Personal income tax collections were \$30.2 million lower than expected (3.5 percent)
  - Employer withholdings on wages and salaries were \$26.8 million less than anticipated (3.3 percent)
  - Non-withheld collections finished below estimate by \$3.4 million (7.6 percent)
- Non-tax revenues were \$48.7 million more than anticipated (44.7 percent)

### For the fiscal year so far:

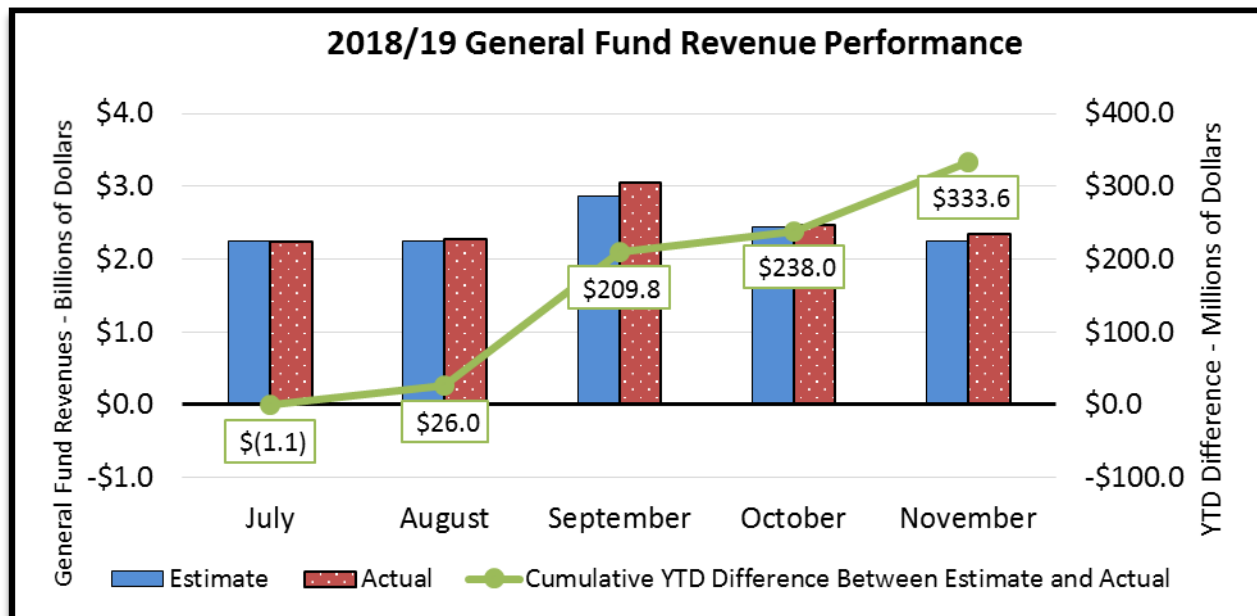
- Cumulative General Fund revenues are \$333.6 million higher than expected (2.8 percent)
- General Fund tax revenue is \$264.9 million higher than projected (2.2 percent)
- Corporation taxes are \$207.1 million above the official estimate (23.7 percent)
- Sales and use taxes are \$140.0 million higher than expected (3.1 percent)

- Personal income tax collections are \$71.0 million less than anticipated (1.4 percent)
- Non-tax revenues are \$68.7 million above the estimate (35.6 percent)

**Compared to year-to-date collections during 2017/18:**

- Total General Fund revenues are 8.3 percent higher
- General Fund tax revenue is 8.2 percent higher
- Corporation taxes are 32.8 percent higher
- Sales and use taxes have increased by 8.9 percent
- Personal income tax collections are 5.4 percent higher

General Fund Revenues - Year-to-Date Performance vs Official Estimate				
	Amounts in Millions	YTD Estimate	YTD Collections	Difference
General Fund Total		12,031.4	12,365.0	333.6
Tax Revenue Total		11,838.2	12,103.1	264.9
Corporation Taxes		872.4	1,079.5	207.1
Consumption Taxes		5,265.9	5,396.6	130.7
Sales and Use Tax		4,552.5	4,692.5	140.0
Cigarette Tax		496.8	484.2	(12.6)
Other Tobacco Products		50.5	54.1	3.6
Malt Beverage Tax		11.0	10.5	(0.5)
Liquor Tax		155.1	155.3	0.2
Other Taxes		5,699.9	5,627.0	(72.9)
Personal Income Tax		4,982.9	4,911.9	(71.0)
Realty Transfer Tax		233.5	228.8	(4.7)
Inheritance Tax		426.7	430.7	4.0
Gaming		57.7	50.9	(6.8)
Minor and Repealed		(0.9)	4.6	5.5
Non-Tax Revenue		193.2	261.9	68.7



House Appropriations Committee (D)

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