

Monthly Revenue Update

July 2020



In August, the Independent Fiscal Office (IFO) will release monthly revenue projections for fiscal year (FY) 2020-21. For July, General Fund collections were \$4.10 billion and \$1.77 billion (76.2 percent) above collections for July 2019. Roughly \$1.62 billion of the increase was associated with extended tax due dates related to the COVID-19 pandemic. Excluding this shift, July monthly collections exceeded the prior year total by \$154.8 million, or 6.6 percent. Revenues were likely bolstered by pent-up demand from COVID-19 business closures earlier this year and the continued effect of federal economic impact payments and enhanced unemployment compensation benefits.

Personal income tax (PIT) collections for July were \$2.31 billion, an increase of \$1.29 billion (126.1 percent) above the prior year. The growth was entirely attributable to the virus-related extension of final (tax year 2019) and estimated (tax year 2020) payments from April and June to July. Withholding declined \$22.7 million from the prior year, or 4.3 percent after accounting for differences in due dates and transfers.

Monthly sales and use tax (SUT) revenues increased \$330.3 million (35.7 percent) from July 2019. The IFO estimates that \$160 million of the increase in non-motor vehicle SUT was attributable to the prepayment requirement, which was temporarily suspended but resumed in July. SUT collections grew at a rate of 5.2 percent after adjusting for the prepayment change and a one-time large transfer that occurred last July. The strong growth was primarily the result of motor vehicle SUT collections, which increased by \$49.7 million (34.9 percent) for the month.

Corporate net income tax (CNIT) collections for the month totaled \$236.7 million and were \$143.6 million (154.3 percent) above the prior year. Most of the monthly increase was attributable to early final payments for tax year 2019. (The due date for these payments was extended from May 15 to August 14.)

Inheritance tax collections of \$118.4 million for the month exceeded last year's collections by \$19.9 million (20.2 percent). Some portion of this increase was likely the result of delayed payments related to the extended closure of county courthouses last fiscal year.

July realty transfer tax (RTT) collections of \$17.9 million were \$3.2 million below the prior year, a reduction of 14.9 percent after adjustments for year-over-year changes in transfer amounts. The dramatic decline is likely the result of the continued effects of COVID-19 mitigation efforts on the real estate industry.

FY 2020-21 Revenue Performance Through July

	July Collections			Fiscal Year Collections		
	Actual	Estimate	\$ Diff	Actual	Estimate	\$ Diff
General Fund	\$4,103.9	n.a.	n.a.	\$4,103.9	n.a.	n.a.
Corporate Net Income	236.7	n.a.	n.a.	236.7	n.a.	n.a.
SUT - Non-Motor	1,063.6	n.a.	n.a.	1,063.6	n.a.	n.a.
SUT - Motor Vehicle	192.1	n.a.	n.a.	192.1	n.a.	n.a.
PIT - Withholding	922.6	n.a.	n.a.	922.6	n.a.	n.a.
PIT - Non-Withholding	1,389.9	n.a.	n.a.	1,389.9	n.a.	n.a.
Cigarette	74.0	n.a.	n.a.	74.0	n.a.	n.a.
Inheritance	118.4	n.a.	n.a.	118.4	n.a.	n.a.
Other Taxes	92.5	n.a.	n.a.	92.5	n.a.	n.a.
Non-Tax	14.1	n.a.	n.a.	14.1	n.a.	n.a.

Dollar amounts in millions. Estimate refers to IFO official estimate that will be published in August 2020.

GENERAL FUND REVENUES SUMMARY

Revenue Source	July 2020	July 2019	FYTD 2020-21	FYTD 2019-20	Monthly Growth	FYTD Growth
Total General Fund	\$4,103.9	\$2,329.2	\$4,103.9	\$2,329.2	76.2%	76.2%
Total Tax Revenue	4,089.8	2,295.2	4,089.8	2,295.2	78.2	78.2
Total Corporation Taxes	240.5	116.9	240.5	116.9	105.7	105.7
Accelerated Deposits	1.3	1.2	1.3	1.2	n.a.	n.a.
Corporate Net Income	236.7	93.1	236.7	93.1	154.3	154.3
Gross Receipts	0.9	4.3	0.9	4.3	-79.3	-79.3
Utility Property	0.0	0.4	0.0	0.4	-98.3	-98.3
Insurance Premium	0.2	17.5	0.2	17.5	-98.7	-98.7
Financial Institution	1.3	0.4	1.3	0.4	201.4	201.4
Total Consumption Taxes	1,375.3	1,019.8	1,375.3	1,019.8	34.9	34.9
Sales and Use - Total	1,255.7	925.4	1,255.7	925.4	35.7	35.7
Non-Motor	1,063.6	783.0	1,063.6	783.0	35.8	35.8
Motor Vehicle	192.1	142.4	192.1	142.4	34.9	34.9
Cigarette	74.0	50.8	74.0	50.8	45.8	45.8
Other Tobacco Products	11.1	10.9	11.1	10.9	1.1	1.1
Malt Beverage	2.0	2.2	2.0	2.2	-6.9	-6.9
Liquor	32.5	30.5	32.5	30.5	6.5	6.5
Total Other Taxes	2,474.0	1,158.5	2,474.0	1,158.5	113.6	113.6
Personal Income - Total	2,312.5	1,022.8	2,312.5	1,022.8	126.1	126.1
Withholding	922.6	945.3	922.6	945.3	-2.4	-2.4
Quarterly	466.6	48.0	466.6	48.0	872.5	872.5
Annual	923.3	29.5	923.3	29.5	n.a.	n.a.
Realty Transfer	17.9	21.1	17.9	21.1	-15.0	-15.0
Inheritance	118.4	98.5	118.4	98.5	20.2	20.2
Gaming	12.6	10.9	12.6	10.9	15.1	15.1
Minor and Repealed	12.7	5.1	12.7	5.1	147.5	147.5
Total Non-Tax Revenue	14.1	34.0	14.1	34.0	-58.4	-58.4
State Store Fund Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Lic., Fees & Misc.	9.8	26.4	9.8	26.4	-62.8	-62.8
Licenses and Fees	15.3	20.7	15.3	20.7	-25.8	-25.8
Miscellaneous	(5.5)	5.7	(5.5)	5.7	-197.3	-197.3
Treasury	1.1	5.8	1.1	5.8	-81.1	-81.1
Escheats	(8.4)	(4.4)	(8.4)	(4.4)	-91.9	-91.9
Other Miscellaneous	1.8	4.3	1.8	4.3	-58.1	-58.1
Fines, Penalties & Interest	4.3	7.6	4.3	7.6	-42.9	-42.9

Note: Dollar amounts in millions. Growth rates computed from same time period in previous year and use unrounded amounts.