

Monthly Revenue Update

November 2023



In June 2023, the Independent Fiscal Office (IFO) released revenue projections for fiscal year (FY) 2023-24. General Fund collections for November were \$3.06 billion, \$78.9 million (+2.6%) above the IFO's official estimate, driven by an overage in corporate net income tax (CNIT) which was partially offset by a shortfall in personal income tax (PIT). (The IFO November estimate was \$32.5 million lower than the estimate certified by the Governor.)

November collections were \$107.9 million (+3.7%) above collections compared to November 2022 (after adjusting for roughly \$200 million in revenue that should have been received in November 2022 but was delayed to December). The adjusted tax revenue growth rate was 2.5%. Fiscal year-to-date (FYTD) revenues total \$16.15 billion and exceed expectations by \$97.5 million (+0.6%). Revenue highlights for the major tax types include:

- **CNIT revenues** for November were \$255.2 million, \$95.2 million (+59.5%) higher than estimated, due primarily to final payments (generally for tax year 2022) which were \$74.8 million (+68.0%) above estimate and 54.3% higher than collections in the prior year.
- Monthly **PIT collections** were \$1.19 billion, \$40.1 million (-3.3%) below estimate. The shortfall was the result of lower than anticipated withholding collections (-\$45.4 million, -3.9%). Adjusting for the processing issue that occurred in November 2022, withholding revenues increased 1.3% from the prior year. Combined quarterly and annual PIT collections for the month exceeded estimate by \$5.3 million (+8.9%). FYTD PIT collections are \$6.27 billion, \$100.0 million (-1.6%) below estimate due to shortfalls in quarterly (-\$108.7 million, -13.4%) and withholding payments (-\$48.0 million, -0.9%) that are partially offset by an overage in annual payments (+\$56.8 million, +\$20.5%).
- November **sales and use tax (SUT) collections** were \$1.12 billion, which exceeded estimate by \$6.9 million (+0.6%), with an overage in non-motor vehicle collections (+\$10.8 million, +1.1%) cancelling out a shortfall in motor vehicle collections (-\$3.9 million, -3.7%). FYTD SUT collections of \$6.0 billion are over estimate by \$25.4 million (+0.4%).

Other tax and non-tax revenues for the month were \$497.2 million, \$16.9 million (+3.5%) over estimate.

- Treasury collections of \$60.5 million remained strong at \$27.6 million (+83.8%) more than anticipated.
- Escheats collections outperformed estimate by \$16.8 million.

FY 2023-24 Revenue Performance Through November

	November Collections			FY Collections		
	<u>Actual</u>	<u>Estimate</u>	<u>\$ Diff</u>	<u>Actual</u>	<u>Estimate</u>	<u>\$ Diff</u>
General Fund	\$3,061.4	\$2,982.5	\$78.9	\$16,145.3	\$16,047.8	\$97.5
Corporate Net Income	255.2	160.0	95.2	1,764.3	1,640.0	124.3
SUT - Non-Motor	1,014.9	1,004.1	10.8	5,424.5	5,376.9	47.6
SUT - Motor Vehicle	100.4	104.3	-3.9	577.3	599.5	-22.2
PIT - Withholding	1,128.7	1,174.1	-45.4	5,233.8	5,281.8	-48.0
PIT - Non-Withholding	65.0	59.7	5.3	1,035.6	1,087.5	-51.9
Cigarette	71.0	79.8	-8.8	324.2	357.3	-33.1
Inheritance	113.9	113.5	0.4	651.8	597.9	53.9
Other Taxes	139.9	157.7	-17.8	635.6	730.3	-94.7
Non-Tax	172.3	129.3	43.0	498.2	376.6	121.6

Note: Dollar amounts in millions. Estimate refers to the IFO official estimate published on June 20, 2023.

GENERAL FUND REVENUES SUMMARY

Revenue Source	Nov 2023	Nov 2022	FYTD 2023-24	FYTD 2022-23	Monthly Growth	FYTD Growth
Total General Fund	\$3,061.4	\$2,753.5	\$16,145.3	\$15,657.5	11.2%	3.1%
Total Tax Revenue	2,889.1	2,617.5	15,647.1	15,366.3	10.4	1.8
Total Corporation Taxes	257.5	181.3	1,812.5	1,733.6	42.0	4.6
Corporate Net Income	255.2	174.6	1,764.3	1,666.1	46.2	5.9
Gross Receipts	1.6	5.2	19.5	24.6	-69.0	-20.4
Utility Property	0.1	0.0	2.3	3.3	837.0	-29.5
Insurance Premium	0.6	0.1	6.9	25.9	765.3	-73.5
Financial Institution	(0.1)	1.5	19.5	13.8	-105.6	41.4
Total Consumption Taxes	1,241.9	1,255.7	6,580.3	6,577.2	-1.1	0.0
Sales and Use - Total	1,115.3	1,119.8	6,001.8	5,949.9	-0.4	0.9
Non-Motor	1,014.9	1,017.1	5,424.5	5,363.2	-0.2	1.1
Motor Vehicle	100.4	102.7	577.3	586.7	-2.2	-1.6
Cigarette	71.0	81.8	324.2	370.9	-13.2	-12.6
Other Tobacco Products	12.4	12.7	61.7	63.9	-1.9	-3.3
Malt Beverage	1.9	1.9	9.2	10.0	1.9	-8.1
Liquor	41.2	39.5	183.4	182.6	4.2	0.5
Total Other Taxes	1,389.7	1,180.5	7,254.2	7,055.5	17.7	2.8
Personal Income - Total	1,193.7	994.1	6,269.3	6,037.0	20.1	3.8
Withholding	1,128.7	930.7	5,233.8	4,827.7	21.3	8.4
Quarterly	28.7	27.1	701.4	856.4	5.9	-18.1
Annual	36.3	36.3	334.2	353.0	-0.1	-5.3
Realty Transfer	48.4	46.1	208.1	296.1	4.9	-29.7
Inheritance	113.9	109.3	651.8	587.7	4.2	10.9
Gaming	33.6	35.0	139.2	145.4	-4.1	-4.3
Minor and Repealed	0.2	(4.0)	(14.3)	(10.7)	105.2	-32.6
Total Non-Tax Revenue	172.3	136.0	498.2	291.2	26.7	71.1
State Store Fund Transfers	100.0	100.0	100.0	100.0	n.a.	n.a.
Lic., Fees & Misc.	66.4	29.2	366.5	160.5	127.2	128.4
Licenses and Fees	6.0	8.9	46.0	39.4	-32.1	16.7
Miscellaneous	60.4	20.4	320.5	121.1	196.4	164.8
Treasury	60.5	30.0	321.3	126.8	101.6	153.3
Escheats	(2.3)	(16.9)	(34.3)	(49.6)	86.4	30.8
Other Miscellaneous	2.3	7.3	33.5	43.8	-69.1	-23.4
Fines, Penalties & Interest	5.9	6.8	31.7	30.8	-13.1	2.9

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