

Recent Revenue and Economic Trends

IFO Presentation to the House Financial Rescue Caucus - April 17, 2019

	Growth Rate						
	<u>2017.3</u>	<u>2017.4</u>	<u>2018.1</u>	<u>2018.2</u>	<u>2018.3</u>	<u>2018.4</u>	<u>2019.1</u>
General Fund Tax Revenues							
Non-Motor Sales (base, see note)	3.4%	4.1%	3.0%	5.1%	5.4%	4.7%	2.9%
Non-Motor Sales (as reported)	4.7%	5.2%	3.8%	5.1%	8.8%	7.1%	6.1%
Motor Vehicle Sales	-0.9%	4.8%	-3.7%	7.1%	9.9%	8.6%	3.9%
Corporate Net Income	11.0%	-3.3%	6.4%	5.7%	31.5%	23.7%	8.1%
Personal Income - Withholding	4.4%	4.3%	4.3%	4.0%	3.4%	4.5%	3.7%
Personal Income - Non-Withheld	0.9%	35.1%	20.3%	3.9%	20.1%	-32.1%	-9.4%
Realty Transfer	11.3%	7.9%	11.4%	3.6%	6.2%	8.2%	-3.3%

	Growth Rate or Gains						
	<u>2017.3</u>	<u>2017.4</u>	<u>2018.1</u>	<u>2018.2</u>	<u>2018.3</u>	<u>2018.4</u>	<u>2019.1</u>
Pennsylvania Economics							
Real GDP	4.5%	0.1%	0.6%	3.6%	2.8%	n.a.	n.a.
Wages and Salaries	4.3%	3.8%	4.1%	4.0%	3.5%	4.2%	n.a.
Avg Annualized Job Gains (000s)	55.8	64.7	69.6	64.4	64.1	60.4	47.2
Philadelphia CPI-U	1.4%	0.8%	0.5%	1.6%	1.7%	1.3%	1.5%
FHFA Home Price Index	4.3%	5.5%	6.2%	5.4%	4.6%	5.0%	n.a.

	Growth Rate or Gains						
	<u>2017.3</u>	<u>2017.4</u>	<u>2018.1</u>	<u>2018.2</u>	<u>2018.3</u>	<u>2018.4</u>	<u>2019.1</u>
U.S. Economics							
Real GDP	2.8%	2.3%	2.2%	4.2%	3.4%	2.2%	n.a.
Wages and Salaries	4.9%	4.6%	4.6%	4.5%	4.4%	4.6%	n.a.
Avg Monthly Job Gains (000s)	141.7	220.7	218.3	217.0	189.3	233.3	180.3
US CPI-U	2.0%	2.1%	2.2%	2.7%	2.6%	2.2%	1.6%
FHFA Home Price Index	6.7%	6.8%	7.4%	6.9%	6.5%	5.7%	n.a.
Non-Financial Dom Corp Profits	0.4%	6.3%	5.2%	5.8%	17.2%	14.9%	n.a.
Real Equipment Investment	7.3%	9.6%	9.5%	8.2%	6.6%	5.8%	n.a.

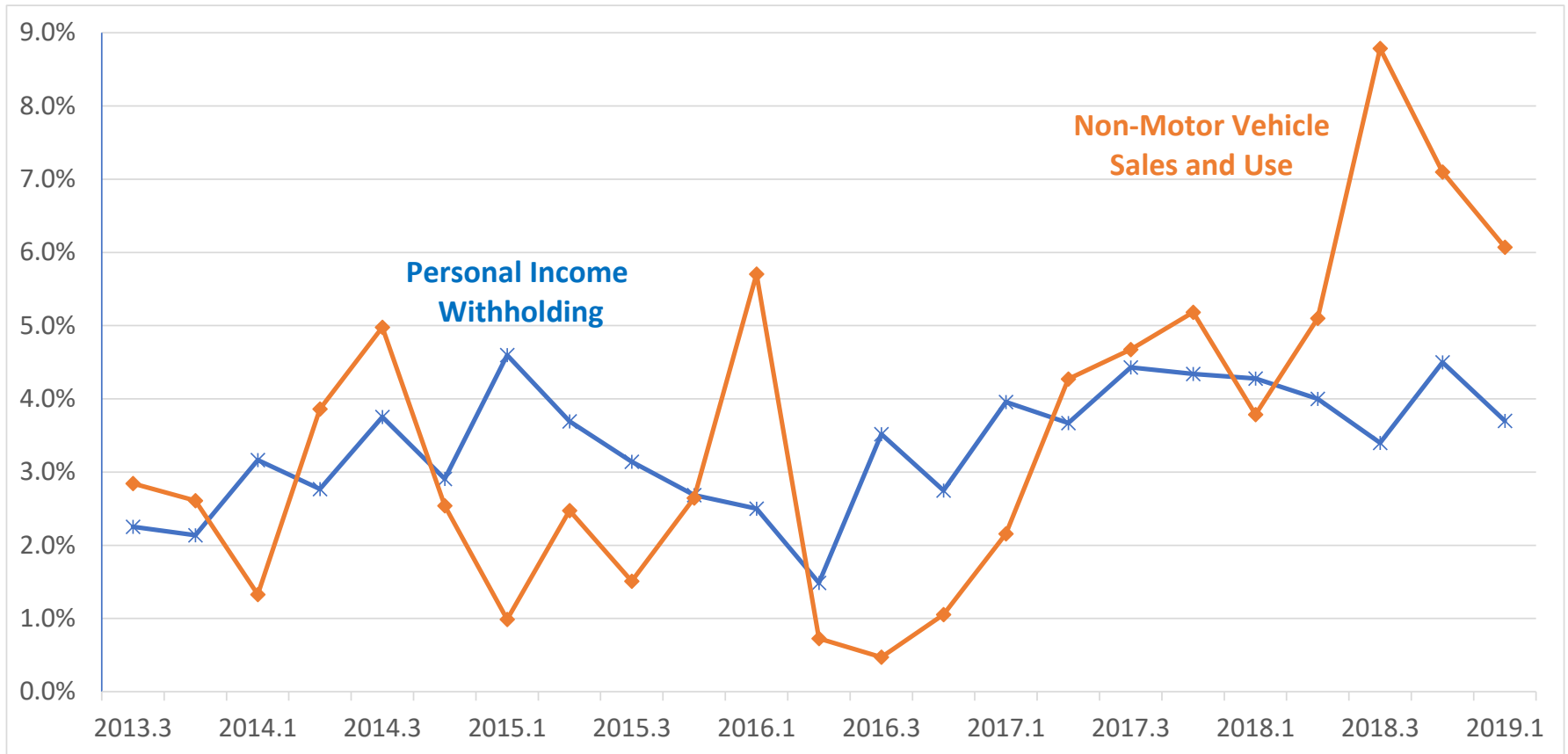
Note: All growth rates are year-over-year, except Real GDP which is a quarterly annualized growth rate.

Non-Motor Sales (base) excludes internet sales: (1) ecommerce/nexus, (2) digital downloads and (3) marketplace sales.

For FY 2018-19, the IFO estimates that internet sales collections from all three sources total \$600 million.

Sources: Independent Fiscal Office, U.S. Bureau of Labor Statistics, U.S. Bureau of Economic Analysis.

Growth Rates: PIT Withholding and Non-Motor Vehicle Sales Tax



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