



MONTHLY REVENUE REPORT

Office of Economic &
Demographic Research

Volume 41, Number 12
June 2021

Revised General Revenue Collections for June 2021 (Sales Tax Data Reported is Unaudited)

While measured against different forecast vintages, General Revenue collections have been in positive territory against the lowered expectations of the post-pandemic environment for ten consecutive months. Marking the eleventh month, June also gained to the estimate, but by a higher margin than May—\$975.7 million (31.2 percent) over the new estimates adopted by the General Revenue Estimating Conference (GR REC) on April 5, 2021. For Fiscal Year 2020-21, GR collections were \$2,329.1 (6.9 percent) over estimate for the year.

Fifty percent of the total gain for June came from Sales Tax GR. After making adjustments to total Sales Tax collections for local taxes and distributions, audits, bad checks and transfers to Sales Tax from the Communications Services Tax, Sales Tax GR was \$488.1 million (23.3 percent) over estimate for the month and \$1,333.7 million (5.2 percent) over the annual estimate. June collections reflect activity that largely occurred in May, which continued to benefit from the most recent round of stimulus checks to households, redirected spending from the hard-hit service sector and some consumers' ability to draw down atypically large savings that built up during the pandemic. After increasing to a historic peak rate of 33.7 percent in April 2020 from the 7.9 percent for the entire 2018-19 fiscal year, just released personal income data indicated that the personal savings rate dropped to 9.4 percent in June 2021.

Reflecting widespread strength in the final quarter of the fiscal year, the year-end result for the six sales tax components were as follows:

- Consumer Nondurables...gaining \$333.2 million (3.9 percent) to the estimate for the year.
- Tourism...gaining \$338.3 million (6.7 percent) to the estimate for the year.
- Automobiles...gaining \$484.0 million (9.2 percent) to the estimate for the year.
- Other Durables...gaining \$120.5 million (6.8 percent) to the estimate for the year.
- Building...gaining \$53.9 million (2.8 percent) to the estimate for the year.
- Business...gaining \$158.1 million (2.7 percent) to the estimate for the year.

In addition to Sales Tax GR, 11 of 17 revenue sources were also positive to their latest projections for the month and the year.

- Corporate Income Tax...gaining \$296.1 million (65.9 percent) during the month and \$550.3 million (19.3 percent) for the year as activity was stronger than expected.
- Documentary Stamp Tax...gaining \$90.1 million (65.9 percent) during the month and \$170.1 million (13.5 percent) for the year as housing market prices and activity were stronger than expected.
- Intangibles Taxes...gaining \$31.4 million (71.7 percent) during the month and \$75.0 million (12.0 percent) for the year.
- Insurance Taxes...gaining \$31.2 million during the month (18.2 percent) during the month and \$19.1 million (1.8 percent) for the year. However, note that Insurance Tax receipts are overstated by \$18.0 million because of an administrative issue, which will be corrected in the following fiscal year.
- Earnings on Investments...gaining \$14.0 million (98.6 percent) during the month and \$20.4 million (6.3 percent) for the year.
- Service Charges...gaining \$6.4 million (15.6 percent) during the month and \$18.7 million (3.6 percent) for the year, primarily related to the overage in Documentary Stamp Tax collections.
- Other Nonoperating Revenues...gaining \$6.1 million (20.9 percent) during the month and \$3.0 million (1.6 percent) for the year.
- Beverage Taxes...gaining \$5.2 million (12.3 percent) during the month and \$39.6 million (13.5 percent) for the year as scholarship credits were smaller than expected.
- Other Taxes, Licenses and Fees...gaining of \$4.2 million (105.0 percent) during the month and \$11.3 million (31.3 percent) for the year as some Fiscal Year 2019-20 collection processing fees were not collected until the current fiscal year.
- Corporate Filing Fees...gaining \$3.9 million (23.1 percent) during the month and \$55.2 million (11.5 percent) for the year as renewal activity was stronger than expected.
- Highway Safety Fees...gaining \$0.7 million (1.4 percent) during the month and \$25.6 million (5.9 percent) for the year, primarily related to continued strength in vehicle purchases.

Together, these sources generated a total gain of \$489.3 million for the month and \$988.3 million for the year.

Four revenue sources were negative to their latest projections for the month and the year.

- Parimutuel Taxes...losing \$-1.9 million (-70.4 percent) during the month and \$-1.3 million (-7.0 percent) for the year.



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- Article V Fees and Transfers...losing \$-1.1 million (-13.8 percent) during the month and \$-1.1 million (-1.4 percent) for the year.
- Tobacco Tax...losing \$-0.2 million (-0.9 percent) during the month and \$1.8 million (-1.0 percent) for the year.
- Severance Taxes...losing \$-0.1 million (-50.0 percent) for the month and \$-1.0 million (-9.2 percent) for the year.

Together, these sources generated a total loss of \$-3.3 million for the month and \$-5.2 million for the year.

Medicaid Counties' Share had mixed results relative to its latest estimate...gaining \$2.1 million (8.2 percent) during the month, but losing \$-2.9 million (-0.9 percent) for the year, primarily related to a timing issue.

Finally, coming in higher than the estimate for regular refunds subtracts from the General Revenue Fund. For the month, refunds were \$0.5 million above estimate.

Note that the listing of sources below has been rearranged to reflect each source's overall importance to GR.

Month	April	May	June
Monthly Overage (millions)	797.2	573.8	975.7
Year to Date Overage (millions - cumulative)	779.6	1,353.4	2,329.1
Percent of Monthly Estimate Collected	123.5%	118.9%	131.2%
Percent of Total Year Estimate Collected	84.1%	94.8%	106.9%

JUNE 2021 GENERAL REVENUE COLLECTIONS (\$ MILLIONS) BASED ON THE APRIL 2021 REVENUE ESTIMATING CONFERENCE								
	MONTH			FISCAL YEAR TO DATE				
	ACTUAL CURRENT MONTH	ESTIMATE CURRENT MONTH	OVER/ UNDER ESTIMATE	ACTUAL CURRENT YEAR	ESTIMATE CURRENT YEAR	OVER/ UNDER ESTIMATE	PRIOR YEAR ACTUAL	PERCENT INCREASE/ DECREASE
SALES TAX COLLECTIONS	2,585.3	2,097.2	488.1	27,158.1	25,824.4	1,333.7	24,589.6	10.4%
CORPORATE INCOME TAX	745.2	449.0	296.1	3,395.6	2,845.3	550.3	2,473.5	37.3%
DOCUMENTARY STAMP TAX	226.9	136.8	90.1	1,432.5	1,262.4	170.1	983.1	45.7%
INSURANCE TAXES	202.6	171.4	31.2	1,095.1	1,076.0	19.1	972.5	12.6%
INTANGIBLES TAXES	75.2	43.8	31.4	701.6	626.6	75.0	493.0	42.3%
SERVICE CHARGES	47.3	40.9	6.4	537.3	518.6	18.7	483.7	11.1%
CORPORATE FILING FEES	20.8	16.9	3.9	535.9	480.7	55.2	368.2	45.5%
HIGHWAY SAFETY FEES	51.8	51.1	0.7	456.8	431.2	25.6	439.1	4.0%
EARNINGS ON INVESTMENTS	28.2	14.2	14.0	342.9	322.5	20.4	370.6	-7.5%
TOBACCO TAX	23.1	23.3	(0.2)	172.6	174.4	(1.8)	167.8	2.8%
COUNTIES' MEDICAID SHARE	27.7	25.6	2.1	304.0	306.9	(2.9)	301.7	0.8%
BEVERAGE TAXES	47.5	42.3	5.2	333.9	294.3	39.6	296.4	12.7%
OTHER NONOPERATING REVENUES	35.3	29.2	6.1	193.9	190.9	3.0	165.9	16.8%
ARTICLE V FEES AND TRANSFERS	7.0	8.0	(1.1)	77.2	78.3	(1.1)	104.6	-26.2%
OTHER TAXES LICENSES AND FEES	8.2	4.0	4.2	47.4	36.1	11.3	36.5	29.9%
PARIMUTUEL TAXES	0.8	2.7	(1.9)	17.2	18.5	(1.3)	19.6	-12.0%
SEVERANCE TAXES	0.1	0.2	(0.1)	9.9	10.9	(1.0)	10.4	-5.2%
INDIAN GAMING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
TOTAL REVENUE	4,132.7	3,156.5	976.2	36,811.8	34,498.0	2,313.8	32,276.1	14.1%
LESS REFUNDS	33.0	32.5	0.5	530.8	546.2	(15.4)	911.5	-41.8%
NET REVENUE	4,099.7	3,124.0	975.7	36,280.9	33,951.8	2,329.1	31,364.6	15.7%