



MONTHLY REVENUE REPORT

Office of Economic &
Demographic Research

Volume 43, Number 2
August 2022

Revised General Revenue Collections for August 2022 (Sales Tax Data Reported is Unaudited)

General Revenue collections for August 2022 showed a gain of \$20.4 million (0.6 percent), close to the forecast assumptions made by the General Revenue Estimating Conference (GR REC) in August 2022. The positive balance was caused by significant adjustments from the prior year for Insurance Taxes and Documentary Stamp Tax as discussed below. Absent those adjustments, the August collections would be roughly \$-15.2 million (-0.4 percent) under estimate for the month.

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 \$-22.4 million (-0.8 percent) under estimate for the month. August collections reflect activity that largely occurred in July. 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, the most recent personal income data indicated that personal saving continues to be subpar—coming in at essentially the same rate in August (3.5 percent) as the revised rate in July (down from 5.0 percent to 3.5 percent). It is also notable that the Consumer Price Index for the all items index increased 8.3 percent for the 12 months ending August—very similar to the 8.5 percent increase for the period ending July. The immediate response to inflation is an increase in sales tax collections that reflects the higher prices. Persistent inflation conditions, however, ultimately suppress collections as consumers begin to spend more money on non-taxable necessities like food and healthcare. In this regard, prices for food at home increased by 13.5 percent in August, the largest 12-month percentage increase since the period ending May 1979 and a stronger increase than last month.

Two of the six sales tax components were over estimate and four components were under estimate for the month.

- Automobiles...gaining \$5.2 million (0.9 percent) to the estimate for the month.
- Consumer Nondurables...gaining \$1.4 million (0.2 percent) to the estimate for the month.
- Tourism...losing \$-5.4 million (-0.8 percent) to the estimate for the month.
- Other Durables...losing \$-2.3 million (-1.4 percent) to the estimate for the month.
- Building...losing \$-1.1 million (-0.5 percent) for the month.
- Business...losing \$-1.0 million (-0.2 percent) to the estimate for the month.

Seven of the 17 active revenue sources were positive to their latest projections for the month.

- Insurance Taxes...gaining \$28.8 million (22.3 percent) during the month, which includes an additional \$18.0 million prior fiscal year true-up distribution.
- Other Nonoperating Revenues...gaining \$14.5 million (198.6 percent) during the month from cancelled warrants and reimbursements that were larger than anticipated.
- Intangibles Taxes...gaining \$5.6 million (9.3 percent) during the month.
- Highway Safety Fees...gaining \$2.5 million (9.1 percent).
- Corporate Filing Fees...gaining \$1.7 million (12.0 percent) during the month.
- Counties' Medicaid Share...gaining \$0.2 million (0.8 percent) during the month.
- Severance Taxes...gaining \$0.2 million (200.0 percent) during the month.

Together, these sources generated a total gain of \$53.5 million for the month.

Along with Sales Tax GR, eight revenue sources also came in negative for the month.

- Beverage Taxes...losing \$-6.1 million (-27.0 percent) during the month, primarily as a result of an unanticipated use of scholarship credits.
- Earnings on Investments...losing \$-5.7 million (-32.2 percent) during the month, primarily as a result of recognized losses from the sale of investments.
- Corporate Income Tax...losing \$-2.9 million (-4.1 percent) during the month.
- Service Charges...losing \$-2.8 million (-3.1 percent) during the month, primarily related to lower than anticipated Documentary Stamp Tax collections.
- Documentary Stamp Tax...losing \$-1.8 million (-1.2 percent) during the month. Note that Documentary Stamp Tax GR is overstated by \$17.6 million because of an administrative correction for the prior fiscal year.
- Tobacco Tax...losing \$-0.6 million (-4.4 percent) during the month.



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- Other Taxes, Licenses and Fees...losing of \$-0.5 million (-12.5 percent) during the month.
- Article V Fees and Transfers...losing \$-0.3 million (-3.8 percent) during the month.

Together, these sources generated a total loss of \$-20.7 million for the month.

One revenue source was on estimate for the month—Parimutuel Taxes (\$0.9 million).

Finally, coming in lower than the estimate for Refunds adds to the General Revenue Fund. For the month, Refunds were \$-9.9 million under the estimate.

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

Month	August	September	October	November	December
Monthly Overage (millions)	20.4				
Year to Date Overage (millions - cumulative)	38.7				
Percent of Monthly Estimate Collected	100.6%				
Percent of Total Year Estimate Collected	16.1%				

AUGUST 2022 GENERAL REVENUE COLLECTIONS (\$ MILLIONS) BASED ON THE AUGUST 2022 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	2,778.7	2,801.1	(22.4)	5,776.9	5,799.3	(22.4)	5,165.9	11.8%
CORPORATE INCOME TAX	67.2	70.1	(2.9)	164.7	167.5	(2.9)	156.4	5.3%
DOCUMENTARY STAMP TAX	151.5	153.3	(1.8)	211.9	213.7	(1.8)	221.4	-4.3%
INSURANCE TAXES	158.0	129.2	28.8	231.5	202.6	28.8	130.6	77.2%
SERVICE CHARGES	86.6	89.4	(2.8)	116.6	119.4	(2.8)	119.4	-2.3%
CORPORATE FILING FEES	15.9	14.2	1.7	37.2	35.5	1.7	30.5	21.9%
INTANGIBLES TAXES	65.6	60.0	5.6	124.6	119.0	5.6	143.3	-13.1%
HIGHWAY SAFETY FEES	29.9	27.4	2.5	78.0	75.6	2.5	92.5	-15.7%
BEVERAGE TAXES	16.5	22.6	(6.1)	50.2	56.4	(6.1)	65.9	-23.8%
COUNTIES' MEDICAID SHARE	24.1	23.9	0.2	46.2	45.9	0.2	50.9	-9.2%
EARNINGS ON INVESTMENTS	12.0	17.7	(5.7)	46.2	33.6	12.6	32.9	40.7%
TOBACCO TAX	13.1	13.7	(0.6)	18.2	18.9	(0.6)	21.6	-15.8%
OTHER NONOPERATING REVENUES	21.8	7.3	14.5	43.3	28.8	14.5	24.6	75.7%
ARTICLE V FEES AND TRANSFERS	7.6	7.9	(0.3)	15.7	16.1	(0.3)	13.9	13.0%
OTHER TAXES LICENSES AND FEES	3.5	4.0	(0.5)	6.3	6.8	(0.5)	6.8	-6.9%
SEVERANCE TAXES	0.3	0.1	0.2	2.3	2.1	0.2	1.9	18.4%
PARIMUTUEL TAXES	0.9	0.9	(0.0)	1.7	1.7	(0.0)	1.6	5.9%
INDIAN GAMING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
TOTAL REVENUE	3,453.3	3,442.8	10.5	6,971.4	6,942.7	28.8	6,280.1	11.0%
LESS REFUNDS	16.1	26.0	(9.9)	206.9	216.8	(9.9)	81.5	154.0%
NET REVENUE	3,437.2	3,416.8	20.4	6,764.5	6,725.8	38.7	6,198.6	9.1%