



MONTHLY REVENUE REPORT

Office of Economic &
Demographic Research

Volume 44, Number 1
July 2023

Revised General Revenue Collections for July 2023 (Sales Tax Data Reported is Unaudited)

General Revenue collections for July 2023 were \$225.9 million (7.3 percent) over the estimates adopted by the General Revenue Estimating Conference (GR REC) in March 2023, as adjusted for law changes occurring during the 2023 Regular Session. With the exception of a slight increase to Sales Tax collections and the large gain to Earnings on Investments, these results were anticipated by the Revenue Estimating Conference at its conference in August. A delay in the July data for Earnings on Investment made it impossible to project for the month, so the current estimate had been retained as a placeholder. Next month's report for August will be the first reflecting all of the changes made in the new forecast.

After adjusting 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 \$223.3 million (8.2 percent) over the estimate for the month. July collections reflect activity that largely occurred in June. 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 the July personal saving rate continues to be subpar at 3.5 percent—down considerably from June's 4.3 percent. Working in the opposite direction, the Consumer Price Index for the all-items index increased 3.2 percent for the 12 months ending July—slightly more the 3.0 percent increase in June. 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, the index for shelter was the largest monthly contributor to the increase, accounting for more than two-thirds of the total increase in all items less food and energy, with prices for food at home increasing by 3.6 percent over the past 12 months.

Five of the sales tax categories were over estimate for the month and one category was under the estimate for the month.

- Consumer Nondurables...gaining \$65.7 million (6.9 percent) to the estimate for the month.
- Tourism...gaining \$34.8 million (5.2 percent) to the estimate for the month.
- Automobiles...gaining \$63.3 million (12.0 percent) to the estimate for the month.
- Other Durables...losing \$-4.2 million (-2.4 percent) to the estimate for the month.
- Building...gaining \$13.3 million (6.4 percent) to the estimate for the month.
- Business...gaining \$7.6 million (1.2 percent) to the estimate for the month.

In addition to Sales Tax GR, ten of the 17 active revenue sources were also positive to their projections for the month.

- Earnings on Investments...gaining \$60.0 million (203.4 percent) during the month.
- Service Charges...gaining \$32.9 million (335.7 percent) during the month—primarily a timing issue with August.
- Corporate Income Tax...gaining \$31.8 million (24.3 percent) during the month.
- Documentary Stamp Tax...gaining \$27.4 million (256.1 percent) during the month as the housing market prices and activity continued to be stronger than expected.
- Beverage Taxes...gaining \$15.3 million (44.6 percent) during the month.
- Intangibles Taxes...gaining \$12.3 million (42.6 percent) during the month as activity was stronger than expected.
- Other Nonoperating Revenues...gaining \$2.4 million (19.5 percent) during the month.
- Highway Safety Fees...gaining \$1.0 million (2.4 percent) during the month.
- Other Taxes Licenses and Fees...gaining \$0.2 million (7.7 percent) during the month
- Pari-mutuel Taxes...gaining \$0.1 million (12.5 percent) during the month.

Together, these sources generated a total gain of \$183.4 million for the month.

Five revenue sources came in negative for the month.

- Insurance Taxes...losing \$-7.1 million (-20.7 percent) during the month.
- Corporate Filing Fees...losing \$-3.2 million (-13.5 percent) during the month.



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- Counties' Medicaid Share...losing \$-1.5 million (-5.8 percent) during the month.
- Tobacco Tax...losing \$-0.7 million (-14.0 percent) during the month.
- Article V Fees and Transfers...losing \$-0.2 million (-2.3 percent) during the month.

Together, these sources generated a total loss of \$-12.7 million for the month.

Severance Taxes were on estimate for the month.

Finally, coming in higher than the estimate for Refunds reduces the General Revenue Fund. For the month, refunds were \$168.3 million above the estimate.

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

Month	July
Monthly Overage (millions)	225.9
Year to Date Overage (millions - cumulative)	225.9
Percent of Monthly Estimate Collected	107.3%
Percent of Total Year Estimate Collected	7.5%

JULY 2023 GENERAL REVENUE COLLECTIONS (\$ MILLIONS)								
BASED ON THE MARCH 2023 REVENUE ESTIMATING CONFERENCE (adjusted for Legislative changes)								
	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	2,957.9	2,734.6	223.3	2,957.9	2,734.6	223.3	2,998.2	-1.3%
CORPORATE INCOME TAX	162.5	130.7	31.8	162.5	130.7	31.8	97.4	66.7%
INSURANCE TAXES	27.2	34.3	(7.1)	27.2	34.3	(7.1)	73.4	-63.0%
DOCUMENTARY STAMP TAX	38.1	10.7	27.4	38.1	10.7	27.4	60.4	-36.9%
CORPORATE FILING FEES	20.5	23.7	(3.2)	20.5	23.7	(3.2)	21.3	-3.3%
SERVICE CHARGES	42.7	9.8	32.9	42.7	9.8	32.9	30.0	42.6%
HIGHWAY SAFETY FEES	41.9	40.9	1.0	41.9	40.9	1.0	48.2	-12.9%
INTANGIBLES TAXES	41.2	28.9	12.3	41.2	28.9	12.3	59.0	-30.2%
BEVERAGE TAXES	49.6	34.3	15.3	49.6	34.3	15.3	33.8	46.9%
COUNTIES' MEDICAID SHARE	24.5	26.0	(1.5)	24.5	26.0	(1.5)	22.0	11.2%
EARNINGS ON INVESTMENTS	89.5	29.5	60.0	89.5	29.5	60.0	34.2	162.0%
TOBACCO TAX	4.3	5.0	(0.7)	4.3	5.0	(0.7)	5.2	-16.7%
OTHER NONOPERATING REVENUES	14.7	12.3	2.4	14.7	12.3	2.4	21.5	-31.6%
ARTICLE V FEES AND TRANSFERS	8.5	8.7	(0.2)	8.5	8.7	(0.2)	8.2	4.6%
OTHER TAXES LICENSES AND FEES	2.8	2.6	0.2	2.8	2.6	0.2	2.8	1.5%
PARIMUTUEL TAXES	0.9	0.8	0.1	0.9	0.8	0.1	0.8	14.4%
SEVERANCE TAXES	1.8	1.8	0.0	1.8	1.8	0.0	2.0	-8.2%
INDIAN GAMING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
TOTAL REVENUE	3,528.8	3,134.6	394.2	3,528.8	3,134.6	394.2	3,518.2	0.3%
LESS REFUNDS	217.1	48.8	168.3	217.1	48.8	168.3	190.8	13.7%
NET REVENUE	3,311.7	3,085.8	225.9	3,311.7	3,085.8	225.9	3,327.3	-0.5%