



MONTHLY REVENUE REPORT

Office of Economic & Demographic Research

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Revised General Revenue Collections for May 2018 (Sales Tax Data Reported is Unaudited)

General Revenue (GR) collections for May 2018 were \$96.6 M (3.4%) over the estimates adopted by the General Revenue Estimating Conference (GR REC) in February 2018. For the year, GR collections were \$162.2 M (0.6%) over estimate; however, most of this surplus (approximately \$106.1 M or 65.4%) was associated with one-time events affecting collections for Other Nonoperating Revenues and Indian Gaming (discussed in detail below).

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 (CST), Sales Tax GR was virtually on estimate for the month, coming in just \$0.7 M (0.04%) under the estimate. Final Sales Tax Liability, the sum of all Sales Tax components (detailed below), was under estimate for the month by \$4.1 M or (0.2%).

Five of the six Sales Tax components were under estimate for the month as follows: Tourism (under by \$29.3 M or 5.6%); Consumer Nondurables (under by \$21.1 M or 3.3%); Building (under by \$8.3 M or 5.2%); Other Durables (under by \$8.2 M or 5.9%); and Automobiles (under by \$7.7 M or 2.0%). In contrast, the Business component was significantly over estimate for the month by \$70.5 M or 17.1%. Note that this Sales Tax report largely reflects activity that occurred in April.

As noted above, two GR sources significantly exceeded their estimates because of one-time events. First, Other Nonoperating Revenues were \$37.6 M over estimate for the month of May primarily because of the receipt of approximately \$30.4 M in Medicaid Achieved Savings Rebates. The rebates were associated with audits of the 2016 calendar year, and no additional payments are expected in the current fiscal year. Year to date, this source was already carrying a surplus of approximately \$24.0 M associated with one-time repayments in prior months, bringing the year to date gain to the estimate to \$54.0 M. Second, similar to what occurred in April, Indian Gaming collections for May were over estimate by \$26.4 M because the State received the expected payment of \$19.5 M as well as an additional \$26.4 M related to the annual true-up payment. Combining the two months, approximately \$51.7 M is associated with the true-up payment. Because the true-up is typically received in August of the subsequent fiscal year, its early receipt in the current fiscal year will remove it from the next fiscal year.

An additional eight GR sources were over estimate for the month by smaller amounts. Corporate Income Tax was over estimate in May by \$23.0 M (12.0%). Insurance Taxes were over estimate for the month by \$15.7 M (9.4%), with both Insurance Premium Tax and Surplus Lines over estimate by \$7.0 M (5.4%) and \$8.7 M (23.8%), respectively. Three sources were over estimate for the month due to timing of agency payments, including Parimutuel Taxes (over by \$5.0 M); Counties' Medicaid Share (over by \$4.0 M); and GR Service Charges (over by \$3.8 M). Other sources that were over estimate for the month include Tobacco Tax (over by \$2.3 M or 16.4%); Highway Safety Fees (over by \$1.9 M or 3.4%); and Severance Taxes (over by \$0.3 M or 14.5%).

Along with Sales Tax GR, seven other sources were under estimate for the month, with the largest shortfall in Documentary Stamp Tax GR (under by \$8.0 M or 10.0%). The other sources that were under estimate for the month include Earnings on Investments (under by \$4.9 M or 27.5%); Corporate Filing Fees (under by \$3.6 M or 5.5%); Beverage Taxes (under by \$3.3 M or 11.7%); Intangibles Taxes (under by \$1.5 M or 4.2%); Article V Fees (under by \$0.9 M or 8.9%); and Other Taxes, Licenses, and Fees (under by \$0.1 M or 3.6%).

Refunds were slightly over estimate for the month by \$0.4 M (1.6%). Sales Tax Refunds were higher than expected by \$2.3 M while Corporate Income Tax Refunds were lower than expected by \$1.8 M. Both Insurance Premium Tax Refunds and Other Refunds were lower than expected by approximately \$0.1 M each. Because refunds reduce revenue, coming in over the estimate decreases the bottom-line Net GR.

In summary, Net GR collections for May were \$96.6 M over estimate for the month. The figures in the table below show the variance from monthly estimates that are based on the results of the estimating conference held February 9, 2018, as revised on February 23, 2018. Details of the estimates can be found at <http://edr.state.fl.us/Content>. Note that the listing of sources below has been rearranged to reflect each source's overall importance to GR.

Actual General Revenue Collections Compared to the February 9, 2018 Estimates

Month	February	March	April	May	June
Monthly Average (millions)	14.9	-3.6	83.5	96.6	
Year to Date Average (millions - cumulative)	-14.4	-17.9	65.6	162.2	
Percent of Monthly Estimate Collected	100.6%	99.9%	102.6%	103.4%	
Percent of Total Year Estimate Collected	62.9%	70.8%	81.6%	90.9%	

MAY 2018 GENERAL REVENUE COLLECTIONS (\$ MILLIONS) BASED ON THE FEBRUARY 2018 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	2,069.2	2,069.9	(0.7)	22,127.2	22,118.8	8.4	21,057.3	5.1%
CORPORATE INCOME TAX	215.0	192.0	23.0	1,887.9	1,875.7	12.2	1,934.5	-2.4%
DOCUMENTARY STAMP TAX	72.1	80.1	(8.0)	779.1	780.5	(1.4)	680.5	14.5%
INSURANCE TAXES	182.2	166.5	15.7	680.7	616.6	64.1	577.1	18.0%
HIGHWAY SAFETY FEES	58.6	56.7	1.9	487.2	477.2	10.0	439.9	10.7%
SERVICE CHARGES	36.6	32.8	3.8	435.6	435.2	0.4	428.4	1.7%
INTANGIBLES TAXES	35.4	36.9	(1.5)	338.2	345.8	(7.7)	340.5	-0.7%
CORPORATE FILING FEES	62.2	65.8	(3.6)	353.9	343.9	10.0	341.0	3.8%
BEVERAGE TAXES	24.7	28.0	(3.3)	238.0	243.2	(5.2)	266.4	-10.7%
COUNTIES' MEDICAID SHARE	28.3	24.3	4.0	270.3	267.8	2.6	274.8	-1.6%
INDIAN GAMING	45.9	19.5	26.4	312.5	257.4	55.2	108.2	188.8%
EARNINGS ON INVESTMENTS	13.0	17.9	(4.9)	124.2	151.2	(27.0)	117.1	6.1%
TOBACCO TAX	16.3	14.0	2.3	157.0	149.3	7.7	155.7	0.9%
OTHER NONOPERATING REVENUES	46.3	8.8	37.6	192.1	138.1	54.0	162.9	17.9%
ARTICLE V FEES AND TRANSFERS	9.2	10.1	(0.9)	93.8	97.2	(3.3)	115.4	-18.7%
OTHER TAXES LICENSES AND FEES	3.0	3.1	(0.1)	34.1	35.0	(0.9)	35.2	-3.0%
PARIMUTUEL TAXES	5.7	0.7	5.0	18.6	22.2	(3.6)	22.1	-15.9%
SEVERANCE TAXES	2.5	2.2	0.3	12.0	11.0	1.0	11.4	5.4%
TOTAL REVENUE	2,926.2	2,829.3	97.0	28,542.5	28,366.0	176.4	27,068.2	5.4%
LESS REFUNDS	25.3	24.9	0.4	348.9	334.7	14.2	306.3	13.9%
NET REVENUE	2,901.0	2,804.4	96.6	28,193.5	28,031.3	162.2	26,761.9	5.3%