



Monthly Revenue Report

Office of Economic & Demographic Research

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Revised General Revenue Collections for August 2011 (Sales Tax Data Reported is Unaudited)

General Revenue (GR) collections for August 2011 were \$35.9 M under the estimates adopted by the General Revenue Estimating Conference (GR REC) on March 18, 2011 adjusted for law changes during the 2011 regular Legislative Session. Even though total collections in Sales Tax were \$9.1 M under estimate, after adjusting for estimated payments, unpaid liability, audits, bad checks, and transfers to Sales Tax from the Communications Services Tax, Sales Tax GR ended \$38.1 M (about 2.7%) under estimate.

Looking at the Sales Tax collection details for August, three of the six Sales Tax components were over estimate. The Tourism component was over estimate by \$11.7 M (about 3.7%); the Consumer Non-Durables component was over estimate by \$3.1 M (about 0.7%); and Other Durables was over estimate by \$0.8 M (about 0.9%). The Building component fell \$1.8 M (about 2.3%) under estimate; Business was below estimate by \$11.2 M (about 4.0%); and Automobiles ended \$11.7 M (about 4.9%) under estimate. Note that this Sales Tax report largely reflects activity that actually occurred in July.

Four sources were responsible for most of the shortfall this month. Beverage Taxes fell \$12.3 M under estimate, with the bulk of the error attributable to a higher than expected scholar-

ship tax credits. These credits came in at \$13.6 M, \$8.4 M over the estimate of \$5.2 M. We expect to make up this shortfall by the end of the year. Service Charges, transfers to GR from most trust funds, were again under estimate, this month by \$4.2 M. The shortfall comes from expected transfers from judicial trust funds. The slowdown in foreclosure filings has impacted revenue to these funds; the recent Article V Revenue Estimating Conference reduced the service charge estimate. The new estimate will be incorporated into the General Revenue Estimating Conference at the October meeting. Both Documentary Stamp Tax GR and Intangibles Taxes were under estimate, highlighting a slower than expected recovery in the housing market. Total collections of Documentary Stamp Tax were under estimate by \$12.1 M, with the GR piece \$6.1 M under estimate. Intangibles Taxes mirrored this shortfall, coming in \$3.5 M under estimate.

Fewer sources were significantly over estimate in August. Earnings on Investment came in \$6.2 M over estimate, due to gains on the external portfolio. Other Non-Operating Revenue, which encompasses many small transfers to GR, was over estimate by \$15.5 M. The surplus was provided by a larger than expected year-end true-up in Department of Revenue funds, larger than expected transfers related to nursing homes, and a one-time

Medicaid fraud settlement. Highway Safety fees were over estimate by \$2.8 M, largely due to Motor Vehicle Licenses and Fees. Finally, Refunds were \$4.4 M under estimate, which increases Net GR. Virtually all the Refund shortfall was in Sales Tax refunds, which were \$4.0 M under estimate.

In summary, Net GR collections for August were \$35.9 M under estimate for the month and \$51.1 M under estimate for the fiscal year to date. The table below is based on monthly estimates from the March 18, 2011 GR REC, adjusted for law changes during the 2011 regular Legislative Session. 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. The GR REC will meet again on October 11, 2011. Estimates from that conference will first be applied to the October revenue report.

General Revenue Collections

Month: \$35.9 M under the March 2011 estimate adjusted for Legislative changes

Year: \$51.1 M under the March 2011 estimate adjusted for Legislative changes

August Lottery Transfers to DOE

Month: \$104.132 M, \$0.69 M under the September 2011 estimate

Year: \$200.295 M, \$0.69 M under the September 2011 estimate; \$11.001 M over the February 2011 estimate

AUGUST 2011 GENERAL REVENUE COLLECTIONS (\$ MILLIONS) BASED ON THE MARCH 2011 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	1,366.3	1,404.4	(38.1)	2,783.8	2,800.0	(16.2)	2,679.0	3.9%
CORPORATE INCOME TAX	29.3	28.7	0.6	82.5	81.1	1.4	72.6	13.6%
HIGHWAY SAFETY FEES	82.3	79.5	2.8	175.4	174.2	1.2	161.7	8.5%
INSURANCE PREMIUM TAX	19.6	20.7	(1.1)	50.1	50.0	0.1	52.3	-4.2%
BEVERAGE TAXES	26.5	38.8	(12.3)	70.4	83.7	(13.3)	92.0	-23.5%
SERVICE CHARGES	40.3	44.5	(4.2)	79.4	95.5	(16.1)	96.2	-17.4%
ARTICLE V FEES AND TRANSFERS	11.8	12.6	(0.8)	25.3	25.0	0.3	30.3	-16.3%
TOBACCO TAX	17.5	16.9	0.6	20.5	20.0	0.5	22.6	-9.3%
CORPORATE FILING FEES	7.8	8.1	(0.3)	15.6	15.3	0.3	16.3	-4.5%
MEDICAL HOSPITAL FEES	16.1	15.0	1.1	26.8	40.0	(13.2)	31.7	-15.3%
INTANGIBLES TAXES	15.2	18.7	(3.5)	28.0	34.8	(6.8)	25.8	8.5%
INDIAN GAMING	12.5	12.5	0.0	25.0	25.0	0.0	12.5	100.0%
EARNINGS ON INVESTMENTS	15.8	9.6	6.2	24.9	19.6	5.3	31.5	-20.9%
DOCUMENTARY STAMP TAX	14.1	20.2	(6.1)	31.5	38.7	(7.2)	26.2	20.2%
PARIMUTUEL TAXES	0.6	0.6	(0.0)	1.1	1.1	(0.0)	1.0	8.6%
SEVERANCE TAXES	0.9	0.5	0.4	4.6	2.4	2.2	3.6	29.7%
OTHER TAXES LICENSES AND FEES	3.8	4.9	(1.1)	5.2	6.9	(1.7)	7.9	-33.8%
OTHER NONOPERATING REVENUES	25.1	9.6	15.5	42.2	26.6	15.6	25.8	63.2%
TOTAL REVENUE	1,705.5	1,745.8	(40.3)	3,492.2	3,539.9	(47.7)	3,388.8	3.1%
LESS REFUNDS	12.5	16.9	(4.4)	62.0	58.6	3.4	65.4	-5.2%
NET REVENUE	1,693.0	1,728.9	(35.9)	3,430.2	3,481.3	(51.1)	3,323.4	3.2%