



MONTHLY REVENUE REPORT

Office of Economic & Demographic Research

Volume 39, Number 12
June 2019

Revised General Revenue Collections for June 2019 (Sales Tax Data Reported is Unaudited)

General Revenue (GR) collections for June 2019 were \$24.4 M (0.8%) over the estimates adopted by the General Revenue Estimating Conference (GR REC) on March 14, 2019. For Fiscal Year 2018-19, GR collections were \$507.2 M (1.5%) over estimate for the year; however, the majority of the overage (75.9%) is related to Corporate Income Tax and is expected to be returned as refunds to taxpayers in accordance with the provisions of Chapter 2018-119, Laws of Florida. Excluding Corporate Income Tax, collections for the month were \$5.2 M (0.2%) under estimate, but \$122.1 M (0.4%) over estimate for the year.

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 over estimate for the month by \$46.0 M (2.2%) and \$70.6 M (0.3%) over the annual estimate. Total Final Sales Tax Liability was over estimate for the month by \$36.7 M (1.6%) and ended the year \$160.3 M (0.6%) over estimate. The year-end results for the six Sales Tax components were as follows: Business (over by \$71.2 M or 1.3%); Automobiles (over by \$15.4 M or 0.3%); Building (over by \$31.9 M or 1.8%); Consumer Nondurables (over by \$51.3 M or 0.7%); Other Durables (under by \$13.5 M or 0.8%); and Tourism (over by \$4.1 M or 0.1%).

Of the seven additional sources that were both over estimate for the month and the year, Corporate Income Tax was the largest (\$29.6 M for the month and \$385.1 M for the year). As mentioned above, the \$385.1 M is expected to be returned to taxpayers. The six other sources are as follows: Earnings on Investments (\$14.8 M for the month and \$38.2 M for the year); Other Nonoperating Revenues (\$5.6 M for the month and \$31.4 M for the year); Corporate Filing Fees (over by \$11.2 M for the month and \$29.0 M for the year); Tobacco Tax (\$4.1 M for the month and \$8.1 M for the year); Intangibles Taxes (\$1.0 M for the month and \$4.7 M for the year); and Article V Fees (over by \$0.8 M for the month and \$2.2 M for the year).

Four sources were under estimate for June, but ended over estimate for the year, including Documentary Stamp Tax GR (under by \$9.5 M for the month and over by \$5.1 M for the year); Parimutuel Taxes (under by \$4.4 M for the month and \$0.3 M over estimate for the year); and Counties' Medicaid Share (under by \$1.0 M for the month, but \$0.2 M over for the year). Insurance Taxes were \$19.2 M under estimate for the month, but \$10.2 M over estimate for the year (Insurance Premium Tax coming in under estimate for the month by \$21.0 M, but matching the estimate of \$626.4 M for the year, and Surplus Lines over estimate by \$1.8 M for the month and \$10.2 M for the year).

Of the six sources that ended the year under estimate, the largest shortfall was in Indian Gaming receipts (under estimate by \$19.5 M for the month and \$66.6 M for the year as the Tribe ceased making payments after its April 2019 payment). The other five sources include Highway Safety Fees (under by \$11.2 M for the month and \$9.0 M for the year); Beverage Taxes (under by \$7.4 M for the month and \$2.9 M for the year); GR Service Charges (under by \$2.1 M for the month and \$1.1 M for the year); and Other Taxes, Licenses, and Fees (under by \$1.5 M for the month and under by \$0.2 M for the year). Severance Taxes matched the estimate of \$0.1 M for the month, but were under estimate by \$0.8 M for the year.

Refunds were over estimate for the month by \$12.8 M, but ended the year under estimate by \$2.7 M. For the year, refunds of both Corporate Income Tax and Insurance Premium Tax Refunds were higher than expected by \$8.2 M and \$0.7 M, respectively. In contrast, Sales Tax and Other Refunds were lower than expected by \$11.2 M and \$0.4 M, respectively. Because refunds reduce revenue, coming in under the estimate for the year increased the bottom-line Net GR.

In summary, Net GR collections were over estimate for June by \$24.4 M and over for the year by \$507.2 M. The figures in the table below show the variance from monthly estimates that are based on the results of the estimating conference held March 14, 2019. 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.

Month	March	April	May	June
Monthly Overage (millions)	51.6	274.3	148.4	24.4
Year to Date Overage (millions - cumulative)	60.0	334.4	482.8	507.2*
Percent of Monthly Estimate Collected	102.0%	108.1%	105.0%	100.8%
Percent of Total Year Estimate Collected	71.4%	82.5%	91.9%	101.5%

*Note: The majority of the year-to-date overage (\$385.1 M or 75.9%) is related to Corporate Income Tax and is expected to be returned as refunds to taxpayers by March 1, 2020.

JUNE 2019 GENERAL REVENUE COLLECTIONS (\$ MILLIONS) BASED ON THE MARCH 2019 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	2,129.4	2,083.3	46.0	25,385.3	25,314.7	70.6	24,138.7	5.2%
CORPORATE INCOME TAX	549.6	520.0	29.6	3,139.9	2,754.8	385.1	2,413.0	30.1%
DOCUMENTARY STAMP TAX	90.0	99.5	(9.5)	912.1	907.0	5.1	867.2	5.2%
INSURANCE TAXES	133.3	152.5	(19.2)	877.1	866.9	10.2	799.6	9.7%
HIGHWAY SAFETY FEES	51.8	63.0	(11.2)	545.9	554.9	(9.0)	538.6	1.4%
SERVICE CHARGES	36.6	38.7	(2.1)	481.4	482.5	(1.1)	472.0	2.0%
INTANGIBLES TAXES	35.3	34.3	1.0	385.2	380.5	4.7	371.2	3.8%
CORPORATE FILING FEES	23.2	11.9	11.2	398.8	369.8	29.0	367.0	8.7%
INDIAN GAMING	0.0	19.5	(19.5)	247.7	314.3	(66.6)	328.5	-24.6%
COUNTIES' MEDICAID SHARE	25.3	26.3	(1.0)	298.7	298.5	0.2	295.3	1.1%
BEVERAGE TAXES	47.0	54.5	(7.4)	305.3	308.2	(2.9)	289.2	5.6%
TOBACCO TAX	28.8	24.7	4.1	184.9	176.8	8.1	182.6	1.2%
EARNINGS ON INVESTMENTS	30.8	16.0	14.8	224.4	186.2	38.2	136.1	64.9%
OTHER NONOPERATING REVENUES	15.8	10.3	5.6	215.8	184.4	31.4	200.0	7.9%
ARTICLE V FEES AND TRANSFERS	9.3	8.5	0.8	133.4	131.2	2.2	104.0	28.3%
OTHER TAXES LICENSES AND FEES	3.0	4.5	(1.5)	38.7	38.9	(0.2)	38.8	-0.2%
PARIMUTUEL TAXES	4.3	8.7	(4.4)	22.2	21.9	0.3	28.9	-23.0%
SEVERANCE TAXES	0.1	0.1	(0.0)	11.9	12.7	(0.8)	12.1	-1.5%
TOTAL REVENUE	3,213.7	3,176.4	37.2	33,808.7	33,304.2	504.4	31,582.7	7.0%
LESS REFUNDS	38.5	25.7	12.8	394.9	397.6	(2.7)	364.6	8.3%
NET REVENUE	3,175.1	3,150.7	24.4	33,413.8	32,906.6	507.2	31,218.2	7.0%