



MONTHLY REVENUE REPORT

Office of Economic & Demographic Research

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Revised General Revenue Collections for September 2016 (Sales Tax Data Reported is Unaudited)

General Revenue (GR) collections for September 2016 were \$96.1 M (4.1%) over the estimates adopted by the General Revenue Estimating Conference (GR REC) on August 15, 2016.

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 \$12.9 M (0.7%) over estimate. Final Sales Tax Liability, the sum of all sales tax components (detailed below), was over estimate by a total of \$24.5 M or 1.3%.

Five of the six Sales Tax components were over estimate for the month as follows: Consumer Nondurables (over by \$15.7 M or 2.9%), Automobiles (over by \$7.0 M or 1.9%), Business (over by \$4.1 M or 1.1%), Other Durables (over by \$2.9 M or 2.4%), and Building (over by \$0.8 M or 0.7%). Tourism was under estimate by \$6.0 M (1.5%). Note that this Sales Tax report largely reflects activity that occurred in August.

Of the other sources coming in over estimate for September, the largest was Corporate Income Tax (over by \$51.7 M or 13.4%). Based on a review of payment data, it appears there were a few large atypical payments. It is unknown whether the levels of payments received in September will continue in future months. The next largest overage was in Beverage Taxes (over by \$9.9 M) primarily because scholarship credits were \$6.0 M lower than expected. Earnings on Investments were over estimate by \$4.6 M largely because of investment gains. Other sources that were over estimate for the month include Documentary Stamp Tax GR (over by \$6.2 M), Intangibles Taxes (over by \$2.5 M), Corporate Filing Fees (over by \$1.9 M), Insurance Taxes (over by \$1.4 M due to Surplus Lines), Service Charges (over by \$1.2 M due to timing), and Highway Safety Fees (over by \$0.5 M). Parimutuel Taxes and Severance Taxes matched the estimates for the month of \$0.6 M and \$0.1 M, respectively.

Indian Gaming revenues also matched the estimate for the month of \$10.4 M. Beginning in August 2015, the funds received in excess of the adopted forecast are being effectively held in reserve by the State until the resolution of the current legal dispute regarding the operation of banked card games. Therefore, the portion of the September monthly payment (approximately \$9.1 M) associated with banked card games is not included in the reported collections. The total payments being accounted for separately now equal \$133.7 M.

Five revenue sources were slightly under estimate for September, including Other Nonoperating Revenues (under by \$0.8 M), Counties' Medicaid Share (under by \$0.7 M), Other Taxes, Licenses, and Fees (under by \$0.3 M), Tobacco Tax (under by \$0.1 M), and Article V Fees (under by \$0.1 M).

Refunds were \$5.5 M under estimate for the month because Corporate Income Tax and Sales Tax refunds were under estimate by approximately \$3.8 M and \$1.6 M, respectively. Both Insurance Premium Tax and Other refunds matched the estimates for the month of \$0.3 M and \$0.1 M, respectively. Because refunds reduce revenue, coming in under the estimate in Refunds increases the bottom-line Net GR.

In summary, Net GR collections for September were \$96.1 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 August 15, 2016, estimating conference. 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 August 15, 2016 Estimates

| Month | August | September | October | November |
|--|--------|-----------|---------|----------|
| Monthly Overage (millions) | 34.8 | 96.1 | | |
| Year to Date Overage (millions - cumulative) | 38.5 | 134.6 | | |
| Percent of Monthly Estimate Collected | 101.6% | 104.1% | | |
| Percent of Total Year Estimate Collected | 15.0% | 23.4% | | |

| SEPTEMBER 2016 GENERAL REVENUE COLLECTIONS (\$ MILLIONS) BASED ON THE AUGUST 2016 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 | 1,764.2 | 1,751.3 | 12.9 | 5,468.7 | 5,430.4 | 38.3 | 5,183.3 | 5.5% |
| CORPORATE INCOME TAX | 436.3 | 384.6 | 51.7 | 510.1 | 466.6 | 43.5 | 463.7 | 10.0% |
| DOCUMENTARY STAMP TAX | 63.5 | 57.3 | 6.2 | 186.4 | 189.4 | (3.0) | 197.0 | -5.4% |
| INSURANCE TAXES | 6.2 | 4.8 | 1.4 | 71.6 | 63.6 | 8.0 | 78.3 | -8.5% |
| HIGHWAY SAFETY FEES | 27.7 | 27.2 | 0.5 | 116.0 | 111.6 | 4.4 | 84.2 | 37.7% |
| SERVICE CHARGES | 25.4 | 24.2 | 1.2 | 114.2 | 115.1 | (0.9) | 111.8 | 2.1% |
| INTANGIBLES TAXES | 29.6 | 27.1 | 2.5 | 97.3 | 94.3 | 2.9 | 85.1 | 14.4% |
| CORPORATE FILING FEES | 12.3 | 10.4 | 1.9 | 32.7 | 28.3 | 4.4 | 24.6 | 33.1% |
| COUNTIES' MEDICAID SHARE | 24.7 | 25.4 | (0.7) | 74.9 | 75.3 | (0.5) | 73.1 | 2.5% |
| BEVERAGE TAXES | 22.0 | 12.1 | 9.9 | 79.9 | 62.5 | 17.5 | 86.3 | -7.4% |
| TOBACCO TAX | 14.3 | 14.4 | (0.1) | 33.6 | 34.2 | (0.6) | 36.0 | -6.6% |
| OTHER NONOPERATING REVENUES | 12.0 | 12.8 | (0.8) | 40.1 | 40.6 | (0.6) | 39.7 | 1.0% |
| ARTICLE V FEES AND TRANSFERS | 11.3 | 11.4 | (0.1) | 32.7 | 33.8 | (1.1) | 36.1 | -9.2% |
| INDIAN GAMING | 10.4 | 10.4 | 0.0 | 37.1 | 37.1 | 0.0 | 86.7 | -57.2% |
| EARNINGS ON INVESTMENTS | 11.9 | 7.3 | 4.6 | 42.0 | 29.5 | 12.5 | 27.9 | 50.6% |
| OTHER TAXES LICENSES AND FEES | 2.1 | 2.4 | (0.3) | 6.8 | 7.2 | (0.4) | 8.4 | -19.8% |
| PARIMUTUEL TAXES | 0.6 | 0.6 | 0.0 | 1.9 | 1.8 | 0.1 | 1.7 | 11.1% |
| SEVERANCE TAXES | 0.1 | 0.1 | 0.0 | 2.7 | 2.6 | 0.0 | 3.0 | -10.6% |
| TOTAL REVENUE | 2,474.5 | 2,383.8 | 90.7 | 6,948.5 | 6,823.9 | 124.6 | 6,626.8 | 4.9% |
| LESS REFUNDS | 13.3 | 18.7 | (5.5) | 76.4 | 86.4 | (10.0) | 89.7 | -14.8% |
| NET REVENUE | 2,461.2 | 2,365.1 | 96.1 | 6,872.1 | 6,737.5 | 134.6 | 6,537.1 | 5.1% |