



MONTHLY REVENUE REPORT

Office of Economic &
Demographic Research

Volume 43, Number 10
April 2023

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

General Revenue collections for April 2023 showed a gain of \$384.8 million (7.9 percent) over the adopted forecast assumptions made by the General Revenue Estimating Conference (GR REC) on March 13, 2023. Slightly more than 72 percent of the total gain came from Corporate Income Tax.

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 \$96.4 million (3.0 percent) over the estimate for the month—in part due to a continuing technical shift between estimated payments and unpaid liability. April collections reflect activity that largely occurred in March, and several factors explain the overage. The Revenue Estimating Conference's adopted estimates indicate recovery and rebuilding efforts associated with Hurricane Ian added \$25.1 million to final liability for the month. Translated to Sales Tax GR, this equates to \$22.1 million, bringing the cumulative recovery and rebuilding total to \$560.4 million; however, the Office of Economic and Demographic Research (EDR) believes this estimate may be understated. Further, 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 April personal saving rate continues to be subpar at 4.1 percent. It is also notable that the Consumer Price Index for the all-items index increased 4.9 percent for the 12 months ending April—while still elevated, it is the smallest 12-month increase since the period ending April 2021. 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 60 percent of the total increase in all items less food and energy, with prices for food at home increasing by 7.1 percent over the past 12 months.

For the month, four of the six sales tax components were within the plus or minus 1 percent window that the Conference attributes to noise, but the remaining two were clearly over estimate.

- Consumer Nondurables...gaining \$1.4 million (0.1 percent) to the estimate for the month.
- Tourism...losing \$-2.6 million (-0.3 percent) to the estimate for the month.
- Automobiles...gaining \$29.1 million (4.6 percent) to the estimate for the month.
- Other Durables...gaining \$1.4 million (0.8 percent) to the estimate for the month.
- Building...gaining \$1.5 million (0.6 percent) to the estimate for the month.
- Business...gaining \$41.7 million (6.1 percent) to the estimate for the month.

Along with Sales Tax GR, another eight of the 17 active revenue sources were positive to their latest projections for the month.

- Corporate Income Tax...gaining \$277.7 million (31.7 percent) during the month.
- Earnings on Investments...gaining \$49.5 million (157.1 percent) during the month.
- Intangibles Taxes...gaining \$9.4 million (34.6 percent) during the month.
- Documentary Stamp Tax...gaining \$7.0 million (7.8 percent) during the month.
- Article V Fees and Transfers...gaining \$1.0 million (10.6 percent) during the month.
- Other Nonoperating Revenues...gaining \$0.5 million (4.8 percent) during the month.
- Pari-mutuel Taxes...gaining \$0.2 million (25.0 percent) during the month.
- Other Taxes, Licenses and Fees...gaining \$0.1 million (2.3 percent) during the month.

Together, these sources generated a total gain of \$345.4 million for the month.

Eight revenue sources came in negative for the month.

- Corporate Filing Fees...losing \$-30.5 million (-27.9 percent) during the month, partially a timing issue with March.
- Insurance Taxes...losing \$-20.3 million (-6.1 percent) during the month.
- Service Charges...losing \$-5.1 million (-10.9 percent) during the month.
- Highway Safety Fees...losing \$-4.7 million (-16.5 percent).
- Beverage Taxes...losing \$-4.0 million (-11.8 percent) during the month.



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- Tobacco Tax...losing \$-0.5 million (-4.3 percent) during the month.
- Counties' Medicaid Share...losing \$-0.2 million (-0.8 percent) during the month.
- Severance Taxes...losing \$-0.1 million (-7.1 percent) during the month.

Together, these sources generated a total loss of \$-65.4 million for the month.

Finally, coming in lower than the estimate for Refunds increases the General Revenue Fund balance. For the month, Refunds were \$-8.3 million below the estimate.

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) | 167.7 | 384.8 | | |
| Year to Date Overage (millions - cumulative) | 166.8 | 551.6 | | |
| Percent of Monthly Estimate Collected | 104.8% | 107.9% | | |
| Percent of Total Year Estimate Collected | 71.7% | 83.0% | | |

| APRIL 2023 GENERAL REVENUE COLLECTIONS (\$ MILLIONS) BASED ON THE MARCH 2023 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 | 3,360.4 | 3,264.0 | 96.4 | 29,882.6 | 29,738.8 | 143.8 | 27,981.6 | 6.8% |
| CORPORATE INCOME TAX | 1,154.3 | 876.6 | 277.7 | 4,118.3 | 3,790.6 | 327.7 | 2,612.3 | 57.7% |
| INSURANCE TAXES | 314.8 | 335.1 | (20.3) | 1,013.7 | 1,033.7 | (19.9) | 769.1 | 31.8% |
| DOCUMENTARY STAMP TAX | 97.0 | 90.0 | 7.0 | 1,069.2 | 1,040.3 | 28.9 | 1,570.5 | -31.9% |
| CORPORATE FILING FEES | 78.9 | 109.4 | (30.5) | 431.0 | 443.0 | (12.0) | 423.6 | 1.7% |
| SERVICE CHARGES | 41.5 | 46.6 | (5.1) | 453.6 | 456.4 | (2.7) | 520.9 | -12.9% |
| INTANGIBLES TAXES | 36.6 | 27.2 | 9.4 | 442.0 | 424.1 | 17.9 | 705.6 | -37.4% |
| HIGHWAY SAFETY FEES | 23.7 | 28.4 | (4.7) | 291.8 | 295.8 | (4.1) | 344.2 | -15.2% |
| EARNINGS ON INVESTMENTS | 81.0 | 31.5 | 49.5 | 342.7 | 284.4 | 58.4 | 182.0 | 88.4% |
| BEVERAGE TAXES | 29.8 | 33.8 | (4.0) | 242.8 | 245.4 | (2.7) | 272.3 | -10.8% |
| COUNTIES' MEDICAID SHARE | 24.1 | 24.3 | (0.2) | 236.6 | 236.9 | (0.3) | 244.9 | -3.4% |
| OTHER NONOPERATING REVENUES | 10.9 | 10.4 | 0.5 | 169.7 | 168.1 | 1.7 | 112.7 | 50.6% |
| TOBACCO TAX | 11.0 | 11.5 | (0.5) | 113.6 | 114.6 | (1.0) | 122.1 | -7.0% |
| ARTICLE V FEES AND TRANSFERS | 10.4 | 9.4 | 1.0 | 82.5 | 82.1 | 0.4 | 84.9 | -2.8% |
| OTHER TAXES LICENSES AND FEES | 4.4 | 4.3 | 0.1 | 38.2 | 38.4 | (0.1) | 41.8 | -8.6% |
| PARIMUTUEL TAXES | 1.0 | 0.8 | 0.2 | 8.9 | 8.5 | 0.3 | 12.9 | -31.6% |
| SEVERANCE TAXES | 1.3 | 1.4 | (0.1) | 7.4 | 7.5 | (0.1) | 7.5 | -1.5% |
| INDIAN GAMING | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 187.5 | -100.0% |
| TOTAL REVENUE | 5,281.1 | 4,904.7 | 376.4 | 38,944.7 | 38,408.6 | 536.1 | 36,196.4 | 7.6% |
| LESS REFUNDS | 20.3 | 28.6 | (8.3) | 532.3 | 547.8 | (15.5) | 959.6 | -44.5% |
| NET REVENUE | 5,260.8 | 4,876.1 | 384.8 | 38,412.4 | 37,860.8 | 551.6 | 35,236.8 | 9.0% |