

SOUTH CAROLINA GENERAL FUND REVENUE

**NOVEMBER
FISCAL YEAR
2015-16**

**BEA REVENUE RELEASE
DECEMBER 15, 2015**



South Carolina Revenue and Fiscal Affairs Office



Revenue Digest

November 2015

Detail

- Sales and Use tax revenue fell 0.6 percent from November of last year, while the year-to-date growth is up 2.0 percent. This small dip in growth is a result of recent flooding.
- Individual Income revenue has grown 6.2 percent year-to-date. Despite destruction from the flood, withholdings are running at 6.4 percent growth year-to-date, more than a full percentage point over an estimated 4.9 percent growth in withholdings.
- The timing of paid with returns and an interfund transfer accounts for the large growth in Corporate License tax revenue and the decrease in Corporate Income tax revenue from last November.
- Other Revenues are down 4.9 percent from last November and down 7.7 percent year-to-date due to the biennial insurance licensing tax being in a down year.

Revenue Category	Month-to-Date Growth (% Change)	Year-to-Date Growth (% Change)
Sales and Use Tax	-0.6	2.0
Individual Income Tax	11.7	6.2
Corporate Income Tax	-154.8	35.6
Corporation License Tax	318.7	-10.7
Other Revenues	-4.9	-7.7
Total General Fund	7.1	4.5

Summary

Although Sales and Use tax showed weak growth during November, we expect it to rebound in the coming months as those affected by recent flooding begin to rebuild. Strong growth in Individual Withholdings tax suggests that the economy has not slowed down. The lower growth seen in Corporate Income tax and Other Revenues is attributable to the timing of transfers and being in a down year with insurance license tax.

Despite low growth in Sales and Use tax revenue, total General Fund revenue for the month is up 7.1 percent from last November. With the year-to-date growth in total General Fund revenue at 4.5 percent we are on target to meet our estimated 4.6 percent growth for FY 2015-16.



November

TABLE 1

General Fund Revenue	FY 2014-15	FY 2015-16	\$ Change	% Change
Sales and Use Tax	215,031,436	213,855,744	(1,175,692)	(0.5)
Individual Income Tax	306,855,431	342,723,393	35,867,962	11.7
Corporation Income Tax	(3,307,597)	(8,428,904)	(5,121,307)	---
Insurance Taxes	1,079,457	1,168,786	89,329	8.3
Admissions Tax	2,437,883	1,607,016	(830,867)	(34.1)
Aircraft Tax	434,165	0	(434,165)	(100.0)
Alcoholic Liquor Tax	6,007,310	5,174,974	(832,336)	(13.9)
Bank Tax	(683,014)	608,258	1,291,272	---
Beer and Wine Tax	8,797,477	8,286,667	(510,810)	(5.8)
Bingo Tax	200,487	237,955	37,468	18.7
Business Filing Fees	380,833	424,741	43,908	11.5
Circuit/Family Court Fines	797,766	619,434	(178,332)	(22.4)
Corporation License Tax	3,395,795	14,217,003	10,821,208	318.7
Documentary Tax	4,670,356	3,522,359	(1,147,997)	(24.6)
Earned on Investments	1,189,434	1,413,390	223,956	18.8
Indirect Cost Recoveries	574,627	538,952	(35,675)	(6.2)
Motor Vehicle Licenses	1,006,457	692,862	(313,595)	(31.2)
Nursing Home Fees	0	0	0	---
Parole and Probation Fees	282,734	282,734	0	0.0
Private Car Lines Tax	117,506	281,608	164,102	139.7
Public Service Authority	0	0	0	---
Purchasing Card Rebates	0	0	0	---
Record Search Fees	0	0	0	---
Savings and Loan Assoc. Tax	(2,450)	(371,008)	(368,558)	---
Security Dealer Fees	530,897	1,594,460	1,063,563	200.3
Surcharge on Vehicle Rentals	695	1,000	305	---
Tobacco Tax	2,147,598	2,128,547	(19,051)	(0.9)
Uncashed Checks	0	0	0	---
Unclaimed Property Fund	0	0	0	---
Workers' Comp. Insurance Tax	(799,375)	(799,650)	(275)	---
Other Source Revenues	2,514	420,703	418,189	16,635.4
Gross General Fund Revenue	\$551,148,422	\$590,201,024	\$39,052,602	7.1

Note: Gross General Fund Revenue includes Individual Income and Corporate Income tax revenue that is transferred for Property Tax Relief Trust Fund pursuant to §11-11-150.

July - November

TABLE 2

General Fund Revenue	FY 2014-15	FY 2015-16	\$ Change	% Change
Sales and Use Tax	888,006,864	906,027,492	18,020,628	2.0
Individual Income Tax	1,790,880,471	1,901,821,344	110,940,873	6.2
Corporation Income Tax	68,869,955	93,399,335	24,529,380	35.6
Insurance Taxes	76,454,987	56,163,204	(20,291,783)	(26.5)
Admissions Tax	6,254,344	3,172,955	(3,081,389)	(49.3)
Aircraft Tax	1,318,180	517,763	(800,417)	(60.7)
Alcoholic Liquor Tax	21,434,542	20,982,713	(451,829)	(2.1)
Bank Tax	4,389,512	8,098,169	3,708,657	84.5
Beer and Wine Tax	37,081,929	36,282,810	(799,119)	(2.2)
Bingo Tax	1,095,292	1,000,888	(94,404)	(8.6)
Business Filing Fees	1,699,884	1,889,031	189,147	11.1
Circuit/Family Court Fines	3,479,327	3,287,881	(191,446)	(5.5)
Corporation License Tax	28,290,423	25,253,557	(3,036,866)	(10.7)
Documentary Tax	14,929,804	15,689,356	759,552	5.1
Earned on Investments	6,953,062	7,066,303	113,241	1.6
Indirect Cost Recoveries	2,781,412	2,959,995	178,583	6.4
Motor Vehicle Licenses	3,122,961	3,137,286	14,325	0.5
Nursing Home Fees	0	0	0	---
Parole and Probation Fees	1,413,670	1,413,670	0	0.0
Private Car Lines Tax	418,293	353,504	(64,789)	(15.5)
Public Service Authority	0	0	0	---
Purchasing Card Rebates	2,325,640	2,739,555	413,915	17.8
Record Search Fees	0	0	0	---
Savings and Loan Assoc. Tax	764,451	3,044	(761,407)	(99.6)
Security Dealer Fees	1,739,719	2,272,405	532,686	30.6
Surcharge on Vehicle Rentals	28,149	24,365	(3,784)	(13.4)
Tobacco Tax	8,979,206	8,611,073	(368,133)	(4.1)
Uncashed Checks	0	4,770,739	4,770,739	---
Unclaimed Property Fund	3,750,000	0	(3,750,000)	(100.0)
Workers' Comp. Insurance Tax	(510,105)	(146,904)	363,201	---
Other Source Revenues	(430,761)	3,782,196	4,212,957	---
Gross General Fund Revenue	\$2,975,521,211	\$3,110,573,729	\$135,052,518	4.5

Note: Gross General Fund Revenue includes Individual Income and Corporate Income tax revenue that is transferred for Property Tax Relief Trust Fund pursuant to §11-11-150.

Board of Economic Advisors Revenue Plan Summary: FY 2015-16

Revenues vs. 11/10/15 BEA Adjusted Estimate of \$7,856.2 Million in FY 2015-16 1/

	JULY - NOVEMBER FY 2015-16			Revenue Growth Rates (%)	
	(\$ in Millions)			Estimate Full Fiscal Yr.	Actual Yr. to Date
	Actual Revenues	Expected Revenues	Excess / (Shortfall)		
Total General Fund Revenue	3,110.6	3,126.5	(16.0)	4.6	4.5
Sales Tax	906.0	935.6	(29.6)	5.4	2.0
Individual Income Tax	1,901.8	1,919.8	(18.0)	6.2	6.2
Corporate Income Tax	93.5	72.8	20.7	4.1	35.7
Other Revenue Sources 2/	209.3	198.3	10.9	(5.1)	(8.1)
<i>Select Tax Revenues, Sub-Total</i>	<i>182.3</i>	<i>180.2</i>	<i>2.1</i>	<i>(4.5)</i>	<i>(11.5)</i>
Admissions Tax - Total	4.2	6.6	(2.4)	1.9	(43.2)
Alcoholic Liquors Tax	21.0	22.0	(1.0)	2.6	(2.1)
Bank Tax	8.3	4.6	3.7	4.0	89.0
Beer and Wine Tax	36.3	37.6	(1.4)	1.5	(2.2)
Corporation License Tax	25.3	22.5	2.8	(20.5)	(10.7)
Documentary Tax	15.7	16.4	(0.7)	10.1	5.1
Earnings on Investments	7.1	6.3	0.8	(9.7)	1.6
Insurance Tax	56.1	55.3	0.8	(5.1)	(26.6)
Tobacco Tax	8.6	8.8	(0.2)	(1.5)	(0.2)
<i>Residual Revenue, Sub-Total 3/</i>	<i>27.0</i>	<i>18.1</i>	<i>8.9</i>	<i>(7.7)</i>	<i>23.4</i>

1/: BEA format: includes certified adjustments and excludes non-recurring cash transfers and certain 'other source' revenues, where applicable.

2/: May include nominal amounts from former recurring revenues.

3/: Refer to p. 15, Residual Revenue, for list of components in this subcategory.

Note: Detail may not sum to total due to rounding.

BEA/RPS FY 2015-16

11/15 BEA Revised Estimate, FY 2015-16

General Fund Revenue
(\$ millions)

(Accrual Basis Comparison) 2/

Month	Actual					1/ Guide FY 15-16	Excess Revenue +/- Est.	Cumulative Revenue +/- Est.	Percent Changes: Actual FY 14-15 to Actual FY 15-16		1/ Changes to Monthly Pattern
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16				Monthly	Cumulative	
July	314.3	345.2	365.0	354.1	398.6	379.6	19.0	19.0	12.6	12.6	0.0
August	559.7	575.4	574.2	607.2	631.2	640.5	(9.3)	9.7	3.9	7.1	(1.0)
September	690.3 3/	758.1	778.8	842.0	819.2	855.6	(36.3)	(26.6)	(2.7)	2.5	0.0
October	554.3	600.1	612.3	621.0	671.3	670.8	0.6	(26.0)	8.1	4.0	0.3
November	507.5	520.8	573.6	551.1	590.2	580.2	10.1	(16.0)	7.1	4.5	0.0
December	703.9 3/	756.2	743.4	852.7		899.1					11.0
January	628.6	727.9	774.4	654.3		778.2					(11.3)
February	(44.4)	98.4	(60.9)	118.9		76.6					0.0
March	471.8 3/	368.7	481.9	540.0		501.0					0.0
April	539.7	639.9	570.8	588.2		621.6					0.0
May	534.7	529.3	560.8	617.3		650.2					0.0
June Prelim.	692.1 3/	752.4	793.1	900.5		922.7					0.0
<u>Mth13 Close</u>	<u>248.5</u>	<u>252.4</u>	<u>265.8</u>	<u>265.7</u>		<u>280.3</u>					<u>0.0</u>
Fiscal Year	6,401.0 3/	6,924.8	7,033.2	7,513.1	3,110.6	7,856.2					(1.0)

1/ Growth rate needed to meet the BEA estimate = 4.6% ; whereas growth, adjusted for net pattern change, = 4.6%

2/ Accounting basis for Sales taxes changed from cash to modified accrual in FY 1990-91.

The Business License (tobacco), Alcoholic Liquor, Beer and Wine, Electric Power, Soft Drinks (eliminated after FY'01), and gasoline/motor fuel user fees changed to modified accrual in FY 1992-93 (Section 11-9-85 of S. C. Code of Laws).

The Documentary Stamp Tax changed to modified accrual in FY 2001-02 (Part 1B, Proviso 24.12, Act 66 of 2001).

3/ Collections are net of \$48,865,512 "transferred-out" for Increased Foreign Enforcement (Part 1B Prov. 90.21 of Act 73 of 2011).

Note: BEA gross revenue format includes estimated net Property Tax Relief Trust Fund allocations of \$571,182,163 in FY'16 per Appropriation Act.

N.A.: Not available.