



December 12, 2019 Release

General Fund Revenue

November
Fiscal Year 2019-20





Revenue Digest

November 2019

General Fund revenue increased 7.6 percent, or \$54.0 million, during the month of November 2019 from November 2018. Revenues through November 2019 have grown 6.8 percent, or \$250.2 million year-to-date. The table below summarizes the monthly and year-to-date growth rates in the major revenue categories.

Revenue Category	Month-to-Date Growth (percent change)	Year-to-Date Growth (percent change)
Sales and Use Tax	5.2	8.3
Individual Income Tax	6.1	5.9
Corporate Income Tax	-12.1	-1.1
Corporate License Tax	29.4	18.9
Other Revenues	28.6	6.1
Total General Fund	7.6	6.8

The majority of the strength in monthly revenue collections came from the Individual Income tax, the Corporate License tax, and the Bank tax. The notable events among the major accounts include:

- The Sales and Use tax increased 5.2 percent in November 2019 resulting in fiscal year-to-date growth of 8.3 percent. The inclusion of \$32.9 million in remote internet sales and third-party sales taxes this fiscal year has positively impacted Sales and Use tax revenue as these revenues were not received during this time a year ago and reinforcing the continued strength of consumer spending.
- Individual Income tax withholding increased \$23.5 million, or 5.3 percent, in November 2019 from November 2018 reflecting the continued employment growth in the state.
- The increase in Individual Income tax non-withholdings of \$61.8 million was offset by the scheduled return of \$63 million of Individual Income tax refunds to taxpayers in November 2019.
- The Corporate Income tax decreased 12.1 percent in November 2019 and has declined 1.1 percent through the first five months in FY2019-20. A transfer of revenue from the Corporate Income tax to the Corporate License tax resulted in a monthly increase of 29.4 percent in November 2019. Total revenues for these categories are \$14.2 million above expectations.





- Other revenues were largely affected by the timing of revenue receipts and the processing of a Bank tax audit of \$7.6 million in November in 2019. The quarterly payment for Unclaimed Property was booked one month early resulting in an additional \$3.75 million in Other revenues.

Through November, revenue collections have exceeded anticipated collections by \$84.7 million. The BEA will meet in January 2020 to review the economic and revenue performance of the second quarter and will assess the assumptions and current estimate at that time.





Table 1

November

General Fund Revenue	FY 2018-19	FY 2019-20	\$ Change	% Change
Sales and Use Tax	\$255,794,401	\$269,113,216	\$13,318,815	5.2
Individual Income Tax	423,172,705	448,904,452	25,731,747	6.1
Corporation Income Tax	(27,719,038)	(31,063,669)	(3,344,631)	(12.1)
Insurance Taxes	1,507,647	1,368,037	(139,610)	(9.3)
Admissions Tax	2,809,767	3,210,558	400,791	14.3
Aircraft Tax	14,053	0	(14,053)	(100.0)
Alcoholic Liquor Tax	7,750,038	8,634,088	884,050	11.4
Bank Tax	1,445,641	7,571,995	6,126,354	423.8
Beer and Wine Tax	9,748,067	9,712,380	(35,687)	(0.4)
Bingo Tax	4,107	(14,351)	(18,458)	(449.4)
Business Filing Fees	655,253	707,644	52,391	8.0
Circuit/Family Court Fines	510,899	614,653	103,754	20.3
Corporation License Tax	21,162,283	27,387,639	6,225,356	29.4
Documentary Tax	7,459,672	7,734,385	274,713	3.7
Earned on Investments	8,806,962	8,544,580	(262,382)	(3.0)
Indirect Cost Recoveries	919,487	555,177	(364,310)	(39.6)
Motor Vehicle Licenses	1,151,844	1,213,485	61,641	5.4
Nursing Home Fees	0	0	0	---
Parole and Probation Fees	282,734	14,260	(268,474)	(95.0)
Private Car Lines Tax	238,786	103,664	(135,122)	(56.6)
Public Service Authority	0	0	0	---
Purchasing Card Rebates	0	0	0	---
Record Search Fees	0	0	0	---
Savings and Loan Assoc. Tax	(20,576)	1,517	22,093	107.4
Security Dealer Fees	730,218	709,214	(21,004)	(2.9)
Surcharge on Vehicle Rentals	(2,431,790)	(2,450,805)	(19,015)	(0.8)
Tobacco Tax	2,260,629	2,174,406	(86,223)	(3.8)
Uncashed Checks	(1,132,741)	(113,231)	1,019,510	90.0
Unclaimed Property Fund	0	3,750,000	3,750,000	---
Workers' Comp. Insurance Tax	(1,317,338)	(399,925)	917,413	69.6
Other Source Revenues	705,238	501,672	(203,566)	(28.9)
Gross General Fund Revenue	\$714,508,948	\$768,485,042	\$53,976,094	7.6

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.



Table 2

July - November

General Fund Revenue	FY 2018-19	FY 2019-20	\$ Change	% Change
Sales and Use Tax	\$1,030,051,313	\$1,115,889,136	\$85,837,823	8.3
Individual Income Tax	2,229,325,079	2,361,549,849	132,224,770	5.9
Corporation Income Tax	59,225,957	58,575,394	(650,563)	(1.1)
Insurance Taxes	86,704,771	64,332,948	(22,371,823)	(25.8)
Admissions Tax	5,204,504	5,820,148	615,644	11.8
Aircraft Tax	1,566,515	2,500,000	933,485	59.6
Alcoholic Liquor Tax	26,149,476	27,831,607	1,682,131	6.4
Bank Tax	17,062,454	23,863,267	6,800,813	39.9
Beer and Wine Tax	38,833,214	39,594,316	761,102	2.0
Bingo Tax	(142,481)	(4,437)	138,044	96.9
Business Filing Fees	2,502,177	2,739,717	237,540	9.5
Circuit/Family Court Fines	2,677,649	2,597,604	(80,045)	(3.0)
Corporation License Tax	84,572,574	100,595,011	16,022,437	18.9
Documentary Tax	28,930,920	29,718,682	787,762	2.7
Earned on Investments	31,641,410	46,823,395	15,181,985	48.0
Indirect Cost Recoveries	3,464,886	4,146,306	681,420	19.7
Motor Vehicle Licenses	4,265,072	3,274,769	(990,303)	(23.2)
Nursing Home Fees	0	879,019	879,019	---
Parole and Probation Fees	1,413,670	1,130,936	(282,734)	(20.0)
Private Car Lines Tax	1,476,676	645,923	(830,753)	(56.3)
Public Service Authority	0	0	0	---
Purchasing Card Rebates	3,171,665	3,226,732	55,067	1.7
Record Search Fees	0	0	0	---
Savings and Loan Assoc. Tax	62,470	5,257,131	5,194,661	8,315.4
Security Dealer Fees	2,314,499	2,325,268	10,769	0.5
Surcharge on Vehicle Rentals	(1,035,421)	(821,933)	213,488	20.6
Tobacco Tax	9,300,174	8,672,432	(627,742)	(6.7)
Uncashed Checks	2,030,499	3,394,397	1,363,898	67.2
Unclaimed Property Fund	3,750,000	7,500,000	3,750,000	100.0
Workers' Comp. Insurance Tax	(397,442)	74,482	471,924	118.7
Other Source Revenues	4,219,882	6,455,649	2,235,767	53.0
Gross General Fund Revenue	\$3,678,342,160	\$3,928,587,748	\$250,245,588	6.8

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 General Fund Revenue Monitor

Revenues vs. 11/08/19 BEA Revenue Estimate of \$9,838.2 Million in FY 2019-20 1/

	JULY - NOVEMBER FY 2019-20			Revenue Growth Rates (%)	
	(\$ in Millions)			Estimate Full Fiscal Yr.	Actual Yr. to Date
	Actual Revenues	Expected Revenues	Excess / (Shortfall)		
Total General Fund Revenue	3,928.3	3,843.6	84.7	4.6	6.8
Sales Tax	1,115.6	1,105.0	10.6	7.3	8.3
Individual Income Tax	2,361.5	2,332.5	29.0	4.4	5.9
Corporate Income Tax	58.6	57.8	0.8	(4.0)	(1.1)
Other Revenue Sources	392.6	348.3	44.3	1.8	9.1
Select Tax Revenues, Sub-Total	347.2	316.1	31.2	1.7	5.8
Admissions Tax - Total	5.7	5.2	0.5	2.7	13.1
Alcoholic Liquors Tax	27.8	27.4	0.5	4.7	6.4
Bank Tax	23.9	18.6	5.2	9.3	39.9
Beer and Wine Tax	39.6	39.4	0.2	1.5	2.0
Corporation License Tax	100.6	87.2	13.4	3.1	18.9
Documentary Tax	29.7	30.8	(1.1)	6.4	2.7
Earnings on Investments	46.8	32.6	14.3	2.9	48.0
Insurance Tax	64.3	66.9	(2.6)	(3.7)	(25.8)
Tobacco Tax	8.7	9.2	(0.5)	(1.1)	(6.7)
Residual Revenue, Sub-Total 2/	45.3	32.2	13.1	2.4	44.0

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

2/: Refer to "Residual Revenue" on page 15 for a list of components in this subcategory.

Note: Detail may not sum to total due to independent rounding of individual revenue categories.