



REVENUE DIGEST

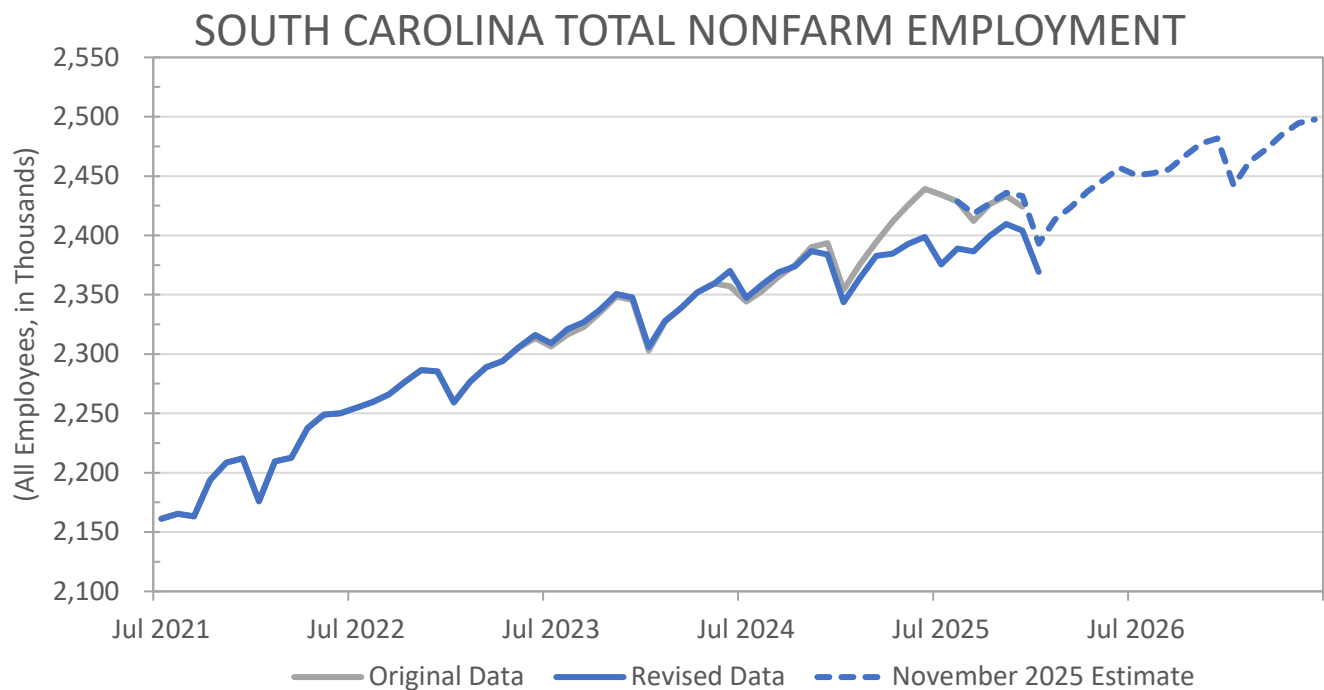
MARCH 2026, FY 2025-26

Released April 23, 2026

South Carolina Economy

Employment growth in South Carolina during 2025 slowed faster than previously reported based on the revised data released by the U.S. Bureau of Labor Statistics. Growth for 2025 was revised down from an average of 1.7 percent to 0.9 percent and is now below expectations (Figure 1). In January 2026, the year-over-year growth rate was 1.1 percent, compared to 1.7 percent expected.

Figure 1. South Carolina Employment, Not Seasonally Adjusted



Source: Bureau of Labor Statistics, U.S. Department of Labor RFA/kv/4/8/2026

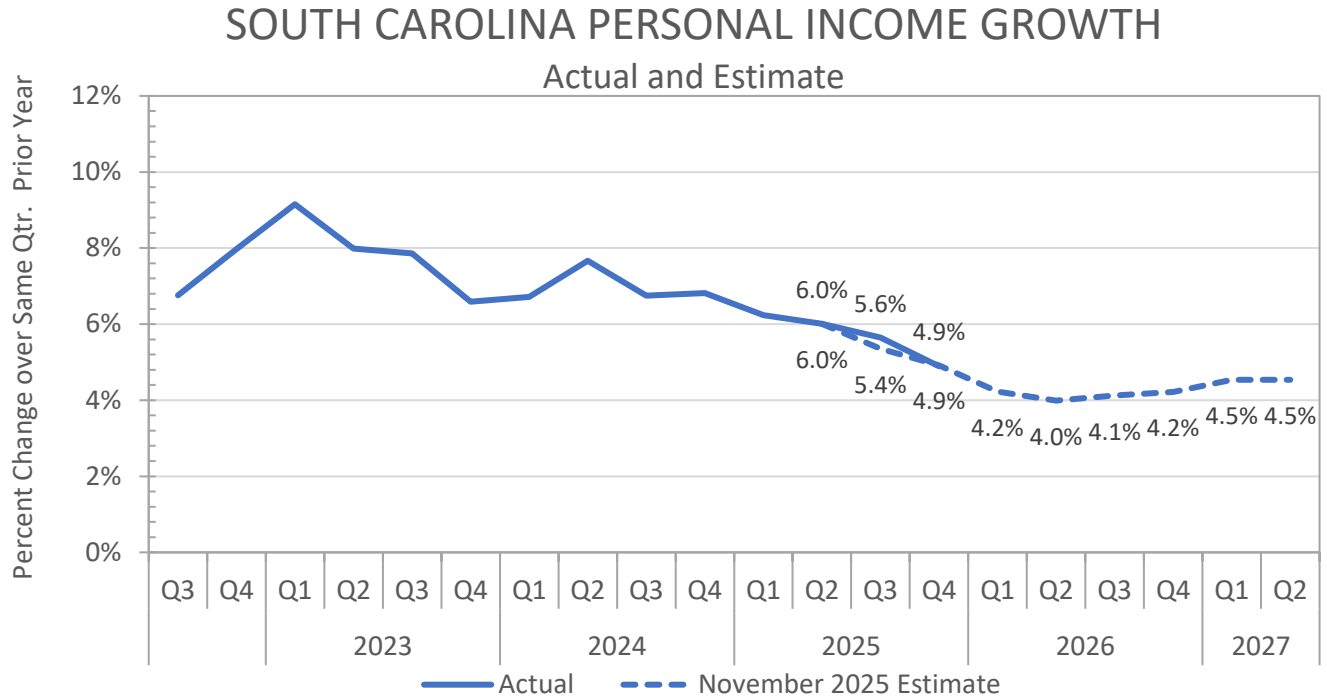
Despite low employment growth, South Carolina personal income continues to track closely with the November 2025 estimate. Income grew 4.9 percent year-over-year in the last calendar quarter of 2025, matching the November 2025 estimate (Figure 2). Wages and salaries grew slightly more than anticipated, at 4.9 percent versus 4.5 percent expected, and transfer payments grew less than anticipated, at 8.4 percent versus 9.1 percent expected (Figure 3). Dividends, interest and rent met expectations with 2.1 percent growth.



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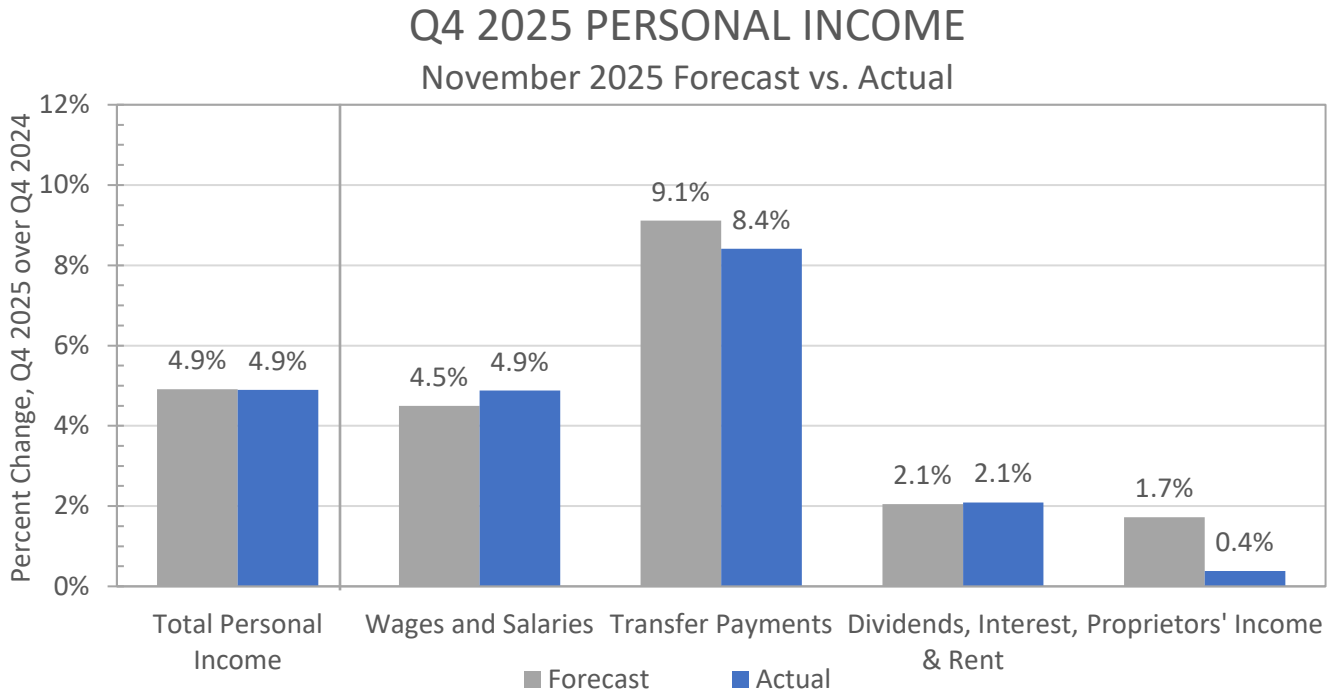
MARCH 2026, FY 2025-26

Figure 2. South Carolina Personal Income, Year-over-Year Growth



Source: U.S. Department of Commerce, Bureau of Economic Analysis; S.C. Board of Economic Advisors - RFA/kv/4/9/2026

Figure 3. South Carolina Personal Income Components, Year-over-Year Growth



Source: U.S. Bureau of Economic Analysis; S.C. Board of Economic Advisors - RFA/kv/4/9/2026





REVENUE DIGEST

MARCH 2026, FY 2025-26

General Fund Revenue

General Fund revenue totaled \$840.1 million in March, \$12.8 million less than expected. Although collections were expected to decline due to the income tax rate cut, Individual Income tax collections for March were \$37.1 million less than expected, largely due to faster refund processing. Sales tax was also behind expectations by \$9.2 million due to a single refund processed during the month. Earnings on Investments, however, totaled \$69.7 million, \$29.0 million more than expected. In total, General Fund revenue is currently \$290.2 million ahead of expectations for FY 2025-26 (Figure 4).

Figure 4. South Carolina General Fund Revenue, Rolling 12-Month Average

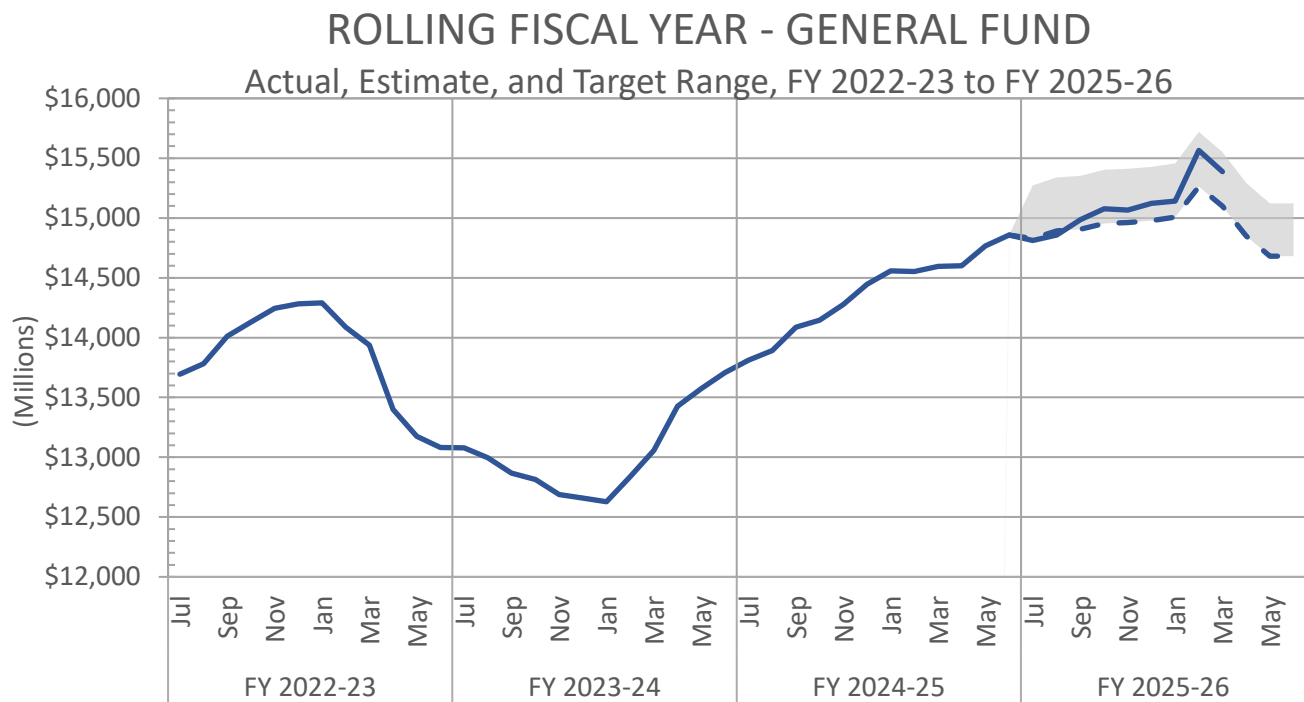


Figure 5. General Fund Revenue Growth Summary

Revenue Category	Growth Rates		
	Monthly	Fiscal Year to Date	FY 2025-26 Annual Forecast
Sales Tax	0.2%	4.2%	4.0%
Individual Income Tax	(90.1%)	7.9%	(3.6%)
Corporate Income Tax	6.6%	(16.8%)	(8.9%)
Other Revenue Items	18.8%	10.8%	(1.2%)
Total General Fund Revenue	(17.4%)	5.2%	(1.2%)

For additional revenue figures, see attached tables.





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MARCH 2026, FY 2025-26

Revenue Categories

Sales Tax

- Sales tax revenue grew by 0.2 percent in March over last year and was \$9.2 million below monthly expectations largely due to a refund of \$10.2 million processed during the month. Without the refund, Sales tax would have grown by 3.0 percent in March.
- Fiscal year-to-date Sales tax collections have grown by 4.2 percent compared to 4.6 percent expected, and overall, collections are \$11.3 million below expectations.
- Sales tax collections need to grow by 3.6 percent for the remainder of the fiscal year to meet the November 2025 estimate.

Individual Income Tax

Note: Monthly revenue estimates were updated to reflect offsetting accounting adjustments in the Non-withholdings and Refunds categories as well as timing changes in refund processing.

- Individual Income tax collections totaled \$25.2 million this March, \$37.1 million lower than expected, but are cumulatively \$240.9 million above the November estimate this fiscal year.
- Withholdings grew 5.1 percent for the month, increasing the cumulative growth rate for the fiscal year to 3.2 percent. In total, Withholdings are now \$32.4 million ahead of expectations.
- Non-withholdings collections for March were \$16.0 million more than expected and are a total of \$127.7 million above monthly expectations this fiscal year. However, over half of total Non-withholdings payments are expected to be received during the remaining months of the fiscal year.
- Refunds totaled \$783.5 million in March, \$67.9 million higher than anticipated due to faster refund processing this month, which reduced some of the gap from last month. In total, Refunds are now \$80.8 million less than monthly expectations this fiscal year.
- Although Non-withholdings and Refunds are currently running ahead of expectations, tax filings in April and May may have a significant impact on the current excess in both categories.

Corporate Income Tax and License Fees

- Corporate Income tax collections this month for the third quarter grew 6.6% over last year and totaled \$199.8 million, \$1.0 million above expectations for March. This month the fiscal year-to-date growth rate improved from a decline of 24.6 percent to 16.8 percent. However, collections are still \$27.6 million below expectations for the fiscal year overall. Tax filings and June quarterly payments may have a significant impact on final revenues as almost half of collections are expected in the remaining months of the fiscal year.





REVENUE DIGEST

MARCH 2026, FY 2025-26

Conclusion

In total, General Fund revenues are trending above expectations by \$290.2 million but \$208.5 million of this excess is due to Non-withholdings and Refunds. April tax filing remains the primary factor that may impact results for these two Individual Income tax categories and Corporate income tax during the remainder of the fiscal year. Final revenue results for the year will depend largely on growth in these main revenue categories for the remaining months of this fiscal year. The Board of Economic Advisors will consider these issues in reviewing the forecasts for FY 2025-26 and FY 2026-27 at the next meeting on May 19.

Future Meetings

- The next scheduled meeting of the Board of Economic Advisors will be May 19, 2026, via web conference.





March

Table 1

General Fund Revenue	FY 2024-25	FY 2025-26	\$ Change	% Change
Sales and Use Tax	\$375,476,723	\$376,402,131	\$925,408	0.2%
Individual Income Tax	\$253,410,180	\$25,191,891	(\$228,218,289)	(90.1%)
Corporation Income Tax	\$187,514,836	\$199,822,678	\$12,307,842	6.6%
Insurance Taxes	\$85,880,922	\$101,683,347	\$15,802,426	18.4%
Admissions Tax	\$2,737,796	\$2,657,140	(\$80,656)	(2.9%)
Alcoholic Liquor Tax	\$7,106,888	\$7,523,710	\$416,822	5.9%
Bank Tax	\$8,361,213	\$15,980,237	\$7,619,024	91.1%
Beer and Wine Tax	\$7,141,288	\$7,059,839	(\$81,449)	(1.1%)
Business Filing Fees	\$1,060,198	\$1,118,213	\$58,015	5.5%
Circuit/Family Court Fines	\$733,687	\$606,885	(\$126,802)	(17.3%)
Corporation License Tax	\$11,604,837	\$7,710,644	(\$3,894,193)	(33.6%)
Deed Recording Fees	\$8,122,211	\$9,254,127	\$1,131,916	13.9%
Earned on Investments	\$47,593,945	\$69,681,906	\$22,087,961	46.4%
Indirect Cost Recoveries	\$3,996,363	\$215,859	(\$3,780,505)	(94.6%)
Motor Vehicle Licenses	\$948,799	\$845,042	(\$103,757)	(10.9%)
Nursing Home Fees	\$751,383	\$0	(\$751,383)	---
Parole and Probation Fees	\$282,734	\$282,734	\$0	0.0%
Private Car Lines Tax	\$8,865	\$1,114	(\$7,751)	(87.4%)
Public Service Authority	\$0	\$0	\$0	---
Purchasing Card Rebates	\$0	\$0	\$0	---
Record Search Fees	\$4,461,000	\$4,461,000	\$0	0.0%
Savings and Loan Assoc. Tax	\$73,940	\$71,700	(\$2,240)	(3.0%)
Security Dealer Fees	\$846,314	\$913,910	\$67,596	8.0%
Tobacco Tax	\$2,039,994	\$1,985,044	(\$54,950)	(2.7%)
Unclaimed Property Fund	\$0	\$0	\$0	---
Workers' Comp. Insurance Tax	\$6,662,804	\$5,976,933	(\$685,871)	(10.3%)
Other Source Revenues	\$577,269	\$603,031	\$25,761	4.5%
Gross General Fund Revenue	\$1,017,394,190	\$840,049,115	(\$177,345,074)	(17.4%)

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

(File generated on April 23, 2026)



July - March

Table 2

General Fund Revenue	FY 2024-25	FY 2025-26	\$ Change	% Change
Sales and Use Tax	\$3,259,013,475	\$3,396,471,612	\$137,458,137	4.2%
Individual Income Tax	\$4,798,426,988	\$5,176,832,961	\$378,405,973	7.9%
Corporation Income Tax	\$746,833,907	\$621,612,205	(\$125,221,702)	(16.8%)
Insurance Taxes	\$301,122,977	\$300,990,115	(\$132,862)	(0.0%)
Admissions Tax	\$17,035,477	\$18,597,960	\$1,562,483	9.2%
Alcoholic Liquor Tax	\$76,084,949	\$78,928,117	\$2,843,168	3.7%
Bank Tax	\$45,233,633	\$46,407,318	\$1,173,685	2.6%
Beer and Wine Tax	\$72,645,364	\$70,618,852	(\$2,026,512)	(2.8%)
Business Filing Fees	\$8,116,080	\$9,038,997	\$922,918	11.4%
Circuit/Family Court Fines	\$4,978,038	\$5,183,231	\$205,192	4.1%
Corporation License Tax	\$177,363,493	\$189,965,498	\$12,602,005	7.1%
Deed Recording Fees	\$80,279,954	\$87,499,815	\$7,219,861	9.0%
Earned on Investments	\$361,519,664	\$460,936,641	\$99,416,977	27.5%
Indirect Cost Recoveries	\$9,441,311	\$6,921,672	(\$2,519,639)	(26.7%)
Motor Vehicle Licenses	\$7,598,724	\$7,549,062	(\$49,662)	(0.7%)
Nursing Home Fees	\$1,510,807	\$1,476,790	(\$34,017)	(2.3%)
Parole and Probation Fees	\$2,544,606	\$2,544,606	\$0	0.0%
Private Car Lines Tax	\$7,111,512	\$7,711,617	\$600,105	8.4%
Public Service Authority	\$9,996,000	\$11,615,000	\$1,619,000	16.2%
Purchasing Card Rebates	\$4,366,750	\$4,454,574	\$87,824	2.0%
Record Search Fees	\$4,461,000	\$4,461,000	\$0	0.0%
Savings and Loan Assoc. Tax	(\$97,538)	\$1,111,873	\$1,209,411	---
Security Dealer Fees	\$32,892,275	\$34,245,769	\$1,353,494	4.1%
Tobacco Tax	\$17,629,460	\$16,899,136	(\$730,324)	(4.1%)
Unclaimed Property Fund	\$11,250,000	\$11,250,000	\$0	0.0%
Workers' Comp. Insurance Tax	\$10,210,225	\$12,389,401	\$2,179,176	21.3%
Other Source Revenues	\$20,026,151	\$31,092,397	\$11,066,245	55.3%
Gross General Fund Revenue	\$10,087,595,284	\$10,616,806,218	\$529,210,934	5.2%

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

(File generated on April 23, 2026)



Revenues and BEA Monthly Estimates

Table 3

March

(\$ in Millions)

	Expected Revenues	Actual Revenues	Over/ (Under) Expected	Expected Growth /1	Actual Growth /2
Total General Fund Revenue	\$852.9	\$840.1	(\$12.8)	(16.2%)	(17.4%)
Sales Tax	385.6	376.4	(9.2)	2.7%	0.2%
Individual Income Tax	62.3	25.2	(37.1)	(75.4%)	(90.1%)
Withholdings	704.1	718.9	14.8	2.9%	5.1%
Non-withholdings	73.8	89.8	16.0	(11.5%)	7.7%
Refunds	715.5	783.5	67.9	39.2%	52.4%
Corporate Income Tax	198.8	199.8	1.0	6.0%	6.6%
Insurance Tax	102.4	101.7	(0.7)	19.2%	18.4%
Admissions Tax	2.8	2.7	(0.2)	2.9%	(2.9%)
Alcoholic Liquors Tax	7.1	7.5	0.4	0.4%	5.9%
Bank Tax	10.5	16.0	5.5	25.7%	91.1%
Beer and Wine Tax	7.3	7.1	(0.2)	1.9%	(1.1%)
Corporate License Tax	9.7	7.7	(2.0)	(16.3%)	(33.6%)
Deed Rec. (Doc. Tax)	8.2	9.3	1.1	0.6%	13.9%
Earned on Investments	40.7	69.7	29.0	(14.5%)	46.4%
Residual Revenue	17.5	17.2	(0.4)	(21.8%)	(23.5%)

Forecast as of November 18, 2025

/1 Expected growth reflects expected growth in collections for the month over same month prior fiscal based on anticipated monthly collection patterns.

/2 Actual growth reflects actual growth in collections for the month over same month prior fiscal year collections.



Revenues and BEA Monthly Estimates

Table 4

July - March

(\$ in Millions)

	Expected Revenues	Actual Revenues	Over/ (Under) Expected	Estimate YTD Growth /1	Actual YTD Growth /2
Total General Fund Revenue	\$10,326.7	\$10,616.9	\$290.2	2.4%	5.2%
Sales Tax	3,407.7	3,396.5	(11.3)	4.6%	4.2%
Individual Income Tax	4,935.9	5,176.8	240.9	2.9%	7.9%
Withholdings	5,622.3	5,654.8	32.4	2.6%	3.2%
Non-withholdings	725.9	853.5	127.7	5.4%	24.0%
Refunds	1,412.3	1,331.5	(80.8)	3.2%	(2.7%)
Corporate Income Tax	649.2	621.6	(27.6)	(13.1%)	(16.8%)
Insurance Tax	305.8	301.0	(4.8)	1.5%	(0.0%)
Admissions Tax	17.0	18.6	1.6	(0.4%)	9.2%
Alcoholic Liquors Tax	76.7	78.9	2.2	0.9%	3.7%
Bank Tax	40.0	46.4	6.4	(11.6%)	2.6%
Beer and Wine Tax	71.5	70.6	(0.9)	(1.6%)	(2.8%)
Corporate License Tax	188.6	190.0	1.4	6.3%	7.1%
Deed Rec. (Doc. Tax)	83.3	87.5	4.2	3.8%	9.0%
Earned on Investments	401.8	460.9	59.1	11.1%	27.5%
Residual Revenue	149.1	168.0	18.9	(2.0%)	10.5%

Forecast as of November 18, 2025

/1 Estimate year-to-date reflects expected growth in collections fiscal year-to-date over prior fiscal year-to-date based on anticipated monthly collection patterns.

/2 Actual year-to-date reflects actual fiscal year-to-date growth in collections over prior fiscal year-to-date collections.