



REVENUE DIGEST

OCTOBER 2020, FY 2020-21

Released November 10, 2020

South Carolina Economy

Total nonfarm employment in South Carolina continued to grow in September 2020, adding an additional 19,200 jobs for the month. South Carolina has recovered 70 percent of the nonfarm jobs lost since COVID-19 impacted the state, though the Leisure and Hospitality sector remains the hardest hit segment.

General Fund Revenue

October revenue grew 6.3 compared to the prior year, which resulted in a year-to-date General Fund revenue increase of 2.3 percent for FY 2020-21. Total collections are currently \$72.3 million higher than last fiscal year and \$176.4 million ahead of anticipated collections.

Table 1. General Fund Revenue Growth Summary

Revenue Category	Growth Rates		
	Monthly	Fiscal Year to Date	FY 2020-21 Annual Forecast
Sales Tax	10.0%	5.6%	2.6%
Individual Income Tax	3.3%	(0.4%)	(6.5%)
Corporation Income Tax	n/a	34.5%	(12.4%)
Other Revenue Items	(10.8%)	0.4%	(4.8%)
Total General Fund Revenue	6.3%	2.3%	(3.5%)

Revenue Categories

Sales Tax

- Sales tax revenue grew 10.0 percent in October 2020 compared to October 2019, and year-to-date collections are 5.6 percent above last year.
- Consumers appear to be shifting spending patterns from services to goods. As services are largely non-taxable and goods taxable, this shift may explain higher than anticipated sales tax growth year to date.
- Notably, national retail sales showed the fourth month of year-over-year growth in September.

Individual Income Tax

- Individual Income tax revenue grew 3.3 percent, or \$15.3 million, for the month. Total collections year-to-date continue ahead of the forecast.





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- Withholding, which had been growing 4.6 percent over FY 2019-20 through last month, declined this month by 0.6 percent, bringing fiscal year-to-date growth down to 3.3 percent.
- Lower refunds for October compared to last year contributed to the monthly growth in total Individual Income tax collections.

Corporate Income Tax

- Corporate Income tax revenue is up \$22.0 million for October and Corporation License tax is down \$19.9 million. However, return errors delayed processing of a corporate tax return for October. This event is expected to reverse next month with a transfer from Corporate Income tax to Corporate License tax of up to \$14.7 million.





October

Table 1

General Fund Revenue	FY 2019-20	FY 2020-21	\$ Change	% Change
Sales and Use Tax	\$268,617,450	\$295,455,291	\$26,837,841	10.0%
Individual Income Tax	463,954,612	479,285,512	15,330,900	3.3%
Corporation Income Tax	(35,748,188)	(13,716,819)	22,031,369	---
Insurance Taxes	1,972,686	5,454,621	3,481,935	176.5%
Admissions Tax	3,387,513	2,568,641	(818,872)	(24.2%)
Aircraft Tax	2,500,000	147,123	(2,352,877)	(94.1%)
Alcoholic Liquor Tax	6,601,065	8,400,385	1,799,320	27.3%
Bank Tax	833,195	2,550,768	1,717,573	206.1%
Beer and Wine Tax	9,080,234	9,864,437	784,203	8.6%
Bingo Tax	15,765	24,442	8,677	55.0%
Business Filing Fees	623,748	994,132	370,384	59.4%
Circuit/Family Court Fines	510,492	299,208	(211,284)	(41.4%)
Corporation License Tax	62,574,749	42,629,785	(19,944,964)	(31.9%)
Documentary Tax	6,829,355	9,472,694	2,643,339	38.7%
Earned on Investments	6,064,789	5,511,364	(553,425)	(9.1%)
Indirect Cost Recoveries	2,706,164	2,702,476	(3,688)	(0.1%)
Motor Vehicle Licenses	308,499	1,042,227	733,728	237.8%
Nursing Home Fees	879,019	857,557	(21,462)	(2.4%)
Parole and Probation Fees	268,474	282,734	14,260	5.3%
Private Car Lines Tax	547,404	745,427	198,023	36.2%
Public Service Authority	0	0	0	---
Purchasing Card Rebates	3,226,732	3,088,613	(138,119)	(4.3%)
Record Search Fees	0	0	0	---
Savings and Loan Assoc. Tax	1,067,049	(866,533)	(1,933,582)	---
Security Dealer Fees	809,829	827,241	17,412	2.2%
Surcharge on Vehicle Rentals	2,407,551	5,088	(2,402,463)	(99.8%)
Tobacco Tax	2,217,550	2,570,370	352,820	15.9%
Uncashed Checks	(229,362)	(38,505)	190,857	---
Unclaimed Property Fund	0	3,750,000	3,750,000	---
Workers' Comp. Insurance Tax	(399,075)	(399,650)	(575)	---
Other Source Revenues	1,258,737	991,035	(267,702)	(21.3%)
Gross General Fund Revenue	\$812,886,037	\$864,499,664	\$51,613,627	6.3%

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.



July - October

Table 2

General Fund Revenue	FY 2019-20	FY 2020-21	\$ Change	% Change
Sales and Use Tax	\$846,775,920	\$894,039,193	\$47,263,273	5.6%
Individual Income Tax	1,912,645,397	1,905,538,528	(7,106,869)	(0.4%)
Corporation Income Tax	89,639,063	120,542,810	30,903,747	34.5%
Insurance Taxes	62,964,911	98,232,642	35,267,731	56.0%
Admissions Tax	2,609,590	2,039,652	(569,938)	(21.8%)
Aircraft Tax	2,500,000	147,123	(2,352,877)	(94.1%)
Alcoholic Liquor Tax	19,197,519	23,936,797	4,739,278	24.7%
Bank Tax	16,291,273	8,066,409	(8,224,864)	(50.5%)
Beer and Wine Tax	29,881,936	30,767,209	885,273	3.0%
Bingo Tax	9,913	163,530	153,617	1,549.6%
Business Filing Fees	2,032,073	3,438,495	1,406,422	69.2%
Circuit/Family Court Fines	1,982,951	1,626,218	(356,733)	(18.0%)
Corporation License Tax	73,207,372	57,759,504	(15,447,868)	(21.1%)
Documentary Tax	21,984,297	26,884,315	4,900,018	22.3%
Earned on Investments	38,278,815	22,459,018	(15,819,797)	(41.3%)
Indirect Cost Recoveries	3,591,129	3,965,455	374,326	10.4%
Motor Vehicle Licenses	2,061,284	2,776,181	714,897	34.7%
Nursing Home Fees	879,019	857,557	(21,462)	(2.4%)
Parole and Probation Fees	1,116,676	1,130,936	14,260	1.3%
Private Car Lines Tax	542,259	745,727	203,468	37.5%
Public Service Authority	0	0	0	---
Purchasing Card Rebates	3,226,732	3,088,613	(138,119)	(4.3%)
Record Search Fees	0	0	0	---
Savings and Loan Assoc. Tax	5,255,614	635,436	(4,620,178)	(87.9%)
Security Dealer Fees	1,616,054	1,487,183	(128,871)	(8.0%)
Surcharge on Vehicle Rentals	1,628,872	15,017	(1,613,855)	(99.1%)
Tobacco Tax	6,498,026	7,157,211	659,185	10.1%
Uncashed Checks	3,507,628	4,754,720	1,247,092	35.6%
Unclaimed Property Fund	3,750,000	7,500,000	3,750,000	100.0%
Workers' Comp. Insurance Tax	474,407	69,547	(404,860)	(85.3%)
Other Source Revenues	5,959,706	2,550,074	(3,409,632)	(57.2%)
Gross General Fund Revenue	\$3,160,108,436	\$3,232,375,100	\$72,266,664	2.3%

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.