

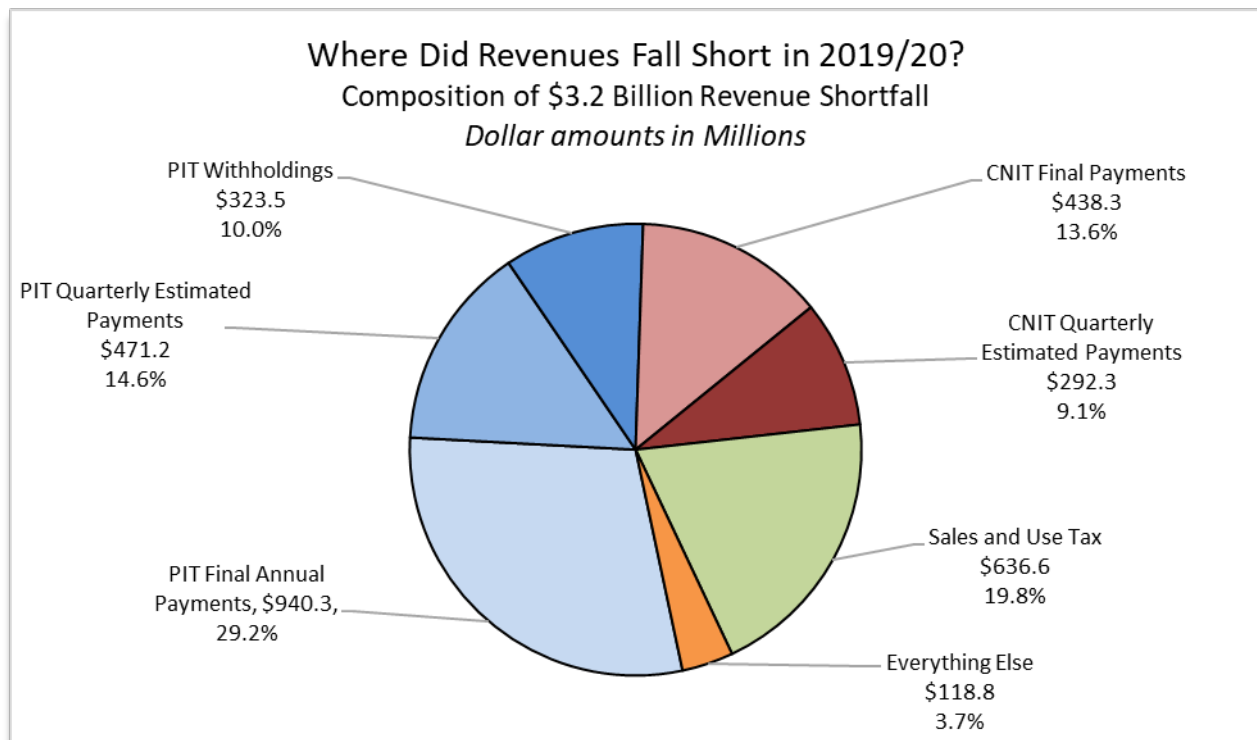


Fast Facts

2019/20 revenues close fiscal year over \$3.2 billion short of official estimate

June revenues were \$577.4 million lower than projected in the official estimate, or 17.8 percent. With the 2019/20 fiscal year now complete, the General Fund finished \$3.221 billion lower than projected in the official revenue estimate, or 9.1 percent.

What revenues fell short this year?



Over half of the \$3.2 billion shortfall fell within the personal income tax, especially final annual payments remitted by taxpayers and quarterly estimated payments that were delayed until July 15. Final annual payments represented \$940.3 million of the shortfall (29.2 percent of total), quarterly estimated payments comprised \$471.2 million of the shortfall (14.6 percent) and employer withholdings were responsible for \$323.5 million of the shortfall (10.0 percent)

Corporate net income tax collections contributed 22.7 percent of the total General Fund shortfall, or \$731.1 million. Like PIT final payments, CNIT final payments are delayed, in this case, until August 14. They contributed 13.6 percent of the total shortfall - \$438 million.

Rounding out the three largest tax types, the sales and use tax was responsible for 19.8 percent of the year's shortfall, finishing \$636.6 million below estimate.

Looking ahead

The big story to watch in July is the delayed PIT payments that will start to be remitted by taxpayers. Final payments are based on tax year 2019 liability, and hopefully will be healthy, reflecting just a timing shift. Estimated payments, on the other hand, reflect business this year, and will be affected by the pandemic's impact to the economy.

June Revenues:

For the month of June, total General Fund revenues were \$577.4 million lower than expected, or 17.8 percent.

- Corporate net income tax collections were \$219.2 million lower than expected (36.0 percent)
 - Quarterly payments were \$159.3 million below estimate (33.4 percent)
 - Final payments were \$59.9 million less than projected (45.6 percent)
- Sales and use tax collections were \$60.5 million lower than expected (5.8 percent)
 - Non-motor sales tax collections were \$78.7 million less than estimate (8.8 percent)
 - Motor vehicle sales tax collections were \$18.1 million above projections (13.0 percent)
- Personal income tax revenues were \$241.8 million less than the official estimate (19.2 percent)
 - Employer withholdings on wages and salaries were \$85.3 million less than anticipated (10.1 percent)
 - Quarterly estimated payments were \$232.9 million less than anticipated (60.8 percent).
 - Final annual payments from taxpayers filing their returns were \$76.4 million higher (226.8 percent)
- Realty transfer tax collections were \$26.5 million less than expected (44.4 percent)
- Inheritance tax collections were \$21.8 million lower than anticipated (21.4 percent)
- Gaming tax receipts into the General Fund were \$13.7 million lower than projected (74.2 percent)
- Non-tax revenues for May were \$23.0 million higher than expected (183.8 percent)

For the 2019/20 fiscal year to date:

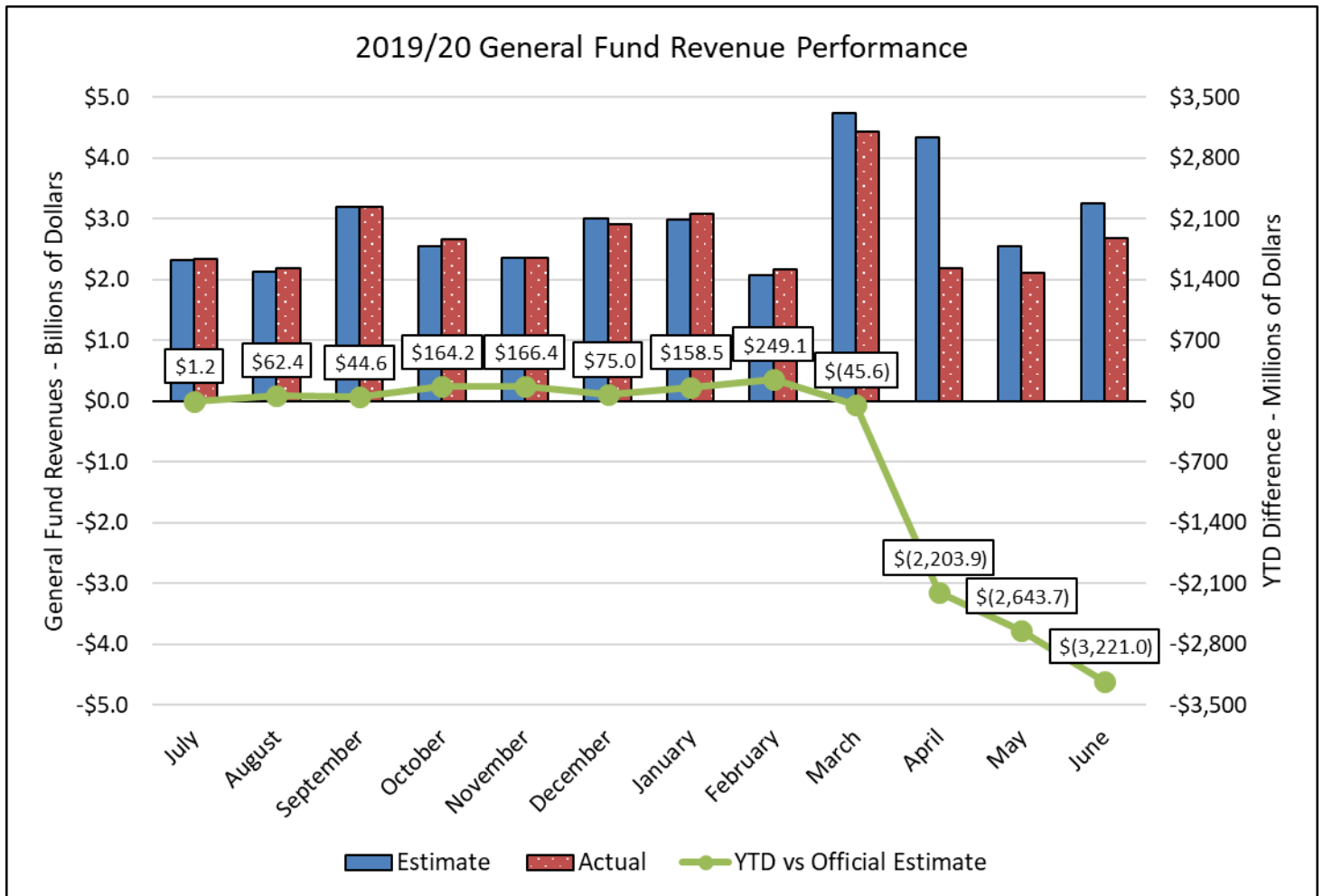
- Cumulative General Fund revenues are \$3.2 billion lower than expected (9.1 percent)
- General Fund tax revenues are \$3.3 billion lower than projected (9.5 percent)
- Corporate net income tax revenues are \$731.1 million less than expected (20.5 percent)
- Sales and use taxes are \$636.6 million less than expected (5.6 percent)
- Personal income tax collections are \$1.7 billion less than anticipated (11.9 percent)
- Non-tax revenues are \$92.7 million above the estimate (16.2 percent)

Compared to the last fiscal year:

- Total General Fund revenue is 7.4 percent lower
- General Fund tax revenue is 7.2 percent lower
- Corporate net income tax receipts are 16.8 percent lower
- Sales and use tax revenues are 2.5 percent lower
- Personal income tax collections are 8.9 percent lower



General Fund Revenues - Year-to-Date Performance vs Official Estimate			
<i>Amounts in Millions</i>	YTD Estimate	YTD Collections	Difference
General Fund Total	35,496.8	32,275.8	(3,221.0)
Tax Revenue Total	34,924.6	31,610.9	(3,313.7)
Corporation Taxes	5,608.4	4,839.0	(769.4)
Consumption Taxes	12,956.0	12,258.3	(697.7)
Sales and Use Tax	11,454.4	10,817.8	(636.6)
Cigarette Tax	945.4	924.3	(21.1)
Other Tobacco Products	134.7	127.3	(7.4)
Malt Beverage Tax	22.7	23.2	0.5
Liquor Tax	398.8	365.7	(33.1)
Other Taxes	16,360.2	14,513.5	(1,846.7)
Personal Income Tax	14,570.1	12,835.0	(1,735.1)
Realty Transfer Tax	555.8	497.8	(58.0)
Inheritance Tax	1,100.1	1,082.0	(18.1)
Gaming	181.1	143.0	(38.1)
Minor and Repealed	(46.9)	(44.3)	2.6
Non-Tax Revenue	572.2	664.9	92.7



2019/20 Revenue Performance vs. Official Estimate

