



General Fund Revenue Update - December 2021

At the halfway point of the 2021/22 fiscal year, General Fund revenues stand \$1.47 billion above the official estimate, or 7 percent higher than expected. Revenues are in very good shape approaching the governor's executive budget release next month in February.

December revenues were strong in almost all tax types, finishing \$464.3 million ahead of estimate last month. Corporate net income taxes were \$246.6 million higher than anticipated, driven by exceptional quarterly payments.

Sales tax collections were also strong in December, finishing \$101.9 million above estimate. Non-motor collections from the holiday shopping season were the prime factor - \$95.2 million above estimate or 10 percent. Motor vehicle collections were also solid, adding \$6.8 million above estimate or 5.1 percent.

Personal income tax collections were \$59.5 million above estimate. Employer withholdings on wages and salaries were \$26.0 million above estimate, while non-withheld collections from quarterly and final payments were \$33.5 million above estimate.

Some of the intermediate-size taxes bear mentioning. Realty transfer taxes were \$24.5 million above estimate or 36.5 percent in December. Similarly, the inheritance tax exceeded projections by \$24.9 million, or 21 percent.

Looking Ahead:

In January, many personal income taxpayers will remit their next quarterly estimated payment. Sales tax collections from the balance of the holiday shopping season will also arrive.

The 2022/23 budget cycle will kick off on February 8 with the governor's budget address. Budget hearings for the House Appropriations Committee will commence the following week.

For December:

- Total General Fund collections were \$464.3 million higher than expected (13.7 percent)
- General Fund tax revenues were \$453.7 million higher than anticipated (13.5 percent)
- The corporate net income tax was \$246.6 million higher than expected (38.4 percent)
- Sales and use tax collections exceeded projections by \$101.9 million (9.4 percent)
 - Non-motor collections were \$95.2 million higher than projected (10.0 percent)
 - Motor vehicle collections were \$6.8 million above estimate (5.1 percent)
- Personal income tax collections were \$59.5 million higher than the official estimate (4.8 percent)
 - Employer withholdings on wages and salaries were \$26.0 million higher than anticipated (2.3 percent)
 - Non-withheld PIT payments were \$33.5 million more than expected (30.0 percent)
- Realty transfer tax revenues were \$24.5 million above estimate (36.5 percent)
- Inheritance tax collections were \$24.9 million higher than estimated (21.0 percent)
- Non-tax revenues were \$10.5 million above the official estimate (37.0 percent)

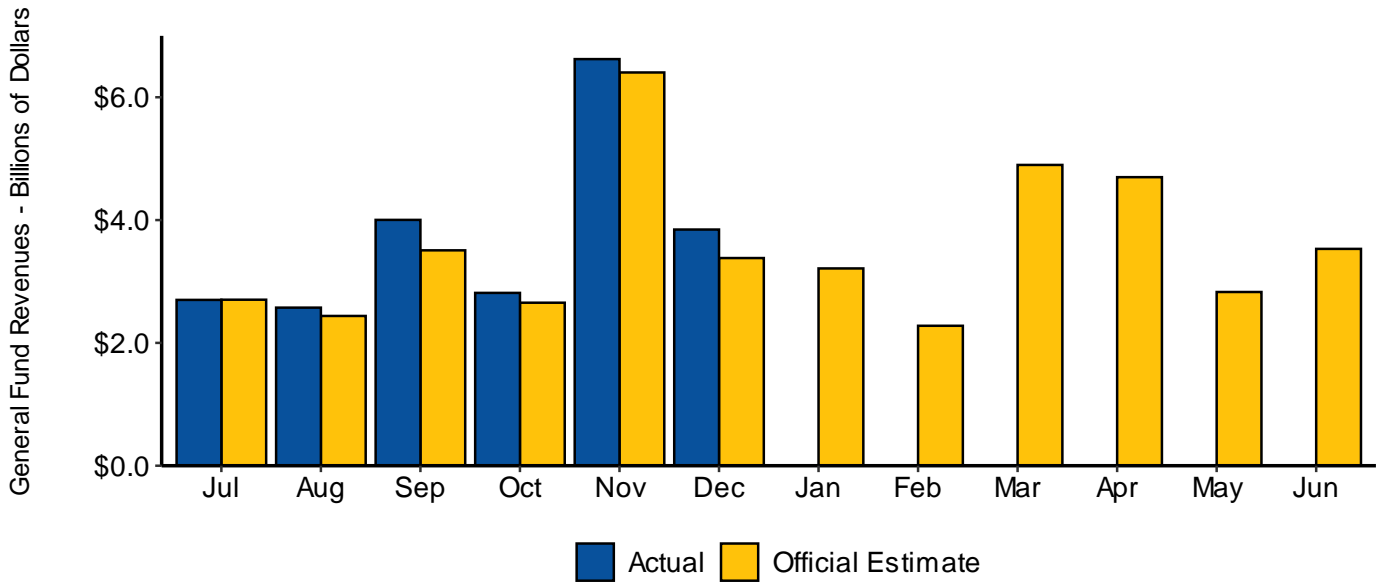
For the 2021/22 fiscal year to date:

- Cumulative General Fund revenues are \$1.47 billion higher than expected (7.0 percent)
- General Fund tax revenues were \$1.41 billion higher than projected (8.3 percent)
- Corporate net income tax revenues are \$548.9 million more than expected (30.2 percent)
- Sales and use taxes are \$409.1 million more than expected (6.2 percent)
- Personal income tax collections are \$308.0 million higher than anticipated (4.7 percent)
- Non-tax revenues are \$61.5 million above the estimate (1.5 percent)

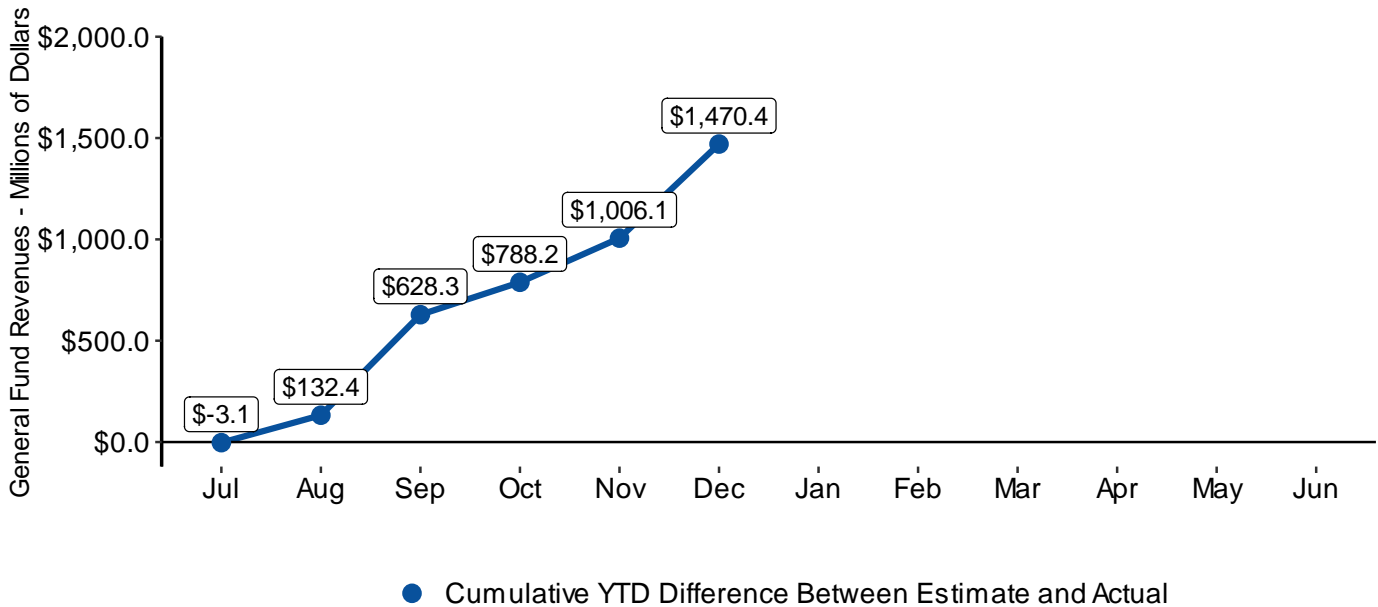
General Fund Revenues - Year-to-Date Performance vs Official Estimate			
<i>Amounts in Millions</i>	YTD Estimate	YTD Collections	Difference
General Fund Total	21,088.8	22,559.2	1,470.4
Tax Revenue Total	17,036.3	18,445.1	1,408.8
Corporation Taxes	1,883.1	2,460.3	577.2
Corporate Net Income Tax	1,819.6	2,368.5	548.9
Gross Receipts Tax	20.9	32.9	12.0
Utility Property Tax	1.6	1.9	0.3
Insurance Premiums Taxes	21.2	20.6	(0.6)
Financial Institutions Taxes	19.8	28.4	8.6
Consumption Taxes	7,398.2	7,791.9	393.7
Sales and Use Tax	6,545.7	6,954.8	409.1
Cigarette Tax	535.1	519.1	(16.0)
Other Tobacco Products	73.4	75.5	2.1
Malt Beverage Tax	12.0	11.5	(0.5)
Liquor Tax	232.0	231.0	(1.0)
Other Taxes	7,755.0	8,192.9	437.9
Personal Income Tax	6,561.8	6,869.8	308.0
Realty Transfer Tax	359.1	403.1	44.0
Inheritance Tax	704.9	755.1	50.2
Gaming	142.2	154.2	12.0
Minor and Repealed	(13.0)	10.7	23.7
Non-Tax Revenue	4,052.5	4,114.0	61.5



2021/22 General Fund Revenue Performance
Compared to Official Estimate



2021/22 General Fund Revenue Performance
Year to Date Difference



2021/22 YTD Revenue Performance vs. Official Estimate

