

**EXECUTIVE SUMMARY**  
**Revenue Estimating Conference for the General Revenue Fund &**  
**Financial Outlook Statement**  
**August 14, 2019**

The near-term National and Florida Economic Forecasts were weaker in several key respects compared to March; however, revenue collections ran above monthly estimates by a combined \$507.2 million in FY 2018-19. Nearly 76 percent of the gain was related to Corporate Income Tax receipts.

The new forecast reduces the March 2019 estimate by \$451.6 million for FY 2019-20 and by \$416.1 million in FY 2020-21, for a two-year reduction of \$867.7 million. However, the prior General Revenue Financial Outlook Statement already took into account some of the adjustments made today, leaving a net positive change on the Outlook of \$201.2 million. These numbers affect the revenues available for the budget being crafted for FY 2020-21.

The greatest losses recognized in today's forecast were previously known. First, Indian Gaming Revenue has been effectively removed from the State's official Outlooks since the Tribe ceased revenue sharing with the State after making its April 2019 payment. The losses range from \$346.7 million in FY 2019-20 to \$360.5 million in FY 2024-25. Second, the estimated combined effects of legislation passed during the 2018 and 2019 Sessions relating to the Corporate Income Tax offset expected increased collections as a result of federal law changes by slightly over \$1.1 billion in FY 2019-20 and by \$704.5 million in FY 2020-21.

Outside of the adjustments for Indian Gaming Revenue and Corporate Income Tax, the greatest changes influencing the estimates were the upward adjustment in the current year to Sales Tax and in both years to Insurance Taxes.

As a result of the changes described above, the revised FY 2019-20 estimate falls below the prior year's collections by slightly over \$470 million (or -1.4 percent). The revised forecast for FY 2020-21 has projected growth of slightly over \$1.4 billion (or 4.3 percent) over the revised FY 2019-20 estimate.

Excluding Indian Gaming Revenues, several of the revisions to the forecast (Tobacco Taxes, Article V Fees & Transfers, and Highway Safety Licenses & Fees) are the results of earlier conferences. Additional information regarding the estimates for sources adopted at prior conferences can be found on the Legislative Office of Economic and Demographic Research's website:  
<http://edr.state.fl.us/Content/conferences/index.cfm>.