

**EXECUTIVE SUMMARY**  
**Revenue Estimating Conference for the General Revenue Fund**  
**Revisions to the Forecast**  
**February 23, 2018**

Following a declaration from the Internal Revenue Service after Hurricane Irma, the Florida Department of Revenue extended the due dates for affected Corporate Income Tax filers. Consequently, eligible taxpayers with returns having original or extended due dates between September 4, 2017, and January 31, 2018, had until February 15, 2018, to file their returns. At the Revenue Estimating Conference for the General Revenue Fund held on February 9, 2018, the Conference assumed \$121.3 million of these catch-up payments would come in shortly thereafter.

While the data for February is still preliminary, it appears that only a small fraction of the expected total was actually received. This has prompted the Conference to reassess the entire underlying forecast for the Corporate Income Tax. As a result, atypical nonrecurring activity in FY 2016-17 has been discovered that implies a lower collection baseline than previously understood. Had the Conference been aware of this at prior meetings, it could have substantially affected the forecast assumptions.

The Conference reconvened on February 23, 2018, to address both the shortfall and the changed expectations. The new estimates incorporate an adjustment to address the information previously unknown to the Conference, the results of the National and Florida Economic Conferences held in January, and the actual collection experience through December 2017.

Overall, anticipated Corporate Income Tax revenues were revised downward by \$94.3 million in FY 2017-18 and by \$73.1 million in FY 2018-19, for a two-year total reduction in General Revenue of \$167.4 million. Because the previously adopted forecast for all other revenue sources was untouched by today's actions, the overall \$461.8 million two-year increase adopted on February 9<sup>th</sup> has been reduced to \$294.4 million.