



MONTHLY REVENUE REPORT

Office of Economic &
Demographic Research

Volume 44, Number 2
August 2023

Revised General Revenue Collections for August 2023 (Sales Tax Data Reported is Unaudited)

General Revenue collections for August 2023 showed a gain of \$285.7 million (8.8 percent) against the newly adopted forecast assumptions made by the General Revenue Estimating Conference (GR REC) in August 2023, with the gain from a wide array of sources. Together, Sales Tax and Earnings on Investments contributed about three-quarters of the overage, for both the month and the year-to-date.

After adjusting total Sales Tax collections for local taxes and distributions, audits, bad checks and transfers to Sales Tax from the Communications Services Tax, Sales Tax GR was \$136.9 million (5.1 percent) over the estimate for the month. August collections reflect activity that largely occurred in July. After increasing to a historic peak rate of 33.7 percent in April 2020 from the 7.9 percent for the entire 2018-19 fiscal year, the most recent personal income data indicated that the July personal saving rate continues to be subpar at 3.9 percent—slightly down from July’s revised rate of 4.1 percent. Working in the opposite direction, the Consumer Price Index for the all-items index increased 3.7 percent for the 12 months ending August—a larger increase from the 3.2 percent increase in July. The immediate response to inflation is an increase in sales tax collections that reflects the higher prices. Persistent inflation conditions, however, ultimately suppress collections as consumers begin to spend more money on non-taxable necessities like food and healthcare. In this regard, the index for shelter was the largest monthly contributor to the increase, accounting for more than 70 percent of the total increase in all items less food and energy, with prices for food at home increasing by 3.0 percent over the past 12 months.

Four of the six sales tax components were over estimate and two components were under estimate for the month.

- Consumer Nondurables...gaining \$65.3 million (7.5 percent) to the estimate for the month.
- Tourism...gaining \$48.6 million (7.4 percent) to the estimate for the month.
- Automobiles...gaining \$42.2 million (7.9 percent) to the estimate for the month.
- Other Durables...gaining \$0.7 million (0.5 percent) to the estimate for the month.
- Building...losing \$-26.4 million (-12.2 percent) for the month.
- Business...losing \$-23.5 million (-3.7 percent) to the estimate for the month.

Along with Sales Tax GR, ten revenue sources were also positive to their latest projections for the month.

- Earnings on Investments...gaining \$71.7 million (179.3 percent) during the month, primarily as a result of higher than expected short-term investment yields in the portfolio.
- Insurance Taxes...gaining \$41.9 million (25.7 percent) during the month.
- Other Nonoperating Revenues...gaining \$12.5 million (290.7 percent) during the month from technical adjustments that occur once a year, which were more material than expected.
- Corporate Income Tax...gaining \$10.3 million (12.4 percent) during the month.
- Documentary Stamp Tax...gaining \$6.3 million (5.6 percent) during the month.
- Service Charges...gaining \$2.3 million (5.2 percent) during the month.
- Beverage Taxes...gaining \$2.2 million (12.9 percent) during the month.
- Highway Safety Fees...gaining \$1.8 million (7.2 percent) during the month.
- Tobacco Taxes...gaining \$0.1 million (0.8 percent) during the month.
- Intangibles Taxes...gaining \$0.1 million (0.2 percent) during the month.

Together, these sources generated a total gain of \$149.2 million for the month.

Four revenue sources came in negative for the month.

- Corporate Filing Fees...losing \$-1.5 million (-8.6 percent) during the month.
- Counties’ Medicaid Share...losing \$-1.1 million (-4.2 percent) during the month.
- Other Taxes, Licenses and Fees...losing of \$-0.8 million (-22.2 percent) during the month.
- Article V Fees and Transfers...losing \$-0.3 million (-4.2 percent) during the month.

Together, these sources generated a total loss of \$-3.7 million for the month.



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Pari-mutuel Taxes and Severance Taxes were on estimate for the month.

Finally, coming in lower than the estimate for Refunds adds to the General Revenue Fund. For the month, Refunds were \$-3.0 million under the estimate.

Note that the listing of sources below has been rearranged to reflect each source's overall importance to GR.

Month	August	September	October	November	December	January
Monthly Overage (millions)	285.7					
Year to Date Overage (millions - cumulative)	342.1					
Percent of Monthly Estimate Collected	108.8%					
Percent of Total Year Estimate Collected	15.0%					

AUGUST 2023 GENERAL REVENUE COLLECTIONS (\$ MILLIONS) BASED ON THE AUGUST 2023 REVENUE ESTIMATING CONFERENCE								
	MONTH			FISCAL YEAR TO DATE				
	ACTUAL CURRENT MONTH	ESTIMATE CURRENT MONTH	OVER/ UNDER ESTIMATE	ACTUAL CURRENT YEAR	ESTIMATE CURRENT YEAR	OVER/ UNDER ESTIMATE	PRIOR YEAR ACTUAL	PERCENT INCREASE/ DECREASE
SALES TAX COLLECTIONS	2,801.9	2,665.0	136.9	5,759.8	5,615.2	144.7	5,776.9	-0.3%
CORPORATE INCOME TAX	93.5	83.2	10.3	256.0	245.7	10.3	164.7	55.4%
INSURANCE TAXES	205.1	163.2	41.9	232.3	190.4	41.9	231.5	0.4%
DOCUMENTARY STAMP TAX	119.6	113.3	6.3	157.7	151.4	6.3	211.9	-25.6%
CORPORATE FILING FEES	15.9	17.4	(1.5)	36.4	37.9	(1.5)	37.2	-2.0%
EARNINGS ON INVESTMENTS	111.7	40.0	71.7	201.3	80.0	121.3	46.2	335.5%
INTANGIBLES TAXES	41.0	40.9	0.1	82.2	82.1	0.1	124.6	-34.0%
SERVICE CHARGES	46.2	43.9	2.3	88.9	86.6	2.3	116.6	-23.7%
HIGHWAY SAFETY FEES	26.7	24.9	1.8	68.6	66.8	1.8	78.0	-12.0%
COUNTIES' MEDICAID SHARE	25.1	26.2	(1.1)	49.7	50.7	(1.1)	46.2	7.6%
BEVERAGE TAXES	19.2	17.0	2.2	68.9	66.6	2.2	50.2	37.1%
TOBACCO TAX	12.8	12.7	0.1	17.1	17.8	(0.7)	18.2	-6.1%
OTHER NONOPERATING REVENUES	16.8	4.3	12.5	31.5	19.0	12.5	43.3	-27.3%
ARTICLE V FEES AND TRANSFERS	6.8	7.1	(0.3)	15.3	15.6	(0.3)	15.7	-2.6%
OTHER TAXES LICENSES AND FEES	2.8	3.6	(0.8)	5.6	6.4	(0.8)	6.3	-11.2%
PARIMUTUEL TAXES	0.9	0.9	0.0	1.8	1.8	0.0	1.7	9.4%
SEVERANCE TAXES	0.1	0.1	(0.0)	1.9	1.9	(0.0)	2.3	-16.0%
INDIAN GAMING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
TOTAL REVENUE	3,546.3	3,263.7	282.6	7,075.1	6,736.0	339.1	6,971.4	1.5%
LESS REFUNDS	18.7	21.7	(3.0)	235.7	238.8	(3.0)	206.9	13.9%
NET REVENUE	3,527.7	3,242.0	285.7	6,839.4	6,497.2	342.1	6,764.5	1.1%