



# MONTHLY REVENUE REPORT

Office of Economic & Demographic Research

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## Revised General Revenue Collections for April 2019 (Sales Tax Data Reported is Unaudited)

Reported General Revenue (GR) collections for April 2019 were \$274.3 M (8.1%) over the estimates adopted by the General Revenue Estimating Conference (GR REC) on March 14, 2019; however, the majority of the overage (nearly 70%) is related to Corporate Income Tax and is expected to be returned as refunds to taxpayers in accordance with the provisions of HB 7093 passed during the 2018 Session. Excluding Corporate Income Tax, collections for the month were \$82.8 M (2.5%) over estimate for the month.

After making adjustments to total Sales Tax collections for local taxes and distributions, audits, bad checks, and transfers to Sales Tax from the Communications Services Tax (CST), Sales Tax GR was \$32.7 M (1.4%) over estimate for the month. Final Sales Tax Liability, the sum of all sales tax components (detailed below), was over estimate for the month by \$21.4 M (0.8%).

Three of the six Sales Tax components were over estimate for the month of April as follows: Business (over by \$20.2 M or 4.1%); Tourism (over by \$5.1 M or 0.8%); and Automobiles (over by \$5.0 M or 1.1%). The remaining three components were under estimate as follows: Consumer Nondurables (under by \$4.1 M or 0.5%); Other Durables (under by \$4.1 M or 2.8%); and Building (under by \$0.7 M or 0.5%). Note that this Sales Tax report largely reflects activity that occurred in March.

In addition to Sales Tax GR, there were 12 other GR sources that were over estimate for the month. The largest surplus was in Corporate Income Tax (over by \$191.5 M or 43.3%). However, as mentioned above, these dollars are expected to be returned as refunds to taxpayers in the upcoming year. Corporate Filing Fees were over estimate by \$20.4 M (27.9%), more than offsetting the \$8.3 M shortfall from March. Other Nonoperating Revenues were over estimate by \$19.7 M, primarily because of the final reimbursement of Innovation Incentive Program contracts from 2008. Insurance Taxes were over estimate by \$8.1 M (4.5%) with both components over estimate (Insurance Premium Tax by \$7.0 M and Surplus Lines by \$1.1 M). Other sources that were over estimate for the month include Earnings on Investments (over by \$8.6 M or 55.8%); Highway Safety Fees (over by \$1.8 M or 4.5%); Intangibles Taxes (over by \$1.6 M or 4.7%); Beverage Taxes (over by \$0.9 M or 3.1%); Tobacco Tax (over by \$0.7 M or 5.1%); Article V Fees (over by \$0.6 M or 5.8%); Other Taxes, Licenses, and Fees (over by \$0.5 M or 18.6%); and Parimutuel Taxes (over by \$0.2 M or 37.1%).

Five sources that support GR were under estimate for the month. Two sources were under estimate due to timing: Indian Gaming (under by \$10.3 M) and Counties' Medicaid Share (under by \$6.2 M). For Indian Gaming, the State received the usual monthly payment of \$19.5 M in April; however, the \$10.3 M distribution to local governments occurred in April rather than in March as originally expected. Through April, this source matched its estimate for the year; however, the State has since been notified that all future payments will cease. The other three sources that were estimate were Documentary Stamp Tax GR (under by \$8.6 M or 10.8%); GR Service Charges (under by \$0.5 M or 0.8%); and Severance Taxes (under by \$0.2 M or 23.7%)

Refunds were under estimate for the month of April by \$12.9 M (37.2%). Both Corporate Income Tax and Other refunds were under estimate, by \$14.8 M and \$0.2 M, respectively. Sales Tax and Insurance Premium Tax refunds were both over estimate by \$2.0 M and \$0.1 M, respectively. Because refunds reduce revenue, coming in under the estimate in Refunds increases the bottom-line Net GR.

In summary, Net GR collections for April were \$274.3 M over estimate for the month. The figures in the table below show the variance from monthly estimates that are based on the results of the estimating conference held March 14, 2019, with the caveat that the entire Corporate Income Tax overage for the year-to-date (\$224.1 M of the total \$334.4 M) will be returned in refunds. Note that the listing of sources below has been rearranged to reflect each source's overall importance to GR.

Month	March	April	May	June
Monthly Overage (millions)	51.6	274.3		
Year to Date Overage (millions - cumulative)	60.0	334.4		
Percent of Monthly Estimate Collected	102.0%	108.1%		
Percent of Total Year Estimate Collected	71.4%	82.5%		

APRIL 2019 GENERAL REVENUE COLLECTIONS (\$ MILLIONS) BASED ON THE MARCH 2019 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	2,392.0	2,359.2	32.7	21,078.6	21,062.1	16.5	20,058.0	5.1%
CORPORATE INCOME TAX	633.9	442.4	191.5	2,252.8	2,028.7	224.1	1,672.9	34.7%
DOCUMENTARY STAMP TAX	71.2	79.8	(8.6)	747.2	737.0	10.2	707.0	5.7%
INSURANCE TAXES	190.1	182.0	8.1	534.9	530.8	4.0	498.5	7.3%
HIGHWAY SAFETY FEES	42.5	40.7	1.8	435.7	431.4	4.4	428.6	1.7%
SERVICE CHARGES	63.5	64.1	(0.5)	414.9	411.8	3.1	399.0	4.0%
INTANGIBLES TAXES	35.6	34.0	1.6	316.1	312.8	3.3	302.8	4.4%
CORPORATE FILING FEES	93.4	73.0	20.4	304.0	291.9	12.1	291.7	4.2%
INDIAN GAMING	9.2	19.5	(10.3)	247.7	247.7	0.0	266.6	-7.1%
COUNTIES' MEDICAID SHARE	20.0	26.2	(6.2)	243.6	246.0	(2.4)	242.0	0.6%
BEVERAGE TAXES	28.8	27.9	0.9	223.5	221.7	1.7	213.3	4.8%
TOBACCO TAX	15.3	14.6	0.7	137.1	136.3	0.8	140.7	-2.6%
EARNINGS ON INVESTMENTS	24.0	15.4	8.6	167.6	154.5	13.1	111.2	50.7%
OTHER NONOPERATING REVENUES	36.0	16.3	19.7	187.5	163.9	23.5	145.7	28.6%
ARTICLE V FEES AND TRANSFERS	10.2	9.6	0.6	114.8	114.1	0.7	84.6	35.7%
OTHER TAXES LICENSES AND FEES	3.3	2.8	0.5	32.5	31.5	1.1	31.1	4.5%
PARIMUTUEL TAXES	0.8	0.6	0.2	17.1	11.8	5.3	12.9	33.1%
SEVERANCE TAXES	0.7	0.9	(0.2)	9.8	10.0	(0.2)	9.5	3.1%
TOTAL REVENUE	3,670.5	3,409.0	261.5	27,465.4	27,143.9	321.5	25,616.2	7.2%
LESS REFUNDS	21.7	34.6	(12.9)	322.8	335.7	(12.9)	323.7	-0.2%
NET REVENUE	3,648.7	3,374.4	274.3	27,142.5	26,808.2	334.4	25,292.6	7.3%