



MONTHLY REVENUE REPORT

Office of Economic & Demographic Research

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Revised General Revenue Collections for June 2017 (Sales Tax Data Reported is Unaudited)

General Revenue (GR) collections for June 2017 were \$47.2 M (1.7%) over the monthly estimate based on the General Revenue forecast adopted March 17, 2017. For Fiscal Year 2016-17, total GR collections were \$35.6 M (0.1%) over the estimates for the year, which is well within the plus or minus 1% range that the Conference usually attributes to noise.

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 \$39.7 M (2.1%) over estimate for the month of June. This source ended the fiscal year slightly below estimate (under by \$49.7 M or 0.2%). Total Final Sales Tax Liability was under estimate by \$107.9 M (0.4%) for the year. The year-end results for the six Sales Tax components were as follows: Business (over by \$31.8 M or 0.7%); Building (under by \$3.4 M or 0.2%); Other Durables (under by \$10.4 M or 0.6%); Automobiles (under by \$19.2 M or 0.4%); Tourism (under by \$37.8 M or 0.7%); and Consumer Nondurables (under by \$68.9 M or 0.9%).

Eight sources were over estimate for the month and also ended the year over estimate, including: Beverage Taxes (over by \$11.6 M for the month and \$12.3 M for the year); Insurance Taxes (over by \$7.2 M for the month and \$15.6 M for the year); Corporate Filing Fees (over by 4.9 M for the month and \$15.8 M for the year); Article V Fees (over by \$0.8 M for the month and \$1.0 M for the year); Corporate Income Tax (over by \$0.7 M for the month and \$42.3 M for the year); Service Charges (over by \$0.6 M for the month and \$3.1 M for the year); Tobacco Tax (over by \$0.5 M for the month and \$1.9 M for the year); and Documentary Stamp Tax GR (over by \$0.2 M for the month and \$6.3 M for the year).

Three sources matched their estimates for the year, including Highway Safety Fees, Earnings on Investments, and Severance Taxes. While Indian Gaming is also shown as matching its estimate, unique circumstances produced this result. A Settlement Agreement and Stipulation (Settlement) was entered into between the State and the Seminole Tribe of Florida on July 5, 2017. The Settlement's effect on revenue estimates will not be recognized until the Revenue Estimating Conference meets in August. Until then, the current practice will continue of placing all Indian Gaming funds received in excess of the adopted forecast into a State reserve. This overage is assumed to represent the revenue share associated with the continued operation of banked card games. For the month of June, the portion of the total payment placed into reserve is \$11.7 million. The total amount being accounted for separately now equals \$224.0 million.

Of the sources coming in under the estimate for the month and year, the largest was Other Nonoperating Revenues (under by \$3.5 M for the month and \$9.0 M for the year). Parimutuel Taxes were \$4.6 M under estimate for the month but just \$0.2 M under the estimate for the year. Intangibles Taxes and Other Taxes, Licenses, and Fees were under estimate for June (by \$0.9 M and \$0.3 M, respectively), but were over their estimates for the year (by \$3.0 M and \$7.3 M, respectively). The variances from the annual estimates for Other Nonoperating Revenues and Other Taxes, Licenses, and Fees are largely the result of an agency revenue reclassification that occurred in April, rather than changes to the underlying revenue collections. While Counties' Medicaid Share was over estimate for the month of June, this source ended the year \$3.4 M under estimate due to the timing of county payments.

Refunds were \$6.3 M over estimate for the month of June and were \$10.7 M over estimate for the year. For the fiscal year, Corporate Income Tax Refunds were \$15.3 M higher than expected while the other three components were lower than expected: Insurance Premium Tax (under by \$3.9 M); Sales Tax (under by \$0.5 M); and Other (under by \$0.2 M). Because refunds reduce revenue, coming in over the estimate in Refunds decreases the bottom-line Net GR.

In summary, Net GR collections were over estimate by \$47.2 M for the month of June and over by \$35.6 M for the 2016-17 fiscal year. The figures in the table below show the variance from monthly estimates that are based on the results of the March 17, 2017, estimating conference. Details of the estimates can be found at <http://edr.state.fl.us/Content/>. Note that the listing of sources below has been rearranged to reflect each source's overall importance to GR.

Actual General Revenue Collections Compared to the March 17, 2017 Estimates

Month	March	April	May	June
Monthly Overage (millions)	4.6	99.6	-82.8	47.2
Year to Date Overage (millions - cumulative)	-28.4	71.2	-11.6	35.6
Percent of Monthly Estimate Collected	100.2%	103.5%	97.0%	101.7%
Percent of Total Year Estimate Collected	71.4%	81.5%	90.5%	100.1%

JUNE 2017 GENERAL REVENUE COLLECTIONS (\$ MILLIONS) BASED ON THE MARCH 2017 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	1,930.1	1,890.4	39.7	22,987.4	23,037.1	(49.7)	21,998.0	4.5%
CORPORATE INCOME TAX	431.9	431.1	0.7	2,366.4	2,324.1	42.3	2,272.1	4.1%
DOCUMENTARY STAMP TAX	81.8	81.6	0.2	762.2	755.9	6.3	744.1	2.4%
INSURANCE TAXES	131.3	124.1	7.2	708.4	692.8	15.6	682.8	3.8%
HIGHWAY SAFETY FEES	49.9	56.0	(6.1)	489.8	489.8	(0.0)	399.5	22.6%
SERVICE CHARGES	36.6	36.0	0.6	464.9	461.8	3.1	455.2	2.1%
INTANGIBLES TAXES	32.3	33.3	(0.9)	372.9	369.9	3.0	338.7	10.1%
CORPORATE FILING FEES	11.9	7.0	4.9	352.9	337.1	15.8	317.4	11.2%
COUNTIES' MEDICAID SHARE	26.7	26.5	0.2	301.5	304.9	(3.4)	301.6	0.0%
BEVERAGE TAXES	48.3	36.7	11.6	314.7	302.4	12.3	357.7	-12.0%
TOBACCO TAX	27.4	26.9	0.5	183.0	181.1	1.9	187.5	-2.4%
OTHER NONOPERATING REVENUES	8.7	12.3	(3.5)	171.6	180.6	(9.0)	181.1	-5.3%
ARTICLE V FEES AND TRANSFERS	11.2	10.4	0.8	126.6	125.6	1.0	138.8	-8.8%
INDIAN GAMING	7.8	7.8	0.0	116.0	116.0	0.0	207.7	-44.1%
EARNINGS ON INVESTMENTS	13.9	11.6	2.3	131.0	131.0	(0.0)	115.8	13.1%
OTHER TAXES LICENSES AND FEES	3.9	4.2	(0.3)	39.1	31.8	7.3	33.5	16.7%
PARIMUTUEL TAXES	0.7	5.3	(4.6)	22.8	23.0	(0.2)	23.8	-4.2%
SEVERANCE TAXES	0.1	0.0	0.1	11.5	11.5	(0.0)	11.8	-2.9%
TOTAL REVENUE	2,854.5	2,801.0	53.5	29,922.7	29,876.4	46.3	28,767.1	4.0%
LESS REFUNDS	22.0	15.7	6.3	328.2	317.5	10.7	441.7	-25.7%
NET REVENUE	2,832.5	2,785.3	47.2	29,594.5	29,558.9	35.6	28,325.4	4.5%