



MONTHLY REVENUE REPORT

Office of Economic & Demographic Research

Volume 34, Number 2
August 2013

Revised General Revenue Collections for August 2013 (Sales Tax Data Reported is Unaudited)

General Revenue (GR) collections for August 2013 were \$24.4 M over the estimates adopted by the General Revenue Estimating Conference (GR REC) on August 9, 2013.

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 virtually on estimate for the month (\$4.1 M or 0.3% over). Final Sales Tax Liability, the sum of all sales tax components (detailed below), was slightly over estimate by \$9.6 M or 0.6%.

Four of the six Sales Tax components were slightly over estimate for August: Business (over by \$6.5 M or 2.2%), Consumer Nondurables (over by \$2.3 M or 0.5%), Automobiles (over by \$1.7 M or 0.6%), and Building (over by \$0.7 M or 0.7%). Two of the components were slightly under estimate: Tourism (under by \$1.3 M or 0.4%) and Other Durables (under by \$0.3 M or 0.3%). Note that this Sales Tax report largely reflects activity that occurred in July.

Several sources were over estimate for August. Both Documentary Stamp Tax GR and Intangibles Taxes were significantly over estimate, by \$18.4 M (51.6%) and \$5.1 M (25.5%), respectively. Some of the overage is attributable to increased refinancing and sales activity that was spurred by owners and buyers attempting to take advantage of low mortgage interest rates before they begin to climb in earnest. Insurance Premium Tax revenues were over estimate by \$11.8 M, including \$7.3 M in Surplus Lines revenue to offset the July shortfall and a \$4.5 M transfer from the Insurance Premium Tax Trust Fund for the "true up" payment for 2nd quarter remittances of Calendar Year 2013. Corporate Income Tax was over estimate by \$11.2 M (44.4%). Indian Gaming revenues were over estimate by \$4.4 M due to a "true-up" payment resulting from the 2012-13 fiscal year net win exceeding the minimum guarantee in the Gaming Compact. The following sources were also over estimate: Highway Safety Fees (\$2.4 M), Beverage Taxes (\$1.7 M), and Medical and Hospital Fees (\$1.6 M).

Of the sources coming in under estimate for August, the largest was Earnings on Investments (under by \$7.6 M or 63.4%) caused by current re-positioning within the portfolio (selling some investments and buying others) to take advantage of changing interest rates. While some losses have been realized, higher earnings are expected to result once interest rates stabilize. Article V Fees and Transfers were under estimate by \$6.5 M (32.7%), reflecting an unexpected short term decline in foreclosure filings thought to be primarily associated with the startup effects of Chapter 2013-137, Laws of Florida. Service Charges were also under estimate for the month by \$5.0 M. Although the Documentary Stamp Tax service charge was over estimate by \$4.1 M, the Clerks of Court payment of \$8.6 M for the fourth quarter of Fiscal Year 2012-13 was not received but is expected in September. Other sources under estimate include: Corporate Filing Fees (under by \$1.0 M), Tobacco Tax (under by \$1.3 M), and Other Nonoperating Revenues (under by \$1.9 M).

Refunds were significantly over estimate (by \$11.8 M or 85.6%) because of higher than expected refunds of Corporate Income Tax (over by \$10.7 M) and Sales Tax (over by nearly \$2.0 M). Insurance Premium Tax refunds were slightly less than \$1.0 M under estimate for the month. Because refunds reduce revenue, coming in over the estimate in Refunds decreases the bottom-line Net GR.

In summary, Net GR collections for August were \$24.4 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 August 9, 2013, 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 August 9, 2013 Estimates

Month	August	September	October	November
Monthly Average (millions)	24.4			
Year to Date Average (millions - cumulative)	24.1			
Percent of Monthly Estimate Collected	101.3%			
Percent of Total Year Estimate Collected	14.8%			

AUGUST 2013 GENERAL REVENUE COLLECTIONS (\$ MILLIONS) BASED ON THE AUGUST 2013 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	1,538.2	1,534.1	4.1	3,122.3	3,124.3	(2.0)	2,926.3	6.7%
CORPORATE INCOME TAX	36.4	25.2	11.2	95.9	84.7	11.2	112.3	-14.6%
HIGHWAY SAFETY FEES	65.7	63.3	2.4	161.7	151.7	10.0	162.1	-0.3%
INSURANCE PREMIUM TAX	37.6	25.8	11.8	61.7	49.9	11.8	57.6	7.1%
DOCUMENTARY STAMP TAX	54.0	35.6	18.4	108.0	89.6	18.4	49.6	117.5%
SERVICE CHARGES	32.5	37.5	(5.0)	89.6	94.6	(5.0)	94.7	-5.4%
BEVERAGE TAXES	26.2	24.5	1.7	65.7	64.0	1.7	72.9	-9.8%
INTANGIBLES TAXES	25.3	20.2	5.1	54.4	49.3	5.1	42.4	28.4%
MEDICAL HOSPITAL FEES	26.3	24.7	1.6	51.6	50.0	1.6	49.1	5.1%
CORPORATE FILING FEES	7.5	8.5	(1.0)	15.9	16.9	(1.0)	15.7	1.5%
ARTICLE V FEES AND TRANSFERS	13.5	20.0	(6.5)	31.7	40.1	(8.4)	47.7	-33.6%
INDIAN GAMING	23.8	19.4	4.4	43.2	38.8	4.4	31.9	35.3%
TOBACCO TAX	4.2	5.5	(1.3)	17.3	18.6	(1.3)	21.0	-17.3%
OTHER NONOPERATING REVENUES	9.7	11.6	(1.9)	26.6	28.5	(1.9)	69.1	-61.6%
EARNINGS ON INVESTMENTS	4.4	12.0	(7.6)	11.8	19.4	(7.6)	25.2	-53.3%
OTHER TAXES LICENSES AND FEES	1.8	2.5	(0.7)	4.7	5.3	(0.6)	5.3	-11.3%
PARIMUTUEL TAXES	0.6	0.6	0.0	1.1	1.1	0.0	1.1	0.1%
SEVERANCE TAXES	0.5	0.8	(0.3)	3.7	4.0	(0.3)	4.3	-13.4%
TOTAL REVENUE	1,908.0	1,871.8	36.2	3,966.7	3,930.8	35.9	3,788.2	4.7%
LESS REFUNDS	25.6	13.8	11.8	78.9	67.1	11.8	53.9	46.5%
NET REVENUE	1,882.4	1,858.0	24.4	3,887.8	3,863.7	24.1	3,734.3	4.1%