

# MONTHLY STATE REVENUE SNAPSHOT 12 | 2019

based on the Utah State Tax Commission Monthly Revenue Summary (Report TC-23)

General Fund	Projected Growth	Actual Growth Rate	Projected Range in Collections Through 5 Months	Actual Collections	Actual Collections											
	Rate - November Estimates (Annual)				Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Sep-19	Oct-19	Nov-19			
Sales & Use Tax	5.1%	5.7%	\$949,000,000 - \$986,000,000	\$970,051,402	5.7%	5.6%	5.6%	5.6%	4.6%	4.3%	4.3%	4.2%	5.7%			
All Other Sources	3.4%	0.2%	\$210,000,000 - \$257,000,000	\$234,292,199	8.2%	6.4%	2.3%	-1.3%	-0.4%	1.1%	5.5%	3.4%	0.2%			
Subtotal General Fund	4.7%	4.6%		\$1,204,343,601	6.1%	5.8%	5.0%	4.2%	3.6%	3.6%	4.5%	4.1%	4.6%			
Sales & Use Tax Set-Asides	8.1%	21.2%	\$284,000,000 - \$295,000,000	\$332,390,084	4.2%	4.2%	4.2%	3.9%	8.0%	9.0%	18.5%	22.0%	21.2%			
<b>Education Fund/USF</b>																
Individual Income Tax	6.5%	10.9%	\$1,383,000,000 - \$1,619,000,000	\$1,615,836,068	-7.7%	-5.9%	-1.7%	7.3%	7.5%	8.3%	8.1%	11.3%	10.9%			
Corporate Tax	-15.6%	-34.9%	\$128,000,000 - \$237,000,000	\$107,097,050	48.3%	37.6%	22.4%	23.2%	22.4%	15.5%	-29.5%	-28.6%	-34.9%			
All Other Sources	0.6%	-4.0%	\$11,000,000 - \$14,000,000	\$11,960,428	47.6%	48.9%	47.6%	58.6%	33.1%	20.4%	-15.7%	-9.5%	-4.0%			
Subtotal Education Fund	4.1%	6.2%		\$1,734,893,546	-3.9%	-2.7%	0.5%	9.0%	8.9%	9.1%	2.9%	6.6%	6.2%			
Subtotal GF/EF	4.3%	5.5%		\$2,939,237,147	-0.1%	0.5%	2.3%	7.3%	7.0%	7.2%	3.6%	5.5%	5.5%			
<b>Transportation Fund</b>																
Motor Fuel Tax	4.2%	-0.8%	\$155,000,000 - \$169,000,000	\$157,269,265	-1.3%	1.4%	2.9%	2.6%	2.7%	2.9%	-2.0%	2.2%	-0.8%			
Special Fuel Tax	5.0%	8.6%	\$57,000,000 - \$70,000,000	\$67,346,774	4.6%	3.9%	6.1%	5.5%	6.2%	5.2%	10.5%	15.1%	8.6%			
Other	4.8%	0.1%	\$39,000,000 - \$44,000,000	\$40,133,000	10.7%	5.8%	9.6%	9.4%	8.3%	3.2%	15.4%	0.9%	0.1%			
Subtotal Transportation Fund	4.5%	1.6%		\$264,749,039	1.8%	2.7%	4.7%	4.4%	4.4%	3.5%	3.6%	5.1%	1.6%			
Total, GF/EF/USF/TF	4.4%	5.2%		\$3,203,986,186	0.0%	0.7%	2.5%	7.1%	6.8%	6.9%	3.6%	5.5%	5.2%			

Note 1: The sales tax set-aside figure includes revenue from the recently enacted Medicaid sales tax increase of 0.15%.

## SUMMARY

Revenue to the General and Education Funds totaled \$2.9 billion through the first five months of FY 2020, representing a year-over-year (YoY) growth rate of 5.5%. The 5.5% growth rate is above the November consensus revenue target of 4.3%. This revenue target does not yet reflect the projected impacts of Senate Bill 2001 from the 2019 Second Special Session. Changes adopted during the special session will not show up in revenue collections until after the first quarter of calendar year 2020. Revenue growth rates are highly volatile during the first half of a fiscal year. Because of this, one should use caution in extending this experience to the entire fiscal year.

## GENERAL FUND

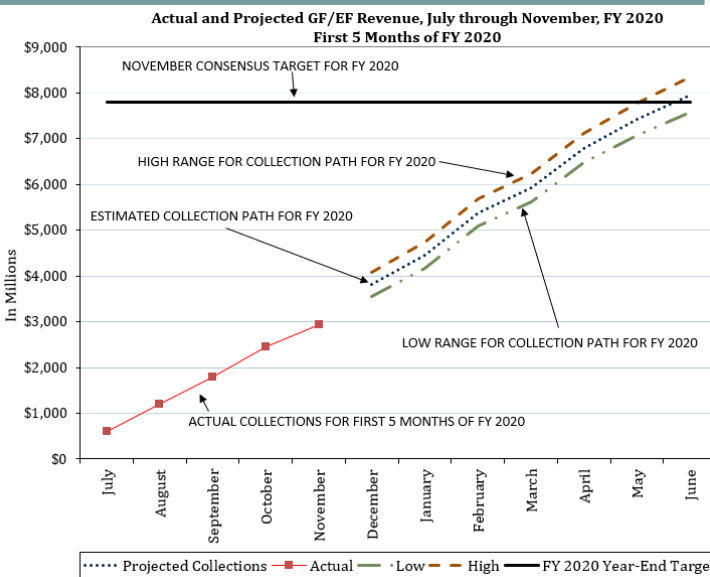
In the first five months of FY 2020 revenue to the General Fund reached \$1.2 billion, or 4.6% more than collected in the same period of FY 2019. That's in-line with forecast General Fund growth of 4.7% YoY. Sales tax revenue is growing at a 5.7% rate, up from last month's 4.2%, and slightly above November's predicted annual sales tax growth rate of 5.1%. All other General Fund revenue sources are growing somewhat slower than anticipated for the year.

## EDUCATION FUND

Education Fund collections through the first five months of 2020 reached \$1.7 billion, representing a YoY increase of 6.2%. The 6.2% growth rate is largely the result of individual income tax growth of 10.9% offset by weaker than anticipated corporate tax payments. Corporate revenue down is down -34.9% in the first five months of collections, compared with anticipated annual declines of 16.3%. Corporate volatility largely reflects the one-time effects of 2018 federal tax reform.

## TRANSPORTATION FUND

Transportation Fund collections reached \$265 million through the first five months of FY 2020, up 1.6% over the prior year. This is lower than the 4.5% annual target. Behind the performance of the Transportation Fund, motor fuel tax is currently down 0.8% compared with an expected annual YoY rate of 4.2%. Special fuel is currently up 8.6%, while all the other sources to the Transportation Fund are growing at 0.1%.



A Joint Publication of:



Governor's Office of Management and Budget



Office of the Legislative Fiscal Analyst

December 17, 2019