**Monthly State Revenue Snapshot**

**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 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 $1.1 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%.