

# MONTHLY STATE REVENUE SNAPSHOT

FEB 2022

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

General Fund	Projected Growth Rate - January Estimates (Annual)	Actual Growth Rate	Projected Range in Collections Through 7 Months	Actual Collections	Condition	Forecast	Sept-21	Oct-21	Nov-21	Dec-21	Jan-22
Sales & Use Tax	9.2%	20.4%	\$1,521,000,000 - \$1,859,000,000	\$1,864,839,382	Above target range	\$2,865,726,482	22.2%	20.1%	20.2%	20.8%	20.4%
All Other Sources	2.7%	13.9%	\$251,000,000 - \$307,000,000	\$309,685,833	Above target range	\$560,795,815	8.6%	8.7%	14.3%	14.6%	13.9%
Subtotal General Fund	8.0%	19.4%		\$2,174,525,215			19.9%	18.0%	19.1%	19.7%	19.4%
Sales & Use Tax Set-Asides	8.1%	18.7%	\$487,000,000 - \$595,000,000	\$594,482,670	On target	\$1,004,353,316	22.0%	24.3%	20.0%	18.9%	18.7%
<b>Education Fund/Uniform School Fund</b>											
Individual Income Tax	-8.7%	-6.4%	\$2,673,000,000 - \$3,267,000,000	\$3,044,863,951	On target	\$5,576,512,627	-33.2%	-25.7%	-18.6%	-15.0%	-6.4%
Corporate Tax	-13.0%	27.7%	\$244,000,000 - \$298,000,000	\$397,563,615	Above target range	\$646,433,333	24.4%	37.2%	35.7%	27.0%	27.7%
All Other Sources	1.9%	167.1%	\$9,000,000 - \$10,000,000	\$24,940,566	Above target range	\$50,430,816	29.9%	92.8%	245.0%	232.0%	167.1%
Subtotal Education Fund	-9.0%	-3.0%		\$3,467,368,132			-28.5%	-20.9%	-14.8%	-10.8%	-3.0%
Subtotal GF/EF	-3.6%	4.4%		\$5,641,893,347			-15.0%	-8.4%	-4.0%	-1.2%	4.4%
<b>Transportation Fund</b>											
Motor Fuel Tax	4.6%	7.9%	\$204,000,000 - \$249,000,000	\$233,610,437	On target	\$397,150,966	6.2%	0.6%	4.2%	4.8%	7.9%
Special Fuel Tax	-1.4%	-1.9%	\$87,000,000 - \$107,000,000	\$96,481,353	On target	\$169,521,167	-13.3%	-10.1%	-4.0%	-3.6%	-1.9%
Other	5.3%	5.5%	\$56,000,000 - \$68,000,000	\$61,977,913	On target	\$120,561,000	11.1%	12.7%	7.2%	7.3%	5.5%
Subtotal Transportation Fund	3.2%	5.0%		\$392,069,703			1.9%	-0.4%	2.5%	3.0%	5.0%
Total, GF/EF/USF/TF	-3.2%	4.4%		\$6,033,963,050			-14.0%	-7.9%	-3.6%	-0.9%	4.4%

## SUMMARY

In the first seven months of FY 2022, revenue to the General and Education Funds totaled over \$5.6 billion, which represents a year-over-year (YoY) increase of 4.4%, compared to a target rate of -3.6%. This is the first time in the fiscal year that the actual growth rate has appeared positive, indicating that FY 2022 collections have grown beyond the point of compensating for the tax filing delay. When adjusting for the filing shift, the target GF/EF growth rate is 4.6%, compared to a shift-adjusted actual growth rate of 22.8%.

The Office of the Legislative Fiscal Analyst, the Governor's Office of Planning and Budget, and the Utah State Tax Commission are in the process of preparing February revenue estimates; next month's snapshot will reflect the new forecast collections and growth rates.

## EDUCATION FUND

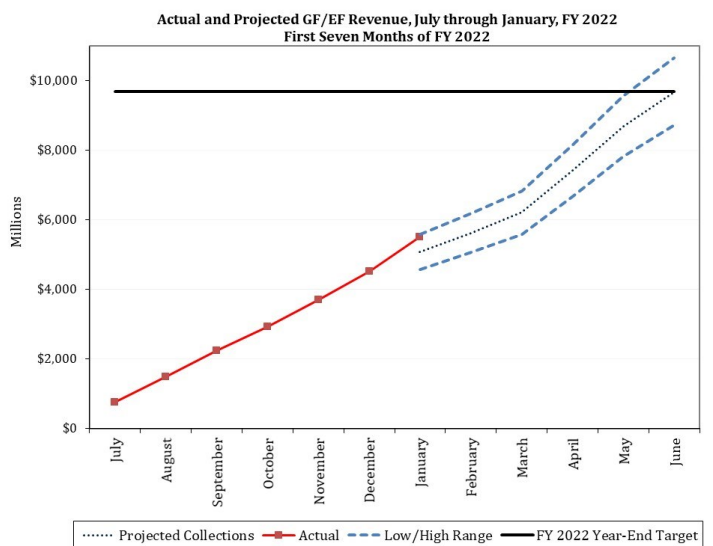
Education Fund collections reached nearly \$3.5 billion in the first seven months of FY 2022, representing a YoY decrease of -3.0%, compared to the target rate of -9.0%. However, this rate compares year-to-date collections in FY 2022 to FY 2021, which had abnormally high income tax collections in July of 2020 due to the filing shift from April to July. When adjusting for this collections shift, the growth rate is a very robust 24.5%, a rate which continues to increase as the fiscal year wears on. The non-shift-adjusted rate is moderating and will continue to do so as the fiscal year progresses. Although the growth in corporate tax collections resulting from federal stimulus and strategic timing of payments by corporations appeared to be moderating, this month's rate of growth increased to 27.7% YoY, far above the -13.0% target.

## GENERAL FUND

General Fund collections totaled nearly \$2.2 billion in the first seven months of FY 2022, representing a YoY growth rate of 19.4%, far above the target growth rate of 8.0%. Sales tax collections have moderated since the beginning of the fiscal year, although not to the extent expected, indicating that the pandemic-induced consumer shift away from services and to goods remains in effect to some extent. Additionally, high inflation is likely contributing to the strong sales tax collections. January saw a slight dip in the collections growth rate, likely resulting from shaken consumer confidence resulting from the spread of the Omicron variant.

## TRANSPORTATION FUND

Transportation Fund collections totaled over \$392 million in the first seven months of FY 2022, representing a YoY growth rate of 5.0%. Motor fuel collections have accelerated in the past few months, perhaps reflecting increased mobility as more people traveled during the holidays compared to the 2020 holiday season.



A Joint Publication of:

Office of the  
Legislative Fiscal Analyst



GOVERNOR'S OFFICE OF  
**Planning & Budget**

January 14, 2022