

MONTHLY STATE REVENUE SNAPSHOT

3 | 2020

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

General Fund	Projected Growth		Projected Range in Collections Through 8 Months	Actual Collections	Condition	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20
	Rate - February Estimates (Annual)	Actual Growth Rate									
Sales & Use Tax	6.6%	7.0%	\$1,548,000,000 - \$1,566,000,000	\$1,559,851,695	On target	4.3%	4.2%	5.7%	6.7%	7.0%	7.0%
All Other Sources	4.4%	7.3%	\$285,000,000 - \$348,000,000	\$339,784,846	On target	5.5%	3.4%	0.2%	4.9%	5.9%	7.3%
Subtotal General Fund	6.2%	7.0%		\$1,899,636,541		4.5%	4.1%	4.6%	6.3%	6.8%	7.0%
Sales & Use Tax Set-Asides	16.8%	25.4%	\$450,000,000 - \$467,000,000	\$545,356,726	See Note 1	18.5%	22.0%	21.2%	22.1%	24.8%	25.4%
Education Fund/USF											
Individual Income Tax	7.3%	8.9%	\$2,222,000,000 - \$2,571,000,000	\$2,549,829,064	On target	8.1%	11.3%	10.9%	10.0%	10.5%	8.9%
Corporate Tax	-8.4%	-14.1%	\$203,000,000 - \$252,000,000	\$213,334,839	On target	-29.5%	-28.6%	-34.9%	-18.5%	-12.6%	-14.1%
All Other Sources	-6.4%	-12.2%	\$17,000,000 - \$23,000,000	\$17,700,665	On target	-15.7%	-9.5%	-4.0%	-10.3%	-7.9%	-12.2%
Subtotal Education Fund	5.5%	6.5%		\$2,780,864,568		2.9%	6.6%	6.2%	6.5%	8.1%	6.5%
Subtotal GF/EF	5.7%	6.7%		\$4,680,501,109		3.6%	5.5%	5.5%	6.4%	7.6%	6.7%
Transportation Fund											
Motor Fuel Tax	4.4%	1.8%	\$235,000,000 - \$253,000,000	\$243,198,993	On target	-2.0%	2.2%	-0.8%	-0.4%	1.7%	1.8%
Special Fuel Tax	5.1%	6.3%	\$94,000,000 - \$104,000,000	\$101,811,899	On target	10.5%	15.1%	8.6%	6.0%	7.2%	6.3%
Other	6.4%	7.8%	\$60,000,000 - \$67,000,000	\$66,203,000	On target	15.4%	0.9%	0.1%	1.0%	1.7%	7.8%
Subtotal Transportation Fund	4.9%	3.8%		\$411,213,892		3.6%	5.1%	1.6%	1.4%	3.1%	3.8%
Total, GF/EF/USF/TF	5.7%	6.5%		\$5,091,715,001		3.6%	5.5%	5.2%	6.0%	7.2%	6.5%

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

SUMMARY

General and Education Fund revenue collections totaled \$4.7 billion through the first eight months of FY 2020, representing a year-over-year (YoY) growth rate of 6.7%. The 6.7% growth rate is above the February consensus revenue target of 5.7%. The month saw a decline in growth from 7.6% to 6.7% in February, largely the result of a decline in the income tax growth rate from 10.5% to 8.9%. All of major revenue source categories held generally stable. Of note, early impacts to revenue from the coronavirus would likely begin to show up in late April/early May revenue collections. Prior to filings due at that time, economy-watchers may want to follow the near real-time unemployment insurance claims for any evidence of the national or Utah economy slowing (or accelerating).

GENERAL FUND

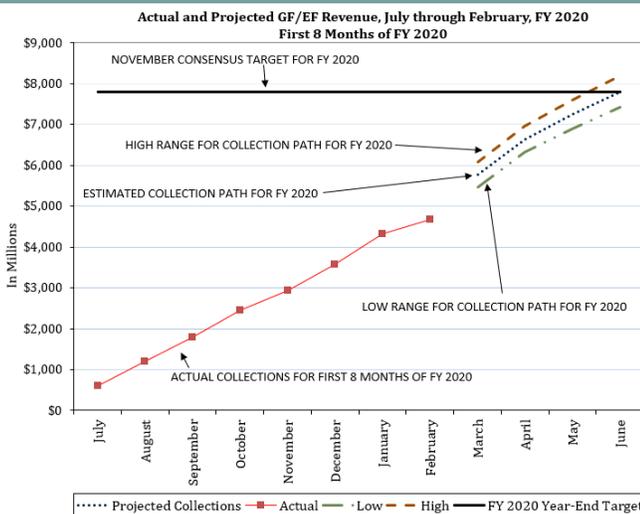
Through the first eight months of FY 2020 revenue to the General Fund reached \$1.9 billion—a growth rate of 7.0%. That exceeds the consensus target of 6.2%. Sales tax revenue is growing at a 7.0%, unchanged from last month's figure and above February's target of 6.6%. Part of the strong sales tax performance may stem from increased collection of sales tax on online transactions, but another part is the up-to-now healthy economy. That health may weaken due to coronavirus concerns. Any effects from coronavirus contagion on sales tax revenue may begin to show up late next month.

EDUCATION FUND

Education Fund collections through the first eight months of FY 2020 reached \$2.8 billion, representing a YoY increase of 6.5%. The 6.5% growth rate was largely the result of individual income tax growth of 8.9% and being offset by weak, but on-target, corporate tax payments. As with sales tax, any effects from the coronavirus will begin to show up in late April/early May.

TRANSPORTATION FUND

Transportation Fund collections reached \$411 million through the first eight months of FY 2020, up 3.8% over the prior year. This is lower than the 4.9% annual target. Should the coronavirus lead to less travel, the effects will show up in April/May.



A Joint Publication of:



Governor's Office of Management and Budget



Office of the
Legislative Fiscal Analyst

March 16, 2020