

MONTHLY STATE REVENUE SNAPSHOT APRIL 2023

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

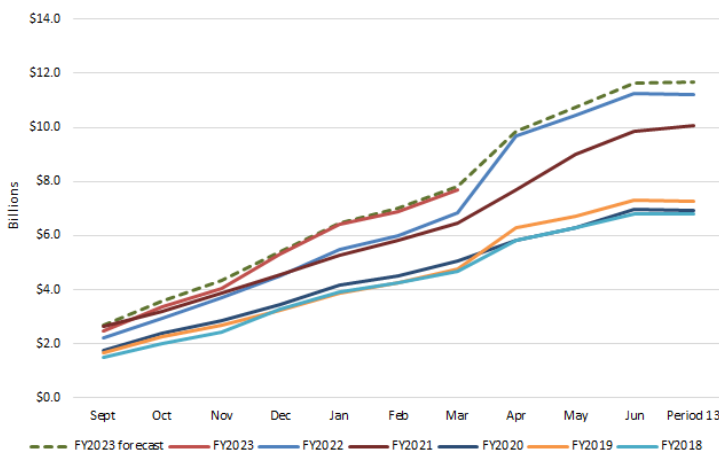
General Fund	Projected Growth Rate - February Estimates (Annual)	YoY Growth Rate	Projected Range in Collections Through 9 Months	Actual Collections	Year-End Forecast	Dec-22	Jan-23	Feb-23	Mar-23
Sales & Use Tax	6.4%	8.1%	\$2,226,000,000 - \$2,721,000,000	\$2,483,562,044	\$3,297,805,000	10.5%	8.9%	9.1%	8.1%
All Other Sources	28.9%	33.4%	\$540,000,000 - \$660,000,000	\$576,522,215	\$800,493,229	29.8%	30.3%	34.8%	33.4%
Subtotal General Fund	10.2%	12.1%		\$3,060,084,259	\$4,098,298,229	13.5%	11.9%	12.9%	12.1%
Sales & Use Tax Set-Asides	10.9%	11.3%	\$815,000,000 - \$996,000,000	\$867,752,080	\$1,207,400,759	13.2%	13.8%	11.6%	11.3%
Income Tax Fund/Uniform School Fund									
Individual Income Tax	-1.6%	18.0%	\$4,498,000,000 - \$5,497,000,000	\$4,397,628,986	\$6,663,306,667	25.3%	24.5%	21.5%	18.0%
Withholding - Passthrough SALT				\$565,753,741					
Individual Income Tax Excluding Passthrough SALT		2.8%		\$3,831,875,245		8.9%	6.0%	4.4%	2.8%
Corporate Tax	-16.5%	-11.6%	\$528,000,000 - \$646,000,000	\$453,247,507	\$782,651,333	-6.4%	-9.5%	-11.2%	-11.6%
All Other Sources	19.3%	76.5%	\$77,000,000 - \$95,000,000	\$62,579,410	\$114,556,667	94.9%	80.1%	85.3%	76.5%
Subtotal Income Tax Fund	-3.1%	14.9%		\$4,913,455,903	\$7,560,514,667	21.7%	21.0%	18.3%	14.9%
Subtotal GF/ITF/USF	1.2%	12.2%		\$7,973,540,162	\$11,658,812,895	17.6%	16.5%	14.9%	12.2%
Transportation Fund									
Motor Fuel Tax	2.6%	1.3%	\$277,000,000 - \$338,000,000	\$294,962,810	\$409,781,671	-0.7%	-1.8%	0.9%	1.3%
Special Fuel Tax	8.4%	2.6%	\$127,000,000 - \$156,000,000	\$126,198,682	\$188,514,159	9.0%	6.6%	3.2%	2.6%
Other	13.4%	10.5%	\$93,000,000 - \$114,000,000	\$91,197,145	\$137,709,667	12.0%	12.3%	8.4%	10.5%
Subtotal Transportation Fund	6.0%	3.2%		\$512,358,637	\$736,005,497	3.6%	2.5%	2.7%	3.2%
Total, GF/ITF/USF/TF	1.4%	11.6%		\$8,485,898,800	\$12,394,818,392	16.7%	15.6%	14.0%	11.6%

SUMMARY

In the first nine months of FY 2023, revenue to the General and Income Tax Funds was just under \$8.0 billion. This represents a year-over-year (YoY) increase of 12.2%, compared to the full-year target rate of 1.2%. This month's growth was a mix of strong collections to the General Fund at 12.1% and continued moderation in collections to the Income Tax Fund at 14.9%. Growth for the Transportation Fund, at 3.2%, has remained subdued but showing steady improvement recently. Overall this month, combined GF/ITF/TF collections continued the trend of softening slightly, to 11.6% YoY, as has been the case since the large bump in December when pass-through entities accelerated their income tax payments. This is not unexpected, as noted in prior snapshots, as the effect of this timing shift diminishes nearer to the usual filing deadline.

On that note, the month in question is upon us: April is a significant month for income tax collections as the annual filing deadline results in a large influx of final payments. This can be seen clearly in prior years in the graph below. Next month's snapshot will better reflect final payments, providing a strong indication for where the full-year totals will likely fall.

GF/ITF Collections



GENERAL FUND

General Fund collections totaled over \$3.0 billion in the first nine months of FY 2023, growing 12.1% YoY, in line with prior months this fiscal year and ahead of the target rate of 10.2%. Sales tax collections were up 8.1% YoY, a slight moderation from last month's rate. Total taxable sales have continued to soften recently amid a broader consumption shift back to services, which typically fall outside of the sales tax base to a greater extent than goods. However, persistently elevated prices and stronger collections early in the FY have kept the YTD rate fairly high. Among other sources of revenue to the General Fund, the largest contributors to growth for the fund overall were investment income, at 1,200% YoY growth, and oil and gas severance tax, which remained elevated at a 93% YoY rate.

INCOME TAX FUND

Income Tax Fund collections reached just over \$4.9 billion in the first nine months of FY 2023, a YoY increase of 14.9%, currently well above the target rate of -3.1%. As in previous months, individual income tax collections continued to show an elevated, but decaying, growth rate due to the payments accelerated into December and January. A truer indication of full-year collections and where we are relative to forecast (no longer skewed by the filing shift) will come next month, when the annual jump in final payments comes in with the April filing deadline. Looking to corporate collections, this month came in negative once again at a rate of -11.6% YoY; this is however still tracking better than the annual target of -16.5%.

TRANSPORTATION FUND

Transportation Fund collections amounted to over \$500 million in the first nine months of FY 2023, for a YoY growth rate of 3.2%, compared to the target of 6.0%. All of the contributors to the Fund showed positive YoY growth this month. However, special fuel tax growth deteriorated once again compared to the prior month, growing at a rate of just 2.6% YoY and diminishing in spite of the relatively higher fuel tax rates implemented at the beginning of this calendar year. Special fuel tax is sourced primarily from diesel fuel sales; softening freight volumes stemming from the ongoing shift from goods to services consumption may be a contributor.

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