

MONTHLY STATE REVENUE SNAPSHOT

JAN 2023

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

General Fund	Projected Growth	YoY	Projected Range in Collections Through 6 Months	Actual Collections	Year-End Forecast	22-Jun	22-Oct	22-Nov	22-Dec
	Rate - November Estimates (Annual)	Growth Rate							
Sales & Use Tax	5.5%	10.5%	\$1,471,000,000 - \$1,797,000,000	\$1,686,150,936	\$3,267,971,300	18.0%	12.8%	12.0%	10.5%
All Other Sources	13.3%	30.8%	\$317,000,000 - \$387,000,000	\$367,095,474	\$703,782,333	13.6%	24.7%	28.3%	30.8%
Subtotal General Fund	6.8%	13.7%		\$2,053,246,410	\$3,971,753,633	17.3%	14.7%	14.7%	13.7%
Sales & Use Tax Set-Asides	0.0%	13.2%	\$490,000,000 - \$598,000,000	\$567,904,819	\$1,196,433,258	17.1%	11.2%	12.3%	13.2%
Income Tax Fund/Uniform School Fund									
Individual Income Tax	0.1%	25.3%	\$3,051,000,000 - \$3,730,000,000	\$3,057,562,012	\$6,780,943,000	10.8%	20.9%	9.7%	25.3%
Withholding - Passthrough SALT				\$399,403,281					
Individual Income Tax Excluding Passthrough SALT		8.9%		\$2,658,158,731					8.9%
Corporate Tax	-14.4%	-6.4%	\$361,000,000 - \$441,000,000	\$334,548,393	\$802,278,000	26.2%	-26.7%	-29.3%	-6.4%
All Other Sources	-3.7%	94.9%	\$42,000,000 - \$51,000,000	\$38,655,872	\$92,526,667	192.5%	44.3%	77.1%	94.9%
Subtotal Income Tax Fund	-1.7%	21.7%		\$3,430,766,277	\$7,675,747,667	13.3%	15.4%	6.5%	21.7%
Subtotal GF/ITF/USF	1.1%	17.6%		\$5,484,012,687	\$11,647,501,300	11.3%	14.2%	8.8%	17.6%
Transportation Fund									
Motor Fuel Tax	3.1%	-0.7%	\$185,000,000 - \$226,000,000	\$198,017,600	\$411,629,667	5.2%	0.1%	-3.5%	-0.7%
Special Fuel Tax	7.6%	9.0%	\$84,000,000 - \$103,000,000	\$87,796,646	\$187,014,000	1.1%	10.7%	1.6%	9.0%
Other	8.2%	12.0%	\$59,000,000 - \$72,000,000	\$57,565,525	\$131,395,667	6.0%	7.0%	13.6%	12.0%
Subtotal Transportation Fund	5.1%	3.6%		\$343,379,771	\$730,039,333	4.3%	3.7%	0.3%	3.6%
Total, GF/ITF/USF/TF	1.3%	16.7%		\$5,827,392,458	\$12,377,540,633	10.9%	13.5%	8.2%	16.7%

SUMMARY

In the first six months of FY 2023, revenue to the General and Income Tax Funds was nearly \$5.5 billion, which represents a year-over-year (YoY) increase of 17.6%, compared to a full-year target rate of 1.1%. This jump reflects another month of strong growth, significantly higher than last month's 8.8% growth and still tracking well above November's revised annual growth target of 1.1%. High growth rates in the two major revenue streams, sales and use tax and individual income tax, persisted this month, although an aberration in individual income tax collections is pushing that rate up; this is described in the Income Tax Fund box. A slight moderation in sales and use tax growth was more than outweighed by a large bump up in nearly every other revenue source.

INCOME TAX FUND

Income Tax Fund collections reached over \$3.4 billion in the first six months of FY 2023, up \$1 billion since last month and for a YoY increase of 21.7%. This compares to the target of -1.7%. Individual income tax collections accounted for most of this large jump, with 25.3% YoY growth; however, this increase is inflated due to income tax payments shifting from March and April to December as some pass-through entity filers elect to utilize provisions passed in HB 444 during the last General Session. This shift made up nearly \$400 million of the collections this month. The effect of this on the growth rate will moderate as the fiscal year progresses. Corporate collections remained negative at a rate of -6.4% YoY but improved considerably compared to last month, as December's quarterly payments came in.

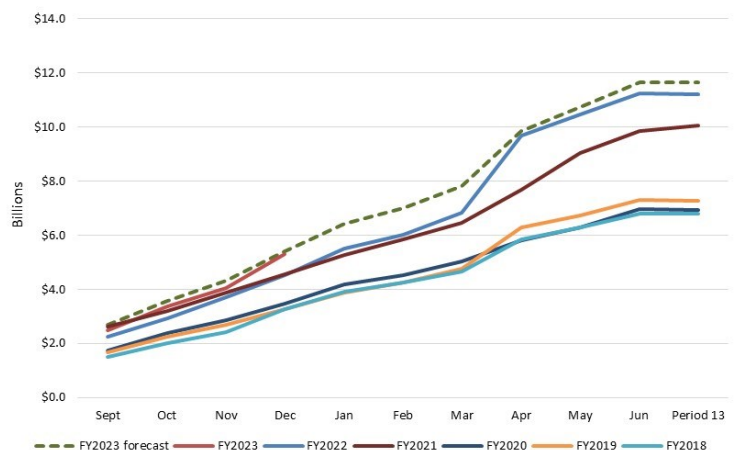
GENERAL FUND

General Fund collections totaled over \$2.0 billion in the first six months of FY 2023, growing 13.7% YoY, in line with prior months this fiscal year and ahead of the target rate of 6.8%. Sales tax collections remained strong but moderated from prior months. A continuation of the shift in consumer spending back from taxable goods to non-taxable services and concerns over inflation were likely factors in this deceleration. Countering this, the strong growth for General Fund overall stems from accelerating growth in investment income, at just shy of 1,000% year-over growth, riding high on rising interest rates, and 110% growth in oil and gas severance tax, which remains elevated on increased production and steady prices.

TRANSPORTATION FUND

Transportation Fund collections totaled over \$340 million in the first six months of FY 2023, for a YoY growth rate of 3.6%, compared to the target of 5.1%. Motor fuel and special fuel taxes improved compared to November, though motor fuel remained negative YoY. With fuel prices stabilized, this improvement likely reflects increased vehicle traffic around the holidays for both personal travel and commercial shipping. While special fuel tax collections were strong this month, sustained high diesel prices remains a potential headwind for demand and Transportation Fund revenue overall.

GF/ITF Collections



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