

MONTHLY STATE REVENUE SNAPSHOT

1 | 2018

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

General Fund	Projected Growth Rate - Dec Estimates (Annual)	Actual Growth Rate	Projected Range in Collections Through 6 Months	Actual Collections	Condition
Sales & Use Tax	5.6%	9.6%	\$967,000,000 - \$992,000,000	\$1,015,475,931	Above target range
All Other Sources	4.9%	14.9%	\$204,000,000 - \$216,000,000	\$222,544,106	Above target range
Subtotal General Fund				\$1,238,020,037	
Sales & Use Tax Set-Asides	4.3%	9.6%	\$292,000,000 - \$299,000,000	\$306,828,125	Above target range
Education Fund/USF					
Individual Income Tax	6.7%	17.8%	\$1,738,000,000 - \$1,793,000,000	\$1,977,817,675	Above target range
Corporate Tax	2.0%	10.6%	\$88,000,000 - \$185,000,000	\$145,894,946	On target
All Other Sources	7.3%	27.8%	\$7,000,000 - \$8,000,000	\$9,166,017	Above target range
Subtotal Education Fund				\$2,132,878,638	
Transportation Fund					
Motor Fuel Tax	1.7%	2.7%	\$175,000,000 - \$191,000,000	\$181,819,194	On target
Special Fuel Tax	2.7%	5.1%	\$65,000,000 - \$70,000,000	\$69,011,968	On target
Other	-0.8%	-3.0%	\$40,000,000 - \$45,000,000	\$40,230,000	On target
Subtotal Transportation Fund				\$291,061,162	
Total, GF/EF/USF/TF				\$3,661,959,837	

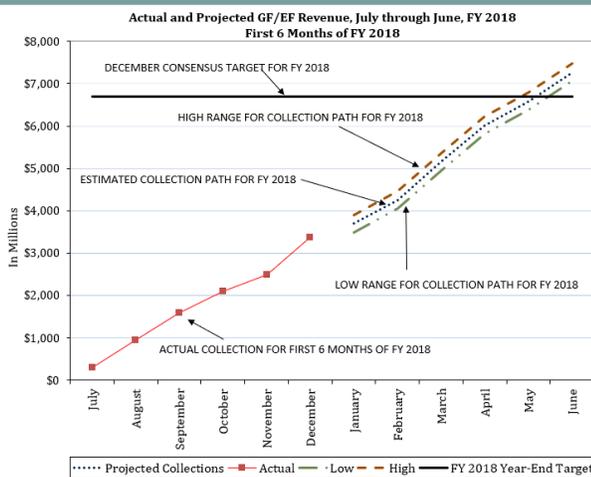
SUMMARY

General and Education Fund revenue collections totaled \$3.4 billion for the first six months of FY 2018, a year-over-year (YoY) growth rate of 14.5%. The current target is 6.0%.

Overall, revenue growth accelerated in December, going from YoY growth of 8.3% in November to the just-mentioned 14.5%. Jumps occurred in all of the three largest revenue sources (income, sales, and corporate), but was most pronounced in income tax gross payments (i.e. not withholding). This very strong income tax growth likely stems from tax planning decisions influenced by passage of the federal Tax Cuts and Jobs Act, suggesting that YoY growth may moderate in coming months.

GENERAL FUND

General Fund revenue totaled \$1.2 billion for the first six months of FY 2018, representing a YoY growth rate of 9.9% compared to the prior year. The current target growth rate is 5.5%. Behind the performance of the General Fund is better-than-estimated sales tax, which is growing at 9.6 percent YoY right now. This sales tax growth rate is influenced by the fact that some online retailers began collecting sales taxes in January 2017. Collections for the first half of this fiscal year include online sales where those from the first half of last fiscal year do not. This may overstate growth in the first half of the year. One would expect the difference to moderate in the second half of the year.



EDUCATION FUND

Education Fund revenue collections reached \$2.1 billion for the first six months of FY 2018, representing a YoY growth rate of 17.3%. The current Education Fund revenue target is 6.3%. Behind the higher than anticipated growth figure is a greater than 60% increase in gross final payments. We believe a large part of this stems from federal tax reform, and is therefore temporary.

TRANSPORTATION FUND

Transportation Fund revenue collections reached \$291 million for the first six months of FY 2018, which is within the current revenue target range.