Monthly State Revenue Snapshot

General Fund revenue collections totaled $2.2 billion for the first ten months of FY 2019. This represents a YoY growth rate of 4.2%. The current consensus target is 5.3%. The General Fund’s lower-than-expected 4.2% growth rate may be overstated because sales tax is currently slightly overallocated to the General Fund.

Education Fund

Education Fund collections reached $4.2 billion through ten months of FY 2019, a YoY increase of 9.0%. Revenue has been abnormally volatile this year. The first report of the year had Education Fund revenue up 18.0% YoY. The growth rate then decelerated to 12.9% and 13.0% in October and November 2018, respectively. The strong revenue picture then flipped in December to −4.6% because final payments were much lower this year compared to last year’s payments. This was mostly due to incentives created by federal tax reform. Since bottoming at −4.6% in December, growth has continually rebounded, going to −3.9% (January), then to −2.7% (February), then to 0.5% (March), and then to 9.0% (April) as final income tax payments were made.

Transportation Fund

Transportation Fund collections reached $497 million for the first ten months (+4.4% YoY), above the 3.4% target. Overall, Transportation Fund revenue growth has floated in a narrow range this year, going from a low of 1.8% in January to a high of 5.8% in December. The current growth rate of 4.4% is well within the range of the revenue target.