



Idaho General Fund Revenue Report

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The revised FY 2015 General Fund revenue forecast is introduced in this month's *Idaho General Fund Revenue Report*. At \$2,964.5 million, it is \$6.1 million lower than the previous FY 2015 General Fund revenue forecast of \$2,970.6 million that was released in August 2014. The new revenue projection represents a 5.3% increase from the FY 2014 actual collections. It was previously projected to be 5.5%.

The largest difference between the revised and previous forecasts is in the sales tax. This revenue category has been reduced by \$8.6 million to reflect the reduced Idaho housing starts forecast. The current projection of about 9,000 units in FY 2015 is down 2,500 units from last summer's forecast. Some of the sales tax decrease is offset by the slight upward revisions to the individual and corporate income taxes. The individual income tax forecast has been raised by \$0.6 million and the corporate income tax has been increased by \$1.9 million.

December 2014 General Fund receipts were \$272.0 million, an increase of 5.2% over the previous December's collections. This month's receipts were \$19.9 million (7.9%) higher than the \$252.1 million predicted for December. The fiscal year-to-date General Fund receipts for this month are also ahead by

\$19.9 million because the revised forecast starts in December 2014.

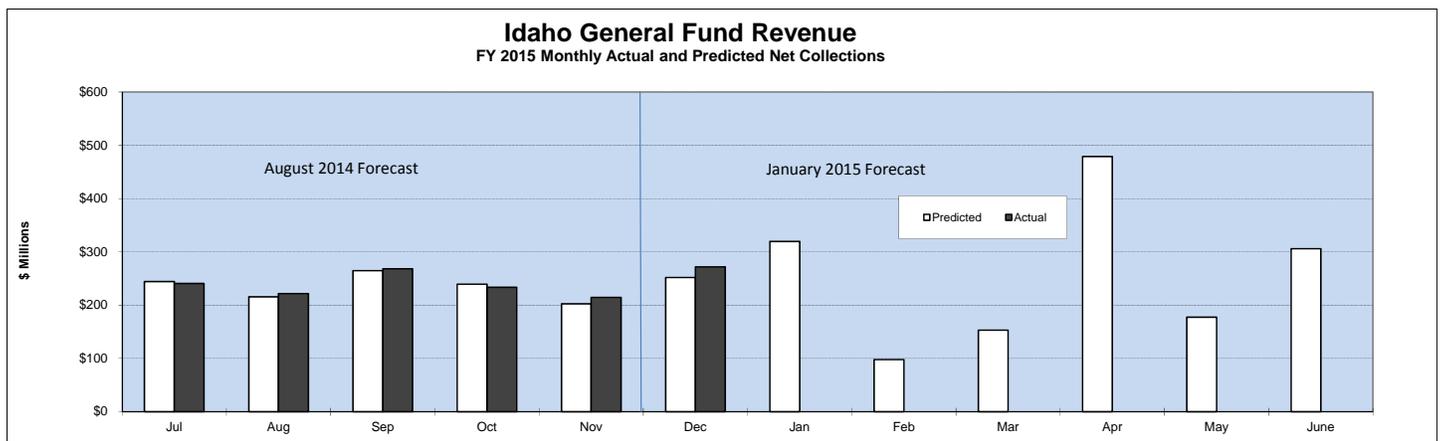
The individual income tax accounted for most of this month's difference. Its collections of \$132.5 million topped its target of \$117.1 million by \$15.4 million (13.2%). Corporate income tax collections of \$32.9 million also came in above expectations; they were \$5.1 million (18.2%) above the projected \$27.9 million. Sales tax collections, on the other hand, were very close to the amount expected for December. Specifically, the sales tax added \$94.9 million to the General Fund, which is \$0.6 million (-0.6%) under the predicted \$95.5 million. Product taxes of \$3.3 million were \$0.1 million (3.7%) above the forecast. Revenue from miscellaneous sources of \$8.3 million was slightly below the anticipated \$8.4 million.

The individual income tax category's strong December showing resulted from much higher-than-predicted filing collections. Filing collections were forecast to be \$23.3 million, but actual collections were \$41.3 million. Caution is advised when interpreting this number, however, as the amount of filing collections can swing significantly this time of year as taxpayers seek to optimize the timing of their tax payments. For example, some taxpayers find it advantageous to pay their Idaho income

taxes at the end of the calendar year so they can be subtracted from their federal income taxes. Part of this surplus was decreased by refunds that were \$2.7 million higher than predicted. Withholding payments of \$99.3 million were virtually on target.

The corporate income category's performance in December was dominated by refunds. The corporate income tax surplus of \$5.1 million was due to refunds that were \$6.9 million lower than expected, \$1.7 million versus \$8.6 million. This amount was partially reduced by lower-than-expected filing collections and estimated payments. Specifically, filing collections of \$0.8 million for the month were \$1.2 million under the forecast. Estimated payments were \$0.3 million below the expected \$34.4 million.

The sales tax contribution of \$94.9 million to the General Fund in December 2014 was a 3.6% increase from the previous December. However, this growth was slightly lower than the anticipated 4.2% pace. As a result, the month's sales tax collections were \$0.6 million below the forecast. It should be noted that the December receipts do not include December activity. These receipts are not due until January 2015, so they will be included in the next *Idaho General Fund Revenue Report*.



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Idaho General Fund Collections for December 2014

MONTHLY ACTUAL AND PREDICTED COLLECTIONS FOR DECEMBER						
	<i>Actual FY 2013</i>	<i>Actual FY 2014</i>	<i>Actual FY 2015</i>	<i>Predicted FY 2015</i>	<i>Forecast Performance FY 2015</i>	
					<i>(Actual versus Predicted)</i>	
Individual Income Tax (\$000)	\$120,646.9	\$129,784.2	\$132,467.9	\$117,061.1	Difference	\$15,406.8
Percent Change from Previous Year	4.2%	7.6%	2.1%	-9.8%	Percent	13.2%
Corporate Income Tax (\$000)	\$25,480.8	\$25,902.1	\$32,948.1	\$27,875.8	Difference	\$5,072.4
Percent Change from Previous Year	-11.1%	1.7%	27.2%	7.6%	Percent	18.2%
Sales Tax (\$000)	\$85,148.1	\$91,669.9	\$94,941.4	\$95,536.5	Difference	(\$595.1)
Percent Change from Previous Year	4.3%	7.7%	3.6%	4.2%	Percent	-0.6%
Product Tax (\$000)	\$3,689.7	\$3,050.8	\$3,341.8	\$3,222.2	Difference	\$119.6
Percent Change from Previous Year	13.5%	-17.3%	9.5%	5.6%	Percent	3.7%
Miscellaneous Revenue (\$000)	\$7,455.5	\$8,117.7	\$8,302.4	\$8,362.2	Difference	(\$59.8)
Percent Change from Previous Year	-32.4%	8.9%	2.3%	3.0%	Percent	-0.7%
Total (\$000)	\$242,421.0	\$258,524.6	\$272,001.7	\$252,057.8	Difference	\$19,943.9
Percent Change from Previous Year	0.9%	6.6%	5.2%	-2.5%	Percent	7.9%

FISCAL YEAR-TO-DATE ACTUAL AND PREDICTED COLLECTIONS THROUGH DECEMBER						
	<i>Actual FY 2013</i>	<i>Actual FY 2014</i>	<i>Actual FY 2015</i>	<i>Predicted FY 2015</i>	<i>Forecast Performance FY 2015</i>	
					<i>(Actual versus Predicted)</i>	
Individual Income Tax (\$000)	\$589,398.9	\$635,190.6	\$676,067.3	\$660,660.5	Difference	\$15,406.8
Percent Change from Previous Year	1.4%	7.8%	6.4%	4.0%	Percent	2.3%
Corporate Income Tax (\$000)	\$73,040.9	\$85,930.7	\$94,316.6	\$89,244.2	Difference	\$5,072.4
Percent Change from Previous Year	-6.2%	17.6%	9.8%	3.9%	Percent	5.7%
Sales Tax (\$000)	\$559,667.8	\$584,351.9	\$616,136.7	\$616,731.8	Difference	(\$595.1)
Percent Change from Previous Year	6.9%	4.4%	5.4%	5.5%	Percent	-0.1%
Product Tax (\$000)	\$27,642.4	\$24,891.2	\$25,915.8	\$25,796.3	Difference	\$119.6
Percent Change from Previous Year	16.5%	-10.0%	4.1%	3.6%	Percent	0.5%
Miscellaneous Revenue (\$000)	\$48,397.7	\$42,928.2	\$38,922.2	\$38,982.0	Difference	(\$59.8)
Percent Change from Previous Year	-2.9%	-11.3%	-9.3%	-9.2%	Percent	-0.2%
Total (\$000)	\$1,298,147.7	\$1,373,292.7	\$1,451,358.6	\$1,431,414.7	Difference	\$19,943.9
Percent Change from Previous Year	3.3%	5.8%	5.7%	4.2%	Percent	1.4%