



# Idaho General Fund Revenue Report

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Idaho's April 2016 General Fund receipts were \$506.6 million, which was \$9.1 million (-1.8%) less than the forecasted \$515.7 million. This month's revenue was 5.0% higher than in April 2015. Fiscal year-to-date collections through April 2016 are 3.7% above the same time last year. The fiscal year-to-date receipts of \$2,677.8 million are \$14.0 million (-0.5%) shy of the anticipated \$2,681.8 million.

This month's shortfall was a result of lower-than-forecasted income taxes. The individual income tax was expected to contribute \$367.7 million to the General Fund. Instead, actual collections were \$358.1 million, which was \$9.6 million below the predicted amount. Corporate receipts were also short of the April 2016 target. At \$41.1 million, they were \$6.4 million below the anticipated \$47.5 million. Unlike these two large revenue sources, April sales tax receipts of \$110.8 million topped the projected \$104.8 million by nearly \$6.0 million. Both product taxes and revenue from miscellaneous sources exceeded their forecasts as well.

The individual income tax results were weighed down by lower-than-expected filing collections and higher-than-forecasted refunds. Filing collections were anticipated to be \$330.4 million. Instead, filing collections were \$323.0 million, which is \$7.4 million lower than

was forecast. Refunds of \$75.1 million were about \$4.0 million more than the projected \$71.1 million. The combined shortfall attributable to lower filing collections and higher refunds is \$11.3 million.

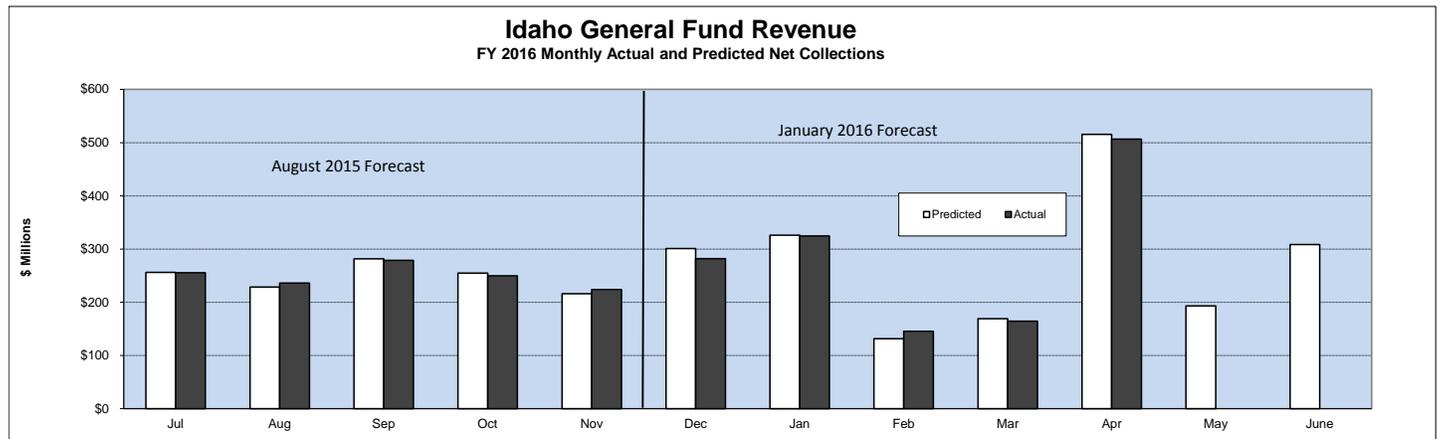
Part of the reason for the lower filing collections and higher refunds was the passage of House Bill 425 this winter that adopted some of the US Internal Revenue Code (IRC) changes into Idaho's income tax law. The most expensive feature of this bill was the change to IRC Section 179 that raised the ceiling for expensing (versus depreciating) eligible equipment purchases in CY 2015 from \$25,000 to \$500,000. It was anticipated this change alone would reduce FY 2016 General Fund revenue by about \$13.4 million. However, it is impossible to determine the precise impact this tax law change has had on individual income tax filing collections and refunds.

On the other hand, withholding payments were not impacted by the change to IRC Section 179. This component of the individual income tax brought \$112.0 million into the General Fund in April, which was \$1.9 million more than the expected \$110.1 million. For the fiscal year to date, the individual income tax contribution to the General Fund is \$1,346.6 million, which is \$5.4 million below the expected \$1,352.0 million.

Idaho's April 2016 corporate income filing collections of \$12.0 million were \$4.3 million below the predicted \$16.3 million. In addition, estimated payments were also short of this month's target. Specifically, at \$31.2 million they were \$1.1 million below the anticipated amount. Refunds of \$1.9 million were more than twice the expected \$0.9 million. It should be noted that corporate income tax collections have come in lower than forecasted since December 2015. As a result, receipts for the fiscal year to date of \$146.9 million are \$25.5 million under the forecasted \$172.4 million.

In contrast, actual Idaho sales tax receipts have beaten the forecast in every month since January 2016. Instead of growing by the predicted 1.2% from April 2015, actual year-over-year sales tax growth was 6.9%. The fiscal year-to-date sales tax receipts through April 2016 are \$1,081.3 million, which is \$15.0 million higher than what was forecast.

Miscellaneous revenue was negative this month because, as expected, the State Treasurer has set aside the funds necessary to pay the interest on this year's tax anticipation note. For the fiscal year to date, this revenue category's receipts are \$49.2 million, which is \$1.2 million more than anticipated.



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# Idaho General Fund Collections for April 2016

<b>MONTHLY ACTUAL AND PREDICTED COLLECTIONS FOR APRIL</b>						
	<i>Actual FY 2014</i>	<i>Actual FY 2015</i>	<i>Actual FY 2016</i>	<i>Predicted FY 2016</i>	<i>Forecast Performance FY 2016</i>	
					<i>(Actual versus Predicted)</i>	
<b>Individual Income Tax (\$000)</b>	\$295,200.9	\$330,087.6	\$358,071.5	\$367,655.9	<b>Difference</b>	(\$9,584.4)
<b>Percent Change from Previous Year</b>	-12.5%	11.8%	8.5%	11.4%	<b>Percent</b>	-2.6%
<b>Corporate Income Tax (\$000)</b>	\$43,394.0	\$48,058.3	\$41,111.7	\$47,488.4	<b>Difference</b>	(\$6,376.7)
<b>Percent Change from Previous Year</b>	-25.2%	10.7%	-14.5%	-1.2%	<b>Percent</b>	-13.4%
<b>Sales Tax (\$000)</b>	\$96,433.5	\$103,563.3	\$110,755.0	\$104,834.7	<b>Difference</b>	\$5,920.3
<b>Percent Change from Previous Year</b>	3.6%	7.4%	6.9%	1.2%	<b>Percent</b>	5.6%
<b>Product Tax (\$000)</b>	\$3,120.8	\$3,318.5	\$3,941.9	\$3,731.1	<b>Difference</b>	\$210.8
<b>Percent Change from Previous Year</b>	-15.0%	6.3%	18.8%	12.4%	<b>Percent</b>	5.6%
<b>Miscellaneous Revenue (\$000)</b>	(\$7,061.8)	(\$2,638.3)	(\$7,242.4)	(\$8,001.5)	<b>Difference</b>	\$759.1
<b>Percent Change from Previous Year</b>	15.5%	62.6%	-174.5%	-203.3%	<b>Percent</b>	9.5%
<b>Total (\$000)</b>	\$431,087.5	\$482,389.5	\$506,637.6	\$515,708.6	<b>Difference</b>	(\$9,071.0)
<b>Percent Change from Previous Year</b>	-10.9%	11.9%	5.0%	6.9%	<b>Percent</b>	-1.8%

<b>FISCAL YEAR-TO-DATE ACTUAL AND PREDICTED COLLECTIONS THROUGH APRIL</b>						
	<i>Actual FY 2014</i>	<i>Actual FY 2015</i>	<i>Actual FY 2016</i>	<i>Predicted FY 2016</i>	<i>Forecast Performance FY 2016</i>	
					<i>(Actual versus Predicted)</i>	
<b>Individual Income Tax (\$000)</b>	\$1,168,200.7	\$1,293,691.9	\$1,346,607.7	\$1,352,033.9	<b>Difference</b>	(\$5,426.2)
<b>Percent Change from Previous Year</b>	2.2%	10.7%	4.1%	4.5%	<b>Percent</b>	-0.4%
<b>Corporate Income Tax (\$000)</b>	\$148,807.9	\$180,200.2	\$146,890.7	\$172,396.3	<b>Difference</b>	(\$25,505.6)
<b>Percent Change from Previous Year</b>	-8.1%	21.1%	-18.5%	-4.3%	<b>Percent</b>	-14.8%
<b>Sales Tax (\$000)</b>	\$950,415.6	\$1,011,673.4	\$1,081,279.9	\$1,066,277.8	<b>Difference</b>	\$15,002.2
<b>Percent Change from Previous Year</b>	3.3%	6.4%	6.9%	5.4%	<b>Percent</b>	1.4%
<b>Product Tax (\$000)</b>	\$37,334.6	\$38,714.5	\$43,841.2	\$43,088.0	<b>Difference</b>	\$753.2
<b>Percent Change from Previous Year</b>	-11.3%	3.7%	13.2%	11.3%	<b>Percent</b>	1.7%
<b>Miscellaneous Revenue (\$000)</b>	\$48,041.1	\$48,397.9	\$49,174.8	\$48,003.8	<b>Difference</b>	\$1,171.0
<b>Percent Change from Previous Year</b>	-8.5%	0.7%	1.6%	-0.8%	<b>Percent</b>	2.4%
<b>Total (\$000)</b>	\$2,352,799.8	\$2,572,677.9	\$2,667,794.3	\$2,681,799.7	<b>Difference</b>	(\$14,005.5)
<b>Percent Change from Previous Year</b>	1.4%	9.3%	3.7%	4.2%	<b>Percent</b>	-0.5%