



Idaho General Fund Revenue Report

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General Fund receipts were short of the forecast in April. This month's receipts of \$534.3 million were \$29.9 million (-5.3%) under the expected \$564.2 million. Actual collections for the month are 0.4% below the previous April, and they are much lower than the anticipated 5.1% growth. Despite this month's shortfall, the General Fund receipts exceed the fiscal year-to-date forecast by \$116.9 million (3.8%), \$3,166.0 million versus \$3,049.2 million.

Individual income tax collections dominated this month's General Fund shortfall. Actual collections were \$360.2 million, which was under the anticipated \$398.6 million. Instead of growing by the predicted 9.4%, they declined 1.2% from April 2017. Part of this shortfall was offset by corporate tax receipts that were about \$10.1 million (20.3%) above the forecast, \$60.1 million versus \$49.9 million. The sales tax came in much closer to its April target. Its contribution to the General Fund was \$124.9 million, which was \$4.5 million (3.7%) more than expected. Revenue from product taxes was virtually on target this month, coming within \$0.1 million of its forecast. Revenue from miscellaneous sources was \$6.1 million under the April forecast.

Lower-than-forecasted individual filing collections were the reason for this month's individual income tax \$38.4

million shortfall. The filing collections shortfall of \$48.9 million was even larger than the total shortfall. A deficit of this size in the largest collection month of the year would usually raise alarms. However, this is not a usual year. The passage of major federal tax reform altered the timing of filing payments compared to previous years. It was anticipated that filing payments would come in earlier than usual, as some Idahoans shifted income from 2018 to 2017 in response to the federal tax reform. There is evidence this did occur. In January 2018, Idaho individual filing payments of \$134.2 million were twice as high as expected. This early revenue bump prompted speculation that an April shortfall would follow. Indeed, filing payments were down \$48.9 million this month. As a result, the fiscal year-to-date surplus of \$66.7 million for individual income tax filing as of January shrank to just \$25.8 million in April.

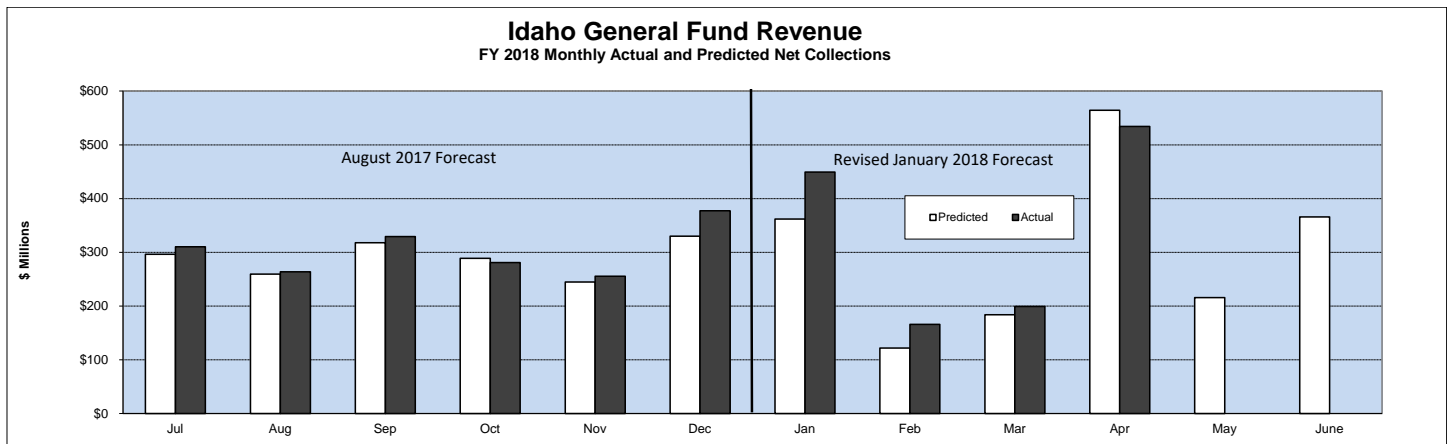
This month's filing collections' hole was partially filled by withholding payments that topped their forecast by \$13.0 million. April is the sixth consecutive month this fiscal year that withholding payments have exceeded expectations. This performance reflects Idaho's strong employment conditions. (The state's current unemployment rate is 2.9%.) Refunds of \$81.9 million for the month were slightly higher than was

forecast. On a fiscal year-to-date basis, individual income tax revenue is \$1,632.5 million, which is \$86.0 million above the projection.

Filing collections were the major contributor to this month's corporate income tax results, but in this case generating a surplus. These collections of \$23.3 million were \$10.4 million more than the forecast. However, the bottom line surplus was reduced slightly to \$10.1 million because of slightly lower estimated payments and higher refunds. Thanks to this month's strong filing collections, the fiscal year-to-date surplus grew to \$23.3 million.

This month's sales tax contribution to the General Fund also topped expectations. It was projected to increase 3.0% from the previous April, but it instead grew 6.9%. This resulted in a \$4.5 million surplus for the month that grew the fiscal year-to-date sales tax surplus to \$8.2 million.

Revenue from miscellaneous sources was negative because the State Treasurer fully funded this year's Tax Anticipation Note, which includes a \$19.2 million interest expense, in April. Miscellaneous revenue for the fiscal year to date through April 2018 is \$57.4 million, which is just \$0.6 million below expectations.



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Idaho General Fund Collections for April 2018

MONTHLY ACTUAL AND PREDICTED COLLECTIONS FOR APRIL					
	<i>Actual FY 2016</i>	<i>Actual FY 2017</i>	<i>Actual FY 2018</i>	<i>Predicted FY 2018</i>	<i>Forecast Performance FY 2018</i>
					<i>(Actual versus Predicted)</i>
Individual Income Tax (\$000)	\$358,071.5	\$364,369.1	\$360,163.9	\$398,555.4	Difference (\$38,391.5)
Percent Change from Previous Year	8.5%	1.8%	-1.2%	9.4%	Percent -9.6%
Corporate Income Tax (\$000)	\$41,111.7	\$51,086.4	\$60,058.6	\$49,940.1	Difference \$10,118.4
Percent Change from Previous Year	-14.5%	24.3%	17.6%	-2.2%	Percent 20.3%
Sales Tax (\$000)	\$110,755.0	\$116,858.8	\$124,902.2	\$120,397.7	Difference \$4,504.4
Percent Change from Previous Year	6.9%	5.5%	6.9%	3.0%	Percent 3.7%
Product Tax (\$000)	\$3,941.9	\$4,499.2	\$4,285.2	\$4,341.1	Difference (\$55.9)
Percent Change from Previous Year	18.8%	14.1%	-4.8%	-3.5%	Percent -1.3%
Miscellaneous Revenue (\$000)	(\$7,242.4)	(\$208.2)	(\$15,085.8)	(\$8,995.1)	Difference (\$6,090.7)
Percent Change from Previous Year	-174.5%	97.1%	-7145.3%	-4220.1%	Percent -67.7%
Total (\$000)	\$506,637.6	\$536,605.3	\$534,323.9	\$564,239.3	Difference (\$29,915.3)
Percent Change from Previous Year	5.0%	5.9%	-0.4%	5.1%	Percent -5.3%

FISCAL YEAR-TO-DATE ACTUAL AND PREDICTED COLLECTIONS THROUGH APRIL					
	<i>Actual FY 2016</i>	<i>Actual FY 2017</i>	<i>Actual FY 2018</i>	<i>Predicted FY 2018</i>	<i>Forecast Performance FY 2018</i>
					<i>(Actual versus Predicted)</i>
Individual Income Tax (\$000)	\$1,346,607.7	\$1,455,091.2	\$1,632,468.6	\$1,546,507.1	Difference \$85,961.5
Percent Change from Previous Year	4.1%	8.1%	12.2%	6.3%	Percent 5.6%
Corporate Income Tax (\$000)	\$146,890.7	\$174,255.3	\$191,123.1	\$167,779.0	Difference \$23,344.1
Percent Change from Previous Year	-18.5%	18.6%	9.7%	-3.7%	Percent 13.9%
Sales Tax (\$000)	\$1,081,279.9	\$1,143,333.5	\$1,235,632.3	\$1,227,480.2	Difference \$8,152.2
Percent Change from Previous Year	6.9%	5.7%	8.1%	7.4%	Percent 0.7%
Product Tax (\$000)	\$43,841.2	\$49,480.9	\$49,443.4	\$49,421.8	Difference \$21.6
Percent Change from Previous Year	13.2%	12.9%	-0.1%	-0.1%	Percent 0.0%
Miscellaneous Revenue (\$000)	\$49,174.8	\$54,927.0	\$57,369.4	\$57,981.0	Difference (\$611.7)
Percent Change from Previous Year	1.6%	11.7%	4.4%	5.6%	Percent -1.1%
Total (\$000)	\$2,667,794.3	\$2,877,087.9	\$3,166,036.7	\$3,049,169.1	Difference \$116,867.7
Percent Change from Previous Year	3.7%	7.8%	10.0%	6.0%	Percent 3.8%