



Idaho General Fund Revenue Report

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Idaho General Fund revenue of \$270.8 million in October 2018 was \$34.3 million (-11.2%) lower than expected. The actual collections were down 3.6% from the previous October. They were projected to grow 8.6% from last year. Fiscal year-to-date receipts through October are also lower than the same period last year. Instead of rising by the projected 2.7%, they fell by 1.3%. For the fiscal year to date, General Fund revenue is \$1,168.7 million, which is \$47.3 million (-3.9%) under the anticipated \$1,215.9 million.

This month's shortfall is due to individual income tax receipts that were below the forecast. They were expected to be \$147.8 million, but instead were \$113.8 million—a \$34.0 million (-23.0%) shortfall. Receipts have fallen short of projections in every month, and this month's shortfall was the largest of the fiscal year. In contrast, the corporate income tax has topped expectations in each month of this fiscal year. However, these have not been large enough to offset the individual income tax shortfalls. In October, corporate income tax collections were \$13.4 million, which was \$4.1 million (44.7%) more than predicted. The sales tax posted its first shortfall of the fiscal year this month, coming in \$3.5 million (-2.5%) under its \$140.5 million target. Revenue from product taxes were \$4.7 million, which was just below the

forecasted \$4.8 million. Revenue from miscellaneous sources of \$1.9 million was \$0.8 million under the projection.

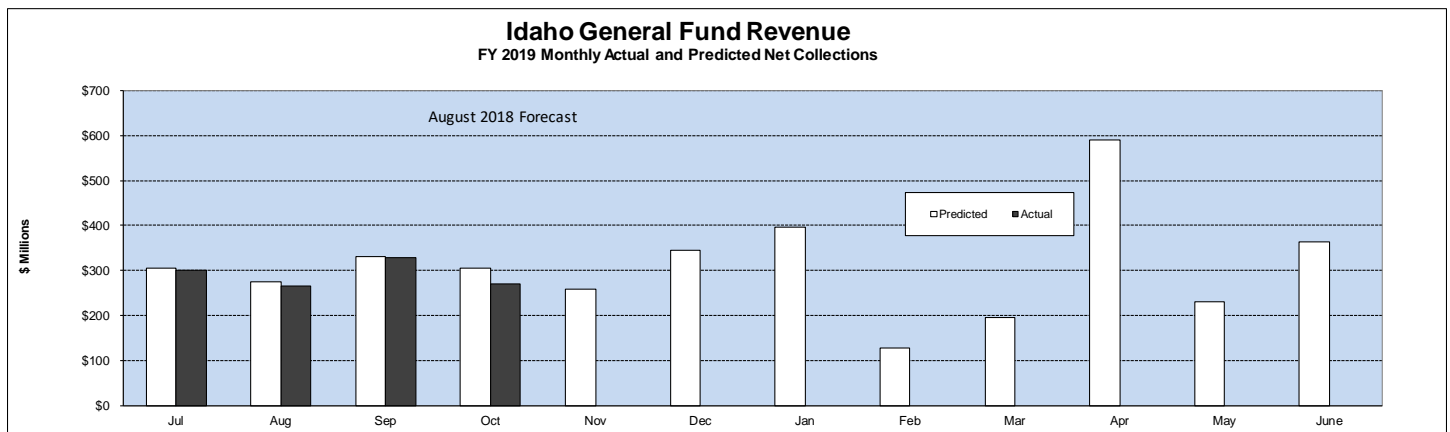
As in past months, the individual income tax contribution to the General Fund was weighed down by much lower-than-expected withholding payments. These payments were forecast to be \$129.8 million this month, but they were \$97.8 million. Withholding payments are the single largest source of General Fund revenue. Another revenue source is filing collections. It added \$35.3 million to the General Fund in October, which was \$3.0 million more than expected. However, this small cushion was more than offset by refunds that topped the forecast by \$5.0 million, \$18.9 million versus \$13.9 million. As of October 2018, the fiscal year-to-date individual income tax receipts are \$451.8 million, which is \$90.6 million under the forecast.

The corporate income tax has two revenue sources: estimated payments and filing collections. Both outperformed expectations this month. Estimated payments of \$10.2 million were about \$3.9 million above the anticipated \$6.4 million. The filing collection surplus was not as large. It was \$1.9 million, with \$7.1 million collected this month. These surpluses were slightly reduced by refunds of \$3.6 million that were \$0.7 million

above the anticipated \$2.9 million. For the fiscal year to date, corporate income tax receipts are \$83.2 million, which is \$27.9 million above the predicted \$55.3 million.

Several factors contribute to the sales tax contribution to the General Fund. Idaho gross sales tax receipts before refunds and distributions grew 5.1% from October 2017 to October 2018 to \$162.6 million. This amount was \$5.4 million less than expected. Refunds were \$0.1 million, which was much lower than the projected \$0.6 million. The largest single distribution is for revenue sharing to counties and cities. This month \$18.7 million was earmarked for revenue sharing, which is 5.3% higher than in October 2017. The bottom line is this month's General Fund portion of the sales tax was 7.5% above October 2017, which was slightly slower than the expected 10.2% growth. As a result, it was \$3.5 million (-2.5%) below this month's forecast. Despite this showing, this revenue category is showing a \$10.5 million surplus for the fiscal year to date.

The amount of product taxes collected for the fiscal year to date is \$26.5 million, which is \$0.2 million less than expected. The amount of revenue from miscellaneous sources over this same period is \$43.5 million, which exceeds the forecast by \$5.2 million.



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Idaho General Fund Collections for October 2018

MONTHLY ACTUAL AND PREDICTED COLLECTIONS FOR OCTOBER					
	<i>Actual FY 2017</i>	<i>Actual FY 2018</i>	<i>Actual FY 2019</i>	<i>Predicted FY 2019</i>	<i>Forecast Performance FY 2019</i>
					<i>(Actual versus Predicted)</i>
Individual Income Tax (\$000)	\$145,982.6	\$139,918.0	\$113,781.3	\$147,771.8	Difference (\$33,990.5)
Percent Change from Previous Year	21.6%	-4.2%	-18.7%	5.6%	Percent -23.0%
Corporate Income Tax (\$000)	\$9,984.5	\$7,448.1	\$13,391.5	\$9,253.3	Difference \$4,138.2
Percent Change from Previous Year	-1.7%	-25.4%	79.8%	24.2%	Percent 44.7%
Sales Tax (\$000)	\$121,619.0	\$127,442.2	\$136,980.8	\$140,468.5	Difference (\$3,487.8)
Percent Change from Previous Year	6.4%	4.8%	7.5%	10.2%	Percent -2.5%
Product Tax (\$000)	\$4,374.2	\$4,210.5	\$4,698.0	\$4,840.9	Difference (\$142.9)
Percent Change from Previous Year	12.4%	-3.7%	11.6%	15.0%	Percent -3.0%
Miscellaneous Revenue (\$000)	\$1,369.1	\$1,835.3	\$1,936.0	\$2,730.1	Difference (\$794.1)
Percent Change from Previous Year	6.1%	34.0%	5.5%	48.8%	Percent -29.1%
Total (\$000)	\$283,329.4	\$280,854.1	\$270,787.6	\$305,064.6	Difference (\$34,277.0)
Percent Change from Previous Year	13.5%	-0.9%	-3.6%	8.6%	Percent -11.2%

FISCAL YEAR-TO-DATE ACTUAL AND PREDICTED COLLECTIONS THROUGH OCTOBER					
	<i>Actual FY 2017</i>	<i>Actual FY 2018</i>	<i>Actual FY 2019</i>	<i>Predicted FY 2019</i>	<i>Forecast Performance FY 2019</i>
					<i>(Actual versus Predicted)</i>
Individual Income Tax (\$000)	\$511,060.4	\$535,549.4	\$451,798.5	\$542,421.7	Difference (\$90,623.3)
Percent Change from Previous Year	12.6%	4.8%	-15.6%	1.3%	Percent -16.7%
Corporate Income Tax (\$000)	\$62,277.0	\$55,649.5	\$83,218.2	\$55,339.2	Difference \$27,879.0
Percent Change from Previous Year	11.6%	-10.6%	49.5%	-0.6%	Percent 50.4%
Sales Tax (\$000)	\$491,332.0	\$525,570.7	\$563,650.8	\$553,148.0	Difference \$10,502.8
Percent Change from Previous Year	7.3%	7.0%	7.2%	5.2%	Percent 1.9%
Product Tax (\$000)	\$23,922.1	\$24,041.1	\$26,540.6	\$26,717.0	Difference (\$176.5)
Percent Change from Previous Year	14.7%	0.5%	10.4%	11.1%	Percent -0.7%
Miscellaneous Revenue (\$000)	\$29,402.8	\$43,298.5	\$43,454.7	\$38,304.1	Difference \$5,150.6
Percent Change from Previous Year	-8.0%	47.3%	0.4%	-11.5%	Percent 13.4%
Total (\$000)	\$1,117,994.4	\$1,184,109.2	\$1,168,662.8	\$1,215,930.1	Difference (\$47,267.3)
Percent Change from Previous Year	9.6%	5.9%	-1.3%	2.7%	Percent -3.9%