



Idaho General Fund Revenue Report

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Idaho General Fund revenue for September 2018 was much closer to its forecast than in the previous two months of the fiscal year. Receipts for the month of \$329.6 million were just \$0.3 million (-0.1%) below the predicted \$329.9 million. The July and August shortfalls were respectively \$3.3 million (-1.1%) and \$9.4 million (-3.4%). In the first quarter of FY 2019 total collections are \$897.9 million, which is down 0.6% from the same period last year. They are also \$13.0 million (-1.4%) less than the \$910.9 million anticipated for the first quarter of this fiscal year.

This month's fiscal precision is the net of rather large offsetting misses. The individual income tax revenue was \$118.1 million this month, which was \$19.2 million short of the forecast. Nearly two-thirds of this amount was offset by corporate income tax receipts that exceeded expectations by \$12.1 million—\$50.7 million versus the predicted \$38.6 million. The individual income tax shortfall was further reduced by the sales tax contribution to the General Fund that was \$6.2 million more than the expected \$137.0 million. Revenue from miscellaneous sources was \$12.4 million, which was \$0.5 million above expectations. Product tax receipts of \$5.1 million were virtually on target for the third consecutive month.

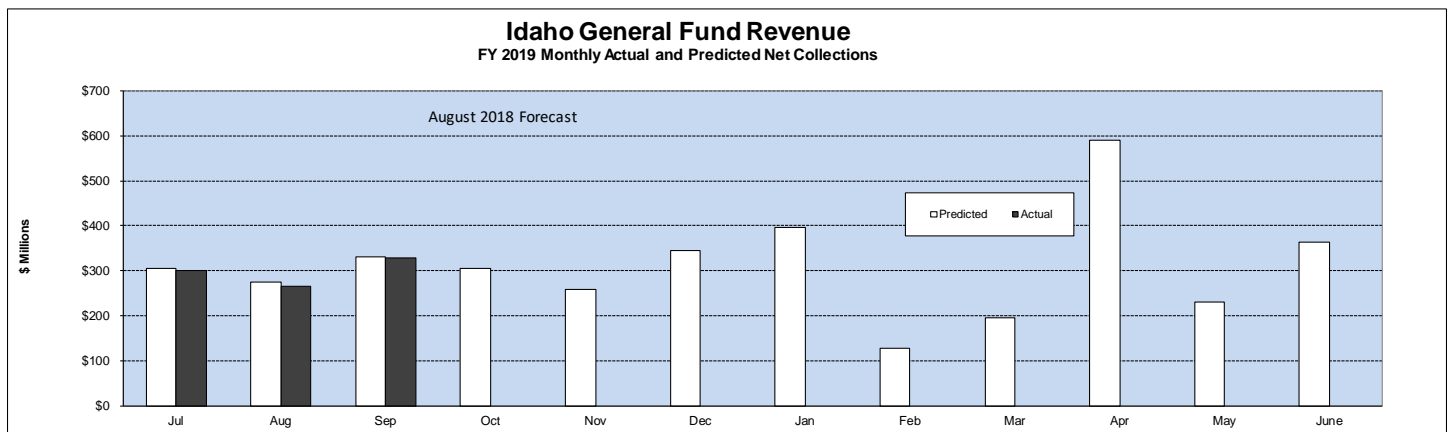
Lower-than-projected withholding payments once again accounted for the lion's share of this month's individual income tax shortfall. Instead of coming in at the predicted \$116.8 million, September payments of \$99.0 million were low by \$17.8 million. Coincidentally, this month's shortfall was the same as in July. August's shortfall was \$24.5 million. The individual income tax category was further weighed down by refunds that were \$1.5 million higher than expected. Filing collections were \$25.7 million, which was just \$0.1 million above the forecast. The FY 2019 year-to-date individual income tax shortfall is \$56.6 million, which is 14.4% below the forecast.

In contrast to the individual income tax's string of monthly shortfalls, the corporate income tax has exceeded expectations in each month of this fiscal year. It beat the July forecast by \$5.6 million and topped the August projection by \$6.0 million. The September surplus was \$12.1 million thanks to stronger than expected estimated quarterly payments. Historically, just under a fifth of the annual estimated payments are collected in September. However, more than a fourth of the forecasted full-year of quarterly payments were received this month. This measure was forecast to contribute \$34.1 million to the corporate income tax, but actual payments were \$48.2 million—a

surplus of \$14.1 million. Filing collections for the month were \$3.9 million, which was \$3.1 million less than the forecasted \$7.0 million. Refunds of \$1.1 million were \$0.6 million lower than the anticipated \$1.7 million. For the fiscal year to date, corporate income tax revenue is \$69.8 million and the surplus is \$23.7 million.

Idaho sales tax receipts topped the September forecast, as they did in the previous two months. This month's sales tax contribution to the General Fund was projected to be \$137.0 million, which was a 2.7% increase from the previous September. Instead, the actual amount was \$143.3 million, which is a 7.4% increase from last year. The three-month string of stronger-than-anticipated receipts has resulted in the fiscal year-to-date sales tax surplus of \$14.0 million. The fiscal year-to-date revenue is \$426.7 million, which is 7.2% above the same period last year—nearly twice the 3.7% predicted growth through the first quarter. Full fiscal year 2019 sales tax growth is predicted at 5.0%.

Product tax receipts for the fiscal year to date are on target at \$21.8 million. On the other hand, miscellaneous revenues over this fiscal year's first quarter of \$41.5 million are \$5.9 million higher than the forecast.



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Idaho General Fund Collections for September 2018

MONTHLY ACTUAL AND PREDICTED COLLECTIONS FOR SEPTEMBER					
	<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)	\$123,590.4	\$139,554.1	\$118,127.3	\$137,278.4	Difference (\$19,151.0)
Percent Change from Previous Year	9.9%	12.9%	-15.4%	-1.6%	Percent -14.0%
Corporate Income Tax (\$000)	\$42,748.1	\$39,763.2	\$50,695.7	\$38,566.9	Difference \$12,128.8
Percent Change from Previous Year	7.1%	-7.0%	27.5%	-3.0%	Percent 31.4%
Sales Tax (\$000)	\$122,193.5	\$133,442.5	\$143,256.1	\$137,040.0	Difference \$6,216.1
Percent Change from Previous Year	9.2%	9.2%	7.4%	2.7%	Percent 4.5%
Product Tax (\$000)	\$4,791.9	\$4,610.0	\$5,092.9	\$5,109.2	Difference (\$16.3)
Percent Change from Previous Year	21.3%	-3.8%	10.5%	10.8%	Percent -0.3%
Miscellaneous Revenue (\$000)	\$11,034.8	\$11,899.5	\$12,382.8	\$11,895.3	Difference \$487.5
Percent Change from Previous Year	4.9%	7.8%	4.1%	0.0%	Percent 4.1%
Total (\$000)	\$304,358.7	\$329,269.3	\$329,554.9	\$329,889.8	Difference (\$334.9)
Percent Change from Previous Year	9.2%	8.2%	0.1%	0.2%	Percent -0.1%

FISCAL YEAR-TO-DATE ACTUAL AND PREDICTED COLLECTIONS THROUGH SEPTEMBER					
	<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)	\$365,077.8	\$395,631.4	\$338,017.2	\$394,650.0	Difference (\$56,632.8)
Percent Change from Previous Year	9.3%	8.4%	-14.6%	-0.2%	Percent -14.4%
Corporate Income Tax (\$000)	\$52,292.6	\$48,201.5	\$69,826.7	\$46,085.9	Difference \$23,740.8
Percent Change from Previous Year	14.6%	-7.8%	44.9%	-4.4%	Percent 51.5%
Sales Tax (\$000)	\$369,713.0	\$398,128.5	\$426,670.0	\$412,679.5	Difference \$13,990.6
Percent Change from Previous Year	7.7%	7.7%	7.2%	3.7%	Percent 3.4%
Product Tax (\$000)	\$19,548.0	\$19,830.6	\$21,842.6	\$21,876.2	Difference (\$33.6)
Percent Change from Previous Year	15.3%	1.4%	10.1%	10.3%	Percent -0.2%
Miscellaneous Revenue (\$000)	\$28,033.7	\$41,463.2	\$41,518.7	\$35,574.0	Difference \$5,944.7
Percent Change from Previous Year	-8.6%	47.9%	0.1%	-14.2%	Percent 16.7%
Total (\$000)	\$834,665.0	\$903,255.0	\$897,875.2	\$910,865.5	Difference (\$12,990.3)
Percent Change from Previous Year	8.3%	8.2%	-0.6%	0.8%	Percent -1.4%