



Idaho General Fund Revenue Report

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Idaho's fiscal year closed this month. For FY 2020, General Fund collections of \$4,032.0 million exceeded four billion dollars for the first time. Of this total, \$1,905.2 million came from individual income tax, \$1,689.4 million from sales tax, and \$243.3 million from corporate taxes. Individual income tax exceeded its full-year forecast, but corporate tax and sales tax did not meet their forecasts, though sales tax was close.

Miscellaneous and product taxes combined brought in \$194.0 million, with product taxes slightly behind forecast and miscellaneous revenues slightly ahead, putting the net of the two at \$0.9 million ahead of forecast. For the full year, miscellaneous revenue was nearly double product tax revenue.

June General Fund receipts were \$763.6 million, which was \$383.5 million more than anticipated. For the month, all but product taxes exceeded expectations. Both income and corporate taxes exceeded expectations for the month because the tax year 2019 filing deadline shifted from April 15th to June 15th this year. This largely reversed April's shortfalls. Of this month's total, \$480.0 million was from the individual income tax. Sales taxes added \$151.4 million, and corporate taxes brought in \$66.6 million. Product taxes totaled \$4.5 million and miscellaneous revenue receipts were \$61.1 million.

Individual income tax collections were 6.7%, or \$120.5 million, above the

forecast for the year. Revenue was elevated by unusually low refunds. Just \$257.3 million in refunds were issued, which is \$103.8 million below the forecast. Some of this may be due to the 2017 Tax Cuts and Jobs Act as well as the Idaho legislative response; the law changes prompted revised tax tables which are now designed to more closely mirror actual liabilities. The last time refunds were less was in 2007. There may be refunds issued in the coming months which otherwise would have been issued in the same Idaho fiscal year save for the pandemic and the resulting delayed tax filing season.

Filing collections were below expectation this fiscal year. These were \$30.0 million under forecast at \$806.2 million. Withholding payments added strength to the General Fund collection. Total withholding payments for the year were \$1,365.2 million. This amount was \$46.0 million over the forecast prepared in January before the coronavirus pandemic caused the recent months' jobs upheaval. Filing collections for the year were 96.4% of expectation, withholdings payments were 103.5% of the forecast, and refunds were just 71.2% of the predicted amount.

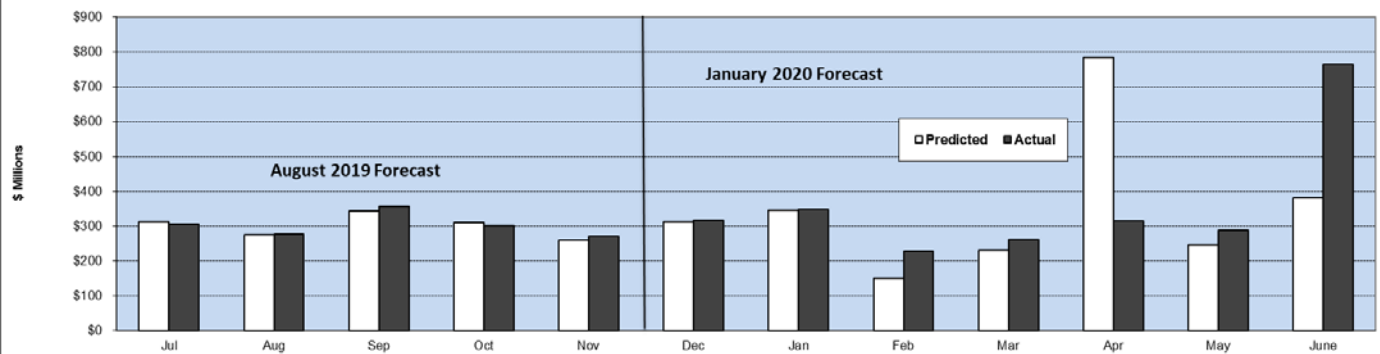
Corporate income tax collections were 13.6%, or \$38.4 million, under the fiscal year projection. Over seven million dollars of this shortfall is due to filing collections being behind projection and \$36.1 million is due to lower-than-predicted quarterly estimated payments. As with the individual income tax, refunds were low for corporate tax. Total refund payments for the fiscal year

were \$29.1 million, whereas \$34.2 million were expected. Unlike for the individual income tax collection, the level of refunds for this tax is not unusual. For the full fiscal year, filing collections achieved 89.1% of its expected value, estimated payments were 85.6% of expectation, and refunds were at a similar level of 85.2%.

Sales tax collections were 0.7% behind forecast for the year. This \$12.2 million deficit materialized in the last three months. Going into April, the remittance was ahead by \$2.5 million. Shopping and dining behaviors have certainly been affected during the pandemic. Recent data show online shopping has increased. Sales tax collected by online marketplaces and vendors without physical presence in Idaho are directed to Tax Relief Fund rather than to the General Fund. Over \$9.1 million was deposited into the Tax Relief Fund this month, which is second to the \$10.3 million posted this January. Still, June sales tax collections for the General Fund were robust, at \$151.4 million, which is \$3.2 million more than was expected before the pandemic.

The highlights of the remaining revenue streams are: tobacco tax, which is separate from the cigarette tax, was the primary source of the small shortfall in product taxes across the year. Unclaimed property transferred \$14.1 million to the General Fund, which was \$4.1 million more than forecast. The Department of Insurance deposited \$45.0 million in June in the General Fund and added \$5.8 million more than anticipated across the year.

Idaho General Fund Revenue
FY 2020 Monthly Actual and Predicted Net Collections



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Idaho General Fund Collections for June 2020

MONTHLY ACTUAL AND PREDICTED COLLECTIONS FOR JUNE						
	<i>Actual FY 2018</i>	<i>Actual FY 2019</i>	<i>Actual FY 2020</i>	<i>Predicted FY 2020</i>	<i>Forecast Performance FY 2020</i>	
					<i>(Actual versus Predicted)</i>	
Individual Income Tax (\$000)	\$114,521.7	\$118,096.2	\$480,003.6	\$126,958.1	Difference	\$353,045.5
Percent Change from Previous Year	-2.8%	3.1%	306.5%	7.5%	Percent	278.1%
Corporate Income Tax (\$000)	\$37,814.5	\$37,277.8	\$66,570.2	\$43,387.5	Difference	\$23,182.6
Percent Change from Previous Year	24.0%	-1.4%	78.6%	16.4%	Percent	53.4%
Sales Tax (\$000)	\$135,132.0	\$141,831.3	\$151,397.6	\$148,233.9	Difference	\$3,163.7
Percent Change from Previous Year	6.2%	5.0%	6.7%	4.5%	Percent	2.1%
Product Tax (\$000)	\$4,523.6	\$4,779.9	\$4,541.9	\$5,005.5	Difference	(\$463.6)
Percent Change from Previous Year	3.2%	5.7%	-5.0%	4.7%	Percent	-9.3%
Miscellaneous Revenue (\$000)	\$54,739.2	\$59,194.3	\$61,136.7	\$56,606.0	Difference	\$4,530.7
Percent Change from Previous Year	-22.3%	8.1%	3.3%	-4.4%	Percent	8.0%
Total (\$000)	\$346,730.9	\$361,179.4	\$763,649.9	\$380,190.9	Difference	\$383,459.0
Percent Change from Previous Year	-1.0%	4.2%	111.4%	5.3%	Percent	100.9%

FISCAL YEAR-TO-DATE ACTUAL AND PREDICTED COLLECTIONS THROUGH JUNE						
	<i>Actual FY 2018</i>	<i>Actual FY 2019</i>	<i>Actual FY 2020</i>	<i>Predicted FY 2020</i>	<i>Forecast Performance FY 2020</i>	
					<i>(Actual versus Predicted)</i>	
Individual Income Tax (\$000)	\$1,828,281.7	\$1,661,130.2	\$1,905,245.5	\$1,784,792.3	Difference	\$120,453.2
Percent Change from Previous Year	10.7%	-9.1%	14.7%	7.4%	Percent	6.7%
Corporate Income Tax (\$000)	\$238,708.5	\$283,162.7	\$243,336.9	\$281,758.9	Difference	(\$38,422.0)
Percent Change from Previous Year	11.5%	18.6%	-14.1%	-0.5%	Percent	-13.6%
Sales Tax (\$000)	\$1,490,015.4	\$1,597,703.6	\$1,689,376.0	\$1,701,611.6	Difference	(\$12,235.6)
Percent Change from Previous Year	7.8%	7.2%	5.7%	6.5%	Percent	-0.7%
Product Tax (\$000)	\$58,299.3	\$64,278.1	\$65,546.8	\$66,772.2	Difference	(\$1,225.4)
Percent Change from Previous Year	0.4%	10.3%	2.0%	3.9%	Percent	-1.8%
Miscellaneous Revenue (\$000)	\$116,301.4	\$128,331.0	\$128,473.2	\$126,339.3	Difference	\$2,133.9
Percent Change from Previous Year	-11.9%	10.3%	0.1%	-1.6%	Percent	1.7%
Total (\$000)	\$3,731,606.3	\$3,734,605.7	\$4,031,978.4	\$3,961,274.4	Difference	\$70,704.0
Percent Change from Previous Year	8.5%	0.1%	8.0%	6.1%	Percent	1.8%