



Idaho General Fund Revenue Report

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DIVISION OF FINANCIAL MANAGEMENT
Executive Office of the Governor

AUGUST 2021

VOLUME XLV NO. 2

This report covers the general fund revenue numbers for July 2021, the first month of fiscal year 2022. This month the state has collected \$404.0 million in general fund revenue, \$38.8 million more than expected. This fiscal year, the state is expected to collect \$4.77 billion cumulatively. This forecast is subject to revision, typically in January as new data becomes available for our prediction models.

For the month of July, individual income tax brought in \$146.1 million. Sales tax brought \$192.7 million. Corporate income tax contributed \$20.1 million. These were each over expectation, by \$0.6 million, \$17.8 million, and \$3.9 million, respectively.

For fiscal year 2022, the state is expected to collect \$2.18 billion via individual income tax, \$1.91 billion from sales tax, and \$343.8 million from corporate tax. Tax collection to the general fund is likely to be among the highest in history. The growth in tax collection is associated with an increase in taxable income rather than tax rates. In fact, tax rates have decreased by

House Bill 380. Reduced tax rates became effective retroactively from January 1, 2021.

In the first month of fiscal year 2022, individual income tax revenue was \$44.3 million less than the same period a year ago. From fiscal year 2010 to 2020, individual income tax revenue has increased on average 2.6 percent in every first month. In fiscal year 2021, this growth was 73.94 percent, exceptionally higher compared to previous years, due to higher taxable income reported during the pandemic and delayed filing by individuals.

Sales tax in July was \$20.3 million more than the same period last year. Sales tax remittance in July has increased above average both this year and last year. This increase is associated with preexisting sales growth in the state as well as the stimulus money from the federal government. The tax relief fund, which collects sales tax from online marketplace sales, recorded \$22.4 million in July. The forecast was \$12.5 million. The Tax Commission has found \$6.9 million of July's revenue is

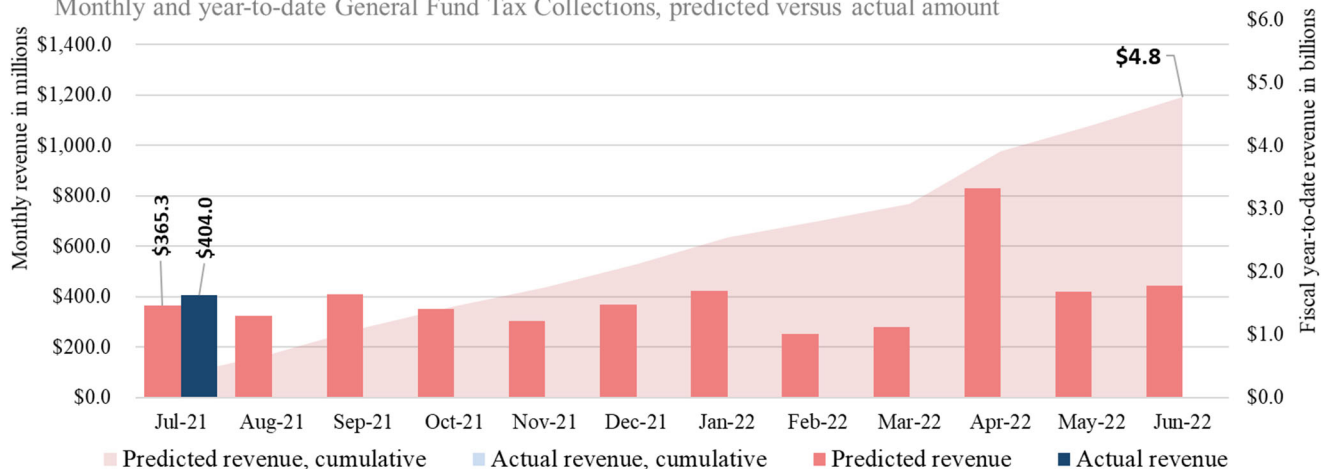
attributed to late June. Taking that into account, the tax relief fund revenue was \$3.0 million more than expected. Our prediction model assumes people shift back to making more in-store purchases. Timing that predicted shift is challenging. With the opening of the economy, people are still purchasing online by the proportion of 4 to 6 percent of total sales during pandemic.

The third largest contributor to the general fund revenue, corporate income tax was \$20.1 million in the month of July. This is \$5.1 million less than the same period last year. Corporate income tax grows at an average of 12.4 percent in the first month of each fiscal year 2010 to 2020, but with great variability. As with individual income tax, the collection was exceptionally higher last year.

Total other revenues for the general fund were \$45.1 million. These revenues include product tax, fees and fines, and other miscellaneous revenues. Overall, these other sources produced revenue beating prediction by \$15.9 million.

Idaho General Fund Revenue, FY 2022

Monthly and year-to-date General Fund Tax Collections, predicted versus actual amount



Prepared by Greg Piepmeyer and Saruul Khasar, economists.

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Predicted and Actual General Fund revenues, thousand dollars

Month

	Jul, 2019	Jul, 2020	Jul, 2021				
	Actual revenue	Actual revenue	Predicted revenue	Actual revenue	Difference (predicted vs actual)	% Discrepancy (current vs predicted)	% Change (current vs previous)
Individual Income Tax	109,442.5	190,357.9	145,514.0	146,109.6	595.59	0.4%	-23.2%
Sales Tax	151,504.1	172,388.2	174,906.9	192,719.1	17,812.18	10.2%	11.8%
Corporate Income Tax	9,240.3	25,212.33	16,242.5	20,141.5	3,899.00	24.0%	-20.1%
Product Taxes	13,386.7	16,097.7	22,051.2	22,600.8	549.57	2.5%	40.4%
Miscellaneous Revenue	22,064.2	8,265.6	6,556.8	22,464.6	15,907.85	242.6%	171.8%
Total	305,637.7	412,321.7	365,271.4	404,035.6	38,764.19	10.6%	-2.0%

Fiscal YTD

	Jul, 2019	Jul, 2020	Jul, 2021				
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