



# Idaho General Fund Revenue Report

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The revised FY 2020 Idaho General Fund revenue forecast debuts in this issue. It supersedes the August 2019 forecast. General Fund revenue grows in the current forecast by 6.1% from last fiscal year to \$3,961.3 million. This amount is \$32.7 million (0.8%) above the previously projected \$3,928.6 million. This slight increase reflects changes to the National and Idaho economic outlooks. It has also been calibrated for the actual revenue performance during the first five months of this fiscal year.

More than half of the total revenue increase comes from the corporate income tax. It was previously forecast that it would decline 6.7% to \$264.1 million in FY 2020 mainly due to the reversal of one-time gains from FY 2019. However, the corporate income receipts have exceeded expectations in each month, resulting in a cumulative total through November of \$80.0 million, \$5.8 million higher than projected. The current forecast anticipates this strength will continue, so the FY 2020 forecast has been raised by \$17.7 million from \$264.1 million to \$281.8 million. The sales tax contribution to the General Fund is also forecast to grow faster than previously reported, 6.5% versus August's 5.9%. The revised forecast is \$1,701.6 million, which tops the previous forecast by \$10.3 million. The forecast for the state's largest revenue source, the individual income tax, has been raised by \$5.1 million, from \$1,779.7 million to \$1,784.8 million. The product tax revenue forecast is virtually unchanged from August.

Revised miscellaneous receipts are \$0.4 million lower than previously forecast.

Actual receipts came in higher-than-expected this month. Idaho's December 2019 General Fund receipts of \$315.8 million were \$3.5 million (1.1%) above the forecasted \$312.3 million. These receipts represent a 4.2% increase from the previous December, which is slightly faster than the anticipated 3.1% for the month.

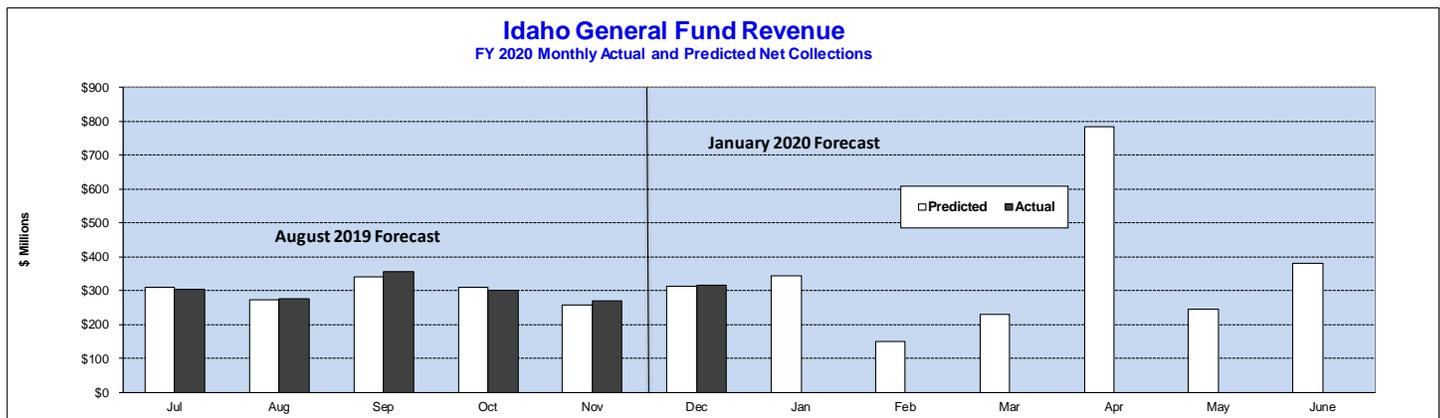
Each of the three largest tax categories' receipts topped their revised forecasts. The state's largest revenue source, the individual income tax, was closest to the December projection. Actual collections were \$122.1 million, which is just \$0.5 million (0.4%) above the projected amount. The corporate income tax had the largest excess this month. Predicted collections were \$38.3 million, but actual collections were \$41.4 million—a difference of \$3.0 million (7.9%). This month's sales tax contribution to the General Fund of \$136.4 million exceeded its forecast by \$1.5 million (1.1%). Both product tax and miscellaneous revenue receipts were short of their respective targets. Product tax revenue of \$4.6 million was \$0.2 million low and miscellaneous revenue of \$11.4 million was \$1.3 million under the forecast.

Idaho individual income tax receipts benefited from stronger-than-expected withholding payments. Revenue from this component of the individual tax revenue was \$119.5 million, which is \$9.6 million above

the expected \$109.9 million. This surplus was large enough to offset the combined impacts of a filing collections shortfall and higher-than-predicted refunds. This month's filing collections were expected to be \$18.8 million. They were \$17.5 million. Refunds for the month of \$14.8 million were \$7.8 million higher than expected.

The corporate income tax streak of stronger-than-projected receipts this fiscal year remains unbroken thanks to contributions from estimated payments and filing collections. December payments were \$45.1 million, which is \$1.2 million above the forecast. The filing collections surplus was larger. Specifically, collections of \$4.2 million were \$2.7 million more than anticipated. This combined surplus eclipsed refunds that were \$0.6 million above the predicted \$7.2 million.

Idaho sales tax grew stronger than anticipated in December, advancing 4.8% from last year. It was expected to grow 3.7%. Actual receipts were \$136.4 million, which is \$1.5 million more than projected. This month's receipts include sales taxes from Black Friday purchases. However, they do not include holiday season sales or Cyber Monday sales. These will be included in the next month's revenue report when December sales taxes are due. Taxes of \$7.1 million from sales made by remote retailers and marketplace facilitators are distributed to the Tax Relief Fund, not the General Fund. The Tax Relief Fund's fiscal year-to-date balance through this month is \$35.8 million.



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# Idaho General Fund Collections for December 2019

<b>MONTHLY ACTUAL AND PREDICTED COLLECTIONS FOR DECEMBER</b>						
	<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>	
<b>Individual Income Tax (\$000)</b>	\$209,960.8	\$126,590.5	\$122,117.1	\$121,577.5	<b>Difference</b>	\$539.5
<b>Percent Change from Previous Year</b>	26.3%	-39.7%	-3.5%	-4.0%	<b>Percent</b>	0.4%
<b>Corporate Income Tax (\$000)</b>	\$34,607.8	\$31,166.1	\$41,350.2	\$38,322.9	<b>Difference</b>	\$3,027.3
<b>Percent Change from Previous Year</b>	11.3%	-9.9%	32.7%	23.0%	<b>Percent</b>	7.9%
<b>Sales Tax (\$000)</b>	\$118,532.8	\$130,102.8	\$136,389.8	\$134,911.3	<b>Difference</b>	\$1,478.5
<b>Percent Change from Previous Year</b>	8.4%	9.8%	4.8%	3.7%	<b>Percent</b>	1.1%
<b>Product Tax (\$000)</b>	\$4,283.0	\$4,615.2	\$4,585.0	\$4,829.3	<b>Difference</b>	(\$244.3)
<b>Percent Change from Previous Year</b>	-4.7%	7.8%	-0.7%	4.6%	<b>Percent</b>	-5.1%
<b>Miscellaneous Revenue (\$000)</b>	\$9,956.7	\$10,478.6	\$11,376.0	\$12,644.0	<b>Difference</b>	(\$1,268.0)
<b>Percent Change from Previous Year</b>	12.0%	5.2%	8.6%	20.7%	<b>Percent</b>	-10.0%
<b>Total (\$000)</b>	\$377,341.2	\$302,953.1	\$315,818.1	\$312,285.0	<b>Difference</b>	\$3,533.1
<b>Percent Change from Previous Year</b>	17.9%	-19.7%	4.2%	3.1%	<b>Percent</b>	1.1%

<b>FISCAL YEAR-TO-DATE ACTUAL AND PREDICTED COLLECTIONS THROUGH DECEMBER</b>						
	<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>	
<b>Individual Income Tax (\$000)</b>	\$874,615.6	\$679,535.5	\$735,852.8	\$735,313.2	<b>Difference</b>	\$539.5
<b>Percent Change from Previous Year</b>	11.5%	-22.3%	8.3%	8.2%	<b>Percent</b>	0.1%
<b>Corporate Income Tax (\$000)</b>	\$91,169.3	\$118,963.7	\$121,314.4	\$118,287.0	<b>Difference</b>	\$3,027.3
<b>Percent Change from Previous Year</b>	-4.4%	30.5%	2.0%	-0.6%	<b>Percent</b>	2.6%
<b>Sales Tax (\$000)</b>	\$762,763.7	\$824,548.6	\$876,382.2	\$874,903.7	<b>Difference</b>	\$1,478.5
<b>Percent Change from Previous Year</b>	7.6%	8.1%	6.3%	6.1%	<b>Percent</b>	0.2%
<b>Product Tax (\$000)</b>	\$32,568.5	\$36,046.0	\$37,885.0	\$38,129.3	<b>Difference</b>	(\$244.3)
<b>Percent Change from Previous Year</b>	-0.4%	10.7%	5.1%	5.8%	<b>Percent</b>	-0.6%
<b>Miscellaneous Revenue (\$000)</b>	\$55,829.7	\$56,250.2	\$56,637.5	\$57,905.5	<b>Difference</b>	(\$1,268.0)
<b>Percent Change from Previous Year</b>	39.5%	0.8%	0.7%	2.9%	<b>Percent</b>	-2.2%
<b>Total (\$000)</b>	\$1,816,946.8	\$1,715,344.1	\$1,828,071.8	\$1,824,538.7	<b>Difference</b>	\$3,533.1
<b>Percent Change from Previous Year</b>	9.3%	-5.6%	6.6%	6.4%	<b>Percent</b>	0.2%