



Idaho General Fund Revenue Report

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In four of five months this fiscal year, revenue collections have fallen behind prediction, and for the fiscal year to date, total collections of \$2.15 billion are \$29.8 million behind the prediction of \$2.18 billion thus far. An updated revenue projection will be discussed in the next General Fund Revenue Report, to be released as the legislative session begins.

Fiscal year to date individual income tax collections are \$3.6 million behind the prediction of \$840.6 million. Collections are 1.6 percent behind the prior year, but tax cuts took effect this fiscal year. Sales tax collections are \$12.2 million behind the prediction of \$1.04 billion. Collections are up 10.4 percent over the prior year.

Corporate income tax collections are \$12.2 million behind the prediction of \$221.5 million. Collections are up 53.9 percent over the prior fiscal year-to-date value. The corporate income tax rate was cut by the same legislation as the individual income tax, with the same implementation date. The remaining revenue is \$5.5 million ahead of expectation, with the total expected at \$77 million thus far. This is down 6.7 percent from the prior fiscal year-to-date value.

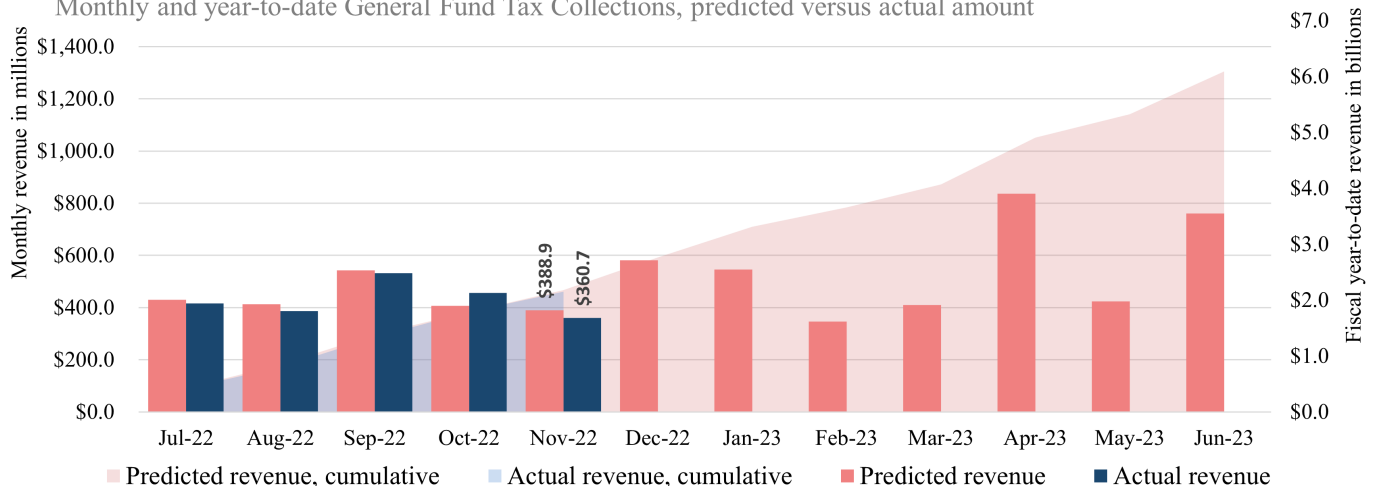
Refunds came in well above expectation and may continue outpacing prior expectations. The 2017 Tax Cuts and Jobs Act removed the ability to deduct state and local taxes (SALT) on a federal tax return. States, including Idaho, eventually enacted legislation allowing individuals to claim credits for

their state and local taxes paid through the pass-through entities the individual partly owns. Estimates of the shifts due to the SALT work-around are in the numeric vicinity of this month's total revenue collections. The shifts are between tax types, across months, and across payments/refunds.

It was unclear when these claims would begin and what their ultimate magnitude would be. It is possible that December may beat the prior (August) expectation if enough corporate filers again take advantage of the pass-through option, but it seems that future months may come in below their prior expectations as credits are used either for refunds or to lower filing payments. The new revenue forecast will try to accommodate these expected changes.

Idaho General Fund Revenue, FY 2023

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



Predicted and Actual General Fund revenues, thousand dollars

	Month						
	Nov. 2020	Nov. 2021	November, 2022				
	actual	actual	predicted	actual	diff *	% diff **	% ch ***
Individual Income Tax	144,222.7	156,622.9	163,525.9	138,217.5	(25,308.4)	-15.5%	-11.8%
Sales Tax	158,010.5	178,563.8	194,533.1	192,891.6	(1,641.4)	-0.8%	8.0%
Corporate Income Tax	3,420.7	6,953.0	22,319.2	20,510.6	(1,808.6)	-8.1%	195.0%
Product Taxes	5,396.8	5,889.8	5,394.2	5,422.4	28.2	0.5%	-7.9%
Miscellaneous Revenue	2,318.8	1,923.7	3,175.0	3,613.9	439.0	13.8%	87.9%
Total	313,369.6	349,953.2	388,947.3	360,656.1	(28,291.2)	-7.3%	3.1%

	Fiscal YTD						
	Nov. 2020	Nov. 2021	November, 2022				
	actual	actual	predicted	actual	diff *	% diff **	% ch ***
Individual Income Tax	775,213.9	850,701.5	840,608.3	836,986.6	(3,621.7)	-0.4%	-1.6%
Sales Tax	827,361.2	932,858.4	1,042,109.9	1,029,945.9	(12,164.1)	-1.2%	10.4%
Corporate Income Tax	94,795.2	131,221.9	221,504.3	201,984.2	(19,520.1)	-8.8%	53.9%
Product Taxes	37,567.7	46,166.4	36,938.4	36,707.9	(230.6)	-0.6%	-20.5%
Miscellaneous Revenue	28,513.5	45,885.1	40,103.2	45,836.3	5,733.1	14.3%	-0.1%
Total	1,763,451.5	2,006,833.4	2,181,264.3	2,151,460.8	(29,803.4)	-1.4%	7.2%

* difference between predicted and actual

** percentage difference between predicted and actual

*** percentage change from current year and previous year

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