

Year-to-date Corporate Income Taxes: Year-to-date corporate revenues total \$253.7 million, a decrease of \$83.2 million or -24.7 percent from year-to-date FY 2016. Corporate income is below forecast by \$71.0 million or -21.9 percent.

Year-to-date corporate income tax refunds total \$64.1 million, an increase of \$3.1 million compared to the same year-to-date period last year.

MARCH REVENUE SUMMARY

March Net Available General Revenues total \$345.0 million, \$68.7 million or -16.6 percent below last year and \$50.2 million or -12.7 percent below forecast.

Results in March were impacted by a change in Corporate tax filing due dates compared to the monthly forecast. The timing shift involved Corporate Returns and Extension payments previously due in March and shifted to April in federal and adopted state law. The two filing categories are down \$33.9 million from a year ago and \$34.5 million compared to forecast. Also Corporate Refunds exceeded forecast in March reducing net revenues by a further \$5.3 million compared to forecast.

Individual Income tax collections were \$0.6 million below forecast as lower payments from Tax Returns offset higher than expected Withholding Tax revenue.

Individual Income Tax Refunds were below forecast by \$4.4 million, adding to Net Available fund results. This amount reflects continued differences in filings and processing compared to last year to allow for additional fraud checks of refund requests.

Among other major categories, Sales and Use Tax collections were \$8.9 million below forecast.

Among smaller revenue sources, Tobacco tax was above forecast. Results in Gaming revenue matched forecast.

March Gross General Revenues: March collections total \$510.3 million, a decrease of \$37.4 million or -6.8 percent below last year and \$51.0 million or -9.1 percent below forecast.

March Individual Income Tax collections total \$240.2 million. Collections increased by \$3.8 million, or 1.6 percent above last year. With respect to the forecast, collections were \$0.6 million or -0.3 percent below forecast. Individual withholding increased 5.3 percent compared to last year.

March Individual Income Tax Refunds total \$103.5 million, \$25.4 million or 32.4 percent above last year and \$4.4 million or -4.0 percent below forecast. Refund amounts below forecast add to net available fund results.

March Sales and Use Tax Collections: March collections total \$193.7 million, a decrease of \$0.3 million or -0.1 percent below last year. Collections were below monthly forecast levels by \$8.9 million or -4.4 percent.

March Corporate Income Tax collections total \$27.6 million, a decrease of \$38.4 million from year ago, and -\$40.0 million below forecast.

March Corporate Income Tax Refunds total \$7.8 million. This amount is \$5.1 million above year ago levels. Refunds were also \$5.3 million above forecast.

March Tobacco Tax collections, a smaller component of general revenue in annual terms, total \$17.5 million. Collections decreased by \$1.2 million or -6.6 percent from year earlier levels and were above forecast by \$0.1 million. Monthly changes in tobacco tax collections can be attributed to uneven patterns of stamp sales to wholesale purchasers.

SPECIAL REVENUES OF NOTE

Year-to-date Soft Drink Tax (for Medicaid Program Trust Fund): Year-to-date collections of the dedicated soft drink tax total \$35.2 million, an increase of 5.1 percent from last year.

Educational Adequacy Fund: Act 107 of the Second Extraordinary Session of 2003 increased the state sales and use tax rate from 5.125% to 6.0%, effective March 1, 2004. Effective July 1, 2004 a new sales tax on selected services went into effect in addition to an increase in vending machine decal fees. Act 94 increased the minimum corporate franchise tax and the tax rate, effective for calendar years beginning January 1, 2004.

The additional revenues are deposited as special revenues to the Educational Adequacy Fund to be used to fulfill the financial obligations of the state to provide an adequate educational system. In March 2017, \$40.8 million was collected and deposited to the fund. After deductions, the net amount is \$39.6 million. The monthly collection is equivalent to a 0.6 percent increase from prior year collections.

MARCH 2017 YEAR-TO-DATE GENERAL REVENUE REPORT
ECONOMIC ANALYSIS AND TAX RESEARCH, DFA

FORECAST DATE: 2/1/2016

MILLIONS OF \$

			CHANGE FROM FORECAST		CHANGE FROM LAST YEAR		
	ACTUAL	FORECAST	ACTUAL	DOLLAR	PERCENT	DOLLAR	PERCENT
	FY16	FY17	FY17	DIFFERENCE	DIFFERENCE	DIFFERENCE	DIFFERENCE
INDIVIDUAL INCOME	2,155.7	2,207.4	2,206.5	-0.9	0.0	50.8	2.4
CORPORATE INCOME	336.9	324.7	253.7	-71.0	-21.9	-83.2	-24.7
SALES AND USE	1,730.8	1,803.2	1,752.5	-50.7	-2.8	21.7	1.3
ALCOHOLIC BEVERAGE	39.7	39.8	40.2	0.4	1.0	0.5	1.2
TOBACCO	165.4	153.8	162.3	8.5	5.5	-3.2	-1.9
INSURANCE	61.9	61.9	61.3	-0.6	-1.0	-0.6	-0.9
RACING	1.9	1.8	1.9	0.1	3.7	0.0	-1.9
GAMES OF SKILL	40.7	40.3	43.1	2.8	6.9	2.4	6.0
MISCELLANEOUS ¹	67.7	61.4	71.2	9.8	15.9	3.5	5.1
TOTAL GROSS	4,600.7	4,694.3	4,592.6	-101.7	-2.2	-8.1	-0.2
LESS: SCSF/COF ²	147.2	150.3	147.0	-3.3	-2.2	-0.3	-0.2
INDIV INCOME TAX REFUNDS	238.2	301.9	263.0	-38.9	-12.9	24.8	10.4
CORP INCOME TAX REFUNDS	60.9	47.6	64.1	16.5	34.6	3.1	5.1
CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ECON DEVEL INCENTIVE FUND	5.7	17.4	9.6	-7.8	-44.8	3.9	68.8
AMENDMENT 82 BONDS	0.0	1.1	1.1	0.0	2.4	1.1	0.0
RECYCLING EQUIP CREDIT	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WATER/SEWER BONDS	11.2	11.2	11.2	0.0	0.0	0.0	0.0
COLLEGE SAVINGS BONDS	4.7	4.5	3.4	-1.1	-25.5	-1.3	-28.0
CITY & COUNTY TOURIST	0.8	0.6	0.7	0.1	11.0	-0.1	-15.2
SCHOOL DESEGREGATION	59.8	59.9	59.8	-0.1	-0.1	0.0	0.0
EDUCATIONAL EXCELLENCE	225.6	236.7	235.1	-1.6	-0.7	9.5	4.2
EDUCATIONAL ADEQUACY	19.9	20.9	20.8	-0.1	-0.6	0.8	4.2
TOTAL DEDUCTIONS	774.1	852.1	815.6	-36.5	-4.3	41.6	5.4
NET AVAILABLE	3,826.6	3,842.2	3,777.0	-65.2	-1.7	-49.7	-1.3

REVENUE FORECAST SUMMARY FOR MARCH

YEAR-TO-DATE GROSS	\$ 101.7 MILLION OR 2.2% BELOW FORECAST
YEAR-TO-DATE NET AVAILABLE	\$ 65.2 MILLION OR 1.7% BELOW FORECAST

1) Miscellaneous includes severance, corporate franchise, real estate transfer, dyed diesel, and other miscellaneous taxes.

2) State Central Services Fund and Constitutional Officers Fund.

MARCH 2017 GENERAL REVENUE REPORT
ECONOMIC ANALYSIS AND TAX RESEARCH, DFA

FORECAST DATE: 2/1/2016

MILLIONS OF \$

					CHANGE FROM FORECAST		CHANGE FROM LAST YEAR	
	ACTUAL	FORECAST	ACTUAL	DOLLAR	PERCENT	DOLLAR	PERCENT	
	MAR FY16	MAR FY17	MAR FY17	DIFFERENCE	DIFFERENCE	DIFFERENCE	DIFFERENCE	
INDIVIDUAL INCOME	236.4	240.8	240.2	-0.6	-0.3	3.8	1.6	
CORPORATE INCOME	65.9	67.6	27.6	-40.0	-59.2	-38.4	-58.2	
SALES AND USE	193.9	202.6	193.7	-8.9	-4.4	-0.3	-0.1	
ALCOHOLIC BEVERAGE	4.5	4.5	4.4	-0.1	-3.2	-0.2	-3.8	
TOBACCO	18.7	17.4	17.5	0.1	0.3	-1.2	-6.6	
INSURANCE	16.3	16.3	16.2	-0.1	-0.4	0.0	-0.2	
RACING	0.3	0.3	0.3	0.0	-0.4	0.0	-4.2	
GAMES OF SKILL	5.7	5.6	5.6	0.0	-0.1	-0.1	-1.3	
MISCELLANEOUS ¹	6.1	6.2	5.0	-1.2	-19.8	-1.1	-18.2	
TOTAL GROSS	547.8	561.3	510.3	-51.0	-9.1	-37.4	-6.8	
LESS: SCSF/COF ²	17.5	18.0	16.3	-1.7	-9.3	-1.2	-6.8	
INDIV INCOME TAX REFUNDS	78.2	107.9	103.5	-4.4	-4.0	25.4	32.4	
CORP INCOME TAX REFUNDS	2.6	2.5	7.8	5.3	210.9	5.1	193.5	
CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
ECON DEVEL INCENTIVE FUND	1.2	2.0	2.1	0.1	4.3	0.9	70.6	
AMENDMENT 82 BONDS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
RECYCLING EQUIP CREDIT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
WATER/SEWER BONDS	1.2	1.2	1.2	0.0	0.0	0.0	0.0	
COLLEGE SAVINGS BONDS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
CITY & COUNTY TOURIST	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
SCHOOL DESEGREGATION	6.0	5.9	6.0	0.1	1.4	0.0	0.0	
EDUCATIONAL EXCELLENCE	25.1	26.3	26.1	-0.2	-0.7	1.1	4.2	
EDUCATIONAL ADEQUACY	2.2	2.3	2.3	0.0	0.4	0.1	4.2	
TOTAL DEDUCTIONS	134.0	166.1	165.3	-0.8	-0.5	31.3	23.3	
NET AVAILABLE	413.7	395.2	345.0	-50.2	-12.7	-68.7	-16.6	

REVENUE FORECAST SUMMARY FOR MARCH

MARCH GROSS	\$ 51.0 MILLION OR 9.1% BELOW FORECAST
MARCH NET AVAILABLE	\$ 50.2 MILLION OR 12.7% BELOW FORECAST

1) Miscellaneous includes severance, corporate franchise, real estate transfer, dyed diesel, and other miscellaneous taxes.

2) State Central Services Fund and Constitutional Officers Fund.