State of Indiana

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Hari Razafindramanana, Chief Economist, the Office of the Chief Economist & Tax Analysis, released the monthly revenue report for state tax collections for the month of July 2026.

The monthly revenue estimates are based on the December 18, 2025 revenue forecast, which reflect revenue developments and the economic outlook presented on that date. This includes changes in tax deadlines, payment timing, as well as assumptions related to federal and state policy actions leading up to the release of the forecast.

Information on the latest forecast is available at SBA: 2025-2027 Revenue Forecast and Updates.

Fiscal Year 2027 began on July 1, 2026 and ends June 30, 2027.

Results

- General Fund revenues for July totaled $1,720.2 million, which is $22.5 million (1.3%) above the revenue estimate and $118.2 million (7.4%) above revenue in July 2025.

  Notably, slightly higher-than-expected collections from sales and income tax revenues outweighed lower-than-expected collections from riverboat wagering.

  Monthly fluctuations are expected in the context of timing of economic activity and tax planning from month to month. Revenues must be interpreted within the full fiscal year outlook and the balance of risks through FY 2027.

  Changes to law, which include changes to cigarette related tax revenues, impact year-over-year differences. Differences relative to budget plan monthly estimates and prior year actuals will be influenced by various factors including seasonality, evolving economic and financial market dynamics, timing of payments and refunds, federal policy actions, tax rates and other changes to law.

- Sales tax collections totaled $983.9 million for July, which is $6.0 million (0.6%) above the monthly estimate and $50.3 million (5.4%) above revenue in July 2025.

  July performance of 5.4% year-over-year growth, which mostly reflects June economic activity, compares to year-over-year growth of 7.1%, 0.6%, and 4.4% over the three preceding months.

Year-over-year differences and fluctuations from month-to-month are expected as outlined by the economic, seasonal, and policy dynamics presented in the December 18, 2025 revenue forecast.

- Total income tax collections totaled $574.2 million for July, which is $18.3 million (3.3%) above the monthly estimate and $70.4 million (14.0%) above revenue in July 2025.

- Individual income tax collections totaled $523.5 million for July, which is $11.3 million (2.2%) above the monthly estimate and $37.9 million (7.8%) above revenue in July 2025.

  Monthly collections related to tax withholdings came in $10.4 million (1.2%) above the monthly estimate and $48.7 million (5.9%) above the prior year actuals.

  Other monthly individual income tax collections, net of refunds, came in $0.9 million (0.3%) above the monthly estimate but $10.9 million (3.2%) below prior year actuals.

  With important payment due dates, September, December, January, April, and June are the most important revenue months for individual income tax.

  Differences relative to monthly estimates are likely as various factors may impact monthly revenue activity including payment and refund timing, late payments, and more, within the context of an evolving economy and changing tax requirements.

- Corporate tax collections totaled $50.8 million for July, which is $7.0 million (16.0%) above the monthly estimate and $32.5 million (178.1%) above revenue in July 2025.

  Similarly to individual income tax collections, corporate tax collections must be interpreted within the full fiscal year perspective and within the context of an evolving economy, changing tax requirements, and timing of payments and refunds.

  With important quarterly payment due dates, September, December, April, and June are the most important revenue months for corporate taxes.

- Riverboat wagering tax collections totaled $40.3 million for July, which is $5.2 million (11.4%) below the monthly estimate and $4.8 million (10.6%) below revenue in July 2025.

- Racino wagering tax collections totaled $11.1 million for July, which is $0.5 million (4.4%) below the monthly estimate but $0.2 million (1.9%) above revenue in July 2025.

- Cigarette tax collections totaled $49.5 million for July, which is $0.7 million (1.5%) above monthly estimate and $9.3 million (23.1%) above revenue in July 2025. Year-over-year differences are impacted by changes to law (HEA 1001-2025).

- Interest revenue collections totaled $34.4 million for July, which is $1.8 million (5.6%) above the monthly estimate but $9.8 million (22.2%) below revenue in July 2025.