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The monthly revenue report for September 2019 state tax collections was released today.

Results

- General Fund revenues for September totaled \$1,709.7 million, which is \$91.1 million (5.6%) above estimate based on the April 17, 2019 revised revenue forecast and \$101.9 million (6.3%) above revenue in September 2018.

Overall, higher than expected collections from sales and use, individual income and corporate taxes and other revenues such as insurance and interest revenues combined to drive General Fund revenues above current year estimates and prior year actuals both on a monthly and fiscal year-to-date basis.

While September is a high revenue activity month, most of the revenue collections are projected to come in between December and June. Significant monthly fluctuations are expected and revenues are better interpreted within the context of the longer term trend for fiscal year 2020.

Note: The monthly revenue estimates are based on the April 17, 2019 revised revenue forecast and do not include the estimated impact of legislative actions taken by the General Assembly in the 2019 legislative session. For an additional revenue perspective that includes 2019 legislative outside acts, please refer to the Budget Plan comparisons on page 2 of the monthly revenue report.

- Sales tax collections totaled \$710.6 million for September, which is \$33.9 million (5.0%) above the monthly estimate and \$52.7 million (8.0%) above revenue in September 2018. In particular, while gasoline use tax collections came in slightly below estimate, all other sales tax collections came in significantly above prior year and above monthly estimate. Some of the factors potentially affecting monthly variances include remote sales tax payments and timing delays between tax due dates and payments.

While it is early to identify the specific impact of the state enforcement of the recent changes in the taxation of remote sales on the fiscal year-to-date tax collections, tax payments from remote sellers are included in the current year-to-date collections.

- Individual income tax collections totaled \$683.7 million for September, which is \$40.7 million (6.3%) above the monthly estimate and \$55.2 million (8.8%) above

revenue in September 2018. Collections from both withholdings and estimated payments came in above estimates.

- Corporate tax collections totaled \$186.8 million for September, which is \$0.9 million (0.5%) above the monthly estimate but \$17.2 million (8.4%) below revenue in September 2018.
- Riverboat wagering collections totaled \$20.8 million for September, which is \$2.2 million (11.7%) above the monthly estimate and \$0.8 million (4.2%) above revenue in September 2018.
- Racino wagering collections totaled \$9.3 million for September, which is \$1.1 million (14.0%) above the monthly estimate and \$0.2 million (2.6%) above revenue in September 2018.

Commentary

Year-to-date General Fund collections totaled \$3,952.9 million, which is \$151.7 million (4.0%) above the April 2019 revised revenue forecast and \$113.2 million (2.9%) above collections through the same period in the prior fiscal year.

Year-to-date sales tax collections totaled \$2,079.6 million, which is \$55.3 million (2.7%) above the April 2019 revised revenue forecast and \$81.0 million (4.1%) above collections through the same period in the prior fiscal year.

Year-to-date individual income tax collections totaled \$1,436.2 million, which is \$52.9 million (3.8%) above the April 2019 revised revenue forecast and \$8.5 million (0.6%) above collections through the same period in the prior fiscal year.

Year-to-date corporate tax collections totaled \$196.7 million, which is \$24.1 million (14.0%) above the April 2019 revised revenue forecast and \$15.0 million (8.3%) above collections through the same period in the prior fiscal year.