STATE OF INDIANA

Mitchell E. Daniels, Jr.
Governor

STATE BUDGET AGENCY
212 State House
Indianapolis, Indiana 46204-2796
317/232-5610

Adam M. Horst
Director

The monthly revenue report of December 2011 state tax collections was released today.

Results

- Total revenue collections were $1,178 million, $12 million (1.0%) more than projected by the revenue forecast updated on December 14, 2011. Total collections were $53 million above collections for the same period last year (+4.7%).
- Sales tax collections totaled $529 million for the month, $24 million (+4.7%) above collections for the same period last year.
- Individual income tax collections totaled $345 million for the month, $19 million (+5.9%) above collections for the same period last year, but $12.5 million less than the monthly target. Payroll withholdings increased 2.1% compared to the same period last year.

Commentary

Through the first six months of the fiscal year, state general fund revenues have increased 9.2% compared to the same period last year. General fund revenues through the first six months have exceeded the recently updated revenue forecast by $115 million, or 1.8%. The first six months of the fiscal year typically represent 45% of annual collections with a greater percentage of tax revenues being received in the final six months of the fiscal year, especially during April, May and June.

Through the first six months of the year, sales tax collections have increased 7.6% and individual income tax collections have increased 9.0%.   Sales tax collections increased 4.7% in December, the slowest growth rate since April 2011. Payroll withholdings increased 2.1%, bringing the average growth over the first six months of the fiscal year to 4.0%. This compares to growth of nearly 6.2% for fiscal year 2011.

Gaming revenues continue to decline on a year-over-year basis, with a decrease of 6.8% compared to last December. Corporate income tax collections witnessed an increase of 5.0% compared to the same period last year.

January 5, 2012