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The monthly revenue report of January 2014 state tax collections was released today.

Results

- State general fund revenues for January were \$1,333.2 million, which is \$38.3 million (2.8%) below target based on the December 20, 2013 forecast. For the first seven months of FY 2014, total general fund revenues were \$8,062.1 million.
- Sales tax collections were \$645.6 million for January, which is \$15.5 million (2.3%) below target for the month.
- Individual income tax collections totaled \$591.3 million for the month, which is \$13.2 million (2.2%) below target for the month. For the first seven months of the fiscal year, individual income tax collections have missed the estimated target by \$52.5 million, or 1.8%.
- Corporate income tax collections were \$2.4 million below target for January, but are \$12.2 million (2.7%) above target year to date.
- Gaming revenues missed the monthly target by \$3 million and are \$8 million below estimates for the first seven months of FY 2014.

Commentary

Through the first seven months of FY 2014, state general fund revenues were \$8,062.1 million, which is \$35.5 million (0.4%) below target based on the most recent revenue forecast updated on December 20, 2013.

Compared to FY 2013, state general fund revenues are \$65.9 (0.8%) below collections for the first seven months of the fiscal year, largely driven by declines in corporate, gaming, and inheritance tax revenue.

Sales tax revenues were \$4.0 million more than collections from January 2013. Year over year, sales tax collections have grown by 2.0%, or \$75.4 million. Not included in the \$75.4 million sales tax growth for the general fund is more than \$41.2 million in sales tax revenue that has been diverted to the Motor Vehicle Highway fund this fiscal year.

Individual income tax revenues for FY 2014 are \$5.6 million less than collections in FY 2013. Estimated payments received for January 2014 were 15% lower than estimated payments received in January 2013. The number of taxpayers filing an Estimated Tax Payment Form (ES-40) in January was also nearly 8,400 lower in FY 2014 than in FY 2013. This year-over-year reduction in estimated payments in January 2014 is likely due to taxpayers "accelerating income" from 2013 to December 2012 to avoid 2013 federal tax increases.