



Monthly Revenue Release

Agency of Administration
September 18, 2018

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Montpelier, VT - Secretary of Administration Susanne Young releases Vermont's Revenue Results for August of 2018. All three major funds -- General Fund, Transportation Fund, and Education Fund -- were above their monthly target.

Revenue collections for the month of August 2018 have been compiled. General Fund revenues collected for the month totaled \$84.53 million, or \$4.28 million above the monthly consensus revenue target, according to Secretary of Administration Susanne Young. The above target performance was driven by additional collections in the three largest categories: personal income tax; corporate income tax; and meals and room tax. Reflecting the first two months of the fiscal year, General Fund revenues year-to-date are \$3.41 million above forecast.

The Transportation Fund collected \$24.51 million for the month, or 1.38% above target. So far this year, the Transportation Fund is above forecast by \$2.56 million, or 5.76%.

The Education Fund collected \$41.92 million for the month, or 0.41% above target. For the year, the fund is -\$0.84 million, or less than one percent, below forecast.

"All three major funds -- General Fund, Transportation Fund, and Education Fund -- revenue receipts exceeded their monthly forecasts in August," stated Secretary Young. "Over the first two months of the year, in aggregate the State's three largest funds are above the forecast, and only the Education Fund is slightly below forecast (less than 1%). On a year-over-year basis and after adjusting for 2018 legislative changes, all three funds continue to reflect solid positive gains in a broad range of tax categories."

Of note, Act 11 of 2018 made several key changes to existing State revenue and expenditure distributions effective July 1 and implemented in the current fiscal year. The most significant changes were the shift of the entirety of the Sales and Use tax and 25% of the Meals and Rooms tax from the General Fund to the Education Fund offset by the elimination of a lump sum annual transfer of General Fund dollars to the Education Fund. Adjusting these changes, for comparison purposes only, the year-to-date fiscal 2019 revenues represent increases of 7.46%, 7.00%, and 4.54% for the General Fund, Transportation Fund, and Education Fund, respectively, from the corresponding first two months of fiscal 2018. Personal Income tax - the largest component of the General Fund - increased by 7.19% over fiscal 2018.

State of Vermont Revenue, by Major Fund **Month: Aug-18**
vs. Consensus Revenue Forecast Target & Prior Fiscal Year **FY: 2019**

Component	Month				Fiscal YTD				Prior Fiscal YTD Restated (1)		
	Target	Revenue	Change	% Change	Target	Revenue	\$ Change	% Change	Revenue	\$ Change	% Change
Personal Income	47.35	50.45	3.10	6.54%	102.86	105.36	2.49	2.43%	98.29	7.07	7.19%
Sales & Use (1)	-	-	-	n/a	-	-	-	n/a	-	-	n/a
Corporate	1.75	4.16	2.41	137.22%	4.66	7.18	2.52	54.19%	3.41	3.77	110.43%
Meals & Room (1)	12.84	13.16	0.32	2.46%	24.33	24.62	0.29	1.18%	23.46	1.16	4.94%
Insurance Premium	6.91	6.86	(0.05)	-0.78%	7.64	7.57	(0.08)	-1.02%	7.35	0.21	2.86%
Inheritance & Estate	1.50	0.70	(0.80)	-53.18%	3.19	0.90	(2.29)	-71.88%	1.92	(1.02)	-53.23%
Real Prop. Transfer	1.51	1.27	(0.24)	-15.96%	2.13	2.11	(0.02)	-0.95%	1.88	0.22	11.83%
Other	8.37	7.93	(0.44)	-5.27%	16.85	17.35	0.50	2.96%	17.30	0.05	0.31%
Total	80.24	84.53	4.28	5.34%	161.67	165.08	3.41	2.11%	153.62	11.46	7.46%

*Differences due to rounding

Tax Component	Month				Fiscal YTD				Prior Fiscal YTD		
	Target	Revenue	Change	% Change	Target	Revenue	\$ Change	% Change	Revenue	\$ Change	% Change
Gasoline	\$ 7.0	\$ 6.9	-0.08	-1.20%	\$ 13.8	\$ 13.6	-0.12	-0.88%	13.75	-0.10	-0.73%
Diesel Fuel	\$ 1.4	\$ 1.4	-0.07	-4.74%	\$ 2.7	\$ 2.9	0.21	7.52%	2.98	-0.04	-1.19%
MV Purchase & Use	\$ 6.6	\$ 6.7	0.17	2.67%	\$ 11.0	\$ 11.9	0.84	7.57%	10.09	1.78	17.66%
Motor Vehicle Fees	\$ 7.5	\$ 7.5	-0.01	-0.13%	\$ 13.6	\$ 14.6	1.05	7.70%	14.04	0.60	4.24%
Other	\$ 1.7	\$ 2.0	0.32	18.56%	\$ 3.3	\$ 3.9	0.60	17.86%	3.10	0.83	26.93%
Total	24.18	24.51	0.33	1.38%	44.48	47.04	2.56	5.76%	43.96	3.08	7.00%

Note:

TIB Fuel Fees/Gasoline	1.41	1.33	-0.08	-5.73%	2.69	2.49	-0.20	-7.49%	2.20	0.29	13.11%
TIB Fuel Fees/Diesel	0.17	0.16	-0.01	-6.88%	0.26	0.33	0.07	25.84%	0.29	0.04	13.14%

*Differences due to rounding

Non-Property Tax Component	Month				Fiscal YTD				Prior Fiscal YTD Restated (1)		
	Target	Revenue	Change	% Change	Target	Revenue	\$ Change	% Change	Revenue	\$ Change	% Change
Sales & Use (1)	32.20	31.89	-0.31	-0.96%	71.19	69.55	-1.64	-2.31%	67.24	2.31	3.43%
Meals & Room (1)	4.28	4.39	0.11	2.46%	8.11	8.21	0.10	1.18%	7.82	0.39	4.94%
MV Purchase & Use	3.28	3.37	0.09	2.67%	5.52	5.94	0.42	7.57%	5.05	0.89	17.66%
Lottery Transfer	1.99	2.15	0.16	7.82%	2.99	3.15	0.16	5.20%	2.98	0.17	5.71%
Investment Income	0.00	0.13	0.13	n/a	0.00	0.13	0.13	n/a	0.11	0.02	16.71%
Total	41.75	41.92	0.17	0.41%	87.81	86.96	-0.84	-0.96%	83.19	3.77	4.54%

*Differences due to rounding

(1) Act 11 of 2018 changed State revenue and expense distributions to: (1) Sales and Use tax to the Education Fund, (2) 25% of the Meals and Rooms tax to the Education Fund; Both previously distributed to the General Fund; and (3) eliminating the General Fund transfer to the Education Fund. Prior Year (FY 2018) restated accordingly.

**Comparative Statement of Revenues
General Fund
As of August 31, 2018**

	<u>Total to Date Last Year</u>	<u>Total to Date This Year</u>	<u>% of Change</u>
Taxes			
Personal Income Tax	98,287,295	105,357,558	7.2%
Sales & Use Tax	43,703,976	0	-100.0%
Corporate Income Tax	3,413,930	7,184,010	110.4%
Meals & Rooms Tax	31,283,341	24,621,228	-21.3%
Liquor & Wine Tax	3,268,402	3,377,336	3.3%
Insurance Premium	7,354,989	7,565,239	2.9%
Telephone Gross Receipts	52,566	53,274	1.3%
Telephone Property Tax	769,368	678,179	-11.9%
Beverage Tax	1,249,715	1,317,487	5.4%
Electric Generating	0	0	0.0%
Inheritance & Estate Tax	1,919,913	897,862	-53.2%
Real Property Transfer Tax	1,883,676	2,106,551	11.8%
Bank Franchise Tax	2,310,366	2,020,749	-12.5%
All Other Taxes	35,261	372,852	957.4%
Total Taxes	<u>195,532,799</u>	<u>155,552,326</u>	<u>-20.4%</u>
Other Revenues			
Business Licenses	10,052	17,274	71.9%
Fees	6,907,424	7,238,626	4.8%
Services	509,862	476,584	-6.5%
Fines, Forfeits & Penalties	470,838	440,609	-6.4%
Interest, Prem	475,206	1,303,653	174.3%
Special Assessments	0	0	0.0%
All Other Revenues	1,235,966	52,725	-95.7%
Total Other Revenues	<u>9,609,348</u>	<u>9,529,471</u>	<u>-0.8%</u>
Total General Fund	<u>205,142,146</u>	<u>165,081,797</u>	<u>-19.5%</u>

**Comparative Statement of Revenues
Education Fund
As of August 31, 2018**

	<u>Total to Date Last Year</u>	<u>Total to Date This Year</u>	<u>% of Change</u>
Non-Dedicated			
Estimated Revenues:			
Sales & Use Tax	23,532,910	69,545,373	195.5%
Meals & Rooms Tax	0	8,207,076	100.0%
Purchase & Use Tax	5,047,298	5,938,585	17.7%
Lottery Transfer	2,975,394	3,145,195	5.7%
Investment Income	108,985	127,238	16.7%
Total estimated revenues	<u>31,664,588</u>	<u>86,963,467</u>	<u>174.6%</u>
Other Revenues:			
Education Property Taxes	938,146	449,318	-52.1%
Electric Energy Educ Prop Tax	0	0	0.0%
Uniform Capacity Tax	22,480	1,863	-91.7%
Medicaid Reimbursement	0	0	0.0%
All Other Revenues	624,314	167,632	-73.1%
Total other revenues	<u>1,584,940</u>	<u>618,813</u>	<u>-61.0%</u>
Total Education Fund	<u><u>33,249,528</u></u>	<u><u>87,582,280</u></u>	<u>163.4%</u>

**Comparative Statement of Revenues
Transportation Fund
As of August 31, 2018**

	<u>Total to Date Last Year</u>	<u>Total to Date This Year</u>	<u>% of Change</u>
Non-Dedicated			
Taxes			
Gasoline	13,748,202	13,647,315	-0.7%
Diesel Fuel	2,981,576	2,946,151	-1.2%
MV Purchase & Use	10,094,597	11,877,170	17.7%
Total Taxes	26,824,375	28,470,636	6.1%
Other Revenues			
Motor Vehicle Fees	14,038,145	14,633,466	4.2%
Other	3,100,261	3,935,122	26.9%
Total Other Revenues	17,138,406	18,568,588	8.3%
Total Non-Dedicated	43,962,782	47,039,224	7.0%
Dedicated			
Federal Aid	70,622,601	57,856,573	-18.1%
Infrastructure Bond Fund Revenue	2,492,973	2,819,921	13.1%
Transportation Impact Fee	32,766	75,049	129.0%
Other	868,260	466,383	-46.3%
Total Dedicated	74,016,601	61,217,925	-17.3%
Total Transportation Fund	117,979,382	108,257,150	-8.2%