



Monthly Revenue Release

Agency of Administration
September 20, 2019

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Montpelier, VT - Secretary of Administration Susanne Young releases Vermont's Revenue Results for August 2019. General Funds were below target for the month, while Transportation and Education Funds were above target.

Revenue collections for the month of August 2019 have been compiled. "General Fund receipts were below the consensus cash flow target for the month, while Transportation and Education Fund revenues were above target," stated Secretary Young. "Year to date, which is over the first two months of fiscal year 2020, General Fund revenues remain above target, and in total, the three funds are above their combined expectations. This early in the fiscal year it is premature to draw any conclusions about full-year performance."

General Fund revenues collected for the month totaled \$102.10 million, or -\$2.59 million (-2.47%) below the monthly consensus revenue target adopted by the Emergency Board on July 29, 2019. In August, personal and corporate income taxes were below target, while the estate tax exceeded its target. Year-to-date, the General Fund is \$2.59 million (1.22%) above its cash flow target.

"Most notable in this month's shortfall is the corporate income tax performance, missing the monthly consensus cash flow target of \$2.5 million by -\$2.72 million. This underperformance can be attributed to the faster than expected reconciliations of tax returns by the Tax Department," explained Young. "These reconciliations, aided by the enhanced technology at the Tax Department, have this year proceeded on a much faster timeline versus past fiscal years resulting in the August receipts underperformance."

The Transportation Fund collected \$25.35 million for the month, \$0.93 million (+3.80%) above its target. Year-to-date, the Transportation Fund is \$1.11 million (+2.44%) above its target. The Education Fund collected \$45.39 million for the month, or \$1.26 million (+2.86%) above its target. Year-to-date, the Education Fund is -\$0.10 million, (-0.11%) below its target.

Adjusting for redirection of certain health care-related taxes under Act 6 of 2019, for comparison purposes only, in the accompanying General Fund tables, the revenues for August 2019 (FY 2020) represent changes of +2.34%, -0.94%, and +6.30% for the General Fund, Transportation Fund, and Education Fund, respectively, from August 2018 (FY 2019).

State of Vermont Revenue, by Major Fund vs. Consensus Revenue Forecast Target

Month: August
FY: 2020

General Fund By Major Element (In Millions)*

Tax Component	Month				Fiscal YTD				Prior Fiscal YTD Restated (1)		
	Target	Revenue	\$ Change	% Change	Target	Revenue	\$ Change	% Change	Revenue	\$ Change	% Change
Personal Income	51.14	48.98	-2.16	-4.23%	109.97	111.82	1.85	1.68%	105.36	6.46	6.13%
Corporate	2.51	-0.21	-2.72	-108.47%	5.43	4.74	-0.69	-12.69%	7.18	-2.44	-33.96%
Meals & Room	13.71	13.51	-0.20	-1.43%	25.67	25.60	-0.07	-0.26%	24.62	0.98	3.97%
Insurance Premium	6.82	7.35	0.52	7.63%	7.48	7.90	0.42	5.66%	7.57	0.34	4.48%
Inheritance & Estate	1.54	3.34	1.80	116.42%	3.29	3.40	0.11	3.39%	0.90	2.51	279.17%
Real Prop. Transfer	1.52	1.26	-0.27	-17.42%	2.15	1.83	-0.32	-15.04%	2.11	-0.28	-13.23%
State Health Care Tax	20.15	20.33	0.18	0.90%	44.93	46.05	1.12	2.49%	45.85	0.20	0.43%
Other	7.28	7.54	0.26	3.56%	14.36	14.53	0.17	1.21%	17.35	-2.82	-16.24%
Total	104.68	102.10	-2.59	-2.47%	213.28	215.88	2.59	1.22%	210.93	4.94	2.34%

*Differences due to rounding

Transportation Fund By Major Element (In Millions)*

Tax Component	Month				Fiscal YTD				Prior Fiscal YTD		
	Target	Revenue	\$ Change	% Change	Target	Revenue	\$ Change	% Change	Revenue	\$ Change	% Change
Gasoline	7.02	7.27	0.25	3.56%	13.77	13.73	-0.04	-0.30%	13.65	0.08	0.58%
Diesel Fuel	1.40	1.65	0.25	17.87%	2.71	3.16	0.45	16.57%	2.95	0.22	7.31%
MV Purchase & Use	6.64	7.23	0.59	8.87%	11.45	11.97	0.51	4.49%	11.88	0.09	0.76%
Motor Vehicle Fees	7.45	7.47	0.02	0.29%	13.81	14.77	0.97	7.02%	14.63	0.14	0.96%
Other	1.91	1.73	-0.18	-9.58%	3.75	2.97	-0.78	-20.84%	3.94	-0.97	-24.55%
Total	24.42	25.35	0.93	3.80%	45.49	46.60	1.11	2.44%	47.04	-0.44	-0.94%

Note:

TIB Fuel Fees/Gasoline	1.37	1.33	-0.03	-2.50%	2.61	2.36	-0.25	-9.64%	2.49	-0.13	-5.23%
TIB Fuel Fees/Diesel	0.15	0.18	0.03	17.63%	0.29	0.34	0.04	14.93%	0.33	0.01	2.09%

*Differences due to rounding

Education Fund By Major Element (In Millions)*

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	34.04	35.05	1.01	2.96%	75.05	74.69	-0.36	-0.48%	69.55	5.15	7.40%
Meals & Room	4.57	4.50	-0.07	-1.43%	8.56	8.53	-0.02	-0.26%	8.21	0.33	3.97%
MV Purchase & Use	3.32	3.61	0.29	8.87%	5.73	5.98	0.26	4.49%	5.94	0.05	0.76%
Lottery Transfer	2.21	2.04	-0.16	-7.36%	3.21	3.04	-0.16	-5.06%	3.15	-0.10	-3.26%
Investment Income	0.00	0.19	0.19	538848.41%	0.00	0.19	0.19	538848.41%	0.13	0.06	47.72%
Total	44.13	45.39	1.26	2.86%	92.54	92.44	-0.10	-0.11%	86.96	5.48	6.30%

*Differences due to rounding

(1) FY19 healthcare revenue is restated here to reflect a monthly distribution throughout fiscal year 2019 to provide a basis for comparison with fiscal year 2020 receipts.

Comparative Statement of Revenues
General Fund
As of August 31, 2019

	<u>Total to Date</u> <u>Last Year</u>	<u>Total to Date</u> <u>This Year</u>	<u>% of Change</u>
Taxes			
Personal Income Tax	105,357,558	111,817,551	6.1%
Sales & Use Tax	0	0	0.0%
Corporate Income Tax	7,184,010	4,744,060	-34.0%
Meals & Rooms Tax	24,621,228	25,599,143	4.0%
Liquor & Wine Tax	3,377,336	948,100	-71.9%
Insurance Premium	7,565,239	7,904,030	4.5%
Telephone Gross Receipts	53,274	52,135	-2.1%
Telephone Property Tax	678,179	530,882	-21.7%
Beverage Tax	1,317,487	1,342,457	1.9%
Electric Generating	0	0	0.0%
Inheritance & Estate Tax	897,862	3,404,463	279.2%
Real Property Transfer Tax	2,106,551	1,827,928	-13.2%
Bank Franchise Tax	2,020,749	2,023,438	0.1%
All Other Taxes	372,852	310,895	-16.6%
Total Taxes	155,552,326	160,505,081	3.2%
Other Revenues			
Business Licenses	17,274	12,075	-30.1%
Fees	7,242,352	7,041,249	-2.8%
Services	476,584	509,929	7.0%
Fines, Forfeits & Penalties	443,199	896,563	102.3%
Interest, Prem	1,303,653	609,431	-53.3%
Special Assessments	0	0	0.0%
All Other Revenues	52,725	255,282	384.2%
Total Other Revenues	9,535,787	9,324,528	-2.2%
Health Care Revenues			
Cigarette & Tobacco Taxes	0	12,627,138	100.0%
Healthcare Provider Taxes	0	28,431,086	100.0%
Health Care Claims Tax	0	9,422	100.0%
Pharmacy Tax	0	120,311	100.0%
Employer Healthcare Assessment	0	4,857,511	100.0%
Total Health Care Revenues	0	46,045,468	100.0%
Total General Fund	165,088,113	215,875,077	30.8%

**Comparative Statement of Revenues
Transportation Fund
As of August 31, 2019**

	<u>Total to Date Last Year</u>	<u>Total to Date This Year</u>	<u>% of Change</u>
Non-Dedicated			
Taxes			
Gasoline	13,647,315	13,725,953	0.6%
Diesel Fuel	2,946,151	3,161,506	7.3%
MV Purchase & Use	11,877,170	11,967,187	0.8%
Total Taxes	<u>28,470,636</u>	<u>28,854,646</u>	1.3%
Other Revenues			
Motor Vehicle Fees	14,633,646	14,774,579	1.0%
Other	3,935,122	2,969,186	-24.5%
Total Other Revenues	<u>18,568,768</u>	<u>17,743,765</u>	-4.4%
Total Non-Dedicated	<u>47,039,404</u>	<u>46,598,410</u>	-0.9%
Dedicated			
Federal Aid	57,856,573	61,358,111	6.1%
Infrastructure Bond Fund Reven	2,819,921	2,696,455	-4.4%
Transportation Impact Fee	75,049	116,368	55.1%
Other	466,203	1,100,301	136.0%
Total Dedicated	<u>61,217,745</u>	<u>65,271,235</u>	6.6%
Total Transportation Fund	<u>108,257,150</u>	<u>111,869,645</u>	3.3%

**Comparative Statement of Revenues
Education Fund
As of August 31, 2019**

	<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	69,545,373	74,693,568	7.4%
Meals & Rooms Tax	8,207,076	8,533,048	4.0%
Purchase & Use Tax	5,938,585	5,983,593	0.8%
Lottery Transfer	3,145,195	3,042,785	-3.3%
Investment Income	127,238	187,955	47.7%
Total estimated revenues	<u>86,963,467</u>	<u>92,440,949</u>	<u>6.3%</u>
Other Revenues:			
Education Property Taxes	449,318	729,700	62.4%
Electric Energy Educ Prop Tax	0	0	0.0%
Uniform Capacity Tax	1,863	14,153	659.8%
Medicaid Reimbursement	0	0	0.0%
All Other Revenues	167,632	92,959	-44.5%
Total other revenues	<u>618,813</u>	<u>836,812</u>	<u>35.2%</u>
Total Education Fund	<u><u>87,582,280</u></u>	<u><u>93,277,761</u></u>	<u><u>6.5%</u></u>