

MONTHLY STATE REVENUE SNAPSHOT

2 | 2020

based on the Utah State Tax Commission Monthly Revenue Summary (Report TC-23)

General Fund	Projected Growth	Actual Growth Rate	Projected Range in Collections Through 7 Months	Actual Collections	Condition	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20
	Rate - January Estimates (Annual)									
Sales & Use Tax	5.1%	7.0%	\$1,375,000,000 - \$1,402,000,000	\$1,407,967,329	Above target range	4.3%	4.2%	5.7%	6.7%	7.0%
All Other Sources	3.4%	5.9%	\$249,000,000 - \$304,000,000	\$293,054,207	On target	5.5%	3.4%	0.2%	4.9%	5.9%
Subtotal General Fund	4.7%	6.8%		\$1,701,021,536		4.5%	4.1%	4.6%	6.3%	6.8%
Sales & Use Tax Set-Asides	15.1%	24.8%	\$388,000,000 - \$403,000,000	\$467,958,037	See Note 1	18.5%	22.0%	21.2%	22.1%	24.8%
Education Fund/USF										
Individual Income Tax	6.5%	10.5%	\$2,055,000,000 - \$2,378,000,000	\$2,393,059,293	Above target range	8.1%	11.3%	10.9%	10.0%	10.5%
Corporate Tax	-16.3%	-12.6%	\$184,000,000 - \$340,000,000	\$206,372,059	On target	-29.5%	-28.6%	-34.9%	-18.5%	-12.6%
All Other Sources	0.6%	-7.9%	\$16,000,000 - \$20,000,000	\$16,331,404	On target	-15.7%	-9.5%	-4.0%	-10.3%	-7.9%
Subtotal Education Fund	4.0%	8.1%		\$2,615,762,756		2.9%	6.6%	6.2%	6.5%	8.1%
Subtotal GF/EF	4.3%	7.6%		\$4,316,784,292		3.6%	5.5%	5.5%	6.4%	7.6%
Transportation Fund										
Motor Fuel Tax	4.2%	1.7%	\$205,000,000 - \$224,000,000	\$212,688,646	On target	-2.0%	2.2%	-0.8%	-0.4%	1.7%
Special Fuel Tax	5.0%	7.2%	\$79,000,000 - \$97,000,000	\$92,000,879	On target	10.5%	15.1%	8.6%	6.0%	7.2%
Other	4.8%	1.7%	\$54,000,000 - \$60,000,000	\$55,767,000	On target	15.4%	0.9%	0.1%	1.0%	1.7%
Subtotal Transportation Fund	4.5%	3.1%		\$360,456,525		3.6%	5.1%	1.6%	1.4%	3.1%
Total, GF/EF/USF/TF	4.3%	7.2%		\$4,677,240,817		3.6%	5.5%	5.2%	6.0%	7.2%

Note 1: The sales tax set-aside figure includes revenue from the recently enacted Medicaid sales tax increase of 0.15%.

SUMMARY

General and Education Fund revenue collections totaled \$4.3 billion through the first seven months of FY 2020, representing a year-over-year (YoY) growth rate of 7.6%. The 7.6% growth rate is above the November consensus revenue target of 4.3%. The increase from 6.4% to 7.6% in January was the largest month-over-month jump of the year so far. A portion of the apparent GF/EF increase this month may be due to timing of quarterly payments. This growth rate may moderate over time.

GENERAL FUND

In the first seven months of FY 2020 revenue to the General Fund reached \$1.7 billion—a growth rate of 6.8%. That exceeds the consensus target of 4.7%. Sales tax revenue is growing at a 7.0%, up from last month's 6.7% and above November's target of 5.1%. If held over the remainder of the fiscal year, the higher sales tax growth rate represents a \$40 million increase to the GF. Part of this may stem from increased collection of sales tax on online transactions, but another part is the hot economy.

EDUCATION FUND

Education Fund collections through the first seven months of FY 2020 reached \$2.6 billion, representing a YoY increase of 8.1%. The 8.1% growth rate is largely resulted from individual income tax growth of 10.5% offset by weak, but on-target, corporate tax payments. Behind the strong income tax growth is net final payments of 58.8%. The timing of final payments may be skewing collections higher this month. Final payments will become clearer after April 15th.

TRANSPORTATION FUND

Transportation Fund collections reached \$360 million through the first seven months of FY 2020, up 3.1% over the prior year. This is lower than the 4.5% annual target. Behind the performance of the Transportation Fund, motor fuel tax is currently up 1.7% compared with an expected annual YoY rate of 4.2%. Special fuel is currently up 7.2%, while all the other sources to the Transportation Fund are growing at 1.7%. All three sources strengthened compared to December's growth rates.

