

MONTHLY STATE REVENUE SNAPSHOT

7 | 2020

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

General Fund	Projected Growth		Projected Range in Collections Through 12 Months	Actual Collections	Condition	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
	Rate - July Estimates (Annual) (see Note 1)	Actual Growth Rate									
Sales & Use Tax	5.7%	7.2%	\$2,272,000,000 - \$2,285,000,000	\$2,278,375,915	On target	7.0%	7.0%	7.0%	6.6%	6.1%	7.2%
All Other Sources	7.0%	0.4%	\$495,000,000 - \$597,000,000	\$535,470,284	On target	5.9%	7.3%	6.5%	6.9%	-1.9%	0.4%
Subtotal General Fund	5.9%	5.9%		\$2,813,846,199		6.8%	7.0%	6.9%	6.7%	4.5%	5.9%
Sales & Use Tax Set-Asides	15.8%	17.3%	\$792,000,000 - \$805,000,000	\$798,809,893	See Note 2	24.8%	25.4%	25.9%	23.4%	19.1%	17.3%
Education Fund/USF											
Individual Income Tax	-9.3%	-7.6%	\$3,973,000,000 - \$4,016,000,000	\$3,993,993,564	On target	10.5%	8.9%	7.3%	-12.9%	-10.9%	-7.6%
Corporate Tax	-30.7%	-31.1%	\$342,000,000 - \$373,000,000	\$357,556,861	On target	-12.6%	-14.1%	-10.2%	-27.2%	-28.0%	-31.1%
All Other Sources	-9.7%	-9.9%	\$33,000,000 - \$49,000,000	\$36,909,725	On target	-7.9%	-12.2%	-16.8%	-10.1%	-3.0%	-9.9%
Subtotal Education Fund	-11.5%	-10.1%		\$4,388,460,150		8.1%	6.5%	5.4%	-14.4%	-12.6%	-10.1%
Subtotal GF/EF	-5.5%	-4.5%		\$7,202,306,349		7.6%	6.7%	6.0%	-7.1%	-6.5%	-4.5%
Transportation Fund											
Motor Fuel Tax	-4.8%	-3.3%	\$342,000,000 - \$356,000,000	\$348,775,383	On target	1.7%	1.8%	1.5%	1.1%	-2.9%	-3.3%
Special Fuel Tax	5.2%	5.9%	\$150,000,000 - \$151,000,000	\$150,206,533	On target	7.2%	6.3%	7.6%	9.0%	6.1%	5.9%
Other	0.7%	4.5%	\$94,000,000 - \$105,000,000	\$101,117,000	On target	1.7%	7.8%	2.7%	2.3%	2.3%	4.5%
Subtotal Transportation Fund	-1.5%	0.1%		\$600,098,916		3.1%	3.8%	3.2%	3.2%	0.1%	0.1%
Total, GF/EF/USF/TF	-5.2%	-4.2%		\$7,802,405,265		7.2%	6.5%	5.8%	-6.3%	-6.0%	-4.2%

Note 1: This column is the June 2020 consensus, which assumes a \$770 million shift in income tax payments from FY 2020 to FY 2021.

Note 2: The sales tax set-aside figure includes revenue from the recently enacted Medicaid sales tax increase of 0.15%.

SUMMARY

Preliminary FY2020 General and Education Fund collections sum to \$7.2 billion, slightly above the \$7.1 billion target. Given the many adjustments that are made between now and the final accounting around the middle of August, this is considered to be approximately on target. The revenue targets are adjusted to account for the economic impacts of COVID-19 and the anticipated \$770 million shift in income tax payments from FY 2020 into FY 2021 due to the extension in the filing deadline. Overall, revenue is not dropping by as much as analysts expected at the start of the pandemic partially due to federal stimulus and other measures that buffered the potential downside. There is considerable uncertainty about future revenue.

GENERAL FUND

Preliminary final General Fund collections for FY 2020 reached \$2.8 billion—a growth rate of 5.9%, which is equal to the consensus growth rate and above the dollar target. Sales tax revenue rebounded in the final month of the fiscal year, accelerating from 6.1% in May 2020 to 7.2% in June. Overall, the effect of the pandemic slowed revenue growth in April and May, with some pent-up demand driving sales tax revenue in June. The stronger than expected performance was partially due to federal economic stimulus, the future of which is unknown.

EDUCATION FUND

Preliminary FY 2020 Education Fund collections reached \$4.4 billion, representing a YoY decrease of 10.1%. The 10.1% decline was largely the result of individual income tax dropping 7.6% and corporate income tax decreasing 31.1%. The negative growth rate in the Education Fund is primarily due to delayed due dates for income tax payments. Overall, analysts expected revenue to fall by more due to the pandemic than what has happened so far, potentially because of the various forms of federal economic stimulus.

TRANSPORTATION FUND

Transportation Fund collections reached \$600 million through the preliminary FY 2020 collections, up 0.1% over the prior year. This is above the -1.5% annual target. Overall, revenue held steady compared to the prior month, with revenue not dropping by as much as analysts expected.

GF/EF Collections Compared to Target

