- Utah’s unemployment rate of 5.1% is second-lowest in the U.S. (see graphic from June 2020)
- New unemployment claims in Utah have fallen by 28% in the past two weeks
- On August 15, furloughed individuals will be required to actively search for work to remain eligible for unemployment
- The extra $600 weekly unemployment benefit expired on July 31
UNEMPLOYMENT CLAIMS DURING PANDEMIC
UNEMPLOYMENT CLAIMS – PANDEMIC VS. GREAT RECESSION
**Non-Farm Employment Change**

- **Non-Farm Employment Percent Change, June 2019 - 2020**

  - Natural Resources: -10.4%
  - Construction: -2.8%
  - Total: 8.7%

- **Non-Farm Employment Numeric Change, June 2019 - 2020**

  - Natural Resources: (32,000)
  - Construction: (1,000)
  - Total: 9,700
Non-farm employment decreased 2.8% or 43,100 jobs from June 2019 to June 2020.

Job losses are not evenly distributed.

The leisure and hospitality sectors have been hardest hit in terms of numbers (32,000) and percentages (20.7%).
Personal income grew to $160 billion in the first quarter of 2020.

The quarterly personal income growth rate slowed to 4.3% in the first quarter of 2020.

Even with the slower growth rate, Utah’s growth remains above the national average of 3.3%.
Utah Year-Over-Growth in Quarterly Personal Income
INCOME TAX REVENUES

- At the end of FY20, individual income tax was nearly 8% lower and corporate income tax was over 31% lower than FY19
- Income tax withholding is down 6% year-over-year in FY21 so far
- Final payments for the 2019 tax year are approximately on target
INCOME TAX WITHHOLDING IS TRENDING TOWARD TARGET

Withholding

Target: $3.917 billion

365 Day Moving Sum

Mar 1, 19  Jun 1, 19  Sep 1, 19  Dec 1, 19  Mar 1, 20  Jun 1, 20  Sep 1, 20
INCOME TAX FINAL PAYMENTS TREND TOWARD TARGET

Income Tax Gross Final Payments

Target: $1.861 billion
Corporate tax is above target due to timing.
SALES TAX REVENUES

- Preliminary FY20 sales tax revenue totaled ~$3 billion, an increase of nearly 6% in revenues to the General Fund from FY19.

- Sales tax revenues were likely bolstered by extra unemployment benefits and other federal stimulus actions, as well as online sales tax collections during the pandemic.

- The uncertainty of additional federal stimulus actions may affect FY21 sales tax collections.
Current Sales Tax Growth is Close to FY21 Target
TC-23 SUMMARY FY20 YEAR-END PRELIMINARY

GF/EF Collections Compared to Target

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>GF Target</td>
<td>2,790,753,000</td>
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<tr>
<td>Estimated GF</td>
<td>2,813,846,199</td>
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<tr>
<td>EF Target</td>
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<tr>
<td>Estimated EF</td>
<td>$4,388,460,150</td>
</tr>
</tbody>
</table>

Note: GF = General Fund, EF = Enterprise Fund