

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

General Fund	Projected Growth Rate - March		Projected Range in Collections Through 8 Months	Actual Growth Rate	Actual Collections	Condition	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
	Estimates (Annual) (see Note 1)	Actual Growth Rate									
Sales & Use Tax	9.6%	10.3%	\$1,677,000,000 - \$1,724,000,000		\$1,720,985,173	On target	10.2%	9.6%	10.2%	10.0%	10.3%
All Other Sources	-7.3%	-15.7%	\$252,000,000 - \$410,000,000		\$309,737,305	On target	-19.5%	-14.5%	-15.4%	-14.9%	-15.7%
Subtotal General Fund	6.2%	5.7%			\$2,030,722,478		4.4%	4.9%	5.4%	5.7%	5.7%
Sales & Use Tax Set-Asides	7.7%	7.4%	\$575,000,000 - \$601,000,000		\$585,942,660	On target	1.8%	6.6%	5.9%	7.0%	7.4%
<b>Education Fund/USF</b>											
Individual Income Tax	44.3%	41.5%	\$3,187,000,000 - \$3,825,000,000		\$3,608,150,405	On target	53.7%	54.8%	46.6%	36.0%	41.5%
Corporate Tax	26.0%	52.1%	\$241,000,000 - \$351,000,000		\$324,547,480	On target	38.8%	51.1%	44.1%	50.9%	52.1%
All Other Sources	-30.0%	-51.5%	\$2,000,000 - \$21,000,000		\$8,585,582	On target	-42.6%	-66.0%	-65.0%	-52.5%	-51.5%
Subtotal Education Fund	41.6%	41.7%			\$3,941,283,467		51.8%	53.7%	45.7%	36.6%	41.7%
Subtotal GF/EF	27.8%	27.1%			\$5,972,005,945		32.6%	33.7%	29.8%	24.4%	27.1%
<b>Transportation Fund</b>											
Motor Fuel Tax	4.6%	1.0%	\$242,000,000 - \$261,000,000		\$245,553,732	On target	4.9%	4.0%	1.9%	1.7%	1.0%
Special Fuel Tax	6.7%	7.0%	\$92,000,000 - \$110,000,000		\$108,917,118	On target	2.7%	4.0%	5.9%	7.0%	7.0%
Other	5.8%	6.8%	\$64,000,000 - \$71,000,000		\$70,724,210	On target	0.5%	-1.3%	10.5%	3.1%	6.8%
Subtotal Transportation Fund	5.3%	3.4%			\$425,195,060		3.7%	3.2%	4.2%	3.3%	3.4%
<b>Total, GF/EF/USF/TF</b>	<b>26.0%</b>	<b>25.2%</b>			<b>\$6,397,201,005</b>		<b>30.3%</b>	<b>31.2%</b>	<b>27.7%</b>	<b>22.8%</b>	<b>25.2%</b>

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

## SUMMARY

FY 2021 revenue to the General and Education Funds totaled \$6.0 billion through the first eight months, a year-over-year (YoY) increase of 27.1%. This 27.1% is down from November's 32.6%, December's 33.7%, and January's 29.8%, but up from February's 24.4%. The consensus target for the whole fiscal year is 27.8%. Given the way monthly revenue collections fluctuate, current GF/EF revenue collections are within target range. The YoY difference in income tax collections may accelerate in the next two months as taxes due in April 2021 are compared to last year when income tax filing was delayed until July. This will assist in keeping GF/EF collections on target.

## GENERAL FUND

General Fund collections totaled \$2.0 billion through the first eight months of FY 2021, representing a YoY growth rate of 5.7%. The current consensus growth rate is 6.2%. Sales tax is largely behind the General Fund performance, up 10.3%. As it has all year, the sales tax growth rate continues to outperform expectations. Looking over the prior five months, the YoY sales tax growth rate has ranged from 9.6% to 10.3%.

## EDUCATION FUND

Education Fund collections reached \$3.9 billion through the first eight months of FY 2021, representing a YoY increase of 41.7%. The 41.7% increase is largely the result of income tax payments occurring in July 2020 instead of April 2020. On the whole, Education Fund collections through February almost exactly match expectations for the year as a whole. In the coming two months, growth rates associated with collections may accelerate. This may happen because April 2021 final payments will be compared against a period in which what would have been April 2020 final payments were delayed to July 2020.

## TRANSPORTATION FUND

Transportation Fund collections reached \$425 million through the first eight months of FY 2021, a rate of 3.4% over the prior year. This is below the consensus target of 5.3%. Overall, given the volatility in revenue collections that can occur over the final four months of the fiscal year, revenue to the Transportation Fund is on target with expectations. In the coming months, observers will gain greater insight into changed driving habits.

