

# MONTHLY STATE REVENUE SNAPSHOT JULY 2023

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

General Fund	Projected Growth Rate - February Estimates (Annual)	YoY Growth Rate	Projected Range in Collections		Actual Collections	Year-End Forecast	Mar-23	Apr-23	May-23	Jun-23
			Through 12 Months							
Sales & Use Tax	6.4%	5.8%	\$2,968,000,000 - \$3,628,000,000		\$3,300,305,784	\$3,297,805,000	8.1%	6.4%	5.5%	5.8%
All Other Sources	28.9%	38.3%	\$688,000,000 - \$841,000,000		\$821,007,662	\$800,493,229	31.6%	31.9%	36.5%	38.3%
<b>Subtotal General Fund</b>	<b>10.2%</b>	<b>11.0%</b>			<b>\$4,121,313,446</b>	<b>\$4,098,298,229</b>	<b>11.8%</b>	<b>10.5%</b>	<b>10.6%</b>	<b>11.0%</b>
Sales & Use Tax Set-Asides	10.9%	7.9%	\$1,087,000,000 - \$1,328,000,000		\$1,154,077,713	\$1,207,400,759	11.3%	10.4%	10.0%	7.9%
<b>Income Tax Fund/Uniform School Fund</b>										
Individual Income Tax	-1.6%	-5.3%	\$5,997,000,000 - \$7,330,000,000		\$6,422,390,636	\$6,663,306,667	18.0%	-5.0%	-5.6%	-5.3%
Withholding		4.9%			\$4,968,133,093		5.2%	6.0%	4.9%	4.9%
Final Payments (plus SALT Passthrough)		-28.9%			\$1,454,257,543			-27.6%	-28.7%	-28.9%
Corporate Tax	-16.5%	-7.0%	\$704,000,000 - \$861,000,000		\$874,639,803	\$782,651,333	-11.6%	-8.3%	-8.2%	-7.0%
All Other Sources	19.3%	82.6%	\$103,000,000 - \$126,000,000		\$107,643,434	\$114,556,667	76.5%	96.1%	86.6%	82.6%
<b>Subtotal Income Tax Fund</b>	<b>-3.1%</b>	<b>-4.8%</b>			<b>\$7,404,673,873</b>	<b>\$7,560,514,667</b>	<b>14.9%</b>	<b>-4.8%</b>	<b>-5.4%</b>	<b>-4.8%</b>
<b>Subtotal GF/ITF/USF</b>	<b>1.2%</b>	<b>0.3%</b>			<b>\$11,525,987,320</b>	<b>\$11,658,812,895</b>	<b>13.7%</b>	<b>0.1%</b>	<b>-0.3%</b>	<b>0.3%</b>
<b>Transportation Fund</b>										
Motor Fuel Tax	2.6%	5.8%	\$369,000,000 - \$451,000,000		\$413,546,138	\$409,781,671	1.3%	3.1%	4.1%	5.8%
Special Fuel Tax	8.4%	7.0%	\$170,000,000 - \$207,000,000		\$171,734,379	\$188,514,159	3.3%	8.8%	5.3%	7.0%
Other	13.4%	11.9%	\$124,000,000 - \$151,000,000		\$130,313,059	\$137,709,667	10.5%	9.7%	11.5%	11.9%
<b>Subtotal Transportation Fund</b>	<b>6.0%</b>	<b>7.2%</b>			<b>\$715,593,575</b>	<b>\$736,005,497</b>	<b>3.4%</b>	<b>5.7%</b>	<b>5.7%</b>	<b>7.2%</b>
<b>Total, GF/ITF/USF/TF</b>	<b>1.4%</b>	<b>0.7%</b>			<b>\$12,241,580,895</b>	<b>\$12,394,818,392</b>	<b>13.0%</b>	<b>0.4%</b>	<b>0.1%</b>	<b>0.7%</b>

## SUMMARY

In preliminary FY 2023 year-end numbers, revenue to the General and Income Tax Funds was just over \$11.5 billion. This represents a year-over-year (YoY) change of 0.3%, nearly flat against last year at this point but still trailing behind the full-year consensus target rate of 1.2%. The YoY comparison remained negative for the Income Tax Fund overall, coming in short of the -3.1% target at -4.8%, though the withholding component of the ITF held steady at 4.9%. Growth came in modestly higher this month for Sales & Use Tax, at 5.8% YoY, with total General Fund growth at 11.0% YoY, just ahead of the target. Growth for the Transportation Fund, at 7.2%, showed a marked improvement over last month and is now tracking above target.

Final revenue numbers are still to be determined in the coming months as year-end transfers, final allocations, and other adjustments occur. As a result, this snapshot is only a preliminary year-end report and should not be interpreted as indicative of the final FY 2023 surplus/deficit. Of note, final transfers for several earmarks on sales tax and severance tax are still to be completed and may lead to a lower GF subtotal by final closeout.

## GENERAL FUND

General Fund collections totaled over \$4.1 billion in preliminary FY 2023 numbers, growing 11.0% YoY, showing a slight improvement over last month and running just above the consensus estimate of 10.2%. Sales and Use Tax collections were up 5.8% YoY, a slight rebound from last month's rate. While this month showed a small improvement, total taxable sales remained significantly weaker in the second half of the year compared to the strong growth seen in the beginning of the fiscal year. Additionally, outstanding year-end earmark transfers may push this lower by final closeout. Among other sources of revenue to the General Fund, the largest contributors to growth for the fund overall this year have been investment income, running at about 1,000% YoY, boosted by higher interest rates and fund balances, and oil and gas severance tax at about a 48% YoY rate.

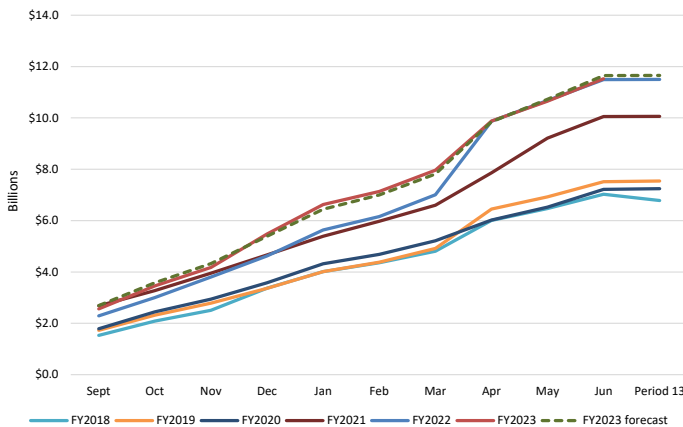
## INCOME TAX FUND

Income Tax Fund collections reached just over \$7.4 billion in preliminary year-end numbers, a YoY change of -4.8%, remaining below the target rate of -3.1%. While final payments came in much lower than collections seen last fiscal year, withholding remained a source of strength for income tax collections overall for the year, staying positive YoY at about 5%; this component of individual income tax continues to benefit from wage gains and low unemployment. Looking to corporate collections, this month remained negative YoY though relatively improved over last month as final quarterly payments came in, resulting in a rate of -7.0%; this continued to track better than the annual consensus estimate of -16.5%.

## TRANSPORTATION FUND

Transportation Fund collections amounted to over \$715 million in preliminary FY 2023 year-end numbers, for a YoY growth rate of 7.2%, comparing favorably to the consensus target of 6.0%. Of the two main contributors to the Fund, both Motor Fuel Tax and Special Fuel Tax showed positive and increased YoY growth through this month at a 5.8% and 7.0% rate, respectively. Recent months have likely benefitted from increased travel as temperatures have warmed and summer vacations get underway; collections also benefitted in the second half of the fiscal year due to the increased rate discussed in prior snapshots.

GF/ITF Collections



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