

MONTHLY STATE REVENUE SNAPSHOT

JUN 2024

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

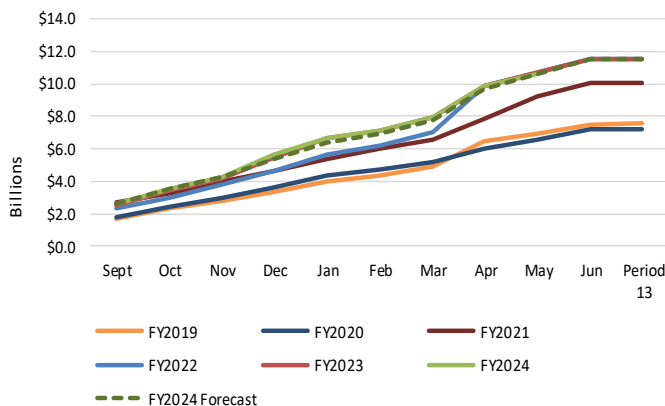
General Fund	Projected Growth Rate - February Estimates (Annual)	YoY Growth Rate	Projected Range in Collections Through 11 Months	FY 2024 Actual Collections	FY 2024 Year-End Forecast	Feb-24	Mar-24	Apr-24	May-24
Sales & Use Tax	2.0%	2.0%	\$3,027,000,000 - \$3,143,000,000	\$3,089,630,854	\$3,328,957,000	1.1%	1.2%	1.5%	2.0%
All Other Sources*	6.3%	9.8%	\$732,000,000 - \$895,000,000	\$844,506,187	\$887,359,333	16.0%	14.6%	12.9%	9.8%
Subtotal General Fund	2.9%	3.6%		\$3,934,137,041	\$4,216,316,333	3.6%	3.7%	3.7%	3.6%
Sales & Use Tax Set-Asides	1.8%	3.0%	\$1,003,000,000 - \$1,226,000,000	\$1,098,347,572	\$1,216,311,626	2.7%	3.1%	4.3%	3.0%
Income Tax Fund/Uniform School Fund									
Individual Income Tax	-2.6%	-4.1%	\$5,760,000,000 - \$5,860,000,000	\$5,787,721,625	\$6,267,591,333	-2.9%	-3.7%	-3.9%	-4.1%
Withholding		2.1%		\$4,702,983,454		2.3%	1.9%	2.3%	2.1%
Final Payments (plus SALT Passthrough)		-24.3%		\$1,084,738,171		-27.1%	-33.6%	-22.7%	-24.3%
Corporate Tax	-0.8%	4.4%	\$712,000,000 - \$799,000,000	\$770,505,960	\$863,316,667	6.1%	0.9%	5.3%	4.4%
All Other Sources	3.9%	2.6%	\$68,000,000 - \$92,000,000	\$79,197,629	\$136,540,000	11.4%	7.2%	6.9%	2.6%
Subtotal Income Tax Fund	-2.2%	-3.2%		\$6,637,425,213	\$7,267,448,000	-2.0%	-3.2%	-2.8%	-3.2%
Subtotal GF/ITF/USF	-0.4%	-0.8%		\$10,571,562,254	\$11,483,764,333	0.2%	-0.5%	-0.5%	-0.8%
Transportation Fund									
Motor Fuel Tax	6.6%	8.6%	\$343,000,000 - \$420,000,000	\$403,135,376	\$450,819,000	10.4%	10.3%	9.4%	8.6%
Special Fuel Tax	4.4%	6.0%	\$145,000,000 - \$177,000,000	\$169,025,780	\$189,953,333	9.7%	8.0%	6.2%	6.0%
Other	14.1%	19.1%	\$120,000,000 - \$146,000,000	\$140,761,135	\$169,405,667	21.7%	18.7%	19.9%	19.1%
Subtotal Transportation Fund	7.5%	9.9%		\$712,922,291	\$810,178,000	12.2%	11.2%	10.5%	9.9%
Total, GF/ITF/USF/TF	0.1%	-0.1%		\$11,284,484,545	\$12,293,942,333	0.9%	0.2%	0.1%	-0.1%

SUMMARY

In the first 11 months of FY 2024, revenue to the General and Income Tax Funds totaled nearly \$10.6 billion, a year-over-year (YoY) growth rate of -0.8%. This trails the -0.4% growth projected in the forecast adopted by the Executive Appropriations Committee in February, adjusted for legislative changes. When including the stronger growth in the Transportation Fund, the combined growth rate is -0.1%, slightly below the February forecast of 0.1%.

In the General Fund, sales tax growth accelerated from last month by half a percentage point. This is partially due to a lower growth rate in the base period, but also shows the resilience of consumer spending. Income Tax Fund growth declined by 0.4 percentage points compared to last month as all sources showed small declines in their growth rates. We don't anticipate much change in these rates through the fiscal year close-out period. The primary source of uncertainty remaining is the June quarterly corporate income tax payments, which could produce a material change in the corporate growth rate.

GF/ITF Collections



GENERAL FUND

General Fund collections totaled over \$3.9 billion in the first 11 months of FY 2024, growing 3.6% YoY and outperforming the 2.9% target. This growth rate has been remarkably stable in the second half of the fiscal year, as accelerating sales tax growth has offset declining growth in investment income. The changes in sales tax and investment income growth rates have been due primarily to changes in the comparison periods in FY23, rather than fundamental changes to collections in these sources. An additional factor propping up General Fund growth is the insurance premium tax, which is growing at 9.3%, well ahead of the 6.9% projection.

INCOME TAX FUND

Income Tax Fund collections were over \$6.6 billion in the first 11 months of FY 2024, a YoY change of -3.2%, down from last month but the same growth rate as two months ago. This rate lags the forecasted rate by a percentage point, primarily due to underperforming final income tax payments. However, individual income tax withholding, which is the best indicator of current labor market conditions, has continued to perform well. Although the growth rate shows a small decline compared to last month, the 2.1% growth matches its six-month average. The other major Income Tax Fund source, corporate income tax, has performed above expectations, growing at 4.4%, well above the forecast of 0.8%.

TRANSPORTATION FUND

Transportation Fund collections amounted to \$713 million in the first 11 months of FY 2024, for a YoY growth rate of 9.9%, above the consensus target of 7.5%. Growth rates in motor and special fuel taxes have continued their declining trend of the last four months, which was expected due to the much smaller differential of the fuel tax rates between the current and comparison periods beginning in calendar year 2024. However, both sources remain well above projected growth rates. The non-fuel tax category in the Transportation Fund continued its streak of very strong growth rates, primarily due to an increase in vehicle registration fees.

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*A \$22.6 million transfer from the Industrial Assistance Fund, among other adjustments, have been removed from the 'all other sources' line in the table to reflect actual revenue collections, instead of all funds entering state accounts. See Table 7 of the 2023 BOTSU for more detail.