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Jeb Spaulding, Secretary

PRESS RELEASE

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Montpelier, VT - Secretary of Administration Jeb Spaulding Announces Vermont's Revenue Results for November 2012: General and Transportation Funds Exceed Monthly Projections for the Month, On Target for the Fiscal Year, Ahead of Last Year.

General Fund

Secretary of Administration Jeb Spaulding released the November 2012 General Fund (GF) Revenue results today. November is the fifth month of fiscal year (FY) 2013. General Fund revenues totaled \$82.49 million for November 2012, and were +\$2.18 million or +2.71% above the \$80.31 million consensus revenue forecast for the month. Year to date, General Fund revenues were \$487.64 million, and -\$0.05 million or -0.01% short of the cumulative target of \$487.69 million.

Secretary Spaulding commented, "November was a good month, revenue wise. Both General and Transportation Fund receipts were ahead of projections for the month and we are basically on target through the first five months of this fiscal year. More importantly, both the G- and T-Funds are running over 3 percent ahead of last year, which supports a continued trend of economic growth. I am especially pleased that personal income receipts rebounded in November, after a couple of months of below projected performance."

Current targets reflect the Fiscal Year 2013 Consensus Revenue Forecast adopted by the Emergency Board at their July 20, 2012 meeting. Statutorily, the State is required to revise the Consensus Revenue Forecast two times per year, in January and July; the Emergency Board may schedule interim revisions if deemed necessary.

Personal Income Tax (PI) receipts are the largest single state revenue source providing approximately 50% of total GF revenue. PI Tax receipts are reported Net-of-Personal Income Tax refunds. Net Personal Income Tax is comprised of PI Withholding Tax, PI Estimated Payments, PI Refunds Paid, and PI Other. Net PI Receipts for November were recorded at \$39.09 million, +\$2.78 million or +7.67% above the monthly target of \$36.31 million. Year to date, Net PI Receipts were \$237.45 million, -\$6.33 million or -2.60% behind the FY 2013 target and +2.38% ahead of the results for the same period of the prior fiscal year (FY 2012).

Corporate Income Taxes are also reported net-of refunds. November Net Corporate Income Tax receipts of -\$0.17 million lost ground this month (-\$1.17 million, -116.68%) against the monthly target of \$1.00 million. Year to date Corporate receipts were \$26.90 million, +\$2.91 million or +12.11% above target. Compared to the same period for the prior fiscal year (FY 2012), Corporate Income Tax receipts fell to -14.06% below the prior year.

Consumption tax results for November were both slightly short of target: Sales & Use Tax receipts of \$18.25 million were behind target by -\$0.13 million (-0.71%); Rooms & Meals Tax receipts of \$11.40 million were behind target by -\$0.16 million (-1.39%). Year to date, Sales & Use Tax receipts of \$97.81 million fell -\$0.51 million below the target of \$98.32 million. Cumulative Rooms & Meals Tax of \$61.09 million remain above target by +0.79%. Sales & Use Tax and Rooms & Meals Tax both exceed receipts for the prior year by +2.93% and +6.02% respectively.

The remaining non-major tax components include Insurance, Inheritance & Estate Tax, Real Property Transfer Tax, and "Other" (which includes: Bank Franchise Tax, Telephone Tax, Liquor Tax, Beverage Tax, Fees, and Other Taxes). The results for the remaining non-major categories for November were as follows: Insurance Tax, \$7.00 million (+11.92%); Inheritance & Estate Tax, \$1.89 (+30.05%); Property Transfer Tax, \$0.69 million (+16.86%); and "Other", \$4.33 million (-9.04%). The fiscal year to date November results for the remaining non-major categories were: Insurance Tax, \$15.65 million (+5.52%); Inheritance & Estate Tax, \$10.86 (+39.49%); Property Transfer Tax, \$4.09 million (+5.08%); and "Other", \$33.80 million (-1.99%). Cumulatively, the total non-major component receipts of \$64.31 million exceeded the prior year total by +\$7.61 million, or +13.41%.

General Fund By Major Element (In Millions)*

Tax Component	Month				Fiscal YTD				Prior Fiscal YTD		
	Target	Revenue	\$ Change	% Change	Target	Revenue	\$ Change	% Change	Revenue	\$ Change	% Change
Personal Income	36.31	39.09	2.78	7.67%	243.78	237.45	-6.33	-2.60%	231.92	5.53	2.38%
Sales & Use	18.38	18.25	-0.13	-0.71%	98.32	97.81	-0.51	-0.52%	95.02	2.79	2.93%
Corporate	1.00	-0.17	-1.17	-116.68%	24.00	26.90	2.91	12.11%	31.31	-4.40	-14.06%
Meals & Room	11.56	11.40	-0.16	-1.39%	60.61	61.09	0.48	0.79%	57.62	3.47	6.02%
Insurance Premium	6.25	7.00	0.75	11.92%	14.83	15.65	0.82	5.52%	14.83	0.82	5.52%
Inheritance & Estate	1.45	1.89	0.44	30.05%	7.79	10.86	3.07	39.49%	8.09	2.77	34.20%
Real Prop. Transfer	0.59	0.69	0.10	16.86%	3.89	4.09	0.20	5.08%	3.56	0.53	15.03%
Other	4.76	4.33	-0.43	-9.04%	34.48	33.80	-0.69	-1.99%	30.31	3.49	11.52%
Total	80.31	82.49	2.18	2.71%	487.69	487.64	-0.05	-0.01%	472.64	15.00	3.17%

*Differences due to rounding

Transportation Fund

The non-dedicated Transportation Fund Revenue for November was also reported on by Secretary Spaulding. Total non-dedicated Transportation Fund receipts of \$17.09 million for the month exceeded the target by +\$0.09 million (+0.54%), against the monthly target of \$16.99 million. This is the above target result for the second month in a row and has recouped all but -\$0.97 million, or -1.04% of the November fiscal year to date Transportation Fund receipts. Compared to FY 2012, year to date November Transportation Funds receipts exceed the prior year by +\$3.03 million or +3.36% for the same period.

Individual Transportation Fund revenue receipts components for November were mixed: Gasoline Tax, \$5.15 million or +4.92% ahead of target; Diesel Tax, \$1.18 million or -10.81% below target; Motor Vehicle Purchase & Use Tax, \$4.08 million or -2.58% behind target; Motor Vehicle Fees, \$5.40 million or +1.32% ahead of target; and Other Fees, \$1.28 million or +2.48% in excess of the monthly target. Year to date results for the individual Transportation Fund revenue components for November remain were below target in all but the “Other” category: Gasoline Tax, \$25.98 million or -1.30% below target; Diesel Tax, \$6.04 million or -7.28% behind target; Motor Vehicle Purchase & Use Tax, \$22.82 million or -1.40% short of target; Motor Vehicle Fees, \$30.90 million or -0.42% short of target; and Other Fees, \$7.53 million or +4.29 above the monthly target.

The Secretary also reported on the results for the Transportation Infrastructure Bond Fund (“TIB”). TIB Fund Gas receipts for November were \$1.84 million or +8.25% ahead of the monthly target; year to date TIB Gas receipts were \$9.43 million or +2.56% above target. TIB Fund Diesel receipts for the month were \$0.14 million or -15.56% short of the monthly target; year to date TIB Diesel receipts were \$0.60 million or -26.08% short of target. The year to date TIB results were +4.25% below and 469.43% above the TIB Fund Gas receipts and TIB Diesel receipts, respectively, from the prior year (FY 2012). TIB Fund receipts are noted below the following table:

*Transportation Fund By Major Element (In Millions)**

Tax Component	Month				Fiscal YTD				Prior Fiscal YTD		
	Target	Revenue	\$ Change	% Change	Target	Revenue	\$ Change	% Change	Revenue	\$ Change	% Change
Gasoline	4.91	5.15	0.24	4.92%	26.32	25.98	-0.34	-1.30%	26.16	-0.18	-0.70%
Diesel Fuel	1.32	1.18	-0.14	-10.81%	6.51	6.04	-0.47	-7.28%	6.35	-0.31	-4.86%
MV Purchase & Use	4.19	4.08	-0.11	-2.58%	23.15	22.82	-0.32	-1.40%	22.04	0.78	3.53%
Motor Vehicle Fees	5.33	5.40	0.07	1.32%	31.03	30.90	-0.13	-0.42%	28.81	2.09	7.26%
Other	1.25	1.28	0.03	2.48%	7.22	7.53	0.31	4.29%	6.88	0.65	9.51%
Total	16.99	17.09	0.09	0.54%	94.24	93.27	-0.97	-1.04%	90.24	3.03	3.36%

Note:

TIB Fuel											
Fees/Gasoline	1.70	1.84	0.14	8.25%	9.20	9.43	0.24	2.56%	9.85	-0.42	-4.25%
TIB Fuel Fees/Diesel	0.17	0.14	-0.03	-15.56%	0.82	0.60	-0.21	-26.08%	0.11	0.50	469.43%

*Differences due to rounding

Education Fund

Secretary Spaulding also released the “non-Property Tax” Education Fund revenues (which constitute approximately 13% of the total Education Fund sources) today. The non-Property Tax Education Fund receipts for November totaled \$12.70 million, or -\$0.56 million (-4.20%) below the \$13.26 million target for the month. Year to date, non-Property Tax Education Fund receipts were \$68.18 million, or -1.36% short of the year to date target. The individual Education Fund revenue component results for November were: Sales & Use Tax, \$9.13 million, or -0.72% below target; Motor Vehicle Purchase & Use Tax, \$2.04 million or -2.58%; Lottery Transfer, \$1.53 million or -21.35% above target; Education Fund Interest for November was less than \$0.01 million. Year to date receipts by component were: Sales & Use Tax, \$48.90 million, or -0.52% short of target; Motor Vehicle Purchase & Use Tax, \$11.41 million or -1.40%; Lottery Transfer, \$7.83 million or -6.25% below target; year to date Education Fund Interest was less than \$0.04 million against a target under \$0.04 million. As compared to prior year, FY 2013

year to date non-Property Tax Education Fund receipts are +2.62% ahead of the FY 2012 results for the same period.

Education Fund By Major Element (In Millions)*

Non-Property Tax Component	Month				Fiscal YTD				Prior Fiscal YTD		
	Target	Revenue	\$ Change	% Change	Target	Revenue	\$ Change	% Change	Revenue	\$ Change	% Change
Sales & Use	9.19	9.13	-0.07	-0.72%	49.16	48.90	-0.25	-0.52%	47.51	1.39	2.93%
MV Purchase & Use	2.09	2.04	-0.05	-2.58%	11.57	11.41	-0.16	-1.40%	11.02	0.39	3.53%
Lottery Transfer	1.94	1.53	-0.42	-21.35%	8.35	7.83	-0.52	-6.25%	7.89	-0.06	-0.80%
Investment Income	0.03	0.00	-0.02	-85.59%	0.04	0.04	0.00	-0.26%	0.02	0.02	115.44%
Total	13.26	12.70	-0.56	-4.20%	69.12	68.18	-0.94	-1.36%	66.44	1.74	2.62%

*Differences due to rounding

Conclusion

Secretary Spaulding concluded, “Though November was a positive month for tax receipts and General Fund revenues are on target for the fiscal year, there remains a good deal of uncertainty looking ahead. There are some positive economic indicators, as well as some huge unresolved issues beyond our borders that could put a damper on our continuing economic rebound. We look forward to the updated consensus revenue forecast due in mid-January.”

Attachments

The detailed schedules of the November 2012 year to date revenue results comparing the current periods with last year follow.

Note: Minor differences in figures are due to rounding.

**Comparative Statement of Revenues
General Fund
As of November 30, 2012**

General Fund Schedule 2

	<u>Total to Date Last Year</u>	<u>Total to Date This Year</u>	<u>% of Change</u>
Taxes			
Personal Income	231,921,087	237,451,619	2.38%
Sales & Use	95,020,461	97,809,302	2.93%
Corporate	31,304,797	26,902,846	-14.06%
Meals & Room	57,616,413	61,084,622	6.02%
Liquor & Wine	6,742,655	6,854,498	1.66%
Insurance Premium	14,826,349	15,644,892	5.52%
Telephone Gross Receipts	106,169	101,181	-4.70%
Telephone Property	2,247,446	2,328,410	3.60%
Beverage	2,620,854	2,732,320	4.25%
Electric Generating	732,053	3,239,613	342.54%
Inheritance & Estate	8,091,485	10,859,085	34.20%
Real Property Transfer	3,556,587	4,091,157	15.03%
Bank Franchise	5,414,862	5,162,689	-4.66%
All Other Taxes	616,805	863,900	40.06%
Total Taxes	<u>460,818,024</u>	<u>475,126,134</u>	<u>3.10%</u>
Other Revenues			
Business Licenses	498,132	433,993	-12.88%
Fees	8,084,205	8,552,671	5.79%
Services	645,475	910,004	40.98%
Fines, Forfeits & Penalties	2,236,009	1,712,642	-23.41%
Interest, Prem	36,555	175,375	379.76%
Special Assessments	0	0	0.00%
All Other Revenues	323,960	729,401	125.15%
Total Other Revenues	<u>11,824,336</u>	<u>12,514,086</u>	<u>5.83%</u>
Total General Fund	<u><u>472,642,359</u></u>	<u><u>487,640,220</u></u>	<u><u>3.17%</u></u>

Date: December 07, 2012

**Comparative Statement of Revenues
Transportation Fund
As of November 30, 2012**

T Fund Detail Schedule 2

	<u>Total to Date Last Year</u>	<u>Total to Date This Year</u>	<u>% of Change</u>
Non-Dedicated			
Taxes			
Gasoline	26,160,399	25,977,629	-0.70%
Diesel Fuel	6,348,134	6,039,788	-4.86%
MV Purchase & Use	<u>22,043,969</u>	<u>22,822,400</u>	3.53%
Total Taxes	<u>54,552,502</u>	<u>54,839,816</u>	<u>0.53%</u>
Other Revenues			
Motor Vehicle Fees	28,811,400	30,902,559	7.26%
Other	<u>6,879,094</u>	<u>7,533,625</u>	9.51%
Total Other Revenues	<u>35,690,494</u>	<u>38,436,184</u>	<u>7.69%</u>
Total Non-Dedicated	<u>90,242,996</u>	<u>93,276,000</u>	<u>3.36%</u>
Dedicated			
Federal Aid	134,066,970	154,258,591	15.06%
Infrastructure Bond Fund Revenue	9,961,115	10,035,248	0.74%
Other	<u>3,137,653</u>	<u>1,460,203</u>	<u>-53.46%</u>
Total Dedicated	<u>147,165,738</u>	<u>165,754,041</u>	<u>12.63%</u>
Total Transportation Fund	<u>237,408,735</u>	<u>259,030,042</u>	<u>9.11%</u>

Note: Revenue Estimates are fiscal year total estimates.

Prepared by Department of Finance & Management

Date: December 07, 2012

State of Vermont
Comparative Statement of Revenues
Education Fund
As of November 30, 2012

Education Fund Schedule 2

	<u>Total to Date</u> <u>Last Year</u>	<u>Total to Date</u> <u>This Year</u>	<u>% of Change</u>
Non-Dedicated			
Estimated Revenues:			
Sales & Use	47,509,518	48,903,789	2.93%
Purchase & Use	11,021,985	11,411,200	3.53%
Lottery Transfer	7,891,288	7,827,874	-0.80%
Investment Income	19,396	41,787	115.44%
Total estimated revenues	<u>66,442,186</u>	<u>68,184,649</u>	<u>2.62%</u>
Other Revenues:			
Education Property Taxes	21,521,945	31,742,009	47.49%
Electric Energy Educ Prop Tax	1,068,977	0	-100.00%
Medicaid Reimbursement	0	0	0.00%
Total other revenues	<u>22,590,921</u>	<u>31,742,009</u>	<u>40.51%</u>
Total Education Fund	<u><u>89,033,107</u></u>	<u><u>99,926,658</u></u>	<u><u>12.24%</u></u>

Note: Revenue Estimates are fiscal year total estimates.

Prepared by Department of Finance & Management

Date: December 07, 2012