

Monthly Revenue Release

Agency of Administration
September 29, 2023

Contact: Kristin Clouser
(802) 828-3322

Montpelier, VT - Secretary of Administration Kristin Clouser releases Vermont's revenue results for August 2023. The General Fund, Transportation Fund and Education Fund all surpassed their respective consensus targets as derived from the annual fiscal year 2024 consensus revenue forecast adopted by the Emergency Board at its July 31, 2023 meeting.

Revenue collections for the month of August 2023 have been compiled. The State's General Fund, Transportation Fund, and Education Fund receipts were a combined \$239.2 million, exceeding the \$220.0 million monthly consensus target by \$19.2 million, or 8.7%.

General Fund revenues for August totaled \$149.3 million, \$14.2 million, or 10.5%, above the \$135.1 million monthly consensus cash flow target. Personal Income Tax receipts surpassed their \$66.1 million target by \$12.6 million, or 19.1%, to yield \$78.8 million. The Insurance Tax exceeded its \$8.4 million target by \$0.7 million, 8.2%, generating \$9.1 million; the Liquor Tax exceeded its \$0.4 million by 10.6% yielding \$0.5 million; and, the Other receipts category generated \$3.8 million, or 35.4%, in revenues above its \$10.8 million monthly consensus cash flow target producing \$14.7 million of receipts. Health Care Taxes failed to achieve their \$23.8 million monthly consensus cash flow target, missing by -\$0.6 million, -2.4%, and resulting in \$23.2 million in monthly collections. The Meals & Rooms Tax missed its \$16.3 million monthly consensus cash flow target by -\$1.0 million, or -6.0%, yielding \$15.3 million. Monthly receipts in the Corporate Income Tax missed its \$5.4 million monthly consensus cash flow target by -\$0.1 million, or -1.6%, resulting in monthly revenues \$5.3 million. There were \$0.7 million in Net Property Transfer Tax receipts last month which was -\$1.4 million below census expectations, or -67.4%, below its \$2.0 million target. However, Net Property Transfer Tax receipts were distorted over the first two months of fiscal year 2024 by processing irregularities due to the July 2023 event which delayed the normal July transfer of the first \$2.5 million in gross Property Transfer receipts until August. This artificially boosted July Property Transfer receipts in the General Fund at the expense of August Property Transfer Tax revenues posted to the General Fund. Monthly Estate Tax receipts were essentially on target at \$1.8 million for the month.

Revenues in the Transportation Fund exceeded their \$26.1 million August consensus target by \$1.1 million, or 4.0%, to yield \$27.2 million. The Gasoline Tax and Other Fees category were essentially on target for the month at \$6.4 million and \$1.7 million in monthly receipts, respectively. The Diesel Tax exceeded its \$1.4 million target by \$0.2 million, or 11.7%, totaling \$1.6 million in monthly receipts. Revenues in the Motor Vehicle Purchase & Use Tax were \$10.0 million, which were \$1.4 million, or 16.5%, above its \$8.6 million target. Only the Motor Vehicle Fees category failed to achieve its \$8.0 million monthly consensus cash flow target missing by -\$0.6 million, or -6.9%, to yield \$7.5 million.

Monthly Education Fund revenues of \$62.7 million were \$3.9 million, 6.7%, above their August \$58.8 million cash flow target. The Sales & Use Tax produced \$48.0 million, exceeding its \$46.1 million monthly consensus cash flow target by \$1.9 million or 4.1%. The Motor Vehicle Purchase & Use Tax exceeded its \$4.3 million target by \$0.7 million, or by 16.5%, resulting in \$5.0 million in receipts last month. Revenues in the Lottery Transfer exceeded its \$2.5 million monthly consensus cash flow target by \$1.2 million, or 48.6%, to yield \$3.7 million of receipts. Only the Meals & Rooms Tax failed to achieve its \$5.9 million monthly consensus cash flow target, missing

on the downside by -\$0.4 million, or -6.0%, to produce \$5.5 million of revenue. Interest earnings for the month were essentially on target” at \$0.5 million for the month of August.

According to Secretary Clouser: “August’s positive results demonstrate the forecasting difficulty caused by the July flood event. The gains made this past month were mostly due to administrative processing procedures returning to baseline operations and offsetting July’s misses. Furthermore, the impacts of the July forbearance measures will undoubtedly add an element of uncertainty over the remainder of the calendar year which the Administration will continue to monitor very closely.”

###

State of Vermont Revenue, by Major Fund **Month: August**
 vs. Consensus Revenue Forecast Target **FY: 2024**
General Fund By Major Element (In Millions)* (1&2)

Tax Component	Month				Fiscal YTD				Prior		
	Target	Revenue	\$ Change	% Change	Target	Revenue	\$ Change	% Change	Revenue	\$ Change	% Change
Personal Income (1)	66.11	78.75	12.64	19.12%	147.53	154.91	7.38	5.00%	169.36	-14.45	-8.53%
Corporate (2)	5.36	5.27	-0.09	-1.64%	12.65	11.40	-1.25	-9.86%	11.23	0.16	1.47%
Meals & Room	16.29	15.31	-0.98	-5.99%	30.60	28.80	-1.81	-5.90%	28.72	0.08	0.27%
Insurance Premium	8.38	9.07	0.69	8.23%	9.16	10.02	0.86	9.40%	9.47	0.56	5.87%
Inheritance & Estate	1.79	1.78	-0.01	-0.43%	3.53	7.24	3.71	105.06%	2.25	4.99	221.59%
Real Prop. Transfer	2.04	0.67	-1.38	-67.41%	2.78	2.79	0.01	0.47%	3.52	-0.73	-20.63%
State Health Care Taxes	23.83	23.24	-0.58	-2.44%	53.17	53.04	-0.12	-0.23%	51.85	1.19	2.29%
Other	11.27	15.15	3.88	34.43%	23.44	24.92	1.48	6.32%	14.56	10.36	71.19%
Total	135.07	149.25	14.19	10.50%	282.87	293.13	10.26	3.63%	290.97	2.16	0.74%

*Differences due to rounding

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	6.41	6.43	0.02	0.32%	12.50	12.51	0.01	0.07%	12.99	-0.47	-3.65%
Diesel Fuel	1.43	1.60	0.17	11.74%	2.87	3.09	0.22	7.77%	2.97	0.12	4.06%
MV Purchase & Use	8.62	10.04	1.42	16.48%	15.25	16.83	1.57	10.32%	16.08	0.74	4.60%
Motor Vehicle Fees	8.02	7.47	-0.55	-6.87%	15.15	14.03	-1.12	-7.38%	15.15	-1.12	-7.38%
Other	1.67	1.67	-0.01	-0.31%	3.12	2.99	-0.13	-4.09%	3.36	-0.37	-11.10%
Total	26.14	27.19	1.05	4.02%	48.89	49.45	0.56	1.15%	50.55	-1.10	-2.18%

Note:

TIB Fuel Fees/Gasoline	1.42	1.58	0.17	11.77%	2.64	3.03	0.39	14.66%	3.51	-0.48	-13.73%
TIB Fuel Fees/Diesel	0.16	0.17	0.01	7.00%	0.32	0.33	0.01	3.61%	0.32	0.01	4.09%

*Differences due to rounding

Education Fund By Major Element (In Millions)*
Non-Property Tax

Tax Component	Month				Fiscal YTD				Prior		
	Target	Revenue	\$ Change	% Change	Target	Revenue	\$ Change	% Change	Revenue	\$ Change	% Change
Sales & Use	46.12	48.02	1.90	4.12%	101.09	103.12	2.03	2.00%	102.49	0.63	0.62%
Meals & Room	5.90	5.55	-0.35	-5.99%	11.09	10.43	-0.65	-5.90%	10.41	0.03	0.27%
MV Purchase & Use	4.31	5.02	0.71	16.48%	7.63	8.41	0.79	10.32%	8.04	0.37	4.60%
Lottery Transfer	2.46	3.66	1.20	48.61%	3.46	3.66	0.20	5.66%	4.41	-0.75	-17.10%
Investment Income	0.00	0.49	0.49	97099.02%	0.00	0.49	0.49	97099.02%	0.18	0.31	166.67%
Total	58.80	62.74	3.94	6.70%	123.27	126.11	2.84	2.31%	125.53	0.58	0.46%

*Differences due to rounding

State of Vermont
Comparative Statement of Revenues
General Fund
As of August 31, 2023

	<u>Total to Date Last Year</u>	<u>Total to Date This Year</u>	<u>% Change</u>
Taxes			
Personal Income Tax	169,359,229	154,909,908	-8.5%
Sales & Use Tax	0	0	0.0%
Corporate Income Tax	11,233,811	11,398,780	1.5%
Meals & Rooms Tax	28,721,496	28,798,273	0.3%
Liquor & Wine Tax	898,665	887,768	-1.2%
Insurance Premium	9,467,935	10,023,528	5.9%
Telephone Gross Receipts	60,528	53,534	-11.6%
Telephone Property Tax	312,697	320,334	2.4%
Beverage Tax	1,404,652	1,295,336	-7.8%
Cannabis Excise Tax	0	2,625,127	100.0%
Electric Generating	0	0	0.0%
Inheritance & Estate Tax	2,251,256	7,239,910	221.6%
Real Property Transfer Tax	3,520,751	2,794,344	-20.6%
Bank Franchise Tax	2,689,629	2,860,896	6.4%
All Other Taxes	194,501	217,264	11.7%
Total Taxes	<u>230,115,152</u>	<u>223,425,002</u>	<u>-2.9%</u>
Other Revenues			
Business Licenses	22,019	20,836	-5.4%
Fees	5,893,131	6,803,536	15.4%
Services	553,003	326,496	-41.0%
Fines, Forfeits & Penalties	545,154	439,545	-19.4%
Interest, Prem	1,765,181	8,822,822	399.8%
Special Assessments	0	0	0.0%
All Other Revenues	219,152	248,523	13.4%
Total Other Revenues	<u>8,997,640</u>	<u>16,661,758</u>	<u>85.2%</u>
Health Care Revenues			
Health Care Taxes and Assessments	<u>51,853,600</u>	<u>53,043,133</u>	<u>2.3%</u>
Total General Fund	<u>290,966,391</u>	<u>293,129,893</u>	<u>0.7%</u>

State of Vermont
 Comparative Statement of Revenues
 Education Fund
 As of August 31, 2023

	<u>Total to Date Last Year</u>	<u>Total to Date This Year</u>	<u>% Change</u>
Non-Dedicated			
Estimated Revenues:			
Sales & Use Tax	102,487,251	103,118,922	0.6%
Meals & Rooms Tax	10,406,339	10,434,157	0.3%
Purchase & Use Tax	8,042,472	8,412,649	4.6%
Lottery Transfer	4,410,472	3,656,374	-17.1%
Investment Income	183,828	490,211	166.7%
Total estimated revenues	<u>125,530,363</u>	<u>126,112,312</u>	<u>0.5%</u>
Other Revenues:			
Education Property Taxes	(276,919)	(160,267)	42.1%
Electric Energy Educ Prop Tax	0	0	0.0%
Uniform Capacity Tax	38,488	912	-97.6%
Medicaid Reimbursement	0	0	0.0%
All Other Revenues	172,800	206,398	19.4%
Total other revenues	<u>(65,632)</u>	<u>47,043</u>	<u>171.7%</u>
Total Education Fund	<u>125,464,731</u>	<u>126,159,355</u>	<u>0.6%</u>

State of Vermont
 Comparative Statement of Revenues
 Transportation Fund
 As of August 31, 2023

State of Vermont

	<u>Total to Date Last Year</u>	<u>Total to Date This Year</u>	<u>% Change</u>
Non-Dedicated			
Taxes			
Gasoline	12,985,846	12,511,748	-3.7%
Diesel Fuel	2,969,670	3,090,182	4.1%
MV Purchase & Use	16,084,945	16,825,297	4.6%
Total Taxes	<u>32,040,461</u>	<u>32,427,227</u>	<u>1.2%</u>
Other Revenues			
Motor Vehicle Fees	15,149,643	14,032,010	-7.4%
Other	3,360,057	2,990,898	-11.0%
Total Other Revenues	<u>18,509,700</u>	<u>17,022,908</u>	<u>-8.0%</u>
Total Non-Dedicated	<u>50,550,161</u>	<u>49,450,135</u>	<u>-2.2%</u>
Dedicated			
Federal Aid	81,292,866	64,362,462	-20.8%
Infrastructure Bond Fund Revenue	3,824,760	3,355,911	-12.3%
Transportation Impact Fee	25	11,850	46810.4%
Other	2,472,689	615,152	-75.1%
Total Dedicated	<u>87,590,340</u>	<u>68,345,374</u>	<u>-22.0%</u>
Total Transportation Fund	<u>138,140,501</u>	<u>117,795,509</u>	<u>-14.7%</u>