

**Consensus Revenue Forecast Update
for the
General Fund, Transportation Fund, and
Education Fund [Partial]**

Fiscal Years 2022 through 2024

January 13, 2022 (Revised January 15, 2022)

Prepared for the Vermont Emergency Board

[UPDATED for a Revised FY 2023 Health Care Revenue Estimate]

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ECONOMIC, POLICY, AND FINANCIAL ANALYSTS

❖ **Background and Context: Discussion of the Updated Staff Recommended January 2022 Consensus Economic and Revenue Forecast Update for Fiscal Year 2022 and Fiscal Year 2023¹**

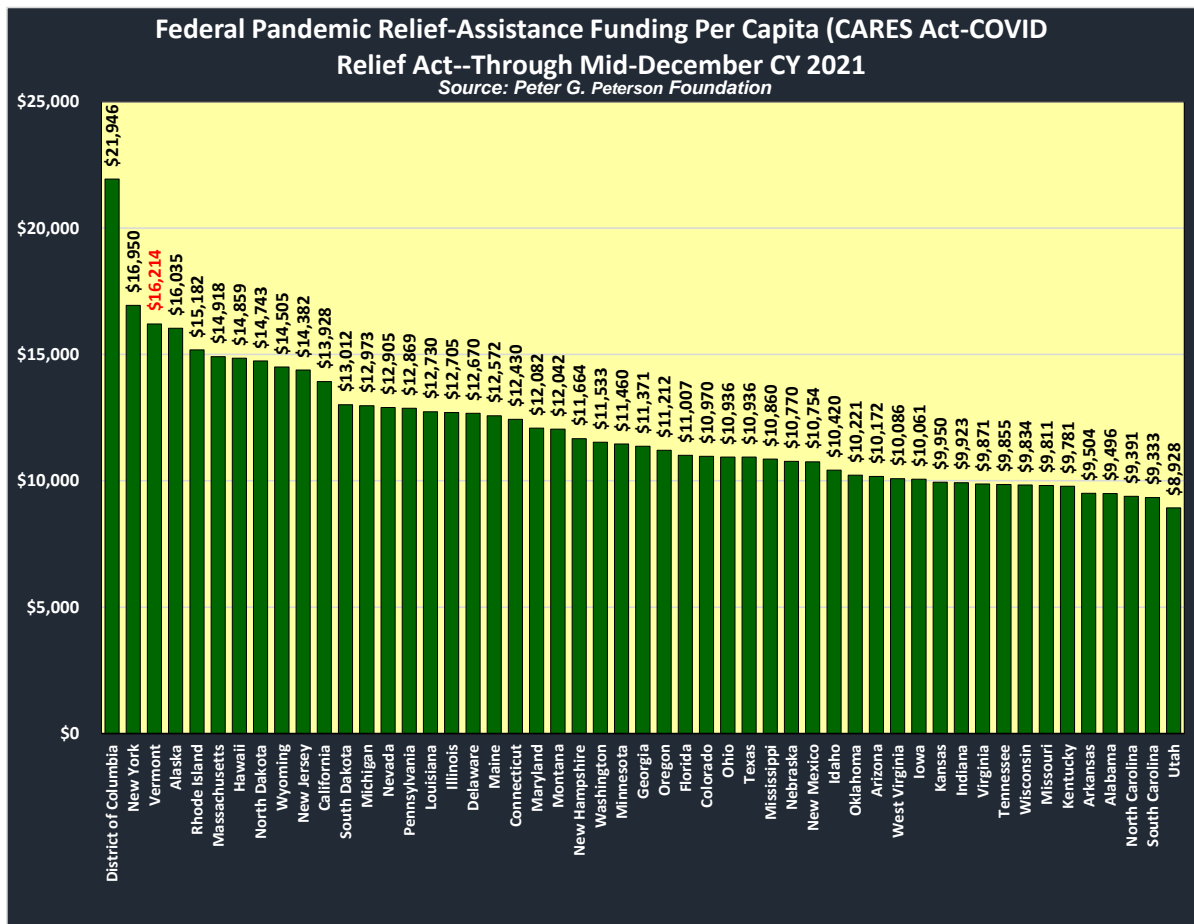
- The January 2022 staff recommended consensus revenue forecast includes the fourth comprehensive revision of the consensus economic and revenue forecast since the onset of the COVID pandemic back in early calendar year 2020. Since that time, the direction of federal fiscal and monetary policy has been highly stimulative in the vein of John Maynard Keynes.² These Keynesian steps were taken in response to the blunt force economic trauma caused the various measures taken to address the still evolving public health challenges posed over the course of the COVID pandemic.
 - Although the pandemic is now entering its third year and a lot has been learned about how to manage it, the arrival of new variants of the COVID virus has this latest consensus economic and review forecast update occurring against the backdrop of high degree of on-going uncertainty.
- As a result, while the relatively upbeat economic and State revenue collections environment appear to be relatively secure for the next 12 to 18 months, that near-term positive character of the economy and State revenues will face stiff challenges as we move towards the period including fiscal year 2024 and beyond.
 - As a result, this forecast update expects that the current environment and strong forward momentum to the economy and revenues will likely not be sustained much beyond fiscal year 2023.
 - This forecast update expects that the economy and State revenues to run into significant headwinds in the out-years of the forecast period resulting in significant lost ground relative to the consensus revenue forecast approved by the Vermont Emergency Board in July of 2021.
- Since last July, forward progress in the economy and State revenue collections have continued to be driven the extraordinary amount of federal financial

¹ With fiscal planning forecasted numbers by fund through Fiscal Year 2027.

² Keynesian economic theory, espoused by British Economist John Maynard Keynes, calls for increased government spending during recessionary or down-times of the economy in order to off-set declines in aggregate demand—even if that spending activity results in accumulating budget deficits. Keynesian theory also calls for government expenditure restraint during periods where the economy is healthy and growing. Ideally, Keynesian theory would have the government to reduce its budget deficits during those comparatively “good economic times” in order to build its fiscal capacity to address any future down cycle in the economy.

pandemic relief-assistance aid,³ along with a complimentary, highly accommodative monetary policy stance by the Federal Reserve, that has come to the State over the past roughly two years (at more than \$10.1 billion through mid-December) and to the New England region (estimated at \$206.1 billion) and Northeast U.S. region as a whole (estimated at a staggering total of \$828.3 billion).

- For the country as a whole, COVID pandemic assistance aid to-date reflected a total of \$3.9 trillion on total funding that had been disbursed to the states for which state-by-state data is readily available.
- On a per-person basis, the data show that Vermont ranks 3rd highest among the 50 states and the District of Columbia at \$16,214 received per person—trailing only New York (at second highest at \$16,950 received per person) and the District of Columbia (which ranked first at \$21,946 per person).



³ Through December 14, 2021 for the 22 major federal COVID aid-relief programs from data collected and published by the Peter G. Petersen Foundation.

- A total of five of the six New England states and eight of the nine northeastern U.S. states through the mid-December of calendar year 2021 period ranked among the “Top 20” receiving states in the country—in terms of federal pandemic financial assistance-aid received per person. The exception to the above again only being only the State of New Hampshire which ranked 23rd highest at \$11,664 in federal fiscal pandemic assistance-relief received per person through mid-December.
 - As first mentioned in last July’s consensus forecast update, this is important because this pandemic assistance-aid is highly stimulative since it has been financed through federal deficit spending, and the State has a high degree of economic interaction with many of its regional neighbors (e.g. through its travel and tourism sector).
- This total through mid-December of federal financial pandemic assistance-aid data includes all such federal assistance-aid disbursed to-date, totaling \$3.9 trillion resulting from the past federal pandemic assistance legislation since early in calendar year 2020 following the onset of the pandemic.
 - It does not include any disbursement of federal funds linked to the federal “Bipartisan Infrastructure” legislation that has been reported in the media to include another \$2.2 billion in additional federal monies to be received by Vermont over the next several fiscal years.⁴
- It also does not include any federal funds to potentially be disbursed to the State related to the possible passage of the federal “Build Back Better Plan” legislation (“BBB”).
 - The BBB bill has recently become bogged down in the deliberations of U.S. Senate, and its prospects for passage have recently become more clouded. This is especially true given concerns about high, and still rising rates of inflation.
- So far during the pandemic, we have come to understand that the large amount of fiscal financial aid-assistance, along with the liquidity measures implemented by the Federal Reserve that have been directed at business, have been instrumental in boosting job counts and maintaining higher levels of economic activity in general—versus what would have otherwise been the case without them.
 - These measures have supported State tax revenues in many ways—including

⁴ According to the Vermont congressional delegation.

support for significantly higher Personal Income Tax revenues (such as extraordinarily high revenues collected in the Personal Income Tax Withholding sub-component⁵), higher Personal Income Estimated Tax Payments tied to higher levels of business income for taxpayers who pay those business' income through their Personal Income tax payments (e.g. for pass-through entities), and through higher Personal Income Tax payments tied to increased capital gains realizations associated with recent price and value surges in many categories of asset values.

- These higher State revenues have also included an apparent connection between the federal pandemic assistance and higher Corporate Income Tax receipts where this assistance has apparently flowed to the bottom-line, and this higher level of profitability for businesses has boosted Corporate Tax receipts—again versus what would otherwise have been the case without that federal assistance.⁶
 - We also know that lower interest rates have boosted asset prices for both financial and hard assets, and revenues from those asset value increases have been flowing to the State in many forms. These include revenues in the Property Transfer Tax (particularly from out-of-state purchasers of real estate), through the Estate Tax, and through surprise capital gains realizations in the financial sector tied to taxable investment accounts where equity market gains have produced out-sized year-end gains in the form of capital gains distributions.
 - In many asset types (particularly in non-liquid property assets), asset prices seem to have begun to take on “frothy characteristics” in this time of significantly rising prices.
 - This is a key development because it is sometimes those type of surprise asset value gains in areas such as real estate and other tangible, but not very liquid property holdings (e.g. fine collectibles, etc.) that can cause taxpayers to experience “surprise tax liabilities” across many categories—but particularly in the State’s Estate Tax.
- In addition, we also know that the combination of the extraordinary federal fiscal

⁵ Which through December of fiscal year 2022 looks to have included a roughly \$90 million surge in receipts over the last three quarters implying a surge or roughly \$3 billion in taxable income assuming an overall average effective State tax rate of 3%.

⁶ Higher Corporate Income Tax receipts in Vermont also seem to have received a boost from the recent change in Vermont to the so-called market-based sourcing income apportionment rules.

and monetary policy assistance has provided the means (and the household savings) to fund current (and potentially future) purchases of “big-ticket” consumption items such as vehicles, luxury goods, and other items (particularly for so-called “creature comfort” items) that are taxable under the Sales and Use Tax—if only sellers had the available inventory of such items to meet that increase in demand.⁷

- These policies have also provided households with the spending capacity for various amusement activities, including “high end” vacations, all of which have been important to supporting noticeably higher receipts in the State Meals and Rooms Tax and other visitor spending related consumption tax activities—even if some of this activity has migrated to providers outside of the traditional lodging network due to the pandemic.
- Finally, there also have been apparent and noticeable upticks in State revenues in more obscure sources such as the Bank Franchise Tax—which is tied to the level of bank deposits—that may have recently increased sharply as a result of an increase in household savings tied to the federal and State pandemic assistance measures.
 - Looking at the Bank Franchise tax data on a 12-month moving average basis, it looks as though there has been an uptick of roughly \$3.5 billion in additional bank deposits that have recently come into the system that has corresponded to the unusual period of federal fiscal and monetary policy support during the COVID pandemic to-date.
- Overall, those dynamics resulted in a positive performance for State tax revenue receipts for the month of December (see Table 1) and also for the first half for fiscal year 2022 overall (see Table 2), except for a small downside performance in the T-Fund and T-Fund TIB receipts categories.
 - Looking at monthly receipts activity for December, revenue for the month were generally upbeat in the G-Fund (at +\$1.8 million or +1.1% on a monthly consensus cash flow target of \$164.1 million for the month of December) and in the E-Fund (at +\$1.3 million or +2.5% on a monthly consensus cash flow target of \$51.6 million for the month of December).

⁷ Looking specifically at actual Sales and Use Tax receipts activity over the past year, receipts have surged by roughly \$100 million above the seasonally-adjusted trend, implying a surge of roughly \$1.7 billion in “taxable” spending in the aftermath of the highly stimulative federal fiscal and monetary policies.

- Monthly receipts in these two major revenue aggregates reflected the still upbeat economic conditions that were in place prior to the onset of the most recent uptick in COVID case numbers associated with Omicron coronavirus variant.⁸
- In contrast, December receipts activity in the T-Fund for the month of December was down relative to consensus monthly expectations (at -\$1.2 million or -5.1% versus monthly consensus expectations of \$23.8 million).
 - Although T-Fund receipts lagged last month, the monthly under-performance in the T-Fund corresponded to only a relatively small amount dollar-wise and largely reflects significant under-performances in the Gas Tax (which under-performed throughout the first half of fiscal year 2022) and in December for receipts in the MvP&U Tax—along with December receipts in MvFees (see Table 3 below).

Table 1: Status of December Revenue Receipts versus Monthly Consensus Expectations by Fund (As of December 31st of FY 2022)

Analysis of Monthly Receipts--v. DEC. Monthly TARGETS		
<i>FINAL Schedule 2 Results-As of Dec. 31st</i> Fund/Component (\$000s)	Dollar Difference	Percent of the MO. TARGET
GENERAL FUND w/Health Care Revs	\$ 1,756.0	1.1%
MEMO: Health Care Revenues	\$ (878.1)	-3.4%
EDUCATION FUND	\$ 1,278.7	2.5%
TRANSPORTATION FUND	\$ (1,215.3)	-5.1%
TIB	\$ (5.2)	-0.4%
THREE FUND TOTAL-MONTH TARGETS-DEC. 2022	\$ 1,814.2	0.8%

- Consequently, because of the under-performance in the T-Fund during December, cumulative T-Fund receipts over the first half of fiscal year 2022 also under-performed.

⁸ When new Omicron variant cases began to surge during the last week of December.

- More specifically, T-Fund receipts lagged cumulative consensus expectations by roughly -\$1.5 million (or -1.0%) on a cumulative consensus cash flow target of \$146.5 million through the first half of fiscal year 2022 (see Table 2 below).
- Similar to its generally upbeat monthly revenue performance through most of the first half of fiscal year 2022 (where monthly receipts exceeded consensus monthly expectations in five of six months and two of the three months during the October through December quarter), G-Fund receipts came in at +\$29.0 million or +3.5% ahead of a cumulative consensus cash flow target of \$826.8 million.
- Rounding out the three major fund aggregates, E-Fund receipts also finished the first half of fiscal year 2022 with a relatively positive +\$6.5 million (or +2.0%) versus a cumulative consensus cash flow target of \$330.2 million.

**Table 2: Status of Cumulative Revenue Receipts versus Cumulative Consensus Expectations through December by Fund
(As of December 31st of FY 2022)**

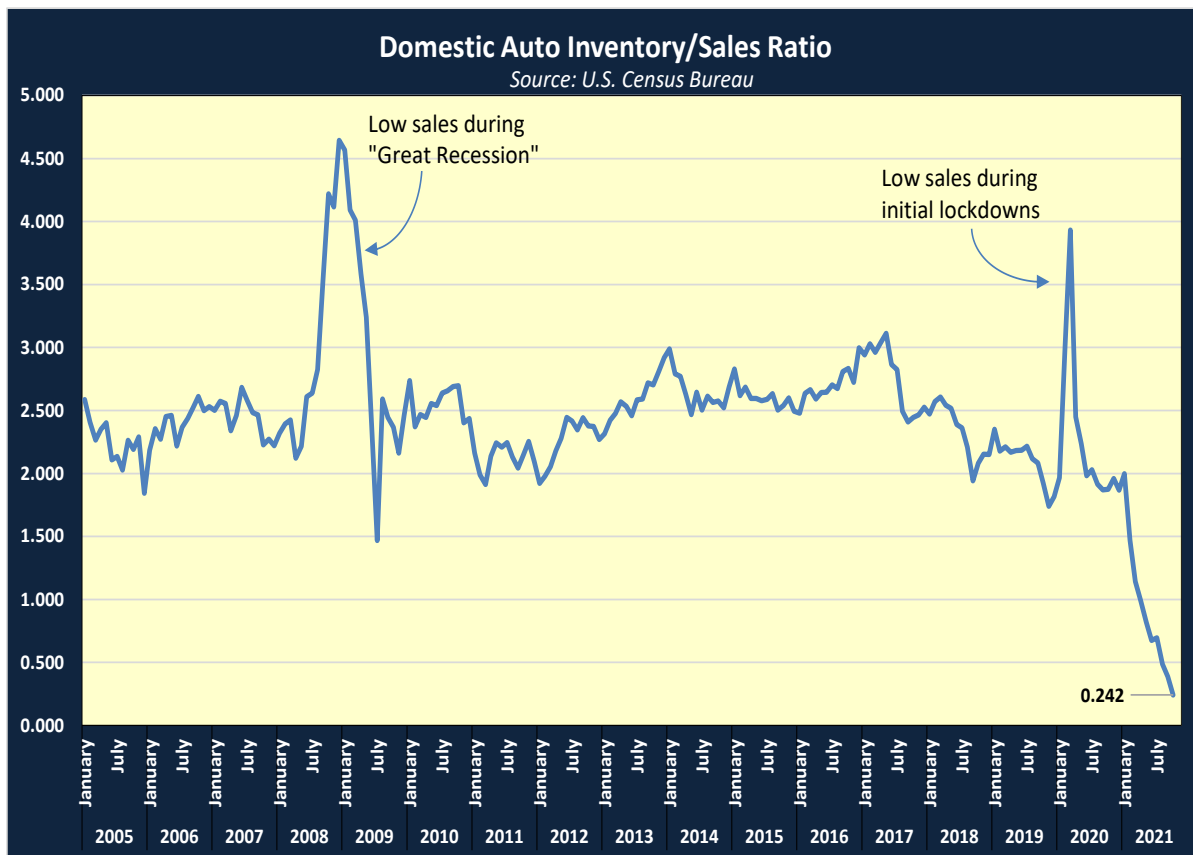
Analysis of Cumulative Receipts--v. CUMULATIVE TARGETS-DEC.		
<i>FINAL Schedule 2 Results-As of Dec. 31st</i> Fund/Component (\$000s)	Dollar Difference	Percent of the CUMM. TARGET
GENERAL FUND w/Health Care Revs	\$ 28,960.8	3.5%
MEMO: Health Care Revenues	\$ 735.1	0.5%
EDUCATION FUND	\$ 6,487.2	2.0%
TRANSPORTATION FUND	\$ (1,533.8)	-1.0%
TIB	\$ (274.0)	-3.2%
3-FUND TOTAL v. CUM. TARGETS-DEC. 2022	\$ 33,640.3	2.6%

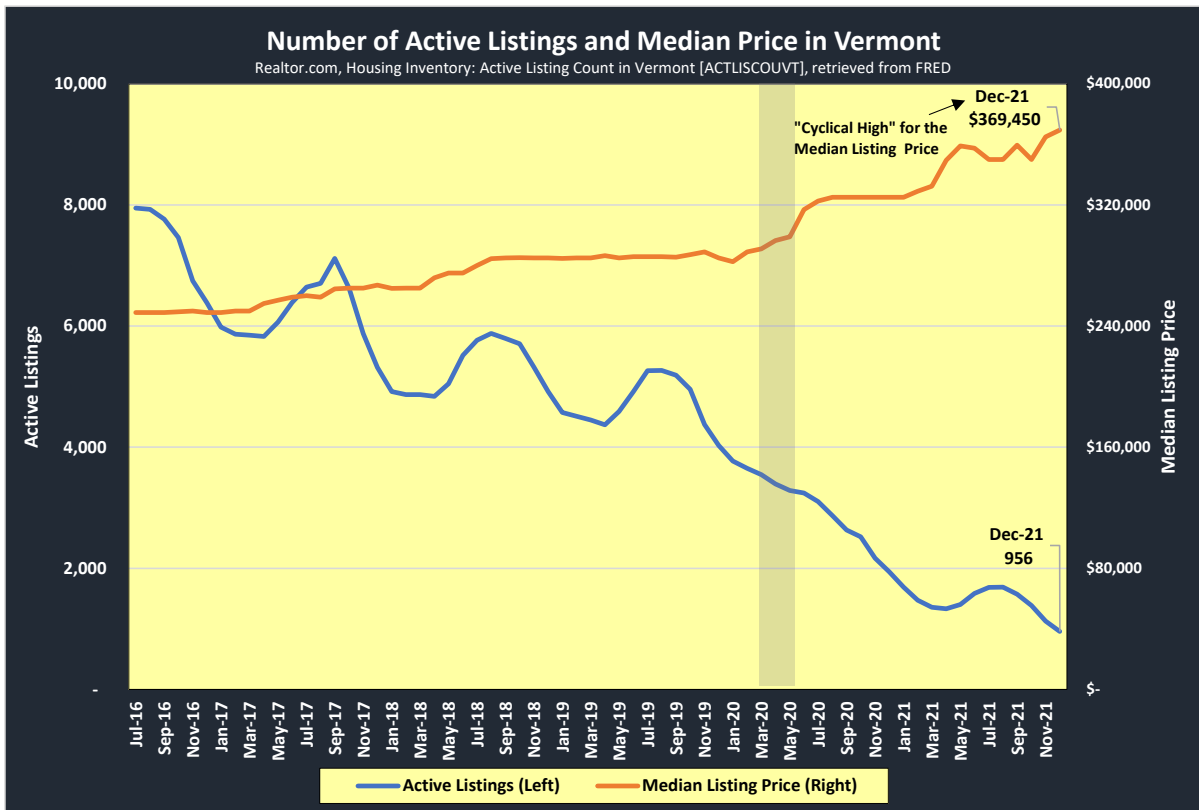
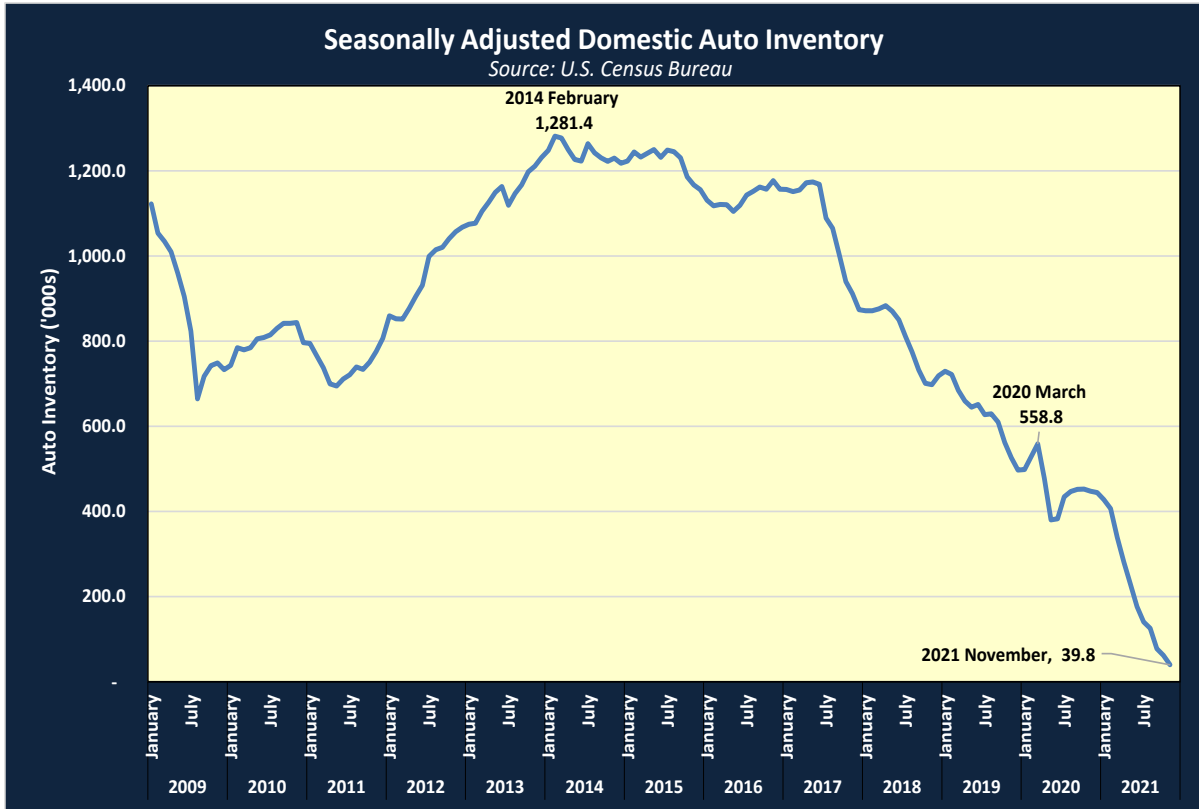
- Looking at the detail among the various sources among the three fund aggregates through the first half of fiscal year 2022 (see Table 3 below), it seems clear that any significant revenue under-performances seem to be tied to a lack of available inventory as opposed to any shortfalls in demand (outside of a relative few number of sources such as the T-Fund’s two fuel tax sources and in TIB receipts, and PI Refunds, PI Estimates and Insurance Tax receipts in the G-Fund).

**Table 3: Status of Cumulative Revenue Receipts versus Cumulative
Consensus Expectations through December by Fund and Source
(As of December 31st of FY 2022)**

Analysis of Cumulative Receipts--v. CUMULATIVE TARGETS-DEC.		
<i>FINAL Schedule 2 Results-As of Dec. 31st</i>	Dollar	Percent of the
Fund/Component (\$000s)	Difference	TOTAL
GENERAL FUND w/Health Care Revs	\$ 28,960.8	100.0%
Personal Income	\$ 13,825.3	47.7%
Withholding	\$ 31,519.2	108.8%
Estimates	\$ (4,664.2)	-16.1%
Paid	\$ 4,127.7	14.3%
Refunds	\$ (16,913.9)	-58.4%
Other	\$ (243.5)	-0.8%
Meals and Rooms	\$ 12,234.4	42.2%
Corporate Tax	\$ 5,353.1	18.5%
Estate Tax	\$ (3,974.8)	-13.7%
Insurance Tax	\$ (473.9)	-1.6%
Property Transfer Tax	\$ (930.2)	-3.2%
Fees	\$ (189.2)	-0.7%
Beverage	\$ 59.1	0.2%
Other	\$ 2,322.0	8.0%
Health Care Revenues	\$ 735.1	2.5%
EDUCATION FUND	\$ 6,487.2	100.0%
Sales and Use Tax	\$ 1,474.8	22.7%
Meals and Rooms Tax	\$ 4,432.8	68.3%
MvPurchase and Use Tax	\$ 399.8	6.2%
Lottery	\$ 201.4	3.1%
Net Interest	\$ (21.5)	-0.3%
TRANSPORTATION FUND	\$ (1,533.8)	100.0%
Gas Tax	\$ (1,773.7)	115.6%
Diesel Tax	\$ (125.9)	8.2%
MvPurchase and Use Tax	\$ 799.6	-52.1%
MvFees	\$ 49.9	-3.3%
Other Fees	\$ (483.7)	31.5%
TIB	\$ (274.0)	100.0%
Gas Tax	\$ (232.8)	85.0%
Diesel Tax	\$ (41.2)	15.0%

- This is perhaps most notable in the Property Transfer Tax and in the MvP&U Tax in the T-Fund (and the closely tied MvFees source), which appear to be tied more to the lack of inventory of autos (see the charts below on the national inventory-sales ratio—which has been at a historic low—and the very low level of automobiles in the U.S. inventory available for sale as of November—which also was at a historical low) and the lack of housing unit inventory (see the chart below regarding number of housing units listed in MLS and the resulting historically high median listed price in Vermont).
- As such, in many respects in this highly unusual (and in all likelihood unsustainable) macroeconomic environment, lagging State tax receipts tend to reflect capacity constraints in either production or the ability of the supply chain to deliver production to their final market.
 - In fact, as it has become painfully clear in recent months, those constraints in many ways are reflected in the significant run up in the inflation rate as “bottlenecks” in production and the supply chain have driven up prices.





- Over the course of the last six months since the July 2021 consensus forecast update, the most significant developments in the economy and revenues continued to revolve around the twin threats of the pandemic and the most significant increase in the rate of inflation in nearly 40 years.⁹
 - Regarding the former, the last six months' experience again demonstrated that the future path and degree of control of the coronavirus (and all of its current and emerging variants¹⁰) still has perhaps the greatest bearing on the future path of the U.S. and State economies.
 - Over the course of last year, the economy's experience with the Delta variant resulted in significant economic damage—as the virus acted to restrain economic growth and boost inflationary pressures.
 - Last month, with the emergence of a new variant (Omicron), the pandemic demonstrated that it continues to have a persistent influence both on the economy and on many aspects of everyday economic life (including making existing staffing shortages in some sectors even worse).

- Regarding inflation, it has become clear that the increase in inflationary pressures has become more resilient than it was initially forecasted to be earlier last calendar year. This will require another round of deft adjustments to federal monetary policy as conducted by the Federal Open Market Committee (or "FOMC") of the Federal Reserve.
 - While the FOMC so far been "up to the task," this will require another couple of rounds of skillful adjustments as the Fed winds down its current stimulative policy posture and begins to "tighten" monetary policy after a long period of stimulating the economy.
 - However, it is not lost on many monetary policy analysts that throughout its history, the Fed has been more prone to policy errors when it was "tightening policy" versus relaxing its monetary policy posture.
 - As the Fed enters a period of prospective "tightening" in its policies, the risk to the U.S. and State economic upturns from a policy error by the FOMC will

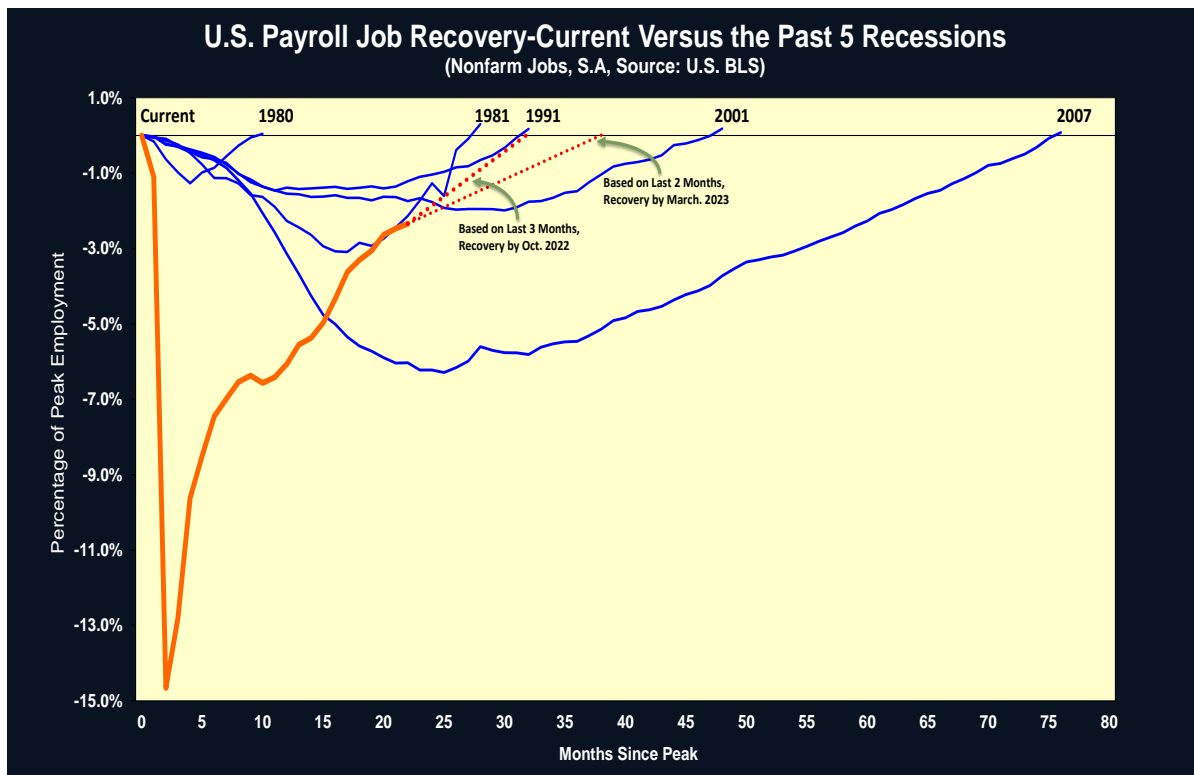
⁹ At a scary +7.0% monthly increase in the Consumer Price Index ("CPI-U") for December and the 4.7% annual average increase for all of calendar year 2021.

¹⁰ Including a potential new coronavirus variant (tentatively named the "Deltacron" variant) apparently recently discovered in Cyprus.

likewise remain elevated.

- Looking more specifically at the recent experience with the coronavirus, the elevated transmissibility of the newly emerging Omicron variant (since late December) has already begun to take a toll on the economy.
 - This has included news stories about how Omicron has already acted as a constraint on consumer spending (particularly for travel, restaurants, and many forms of entertainment), and how it has become an exacerbating factor on the already “short staffing” issues that have adversely impacted many key parts of the economy—including schools, health care, transportation, and many “high contact” services sectors.
- A lot of the evidence regarding Omicron’s recent economic damage will not actually begin to show up in the various economic performance numbers-metrics for another several weeks because of the normal lag in the reporting for many of these economic statistics relative to the time when the data from various surveys are actually taken and collected.
 - For example, the December labor market report released last Friday covered a survey period corresponding to the middle of December—which was about a week or so prior to the broader spread of the Omicron variant throughout the U.S. as a whole and more broadly within the State.
- Nevertheless, the recent experience with the Omicron variant and the recent setback in the federal legislative process concerning the possible passage of the so-called “Build Back Better” legislation (or “BBB”) has many major macroeconomic forecasters and several major Wall Street financial firms scaling back their expectations for economic activity at least initially for this new calendar year.
 - This has included a relatively significant pull-back in GDP growth expectations and other economic activity measures for the period covering the January to March quarter of calendar year 2022/fiscal year 2022 as the economy copes with the Omicron-induced wave of new COVID cases and the apparent recent slowdown in key parts of the economy.
- For example, Moody’s analytics expects that U.S. GDP growth during all of calendar year 2022 could slow by 0.75 percentage points to a rate of increase closer to +3.5% on an annual average basis—assuming that the federal BBB legislation fails to pass.

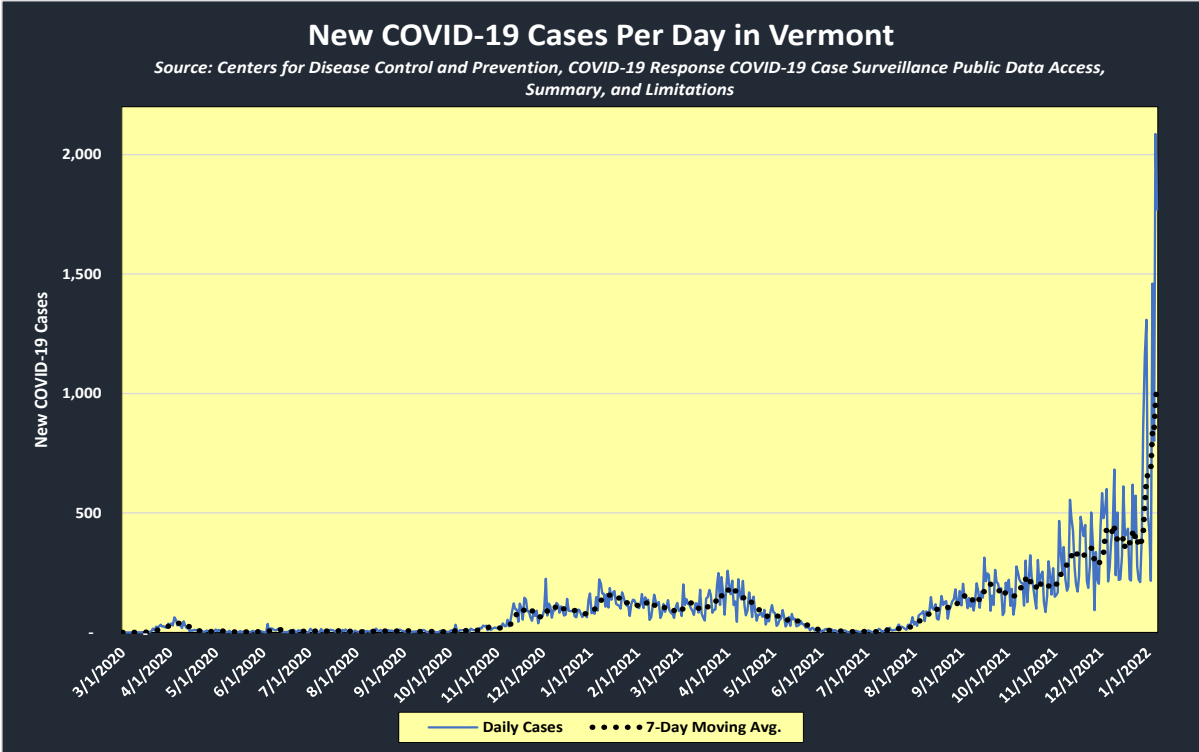
- While that would still be a decent rate of recovery for the U.S. economy, on top of an already pretty decent recovery run since the bottom of the recession back in the Spring of 2020, that throttling back in the pace of GDP growth would postpone the full labor market recovery for the U.S. economy from sometime during the July to December period of calendar 2022 to sometime during the first half of calendar year 2023.
- That would represent a full labor market recovery date that would be a couple of quarters slower than was expected had a roughly \$1.75 trillion BBB plan passed the U.S. Congress during the last quarter of calendar year 2021. While most forecasters still expect some version of the BBB plan to actually pass, its stimulative impact on the economy will likely be scaled back.
- This would especially be the case if the new version of the BBB legislation addresses the principal fiscal impact concern and results in additional off-setting “pay-fors” that would likely reduce the overall macroeconomic stimulative effect of the current version of the BBB legislation.



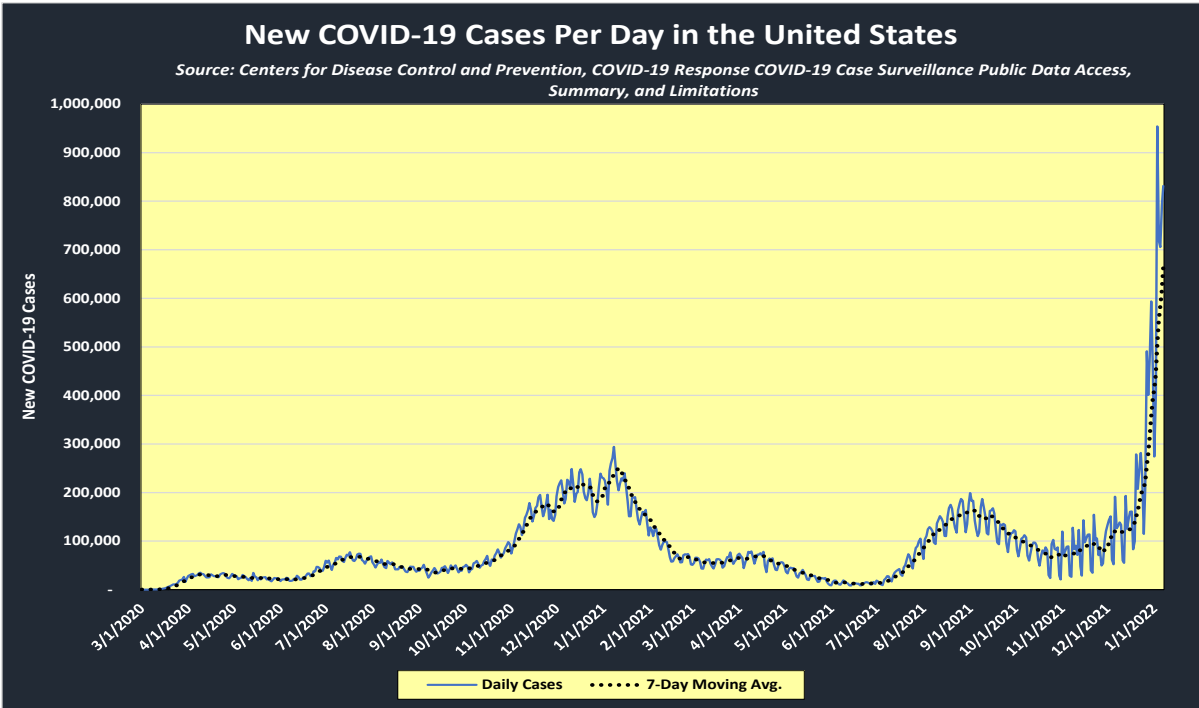
- Looking at the coronavirus case data, the new case data numbers are breaking “new ground” in terms of the prevalence of the coronavirus in the State. In

particular, the Omicron variant initially appears to be much more transmissible than the previous coronavirus variants—even for the fully vaccinated part of the population.

- The one possible more positive aspect with respect to the Omicron variant is that it also at least initially appears to result in milder illness if infected—assuming the recent experience with this variant in South Africa is in any way applicable to Vermont and other parts of the country.
- Although the jury is clearly still out with respect to the incidence of serious illness-hospitalizations, one major source of uncertainty within the State continues to be how the Omicron variant might differentially affect an older population in Vermont.
- It also is noteworthy that the recent spike in cases in South Africa and their subsequent almost as dramatic decline occurred during that country’s mid-Summer period (when many in that country had more of an opportunity to be outdoors), whereas the spike in Omicron variant in Vermont is occurring during the mid-Winter timeframe—when most residents and visitors are more likely to be interacting indoors.
 - Even so, there is at least some optimism that the current wave of Omicron cases may have a shorter duration than the past waves. This is based on experience with the Omicron variant in other countries where the surge in cases has recently abated almost as quickly as it emerged.
- During the near-term, case counts are expected to be difficult, especially if the number of hospitalizations rise during the current period of staffing shortages at many providers (which in some part appear to be tied to the high transmissibility of the Omicron variant at health services providers).
 - Some scenarios in the State’s 7-day daily case number average modeling suggest that case numbers in Vermont could consistently top the 2,000 new cases per day on a 7-day average basis over the next four to six weeks.
 - If so, that would still represent “uncharted territory” in terms of the 7-day average for new COVID case counts, and it would represent a correspondingly high of uncertainty for the Vermont economy in comparison to any previous wave of infections so far for a pandemic that is now entering its third year.



- Looking at the comparative case numbers, incidence of hospitalizations, and fatality data for the U.S. as a whole, the U.S. 7-day average case count through Monday January 10, 2022 stood at 714,681 cases corresponding to a 74% increase in the 7-day average case count from last week.



- Hospitalizations stood at 138,326 cases (with 22,789 cases in the ICU) an increase of roughly one-quarter.
- From an economic and State revenue forecast perspective, one of the key macro assumptions is that successive variants and each of the waves of coronavirus infections will be more manageable, and therefore be significantly less economically injurious than the wave of coronavirus infections that preceded it.
 - Considering the current state of pandemic conditions throughout the country and in Vermont, the Omicron variant poses a significant source of near-term and longer-term downside risk to the forecast tied mostly to the above-described assumption that each successive wave of the pandemic will be less impactful economically.
 - In the end, the Omicron—and/or some other future variant—may in fact end up “testing” that critical, underlying forecast assumption.
- Looking at the updated consensus economic forecast update, the forecasted data (see Tables 4 and 5 below) are consistent with the overall view that the near-term economic and State revenue environment is likely to continue to be supportive to continuing robust levels of economic activity and revenue collections.
 - This reflects the on-going confluence of positive federal fiscal and monetary policy factors over at least the rest of the 2022 fiscal year and likely across most of fiscal year 2023.
- However, as the forecast period further matures, and moves into 2024 and beyond, the updated consensus economic forecast includes the expectation that the economy (and by implication State revenues) will begin a transition “back to earth.”
 - This transition will ultimately come to an end when future economic growth prospects will be driven more by underlying economic fundamentals—than by the factors and forces tied to the current period of exceptional and largely stimulative federal fiscal and monetary measures.
 - And while it is becoming clear that this favorable convergence of factors will not go on indefinitely, it is decidedly unclear just how that transition and precisely when (and over what period) that transition will actually occur.

Table 4

Comparison of Recent Consensus U.S. Macroeconomic Forecasts
 July 2020 through December 2021, Selected Variables, Calendar Year Basis

	2016	2017	2018	2019	2020	2021	2022	2023	2024
Real GDP Growth									
July-20	1.6	2.4	2.9	2.3	-5.9	3.2	5.2	2.7	2.7
December-20	1.7	2.3	3.0	2.2	-3.5	4.1	4.7	3.2	2.3
June-21	1.7	2.3	3.0	2.2	-3.5	6.7	5.0	2.9	2.5
December-21	1.7	2.3	2.9	2.3	-3.4	5.6	4.2	2.8	2.7
S&P 500 Growth (Annual Avg.)									
July-20	1.5	17.0	12.1	6.1	-3.0	-2.9	12.4	4.9	5.8
December-20	1.5	17.0	12.1	6.1	9.7	12.8	1.7	-3.9	1.7
June-21	1.5	17.0	12.1	6.1	10.5	26.3	-3.5	-2.7	1.9
December-21	1.5	17.0	12.1	6.1	10.5	32.6	3.4	-8.1	-5.4
Employment Growth (Non-Ag)									
July-20	1.8	1.6	1.6	1.4	-5.9	0.5	3.5	3.2	1.4
December-20	1.8	1.6	1.6	1.4	-5.8	1.2	2.5	2.4	1.2
June-21	1.8	1.6	1.6	1.3	-5.7	3.0	4.6	2.1	0.8
December-21	1.8	1.6	1.6	1.3	-5.7	2.8	3.8	1.5	0.8
Unemployment Rate									
July-20	4.9	4.3	3.9	3.7	9.2	8.1	6.6	4.9	4.7
December-20	4.9	4.3	3.9	3.7	8.1	6.9	6.0	4.6	4.3
June-21	4.9	4.4	3.9	3.7	8.1	5.4	3.7	3.5	3.7
December-21	4.9	4.4	3.9	3.7	8.1	5.4	3.7	3.6	3.6
West Texas Int. Crude Oil \$/Bbl									
July-20	43	51	65	57	37	45	54	60	59
December-20	43	51	65	57	38	45	54	60	59
June-21	43	51	65	57	39	67	63	58	59
December-21	43	51	65	57	40	68	67	61	61
Prime Rate									
July-20	3.51	4.10	4.90	5.29	3.50	3.25	3.25	3.63	4.63
December-20	3.51	4.10	4.90	5.29	3.54	3.25	3.25	3.33	4.13
June-21	3.51	4.10	4.90	5.29	3.54	3.25	3.25	3.64	4.60
December-21	3.51	4.10	4.90	5.29	3.54	3.25	3.70	4.65	5.25
Consumer Price Index Growth									
July-20	1.3	2.1	2.4	1.8	0.4	1.6	2.3	2.4	2.6
December-20	1.3	2.1	2.4	1.8	1.2	2.0	2.6	2.7	2.5
June-21	1.3	2.1	2.4	1.8	1.2	3.4	2.8	2.6	2.5
December-21	1.3	2.1	2.4	1.8	1.2	4.6	4.2	3.1	2.9
Average Home Price Growth									
July-20	5.4	5.9	6.2	5.1	3.5	1.8	3.1	5.2	4.3
December-20	5.3	5.8	5.8	4.8	4.7	4.5	4.8	5.1	5.3
June-21	5.3	5.5	5.6	4.6	5.1	8.6	10.4	8.4	6.3
December-21	5.3	5.5	5.6	4.6	5.1	12.9	13.5	8.9	4.6

Table 5
Comparison of Consensus Administration and JFO Vermont State Forecasts
June 2019 through December 2021, Selected Variables, Calendar Year Basis

	2016	2017	2018	2019	2020	2021	2022	2023	2024
Real GSP Growth									
June-19	1.6	1.3	1.2	1.1	1.4	1.8	2.1	2.0	1.8
December-19	1.6	0.1	1.2	2.6	1.7	1.8	2.4	2.2	2.1
July-20	1.6	0.1	1.2	2.5	-5.1	2.9	4.8	4.0	2.5
December-20	1.1	0.4	0.9	0.8	-6.2	3.4	4.9	3.4	2.1
June-21	1.1	0.4	0.9	0.8	-5.4	6.2	4.6	2.8	2.6
December-21	1.0	0.3	0.4	1.0	-4.2	4.4	4.2	3.0	2.8
Population Growth									
June-19	-0.3	0.1	0.3	0.1	0.2	0.2	0.2	0.2	0.2
December-19	-0.3	0.1	0.0	-0.1	0.1	0.1	0.1	0.1	0.1
July-20	-0.3	0.1	0.0	-0.1	0.1	0.2	0.2	0.1	0.1
December-20	-0.2	0.1	-0.1	-0.1	-0.1	0.1	0.1	0.1	0.1
June-21	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2
December-21	0.3	0.3	0.3	0.3	0.3	0.5	0.4	0.3	0.3
Employment Growth									
June-19	0.3	0.6	0.1	0.8	0.6	-0.2	0.5	0.4	0.4
December-19	0.3	0.6	0.1	0.8	0.5	0.1	0.6	0.5	0.4
July-20	0.3	0.6	0.2	0.1	-8.0	1.3	3.2	2.6	0.9
December-20	0.3	0.6	0.2	0.1	-9.3	2.0	2.7	2.4	1.1
June-21	0.3	0.6	0.3	0.1	-9.4	2.7	3.8	1.8	0.9
December-21	0.3	0.6	0.3	0.1	-9.4	2.7	3.1	1.6	1.0
Unemployment Rate									
June-19	3.2	3.0	2.7	2.4	2.6	3.3	3.6	3.7	3.8
December-19	3.2	3.0	2.7	2.2	2.5	3.2	3.4	3.6	3.6
July-20	3.2	2.9	2.6	2.4	7.9	6.1	4.9	3.9	3.8
December-20	3.2	2.9	2.6	2.4	6.1	3.4	3.3	3.1	3.2
June-21	3.1	3.0	2.6	2.3	5.6	2.8	2.3	2.4	2.7
December-21	3.1	3.0	2.6	2.3	5.6	2.9	2.2	2.3	2.6
Personal Income Growth									
June-19	2.3	3.2	3.1	2.5	3.0	2.2	3.1	2.8	2.8
December-19	2.2	2.5	4.5	4.9	3.1	2.5	3.2	3.0	2.9
July-20	2.2	2.5	4.5	4.2	4.0	-1.1	4.3	4.9	4.5
December-20	1.8	2.6	3.5	3.2	8.6	2.3	4.1	5.2	4.6
June-21	1.8	2.6	3.5	3.2	6.0	3.5	1.3	4.6	4.5
December-21	1.6	2.6	3.2	3.4	6.7	3.6	2.2	4.7	4.6
Home Price Growth (JFO)									
June-19	1.5	2.6	3.4	4.1	5.6	5.3	4.9	4.4	4.2
December-19	1.7	2.5	3.6	3.8	4.2	4.6	4.8	4.5	4.2
July-20	1.6	2.4	3.5	4.1	4.9	5.2	6.0	5.8	5.3
December-20	1.5	2.2	3.3	3.7	4.9	5.9	6.2	5.7	5.2
June-21	1.6	2.2	3.1	3.6	5.2	8.7	10.2	8.9	6.6
December-21	1.4	2.3	3.0	3.8	5.1	13.3	13.5	8.7	3.8

- This is because there is no “road map” to follow with respect to what happened the last time the federal government sent more than \$10.1 billion in “highly stimulative” deficit spending dollars to the State and how that specifically might unwind and impact the economy and state revenues in a different direction.
 - As such, the current situation still comes with an exceptional level of economic and revenue forecast uncertainty.¹¹

- Overall, the updated staff-recommended Legislative JFO-Administration consensus economic forecast calls for the eventual spend-out of the federal deficit-spending dollars associated with the federal pandemic relief-assistance will likely underpin very strong levels of economic recovery and eventually a renewal of economic expansion activity through much of calendar year 2023—even if the near-term upswing takes some activity from subsequent years’ activity levels.
 - In addition, at some point the positive effects of the federal deficit spending effect will run their course, and the U.S. and Vermont economies will begin to make a transition back to the place where forward economic progress will be driven by the economy’s underlying fundamentals.

- This will be a “tricky transition” with very uncertain aspects and timing as it occurs.
 - Because there is no “playbook” for such a transition, it will make the post-fiscal year 2023 period a very uncertain time period for the economy and State revenues—with even more uncertainty than the current federal fiscal policy and federal monetary policy aided period.

- The staff-recommended Legislative JFO-Administration consensus economic forecast update does expect the economy to make this transition out towards the end of the State fiscal planning time frame in calendar year 2024-27 timeframe.
 - Whether or not that sequence of events for that transition actually comes to pass remains to be seen, and it represents one of the most important keys to the State’s near-term/intermediate-term economic forecast.

¹¹ Even though the term “unprecedented” has been employed an unprecedented number of times to describe current conditions, the fiscal-monetary policy situation, and the outlook going forward.

❖ Updated Staff Consensus Forecast Update Recommendations for Fiscal Year 2022 through Fiscal Year 2024 and Planning Estimates for Fiscal Years 2025 through Fiscal Year 2027

- The updated January 2022 staff recommended consensus revenue forecast includes both an updated consensus economic forecast and consensus revenue forecast for the period and extends through calendar year and fiscal year 2027 as developed over late-December/early January 2022 time period.
 - This staff recommended consensus revenue forecast update includes all of the current information regarding the economic and fiscal effects of the pandemic, the on-going and still substantial federal fiscal and monetary policy support as it is evolving, and the passage of the federal Bi-Partisan Infrastructure legislation (as it is currently understood).
 - The forecast also includes the actual collections data from the first half of fiscal year 2022 and the effects of the supply-side constraints (including supply chain bottlenecks) impacting goods availability and the effects of those matters on prices (inflation).
- Within the above-described and forecasted macroeconomic environment and considering recent collections trends the G-Fund, T-Fund, and E-Fund revenues through the first half of fiscal year 2022, the staff recommended consensus revenue forecast for G-Fund, T-Fund and E-Fund [Partial] revenues for fiscal years 2022 and 2023 have again been significantly upgraded.
 - For the years beyond fiscal year 2023 (covering the fiscal policy planning time frame of fiscal years 2024 through 2027), this latest consensus forecast update includes a significant downward adjustment in consensus revenue expectations for the years through fiscal year 2026—with fiscal year 2027 newly added during this forecast update cycle.
- Underpinning this most recent staff recommended forecast update are the still evolving events and developments regarding the COVID pandemic, the on-going labor market recoveries nationally and in Vermont, the still dominant, but soon to be fading, flow of federal financial pandemic assistance-aid, and the upcoming policy shift from a generally accommodative monetary policy stance through the very near-term time frame to one that pivots to a less accommodative stance beginning later this Spring.

- On a year-to-year basis and including Cannabis revenues beginning in fiscal year 2023, the staff recommended forecast numbers over the fiscal year 2022 to fiscal year 2024 time frame include the following:
 - (1) a staff recommended consensus revenue forecast in “Available to the G-Fund” revenues of \$1,897.8 million for fiscal year 2022, \$1,922.8 million for fiscal year 2023, and \$1,946.4 million for fiscal year 2024— including Health Care revenues as presented in Table 6 (below);
 - (2) a staff recommended consensus revenue forecast in “Available to the T-Fund” revenues of \$296.1 million for fiscal year 2022, \$303.3 million for fiscal year 2023, and \$302.5 million for fiscal year 2024;
 - (3) a staff recommended consensus revenue forecast for the “Available to the E-Fund” revenues of \$667.6 million for fiscal year 2022, \$688.3 million for fiscal year 2023, and \$693.2 million for fiscal year 2024;
 - (4) a staff recommended consensus revenue forecast for T-Fund “TIB Funds” of \$16.8 million for fiscal year 2022, \$17.5 million for fiscal year 2023, and \$17.6 million for fiscal year 2024.

**Table 6: Staff Recommended Consensus Revenue Forecast Update: G-Fund, T-Fund and E-Fund (FY 2022-FY 2024)
Current Law (Including Health Care Revenues in the G-Fund)**

Revenue Levels by Fiscal Year--January 2022 "Staff Recommended" Consensus (\$ Millions)	2022	2023	2024
Available to the General Fund (Including Health Care Revenues)	\$1,897.8	\$1,922.8	\$1,946.4
Available to the Transportation Fund	\$296.1	\$303.3	\$302.5
E-Fund [Partial]	\$667.6	\$688.3	\$693.2
Total--Three Funds	\$2,861.5	\$2,914.4	\$2,942.1
MEMO: Available Health Care Revenues	\$290.0	\$292.7	\$295.1
TIB Funds:			
Gasoline TIB	\$14.8	\$15.4	\$15.5
Diesel TIB	\$2.0	\$2.1	\$2.1
Total TIB Funds	\$16.8	\$17.5	\$17.6

- On a comparative basis relative to the July 2021 consensus revenue forecast, the size of the staff recommended consensus revenue forecast changes in the “Available to the G-Fund” total +\$44.0 million for fiscal year 2022, +\$218.4 million for fiscal year 2023, and -\$0.1 million for fiscal year 2024—all of the above numbers including Health Care revenues as presented in Table 7 (below).
- On an “apples-to-apples” basis, thereby excluding Cannabis revenues beginning on fiscal year 2023 and beyond, the size of the staff recommended consensus revenue forecast changes in the “Available to the G-Fund” total

+\$44.0 million for fiscal year 2022, and +\$10.4 million for fiscal year 2022, and includes a decline for fiscal year 2024 of -\$17.4 million—all of these forecasted numbers also including Health Care Revenues.

**Table 7: Staff Recommended Consensus Revenue Forecast Update- Changes from the July 2021 Consensus Forecast for the G-Fund, T-Fund and E-Fund (FY 2022-FY 2024)
Current Law (Including Health Care Revenues in the G-Fund)**

Differences-January 2022 Proposed Consensus Forecast versus the July 2021 Consensus Forecast (By Fund)						
Current Law	2022		2023		2024	
	Dollars	Percent	Dollars	Percent	Dollars	Percent
General Fund (Incl. Health Care Revenues)	\$44.0	2.4%	\$18.4	1.0%	(\$0.1)	0.0%
MEMO #1: Available to the General Fund (Incl. Health Care Revenues)-Excluding Cannabis	\$44.0	2.4%	\$10.4	0.5%	(\$17.4)	-0.9%
Transportation Fund Available to the Transportation Fund	(\$2.3)	-0.8%	(\$1.9)	-0.6%	(\$1.6)	-0.5%
Education Fund Partial-Including all Recent Fund Allocation Changes	\$6.2	0.9%	\$8.8	1.3%	\$5.9	0.9%
Total--"Big 3 Funds"	\$47.9	1.7%	\$25.3	0.9%	\$4.2	0.1%
MEMO #2: Health Care Revenues	\$2.3	0.8%	\$4.0	1.4%	\$4.6	1.6%
MEMO #3: TIB [3]						
Gasoline	(\$0.1)	-0.8%	\$0.4	2.4%	(\$0.1)	-0.6%
Diesel	(\$0.02)	-1.0%	(\$0.03)	-1.4%	(\$0.03)	-0.2%
Total TIB	(\$0.1)	-0.8%	\$0.3	1.9%	(\$0.1)	-0.7%
Notes:						
[1] Current Law (Incl. Healthcare Taxes-Fees).						
[2] Totals in the TIB may not add due to rounding.						
Prepared by: Economic & Policy Resources, Inc.						

- For fiscal years 2025 through 2026, this updated “staff recommended” consensus revenue forecast for the “Available to the G-Fund” revenues including Cannabis revenues beginning in fiscal year 2023 are expected to decline by -\$4.4 million, -\$5.0 million, respectively.
- For fiscal year 2025 and 2026 and adjusted for estimated Cannabis revenues beginning in fiscal year 2023, this updated “staff recommended” consensus revenue forecast for the “Available to the G-Fund” revenues are expected to decline by -\$27.0 million in fiscal year 2025 and by another -\$31.0 million in fiscal year 2026 relative to the Emergency Board-approved consensus revenue forecast in July 2021.
- For the Health Care revenues portion of the updated consensus revenue forecast, the staff recommended change in the consensus revenue forecast for Health Care revenues includes a +\$2.3 million upgrade for fiscal year 2022, a +\$4.0 million forecast upgrade for fiscal year 2023 and a +\$4.6 million consensus revenue forecast upgrade for fiscal year 2024.
- The staff also recommends a forecast upgrade for Health Care revenues

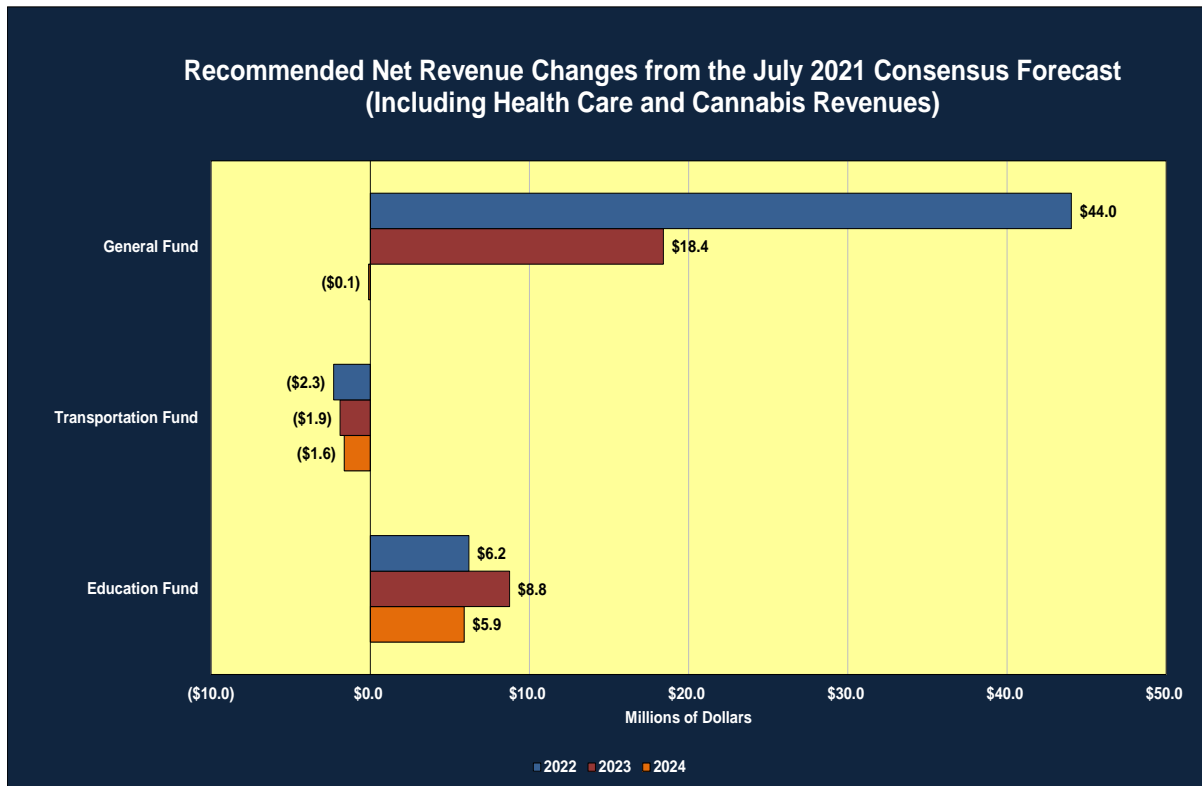
“Available to the General Fund” of +\$5.0 million and +\$6.2 million for fiscal years 2025 and 2026, respectively.

- The staff recommended forecast for revenues “Available to the Transportation Fund” includes a forecast downgrade of -\$2.3 million for fiscal year 2022, a forecast downgrade of -\$1.9 million for fiscal year 2023, and a -\$1.6 million forecast downgrade for fiscal year 2024—on a current law basis.
 - The staff also recommends forecast downgrades for revenues “Available to the Transportation Fund” of -\$3.2 million and -\$4.1 million for fiscal years 2025 and 2026, respectively.
- The staff recommended consensus forecast also includes a downward adjustment in the staff-recommended consensus revenue forecast for the Gasoline TIB revenues across the board—except for fiscal year 2023 where the staff recommended consensus forecast recommendation is for a slight +0.4 million forecast upgrade.
 - Otherwise, Gas TIB receipts are expected to be down versus last July’s consensus expectations—by a total of -\$0.1 million in all other fiscal years from fiscal year 2022 through fiscal year 2026.
 - The updated staff-recommended consensus forecast for Diesel TIB revenues is recommended to range from a high of a -\$0.02 million staff recommended consensus forecast downgrade in fiscal years 2022 and 2025, to a -\$0.03 million staff recommended forecast downgrade in fiscal years 2023, 2024, and 2026.¹²
- For the E-Fund [Partial], this updated staff recommended consensus forecast calls for a forecast upgrade of +\$6.2 million for fiscal year 2022, +\$8.8 million for fiscal year 2023, and a \$5.9 million consensus forecast upgrade for fiscal year 2024.
 - For the out-years, staff recommends a consensus forecast upgrade of +\$1.6 million for fiscal year 2025, and a small, staff recommended consensus forecast downgrade of -\$1.6 million for fiscal year 2026, on a current law basis.
 - The revised, staff recommended January 2022 forecast update for all three

¹² Please note that totals for these small T-Fund TIB revenue categories may not add due to rounding as consensus forecast recommendations are out to two decimal places for the TIB Diesel receipts category.

fund aggregates is presented graphically below for the current and next two fiscal years by major fund—including Health Care revenues and Cannabis Revenues beginning in fiscal year 2023.

- Like Table 6 above, the bar chart below presents the changes by fund on a current law basis. It also should be noted that the “Available to the General Fund” revenues totals include Health Care revenues and Cannabis revenues per current law.



❖ Acknowledgements, Notes, and Comments on Methods:

- All figures presented above reflect current law revenues for the respective funds listed in the consensus forecast estimate for fiscal years 2022 through fiscal year 2024 that are part of the official Emergency Board motion. Fiscal years 2024 through 2027, the staff recommended consensus forecasts are presented for fiscal planning purposes only.
- The revenue forecasting process is a collaborative process that involves ongoing involvement by the staff of the Vermont Department of Taxes, VTrans, the Legislative Joint Fiscal Office, Kavet Rockler & Associates, LLC, and many others throughout state government and the staff of Economic & Policy Resources. Special thanks are due to several staff members of the Vermont Department of Taxes, including Rebecca Sameroff, Sharon Asay, Erin Hicks-Tibbles, Jennifer McNall, Andrew Stein, and Jake Feldman for their assistance. Special thanks also are due to Isaac Dayno and Commissioner Michael Pieciak of Vermont Department of Financial Regulation; Carma Flowers, Bradley Kukenberger, Ann Noelk, and Aaron Brodeur at Vermont Agency of Transportation, Douglas Farnham, John Becker, and Joe Harris at the Vermont Agency of Administration and Vermont Department of Finance and Management.
- The JFO staff also provided key assistance to this forecast update, including Catherine Benham, Graham Campbell, Stephanie Barrett, Dan Dickenson, Joyce Manchester, Mark Perrault, and Sorsha Anderson. Because this process involved the development and tracking of additional data including electricity use, staff at the Vermont Department of Public Service (including former Deputy Commissioner Riley Allen) and at several Vermont public utilities were also helpful in developing and reporting these data on a weekly basis since the COVID-19 pandemic began. There also were many others in both the Administration and the JFO who contributed time and energy to assembling data, providing analysis, or technical assistance that was crucial to completing these forecasts that are simply too numerous to mention here.
- The consensus forecasting process involves the discussion and agreement of two independent forecasts completed by Thomas E. Kavet of the JFO and the staff at Economic & Policy Resources. Agreement on the consensus forecast occurs after a complete discussion-vetting and reconciliation of these independent forecasts.

- The State continues to develop an internal State macroeconomic model which may eventually replace the model maintained at Moody's Analytics through the New England Economic Partnership (NEEP). The NEEP forecast for Vermont is managed by Economic & Policy Resources, Inc., who currently supports the Vermont Agency of Administration with the Administration's part of the consensus forecasting process. Since October 2001, input and review of initial Vermont NEEP model design and output prior to its release has been provided by Tom Kavet of KRA, as the State Economist and Principal Economic Advisor to the Vermont Legislature.

Attachments: Consensus Forecast Update Tables/Five-Year Fiscal Planning Estimates

**TABLE 1A - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
SOURCE GENERAL FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - January 2022**

SOURCE G-FUND

revenues are prior to all E-Fund allocations
and other out-transfers; used for
analytic and comparative purposes only

	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%	FY2024	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
REVENUE SOURCE														
Personal Income	\$832.0	10.0%	\$875.4	5.2%	\$925.8	5.8%	\$1069.8	15.5%	\$1103.5	3.2%	\$1102.6	-0.1%	\$1118.6	1.5%
Sales and Use ¹	\$397.8	5.6%	\$412.5	3.7%	\$432.5	4.8%	\$507.6	17.4%	\$538.7	6.1%	\$553.7	2.8%	\$555.1	0.3%
Corporate Meals and Rooms ²	\$96.4	0.6%	\$134.2	39.3%	\$147.9	10.2%	\$133.4	-9.8%	\$178.9	34.1%	\$187.4	4.8%	\$181.0	-3.4%
Liquor	\$173.2	4.8%	\$182.1	5.1%	\$163.6	-10.1%	\$143.8	-12.1%	\$197.6	37.4%	\$206.2	4.4%	\$214.0	3.8%
Insurance	\$19.8	3.6%	\$21.4	8.1%	\$21.6	0.8%	\$28.7	32.8%	\$30.0	4.5%	\$31.2	4.0%	\$32.4	3.8%
Telephone	\$57.5	1.0%	\$56.9	-1.2%	\$58.0	2.1%	\$60.4	4.0%	\$60.3	-0.1%	\$60.6	0.5%	\$61.0	0.7%
Beverage	\$4.7	-16.8%	\$4.3	-8.8%	\$3.2	-26.4%	\$2.3	-28.8%	\$2.2	-3.0%	\$2.1	-4.5%	\$2.0	-4.8%
Estate	\$7.1	2.5%	\$7.6	6.9%	\$7.2	-5.3%	\$7.2	1.3%	\$7.3	0.7%	\$7.4	1.4%	\$7.5	1.4%
Property	\$22.9	37.6%	\$12.6	-44.9%	\$15.2	20.1%	\$26.9	77.5%	\$22.6	-16.1%	\$26.3	16.4%	\$30.3	15.2%
Bank	\$40.9	5.6%	\$41.1	0.6%	\$42.3	2.9%	\$73.9	74.8%	\$74.4	0.7%	\$77.3	3.9%	\$66.2	-14.4%
Cannabis	\$13.1	-1.3%	\$12.5	-4.6%	\$12.1	-3.0%	\$13.9	14.6%	\$16.0	15.3%	\$15.2	-5.0%	\$14.8	-2.6%
Other Tax	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$8.0	NM	\$17.3	114.8%
	\$1.8	-15.2%	\$2.4	32.9%	\$0.4	-84.7%	\$0.7	74.6%	\$1.4	113.7%	\$1.6	14.3%	\$1.3	-18.8%
Total Tax Revenue	\$1667.2	7.3%	\$1763.0	5.7%	\$1829.7	3.8%	\$2068.5	13.1%	\$2232.9	7.9%	\$2279.6	2.1%	\$2301.4	1.0%
Business Licenses	\$1.2	-2.9%	\$1.2	-1.0%	\$1.1	-4.5%	\$1.3	13.9%	\$1.3	-0.2%	\$1.325	1.9%	\$1.35	1.9%
Fees	\$47.1	-2.9%	\$47.0	-0.2%	\$44.7	-4.7%	\$42.7	-4.5%	\$41.9	-2.0%	\$41.4	-1.2%	\$41.0	-1.0%
Services	\$2.9	-4.2%	\$3.4	16.4%	\$2.4	-27.1%	\$3.0	24.3%	\$3.1	1.9%	\$3.2	1.6%	\$3.2	1.6%
Fines	\$3.5	-19.8%	\$3.3	-5.6%	\$4.8	44.3%	\$3.1	-35.6%	\$3.1	-0.4%	\$3.4	9.7%	\$3.6	5.9%
Interest	\$2.8	80.1%	\$5.0	79.1%	\$4.1	-18.0%	\$0.9	-77.9%	\$1.1	21.4%	\$1.6	45.5%	\$2.9	81.3%
Special Assessments	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Lottery	\$27.1	6.4%	\$29.5	8.6%	\$26.8	-9.0%	\$32.5	21.2%	\$32.3	-0.6%	\$32.9	1.9%	\$33.5	1.8%
All Other ³	\$2.4	-18.8%	\$4.6	92.7%	\$0.7	-83.6%	\$0.5	-34.4%	\$0.6	22.4%	\$0.7	16.7%	\$0.8	14.3%
Total Other Revenue	\$87.0	-0.1%	\$93.9	7.9%	\$84.8	-9.7%	\$84.1	-0.8%	\$83.4	-0.8%	\$84.5	1.3%	\$86.4	2.2%
Healthcare Revenue⁴	\$275.6	-0.4%	\$276.3	0.2%	\$284.7	3.0%	\$281.0	-1.3%	\$294.4	4.8%	\$297.0	0.9%	\$299.6	0.9%
TOTAL GENERAL FUND	\$2029.8	5.9%	\$2133.2	5.1%	\$2199.2	3.1%	\$2433.6	10.7%	\$2610.6	7.3%	\$2661.1	1.9%	\$2687.3	1.0%

1) Includes Telecommunications Tax; includes \$3.76M transfer in FY08 to the T-Fund for prior years Jet Fuel tax processing error.

2) Reflects closure of Vermont Yankee in December of 2014, taxed per Act 143 of 2012 effective in FY13; Stated Electric Energy Tax revenues exclude appropriations to the Clean Energy Development Fund and E-Fund.

3) Includes \$2.3 million in one-time payments in FY2017 by tax software vendors for errors related to Personal Income tax deduction changes effective in tax year 2015.

4) Healthcare Related Taxes - Act 6 of 2019 (BAA) moved selected revenue sources from the State Health Care Resources Fund to the General Fund, effective in FY20. With the exception of the cigarette, tobacco products and vaping tax, which has historically been part of the General Fund forecast, the forecasts for the other Healthcare related taxes are provided by the a healthcare consensus forecasting group, which includes JFO, F&M and AHS staff. See Tables 1B and 1C for details.

5) Includes Clean Water Fund redirect consisting of 6% of total M&R collections

**TABLE 1 - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
AVAILABLE GENERAL FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - January 2022**

CURRENT LAW BASIS

including all Education Fund

allocations and other out-transfers

	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%	FY2024	%
	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
REVENUE SOURCE														
Personal Income	\$832.0	10.0%	\$875.4	5.2%	\$925.8	5.8%	\$1069.8	15.5%	\$1103.5	3.2%	\$1102.6	-0.1%	\$1118.6	1.5%
Sales and Use ¹	\$258.6	5.6%	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Corporate	\$96.4	0.6%	\$134.2	39.3%	\$147.9	10.2%	\$133.4	-9.8%	\$178.9	34.1%	\$187.4	4.8%	\$181.0	-3.4%
Meals and Rooms	\$173.2	4.8%	\$136.5	-21.2%	\$116.1	-15.0%	\$99.2	-14.5%	\$136.3	37.4%	\$142.3	4.4%	\$147.7	3.8%
Liquor ⁶	\$19.8	3.6%	\$21.4	8.1%	\$3.6	-83.2%	\$4.8	32.8%	\$5.0	4.5%	\$5.2	4.0%	\$5.4	3.8%
Insurance	\$57.5	1.0%	\$56.9	-1.2%	\$58.0	2.1%	\$60.4	4.0%	\$60.3	-0.1%	\$60.6	0.5%	\$61.0	0.7%
Telephone	\$4.7	-16.8%	\$4.3	-8.8%	\$3.2	-26.4%	\$2.3	-28.8%	\$2.2	-3.0%	\$2.1	-4.5%	\$2.0	-4.8%
Beverage	\$7.1	2.5%	\$7.6	6.9%	\$7.2	-5.3%	\$7.2	1.3%	\$7.3	0.7%	\$7.4	1.4%	\$7.5	1.4%
Estate ³	\$22.9	37.6%	\$12.6	-44.9%	\$15.2	20.1%	\$23.4	54.1%	\$22.6	-3.3%	\$26.3	16.4%	\$30.3	15.2%
Property	\$12.4	-1.5%	\$12.5	0.9%	\$12.9	3.0%	\$23.1	79.6%	\$23.3	0.7%	\$24.2	4.0%	\$20.6	-14.8%
Bank	\$13.1	-1.3%	\$12.5	-4.6%	\$12.1	-3.0%	\$13.9	14.6%	\$16.0	15.3%	\$15.2	-5.0%	\$14.8	-2.6%
Cannabis	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$3.9	NM	\$8.5	117.9%
Other Tax	\$1.8	-15.2%	\$2.4	32.9%	\$0.4	-84.7%	\$0.7	74.6%	\$1.4	113.7%	\$1.6	14.3%	\$1.3	-18.8%
Total Tax Revenue	\$1499.5	7.4%	\$1276.4	-14.9%	\$1302.3	2.0%	\$1438.1	10.4%	\$1556.8	8.3%	\$1578.8	1.4%	\$1598.7	1.3%
Business Licenses	\$1.2	-2.9%	\$1.2	-1.0%	\$1.1	-4.5%	\$1.3	13.9%	\$1.3	-0.2%	\$1.3	1.9%	\$1.4	1.9%
Fees	\$47.1	-2.9%	\$47.0	-0.2%	\$44.7	-4.7%	\$42.7	-4.5%	\$41.9	-2.0%	\$41.4	-1.2%	\$41.0	-1.0%
Services	\$2.9	-4.2%	\$3.4	16.4%	\$2.4	-27.1%	\$3.0	24.3%	\$3.1	1.9%	\$3.2	1.6%	\$3.2	1.6%
Fines	\$3.5	-19.8%	\$3.3	-5.6%	\$4.8	44.3%	\$3.1	-35.6%	\$3.1	-0.4%	\$3.4	9.7%	\$3.6	5.9%
Interest	\$2.3	96.1%	\$4.3	87.8%	\$3.3	-24.5%	\$0.8	-75.5%	\$1.0	25.2%	\$1.4	40.0%	\$2.6	85.7%
All Other ⁴	\$2.4	-18.8%	\$4.6	92.7%	\$0.7	-83.6%	\$0.5	-34.4%	\$0.6	22.4%	\$0.7	16.7%	\$0.8	14.3%
Total Other Revenue	\$59.4	-3.0%	\$63.7	7.4%	\$57.2	-10.3%	\$51.5	-9.9%	\$51.0	-1.0%	\$51.4	0.7%	\$52.6	2.3%
Healthcare Revenue⁵	\$0.0	NM	\$272.3	NM	\$280.9	3.1%	\$278.1	-1.0%	\$290.0	4.3%	\$292.7	0.9%	\$295.1	0.8%
TOTAL GENERAL FUND	\$1558.9	7.0%	\$1612.5	3.4%	\$1640.4	1.7%	\$1767.7	7.8%	\$1897.8	7.4%	\$1922.8	1.3%	\$1946.4	1.2%

1) Includes \$2.5M transfer to the T-Fund in FY08 for prior years Jet Fuel tax processing errors; Transfer to the Education Fund increases from 33.3% to 35.0% effective in FY14 and 35.0% to 36.0% effective in FY19.

2) Reflects closure of Vermont Yankee in December of 2014, taxed per Act 143 of 2012 effective in FY13;

Stated Electric Energy Tax revenues exclude appropriations to the Clean Energy Development Fund and Education Fund.

3) Excludes transfer to the Higher Education Trust Fund of \$2.4M in FY05, \$5.2M in FY06 and \$11.0M in FY11.

4) Includes \$2.3 million in one-time payments in FY2017 by tax software vendors for errors related to Personal Income tax deduction changes effective in tax year 2015.

5) Healthcare Related Taxes - Act 6 of 2019 (BAA) moved selected revenue sources from the State Health Care Resources Fund to the General Fund, effective in FY20. With the exception of the cigarette, tobacco products and vaping tax, which has historically been part of the General Fund forecast, the forecasts for the other Healthcare related taxes are provided by the a healthcare consensus forecasting group, which includes JFO, F&M and AHS staff. See Tables 1B and 1C for details.

6) Series is discontinuous beginning in FY20 due to fund allocation changes associated with Act 73 of the 2019 Session.

**TABLE 1B - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
SOURCE HEALTHCARE REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - January 2022**

SOURCE HEALTHCARE ¹

*revenues are prior to all allocations
and other out-transfers; used for
analytic and comparative purposes only*

	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%	FY2024	%
	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
REVENUE SOURCE														
Cigarette, Tobacco, E-Cig	\$71.1	-7.3%	\$68.4	-3.7%	\$71.4	4.3%	\$77.5	8.6%	\$76.7	-1.0%	\$75.6	-1.5%	\$74.4	-1.6%
Claims Assessment	\$19.8	12.1%	\$19.6	-1.3%	\$20.7	5.7%	\$19.7	-4.7%	\$21.6	9.6%	\$21.8	1.0%	\$22.0	1.0%
Employer Assessment	\$19.8	3.6%	\$19.8	-0.5%	\$20.2	2.4%	\$17.9	-11.4%	\$20.3	13.3%	\$21.5	5.9%	\$22.5	4.7%
Hospital Provider Tax	\$143.5	4.5%	\$146.3	2.0%	\$150.2	2.6%	\$143.7	-4.4%	\$153.5	6.9%	\$155.8	1.5%	\$158.1	1.5%
Nursing Home Provide Tax	\$14.8	-1.0%	\$14.8	-0.3%	\$14.7	-0.6%	\$14.6	-1.0%	\$14.7	0.7%	\$14.7	0.0%	\$14.7	0.0%
Home Health Provider Tax	\$4.7	-14.0%	\$4.8	2.2%	\$5.6	16.3%	\$5.8	4.1%	\$5.9	1.2%	\$6.0	2.0%	\$6.1	1.0%
All other HC revenues	\$1.8	-65.5%	\$2.6	41.7%	\$1.9	-26.5%	\$1.8	-3.6%	\$1.7	-7.1%	\$1.7	0.0%	\$1.8	5.9%
TOTAL HEALTHCARE	\$275.6	-0.4%	\$276.3	0.2%	\$284.7	3.0%	\$281.0	-1.3%	\$294.4	4.8%	\$297.0	0.9%	\$299.6	0.9%

**TABLE 1C - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
AVAILABLE HEALTHCARE REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - January 2022**

CURRENT LAW BASIS

*including all Education Fund
allocations and other out-transfers*

	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%	FY2024	%
	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
REVENUE SOURCE														
Cigarette, Tobacco, E-Cig	\$71.1	-7.3%	\$68.4	-3.7%	\$71.4	4.3%	\$77.5	8.6%	\$76.7	-1.0%	\$75.6	-1.5%	\$74.4	-1.6%
Claims Assessment	\$15.9	13.2%	\$15.6	-1.7%	\$16.9	7.8%	\$16.4	-3.0%	\$17.3	5.6%	\$17.5	1.0%	\$17.6	1.0%
Employer Assessment	\$19.8	3.6%	\$19.8	-0.5%	\$20.2	2.4%	\$18.4	-9.2%	\$20.3	10.5%	\$21.5	5.9%	\$22.5	4.7%
Hospital Provider Tax	\$143.5	4.5%	\$146.3	2.0%	\$150.2	2.6%	\$143.7	-4.4%	\$153.5	6.9%	\$155.8	1.5%	\$158.1	1.5%
Nursing Home Provide Tax	\$14.8	-1.0%	\$14.8	-0.3%	\$14.7	-0.6%	\$14.6	-1.0%	\$14.7	0.7%	\$14.7	0.0%	\$14.7	0.0%
Home Health Provider Tax	\$4.7	-14.0%	\$4.8	2.2%	\$5.6	16.3%	\$5.8	4.1%	\$5.9	1.2%	\$6.0	2.0%	\$6.1	1.0%
All other HC revenues	\$1.8	-65.5%	\$2.6	41.7%	\$1.9	-26.5%	\$1.8	-3.6%	\$1.7	-7.1%	\$1.7	0.0%	\$1.8	5.9%
TOTAL HEALTHCARE	\$271.7	-0.5%	\$272.3	0.2%	\$280.9	3.1%	\$278.1	-1.0%	\$290.0	4.3%	\$292.7	0.9%	\$295.1	0.8%

1) Healthcare Related Taxes - Act 6 of 2019 (BAA) moved selected revenue sources from the State Health Care Resources Fund to the General Fund, effective in FY20. With the exception of the cigarette, tobacco products and vaping tax, which has historically been part of the General Fund forecast, the forecasts for the other Healthcare related taxes are provided by the a healthcare consensus forecasting group, which includes JFO, F&M and AHS staff.

**TABLE 2A - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
SOURCE TRANSPORTATION FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - January 2022**

SOURCE T-FUND

revenues are prior to all E-Fund allocations
and other out-transfers; used for
analytic and comparative purposes only

	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%	FY2024	%
	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
REVENUE SOURCE														
Gasoline	\$78.2	0.0%	\$77.8	-0.5%	\$71.0	-8.7%	\$67.3	-5.3%	\$72.4	7.6%	\$75.9	4.8%	\$77.0	1.4%
Diesel****	\$18.9	3.6%	\$18.6	-1.6%	\$17.9	-3.5%	\$17.9	0.2%	\$18.8	4.8%	\$19.4	3.2%	\$19.7	1.5%
Purchase and Use*	\$109.4	6.0%	\$111.8	2.2%	\$105.4	-5.7%	\$134.1	27.2%	\$141.3	5.4%	\$142.5	0.8%	\$136.9	-3.9%
Motor Vehicle Fees	\$86.0	-0.3%	\$85.4	-0.7%	\$83.6	-2.1%	\$87.6	4.7%	\$88.9	1.5%	\$90.0	1.2%	\$90.8	0.9%
Other Revenue**	\$23.0	15.3%	\$24.6	7.0%	\$21.3	-13.5%	\$20.5	-3.4%	\$21.8	6.2%	\$23.0	5.5%	\$23.7	3.0%
TOTAL TRANS. FUND	\$315.4	3.1%	\$318.2	0.9%	\$299.2	-6.0%	\$327.4	9.4%	\$343.2	4.8%	\$350.8	2.2%	\$348.1	-0.8%

**TABLE 2 - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
AVAILABLE TRANSPORTATION FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - January 2022**

CURRENT LAW BASIS

including all Education Fund
allocations and other out-transfers

	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%	FY2024	%
	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
REVENUE SOURCE														
Gasoline	\$78.2	0.0%	\$77.8	-0.5%	\$71.0	-8.7%	\$67.3	-5.3%	\$72.4	7.6%	\$75.9	4.8%	\$77.0	1.4%
Diesel	\$18.9	3.6%	\$18.6	-1.6%	\$17.9	-3.5%	\$17.9	0.2%	\$18.8	4.8%	\$19.4	3.2%	\$19.7	1.5%
Purchase and Use ¹	\$73.0	6.0%	\$74.5	2.2%	\$70.3	-5.7%	\$89.4	27.2%	\$94.2	5.4%	\$95.0	0.8%	\$91.3	-3.9%
Motor Vehicle Fees	\$86.0	-0.3%	\$85.4	-0.7%	\$83.6	-2.1%	\$87.6	4.7%	\$88.9	1.5%	\$90.0	1.2%	\$90.8	0.9%
Other Revenue ²	\$23.0	15.3%	\$24.6	7.0%	\$21.3	-13.5%	\$20.5	-3.4%	\$21.8	6.2%	\$23.0	5.5%	\$23.7	3.0%
TOTAL TRANS. FUND	\$279.0	2.8%	\$280.9	0.7%	\$264.1	-6.0%	\$282.7	7.0%	\$296.1	4.7%	\$303.3	2.4%	\$302.5	-0.3%

OTHER (TIB³)

TIB Gasoline	\$12.9	2.2%	\$14.6	13.1%	\$12.7	-12.8%	\$10.2	-19.5%	\$14.80	44.8%	\$15.35	3.7%	\$15.49	0.9%
TIB Diesel and Other ⁴	\$2.0	16.1%	\$2.1	3.7%	\$2.0	-2.5%	\$1.9	-4.5%	\$2.04	6.6%	\$2.10	2.9%	\$2.13	1.4%
TOTAL OTHER (TIB)	\$14.9	2.4%	\$16.6	11.9%	\$14.7	-11.6%	\$12.1	-17.5%	\$16.8	38.8%	\$17.5	3.6%	\$17.6	1.0%

1) As of FY04, includes Motor Vehicle Rental tax revenue.

2) Beginning in FY07, includes Stabilization Reserve interest; FY08 data includes \$3.76M transfer from G-Fund for prior Jet Fuel tax processing errors and inclusion of this tax in subsequent years.

3) Transportation Infrastructure Bond revenues

4) Includes TIB Fund interest income (which has never exceeded \$85,000 per year); Includes FY17 adjustment of \$215,000 from reported TIB Diesel revenue to Diesel revenue due to a data entry error

**TABLE 3 - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
AVAILABLE EDUCATION FUND¹ REVENUE FORECAST UPDATE
(Partial Education Fund Total - Includes Source General and Transportation Fund Allocations Only)
Consensus JFO and Administration Forecast - January 2022**

CURRENT LAW BASIS

Source General and Transportation

Fund taxes allocated to or associated
with the Education Fund only

	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%	FY2024	%
	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
GENERAL FUND														
Meals and Rooms	\$0.0	NM	\$45.5	NM	\$40.9	-10.1%	\$36.0	-12.1%	\$49.4	37.4%	\$51.6	4.4%	\$53.5	3.8%
Sales & Use ²	\$139.2	5.6%	\$412.5	196.3%	\$432.5	4.8%	\$507.6	17.4%	\$538.7	6.1%	\$556.1	3.2%	\$560.3	0.8%
Interest	\$0.5	30.3%	\$0.7	38.1%	\$0.8	23.9%	\$0.1	-87.1%	\$0.10	-7.2%	\$0.20	100.0%	\$0.3	50.0%
Lottery	\$27.1	6.4%	\$29.5	8.6%	\$26.8	-9.0%	\$32.5	21.2%	\$32.3	-0.6%	\$32.9	1.9%	\$33.5	1.8%
TRANSPORTATION FUND														
Purchase and Use ³	\$36.5	6.0%	\$37.3	2.2%	\$35.1	-5.7%	\$44.7	27.2%	\$47.1	5.4%	\$47.5	0.8%	\$45.6	-3.9%
TOTAL EDUCATION FUND	\$203.3	5.8%	\$525.4	158.4%	\$536.2	2.0%	\$620.9	15.8%	\$667.6	7.5%	\$688.3	3.1%	\$693.2	0.7%

1) Includes only General and Transportation Fund taxes allocated to the Education Fund.

This Table excludes all Education Fund property taxes, which are updated in October/November of each year and are the largest Education Fund tax sources.

2) Includes Telecommunications Tax; Includes \$1.25M transfer to T-Fund in FY08 for prior Jet Fuel Tax processing errors;

Transfer percentage from the General Fund increases from 33.3% to 35.0% effective in FY14 and to 100.0% beginning in FY19; Includes Cannabis Sales tax revenues beginning in FY23

3) Includes Motor Vehicle Rental revenues, restated

Appendix A

Five Year Revenue Forecast Tables

January 2022

**TABLE 1A - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
SOURCE GENERAL FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - January 2022**

SOURCE G-FUND																				
<i>revenues are prior to all E-Fund allocations and other out-transfers; used for analytic and comparative purposes only</i>																				
	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%	FY2024	%	FY2025	%	FY2026	%	FY2027	%
	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
REVENUE SOURCE																				
Personal Income	\$832.0	10.0%	\$875.4	5.2%	\$925.8	5.8%	\$1069.8	15.5%	\$1103.5	3.2%	\$1102.6	-0.1%	\$1118.6	1.5%	\$1140.2	1.9%	\$1169.5	2.6%	\$1205.2	3.1%
Sales and Use ¹	\$397.8	5.6%	\$412.5	3.7%	\$432.5	4.8%	\$507.6	17.4%	\$538.7	6.1%	\$553.7	2.8%	\$555.1	0.3%	\$560.8	1.0%	\$570.7	1.8%	\$584.2	2.4%
Corporate	\$96.4	0.6%	\$134.2	39.3%	\$147.9	10.2%	\$133.4	-9.8%	\$178.9	34.1%	\$187.4	4.8%	\$181.0	-3.4%	\$185.8	2.7%	\$191.4	3.0%	\$198.2	3.6%
Meals and Rooms ²	\$173.2	4.8%	\$182.1	5.1%	\$163.6	-10.1%	\$143.8	-12.1%	\$197.6	37.4%	\$206.2	4.4%	\$214.0	3.8%	\$222.0	3.7%	\$229.9	3.6%	\$238.0	3.5%
Liquor	\$19.8	3.6%	\$21.4	8.1%	\$21.6	0.8%	\$28.7	32.8%	\$30.0	4.5%	\$31.2	4.0%	\$32.4	3.8%	\$33.6	3.7%	\$34.8	3.6%	\$36.0	3.6%
Insurance	\$57.5	1.0%	\$56.9	-1.2%	\$58.0	2.1%	\$60.4	4.0%	\$60.3	-0.1%	\$60.6	0.5%	\$61.0	0.7%	\$61.5	0.8%	\$62.0	0.8%	\$62.4	0.6%
Telephone	\$4.7	-16.8%	\$4.3	-8.8%	\$3.2	-26.4%	\$2.3	-28.8%	\$2.2	-3.0%	\$2.1	-4.5%	\$2.0	-4.8%	\$1.9	-5.0%	\$1.8	-5.3%	\$1.7	-5.6%
Beverage	\$7.1	2.5%	\$7.6	6.9%	\$7.2	-5.3%	\$7.2	1.3%	\$7.3	0.7%	\$7.4	1.4%	\$7.5	1.4%	\$7.6	1.3%	\$7.7	1.3%	\$7.8	1.3%
Estate	\$22.9	37.6%	\$12.6	-44.9%	\$15.2	20.1%	\$26.9	77.5%	\$22.6	-16.1%	\$26.3	16.4%	\$30.3	15.2%	\$34.1	12.5%	\$37.6	10.3%	\$40.4	7.4%
Property	\$40.9	5.6%	\$41.1	0.6%	\$42.3	2.9%	\$73.9	74.8%	\$74.4	0.7%	\$77.3	3.9%	\$66.2	-14.4%	\$58.7	-11.3%	\$54.1	-7.8%	\$56.6	4.6%
Bank	\$13.1	-1.3%	\$12.5	-4.6%	\$12.1	-3.0%	\$13.9	14.6%	\$16.0	15.3%	\$15.2	-5.0%	\$14.8	-2.6%	\$14.2	-4.1%	\$14.4	1.4%	\$14.7	2.1%
Cannabis	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$8.0	NM	\$17.3	114.8%	\$22.6	31.0%	\$26.0	14.9%	\$28.2	8.4%
Other Tax	\$1.8	-15.2%	\$2.4	32.9%	\$0.4	-84.7%	\$0.7	74.6%	\$1.4	113.7%	\$1.6	14.3%	\$1.3	-18.8%	\$1.1	-15.4%	\$1.2	9.1%	\$1.3	8.3%
Total Tax Revenue	\$1667.2	7.3%	\$1763.0	5.7%	\$1829.7	3.8%	\$2068.5	13.1%	\$2232.9	7.9%	\$2279.6	2.1%	\$2301.4	1.0%	\$2344.1	1.9%	\$2401.1	2.4%	\$2474.7	3.1%
Business Licenses	\$1.2	-2.9%	\$1.2	-1.0%	\$1.1	-4.5%	\$1.3	13.9%	\$1.3	-0.2%	\$1.325	1.9%	\$1.35	1.9%	\$1.375	1.9%	\$1.40	1.8%	\$1.425	1.8%
Fees	\$47.1	-2.9%	\$47.0	-0.2%	\$44.7	-4.7%	\$42.7	-4.5%	\$41.9	-2.0%	\$41.4	-1.2%	\$41.0	-1.0%	\$40.7	-0.7%	\$40.5	-0.5%	\$40.4	-0.2%
Services	\$2.9	-4.2%	\$3.4	16.4%	\$2.4	-27.1%	\$3.0	24.3%	\$3.1	1.9%	\$3.2	1.6%	\$3.2	1.6%	\$3.3	1.5%	\$3.3	1.5%	\$3.4	1.5%
Fines	\$3.5	-19.8%	\$3.3	-5.6%	\$4.8	44.3%	\$3.1	-35.6%	\$3.1	-0.4%	\$3.4	9.7%	\$3.6	5.9%	\$3.8	5.6%	\$4.0	5.3%	\$4.2	5.0%
Interest	\$2.8	80.1%	\$5.0	79.1%	\$4.1	-18.0%	\$0.9	-77.9%	\$1.1	21.4%	\$1.6	45.5%	\$2.9	81.3%	\$3.4	17.2%	\$3.8	11.8%	\$4.0	5.3%
Special Assessments	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Lottery	\$27.1	6.4%	\$29.5	8.6%	\$26.8	-9.0%	\$32.5	21.2%	\$32.3	-0.6%	\$32.9	1.9%	\$33.5	1.8%	\$34.0	1.5%	\$34.4	1.2%	\$34.8	1.2%
All Other ³	\$2.4	-18.8%	\$4.6	92.7%	\$0.7	-83.6%	\$0.5	-34.4%	\$0.6	22.4%	\$0.7	16.7%	\$0.8	14.3%	\$0.9	12.5%	\$1.0	11.1%	\$1.1	10.0%
Total Other Revenue	\$87.0	-0.1%	\$93.9	7.9%	\$84.8	-9.7%	\$84.1	-0.8%	\$83.4	-0.8%	\$84.5	1.3%	\$86.4	2.2%	\$87.4	1.2%	\$88.4	1.1%	\$89.3	1.0%
Healthcare Revenue⁴	\$275.6	-0.4%	\$276.3	0.2%	\$284.7	3.0%	\$281.0	-1.3%	\$294.4	4.8%	\$297.0	0.9%	\$299.6	0.9%	\$302.0	0.8%	\$304.4	0.8%	\$305.6	0.4%
TOTAL GENERAL FUND	\$2029.8	5.9%	\$2133.2	5.1%	\$2199.2	3.1%	\$2433.6	10.7%	\$2610.6	7.3%	\$2661.1	1.9%	\$2687.3	1.0%	\$2733.5	1.7%	\$2793.9	2.2%	\$2869.6	2.7%

- Includes Telecommunications Tax; includes \$3.76M transfer in FY08 to the T-Fund for prior years Jet Fuel tax processing error.
- Reflects closure of Vermont Yankee in December of 2014, taxed per Act 143 of 2012 effective in FY13; Stated Electric Energy Tax revenues exclude appropriations to the Clean Energy Development Fund and E-Fund.
- Includes \$2.3 million in one-time payments in FY2017 by tax software vendors for errors related to Personal Income tax deduction changes effective in tax year 2015.
- Healthcare Related Taxes - Act 6 of 2019 (BAA) moved selected revenue sources from the State Health Care Resources Fund to the General Fund, effective in FY20. With the exception of the cigarette, tobacco products and vaping tax, which has historically been part of the General Fund forecast, the forecasts for the other Healthcare related taxes are provided by the a healthcare consensus forecasting group, which includes JFO, F&M and AHS staff. See Tables 1B and 1C for details.
- Includes Clean Water Fund redirect consisting of 6% of total M&R collections

**TABLE 1 - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
AVAILABLE GENERAL FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - January 2022**

CURRENT LAW BASIS

including all Education Fund

allocations and other out-transfers

	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%	FY2024	%	FY2025	%	FY2026	%	FY2027	%
	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
REVENUE SOURCE																				
Personal Income	\$832.0	10.0%	\$875.4	5.2%	\$925.8	5.8%	\$1069.8	15.5%	\$1103.5	3.2%	\$1102.6	-0.1%	\$1118.6	1.5%	\$1140.2	1.9%	\$1169.5	2.6%	\$1205.2	3.1%
Sales and Use ¹	\$258.6	5.6%	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Corporate	\$96.4	0.6%	\$134.2	39.3%	\$147.9	10.2%	\$133.4	-9.8%	\$178.9	34.1%	\$187.4	4.8%	\$181.0	-3.4%	\$185.8	2.7%	\$191.4	3.0%	\$198.2	3.6%
Meals and Rooms	\$173.2	4.8%	\$136.5	-21.2%	\$116.1	-15.0%	\$99.2	-14.5%	\$136.3	37.4%	\$142.3	4.4%	\$147.7	3.8%	\$153.2	3.7%	\$158.6	3.6%	\$164.2	3.5%
Liquor ⁶	\$19.8	3.6%	\$21.4	8.1%	\$3.6	-83.2%	\$4.8	32.8%	\$5.0	4.5%	\$5.2	4.0%	\$5.4	3.8%	\$5.6	3.7%	\$5.8	3.6%	\$6.0	3.4%
Insurance	\$57.5	1.0%	\$56.9	-1.2%	\$58.0	2.1%	\$60.4	4.0%	\$60.3	-0.1%	\$60.6	0.5%	\$61.0	0.7%	\$61.5	0.8%	\$62.0	0.8%	\$62.4	0.6%
Telephone	\$4.7	-16.8%	\$4.3	-8.8%	\$3.2	-26.4%	\$2.3	-28.8%	\$2.2	-3.0%	\$2.1	-4.5%	\$2.0	-4.8%	\$1.9	-5.0%	\$1.8	-5.3%	\$1.7	-5.6%
Beverage	\$7.1	2.5%	\$7.6	6.9%	\$7.2	-5.3%	\$7.2	1.3%	\$7.3	0.7%	\$7.4	1.4%	\$7.5	1.4%	\$7.6	1.3%	\$7.7	1.3%	\$7.8	1.3%
Estate ³	\$22.9	37.6%	\$12.6	-44.9%	\$15.2	20.1%	\$23.4	54.1%	\$22.6	-3.3%	\$26.3	16.4%	\$30.3	15.2%	\$34.1	12.5%	\$37.6	10.3%	\$40.4	7.4%
Property	\$12.4	-1.5%	\$12.5	0.9%	\$12.9	3.0%	\$23.1	79.6%	\$23.3	0.7%	\$24.2	4.0%	\$20.6	-14.8%	\$18.2	-11.8%	\$16.7	-8.2%	\$17.5	4.8%
Bank	\$13.1	-1.3%	\$12.5	-4.6%	\$12.1	-3.0%	\$13.9	14.6%	\$16.0	15.3%	\$15.2	-5.0%	\$14.8	-2.6%	\$14.2	-4.1%	\$14.4	1.4%	\$14.7	2.1%
Cannabis	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$3.9	NM	\$8.5	117.9%	\$11.1	30.6%	\$12.7	14.4%	\$13.8	8.7%
Other Tax	\$1.8	-15.2%	\$2.4	32.9%	\$0.4	-84.7%	\$0.7	74.6%	\$1.4	113.7%	\$1.6	14.3%	\$1.3	-18.8%	\$1.1	-15.4%	\$1.2	9.1%	\$1.3	8.3%
Total Tax Revenue	\$1499.5	7.4%	\$1276.4	-14.9%	\$1302.3	2.0%	\$1438.1	10.4%	\$1556.8	8.3%	\$1578.8	1.4%	\$1598.7	1.3%	\$1634.5	2.2%	\$1679.4	2.8%	\$1733.2	3.2%
Business Licenses	\$1.2	-2.9%	\$1.2	-1.0%	\$1.1	-4.5%	\$1.3	13.9%	\$1.3	-0.2%	\$1.3	1.9%	\$1.4	1.9%	\$1.4	1.9%	\$1.4	1.8%	\$1.4	1.8%
Fees	\$47.1	-2.9%	\$47.0	-0.2%	\$44.7	-4.7%	\$42.7	-4.5%	\$41.9	-2.0%	\$41.4	-1.2%	\$41.0	-1.0%	\$40.7	-0.7%	\$40.5	-0.5%	\$40.4	-0.2%
Services	\$2.9	-4.2%	\$3.4	16.4%	\$2.4	-27.1%	\$3.0	24.3%	\$3.1	1.9%	\$3.2	1.6%	\$3.2	1.6%	\$3.3	1.6%	\$3.3	1.5%	\$3.4	1.5%
Fines	\$3.5	-19.8%	\$3.3	-5.6%	\$4.8	44.3%	\$3.1	-35.6%	\$3.1	-0.4%	\$3.4	9.7%	\$3.6	5.9%	\$3.8	5.6%	\$4.0	5.3%	\$4.2	5.0%
Interest	\$2.3	96.1%	\$4.3	87.8%	\$3.3	-24.5%	\$0.8	-75.5%	\$1.0	25.2%	\$1.4	40.0%	\$2.6	85.7%	\$2.9	11.5%	\$3.2	10.3%	\$3.3	3.1%
All Other ⁴	\$2.4	-18.8%	\$4.6	92.7%	\$0.7	-83.6%	\$0.5	-34.4%	\$0.6	22.4%	\$0.7	16.7%	\$0.8	14.3%	\$0.9	12.5%	\$1.0	11.1%	\$1.1	10.0%
Total Other Revenue	\$59.4	-3.0%	\$63.7	7.4%	\$57.2	-10.3%	\$51.5	-9.9%	\$51.0	-1.0%	\$51.4	0.7%	\$52.6	2.3%	\$52.9	0.7%	\$53.4	0.9%	\$53.8	0.7%
Healthcare Revenue⁵	\$0.0	NM	\$272.3	NM	\$280.9	3.1%	\$278.1	-1.0%	\$290.0	4.3%	\$292.7	0.9%	\$295.1	0.8%	\$297.5	0.8%	\$299.9	0.8%	\$301.1	0.4%
TOTAL GENERAL FUND	\$1558.9	7.0%	\$1612.5	3.4%	\$1640.4	1.7%	\$1767.7	7.8%	\$1897.8	7.4%	\$1922.8	1.3%	\$1946.4	1.2%	\$1984.9	2.0%	\$2032.7	2.4%	\$2088.1	2.7%

1) Includes \$2.5M transfer to the T-Fund in FY08 for prior years Jet Fuel tax processing errors; Transfer to the Education Fund increases from 33.3% to 35.0% effective in FY14 and 35.0% to 36.0% effective in FY19.

2) Reflects closure of Vermont Yankee in December of 2014, taxed per Act 143 of 2012 effective in FY13;

Stated Electric Energy Tax revenues exclude appropriations to the Clean Energy Development Fund and Education Fund.

3) Excludes transfer to the Higher Education Trust Fund of \$2.4M in FY05, \$5.2M in FY06 and \$11.0M in FY11.

4) Includes \$2.3 million in one-time payments in FY2017 by tax software vendors for errors related to Personal Income tax deduction changes effective in tax year 2015.

5) Healthcare Related Taxes - Act 6 of 2019 (BAA) moved selected revenue sources from the State Health Care Resources Fund to the General Fund, effective in FY20. With the exception of the cigarette, tobacco products and vaping tax, which has historically been part of the General Fund forecast, the forecasts for the other Healthcare related taxes are provided by the a healthcare consensus forecasting group, which includes JFO, F&M and AHS staff. See Tables 1B and 1C for details.

6) Series is discontinuous beginning in FY20 due to fund allocation changes associated with Act 73 of the 2019 Session.

**TABLE 1B - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
SOURCE HEALTHCARE REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - January 2022**

SOURCE HEALTHCARE¹

revenues are prior to all allocations
and other out-transfers; used for
analytic and comparative purposes only

	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%	FY2024	%	FY2025	%	FY2026	%	FY2027	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
REVENUE SOURCE																				
Cigarette, Tobacco, E-Cig	\$71.1	-7.3%	\$68.4	-3.7%	\$71.4	4.3%	\$77.5	8.6%	\$76.7	-1.0%	\$75.6	-1.5%	\$74.4	-1.6%	\$73.1	-1.7%	\$71.8	-1.9%	\$70.3	-2.1%
Claims Assessment	\$19.8	12.1%	\$19.6	-1.3%	\$20.7	5.7%	\$19.7	-4.7%	\$21.6	9.6%	\$21.8	1.0%	\$22.0	1.0%	\$22.3	1.0%	\$22.5	1.0%	\$22.7	1.0%
Employer Assessment	\$19.8	3.6%	\$19.8	-0.5%	\$20.2	2.4%	\$17.9	-11.4%	\$20.3	13.3%	\$21.5	5.9%	\$22.5	4.7%	\$23.5	4.4%	\$24.5	4.3%	\$24.5	0.0%
Hospital Provider Tax	\$143.5	4.5%	\$146.3	2.0%	\$150.2	2.6%	\$143.7	-4.4%	\$153.5	6.9%	\$155.8	1.5%	\$158.1	1.5%	\$160.5	1.5%	\$162.9	1.5%	\$165.4	1.5%
Nursing Home Provide Tax	\$14.8	-1.0%	\$14.8	-0.3%	\$14.7	-0.6%	\$14.6	-1.0%	\$14.7	0.7%	\$14.7	0.0%	\$14.7	0.0%	\$14.7	0.0%	\$14.7	0.0%	\$14.7	0.0%
Home Health Provider Tax	\$4.7	-14.0%	\$4.8	2.2%	\$5.6	16.3%	\$5.8	4.1%	\$5.9	1.2%	\$6.0	2.0%	\$6.1	1.0%	\$6.1	1.0%	\$6.2	1.0%	\$6.2	1.0%
All other HC revenues	\$1.8	-65.5%	\$2.6	41.7%	\$1.9	-26.5%	\$1.8	-3.6%	\$1.7	-7.1%	\$1.7	0.0%	\$1.8	5.9%	\$1.8	0.0%	\$1.9	5.6%	\$1.9	0.0%
TOTAL HEALTHCARE	\$275.6	-0.4%	\$276.3	0.2%	\$284.7	3.0%	\$281.0	-1.3%	\$294.4	4.8%	\$297.0	0.9%	\$299.6	0.9%	\$302.0	0.8%	\$304.4	0.8%	\$305.6	0.4%

**TABLE 1C - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
AVAILABLE HEALTHCARE REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - January 2022**

CURRENT LAW BASIS

including all Education Fund
allocations and other out-transfers

	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%	FY2024	%	FY2025	%	FY2026	%	FY2027	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
REVENUE SOURCE																				
Cigarette, Tobacco, E-Cig	\$71.1	-7.3%	\$68.4	-3.7%	\$71.4	4.3%	\$77.5	8.6%	\$76.7	-1.0%	\$75.6	-1.5%	\$74.4	-1.6%	\$73.1	-1.7%	\$71.8	-1.9%	\$70.3	-2.1%
Claims Assessment	\$15.9	13.2%	\$15.6	-1.7%	\$16.9	7.8%	\$16.4	-3.0%	\$17.3	5.6%	\$17.5	1.0%	\$17.6	1.0%	\$17.8	1.0%	\$18.0	1.0%	\$18.2	1.0%
Employer Assessment	\$19.8	3.6%	\$19.8	-0.5%	\$20.2	2.4%	\$18.4	-9.2%	\$20.3	10.5%	\$21.5	5.9%	\$22.5	4.7%	\$23.5	4.4%	\$24.5	4.3%	\$24.5	0.0%
Hospital Provider Tax	\$143.5	4.5%	\$146.3	2.0%	\$150.2	2.6%	\$143.7	-4.4%	\$153.5	6.9%	\$155.8	1.5%	\$158.1	1.5%	\$160.5	1.5%	\$162.9	1.5%	\$165.4	1.5%
Nursing Home Provide Tax	\$14.8	-1.0%	\$14.8	-0.3%	\$14.7	-0.6%	\$14.6	-1.0%	\$14.7	0.7%	\$14.7	0.0%	\$14.7	0.0%	\$14.7	0.0%	\$14.7	0.0%	\$14.7	0.0%
Home Health Provider Tax	\$4.7	-14.0%	\$4.8	2.2%	\$5.6	16.3%	\$5.8	4.1%	\$5.9	1.2%	\$6.0	2.0%	\$6.1	1.0%	\$6.1	1.0%	\$6.2	1.0%	\$6.2	1.0%
All other HC revenues	\$1.8	-65.5%	\$2.6	41.7%	\$1.9	-26.5%	\$1.8	-3.6%	\$1.7	-7.1%	\$1.7	0.0%	\$1.8	5.9%	\$1.8	0.0%	\$1.9	5.6%	\$1.9	0.0%
TOTAL HEALTHCARE	\$271.7	-0.5%	\$272.3	0.2%	\$280.9	3.1%	\$278.1	-1.0%	\$290.0	4.3%	\$292.7	0.9%	\$295.1	0.8%	\$297.5	0.8%	\$299.9	0.8%	\$301.1	0.4%

1) Healthcare Related Taxes - Act 6 of 2019 (BAA) moved selected revenue sources from the State Health Care Resources Fund to the General Fund, effective in FY20. With the exception of the cigarette, tobacco products and vaping tax, which has historically been part of the General Fund forecast, the forecasts for the other Healthcare related taxes are provided by the a healthcare consensus forecasting group, which includes JFO, F&M and AHS staff.

**TABLE 2A - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
SOURCE TRANSPORTATION FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - January 2022**

SOURCE T-FUND

revenues are prior to all E-Fund allocations
and other out-transfers; used for
analytic and comparative purposes only

	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%	FY2024	%	FY2025	%	FY2026	%	FY2027	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
REVENUE SOURCE																				
Gasoline	\$78.2	0.0%	\$77.8	-0.5%	\$71.0	-8.7%	\$67.3	-5.3%	\$72.4	7.6%	\$75.9	4.8%	\$77.0	1.4%	\$76.8	-0.3%	\$76.2	-0.8%	\$75.5	-0.9%
Diesel****	\$18.9	3.6%	\$18.6	-1.6%	\$17.9	-3.5%	\$17.9	0.2%	\$18.8	4.8%	\$19.4	3.2%	\$19.7	1.5%	\$19.9	1.0%	\$20.1	1.0%	\$20.3	1.0%
Purchase and Use*	\$109.4	6.0%	\$111.8	2.2%	\$105.4	-5.7%	\$134.1	27.2%	\$141.3	5.4%	\$142.5	0.8%	\$136.9	-3.9%	\$130.7	-4.5%	\$133.5	2.1%	\$137.3	2.8%
Motor Vehicle Fees	\$86.0	-0.3%	\$85.4	-0.7%	\$83.6	-2.1%	\$87.6	4.7%	\$88.9	1.5%	\$90.0	1.2%	\$90.8	0.9%	\$91.8	1.1%	\$92.5	0.8%	\$93.4	1.0%
Other Revenue**	\$23.0	15.3%	\$24.6	7.0%	\$21.3	-13.5%	\$20.5	-3.4%	\$21.8	6.2%	\$23.0	5.5%	\$23.7	3.0%	\$24.4	3.0%	\$25.1	2.9%	\$25.8	2.8%
TOTAL TRANS. FUND	\$315.4	3.1%	\$318.2	0.9%	\$299.2	-6.0%	\$327.4	9.4%	\$343.2	4.8%	\$350.8	2.2%	\$348.1	-0.8%	\$343.6	-1.3%	\$347.4	1.1%	\$352.3	1.4%

**TABLE 2 - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
AVAILABLE TRANSPORTATION FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - January 2022**

CURRENT LAW BASIS

including all Education Fund
allocations and other out-transfers

	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%	FY2024	%	FY2025	%	FY2026	%	FY2027	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
REVENUE SOURCE																				
Gasoline	\$78.2	0.0%	\$77.8	-0.5%	\$71.0	-8.7%	\$67.3	-5.3%	\$72.4	7.6%	\$75.9	4.8%	\$77.0	1.4%	\$76.8	-0.3%	\$76.2	-0.8%	\$75.5	-0.9%
Diesel	\$18.9	3.6%	\$18.6	-1.6%	\$17.9	-3.5%	\$17.9	0.2%	\$18.8	4.8%	\$19.4	3.2%	\$19.7	1.5%	\$19.9	1.0%	\$20.1	1.0%	\$20.3	1.0%
Purchase and Use ¹	\$73.0	6.0%	\$74.5	2.2%	\$70.3	-5.7%	\$89.4	27.2%	\$94.2	5.4%	\$95.0	0.8%	\$91.3	-3.9%	\$87.1	-4.5%	\$89.0	2.1%	\$91.5	2.8%
Motor Vehicle Fees	\$86.0	-0.3%	\$85.4	-0.7%	\$83.6	-2.1%	\$87.6	4.7%	\$88.9	1.5%	\$90.0	1.2%	\$90.8	0.9%	\$91.8	1.1%	\$92.5	0.8%	\$93.4	1.0%
Other Revenue ²	\$23.0	15.3%	\$24.6	7.0%	\$21.3	-13.5%	\$20.5	-3.4%	\$21.8	6.2%	\$23.0	5.5%	\$23.7	3.0%	\$24.4	3.0%	\$25.1	2.9%	\$25.8	2.8%
TOTAL TRANS. FUND	\$279.0	2.8%	\$280.9	0.7%	\$264.1	-6.0%	\$282.7	7.0%	\$296.1	4.7%	\$303.3	2.4%	\$302.5	-0.3%	\$300.0	-0.8%	\$302.9	1.0%	\$306.5	1.2%
OTHER (TIB³)																				
TIB Gasoline	\$12.9	2.2%	\$14.6	13.1%	\$12.7	-12.8%	\$10.2	-19.5%	\$14.80	44.8%	\$15.35	3.7%	\$15.49	0.9%	\$16.02	3.4%	\$16.50	3.0%	\$16.97	2.8%
TIB Diesel and Other ⁴	\$2.0	16.1%	\$2.1	3.7%	\$2.0	-2.5%	\$1.9	-4.5%	\$2.04	6.6%	\$2.10	2.9%	\$2.13	1.4%	\$2.16	1.4%	\$2.17	0.5%	\$2.19	0.9%
TOTAL OTHER (TIB)	\$14.9	2.4%	\$16.6	11.9%	\$14.7	-11.6%	\$12.1	-17.5%	\$16.8	38.8%	\$17.5	3.6%	\$17.6	1.0%	\$18.2	3.2%	\$18.7	2.7%	\$19.2	2.6%

1) As of FY04, includes Motor Vehicle Rental tax revenue.

2) Beginning in FY07, includes Stabilization Reserve interest; FY08 data includes \$3.76M transfer from G-Fund for prior Jet Fuel tax processing errors and inclusion of this tax in subsequent years.

3) Transportation Infrastructure Bond revenues

4) Includes TIB Fund interest income (which has never exceeded \$85,000 per year); Includes FY17 adjustment of \$215,000 from reported TIB Diesel revenue to Diesel revenue due to a data entry error

**TABLE 3 - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
AVAILABLE EDUCATION FUND¹ REVENUE FORECAST UPDATE
(Partial Education Fund Total - Includes Source General and Transportation Fund Allocations Only)
Consensus JFO and Administration Forecast - January 2022**

CURRENT LAW BASIS

Source General and Transportation

Fund taxes allocated to or associated
with the Education Fund only

	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%	FY2024	%	FY2025	%	FY2026	%	FY2027	%
	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
GENERAL FUND																				
Meals and Rooms	\$0.0	NM	\$45.5	NM	\$40.9	-10.1%	\$36.0	-12.1%	\$49.4	37.4%	\$51.6	4.4%	\$53.5	3.8%	\$55.5	3.7%	\$57.5	3.6%	\$59.5	3.5%
Sales & Use ²	\$139.2	5.6%	\$412.5	196.3%	\$432.5	4.8%	\$507.6	17.4%	\$538.7	6.1%	\$556.1	3.2%	\$560.3	0.8%	\$567.6	1.3%	\$578.5	1.9%	\$592.7	2.5%
Interest	\$0.5	30.3%	\$0.7	38.1%	\$0.8	23.9%	\$0.1	-87.1%	\$0.10	-7.2%	\$0.20	100.0%	\$0.3	50.0%	\$0.5	66.7%	\$0.6	20.0%	\$0.7	16.7%
Lottery	\$27.1	6.4%	\$29.5	8.6%	\$26.8	-9.0%	\$32.5	21.2%	\$32.3	-0.6%	\$32.9	1.9%	\$33.5	1.8%	\$34.0	1.5%	\$34.4	1.2%	\$34.8	1.2%
TRANSPORTATION FUND																				
Purchase and Use ³	\$36.5	6.0%	\$37.3	2.2%	\$35.1	-5.7%	\$44.7	27.2%	\$47.1	5.4%	\$47.5	0.8%	\$45.6	-3.9%	\$43.6	-4.5%	\$44.5	2.1%	\$45.8	2.8%
TOTAL EDUCATION FUND	\$203.3	5.8%	\$525.4	158.4%	\$536.2	2.0%	\$620.9	15.8%	\$667.6	7.5%	\$688.3	3.1%	\$693.2	0.7%	\$701.2	1.1%	\$715.5	2.0%	\$733.5	2.5%

1) Includes only General and Transportation Fund taxes allocated to the Education Fund.

This Table excludes all Education Fund property taxes, which are updated in October/November of each year and are the largest Education Fund tax sources.

2) Includes Telecommunications Tax; Includes \$1.25M transfer to T-Fund in FY08 for prior Jet Fuel Tax processing errors;

Transfer percentage from the General Fund increases from 33.3% to 35.0% effective in FY14 and to 100.0% beginning in FY19; Includes Cannabis Sales tax revenues beginning in FY23

3) Includes Motor Vehicle Rental revenues, restated