



Monthly Revenue Release

Agency of Administration
November 22, 2019

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Montpelier, VT - Secretary of Administration Susanne Young releases Vermont's revenue results for October 2019. General Funds were above target for the month, Education Funds were on target, and Transportation Funds were below target.

Revenue collections for the month of October 2019 have been compiled. "General Fund receipts were 2.44% above the consensus cash flow target for the month; Education Fund receipts were on target; and Transportation Fund revenues were below expectations," stated Secretary Young.

General Fund revenues collected for the month totaled \$130.23 million, or \$3.10 million above the monthly consensus revenue target, which is tied to the annual consensus revenue forecast adopted by the Emergency Board on July 29, 2019. In particular, personal income tax performed above expectations by \$3.99 million.

"While pleased with the better than expected revenue coming into the General Fund," Secretary Young noted, "as we build the budget for presentation to the Legislature in January, it is clear that should any revenue upgrade be recognized by the Emergency Board in January, it will be quickly absorbed by ongoing operational costs of government. The gap, to date, between the revenues forecast for FY 2021 and anticipated growth in spending required to meet current services obligations, is approximately \$55 million. Adding in the initial budget requests for increased general fund spending for program need, the gap to date grows to over \$70 million."

The Transportation Fund was 4.06%, or -\$0.99 million, short of expectations for the month bringing in \$23.38 million. All sources within the Transportation Fund performed below expectations this month with the exception of motor vehicle fees, which met expectations. Year-to-date, the Transportation Fund is \$1.03 million, or 1.07%, below the consensus forecast.

The Education Fund was essentially on target having collected \$50.53 million for the month, which was \$0.06 million, or +0.12%, ahead of the forecast. Sales and use tax and meals and rooms tax performed above expectations, while motor vehicle purchase and use tax and lottery revenues performed below expectations. Year-to-date, the Education Fund is just \$0.51 million, or 0.27%, above consensus forecast.

Note: Adjusting for redirection of certain health care-related taxes under Act 6 of 2019 and redistribution of the meals and rooms tax under Act 76 of 2019, for comparison purposes only, in the accompanying General Fund tables, the year-to-date revenues for October 2019 (FY 2020) represent changes of +3.14%, -1.36%, and +8.03% for the General Fund, Transportation Fund, and Education Fund, respectively, from the same period in FY 2019.

State of Vermont Revenue, by Major Fund

Month: October

vs. Consensus Revenue Forecast Target

FY: 2020

General Fund By Major Element (In Millions)*

Tax Component	Month				Fiscal YTD				Prior Fiscal YTD Restated (1&2)		
	Target	Revenue	\$ Change	% Change	Target	Revenue	\$ Change	% Change	Revenue	\$ Change	% Change
Personal Income	74.39	78.38	3.99	5.36%	271.56	283.09	11.53	4.24%	265.75	17.34	6.53%
Corporate	3.76	3.69	-0.08	-2.02%	29.68	30.82	1.14	3.84%	33.92	-3.11	-9.16%
Meals & Room (1)	12.92	12.01	-0.91	-7.03%	53.02	51.94	-1.08	-2.04%	49.29	2.65	5.38%
Insurance Premium	0.51	0.57	0.06	12.49%	8.74	8.98	0.24	2.69%	9.23	-0.25	-2.69%
Inheritance & Estate	1.64	2.32	0.67	41.02%	7.09	8.32	1.22	17.26%	3.96	4.36	110.09%
Real Prop. Transfer	1.62	1.53	-0.09	-5.51%	5.09	4.65	-0.44	-8.61%	4.99	-0.34	-6.74%
State Health Care Taxes (2)	24.44	25.70	1.26	5.17%	89.03	92.36	3.34	3.75%	90.25	2.12	2.35%
Other	7.84	6.03	-1.81	-23.11%	29.95	27.67	-2.27	-7.59%	34.97	-7.30	-20.87%
Total	127.13	130.23	3.10	2.44%	494.16	507.83	13.67	2.77%	492.35	15.48	3.14%

*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	6.63	6.35	-0.29	-4.32%	27.81	27.26	-0.55	-1.99%	27.54	-0.28	-1.01%
Diesel Fuel	1.57	1.55	-0.02	-1.13%	6.25	6.41	0.17	2.64%	6.31	0.10	1.58%
MV Purchase & Use	7.01	6.67	-0.34	-4.87%	26.54	26.49	-0.05	-0.17%	26.24	0.25	0.96%
Motor Vehicle Fees	7.11	7.11	0.00	0.03%	28.13	29.20	1.07	3.81%	28.53	0.67	2.34%
Other	2.04	1.70	-0.35	-16.93%	7.88	6.20	-1.67	-21.23%	8.26	-2.06	-24.93%
Total	24.37	23.38	-0.99	-4.06%	96.60	95.57	-1.03	-1.07%	96.88	-1.32	-1.36%

Note:

TIB Fuel Fees/Gasoline	1.30	1.15	-0.15	-11.73%	5.31	4.93	-0.38	-7.17%	5.14	-0.22	-4.23%
TIB Fuel Fees/Diesel	0.17	0.17	0.00	-2.14%	0.67	0.68	0.01	1.37%	0.69	0.00	-0.47%

*Differences due to rounding

Education Fund By Major Element (In Millions)*

Non-Property Tax Component	Month				Fiscal YTD				Prior Fiscal YTD Restated (1&2)		
	Target	Revenue	\$ Change	% Change	Target	Revenue	\$ Change	% Change	Revenue	\$ Change	% Change
Sales & Use	40.39	41.01	0.63	1.55%	150.75	151.54	0.79	0.52%	138.71	12.82	9.25%
Meals & Room	4.31	4.35	0.05	1.05%	17.67	17.66	-0.01	-0.07%	16.75	0.91	5.42%
MV Purchase & Use	3.51	3.34	-0.17	-4.87%	13.27	13.25	-0.02	-0.17%	13.12	0.13	0.96%
Lottery Transfer	2.15	1.74	-0.41	-18.93%	7.85	7.53	-0.31	-4.01%	7.41	0.13	1.71%
Investment Income	0.13	0.09	-0.04	-28.97%	0.40	0.48	0.08	19.03%	0.30	0.18	59.32%
Total	50.47	50.53	0.06	0.12%	189.95	190.46	0.51	0.27%	176.30	14.16	8.03%

*Differences due to rounding

(1) FY19 Meals and Rooms is restated here to reflect a 6% reduction (per Act 76) to provide a basis for comparison with fiscal year 2020 receipts.

(2) FY19 healthcare revenue is restated here to reflect a monthly distribution throughout fiscal year 2019 to provide a basis for comparison with fiscal year 2020 receipts.

State of Vermont

**Comparative Statement of Revenues
General Fund
As of October 31, 2019**

	<u>Total to Date Last Year</u>	<u>Total to Date This Year</u>	<u>% of Change</u>
Taxes			
Personal Income Tax	265,747,026	283,090,955	6.5%
Sales & Use Tax	0	0	0.0%
Corporate Income Tax	33,924,365	30,816,363	-9.2%
Meals & Rooms Tax	50,262,857	51,940,091	3.3%
Liquor & Wine Tax	6,377,071	684,171	-89.3%
Insurance Premium	9,225,745	8,977,151	-2.7%
Telephone Gross Receipts	107,843	104,220	-3.4%
Telephone Property Tax	1,347,140	1,061,458	-21.2%
Beverage Tax	2,549,024	2,604,483	2.2%
Electric Generating	0	0	0.0%
Inheritance & Estate Tax	3,958,800	8,317,213	110.1%
Real Property Transfer Tax	4,990,457	4,654,231	-6.7%
Bank Franchise Tax	4,150,376	4,185,602	0.8%
All Other Taxes	1,040,723	313,012	-69.9%
Total Taxes	383,681,427	396,748,951	3.4%
Other Revenues			
Business Licenses	36,056	42,914	19.0%
Fees	15,528,661	14,528,191	-6.4%
Services	938,772	759,240	-19.1%
Fines, Forfeits & Penalties	806,180	2,084,303	158.5%
Interest, Prem	1,870,248	1,102,041	-41.1%
Special Assessments	0	0	0.0%
All Other Revenues	221,593	204,213	-7.8%
Total Other Revenues	19,401,511	18,720,902	-3.5%
Health Care Revenues			
Health Care Taxes and Assessments	0	92,363,671	100.0%
Total General Fund	403,082,938	507,833,525	26.0%

**Comparative Statement of Revenues
Transportation Fund
As of October 31, 2019**

	<u>Total to Date Last Year</u>	<u>Total to Date This Year</u>	<u>% of Change</u>
Non-Dedicated			
Taxes			
Gasoline	27,539,950	27,261,884	-1.0%
Diesel Fuel	6,311,783	6,411,743	1.6%
MV Purchase & Use	26,237,274	26,490,414	1.0%
Total Taxes	60,089,006	60,164,041	0.1%
Other Revenues			
Motor Vehicle Fees	28,531,019	29,197,344	2.3%
Other	8,263,311	6,203,669	-24.9%
Total Other Revenues	36,794,330	35,401,014	-3.8%
Total Non-Dedicated	96,883,336	95,565,055	-1.4%
Dedicated			
Federal Aid	127,493,355	136,045,977	6.7%
Infrastructure Bond Fund Reven	5,830,772	5,609,822	-3.8%
Transportation Impact Fee	85,989	127,678	48.5%
Other	706,537	1,758,148	148.8%
Total Dedicated	134,116,652	143,541,625	7.0%
Total Transportation Fund	230,999,989	239,106,680	3.5%

**Comparative Statement of Revenues
Education Fund
As of October 31, 2019**

	<u>Total to Date Last Year</u>	<u>Total to Date This Year</u>	<u>% of Change</u>
Non-Dedicated			
Estimated Revenues:			
Sales & Use Tax	138,714,701	151,539,027	9.2%
Meals & Rooms Tax	16,754,286	17,661,581	5.4%
Purchase & Use Tax	13,118,637	13,245,207	1.0%
Lottery Transfer	7,408,355	7,534,702	1.7%
Investment Income	301,300	480,020	59.3%
Total estimated revenues	<u>176,297,278</u>	<u>190,460,537</u>	<u>8.0%</u>
Other Revenues:			
Education Property Taxes	191,631	464,571	142.4%
Electric Energy Educ Prop Tax	0	0	0.0%
Uniform Capacity Tax	184,607	38,752	-79.0%
Medicaid Reimbursement	0	0	0.0%
All Other Revenues	277,450	198,884	-28.3%
Total other revenues	<u>653,688</u>	<u>702,208</u>	<u>7.4%</u>
Total Education Fund	<u><u>176,950,967</u></u>	<u><u>191,162,744</u></u>	<u><u>8.0%</u></u>