



**State of Vermont**  
**Agency of Administration**  
**Office of the Secretary**  
Pavilion Office Building  
109 State Street  
Montpelier, VT 05609-0201  
[www.adm.state.vt.us](http://www.adm.state.vt.us)

[phone] 802-828-3322  
[fax] 802-828-3320

*Jeb Spaulding, Secretary*

PRESS RELEASE

November 13, 2012

FOR IMMEDIATE RELEASE

CONTACT: Jeb Spaulding  
(802) 828-3322

**Montpelier, VT - Secretary of Administration Jeb Spaulding Announces Vermont's Revenue Results for October 2012; General Fund and Education Fund Below Monthly Target; Transportation Fund Above Target for the Month.**

**General Fund**

Secretary of Administration Jeb Spaulding released the October 2012 General Fund (GF) Revenue results today. October is the fourth month of fiscal year (FY) 2013. General Fund revenues totaled \$102.67 million for October 2012, and were -\$2.49 million or -2.37% below the \$105.16 million consensus revenue forecast for the month. Year to date, General Fund revenues were \$405.15 million, and -\$2.23 million or -0.55% short of the cumulative target of \$407.38 million.

Secretary Spaulding commented, "Revenues for the fiscal year so far seem to be consistent with a slowly recovering economy. FY 12 General Fund receipts for the first four months of fiscal year 2012 exceed 2011 receipts for the same period by 2.82%. However, the General Fund fell shy of its monthly target by about 2.4% and personal income tax receipts have underperformed for the last three months. The underperformance in this, the largest single revenue category, is worth noting. We are monitoring receipts, particularly in the PI Withholding component, closely to determine whether this is a timing issue or a trend that will impact the January consensus revenue revision."

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

Personal Income Tax (PI) receipts are the largest single state revenue source providing approximately 50% of total GF revenue. PI Tax receipts are reported Net-of-Personal Income Tax refunds. Net Personal Income Tax is comprised of PI Withholding Tax, PI Estimated Payments, PI Refunds Paid, and PI Other. Net PI Receipts for October were recorded at \$52.00 million, -\$1.82 million or -3.38% below the monthly target of \$53.82 million. Year to date, Net PI Receipts were \$198.36 million, -\$9.12 million or -4.39% behind target.

Corporate Income Taxes are also reported net-of refunds. October Net Corporate Income Tax receipts were \$5.35 million, +\$2.03 million or +60.90% above the monthly target of \$3.33 million. Year to date Corporate receipts were \$27.07 million, +\$4.07 million or +17.72% above target. Compared to the same period for the prior fiscal year (FY 2012), Corporate Income Tax receipts were -11.19% below the prior year.

Consumption tax results for October were mixed: Sales & Use Tax receipts of \$20.55 million were behind target by -\$1.11 million (-5.11%); Rooms & Meals Tax receipts of \$12.07 million exceeded target by +\$0.47 million (+4.09%). Year to date, Sales & Use Tax receipts of \$79.56 million fell -\$0.38 million below the target of \$79.93 million. Cumulative Rooms & Meals Tax of \$49.68 million remain above target by +1.30%. Sales & Use Tax and Rooms & Meals Tax both exceed receipts for the prior year by +4.01% and +6.91% respectively.

The remaining non-major tax components include Insurance, Inheritance & Estate Tax, Real Property Transfer Tax, and “Other” (which includes: Bank Franchise Tax, Telephone Tax, Liquor Tax, Beverage Tax, Fees, and Other Taxes). The results for the remaining non-major categories for October were as follows: Insurance Tax, \$0.30 million (-17.23%); Inheritance & Estate Tax, \$1.50 (-5.25%); Property Transfer Tax, \$0.91 million (+16.90%); and “Other”, \$9.99 million (-17.04%). The year to date October results for the remaining non-major categories were: Insurance Tax, \$8.64 million (+0.87%); Inheritance & Estate Tax, \$8.97 (+41.65%); Property Transfer Tax, \$3.40 million (+2.98%); and “Other”, \$29.47 million (-0.86%). Cumulatively, the total non-major component receipts of \$50.48 million exceeded the prior year total by +\$5.93 million, or +13.31%.

**General Fund By Major Element (In Millions)\***

Tax Component	Month				Fiscal YTD				Prior Fiscal YTD		
	Target	Revenue	\$ Change	% Change	Target	Revenue	\$ Change	% Change	Revenue	\$ Change	% Change
Personal Income	53.82	52.00	-1.82	-3.38%	207.47	198.36	-9.12	-4.39%	196.04	2.31	1.18%
Sales & Use	21.65	20.55	-1.11	-5.11%	79.93	79.56	-0.38	-0.47%	76.49	3.07	4.01%
Corporate	3.33	5.35	2.03	60.90%	23.00	27.07	4.07	17.72%	30.48	-3.41	-11.19%
Meals & Room	11.59	12.07	0.47	4.09%	49.04	49.68	0.64	1.30%	46.47	3.21	6.91%
Insurance Premium	0.36	0.30	-0.06	-17.23%	8.57	8.64	0.07	0.87%	8.57	0.07	0.85%
Inheritance & Estate	1.59	1.50	-0.08	-5.25%	6.33	8.97	2.64	41.65%	6.60	2.37	35.97%
Real Prop. Transfer	0.78	0.91	0.13	16.90%	3.30	3.40	0.10	2.98%	3.02	0.38	12.72%
Other	12.05	9.99	-2.05	-17.04%	29.73	29.47	-0.26	-0.86%	26.37	3.10	11.76%
<b>Total</b>	<b>105.16</b>	<b>102.67</b>	<b>-2.49</b>	<b>-2.37%</b>	<b>407.38</b>	<b>405.15</b>	<b>-2.23</b>	<b>-0.55%</b>	<b>394.04</b>	<b>11.11</b>	<b>2.82%</b>

\*Differences due to rounding

## Transportation Fund

The non-dedicated Transportation Fund Revenue for October was also reported on by Secretary Spaulding. Total non-dedicated Transportation Fund receipts of \$20.63 million for the month exceeded the target by +\$1.08 million (+5.52%), against the monthly target of \$19.55 million. This above target result for the month recouped just over 50% of the prior month’s cumulative shortfall. The October year to date Transportation Fund receipts of \$76.19 million remain short of the \$77.24 million target by -\$1.05 million or -1.36%. Compared to FY 2012, year to date October Transportation Funds receipts exceed the prior year by +\$3.54 million or +4.87% for the same period.

Individual Transportation Fund revenue receipts components for October were mixed: Gasoline Tax, \$5.38 million or +3.80% ahead of target; Diesel Tax, \$1.42 million or -15.15% below target; Motor Vehicle Purchase & Use Tax, \$5.15 million or +6.55% above target; Motor Vehicle Fees, \$6.87 million or +6.43% ahead of target; and Other Fees, \$1.81 million or +28.62% in excess of the monthly target. Year to date results for the individual Transportation Fund revenue components for October were below target across the board: Gasoline Tax, \$20.83 million or -2.73% below target; Diesel Tax, \$4.86 million or -6.38% behind target; Motor Vehicle Purchase & Use Tax, \$18.74 million or -1.14% short of target; Motor Vehicle Fees, \$25.50 million or -0.78% short of target; and Other Fees, \$6.25 million or +4.68 above the monthly target.

Secretary Spaulding said, “It was nice to have a bounce back in the Transportation Fund in October, with the Gas Tax having its first above target performance of this fiscal year. However, we are still a little behind overall T-Fund projections for the year and Gasoline Tax receipts are actually 2.2% less year to date, compared to last fiscal year.”

The Secretary also reported on the results for the Transportation Infrastructure Bond Fund (“TIB”). TIB Fund Gas receipts for October were \$1.90 million or +5.96% ahead of the monthly target; year to date TIB Gas receipts were \$7.60 million or +1.27% above target. TIB Fund Diesel receipts for the month were \$0.16 million or -20.43% short of the monthly target; year to date TIB Diesel receipts were \$0.46 million or -28.76% short of target. The year to date TIB results were +1.91% above and -17.37% behind the TIB Fund Gas receipts and TIB Diesel receipts, respectively for from the prior year (FY 2012). TIB Fund receipts are noted below the following table:

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

Tax Component	Month				Fiscal YTD				Prior Fiscal YTD		
	Target	Revenue	\$ Change	% Change	Target	Revenue	\$ Change	% Change	Revenue	\$ Change	% Change
Gasoline	5.18	5.38	0.20	3.80%	21.41	20.83	-0.59	-2.73%	21.30	-0.47	-2.20%
Diesel Fuel	1.67	1.42	-0.25	-15.15%	5.19	4.86	-0.33	-6.38%	4.77	0.10	2.00%
MV Purchase & Use	4.84	5.15	0.32	6.55%	18.96	18.74	-0.22	-1.14%	17.73	1.01	5.68%
Motor Vehicle Fees	6.45	6.87	0.42	6.43%	25.70	25.50	-0.20	-0.78%	23.34	2.16	9.25%
Other	1.41	1.81	0.40	28.62%	5.98	6.25	0.28	4.68%	5.51	0.74	13.48%
<b>Total</b>	<b>19.55</b>	<b>20.63</b>	<b>1.08</b>	<b>5.52%</b>	<b>77.24</b>	<b>76.19</b>	<b>-1.05</b>	<b>-1.36%</b>	<b>72.65</b>	<b>3.54</b>	<b>4.87%</b>

**Note:**

TIB Fuel Fees/Gasoline	1.79	1.90	0.11	5.96%	7.50	7.60	0.10	1.27%	7.45	0.14	1.91%
TIB Fuel Fees/Diesel	0.21	0.16	-0.04	-20.43%	0.65	0.46	-0.19	-28.76%	0.56	-0.10	-17.37%

\*Differences due to rounding

## Education Fund

Secretary Spaulding also released the “non-Property Tax” Education Fund revenues (which constitute approximately 13% of the total Education Fund sources) today. The non-Property Tax Education Fund receipts for October totaled \$14.86 million, or -\$0.04 million (-0.30%) below the \$14.90 million target for the month. Year to date, non-Property Tax Education Fund receipts were \$55.49 million, or -0.68% short of the year to date target. The individual Education Fund revenue component results for October were: Sales & Use Tax, \$10.27 million, or -5.10% below target; Motor Vehicle Purchase & Use Tax, \$2.62 million or +8.39%; Lottery Transfer, \$1.96 million or +19.61% above target; Education Fund Interest for October was less than \$0.01 million. Year to date receipts by component were: Sales & Use Tax, \$39.78 million, or -0.47%

short of target; Motor Vehicle Purchase & Use Tax, \$9.37 million or -1.14%; Lottery Transfer, \$6.30 million or -1.67% below target; year to date Education Fund Interest was less than \$0.04 million against a target under \$0.02 million. As compared to prior year, FY 2013 year to date non-Property Tax Education Fund receipts are 4.75% ahead of the FY 2012 results for the same period.

**Education Fund By Major Element (In Millions)\***

Non-Property Tax Component	Month				Fiscal YTD				Prior Fiscal YTD		
	Target	Revenue	\$ Change	% Change	Target	Revenue	\$ Change	% Change	Revenue	\$ Change	% Change
Sales & Use	10.83	10.27	-0.55	-5.10%	39.97	39.78	-0.19	-0.47%	38.24	1.53	4.02%
MV Purchase & Use	2.42	2.62	0.20	8.39%	9.48	9.37	-0.11	-1.14%	8.87	0.50	5.68%
Lottery Transfer	1.64	1.96	0.32	19.61%	6.41	6.30	-0.11	-1.67%	5.84	0.46	7.84%
Investment Income	0.02	0.01	-0.02	-69.94%	0.02	0.04	0.02	130.87%	0.02	0.02	106.72%
<b>Total</b>	<b>14.90</b>	<b>14.86</b>	<b>-0.04</b>	<b>-0.30%</b>	<b>55.87</b>	<b>55.49</b>	<b>-0.38</b>	<b>-0.68%</b>	<b>52.97</b>	<b>2.52</b>	<b>4.75%</b>

\*Differences due to rounding

## Conclusion

Secretary Spaulding concluded, “On a macro level, after four months in this fiscal year, we are tracking very close to projected revenue collections and moderately ahead of revenue collections for last year. Looking more closely raises some questions that require careful analysis and monitoring, specifically related to the recent performance of the Personal Income Tax and long term expectations for the Gas Tax. I expect these will be topics of interest in the coming months and legislative session.”

## Attachments

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

**Note:** Minor differences in figures are due to rounding.

**Comparative Statement of Revenues  
General Fund  
As of October 31, 2012**

**General Fund Schedule 2**

	<u>Total to Date Last Year</u>	<u>Total to Date This Year</u>	<u>% of Change</u>
<b>Taxes</b>			
Personal Income	196,043,650	198,357,459	1.18%
Sales & Use	76,488,860	79,557,870	4.01%
Corporate	30,480,302	27,069,787	-11.19%
Meals & Room	46,471,833	49,681,097	6.91%
Liquor & Wine	5,555,875	5,597,935	0.76%
Insurance Premium	8,571,580	8,644,755	0.85%
Telephone Gross Receipts	106,169	101,181	-4.70%
Telephone Property	2,247,446	2,328,410	3.60%
Beverage	2,192,593	2,233,351	1.86%
Electric Generating	732,053	3,239,613	342.54%
Inheritance & Estate	6,595,703	8,967,891	35.97%
Real Property Transfer	3,016,338	3,400,130	12.72%
Bank Franchise	5,414,862	5,162,689	-4.66%
All Other Taxes	443,485	741,219	67.14%
<b>Total Taxes</b>	<b><u>384,360,748</u></b>	<b><u>395,083,387</u></b>	<b><u>2.79%</u></b>
<b>Other Revenues</b>			
Business Licenses	413,722	354,002	-14.43%
Fees	6,553,750	6,866,625	4.77%
Services	644,422	908,874	41.04%
Fines, Forfeits & Penalties	1,812,114	1,538,266	-15.11%
Interest, Prem	(39,070)	89,054	327.94%
Special Assessments	0	0	0.00%
All Other Revenues	293,195	309,301	5.49%
<b>Total Other Revenues</b>	<b><u>9,678,133</u></b>	<b><u>10,066,122</u></b>	<b><u>4.01%</u></b>
<b>Total General Fund</b>	<b><u><u>394,038,881</u></u></b>	<b><u><u>405,149,509</u></u></b>	<b><u><u>2.82%</u></u></b>

Date: November 02, 2012

**Comparative Statement of Revenues  
Transportation Fund  
As of October 31, 2012**

**T Fund Detail Schedule 2**

	<u>Total to Date Last Year</u>	<u>Total to Date This Year</u>	<u>% of Change</u>
<b>Non-Dedicated</b>			
<b>Taxes</b>			
Gasoline	21,297,103	20,829,008	-2.20%
Diesel Fuel	4,766,809	4,862,199	2.00%
MV Purchase & Use	<u>17,733,505</u>	<u>18,741,325</u>	5.68%
<b>Total Taxes</b>	<b><u>43,797,417</u></b>	<b><u>44,432,532</u></b>	<b>1.45%</b>
<b>Other Revenues</b>			
Motor Vehicle Fees	23,344,573	25,503,376	9.25%
Other	<u>5,512,138</u>	<u>6,254,943</u>	13.48%
<b>Total Other Revenues</b>	<b><u>28,856,711</u></b>	<b><u>31,758,318</u></b>	<b>10.06%</b>
<b>Total Non-Dedicated</b>	<b><u>72,654,128</u></b>	<b><u>76,190,851</u></b>	<b>4.87%</b>
<b>Dedicated</b>			
Federal Aid	109,681,568	131,461,817	19.86%
Infrastructure Bond Fund Revenue	8,016,836	8,060,563	0.55%
Other	<u>2,182,710</u>	<u>1,215,698</u>	-44.30%
<b>Total Dedicated</b>	<b><u>119,881,115</u></b>	<b><u>140,738,078</u></b>	<b>17.40%</b>
<b>Total Transportation Fund</b>	<b><u>192,535,242</u></b>	<b><u>216,928,929</u></b>	<b>12.67%</b>

Note: Revenue Estimates are fiscal year total estimates.

Prepared by Department of Finance & Management

Date: November 02, 2012

**Comparative Statement of Revenues  
Education Fund  
As of October 31, 2012**

**Education Fund Schedule 2**

	<u>Total to Date Last Year</u>	<u>Total to Date This Year</u>	<u>% of Change</u>
<b>Non-Dedicated</b>			
<b>Estimated Revenues:</b>			
Sales & Use	38,243,856	39,778,338	4.01%
Purchase & Use	8,866,753	9,370,662	5.68%
Lottery Transfer	5,840,861	6,298,585	7.84%
Investment Income	18,499	38,130	106.12%
<b>Total estimated revenues</b>	<b><u>52,969,969</u></b>	<b><u>55,485,716</u></b>	<b><u>4.75%</u></b>
<b>Other Revenues:</b>			
Education Property Taxes	(2,314,792)	(1,895,797)	18.10%
Electric Energy Educ Prop Tax	0	0	0.00%
Medicaid Reimbursement	0	0	0.00%
<b>Total other revenues</b>	<b><u>(2,314,792)</u></b>	<b><u>(1,895,797)</u></b>	<b><u>18.10%</u></b>
<b>Total Education Fund</b>	<b><u>50,655,177</u></b>	<b><u>53,589,919</u></b>	<b><u>5.79%</u></b>

Note: Revenue Estimates are fiscal year total estimates.

Prepared by Department of Finance & Management

Date: November 02, 2012