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To: Legislative Budget Committee

STATE GENERAL FUND RECEIPTS

FY 2008

The Legislative Research Department recently received from the Division of Accounts and Reports information on the total State General Fund (SGF) receipts from FY 2008.

Total receipts to the SGF were \$41.4 million, or 0.7 percent, below the final adjusted estimate (which includes any legislation enacted after the Consensus Revenue estimate). Taxes only in FY 2008 were \$60.1 million, or 1.0 percent, below the adjusted estimate, most notably in lower-than-estimated individual and compensating use taxes.

Tax sources that exceeded the estimate by more than \$1.0 million were corporation income (\$12.1 million, or 2.9 percent), severance (\$7.8 million, or 5.5 percent), corporate franchise (\$5.7 million, or 13.8 percent), and cigarette (\$2.7 million, or 2.5 percent).

Tax sources falling below the adjusted estimate by more than \$1.0 million were individual income (\$50.3 million, or 1.7 percent), compensating use (\$25.7 million, or 9.5 percent), financial institutions (\$5.8 million, or 15.0 percent), estate (\$2.8 million, or 5.9 percent), motor carriers (\$1.5 million, or 4.8 percent), and insurance premiums (\$1.4 million, or 1.2 percent). The last quarter of individual income tax withholding grew at a rate of 1.8 percent above the same quarter in FY 2007. In the first three quarters of the fiscal year, individual income tax withholding grew at a rate of 7.5 percent above the same quarters in FY 2007. Individual income tax refunds were approximately \$15.0 million, or 3.7 percent, greater than expected. Compensating use tax receipts were down, in large part (approximately \$20.0 million), to unexpected refunds to a single taxpayer.

Interest receipts exceeded the estimate by \$7.3 million, or 7.0 percent. Net transfers were also above the estimate by \$9.5 million, while agency earnings were \$1.6 million, or 3.0 percent, above the estimated amount.

Total SGF receipts in FY 2008 were below total SGF receipts in FY 2007 by \$114.1 million, or 2.0 percent. Tax receipts only for FY 2008 exceeded FY 2007 tax receipts only by \$112.7 million, or 1.9 percent.

The December 2007 certificate of indebtedness of \$350 million was discharged or redeemed by the State General Fund on June 30, 2008, as required by law.

STATE GENERAL FUND RECEIPTS
FY 2008
(dollar amounts in thousands)

	Actual	FY 2008			Percent increase relative to:	
	FY 2007	Estimate*	Actual	Difference	FY 2007	Estimate
Property Tax:						
Motor Carriers	\$ 25,812	\$ 30,500	\$ 29,032	\$ (1,468)	12.5%	(4.8)%
Income Taxes:						
Individual	\$ 2,709,340	\$ 2,947,000	\$ 2,896,653	\$ (50,347)	6.9%	(1.7)%
Corporation	442,449	420,000	432,078	12,078	(2.3)	2.9
Financial Inst.	31,126	39,000	33,160	(5,840)	6.5	(15.0)
Total	\$ 3,182,915	\$ 3,406,000	\$ 3,361,891	\$ (44,109)	5.6%	(1.3)%
Estate Tax	\$ 55,620	\$ 47,000	\$ 44,247	\$ (2,753)	(20.4)%	(5.9)%
Excise Taxes:						
Retail Sales	\$ 1,766,768	\$ 1,712,000	\$ 1,711,398	\$ (602)	(3.1)%	0.0%
Comp. Use	284,981	272,000	246,277	(25,723)	(13.6)	(9.5)
Cigarette	115,282	110,000	112,705	2,705	(2.2)	2.5
Tobacco Prod.	5,305	5,600	5,548	(52)	4.6	(0.9)
Cereal Malt Bev.	2,091	2,200	2,228	28	6.6	1.3
Liquor Gallonage	17,053	17,600	17,579	(21)	3.1	(0.1)
Liquor Enforce.	47,138	50,500	49,983	(517)	6.0	(1.0)
Liquor Drink	8,567	9,200	8,903	(297)	3.9	(3.2)
Corp. Franchise	47,892	41,000	46,659	5,659	(2.6)	13.8
Severance	116,025	140,400	148,172	7,772	27.7	5.5
Gas	79,624	84,500	91,511	7,011	14.9	8.3
Oil	36,401	55,900	56,662	762	55.7	1.4
Total	\$ 2,411,103	\$ 2,360,500	\$ 2,349,452	\$ (11,048)	(2.6)%	(0.5)%
Other Taxes:						
Insurance Prem.	\$ 113,805	\$ 119,000	\$ 117,588	\$ (1,412)	3.3%	(1.2)%
Miscellaneous	5,493	4,500	5,233	733	(4.7)	16.3
Total	\$ 119,297	\$ 123,500	\$ 122,821	\$ (679)	3.0%	(0.5)%
Total Taxes	\$ 5,794,746	\$ 5,967,500	\$ 5,907,443	\$ (60,057)	1.9%	(1.0)%
Other Revenue:						
Interest	\$ 92,276	\$ 104,000	\$ 111,258	\$ 7,258	20.6%	7.0%
Transfers (net)	(142,446)	(387,459)	(377,653)	9,806	165.1	(2.5)
Agency Earnings and Misc.	64,467	52,300	53,875	1,575	(16.4)	3.0
Total	\$ 14,297	\$ (231,159)	\$ (212,519)	\$ 18,639	--	(8.1)%
TOTAL RECEIPTS	\$ 5,809,043	\$ 5,736,341	\$ 5,694,924	\$ (41,418)	(2.0)%	(0.7)%

* Consensus estimate as of April 16, 2008, as adjusted for legislation enacted after that date.

NOTES: Details may not add to totals due to rounding.