

Idaho General Fund Revenue Report

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The mid-summer revision of the FY 2012 General Fund revenue forecast is presented in this month's *Idaho General Fund Revenue Report*. The original FY 2012 forecast was published in the *General Fund Revenue Book, FY 2012*.

The revised FY 2012 General Fund forecast is \$2,601.3 million, which is \$79.8 million higher than the original FY 2012 forecast of \$2,521.5 million. The revised revenue forecast represents a 6.4% increase over the FY 2011 General Fund total of \$2,444.5 million.

The revised FY 2012 forecast incorporates several changes that have occurred since the original forecast was released in January 2011. First, the starting point of the revised forecast is \$85.3 million higher than the original forecast because FY 2011 actual General Fund revenues came in above its projection. Second, the new forecast is based upon an updated economic forecast that incorporates new information and a number of updated factors. The revised FY 2012 General Fund Revenue forecast is based on the July 2011 *Idaho Economic Forecast* and the original revenue forecast was prepared using the forecast released in January 2011. Third, the revised forecast includes the impacts of law changes made during the 2011 Idaho Legislative Session.

In the revised General Fund forecast, the Idaho individual income tax is forecast to rise 7.7% in FY 2012 to \$1,240.8 million. Idaho's corporate income tax is anticipated to be \$175.9 million, which is a 4.1% increase from FY 2011. The last of Idaho's "Big Three" General Fund revenue sources, the sales tax, is forecast to climb 7.3% in FY 2012 to \$1,043.8 million. Product taxes are expected to be \$43.1 million, or just 0.7% above the previous fiscal year. Miscellaneous revenues are forecast to fall 9.3% in FY 2012 to \$97.6 million. This decline reflects lower than expected contributions from the insurance premium tax, one-time transfers, and other departments and transfers.

General Fund collections for July 2011 were \$212.7 million, which is just \$0.5 million below the amount predicted in the revised General Fund forecast. Actual collections varied by revenue category. The individual income tax was right on target. Interestingly, the two largest misses for the month nearly cancelled each other out. The sales tax was \$1.6 million below its predicted amount, while miscellaneous revenue topped its forecast by \$1.9 million. In addition, the corporate income tax came in \$0.7 million short in July and product taxes were \$0.1 million below its projected amount.

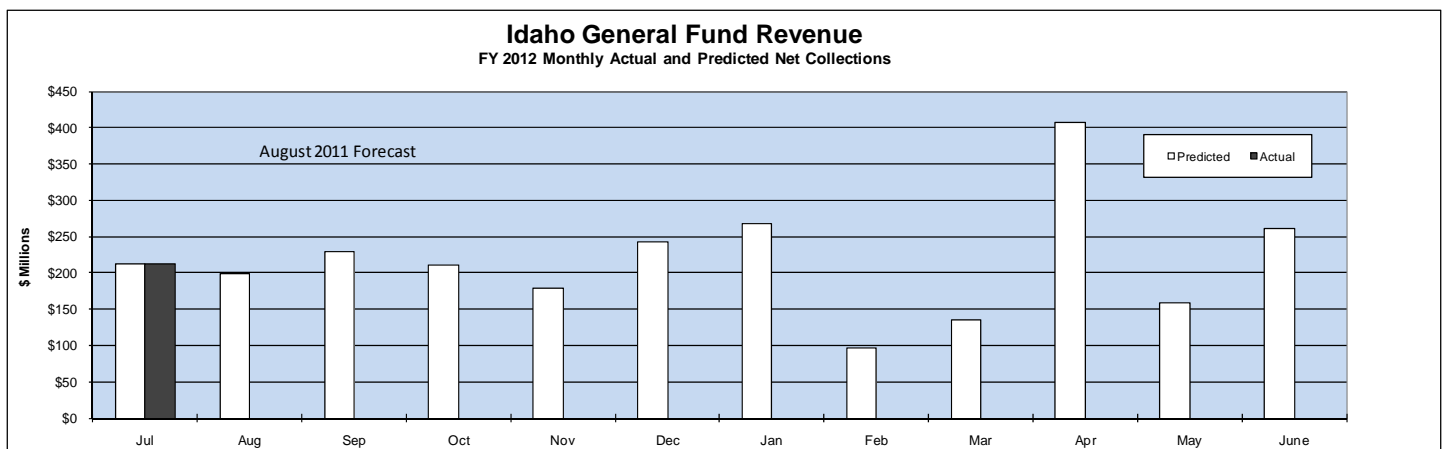
Individual income tax filing collections of \$5.8 million were \$0.2 million above the

amount projected for July 2011. Withholding collections did not perform as well as the filing collections. At \$89.3 million, they were \$2.6 million below the projected amount for the month. However, most of this difference was offset by refunds that were \$2.2 million lower than anticipated.

Actual corporate income tax filing collections were low in July. Filing collections of \$1.7 million missed its prediction by \$1.1 million. In addition, estimated payments were \$5.2 million, which is \$0.9 million below expectations. However, the net corporate income tax was helped by refunds that were \$1.6 million lower than had been expected.

Gross sales tax collections in July 2011 were 6.0% higher than in the previous July. The General Fund portion was \$94.9 million, which is a 4.8% improvement over last year. The \$94.9 million collected was \$1.6 million lower than had been anticipated.

Product taxes were virtually on target in July, coming in just \$0.1 million below the projected amount. On the other hand, miscellaneous revenues were \$1.9 million higher than predicted because of stronger-than-expected insurance premium tax collections and a \$1.6 million transfer from the Consumer Protection Fund.



Idaho General Fund Collections for July 2011

MONTHLY ACTUAL AND PREDICTED COLLECTIONS FOR JULY						
	<i>Actual FY 2010</i>	<i>Actual FY 2011</i>	<i>Actual FY 2012</i>	<i>Predicted FY 2012</i>	<i>Forecast Performance FY 2012</i>	
					<i>(Actual versus Predicted)</i>	
Individual Income Tax (\$000)	\$82,859.3	\$85,746.6	\$91,537.2	\$91,499.6	Difference	\$37.6
Percent Change from Previous Year	-6.9%	3.5%	6.8%	6.7%	Percent	0.0%
Corporate Income Tax (\$000)	\$4,292.6	\$6,396.3	\$5,606.3	\$6,257.8	Difference	(\$651.6)
Percent Change from Previous Year	-30.8%	49.0%	-12.4%	-2.2%	Percent	-10.4%
Sales Tax (\$000)	\$90,625.6	\$90,547.1	\$94,903.7	\$96,531.7	Difference	(\$1,628.0)
Percent Change from Previous Year	-13.9%	-0.1%	4.8%	6.6%	Percent	-1.7%
Product Tax (\$000)	\$3,218.4	\$3,246.9	\$3,100.0	\$3,220.7	Difference	(\$120.7)
Percent Change from Previous Year	44.8%	0.9%	-4.5%	-0.8%	Percent	-3.7%
Miscellaneous Revenue (\$000)	\$18,120.9	\$16,047.3	\$17,528.1	\$15,659.4	Difference	\$1,868.6
Percent Change from Previous Year	15.2%	-11.4%	9.2%	-2.4%	Percent	11.9%
Total (\$000)	\$199,116.8	\$201,984.2	\$212,675.2	\$213,169.2	Difference	(\$494.0)
Percent Change from Previous Year	-8.8%	1.4%	5.3%	5.5%	Percent	-0.2%

FISCAL YEAR-TO-DATE ACTUAL AND PREDICTED COLLECTIONS THROUGH JULY						
	<i>Actual FY 2010</i>	<i>Actual FY 2011</i>	<i>Actual FY 2012</i>	<i>Predicted FY 2012</i>	<i>Forecast Performance FY 2012</i>	
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