



REVENUE ESTIMATING CONFERENCE — MARCH 2017 MEETING

Revenue Estimate Summary. The Revenue Estimating Conference (REC) met on March 14, 2017, and decreased the estimated FY 2017 General Fund receipts by \$105.9 million (-1.5%) compared to the December estimate. Compared to the General Fund balance sheet, this is a decrease of \$131.1 million, which takes into account \$25.2 million in transfers made by the General Assembly in [SF 130](#) (FY 2017 Budget Adjustment Act).

Fiscal Year 2017. The March REC estimate for FY 2017 net General Fund receipts, including transfers, totals \$7.106 billion, an increase of \$184.9 million (2.7%) compared to actual FY 2016. The estimated changes include increases of 4.1% in gross income tax and 1.5% in gross sales/use tax, with no change estimated in gross corporate tax receipts. The following table provides additional detail for the FY 2017 revenue projection.

FY 2017 Revenue Estimating Conference Projection						
Dollars in Millions						
	Actual FY 2016	December FY 2017 Estimate	March FY 2017 Estimate	Increase (Decrease) to December Estimate	Increase (Decrease) to Actual FY 2016	Percentage Change to Actual FY 2016
Income Tax	\$4,355.5	\$4,608.1	\$4,531.9	\$-76.2	\$176.4	4.1%
Sales/Use Tax	2,810.5	2,864.7	2,852.4	-12.3	41.9	1.5%
Corporate Tax	520.5	531.4	520.4	-11.0	-0.1	0.0%
Insurance Tax	119.7	118.7	120.5	1.8	0.8	0.7%
Other Taxes	159.5	146.6	157.9	11.3	-1.6	-1.0%
Total Taxes	\$7,965.7	\$8,269.5	\$8,183.1	\$-86.4	\$217.4	2.7%
Other Receipts	297.0	290.5	304.3	13.8	7.3	2.5%
Gross Tax & Other Receipts	\$8,262.7	\$8,560.0	\$8,487.4	\$-72.6	\$224.7	2.7%
Accruals (Net)	14.2	36.6	29.1	-7.5	14.9	104.9%
Refund (Accrual Basis)	-1,018.3	-1,013.0	-1,061.1	-48.1	-42.8	4.2%
Schl. Infrs. Refunds (Accrual)	-466.9	-470.6	-473.5	-2.9	-6.6	1.4%
Total Net Receipts	\$6,791.7	\$7,113.0	\$6,981.9	\$-131.1	\$190.2	2.8%
Transfers (Accrual Basis)	129.4	98.9	124.1	25.2	-5.3	-4.1%
Net Receipts Plus Transfers	\$6,921.1	\$7,211.9	\$7,106.0	\$-105.9	\$184.9	2.7%

Fiscal Year 2018. The REC established an estimate of \$7.365 billion for FY 2018. This is an increase of \$258.5 million (3.6%) compared to the FY 2017 estimate. The estimated changes include increases of 4.7% in gross income tax, 4.5% in gross sales/use tax, and 1.0% in gross corporate tax receipts. The following table provides additional detail for the FY 2018 revenue projection.

FY 2018 Revenue Estimating Conference Projection						
Dollars in Millions						
	<u>Estimate</u> <u>FY 2017</u>	<u>December</u> <u>FY 2018</u> <u>Estimate</u>	<u>March</u> <u>FY 2018</u> <u>Estimate</u>	<u>Increase</u> <u>(Decrease)</u> <u>to December</u> <u>Estimate</u>	<u>Increase</u> <u>(Decrease)</u> <u>to Estimated</u> <u>FY 2017</u>	<u>Percentage</u> <u>Change</u> <u>to Estimated</u> <u>FY 2017</u>
Income Tax	\$4,531.9	\$4,854.2	\$4,743.4	\$-110.8	\$211.5	4.7%
Sales/Use Tax	2,852.4	2,989.8	2,980.8	-9.0	128.4	4.5%
Corporate Tax	520.4	546.4	525.7	-20.7	5.3	1.0%
Insurance Tax	120.5	120.0	121.4	1.4	0.9	0.7%
Other Taxes	<u>157.9</u>	<u>151.9</u>	<u>162.0</u>	<u>10.1</u>	<u>4.1</u>	<u>2.6%</u>
Total Taxes	\$8,183.1	\$8,662.3	\$8,533.3	\$-129.0	\$350.2	4.3%
Other Receipts	304.3	290.2	291.7	1.5	-12.6	-4.1%
Gross Tax & Other Receipts	\$8,487.4	\$8,952.5	\$8,825.0	\$-127.5	\$337.6	4.0%
Accruals (Net)	29.1	10.7	23.1	12.4	-6.0	-20.6%
Refund (Accrual Basis)	-1,061.1	-1,018.0	-1,091.3	-73.3	-30.2	2.8%
Schl. Infrs. Refunds (Accrual)	-473.5	-490.8	-494.2	-3.4	-20.7	4.4%
Total Net Receipts	\$6,981.9	\$7,454.4	\$7,262.6	\$-191.8	\$280.7	4.0%
Transfers (Accrual Basis)	124.1	101.9	101.9	0.0	-22.2	-17.9%
Net Receipts Plus Transfers	<u>\$7,106.0</u>	<u>\$7,556.3</u>	<u>\$7,364.5</u>	<u>\$-191.8</u>	<u>\$258.5</u>	<u>3.6%</u>

Fiscal Year 2019. The REC also established an estimate of \$7.627 billion in General Fund receipts for FY 2019. This is an increase of \$262.0 million (3.6%) compared to the FY 2018 estimate.

Next Meeting. The next REC meeting has not been scheduled but will likely occur in October 2017. A detailed spreadsheet of the REC estimates is available on the Legislative Services Agency (LSA) [website](#).

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