



Idaho Division of Financial Management
Executive Office of the Governor

Idaho General Fund Revenue Report



C.L. "Butch" Otter, Governor

Wayne L. Hammon, Administrator

Derek E. Santos, Chief Economist

DECEMBER 2011

VOLUME XXXIV NO. 6

Idaho's General Fund grew by \$173.7 million in November 2011, which was \$5.4 million lower than the \$179.1 million that was forecast for the month. This month's shortage is mainly the result of weaknesses in the individual income and sales taxes. After topping its projections by about \$1.0 million in each of the previous two months, the individual income tax came up \$4.8 million short of its projection in November. Sales tax collections mirrored the performance of the individual income tax. It was \$4.9 million below the predicted amount. The corporate income tax came in below expectations for the first time in three months in November. This revenue source was projected to shrink by \$0.4 million in November, but actually fell by about \$1.4 million. The General Fund's bottom line was boosted by a one-time, temporary infusion of funds that lifted the miscellaneous revenue category \$5.3 million above expectations. Product taxes for the month were virtually on target. For the fiscal year to date through November 2011, General Fund collections are \$1,016.0 million, which is \$16.2 million below the anticipated \$1,032.2 million.

November individual income tax revenue was held down by lower-than-expected withholding collections. This month's collections were \$87.2 million,

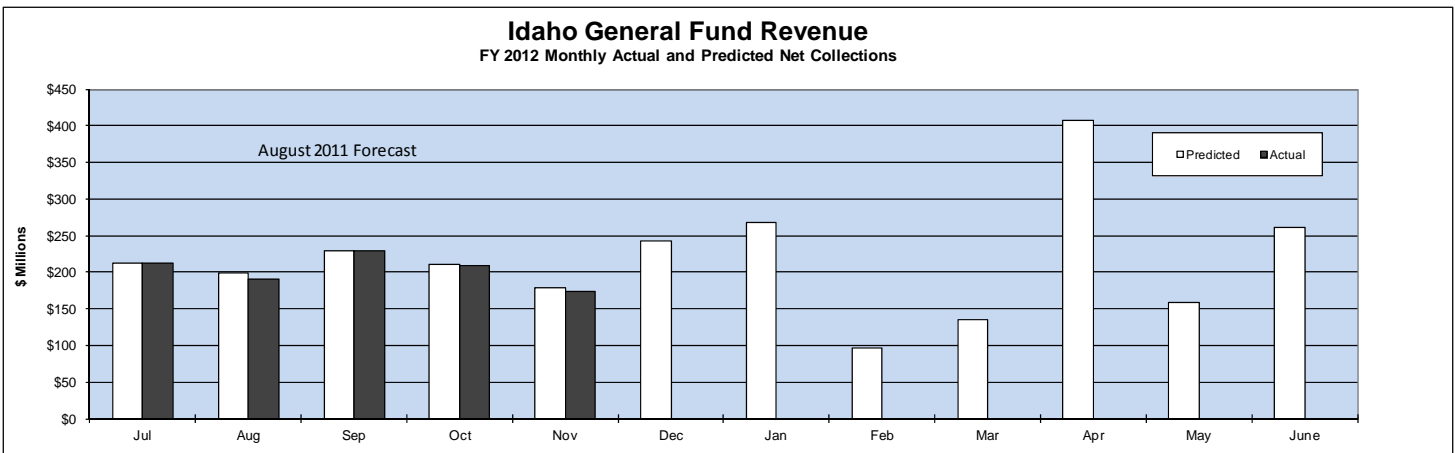
which was about \$7.3 million less than the forecasted \$94.6 million. November marks the fourth month of FY 2012 that withholding collections were below their forecasts. This shortfall was partially offset by other individual income tax sources that performed better than expected. Collections from filings were about \$1.4 million higher than its forecast, \$6.1 million versus \$4.7 million. In addition, refunds of \$8.5 million were \$1.1 million below the \$9.5 million expected for the month. On a fiscal year-to-date basis, the individual income tax is \$6.7 million below its forecast.

November is traditionally a month of large corporate income tax refunds, but actual payouts were even larger than expected—\$5.0 million instead of \$4.6 million. But refunds were not the sole reason for the corporate income tax's negative showing in November. Filing collections were about \$0.6 million below its forecast, \$1.9 million versus \$2.4 million. Adding to this month's shortfall was the nearly \$0.1-million gap between actual and forecasted estimated payments. Despite this month's retreat, the fiscal year-to-date corporate income tax exceeds its forecast by \$1.5 million.

The sales tax has come in below each of its monthly targets this fiscal year, with

the largest miss occurring in November. At \$79.7 million, it was \$4.9 million below the \$84.6 million predicted for the month. This month's performance not only missed its forecast, but it was 4.1% lower than it was in November 2010. On a fiscal year-to-date basis, the sales tax trails its forecast by \$18.9 million. This category's recent string of sub-par showings has raised concerns whether the sales tax will be able to recover enough to meet its targets during the important holiday shopping season.

The total amount of miscellaneous revenue exceeded its projected amount by \$5.3 million. All of this excess is from unclaimed property. It should be noted this strong showing results from timing issues, so some of this surplus is expected to dissipate over the fiscal year. November is the month when certain properties are declared abandoned. Over the next few months, some of the Idaho abandoned property will be returned to other states, and this will shrink the current abandoned property surplus. On a fiscal year-to-date basis, the miscellaneous revenue category is \$7.8 million above its forecast. Fiscal year-to-date product taxes are \$20.5 million, which is on target.



Idaho General Fund Collections for November 2011

MONTHLY ACTUAL AND PREDICTED COLLECTIONS FOR NOVEMBER						
	<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)	\$78,026.6	\$84,872.4	\$84,701.4	\$89,498.8	Difference	(\$4,797.4)
Percent Change from Previous Year	-13.2%	8.8%	-0.2%	5.5%	Percent	-5.4%
Corporate Income Tax (\$000)	\$1,786.1	\$18.4	(\$1,454.5)	(\$413.2)	Difference	(\$1,041.3)
Percent Change from Previous Year	-176.0%	-99.0%	-8004.1%	-2345.2%	Percent	252.0%
Sales Tax (\$000)	\$74,258.6	\$83,178.9	\$79,733.0	\$84,615.1	Difference	(\$4,882.1)
Percent Change from Previous Year	-11.0%	12.0%	-4.1%	1.7%	Percent	-5.8%
Product Tax (\$000)	\$3,243.6	\$3,287.3	\$3,227.9	\$3,282.2	Difference	(\$54.3)
Percent Change from Previous Year	38.8%	1.3%	-1.8%	-0.2%	Percent	-1.7%
Miscellaneous Revenue (\$000)	\$3,365.6	\$1,914.1	\$7,452.2	\$2,125.9	Difference	\$5,326.4
Percent Change from Previous Year	-18.7%	-43.1%	289.3%	11.1%	Percent	250.5%
Total (\$000)	\$160,680.6	\$173,271.1	\$173,660.0	\$179,108.9	Difference	(\$5,448.9)
Percent Change from Previous Year	-9.5%	7.8%	0.2%	3.4%	Percent	-3.0%

FISCAL YEAR-TO-DATE ACTUAL AND PREDICTED COLLECTIONS THROUGH NOVEMBER						
	<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)	\$431,953.5	\$447,529.1	\$465,694.1	\$472,355.9	Difference	(\$6,661.8)
Percent Change from Previous Year	-6.8%	3.6%	4.1%	5.5%	Percent	-1.4%
Corporate Income Tax (\$000)	\$32,034.3	\$39,624.6	\$49,192.9	\$47,670.1	Difference	\$1,522.8
Percent Change from Previous Year	-29.0%	23.7%	24.1%	20.3%	Percent	3.2%
Sales Tax (\$000)	\$418,572.6	\$431,147.9	\$441,797.6	\$460,668.7	Difference	(\$18,871.1)
Percent Change from Previous Year	-12.4%	3.0%	2.5%	6.8%	Percent	-4.1%
Product Tax (\$000)	\$18,483.9	\$20,208.9	\$20,478.3	\$20,468.2	Difference	\$10.1
Percent Change from Previous Year	38.4%	9.3%	1.3%	1.3%	Percent	0.0%
Miscellaneous Revenue (\$000)	\$35,465.7	\$34,668.4	\$38,820.3	\$31,015.4	Difference	\$7,804.9
Percent Change from Previous Year	-2.2%	-2.2%	12.0%	-10.5%	Percent	25.2%
Total (\$000)	\$936,509.9	\$973,178.9	\$1,015,983.3	\$1,032,178.3	Difference	(\$16,195.1)
Percent Change from Previous Year	-9.6%	3.9%	4.4%	6.1%	Percent	-1.6%