



Idaho Division of Financial Management
Executive Office of the Governor

Idaho General Fund Revenue Report



C.L. "Butch" Otter, Governor
Jani Revier, Administrator

Derek E. Santos, Chief Economist
Nathaniel L. Clayville, Economist

MAY 2013

VOLUME XXXV NO. 11

Idaho's April 2013 General Fund revenue of \$483.9 million exceeded the forecast of \$427.4 million by about \$56.4 million (13.2%)—its largest margin by far for the fiscal year. The next largest monthly margin was February 2013's \$19.5 million. April is the fourth consecutive month that total revenue topped its forecast. Thanks to this string of strong revenue months, the state's April 2013 fiscal year-to-date General Fund receipts are \$79.1 million higher than anticipated, \$2,319.8 million compared to the predicted \$2,240.7 million.

April is the second month this fiscal year where all of the revenue categories beat their respective forecasts. The other month was February. The individual income tax had the largest surplus of \$35.0 million in April. The corporate income tax had the next largest excess of \$14.4 million. Of the "big three" revenue categories, sales tax collections came the closest to its projection, exceeding it by \$3.5 million. The amount of product tax collected was nearly \$0.1 million higher than the forecast. Miscellaneous revenue was \$3.4 million more than was anticipated.

Individual income tax collections for the month were \$337.4 million, which was 11.6% more than was predicted. This category's strong showing reflects the surge in filing collections that far exceeded expectations. April filing collections of

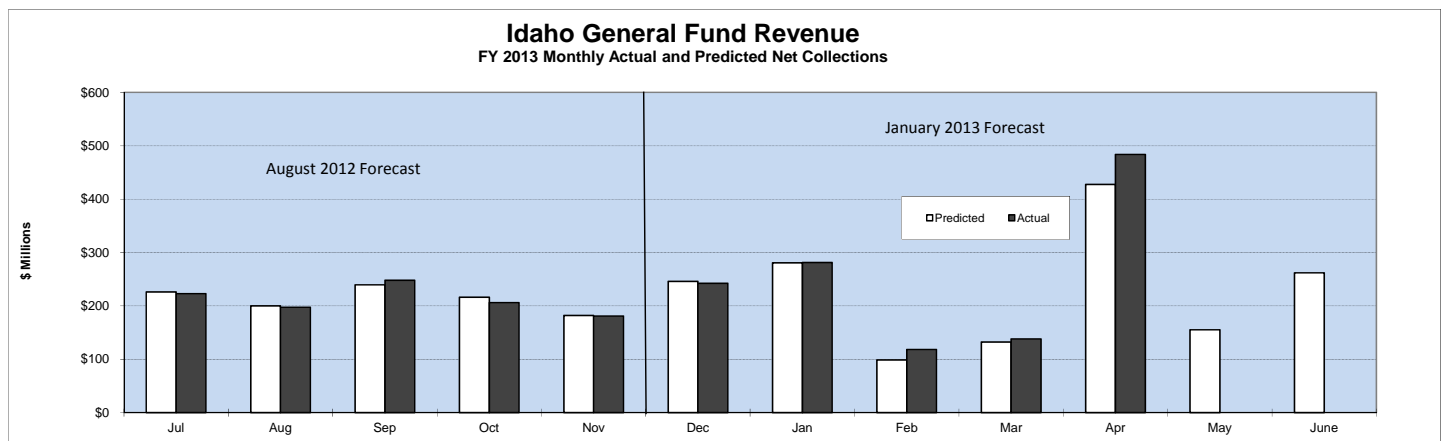
\$313.7 million eclipsed the forecasted \$278.1 million by \$35.6 million. This strong showing is consistent with the huge payment of dividends, interest, and rents in the fourth quarter of CY 2012. This quarter's growth was the strongest in over three decades, and it is not expected to be repeated in the near future. This large influx likely reflects taxpayers accelerating dividend payments in order to take advantage of 2012's lower federal tax income rates. National income tax rates for high-income taxpayers did rise in CY 2013 as part of the deal to avoid the "fiscal cliff." Individual income tax withholding collections came in \$2.4 million below its forecast, \$90.6 million versus \$93.0 million. However, this entire amount was backfilled by refunds that were \$2.4 million lower than expected. The total fiscal year-to-date individual income tax revenue received through April 2013 is \$1,142.9 million, which is 3.3% higher than the forecasted amount.

April corporate income tax collections of \$58.0 million beat its forecast of \$43.6 million. Unlike the individual income tax surplus, which was dominated by robust filing payments, the April corporate income tax surplus resulted from the confluence of several factors. The largest contributor to this month's strong performance was estimated payments of \$32.9 million that were \$7.5 million higher than expected.

The next largest boost was filing collections that exceeded its forecast by \$5.9 million, \$26.1 million versus \$20.2 million. This revenue category's bottom line was further enhanced by refunds that were \$1.0 million lower than anticipated. The amount of corporate income tax collected so far this fiscal year is \$162.0 million, which is \$18.3 million above the forecast.

The state's sales tax posted another solid showing in April. It was expected to contribute \$89.7 million to the General Fund this month, but actual receipts were \$93.1 million. This revenue category has exceeded every monthly forecast since December 2012. As a result of this string of surplus months, the fiscal year-to-date sales tax collections through April 2013 of \$920.3 million are \$16.3 million above the target.

The Idaho State Treasurer fully funded this fiscal year's Tax Anticipation Note this month. This payment included interest costs of \$9.9 million that were netted against revenues from other miscellaneous sources. As a result, total miscellaneous receipts fell by \$8.4 million in April 2013. However, this decrease was smaller than the anticipated \$11.8 million decline thanks to stronger-than-expected idle fund interest earnings and transfers. On a fiscal year-to-date basis, revenue from miscellaneous sources through this month is \$52.5 million and product tax revenue is \$42.1 million.



Idaho General Fund Collections for April 2013

MONTHLY ACTUAL AND PREDICTED COLLECTIONS FOR APRIL						
	<i>Actual FY 2011</i>	<i>Actual FY 2012</i>	<i>Actual FY 2013</i>	<i>Predicted FY 2013</i>	<i>Forecast Performance FY 2013</i>	
					<i>(Actual versus Predicted)</i>	
Individual Income Tax (\$000)	\$257,201.9	\$280,280.3	\$337,405.2	\$302,389.0	Difference	\$35,016.2
Percent Change from Previous Year	15.4%	9.0%	20.4%	7.9%	Percent	11.6%
Corporate Income Tax (\$000)	\$39,296.3	\$37,262.1	\$58,025.8	\$43,585.6	Difference	\$14,440.2
Percent Change from Previous Year	85.0%	-5.2%	55.7%	17.0%	Percent	33.1%
Sales Tax (\$000)	\$79,959.4	\$85,283.8	\$93,109.5	\$89,652.3	Difference	\$3,457.2
Percent Change from Previous Year	-1.3%	6.7%	9.2%	5.1%	Percent	3.9%
Product Tax (\$000)	\$3,229.3	\$3,245.7	\$3,670.6	\$3,572.7	Difference	\$97.9
Percent Change from Previous Year	-4.7%	0.5%	13.1%	10.1%	Percent	2.7%
Miscellaneous Revenue (\$000)	(\$2,525.3)	(\$3,818.4)	(\$8,355.0)	(\$11,779.6)	Difference	\$3,424.5
Percent Change from Previous Year	-77.1%	51.2%	118.8%	208.5%	Percent	-29.1%
Total (\$000)	\$377,161.5	\$402,253.5	\$483,856.0	\$427,420.0	Difference	\$56,436.0
Percent Change from Previous Year	18.8%	6.7%	20.3%	6.3%	Percent	13.2%

FISCAL YEAR-TO-DATE ACTUAL AND PREDICTED COLLECTIONS THROUGH APRIL						
	<i>Actual FY 2011</i>	<i>Actual FY 2012</i>	<i>Actual FY 2013</i>	<i>Predicted FY 2013</i>	<i>Forecast Performance FY 2013</i>	
					<i>(Actual versus Predicted)</i>	
Individual Income Tax (\$000)	\$1,021,945.6	\$1,079,192.9	\$1,142,931.6	\$1,106,278.2	Difference	\$36,653.5
Percent Change from Previous Year	10.0%	5.6%	5.9%	2.5%	Percent	3.3%
Corporate Income Tax (\$000)	\$135,641.1	\$145,222.0	\$161,963.2	\$143,674.7	Difference	\$18,288.6
Percent Change from Previous Year	77.9%	7.1%	11.5%	-1.1%	Percent	12.7%
Sales Tax (\$000)	\$811,597.2	\$857,794.5	\$920,265.4	\$903,968.4	Difference	\$16,297.0
Percent Change from Previous Year	1.4%	5.7%	7.3%	5.4%	Percent	1.8%
Product Tax (\$000)	\$36,152.2	\$36,452.9	\$42,106.8	\$41,524.3	Difference	\$582.5
Percent Change from Previous Year	4.4%	0.8%	15.5%	13.9%	Percent	1.4%
Miscellaneous Revenue (\$000)	\$52,585.0	\$56,047.7	\$52,506.7	\$45,276.2	Difference	\$7,230.5
Percent Change from Previous Year	8.0%	6.6%	-6.3%	-19.2%	Percent	16.0%
Total (\$000)	\$2,057,921.0	\$2,174,710.0	\$2,319,773.7	\$2,240,721.7	Difference	\$79,052.0
Percent Change from Previous Year	9.0%	5.7%	6.7%	3.0%	Percent	3.5%