



Kansas Legislative Research Department

Providing nonpartisan, objective research and fiscal analysis for the Kansas Legislature since 1934

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November 25, 2020

To: Governor Laura Kelly and Legislative Coordinating Council

From: Kansas Legislative Research Department and Kansas Division of the Budget

Re: State General Fund Revenue Estimates for FY 2021 and FY 2022

Estimates for the State General Fund (SGF) are developed using a consensus process that involves the Kansas Legislative Research Department, Division of the Budget, Kansas Department of Revenue, and consulting economists from state universities. This estimate is the base from which the Governor and the Legislature build the annual budget. The Consensus Group met on November 6, 2020, to revise the estimates for FY 2021 and to make its initial forecast for FY 2022. For FY 2021, the previous estimates were made in April 2020 and subsequently adjusted for legislation enacted during the veto session and the special session.

The overall estimate for FY 2021 was increased by \$477.2 million. Of this amount, the estimate for total taxes was increased by \$463.0 million, while the estimate for other revenues was increased by \$14.2 million.

Table 1 compares the revised estimates for FY 2021 and the initial estimates for FY 2022 with actual receipts from FY 2020. Table 2 shows the changes to the previous FY 2021 estimate.

Economic Forecast for Kansas

Slow economic recovery from the sudden and severe contraction of the spring of 2020 is currently expected to continue in the Kansas economy through FY 2022. Major economic variables have been adjusted since the Consensus Group last convened in April 2020, including Gross State Product (GSP) and Kansas Personal Income (KPI). The forecasted rates of growth in the national and Kansas economies have been reduced for 2020; however, anticipated growth in calendar year (CY) 2021 and CY 2022 have improved for both the nation and the state. Nominal U.S. Gross Domestic Product (GDP) is now expected to decrease by 3.3 percent in CY 2020, down from the previous forecast of a decline of 3.2 percent, but nominal U.S. GDP growth in CY 2021 and CY 2022 is now forecasted to be 4.8 percent and 4.5 percent, respectively, up from the previous estimates of 2.9 percent and 3.7 percent. Nominal Kansas GSP is now expected to decrease by 3.7 percent in CY 2020, down from a previous projected decline of 3.4 percent. However, nominal Kansas GSP is expected to grow by 3.6 percent and 3.8 percent in CY 2021 and CY 2022, respectively, up from the previous estimates of 3.4 percent and 3.7 percent.

The forecast does retain significant concern for the economy as a whole due to uncertainty related to the progression of the coronavirus disease (COVID-19) pandemic, the timing and efficacy of COVID-19 vaccines, and recovery efforts made by local, state, and federal governments, as well as more typical concerns related to costs of health care, volatility in energy prices, tariffs or possible trade war effects on commodity prices, and consumer demand for products and services subject to sales taxation.

Personal Income

The previous 3.4 percent decline estimated for CY 2020 nominal KPI has now been revised to an increase of 1.7 percent, largely due to the effect of transfer payments provided for by federal legislation enacted in response to the pandemic. The estimated CY 2021 nominal KPI growth has been reduced from 3.4 percent to 3.1 percent, and the CY 2022 estimate has been increased from 3.7 percent to 3.8 percent. The latest national estimates show nominal U.S. personal income (USPI) growth of 3.1 percent in CY 2020, 4.2 percent in CY 2021, and 4.5 percent in CY 2022.

Employment

Current estimates indicate the overall Kansas unemployment rate, which was 3.2 percent in CY 2019, is expected to nearly double in CY 2020 to 6.3 percent, which is down slightly from 6.4 percent at the time of the previous estimate. Kansas unemployment rates are now forecasted to drop to 4.3 percent in CY 2021, which is down from a forecast of 5.9 percent at the time of the previous estimate, and further recover to 3.8 percent in CY 2022. The national unemployment rate is projected to remain above the Kansas rate, with the U.S. rate now expected to be 8.4 percent in CY 2020, 5.5 percent in CY 2021, and 4.6 percent in CY 2022. Previous expectations were for a 10.0 percent national unemployment rate in CY 2020, dropping to 9.0 percent in CY 2021.

Kansas lost 144,100 non-farm jobs during the months of March and April 2020, but has since recovered 48.7 percent of lost jobs as of September, the most recent month for which jobs data was available at the time of the estimate. Average weekly private sector hours worked in Kansas declined by 3.1 percent from September 2019 to September 2020, while real hourly earnings for Kansas workers declined 0.8 percent in the same period. The number of individuals receiving unemployment insurance benefits in Kansas was 89,518 in September 2020, up substantially from the September 2019 amount of 7,231, but down from the May 2020 peak of 123,520.

Agriculture

Kansas net farm income continued several years of modest growth and is expected to maintain modest growth through CY 2020. However, this growth was largely attributable to federal payments to farmers, as CY 2020 saw a third allocation of Market Facilitation Program payments and two rounds of Coronavirus Food Assistance Program payments. The bilateral “Phase One” trade agreement with China appears to have contributed to commodity prices being relatively higher than in recent years, and the implementation of a new North American trade agreement also appears to be supporting the Kansas farm economy. However, continued progression of the international trade situation remains of critical importance to the agricultural

industry. Additionally, agricultural land values have remained steady, momentarily resolving concerns that a decline in land prices could hamper farm cash flow.

Oil and Gas

The energy sector continues to experience declines in production for both oil and natural gas, but commodity prices are expected to modestly recover relative to the April 2020 estimate. Oil production, which was 49.4 million barrels as recently as FY 2015, is now expected to be only 23.0 million barrels by the end of the forecast period. The forecasted average price for Kansas taxable crude for FY 2021 is now estimated to be \$30 per barrel, which is higher than the \$25 per barrel used in the April 2020 estimate. Of all Kansas oil produced, 50.0 percent is estimated to be exempt from severance taxation due to various exemptions in state law for both FY 2021 and FY 2022, which is a slight decline in expectations relative to the actual level of 51.2 percent that was exempt in FY 2020.

Downward pressure on Kansas natural gas prices remains as a result of higher-than-usual levels of natural gas storage. The FY 2021 forecasted taxable price for natural gas was increased from \$1.75 to \$2.25 per thousand cubic feet (Mcf). Approximately 76.0 percent of natural gas produced is expected to be exempt from severance taxation in FY 2021 and FY 2022, a level which continues to increase significantly since FY 2019 when only 38.5 percent was exempt. Gas production, which was nearly 300.0 million Mcf in FY 2015, is now expected to be only 135.0 million Mcf by FY 2022 as production from the Hugoton Field continues to decline. Given these production, price, and exemption trends, it is worth noting that total SGF severance tax receipts were \$125.8 million in FY 2014, but are now expected to be only \$10.4 million in FY 2021.

Inflation Rate

The Consumer Price Index for All Urban Consumers (CPI-U) is expected to be low through CY 2020 before returning to more moderate levels in future years. The 2020 estimate has been reduced from 1.3 percent to 0.7 percent, and the CY 2021 and CY 2022 forecasts expect 1.7 percent and 1.8 percent inflation rates, respectively.

Interest Rates

The Pooled Money Investment Board (PMIB) is authorized to make investments in U.S. Treasury and federal agency securities, highly rated commercial paper and corporate bonds, repurchase agreements, and certificates of deposit at Kansas banks. The State earned 1.51 percent on the Pooled Money Investment Portfolio for FY 2020. Current projections utilize interest rates of 0.15 percent for FY 2021 and 0.10 percent for FY 2022.

Impact of Extending Tax Deadlines from April 15th to July 15th

In the wake of federal action extending tax payment and filing deadlines, the Governor issued Executive Order 20-13 on March 23, 2020, moving state tax deadlines from April 15, 2020, to July 15, 2020, for individual income taxes, corporation income taxes, and financial institution privilege taxes. On April 2, 2020, the State of Kansas also matched additional federal

action by waiving penalty and interest on estimated payments originally due on April 15, 2020, provided such payments are made by July 15, 2020 (Kansas Department of Revenue Notice 20-02). Many taxpayers that are set to receive a refund file their income taxes early in February and March of each year, while taxpayers with large balance due tax obligations often choose to pay closer to the tax deadline. The Consensus Group estimated in April 2020 that the combined effects of these changes would be to defer \$645.8 million in receipts from FY 2020 to FY 2021.

While the Consensus Group did not formally revise the estimated shift of receipts, preliminary data seems to indicate an amount less than \$645.8 million in receipts was actually delayed from FY 2020 to FY 2021, and the actual amount of delayed receipts was more likely in the range of \$500.0 to \$550.0 million.

Impact of Federal CARES Act on Kansas Tax Receipts

The estimates for FY 2021 and FY 2022 include the state fiscal effect of the federal tax law changes from the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act. This legislation is the largest economic stimulus package in U.S. history, with numerous provisions totaling more than \$2.1 trillion. In addition to the transfer payments that increased personal income levels referenced above, the CARES Act also includes several federal tax law provisions that will flow through by way of conformity and have an impact on Kansas individual and corporation income tax receipts. The Kansas Department of Revenue reviewed estimates from the federal Joint Committee on Taxation regarding tax provisions that were included in the CARES Act and adjusted for the Kansas tax code. The Kansas Department of Revenue estimates the CARES Act tax provisions will reduce SGF receipts by a total of \$70.0 million in FY 2021 (\$40.0 million for individual income taxes and \$30.0 million for corporation income taxes) and by \$36.0 million in FY 2022 (\$23.0 million in individual income taxes and \$13.0 million in corporation income taxes). The Consensus Group will continue to review the estimated state impact of the CARES Act through FY 2021 and FY 2022.

ECONOMIC FORECASTS

	<u>CY 2020*</u>	<u>CY 2021*</u>	<u>CY 2022*</u>
U.S. Real GDP Growth	(3.9)%	3.1%	2.7 %
Kansas Real GSP Growth	(4.4)	1.9	1.9
Nominal USPI Growth	3.1	4.2	4.5
Nominal KPI Growth	1.7	3.1	3.8
Inflation (CPI-U)	0.7	1.7	1.8
Corporate Profits before Tax	(12.3)	5.3	4.8
U.S. Unemployment Rate	8.4	5.5	4.6
Kansas Unemployment Rate	6.3	4.3	3.8

* Estimated

OIL AND GAS

	FY 2020	FY 2021*	FY 2022*
Oil Price per Barrel	\$ 47.72	\$ 30.00	\$ 35.00
Gross Oil Production (000)	32,100	26,000	23,000
Gas Price per Mcf	\$ 1.36	\$ 2.25	\$ 2.50
Gross Gas Production (000)	178,536	150,000	135,000

* Estimated

State General Fund Receipts Estimates

Each individual SGF revenue source was reevaluated independently, and consideration was given to revised and updated economic forecasts, collection information from the Kansas Department of Revenue and Kansas Insurance Department, and year-to-date receipts. The growth rates of the four highest-generating revenue sources reflect the latest assumptions about the impact of recent changes in state and federal law.

Growth Rates of Key Revenue Sources (Percentages)

Revenue Source	FY 2020	FY 2021	FY 2022
Individual Income	(11.1)	21.0	(5.2)
Corporation Income	(12.1)	6.7	(12.2)
Retail Sales	0.7	2.0	1.0
Compensating Use	10.9	12.7	11.1

FY 2021. The revised estimate of SGF receipts for FY 2021 is \$7.708 billion, which is an increase of \$477.2 million above the previous estimate. The estimate for total taxes was increased by \$463.0 million, while the estimate for other revenues was increased by \$14.2 million. Total SGF receipts through October were \$202.3 million above the previous estimate, including \$171.0 million in higher total tax collections. The overall revised estimate is approximately \$807.3 million, or 11.7 percent, above actual FY 2020 receipts.

FY 2022. The initial estimate for FY 2022 is \$7.484 billion. The forecast for FY 2022 represents a 2.9 percent decrease below the newly revised FY 2021 figure.

Individual Income Tax

Individual income tax receipts exceeded the final FY 2020 estimate by \$48.2 million, and had been \$47.7 million ahead of the prior FY 2021 estimate through October 2020. Receipts in this tax source appear to be strengthened by withholding growth, even in the face of the recession. Some portion of this growth is likely attributable to payroll associated with forgivable loans in the Paycheck Protection Program provided for by the CARES Act. The amount of these loans to Kansas businesses exceeded \$5.0 billion, and the terms of loan forgiveness generally require that at least 60 percent of the loan be used for payroll. Additionally, while stimulus payments to individuals provided by the CARES Act are exempt from taxation, unemployment benefits, including enhanced unemployment benefits provided for by the CARES Act, are subject to income tax. Various categories of enhanced unemployment benefits paid by the

federal government had totaled approximately \$1.5 billion in 2020 at the time the Consensus Group met. The Consensus Group will continue to closely monitor the implications of shifted tax deadlines and federal stimulus programs for this receipts category throughout the forecast period. Receipts are forecast to grow by 21.0 percent in FY 2021 and decline by 5.2 percent in FY 2022.

Corporation Income Tax

Corporation income tax receipts had been \$37.9 million above the prior FY 2021 estimate through October 2020. In addition to declining corporate profits in the face of the pandemic, the Kansas Department of Revenue has reiterated its belief that the long-term growth in this revenue source will continue to be suppressed as a result of a large amount of High Performance Incentive Program credits being carried forward by corporations.

Retail Sales and Compensating Use Taxes

Sales tax collections have been growing thus far in FY 2021 and were up 2.6 percent over the prior year through October 2020. The new estimate of receipts, which was \$32.3 million above the previous forecast over the first four months of the fiscal year, was increased by \$80.0 million, which would reflect 2.0 percent growth for the entirety of the fiscal year. The FY 2022 estimate was \$2.425 billion, which reflects slowing growth of 1.0 percent.

Compensating use taxes had been experiencing much higher growth in recent years, even before the U.S. Supreme Court's *South Dakota v. Wayfair* decision was handed down in 2018. Forecasted receipts, which were up \$47.0 million relative to estimates through October 2020, were increased relative to the previous FY 2021 forecast by \$90.0 million. The newly revised estimate reflects growth of 12.7 percent over FY 2020 actual receipts, and the FY 2022 estimate forecasts further growth of 11.1 percent.

Non-Tax Sources

Of note in the non-tax sources, the interest earnings estimate was increased by \$8.5 million for FY 2021, as one final set of investment returns was received in the first portion of the fiscal year based upon interest rates prior to the recession. However, low interest rates forecast for the present and future years will result in that revenue source remaining lower than in prior years.

The estimate for net transfers was increased by \$400,000 in FY 2021. The estimated transfer from the SGF to the School District Capital Improvements Fund was reduced by \$8.0 million due to lower estimated bond payments. During FY 2020, the state-owned casinos, which deposit receipts into the Expanded Lottery Act Revenues Fund (ELARF), were temporarily shut down due to COVID-19 pandemic restrictions. The casinos have reopened, but at reduced capacities. Due to higher than estimated ELARF revenues that will be generated from state-owned casinos than previously projected, the SGF is estimated to transfer \$10.4 million less from the SGF to the ELARF to backfill approved ELARF expenditures and transfers. Offsetting these revenue gains is a transfer of \$17.5 million, authorized by 2020 Senate Bill 66, from the SGF to the Coronavirus Prevention Fund of the State Finance Council. Additionally, sales of

regular lottery tickets continue to decline, which will reduce transfers from the State Gaming Revenues Fund to the SGF by an estimated \$2.4 million.

The estimate for net transfers in FY 2022 is negative \$254.8 million, a reduction of \$54.0 million from FY 2021. Most notably, transfers into the SGF from the State Highway Fund and the Economic Development Initiatives Fund, which occur through acts of appropriation and are projected to total \$149.9 million in FY 2021, are not currently scheduled for FY 2022. The SGF transfer to the Local Ad Valorem Tax Reduction Fund (LAVTRF) is also set to resume in FY 2022, and that will provide \$54.0 million for local property tax relief. The last LAVTRF transfer occurred in FY 2003. This reduction in revenue is offset by the scheduled final transfer payment of \$132.2 million to the PMIB occurring in FY 2021 and the elimination of the transfer from the SGF to the Coronavirus Prevention Fund in FY 2022.

Accuracy of Consensus Revenue Estimates

For 45 years, SGF revenue estimates for Kansas have been developed using the consensus revenue estimating process. Each of the agencies and individuals involved in the process prepared independent estimates and met on November 6, 2020, to discuss estimates and come to a consensus for each fiscal year.

STATE GENERAL FUND ESTIMATES

Fiscal Year	Adjusted Original Estimate*	Adjusted Final Estimate**	Actual Receipts	Difference from Original Estimate*		Difference from Final Estimate**	
				Amount	Percent	Amount	Percent
1975	\$ --	\$ 614.9	\$ 627.6	\$ --	\$ --	\$ 12.7	2.1 %
1976	676.3	699.7	701.2	24.9	3.7	1.4	0.2
1977	760.2	760.7	776.5	16.3	2.1	15.8	2.1
1978	830.1	861.2	854.6	24.5	3.0	(6.5)	(0.8)
1979	945.2	1,019.3	1,006.8	61.6	6.5	(12.5)	(1.2)
1980	1,019.3	1,095.9	1,097.8	78.5	7.7	1.9	0.2
1981	1,197.1	1,226.4	1,226.5	29.4	2.5	0.1	0.0
1982	1,351.3	1,320.0	1,273.0	(78.3)	(5.8)	(47.0)	(3.6)
1983	1,599.2	1,366.9	1,363.6	(235.6)	(14.7)	(3.2)	(0.2)
1984	1,596.7	1,539.0	1,546.9	(49.8)	(3.1)	7.9	0.5
1985	1,697.7	1,679.7	1,658.5	(39.2)	(2.3)	(21.3)	(1.3)
1986	1,731.2	1,666.4	1,641.4	(89.8)	(5.2)	(25.0)	(1.5)
1987	1,903.1	1,764.7	1,778.5	(124.6)	(6.5)	13.8	0.8
1988	1,960.0	2,031.5	2,113.1	153.1	7.8	81.6	4.0
1989	2,007.8	2,206.9	2,228.3	220.5	11.0	21.4	1.0
1990	2,241.2	2,283.3	2,300.5	59.3	2.6	17.2	0.8
1991	2,338.8	2,360.6	2,382.3	43.5	1.9	21.7	0.9
1992	2,478.7	2,454.5	2,465.8	(12.9)	(0.5)	11.3	0.5
1993	2,913.4	2,929.6	2,932.0	18.6	0.6	2.4	0.1
1994	3,040.1	3,126.8	3,175.7	135.6	4.5	48.9	1.6
1995	3,174.4	3,243.9	3,218.8	44.4	1.4	(25.1)	(0.8)
1996	3,428.0	3,409.2	3,448.3	20.3	0.6	39.0	1.1
1997	3,524.8	3,642.4	3,683.8	159.0	4.5	41.4	1.1
1998	3,714.4	3,971.0	4,023.7	309.3	8.3	52.7	1.3
1999	3,844.7	4,051.9	3,978.4	133.7	3.5	(73.4)	(1.8)
2000	4,204.1	4,161.0	4,203.1	(1.0)	--	42.1	1.0
2001	4,420.7	4,408.7	4,415.0	(5.7)	(0.1)	6.4	0.1
2002	4,674.5	4,320.6	4,108.9	(565.6)	(12.1)	(211.7)	(4.9)
2003	4,641.0	4,235.6	4,245.6	(395.4)	(8.5)	9.9	0.2
2004	4,605.5	4,450.5	4,518.7	(86.8)	(1.9)	68.2	1.5
2005	4,490.5	4,793.8	4,841.3	350.8	7.8	47.5	1.0
2006	4,834.0	5,308.7	5,394.4	560.4	11.6	85.7	1.6
2007	5,144.0	5,721.3	5,809.0	665.0	12.9	87.8	1.5
2008	5,700.4	5,736.3	5,693.4	(7.0)	(0.1)	(43.0)	(0.7)
2009	6,185.7	5,709.7	5,587.4	(598.3)	(9.7)	(122.3)	(2.1)
2010	5,974.2	5,291.0	5,191.3	(782.9)	(13.1)	(99.8)	(1.9)
2011	5,851.0	5,779.6	5,882.1	31.1	0.5	102.5	1.8
2012	6,098.9	6,404.3	6,412.8	313.9	5.1	8.5	0.1
2013	6,414.2	6,250.4	6,341.1	(73.1)	(1.1)	90.7	1.5
2014	5,947.0	5,986.5	5,653.2	(293.8)	(4.9)	(333.3)	(5.6)
2015	5,992.3	5,944.4	5,928.8	(63.5)	(1.1)	(15.6)	(0.3)
2016	6,358.0	6,149.6	6,073.5	(284.6)	(4.5)	(76.2)	(1.2)
2017	6,377.8	6,266.8	6,339.1	(38.7)	(0.6)	72.3	1.2
2018	6,453.5	7,030.9	7,298.1	844.6	13.1	267.2	3.8
2019	6,571.0	7,231.2	7,368.4	797.4	12.1	137.2	1.9
2020	7,376.0	6,825.2	6,900.5	(475.5)	(6.4)	75.2	1.1

*The adjusted original estimate is the estimate made in November or December prior to the start of the next fiscal year in July and adjusted to account for legislation enacted, if any, which affected receipts to the SGF.

**The final estimate made in March or April is the adjusted original estimate plus or minus changes subsequently made by the Consensus Revenue Estimating Group. It also includes the estimated impact of legislation on receipts.

The above table presents estimates compared to actual receipts since FY 1975, the fiscal year for which the current process was initiated. First, the adjusted original estimate is compared to actual collections, and then the final estimate is compared to actual receipts.

Concluding Comments

Consensus revenue estimates are based on current federal and state laws and their current interpretation by the courts. These estimates will be further adjusted in mid-April prior to the conclusion of the 2021 Legislative Session.

Ongoing uncertainty about the future of the COVID-19 pandemic, U.S. foreign policy, trade policy, health policy, and tax policy has the potential to increase volatility in global and domestic markets. The impact of any such increased volatility on confidence as well as consumption and investment decisions by consumers and businesses alike will be monitored by the Consensus Group over the winter prior to the next meeting in April 2021.

Table 1
State General Fund Receipts
(Dollars in Thousands)

	Consensus Estimate November 6, 2020					
	FY 2020 (Actual)		FY 2021 (Revised)		FY 2022	
	Amount	Percent Change	Amount	Percent Change	Amount	Percent Change
Property Tax/Fee:						
Motor Carrier	\$ 12,502	5.5 %	\$ 12,500	(0.0) %	\$ 12,500	-- %
Income Taxes:						
Individual	\$3,338,185	(11.1) %	\$4,040,000	21.0 %	\$3,830,000	(5.2) %
Corporation	384,407	(12.1)	410,000	6.7	360,000	(12.2)
Financial Institutions	46,197	(5.0)	52,000	12.6	45,000	(13.5)
Total	<u>\$3,768,789</u>	<u>(11.2) %</u>	<u>\$4,502,000</u>	<u>19.5 %</u>	<u>\$4,235,000</u>	<u>(5.9) %</u>
Excise Taxes:						
Retail Sales	\$2,352,523	0.7 %	\$2,400,000	2.0 %	\$2,425,000	1.0 %
Compensating Use	479,060	10.9	540,000	12.7	600,000	11.1
Cigarette	116,456	(0.2)	113,000	(3.0)	110,000	(2.7)
Tobacco Products	9,180	2.4	9,400	2.4	9,400	--
Liquor Gallonage	21,978	(0.5)	24,000	9.2	24,000	--
Liquor Enforcement	74,667	0.5	78,000	4.5	79,000	1.3
Liquor Drink	10,350	(15.2)	9,000	(13.0)	10,000	11.1
Severance	20,692	(50.4)	10,400	(49.7)	14,700	41.3
Gas	390	(96.1)	1,400	259.2	2,600	85.7
Oil	20,302	(36.1)	9,000	(55.7)	12,100	34.4
Total	<u>\$3,084,905</u>	<u>1.4 %</u>	<u>\$3,183,800</u>	<u>3.2 %</u>	<u>\$3,272,100</u>	<u>2.8 %</u>
Other Taxes:						
Insurance Premiums	\$ 172,479	5.6 %	\$ 137,000	(20.6) %	\$ 150,000	9.5 %
Corporate Franchise	7,043	(4.2)	8,000	13.6	7,500	(6.3)
Miscellaneous	3,426	(8.5)	3,200	(6.6)	3,500	9.4
Total	<u>\$ 182,948</u>	<u>4.9 %</u>	<u>\$ 148,200</u>	<u>(19.0) %</u>	<u>\$ 161,000</u>	<u>8.6 %</u>
Total Taxes	\$7,049,143	(5.7) %	\$7,846,500	11.3 %	\$7,680,600	(2.1) %
Other Revenues & Receipts:						
Interest	\$ 56,064	14.6 %	\$ 9,000	(83.9) %	\$ 3,000	(66.7) %
Transfers & Other Receipts	(251,224)	(24.1)	(200,800)	20.1	(254,800)	(26.9)
Agency Earnings	46,465	(8.1)	53,000	14.1	54,800	3.4
Total	<u>\$ (148,694)</u>	<u>(44.5) %</u>	<u>\$ (138,800)</u>	<u>6.7 %</u>	<u>\$ (197,000)</u>	<u>(41.9) %</u>
Total Receipts	<u><u>\$6,900,449</u></u>	<u><u>(6.4) %</u></u>	<u><u>\$7,707,700</u></u>	<u><u>11.7 %</u></u>	<u><u>\$7,483,600</u></u>	<u><u>(2.9) %</u></u>

Table 2
State General Fund Receipts
FY 2021 Revised
Comparison of November 2020 Estimate to June 2020 Estimate
(Dollars in Thousands)

	FY 2021 CRE Est.	FY 2021 CRE Est.	Difference	
	As Adj. for Legis.	Revised 11/06/2020	Amount	Pct. Chg.
Property Tax/Fee:				
Motor Carrier	\$ 12,700	\$ 12,500	\$ (200)	(1.6) %
Income Taxes:				
Individual	\$ 3,770,000	\$ 4,040,000	\$ 270,000	7.2 %
Corporation	370,000	410,000	40,000	10.8
Financial Institutions	48,000	52,000	4,000	8.3
Total	\$ 4,188,000	\$ 4,502,000	\$ 314,000	7.5 %
Excise Taxes:				
Retail Sales	\$ 2,320,000	\$ 2,400,000	\$ 80,000	3.4 %
Compensating Use	450,000	540,000	90,000	20.0
Cigarette	107,000	113,000	6,000	5.6
Tobacco Products	9,000	9,400	400	4.4
Liquor Gallonage	21,500	24,000	2,500	11.6
Liquor Enforcement	75,500	78,000	2,500	3.3
Liquor Drink	9,000	9,000	--	--
Severance	7,100	10,400	3,300	46.5
Gas	1,500	1,400	(100)	(6.7)
Oil	5,600	9,000	3,400	60.7
Total	\$ 2,999,100	\$ 3,183,800	\$ 184,700	6.2 %
Other Taxes:				
Insurance Premiums	\$ 172,500	\$ 137,000	\$ (35,500)	(20.6) %
Corporate Franchise	8,200	8,000	(200)	(2.4)
Miscellaneous	3,000	3,200	200	6.7
Total	\$ 183,700	\$ 148,200	\$ (35,500)	(19.3) %
Total Taxes	\$ 7,383,500	\$ 7,846,500	\$ 463,000	6.3 %
Other Revenues & Receipts:				
Interest	\$ 500	\$ 9,000	\$ 8,500	1,700.0 %
Transfers & Other Receipts	(201,200)	(200,800)	400	0.2
Agency Earnings	47,700	53,000	5,300	11.1
Total	\$ (153,000)	\$ (138,800)	\$ 14,200	9.3 %
Total Receipts	\$ 7,230,500	\$ 7,707,700	\$ 477,200	6.6 %