



REVENUE ESTIMATING CONFERENCE – MARCH MEETING

REC Estimates. The Revenue Estimating Conference (REC) met on March 19, 2015, and decreased the estimated FY 2015 General Fund receipts by \$89.7 million compared to the FY 2015 December REC estimate. The REC also decreased the estimated FY 2016 General Fund receipts by \$19.1 million.

FY 2015. The March REC estimate for FY 2015 net General Fund receipts, including transfers, totals \$6,767.4 million, an increase of \$278.4 million compared to actual FY 2014. The estimated FY 2015 changes compared to FY 2014 include:

- An increase of \$186.9 million (4.7%) in gross income tax receipts.
- An increase of \$118.3 million (4.5%) in gross sales/use tax receipts.
- An increase of \$0.6 million (0.1%) in gross corporate tax receipts.

FY 2016. The March REC estimate for FY 2016 net General Fund receipts, including transfers, totals \$7,175.5 million, an increase of \$408.1 million compared to the revised FY 2015 estimate. The estimated changes include an increase of 8.0% in gross income tax, 4.7% in gross sales/use tax, and 1.8% in gross corporate tax receipts.

Charts. The following charts provide additional detail for both the FY 2015 and FY 2016 revenue projections.

FY 2015 Revenue Estimating Conference Projection						
Dollars in Millions						
	Actual FY 2014	December FY 2015 Estimate	March FY 2015 Estimate	Increase (Decrease) to December Estimate	Increase (Decrease) to Actual FY 2014	Percentage Change to Actual FY 2014
Income Tax	\$3,974.9	\$4,202.1	\$4,161.8	\$-40.3	\$186.9	4.7%
Sales/Use Tax	2,642.3	2,757.4	2,760.6	3.2	118.3	4.5%
Corporate Tax	549.6	570.7	550.2	-20.5	0.6	0.1%
Insurance Tax	105.6	104.8	106.9	2.1	1.3	1.2%
Cigarette/Tobacco Tax	1.4	0.0	0.0	0.0	-1.4	-100.0%
Other Taxes	149.2	143.9	145.8	1.9	-3.4	-2.3%
Total Taxes	\$7,423.0	\$7,778.9	\$7,725.3	\$-53.6	\$302.3	4.1%
Other Receipts	289.0	279.5	278.5	-1.0	-10.5	-3.6%
Gross Tax & Other Receipts	\$7,712.0	\$8,058.4	\$8,003.8	\$-54.6	\$291.8	3.8%
Accruals (Net)	-16.2	26.4	27.4	1.0	43.6	-269.1%
Refund (Accrual Basis)	-955.3	-903.6	-937.0	-33.4	18.3	-1.9%
Schl. Infr. Refunds (Accrual)	-440.4	-451.2	-450.7	0.5	-10.3	2.3%
Total Net Receipts	\$6,300.1	\$6,730.0	\$6,643.5	\$-86.5	\$343.4	5.5%
Transfers (Accrual Basis)	188.9	127.1	123.9	-3.2	-65.0	-34.4%
Net Receipts Plus Transfers	<u>\$6,489.0</u>	<u>\$6,857.1</u>	<u>\$6,767.4</u>	<u>\$-89.7</u>	<u>\$278.4</u>	<u>4.3%</u>

FY 2016 Revenue Estimating Conference Projection						
Dollars in Millions						
	Estimate	December	March	Increase	Increase	Percentage
	FY 2015	FY 2016	FY 2016	(Decrease)	(Decrease)	Change
		Estimate	Estimate	to December	to Estimated	to Estimated
				Estimate	FY 2015	FY 2015
Income Tax	\$4,161.8	\$4,437.1	\$4,493.5	\$56.4	\$331.7	8.0%
Sales/Use Tax	2,760.6	2,876.6	2,891.0	14.4	130.4	4.7%
Corporate Tax	550.2	609.9	560.3	-49.6	10.1	1.8%
Insurance Tax	106.9	102.6	107.7	5.1	0.8	0.7%
Cigarette/Tobacco Tax	0.0	0.0	0.0	0.0	0.0	N.A.
Other Taxes	145.8	147.2	153.1	5.9	7.3	5.0%
Total Taxes	\$7,725.3	\$8,173.4	\$8,205.6	\$32.2	\$480.3	6.2%
Other Receipts	278.5	280.2	276.4	-3.8	-2.1	-0.8%
Gross Tax & Other Receipts	\$8,003.8	\$8,453.6	\$8,482.0	\$28.4	\$478.2	6.0%
Accruals (Net)	27.4	27.3	20.0	-7.3	-7.4	-27.0%
Refund (Accrual Basis)	-937.0	-916.6	-953.0	-36.4	-16.0	1.7%
Schl. Infrs. Refunds (Accrual)	-450.7	-472.3	-473.7	-1.4	-23.0	5.1%
Total Net Receipts	\$6,643.5	\$7,092.0	\$7,075.3	\$-16.7	\$431.8	6.5%
Transfers (Accrual Basis)	123.9	102.6	100.2	-2.4	-23.7	-19.1%
Net Receipts Plus Transfers	\$6,767.4	\$7,194.6	\$7,175.5	\$-19.1	\$408.1	6.0%

Next Meeting. The next REC meeting has not been scheduled but will likely occur in October 2015. A detailed [spreadsheet](#) of the REC estimates is available on the Legislative Services Agency (LSA) website.

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