



ECONOMIC & REVENUE UPDATE

August 12, 2013

summary

Summary

- **Second quarter U.S. GDP grew by only 1.7%; first quarter GDP growth was revised down from 1.8% to 1.1%.**
- **U.S. employment grew by 162,000 jobs in July, below the average monthly increase of 190,000 over the last 12 months.**
- **Washington's employment growth was strong in June.**
- **Washington housing construction weakened in the second quarter due to a drop in the multi-family segment.**
- **Inflation in the Seattle area remains moderate and in line with national trends.**
- **Major General Fund-State revenue collections for the July 11 – August 10, 2013 collection period were \$72.6 million (6.2%) higher than the June forecast.**
- **The June forecast had expected a refund of \$22.5 million to occur during this collection period but it will instead occur at a later date, lowering future collections. If the refund had occurred collections would have been \$50.1 million (4.3%) higher than forecasted.**
- **There were several large sales of commercial property in July that helped to generate a \$34 million positive variance in real estate excise taxes.**
- **Cumulatively, revenue collections are now \$80.0 million (3.2%) above the forecast, but if the \$22.5 million refund would have occurred as expected collections would have been \$57.6 million (2.3%) above the forecast.**

United States

U.S. real GDP for the second quarter of this year grew at an annual rate of 1.7%, with decreasing federal government spending and net exports partly offsetting growth in personal consumption and business investment. Real GDP growth for the first quarter of this year was revised down from an annual rate of 1.8% to 1.1%. However, 2012 real GDP growth has been revised upward from 2.2% to 2.8%.

The unemployment rate for July was 7.4%, down from 7.6% in June. Both the labor force and the number of unemployed persons declined between June and July. Nonfarm payroll employment (private sector and government) in the U.S. increased by 162,000 jobs in July; May and June data were revised down by a combined 26,000 jobs. Notable employment gains in July occurred in retail trade (47,000), food services and drinking places (38,000), professional and business services (36,000, of which 7,700 were increases in temporary help services), financial activities (15,000) and wholesale trade (14,000). Federal government employment decreased by 2,000 jobs in July and has declined by 59,000 jobs over the last 12 months.

While growth in employment and in wages have usually tracked each other fairly closely, this has not been the case more recently ([see figure](#)). Although quarterly employment growth on a year-over-year basis has averaged over 3% since 2010, quarterly nominal wage growth has averaged less than 1% for that period.

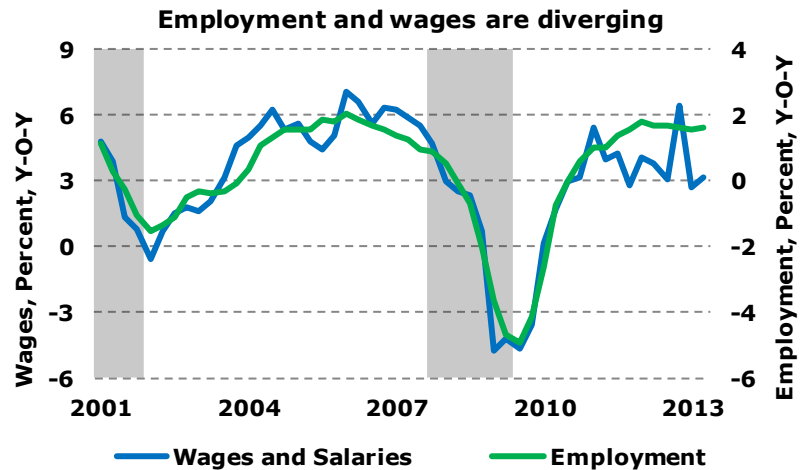
Based on the advance estimate for June, retail and food services sales increased by 0.4% (SA) over May sales and by 5.7% over their June 2012 level. As was true in May, motor ve-

united states

ECONOMIC & REVENUE UPDATE

hicle sales were particularly strong in June, increasing by 2.1% over May sales and by 12.9% on a year-over-year basis.

Revised personal income and outlay data indicate real personal consumption expenditures have increased at a rate of 0.1% in April, May, and June. After increasing by 0.2% in April and May, revised real disposable personal income decreased by 0.1% in June.



Gasoline prices averaged \$3.63 per gallon (regular, all formulations) for the week ending August 5th; gasoline prices have increased about \$0.14 per gallon since early July. Petroleum prices have been trending upward since mid-April. The spot price for West Texas Intermediate (WTI) was just under \$106 per barrel for the week ending August 2nd, a 20% increase since April 19th. Brent spot prices have increased by 11% since April 19th to nearly \$109 per barrel for the week ending August 2nd. The difference (spread) between Brent and West Texas Intermediate (WTI) petroleum spot prices, which had been as high as \$21 in February, has remained below \$5 per barrel for the last five weeks.

July light motor vehicle (LMV) sales were 15.7 million units (SAAR). While slightly below the June level of 16.0 million, July sales were otherwise the highest since December 2012. July sales were 11.3% above the July 2012 level.

Initial claims for unemployment insurance increased by 5,000 to 333,000 (SA) in the week ending August 3rd. The four-week moving average for initial claims decreased by 6,250 to 335,500, its lowest level since January 2008. Layoff announcements, as tracked by outplacement firm Challenger, Gray, and Christmas, decreased to 37,701 in July. This is a 4.2% decrease from June. For the first seven months of the year, layoff announcements are 7.3% lower than for the same period in 2012.

The American Trucking Association's truck tonnage index increased 0.1% (SA) in June after increasing a revised 2.1% in May. The June index is at the highest level on record and was 5.9% above the June 2012 level; year-to-date the index is 4.7% above the same period in 2012. Rail carloads were 0.4% higher (SA) in July than in June, their third consecutive monthly increase. After three consecutive monthly increases, intermodal units (shipping containers or truck trailers) were 0.5% lower (SA) in July than in June.

Industrial production in June grew by 0.3% (SA) after having been flat in May and declining by 0.3% in April. June industrial production was 2.0% higher than in June 2012. Manufacturing activity as measured by the Institute for Supply Management's Purchasing Managers Index (PMI) increased for a second straight month. The July PMI increased by 4.5 points to 55.4 (50 or higher indicates growth). The non-manufacturing PMI increased by 3.8 points to 56.0 in July after having decreased by 1.5 points in June. Core capital goods orders (i.e., durables excluding aircraft and military) which are a proxy for business investment, are up for a fourth straight months, having increased by 0.9% (SA) in June after increasing by 2.1% in May.

Existing home sales decreased 1.2% (SAAR) in June compared to May but are still 15.2% above the year-ago level. New home sales reached their highest level since May 2008, increasing by 8.3% in June to 497,000 homes (SAAR). The inventory of new homes for sale fell to a 3.9 month supply, with the low supply contributing to the rise in new home prices

according to the National Association of Realtors. The seasonally adjusted Case-Shiller 20-city home price index has now increased for sixteen consecutive months through May 2013, with two cities (Dallas and Denver) exceeding their pre-recession peaks. The index is now 12.1% above the year-ago level (SA). After declining in April and then increasing in May, seasonally adjusted housing starts were down again in June. Although June starts were 9.9% below the May level, they were still 10.4% above the June 2012 rate of 757,000. Housing permits also declined in June, falling by 7.5% (SAAR) compared to May but were 16.1% above their year-ago level of 785,000.

After increasing for three straight months, the Conference Board index of consumer confidence decreased by 1.8 points in July and is now at 80.3. However, with the exception of last month, this is the highest reading for the Conference Board’s consumer confidence measure since January 2008. After dropping 0.4 points in June, the University of Michigan consumer sentiment index for July increased by one point to 85.1. This is the highest level for the index since July 2007. For both measures of consumer confidence, views about the current state of the economy improved while expectations about the next six months were weaker.

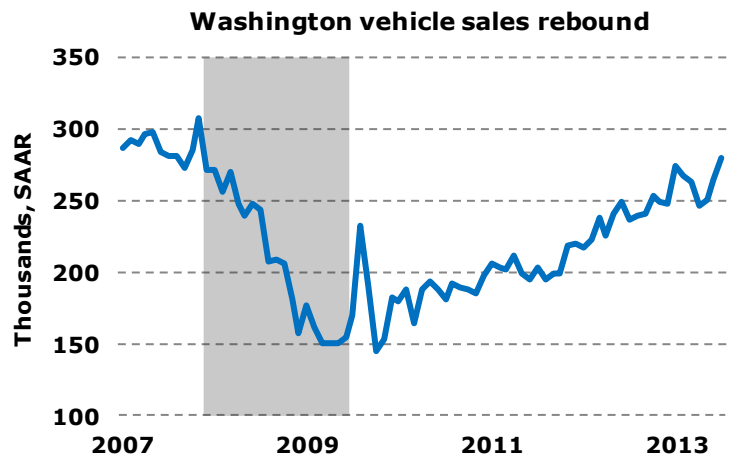
WASHINGTON

We have only one month of additional employment data since the June forecast was released but it was a good month. According to the preliminary estimate, the state’s economy added 6,600 jobs in June, the most since January. The June job growth was 2,900 more than the 3,700 expected in the June forecast. Manufacturing employment unexpectedly increased 1,200 (the forecast had assumed a decline of 800) mostly because the aerospace sector added 500 jobs (we had expected a decline of 1,000 jobs). Outside of aerospace, the manufacturing sector added 700 jobs. Construction employment grew by 1,000 during June but government employment remained weak with a loss of 200 jobs. Washington’s private service-providing industries added 4,600 jobs in June, which was slightly stronger than the 4,000 expected in the forecast. The state’s unemployment rate held steady at 6.8% in June.

The surprising increase in aerospace employment in June was likely a one-off event. We believe the trend is still negative though this downturn will be relatively mild due to the large backlog of orders. The Institute of Supply Management - Western Washington Index (ISM-WW) continues to indicate sustained, moderate growth in the broader manufacturing sector. Index values above 50 indicate positive growth while values below 50 indicate contractions. The ISM-WW index edged down to 56.1 in July from 57.4 in June. The last time the Western Washington index was below 50 was in July 2009.

After a slump in April and May, Washington new light vehicle registrations rebounded in June and July, reaching a new post-recession high of 278,800 vehicles (SAAR). Car and light truck sales are now approaching pre-recession highs ([see figure](#)).

Housing construction dropped sharply in the second quarter of 2013 after rising rapidly throughout 2012 and early 2013. The number of housing units authorized by building permits fell from 36,000 (SAAR) in the first quarter



ECONOMIC & REVENUE UPDATE

of 2013 to 27,700 in the second quarter. The June forecast had assumed 30,600 units in the second quarter. We had anticipated a decline in the second quarter since the multi-family segment had been unusually strong in the first quarter, but the multi-family correction was even stronger than we had assumed. The number of multi-family units fell from 17,200 in the first quarter to 8,500 in the second quarter. We had expected multi-family units to decline to 11,300 units. On the other hand, the number of single-family units rose from 18,900 to 19,200 which was almost exactly the 19,300 units expected in the June forecast. In spite of the setback in the second quarter, we believe the outlook for housing construction in Washington remains positive.

Regional home prices continue to rise. According to the S&P/Case-Shiller Home Price Indices through April 2013, seasonally adjusted Seattle area home prices have risen in 14 of the last 15 months and, as of May, are now 11.9% higher than in the previous May. Foreclosures continue to put downward pressure on home prices but demographics and record affordability are working in the opposite direction. Even with the recent gains, Seattle area home prices are 19.8% lower than their 2007 peak.

Inflation in the Seattle area remains moderate and in line with national trends. In June 2013, the Seattle all items CPI was 1.4% higher than in the previous June which was slightly weaker than 1.8% increase for the U.S. city average. The weaker increase for Seattle was due to fact that energy costs fell more than 3 percent over the year in Seattle while national energy costs rose more than 3 percent. Core inflation in Seattle has averaged 1.8% over the last twelve months compared to 1.6% for the nation.

REVENUE COLLECTIONS

Overview

Major General Fund-State revenue collections for the July 11 – August 10, 2013 collection period were \$72.6 million (6.2%) higher than the June forecast.

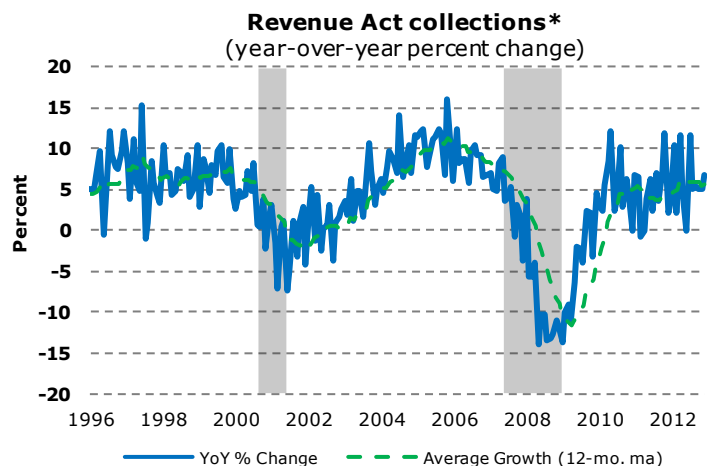
The June forecast had expected a refund of \$22.5 million to occur during this collection period but it will instead occur at a later date, lowering future collections. If the refund had occurred collections would have been \$50.1 million (4.3%) higher than forecasted. During the collection period there were also several large sales of commercial property which generated \$30 million of a \$34 million total positive variance in real estate excise taxes.

Cumulatively, collections are now \$80.0 million (3.2%) above the forecast, but if the \$22.5 million refund would have occurred as expected collections would have been \$57.6 million (2.3%) above the forecast.

Revenue Act

The revenue collections reported here are for the July 11, 2013 – August 10, 2013 collection period. Collections correspond primarily to the June 2013 economic activity of monthly filers and second quarter, 2013 activity of quarterly filers.

Revenue Act collections for the current period came in \$39.0 million (3.8%) above the June forecast. The forecast, however, had expected a \$22.5 million refund to occur during the period. This refund did not occur but will



*Growth adjusted for definition change and unusually large assessment payments, refunds etc.

occur in the future. If the refund had occurred as expected, collections would have been \$16.5 million (1.6%) higher than forecasted. Cumulatively, collections are now \$43.9 million above the forecast, but would have been only \$21.4 million (1.1%) above the forecast had the abovementioned refund occurred as expected.

Adjusted for a large one-time refund last year, year-over-year Revenue Act collections grew at 6.8% ([see figure](#)). The 12-month moving average of year-over-year growth is now 5.8%. Seasonally adjusted collections increased slightly ([see figure](#)).

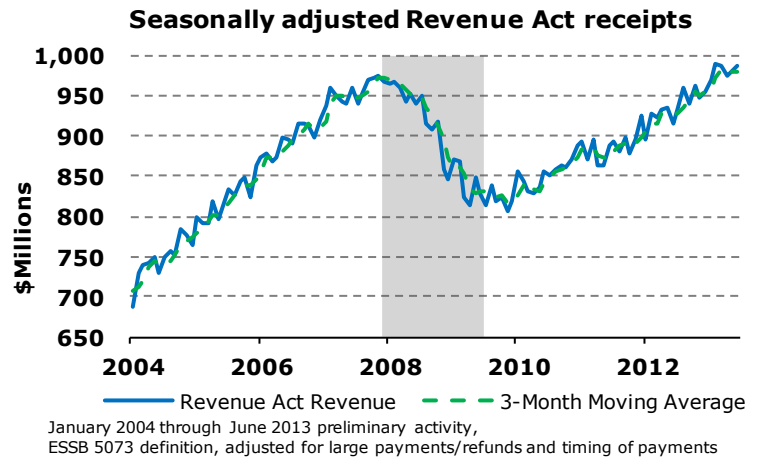
As shown in the "Key Revenue Variables" table, unadjusted Revenue Act receipts increased by 7.1% year-over-year. The preliminary estimate of B&O tax growth is 9.5% year-over-year and the preliminary estimate of retail sales tax growth is 6.4%.

Total tax payments as of July 29th from electronic filers who also paid in the July 11 – August 10 collection period of last year were up 6.4% year-over-year (payments are mainly Revenue Act taxes but include some non-Revenue Act taxes as well).

Some details of payments from electronic filers:

- Total payments in the retail trade sector were up 7.9% year-over-year. Last month, payments grew 10.0% year-over-year. Last month's year over year retail trade growth, however, was increased by payments from stores that sold liquor in May 2013 but not in May 2012. As private sales of liquor began in June 2012, the boost in year-over-year payment growth from such sales has now diminished. This can mainly be seen in payments from food and beverage stores, which grew at 24.5% year-over-year last month but only 2.9% this month.
- Payments from the motor vehicles and parts sector increased by 13.3% year-over-year. Last month, year over year payments increased 12.9%.
- Other retail trade sectors that showed strong growth in payments were building materials and garden equipment (+15.6%), nonstore retailers (+9.9%), gas stations and convenience stores (+7.4%), electronics and appliances (+6.9%) and furniture and home furnishings (+6.6%). No retail trade sector saw a year-over-year decrease in payments.
- Payments from non-retail trade sectors were up 5.5% year-over-year in the current period. Last month, year over year payments increased 5.8%.
- Payments from the manufacturing sector increased by 5.2% year-over-year. Last month payments decreased 8.5% year-over-year. This month saw a large year over year increase in payments from the petroleum refining sector and a small decrease in payments from the transportation equipment sector. The performance of other manufacturing sectors was mixed, with sectors showing year-over year decreases in payments outnumbering those with increases. Without the petroleum and transportation equipment sectors, payments from the manufacturing sector would have decreased 3.5% year-over-year.
- Excluding the manufacturing sector, payments from non-retail trade sectors increased 5.5%. Last month, non-retail payments excluding manufacturing increased 7.4%.

ECONOMIC & REVENUE UPDATE



ECONOMIC & REVENUE UPDATE

- Tax payments by businesses in the construction sector increased by 9.9% year-over-year. Last month, payments increased 16.4% year-over-year.

DOR Non-Revenue Act

July collections came in \$33.9 million (25.8%) above the forecast. Cumulatively, collections are now \$35.3 million (7.7%) above the forecast.

Most of this month's positive variance came from real estate excise tax (REET) collections, which came in \$34.4 million (70.2%) above the June forecast. Much of the variance was due to the transfer of controlling interest of several parcels of commercial real estate with a cumulative value of over \$1.6 billion, which generated

\$20.2 million in REET. In addition, there were an unusually large number of commercial property sales valued at \$20 million or more. Last month, the total value of property sales valued at or greater than \$20 million was \$89 million, but this month such sales totaled \$846 million, \$540 million of which came from just two large sales. This month's large commercial property sales generated \$10.2 million in REET. The combination of the transfer of interest and the commercial sales caused a large spike in seasonally adjusted activity ([see figure](#)). Without the \$30.4 million in revenue from extraordinary sales, collections would have been only \$4.0 million (8.2%) above the forecast. Cumulatively, REET collections are now \$35.3 million (37.3%) above the forecast.

Cigarette taxes came in \$2.5 million (7.2%) above the forecast. Cumulatively, collections are now \$2.8 million (4.2%) higher than forecasted.

Liquor taxes came in \$1.6 million (8.8%) above the forecast. Tax receipts increased by 3.1% year-over-year. Cumulatively, collections are now \$2.2 million (5.4%) higher than forecasted.

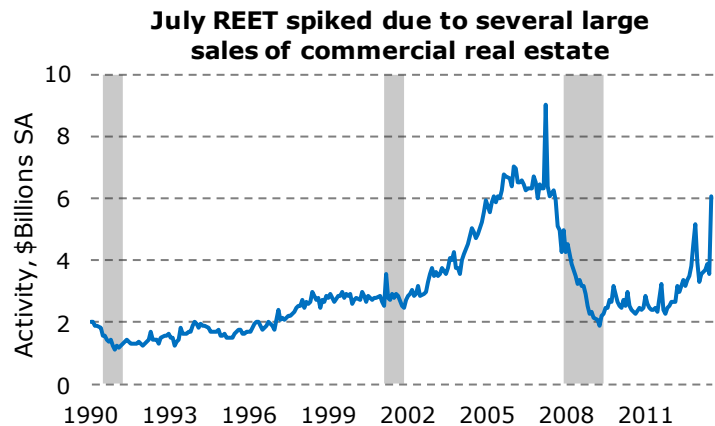
Property tax collections came in \$2.3 million (17.6%) lower than forecasted. Cumulatively, collections are now \$2.1 million (1.0%) less than forecasted.

DOR collections in other categories were \$2.3 million (14.1%) less than forecasted due to larger-than-expected refunds of unclaimed property. Cumulatively, collections are now \$3.4 million (6.6%) less than forecasted.

Other Revenue

Department of Licensing receipts for July came in \$0.3 million (8.4%) higher than the June forecast. Cumulatively, collections are now \$0.8 million (9.6%) above the forecast.

Revenue from the Administrative Office of the Courts was \$0.6 million (7.9%) lower than the forecast. Cumulatively, collections are now \$59,000 (0.4%) higher than forecasted.



Source: ERFC, data through July 2013 preliminary activity

Key U.S. Economic Variables

	2013						2011	2012
	Feb.	Mar.	Apr.	May	Jun.	Jul.		
Real GDP (SAAR)	-	1.1	-	-	1.7	-	1.8	2.8
Industrial Production (SA, 2002 = 100)	98.9	99.1	98.8	98.7	99.1	-	93.6	97.0
<i>Y/Y % Change</i>	2.3	3.1	2.0	1.7	2.0	-	3.4	3.6
ISM Manufacturing Index (50+ = growth)	54.2	51.3	50.7	49.0	50.9	55.4	55.2	51.7
ISM Non-Manuf. Index (50+ = growth)	56.0	54.4	53.1	53.7	52.2	56.0	54.5	54.6
Housing Starts (SAAR, 000)	969	1,005	852	928	836	-	612	783
<i>Y/Y % Change</i>	35.9	42.1	13.0	30.5	10.4	-	4.5	28.0
Light Motor Vehicle Sales (SAAR, mil.)	15.3	15.3	15.2	15.5	15.9	15.8	12.8	14.5
<i>Y/Y % Change</i>	5.8	8.2	7.6	11.0	10.5	11.2	10.8	12.7
CPI (SA, 1982-84 = 100)	232.8	232.3	231.5	231.8	232.9	-	224.9	229.6
<i>Y/Y % Change</i>	2.0	1.5	1.1	1.4	1.8	-	3.1	2.1
Core CPI (SA, 1982-84 = 100)	232.5	232.8	232.9	233.3	233.6	-	225.0	229.8
<i>Y/Y % Change</i>	2.0	1.9	1.7	1.7	1.6	-	1.7	2.1
IPD for Consumption (2000=100)	107.1	107.0	106.7	106.8	107.2	-	104.1	106.0
<i>Y/Y % Change</i>	1.5	1.2	0.9	1.1	1.3	-	2.4	1.8
Nonfarm Payroll Empl., e-o-p (SA, mil.)	135.2	135.3	135.5	135.7	135.9	136.0	132.5	134.7
<i>Monthly Change</i>	0.33	0.14	0.20	0.18	0.19	0.16	2.10	2.19
Unemployment Rate (SA, percent)	7.7	7.6	7.5	7.6	7.6	7.4	8.9	8.1
Yield on 10-Year Treasury Note (percent)	1.98	1.96	1.76	1.93	2.30	2.58	2.79	1.80
Yield on 3-Month Treasury Bill (percent)	0.10	0.09	0.06	0.04	0.05	0.04	0.05	0.09
Broad Real USD Index** (Mar. 1973=100)	84.1	84.6	84.0	84.3	85.1	85.6	82.6	84.4
Federal Budget Deficit (\$ bil.)*	203.5	106.5	-112.9	138.7	-116.5	-	1,296.8	1,089.2
<i>FYTD sum</i>	494.0	600.5	487.6	626.3	509.8	-		
US Trade Balance (\$ bil.)	-43.8	-37.1	-40.1	-44.1	-34.2	-	-556.8	-534.7
<i>YTD Sum</i>	-86.5	-123.7	-163.8	-207.9	-242.1	-		

*Federal Fiscal Year runs from October 1st to September 30th.

**Weighted average of U.S. dollar foreign exchange values against currencies of major U.S. trading partners, Federal Reserve.

Key Washington Economic Variables

	2013						2011	2012	
	Feb.	Mar.	Apr.	May	Jun.	Jul.			
Employment								<i>End-of-period</i>	
Total Nonfarm (SA, 000)	2,914.1	2,915.3	2,918.9	2,922.3	2,928.9	-	2,840.9	2,902.0	
<i>Change from Previous Month (000)</i>	5.1	1.2	3.6	3.4	6.6	-	37.7	61.0	
Construction	144.9	145.8	146.2	146.6	147.6	-	136.0	144.1	
<i>Change from Previous Month</i>	0.1	0.9	0.4	0.4	1.0	-	-1.7	8.1	
Manufacturing	285.6	285.6	286.2	285.9	287.1	-	274.2	284.5	
<i>Change from Previous Month</i>	0.8	0.0	0.6	-0.3	1.2	-	13.2	10.3	
Aerospace	96.6	96.4	96.1	95.6	96.2	-	90.9	97.0	
<i>Change from Previous Month</i>	-0.1	-0.1	-0.3	-0.5	0.5	-	9.0	6.1	
Software	52.7	53.0	53.1	53.4	53.7	-	52.1	52.7	
<i>Change from Previous Month</i>	0.2	0.2	0.1	0.4	0.2	-	0.9	0.6	
All Other	2,430.8	2,430.9	2,433.4	2,436.3	2,440.5	-	2,378.6	2,420.6	
<i>Change from Previous Month</i>	3.9	0.1	2.5	2.9	4.2	-	25.3	42.0	
Other Indicators								<i>Annual Average</i>	
Seattle CPI (1982-84=100)	239.9	-	240.8	-	242.8	-	232.8	238.7	
	1.8%	-	1.2%	-	1.4%	-	2.7%	2.5%	
Housing Permits (SAAR, 000)	35.8	34.6	27.2	30.8	25.3	-	20.9	28.5	
	48.1%	-11.1%	0.9%	24.0%	-14.7%	-	6.2%	35.9%	
WA Index of Leading Ind. (2004=100)	116.2	115.4	115.3	115.4	114.9	-	109.3	113.1	
	4.0%	2.0%	2.8%	2.8%	2.3%	-	5.9%	3.4%	
WA Business Cycle Ind. (Trend=50)	40.8	40.9	36.8	40.9	35.5	-	19.3	30.6	
	60.0%	23.9%	27.8%	56.0%	13.8%	-	48.2%	58.7%	
Avg. Weekly Hours in Manuf. (SA)	42.4	41.9	41.9	41.3	41.5	-	42.4	41.9	
	1.5%	-1.4%	-0.2%	-1.4%	-0.7%	-	1.2%	-1.1%	
Avg. Hourly Earnings in Manuf.	24.3	24.4	24.3	24.2	24.0	-	24.0	24.1	
	0.2%	0.1%	1.7%	0.3%	-0.5%	-	2.1%	0.7%	
New Vehicle Registrations (SA, 000)	22.3	21.9	20.5	20.8	22.0	23.2	17.0	19.8	
	20.4%	10.7%	9.4%	4.0%	5.9%	18.0%	9.9%	16.6%	
Initial Unemployment Claims (SA, 000)	38.9	41.2	42.2	39.5	41.9	-	49.9	44.6	
	-13.6%	-12.3%	-9.8%	-11.4%	-7.5%	-	-11.8%	-10.6%	
Personal Income (SAAR, \$bil.)	-	319.1	-	-	-	-	299.7	314.2	
	-	3.6%	-	-	-	-	5.8%	4.9%	
Median Home Price (\$000)	-	237.6	-	-	251.1	-	224.4	232.5	
	-	14.1%	-	-	6.4%	-	-8.5%	3.6%	

*Employment data has been Kalman filtered and does not match figures released by the BLS

*Percentage Change is Year-over-Year

Key Revenue Variables

Thousands of Dollars

	2012					2013						
	Aug 11- Sep 10	Sep 11- Oct 10	Oct 11- Nov 10	Nov 11- Dec 10	Dec 11- Jan 10	Jan 11- Feb 10	Feb 11- Mar 10	Mar 11- Apr 10	Apr 11- May 10	May 11- Jun 10	Jun 11- Jul 10	Jul 11- Aug 10*
Department of Revenue-Total	1,061,104 4.0	1,093,845 10.0	1,204,793 5.7	1,765,423 8.5	1,181,039 10.3	1,287,497 1.4	942,514 8.9	1,002,341 6.9	1,215,238 6.8	1,771,000 4.5	1,296,974 2.1	1,233,405 10.4
Revenue Act	930,247 3.4	978,985 9.2	998,628 2.3	932,829 10.4	913,153 10.0	1,150,101 1.3	853,541 9.8	877,120 7.8	1,007,189 5.4	926,273 7.0	966,962 5.8	1,068,312 7.1
Retail Sales Tax	592,123 3.6	612,625 8.3	622,517 2.4	581,784 10.2	577,469 5.6	715,134 2.5	522,243 12.1	527,196 6.2	613,769 7.1	577,213 9.5	606,837 7.7	659,404 6.4
Business and Occupation Tax	255,147 1.3	283,512 11.3	292,223 2.5	270,761 13.7	250,742 18.8	336,737 -1.1	239,767 8.8	258,934 12.2	299,279 4.6	260,306 2.9	273,672 2.8	319,383 9.5
Use Tax	43,689 12.6	40,710 9.6	44,502 6.0	37,794 4.1	41,793 33.8	46,676 6.3	37,891 8.4	39,069 5.1	46,800 -1.4	43,209 9.1	44,374 2.0	47,114 5.8
Public Utility Tax	25,441 1.4	27,731 4.5	25,746 -6.8	28,514 2.6	30,374 -2.1	36,867 -7.4	41,681 3.8	38,216 2.3	34,155 -5.2	32,606 -0.5	29,288 4.5	29,905 4.5
Tobacco Products Tax	3,884 -3.0	3,873 -13.2	3,146 -25.8	3,145 -20.6	3,468 -3.5	3,475 -2.2	3,377 -10.3	3,229 -2.1	3,687 -1.6	3,827 3.5	3,996 2.9	3,611 -0.9
Penalties and Interest	9,961 13.2	10,533 30.1	10,494 13.7	10,831 1.6	9,307 47.4	11,212 8.5	8,582 -29.8	10,476 19.8	9,498 1.1	9,112 0.5	8,796 0.6	8,894 -5.7
Non-Revenue Act**	130,858 8.9	114,860 17.9	206,164 26.4	832,594 6.5	267,886 11.4	137,396 2.3	88,972 1.2	125,221 1.3	208,049 14.4	844,727 2.0	330,011 -7.5	165,094 38.2
Liquor Sales/Liter	26,234 40.9	24,032 34.3	20,300 19.4	21,303 26.0	21,568 21.0	31,136 26.8	21,122 41.8	18,787 17.9	19,663 10.5	19,353 18.7	22,260 11.3	20,025 3.1
Cigarette	39,614 -3.4	34,893 -7.1	36,228 5.3	37,100 5.2	30,050 -15.5	37,191 18.4	22,316 -29.8	33,058 0.4	29,157 -12.7	42,365 24.5	32,997 -14.3	36,691 14.9
Property (State School Levy)	6,545 -10.3	10,389 -1.8	36,286 -6.9	676,660 3.4	140,457 -3.7	8,777 -9.1	5,904 -2.0	28,731 -8.7	101,083 44.8	699,714 0.3	192,002 -3.4	10,920 -15.7
Real Estate Excise	48,957 7.4	36,155 16.5	49,081 108.5	53,398 79.5	63,154 93.5	36,918 64.3	25,825 14.8	36,800 18.0	46,189 17.1	52,703 47.5	48,455 -10.4	83,478 126.0
Timber (state share)	804 -31.1	0 NA	0 NA	795 -17.0	0 NA	0 NA	618 -39.4	0 NA	0 NA	673 8.6	0 NA	0 NA
Other	8,704 35.1	9,393 2,496.3	64,270 31.4	43,338 -3.1	12,657 49.1	23,375 -49.3	13,188 13.4	7,846 -34.8	11,959 -44.0	29,919 -32.6	34,297 -25.2	13,979 -23.1
Department of Licensing**	1,308 -4.6	513 0.5	358 19.0	260 6.2	245 11.0	307 58.0	430 40.2	624 16.0	2,385 10.4	2,839 2.3	5,179 2.0	3,618 6.9
Administrative Office of the Courts**	7,957 0.0	7,431 -14.0	7,303 -8.4	8,667 4.7	6,853 -8.2	6,462 -12.7	6,924 11.5	7,548 -11.4	7,973 -4.6	8,579 2.4	7,487 -8.2	7,053 -6.8
Total General Fund-State***	1,070,369 4.0	1,101,789 9.8	1,212,454 5.6	1,774,349 8.5	1,188,138 10.2	1,294,266 1.3	949,868 8.9	1,010,514 6.8	1,225,596 6.8	1,782,418 4.5	1,309,640 2.0	1,244,077 10.3

*Revenue Act components: ERFC preliminary estimates

**Monthly Revenues (month of beginning of collection period)

*** Detail may not add due to rounding. The GFS total in this report includes only collections from larger state agencies: the DOR, Lottery Commission, AOC and DOL.

Note: *Italic figures refer to Year-over-Year percent change.*

Revenue Forecast Variance

Thousands of Dollars

Period/Source	Estimate*	Actual	Difference Amount	Percent
July 11, 2013 - August 10, 2013				
August 10, 2013 Collections Compared to the June 2013 Forecast				
Department of Revenue-Total	\$1,160,530	\$1,233,405	\$72,876	6.3%
Revenue Act** (1)	1,029,340	1,068,312	38,972	3.8%
Non-Revenue Act(2)	131,190	165,094	33,904	25.8%
Liquor Sales/Liter	18,405	20,025	1,620	8.8%
Cigarette	34,213	36,691	2,478	7.2%
Property (State School Levy)	13,246	10,920	(2,326)	-17.6%
Real Estate Excise	49,059	83,478	34,419	70.2%
Timber (state share)	0	0	0	0.0%
Other	16,267	13,979	(2,288)	-14.1%
Department of Licensing (2)	3,337	3,618	282	8.4%
Administrative Office of the Courts (2)	7,658	7,053	(605)	-7.9%
Total General Fund-State***	\$1,171,525	\$1,244,077	\$72,552	6.2%

Cumulative Variance Since the June Forecast (June 11, 2013 - August 10, 2013)

Department of Revenue-Total	\$2,451,161	\$2,530,379	\$79,218	3.2%
Revenue Act** (3)	1,991,390	2,035,274	43,885	2.2%
Non-Revenue Act(4)	459,772	495,105	35,333	7.7%
Liquor Sales/Liter	40,110	42,284	2,174	5.4%
Cigarette	66,875	69,689	2,814	4.2%
Property (State School Levy)	204,976	202,922	(2,054)	-1.0%
Real Estate Excise	96,097	131,934	35,836	37.3%
Timber (state share)	0	0	0	0.0%
Other	51,713	48,276	(3,437)	-6.6%
Department of Licensing (4)	8,030	8,798	768	9.6%
Administrative Office of the Courts	14,481	14,540	59	0.4%
Total General Fund-State***	\$2,473,672	\$2,553,717	\$80,046	3.2%

1 Collections July 11, 2013 - August 10, 2013. Collections primarily reflect June 2013 activity of monthly filers and second quarter, 2013 activity of quarterly filers.

2 July 2013 collections.

3 Cumulative collections, estimates and variance since the June 2013 forecast; (June 11, 2013 - August 10, 2013) and revisions to history.

4 Cumulative collections, estimates and variance since the June forecast (June-July 2013) and revisions to history.

* Based on the June 2013 economic and revenue forecast.

**The Revenue Act consists of the retail sales, B&O, use, public utility, tobacco products taxes, and penalty and interest.

*** Detail may not add due to rounding. The General Fund-State total in this report includes only collections from larger state agencies: the Department of Revenue, Department of Licensing, Lottery Commission and Administrative Office of the Courts.