



# ECONOMIC & REVENUE UPDATE

February 11, 2015

summary

## Summary

- **The U.S. labor market continued to expand, with 257,000 net new jobs added in January.**
- **Nationally, layoff announcements increased as lower oil prices hit the energy sector.**
- **U.S. real GDP growth was 2.6% in the fourth quarter and 2.4% for all of 2014.**
- **The Conference Board index of consumer confidence reached its highest level since January 2007.**
- **Washington employment is slightly higher than forecasted due to stronger than expected job growth and upward revisions to historical estimates.**
- **Washington housing construction improved in the fourth quarter of 2014 and Seattle area home prices continue to rise.**
- **Washington exports reached an all-time high in the fourth quarter of 2014 thanks to aerospace and agriculture but exports of other commodities declined over the year.**
- **Major General Fund-State revenue collections for the January 11 - February 10, 2015 collection period were \$53.8 million (3.8%) higher than the November forecast.**
- **Cumulatively, collections are now \$69.0 million (1.5%) higher than forecasted.**
- **Last month, there were several large one-time assessment payments and refunds that totaled \$21.2 million. In addition, a \$21.0 million refund that was forecasted for the month is now expected to occur in March instead. Had the refund occurred when forecasted, and the one-time payments not occurred, cumulative collections would have been \$26.8 million (0.6%) higher than forecasted.**
- **Because the \$21 million refund is still expected to occur, the effective cumulative surplus is \$48.0 million (1.1%).**

## United States

This month's economic data updates continued the recent trend of positives outweighing negatives. The first full-year estimate of 2014 real GDP growth was 0.2 percentage points above our November forecast at 2.4%, consumer confidence was up, and auto sales remained strong. Job growth continued to be robust but layoff announcements hit their highest level in almost two years. Housing starts and new home sales for 2014 were higher than in 2013 but existing home sales were lower.

Nonfarm employment increased by 257,000 net new jobs in January, while November and December 2014 employment data were revised upward by 147,000 jobs. Sectors with notable employment gains in January included retail trade (+46,000), construction (+39,000), health care (+38,000), leisure and hospitality (+37,000), professional and technical services (+32,000), financial activities (+26,000), and manufacturing (+22,000). Several sectors did see employment losses, including government (-10,000), transportation and warehousing (-9,000), educational services (-4,000), and mining (-4,000). Average hourly

united states

wages increased by \$0.12 in January after having fallen \$0.05 in December; the unemployment rate increased by 0.1 percentage points to 5.7%.

The first estimate of real GDP growth for the fourth quarter of 2014 was 2.6% at an annual rate; this compares to a 5.0% growth rate for the third quarter. For all of 2014, real GDP growth was 2.4%, up from 2.2% growth in 2013.

Industrial production decreased by 0.1% in December (SA) after increasing 1.3% in November. The decline in December reflected a sharp drop in utilities output, as above-average temperatures reduced demand for heating; excluding utilities, industrial production increased 0.7% in December. New orders for core capital goods (i.e., durables excluding aircraft and military), which are a proxy for business investment, decreased by 0.1% in December (SA) after having declined by 0.5% in November. However, for all of 2014, new orders for core capital goods were up by 4.9% over 2013.

Growth in manufacturing activity, as measured by the Institute for Supply Management's Purchasing Managers Index (PMI), decreased by 1.6 points to 53.5 in January (50 or higher indicates growth). Although this is the third consecutive decline for the index, it has remained above 50 for 20 consecutive months. After declining in December, the non-manufacturing PMI increased in January by 0.2 points to 56.7. Non-manufacturing activity has increased for 60 consecutive months through January.

Initial claims for unemployment insurance increased by 11,000 to 278,000 (SA) in the week ending January 31st. The four-week moving average of initial claims decreased by 6,500 to 292,750. Layoff announcements, as tracked by outplacement firm Challenger, Gray, and Christmas, increased by 62.5% to 53,041 in January. Nearly 20,000 of those job cut announcements were in the energy sector and tied directly to declining oil prices.

Home sales and residential construction activity displayed mixed signs in December, but overall data for 2014 were stronger than in 2013. Housing units authorized by building permits in December decreased by 1.9% (SAAR) compared to their November level. For all of 2014, 1,032,900 housing units were authorized by building permits, a 4.2% increase over 2013. December housing starts increased by 4.4% (SAAR) compared to November; total 2014 housing starts were 8.8% above their 2013 level. After declining in November, seasonally adjusted new single family home sales increased by 11.6% to 481,000 (SAAR) in December. An estimated 435,000 new homes were sold in 2014, up 1.2% from 2013. Although existing home sales were up by 2.4% (SAAR) in December, they declined by 3.1% for all of 2014. The seasonally-adjusted Case-Shiller national home price index has increased for a fourth consecutive month. The November index was 0.8% above its October level and 4.7% above its year-ago level.

The two major consumer confidence measures both suggest growing consumer optimism regarding the state of the economy. The Conference Board index of consumer confidence increased for a second straight month, rising 9.8 points to 102.9 in January. This is its highest reading since August 2007. The University of Michigan consumer sentiment survey increased for a sixth straight month, rising 4.5 points to 98.2 in January. The increase in the Conference Board index was attributed to greater optimism regarding the labor market and earnings, while the gains in the University of Michigan index were again due to improved job and wage prospects as well as lower gasoline prices.



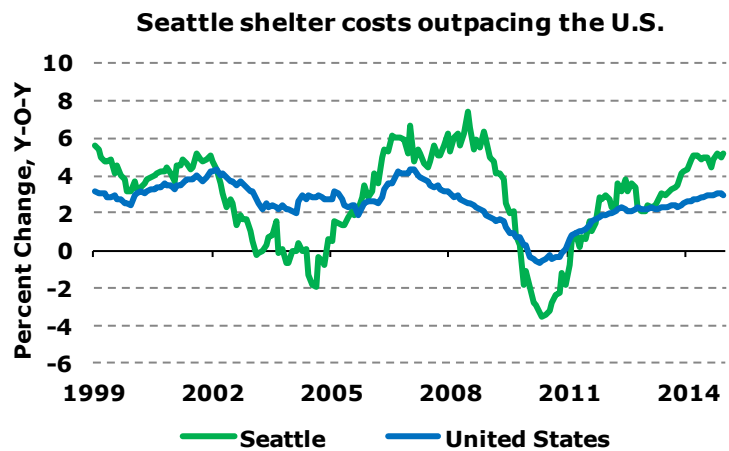
January light motor vehicle sales decreased slightly to 16.7 million units from 16.9 million units (SAAR) in December. However, this was 8.9% above January 2014 sales.

While spot prices for U.S. benchmark West Texas Intermediate (WTI) oil declined through January, spot prices for European benchmark Brent oil appear to have stabilized. WTI spot prices ended January at \$45 per barrel, while Brent prices remained at about \$47 per barrel for the last three weeks of the month. Compared to late December, WTI spot prices declined by \$10 per barrel while Brent spot prices dropped by nearly \$12 per barrel over that period. Gasoline prices fell to \$2.04 per gallon (regular, all formulations) by the end of January before increasing slightly to \$2.07 per gallon for the week ending February 2nd. Despite the increase, gasoline prices are down \$0.23 per gallon since the end of 2014.

The American Trucking Association's truck tonnage index was unchanged for December after increasing by 3.5% (SA) in November. Truck tonnage was up 3.5% for all of 2014. Rail traffic was stronger overall in January. Although rail carloads were 0.1% (SA) lower than in December, intermodal rail units (shipping containers or truck trailers) were 3.2% (SA) higher than in December.

**WASHINGTON**

We have two months of new Washington employment data since the November forecast was released. Total nonfarm payroll employment rose 14,000 in November and December, 2,200 more than the 11,800 expected in the November forecast. As usual, most of the growth came from private, services-providing sectors whose employment rose 8,100 in the two-month period. This was 1,900 short of the 10,000 increase expected in the forecast, however. Construction employment grew 2,500 in November and December and manufacturing employment rose 2,100, both exceeding the November forecast which predicted an increase in construction of 1,400 jobs and a decline in manufacturing of 300 jobs. The public sector added 1,200 jobs in November and December. The forecast had assumed an increase of 800 jobs.



We have also incorporated another quarter of benchmark employment data from the Quarterly Census of Employment and Wages (QCEW). The new QCEW data and other revisions raised the estimated level of total employment in October 2014 by 2,400 jobs. As a result of the upward revisions to history and stronger-than-expected growth, the total effect is 4,600 (0.1%) more jobs in December 2014 than expected in the November forecast.

Housing construction improved in the fourth quarter of 2014. The number of housing units authorized by building permits increased to 35,000 (SAAR) in the fourth quarter from 32,600 in the third quarter. The November forecast predicted 34,100 units. The number of single-family units increased from 17,700 to 18,800, exceeding the forecast of 17,600 units. The number of multi-family units also increased, from 14,900 to 16,200, but fell slightly short of the 16,500 units forecasted in November.

According to the S&P/Case-Shiller Home Price Indices, seasonally adjusted Seattle area home prices increased 0.4% in November, following a 0.8% increase in October. Seattle area home prices have declined only once (last May) in the last three years. Prices are up

6.1% over the previous November and are 28.3% higher than the November 2011 trough. The steady gains in the Seattle area index have brought local home prices to within 11% of the pre-recession peak.

Seattle area consumer price inflation remains tame thanks mainly to falling energy costs. Over the last year, from December 2013 to December 2014, consumer prices in the Seattle area rose 1.7% compared to 0.7% for the nation. Core prices, which exclude food and energy, were up 2.6% in Seattle compared to 1.6% for the nation. The reason Seattle inflation was so much higher than the national rate is much more rapid growth in shelter costs. During the year, shelter costs in Seattle rose 5.2% compared to 2.9% for the nation ([see figure](#)). Excluding shelter costs, Seattle inflation was -0.1% over the year which is only slightly higher than the national rate of -0.4%.

Washington exports reached an all-time high of \$25.2 billion in the fourth quarter of 2014 thanks mainly to aerospace. Fourth quarter exports were up 11.6% over the year due to a 27.0% increase in transportation equipment exports (mostly Boeing planes) which also reached an all-time high of \$14.3 billion in the quarter. Agricultural exports managed a 1.7% increase over the year but exports of commodities other than transportation equipment and agricultural products fell 7.1% over the year.

The Institute of Supply Management - Western Washington Index (ISM-WW) rebounded to 66.6 in January from a barely positive 53.3 in December (index values above 50 indicate positive growth while values below 50 indicate contractions). The production, orders, employment, and inventory components all increased in January. Only the deliveries component declined. The last time the ISM-WW index was below 50 was July 2009.

Washington car and truck sales declined 5.0% in January 2015 following an 8.7% increase in December. New vehicle registrations totaled 284,400 (SAAR) in January compared to a post-recession high of 299,200 in December. January registrations were still up 3.0 percent over the year.

## REVENUE COLLECTIONS

### Overview

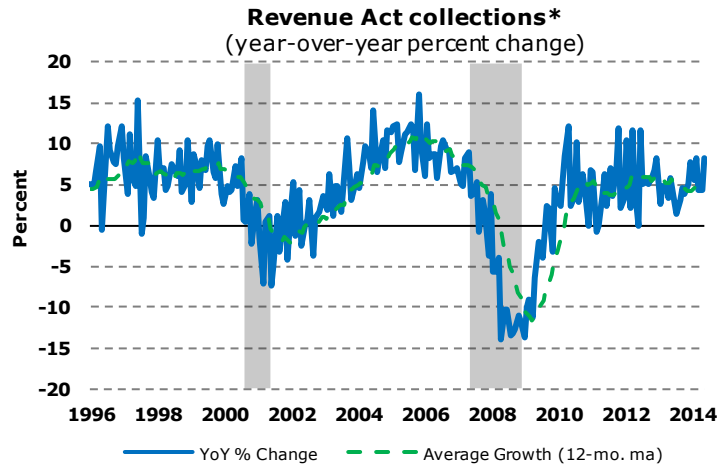
Major General Fund-State revenue collections for the January 11 - February 10, 2015 collection period were \$53.8 million (3.8%) higher than the November forecast. Cumulatively, collections are now \$69.0 million (1.5%) higher than forecasted. Last month, however, there were several large one-time assessment payments and refunds that totaled \$21.2 million. In addition, a \$21.0 million refund that was forecasted for the month is now expected to occur in March instead. Had the refund occurred when forecasted, and the one-time payments not occurred, cumulative collections would have been \$26.8 million (0.6%) higher than forecasted. Because the \$21 million refund is still expected to occur, the effective cumulative surplus is \$48.0 million (1.1%).

### Revenue Act

Revenue Act taxes consist of the sales, use, business and occupation (B&O), utility, and tobacco products taxes along with associated penalty and interest payments. The revenue collections reported here are for the January 11 - February 10, 2015 collection period. Collections correspond primarily to the December economic activity of monthly filers, fourth quarter 2014 activity of quarterly filers and 2014 activity of annual filers.

Revenue Act collections for the current period came in \$36.5 million (2.9%) above the November forecast. Cumulatively, collections are now \$52.0 million (1.6%) higher than fore-

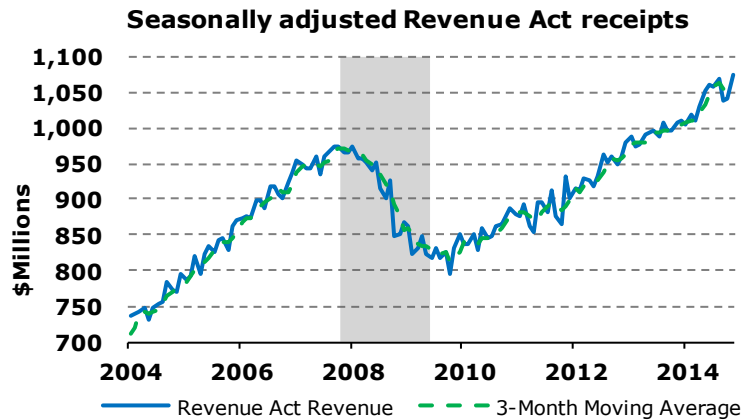
casted. Last month, however, there were several large one-time assessment payments and refunds that totaled \$21.2 million. In addition, a \$21.0 million refund that was forecasted for this month has yet to occur (it is now expected to occur in March). Had the refund occurred, and the one-time payments not occurred, collections would have been only \$9.7 million (0.3%) higher than forecasted.



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

Adjusted for a large one-time refund in the year-ago period, collections grew 8.2% year over year (see figure). The 12-month moving average of year-over-year growth increased to 5.1%. Seasonally adjusted collections increased (see figure).

As shown in the "Key Revenue Variables" table, the preliminary estimate of year-over-year retail sales tax growth is 11.3%. The preliminary estimate of B&O tax growth is 4.2%.



January 2004 through December 2014 preliminary activity, Current definition, adjusted for large payments/refunds and timing of payments

Total tax payments as of January 28th from electronic filers who also paid in the January 11 – February 10 collection period of last year were up 6.7% 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 6.1% year over year. Last month, payments grew 4.9% year over year.
- Payments from the motor vehicles and parts sector increased by 7.4% year over year. Last month, payments in the sector increased by 6.4% year over year.
- Retail trade sectors that showed strong growth in payments were food and beverage stores (+16.4%), nonstore retailers (+12.3%), furniture and home furnishings (+10.3%) and building materials and garden equipment (+9.6%). One retail trade sector, gas stations and convenience stores, showed a year-over-year decline in payments (-1.1%). The decrease in payments from the sector was likely due to a reduction in gross receipts from falling gasoline prices, which lowered B&O tax payments.
- Payments from non-retail trade sectors were up 7.2% year over year in the current period. Last month, year-over-year payments increased 4.1%.
- Payments from the manufacturing sector decreased by 9.5% year over year. Last month payments decreased 6.6% year over year. This month saw a large year-over-year decrease in payments from the petroleum refining sector due to price decreases in refined products as well as a slight decrease in payments from the transportation



equipment sector. Excluding the transportation and petroleum sectors, payment growth from the remaining manufacturing sectors was 4.0%.

- Excluding the manufacturing sector, payments from non-retail trade sectors increased 9.3% year over year. Last month, non-retail payments excluding manufacturing increased 5.3%.
- Tax payments by businesses in the construction sector increased by 17.7% year over year, aided by favorable weather in the recent year. Last month, payments increased 10.2% year over year.

### DOR Non-Revenue Act

January collections came in \$17.0 million (13.0%) above the forecast. Cumulatively, collections are now \$15.6 million (1.3%) above the forecast.

Cigarette tax receipts came in \$5.8 million (17.6%) higher than forecasted. Most of the surplus, however, was likely due to the timing of tax stamp purchases rather than a large increase in recent cigarette sales (tax stamps are purchased for cigarettes before they are sold). This month's surplus will therefore likely lead to lower tax stamp sales next month. Cumulatively, receipts are now \$11.9 million (13.1%) higher than forecasted.

Real estate excise tax (REET) collections for January came in \$4.4 million (11.8%) higher than forecasted. Most of the surplus was once again due to large sales of commercial property. Sales of property valued at \$10 million or more totaled \$557 million. Residential sales were also slightly stronger than forecasted. Seasonally adjusted activity rebounded from December's level, which had been dragged down by weak residential sales ([see figure](#)). Cumulative collections are now \$10.2 million (7.2%) higher than forecasted.

Liquor taxes came in \$2.9 million (10.1%) higher than forecasted. Adjusted for an increase in this year's distribution of taxes to local governments, tax receipts for December sales increased by 8.3% year over year. Unadjusted receipts increased by 6.1% as reported in the "Key Revenue Variables" table. Cumulatively, liquor tax receipts are now \$3.6 million (5.2%) higher than forecasted.

Transfers of unclaimed property into the GF-S were \$3.1 million higher than forecasted. Cumulatively, transfers are \$2.5 million (8.8%) higher than forecasted.

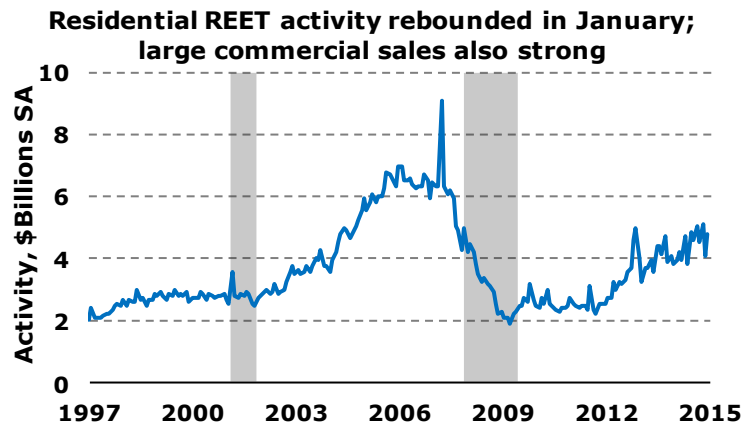
Property tax collections came in \$0.2 million (1.5%) lower than forecasted. Cumulatively, property tax collections are now \$9.2 million (1.1%) lower than forecasted.

Revenue from other DOR non-GF-S sources came in \$0.9 million (4.3%) above the forecast. Cumulatively, revenue from these sources is \$3.4 million (7.6%) lower than forecasted.

### Other Revenue

Department of Licensing receipts for January came in \$25,000 (10.1%) higher than the November forecast. Cumulatively, receipts are now \$78,000 (10.8%) higher than forecasted.

Revenue from the Administrative Office of the Courts came in \$0.3 million (5.0%) above the forecast. Cumulatively, revenue is \$1.4 million (7.2%) higher than forecasted.



Source: ERFC, data through January 2015 preliminary activity

## Key U.S. Economic Variables

	2014					2015		2013	2014
	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.			
Real GDP (SAAR)	-	5.0	-	-	2.6	-		2.2	2.4
Industrial Production (SA, 2007 = 100)	104.4	105.3	105.3	106.6	106.5	-		99.9	104.2
Y/Y % Change	4.4	4.5	4.4	5.2	4.9	-		2.9	4.3
ISM Manufacturing Index (50+ = growth)	58.1	56.1	57.9	57.6	55.1	53.5		53.9	55.7
ISM Non-Manuf. Index (50+ = growth)	58.6	58.1	56.9	58.8	56.5	56.7		54.7	56.2
Housing Starts (SAAR, 000)	963	1,028	1,092	1,043	1,089	-		930	1,004
Y/Y % Change	8.8	19.1	16.7	-5.6	5.3	-		18.6	8.0
Light Motor Vehicle Sales (SAAR, mil.)	17.5	16.4	16.5	17.2	16.9	16.7		15.6	16.5
Y/Y % Change	10.0	6.6	7.0	5.6	9.0	8.9		7.6	6.0
CPI (SA, 1982-84 = 100)	237.4	237.6	237.6	237.0	236.1	-		233.0	236.7
Y/Y % Change	1.7	1.7	1.7	1.3	0.7	-		1.5	1.6
Core CPI (SA, 1982-84 = 100)	238.3	238.7	239.2	239.3	239.3	-		233.8	237.9
Y/Y % Change	1.7	1.7	1.8	1.7	1.6	-		1.8	1.7
IPD for Consumption (2009=100)	109.1	109.2	109.2	109.0	108.7	-		107.3	108.8
Y/Y % Change	1.5	1.4	1.4	1.2	0.7	-		1.2	1.3
Nonfarm Payroll Empl., e-o-p (SA, mil.)	139.4	139.6	139.8	140.3	140.6	140.8		137.5	140.6
Monthly Change	0.21	0.25	0.22	0.42	0.33	0.26		2.39	3.12
Unemployment Rate (SA, percent)	6.1	5.9	5.7	5.8	5.6	5.7		7.4	6.2
Yield on 10-Year Treasury Note (percent)	2.42	2.53	2.30	2.33	2.21	1.88		2.35	2.54
Yield on 3-Month Treasury Bill (percent)	0.03	0.02	0.02	0.02	0.03	0.03		0.06	0.03
Broad Real USD Index** (Mar. 1973=100)	85.4	86.6	87.6	88.8	90.5	92.4		84.5	86.3
Federal Budget Deficit (\$ bil.)*	128.7	-105.8	121.7	56.8	-1.9	-		680.2	483.6
FYTD sum	589.4	483.6	121.7	178.5	176.7	-			
US Trade Balance (\$ bil.)	-39.7	-43.2	-41.9	-39.8	-46.6	-		-476.4	-505.0
YTD Sum	-333.6	-376.9	-418.7	-458.5	-505.0	-			

\*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

	2014					2015		2013	2014
	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.			
<b>Employment</b>								<i>End-of-period</i>	
Total Nonfarm (SA, 000)	3,087.2	3,090.3	3,096.9	3,106.0	3,114.0	-	3,023.7	3,114.0	
Change from Previous Month (000)	10.0	3.1	6.6	9.1	8.0	-	73.2	90.3	
Construction	158.9	160.1	160.8	162.2	163.6	-	152.0	163.6	
Change from Previous Month	0.8	1.3	0.7	1.4	1.4	-	8.0	11.7	
Manufacturing	289.0	288.1	288.7	289.8	291.4	-	287.4	291.4	
Change from Previous Month	-1.0	-0.9	0.6	1.1	1.6	-	2.7	4.0	
Aerospace	94.3	93.7	93.0	93.1	93.3	-	95.3	93.3	
Change from Previous Month	-0.6	-0.6	-0.7	0.1	0.2	-	-1.4	-2.1	
Software	56.2	56.2	55.3	55.3	55.0	-	55.1	55.0	
Change from Previous Month	0.3	-0.1	-0.9	0.0	-0.3	-	2.4	-0.1	
All Other	2,583.2	2,586.0	2,592.1	2,598.7	2,603.9	-	2,529.2	2,603.9	
Change from Previous Month	9.9	2.7	6.2	6.6	5.2	-	60.0	74.8	
<b>Other Indicators</b>								<i>Annual Average</i>	
Seattle CPI (1982-84=100)	247.2	-	247.9	-	245.1	-	241.6	246.0	
	1.8%	-	2.1%	-	1.7%	-	1.2%	1.8%	
Housing Permits (SAAR, 000)	30.4	34.7	32.5	39.6	37.8	-	30.8	34.5	
	19.3%	18.9%	-0.6%	12.9%	13.8%	-	9.0%	11.9%	
WA Index of Leading Ind. (2004=100)	118.5	118.3	119.2	119.9	119.7	-	114.8	117.9	
	3.1%	2.8%	4.0%	3.1%	3.0%	-	3.0%	2.7%	
WA Business Cycle Ind. (Trend=50)	49.1	49.0	48.3	49.0	48.8	-	40.7	47.2	
	15.6%	17.8%	13.9%	16.5%	14.3%	-	30.1%	15.7%	
Avg. Weekly Hours in Manuf. (SA)	41.1	41.8	41.4	41.7	41.7	-	41.6	41.1	
	-1.7%	0.8%	0.7%	0.9%	0.0%	-	-0.9%	-1.1%	
Avg. Hourly Earnings in Manuf.	24.8	25.3	25.2	25.5	25.9	-	24.3	25.2	
	4.2%	4.4%	2.8%	3.1%	1.4%	-	0.8%	3.4%	
New Vehicle Registrations (SA, 000)	24.0	23.9	24.0	22.9	24.9	23.7	22.1	23.4	
	4.6%	7.6%	7.3%	1.4%	11.3%	3.0%	11.5%	5.5%	
Initial Unemployment Claims (SA, 000)	36.0	35.8	33.9	33.3	32.7	31.6	40.1	35.8	
	-10.0%	-4.3%	-26.2%	-3.4%	-14.6%	-13.5%	-10.0%	-10.9%	
Personal Income (SAAR, \$bil.)	-	352.2	-	-	-	-	332.7	-	
	-	5.1%	-	-	-	-	2.5%	-	
Median Home Price (\$000)	-	277.1	-	-	266.9	-	252.1	266.0	
	-	5.2%	-	-	4.1%	-	8.4%	5.5%	

\*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

	2014												2015	
	Feb 11- Mar 10	Mar 11- Apr 10	Apr 11- May 10	May 11- Jun 10	Jun 11- Jul 10	Jul 11- Aug 10	Aug 11- Sep 10	Sep 11- Oct 10	Oct 11- Nov 10	Nov 11- Dec 10	Dec 11- Jan 10	Jan 11- Feb 10*		
<b>Department of Revenue-Total</b>	999,683 6.1	1,019,727 1.7	1,286,764 5.9	1,842,389 4.1	1,345,058 3.7	1,268,929 2.9	1,210,597 6.4	1,203,314 6.5	1,353,300 6.6	1,888,207 5.3	1,233,297 4.4	1,456,178 10.3		
<b>Revenue Act</b>	900,074 5.5	894,710 2.0	1,055,388 4.8	977,857 5.6	1,013,168 4.8	1,122,275 5.1	1,083,581 7.7	1,065,180 5.5	1,130,438 9.4	1,021,344 4.4	998,484 7.2	1,308,178 9.3		
Retail Sales Tax	560,931 7.4	556,037 5.5	664,460 8.3	634,587 9.9	665,073 9.6	704,761 5.9	705,114 8.0	701,594 7.3	732,094 10.2	660,261 4.8	641,066 9.7	836,340 11.3		
Business and Occupation Tax	240,364 0.2	234,613 -9.4	281,932 -5.8	251,597 -3.3	257,505 -5.9	321,404 3.6	283,898 6.7	272,284 1.4	304,831 7.8	266,733 1.8	266,628 4.0	345,498 4.2		
Use Tax	40,980 8.2	44,708 14.4	51,412 9.9	44,858 3.8	46,852 5.6	53,515 5.4	54,167 21.4	48,739 7.5	50,336 13.8	52,174 20.7	42,066 -7.8	68,275 20.6		
Public Utility Tax	43,008 3.2	40,621 6.3	39,292 15.0	32,963 1.1	29,721 1.5	28,917 4.9	28,631 1.9	28,784 3.6	29,537 12.1	27,857 -6.9	28,193 -3.7	44,319 6.8		
Tobacco Products Tax	3,611 6.9	3,006 -6.9	4,446 20.6	3,955 3.3	3,420 -14.4	4,697 -6.6	3,993 3.4	4,637 -0.9	4,246 8.0	4,166 28.7	3,111 -22.4	3,410 4.4		
Penalties and Interest	11,181 30.3	15,726 50.1	13,845 45.8	9,896 8.6	10,597 20.5	8,981 -6.6	7,778 -23.4	9,142 -1.5	9,395 -21.6	10,154 2.9	17,420 47.8	10,335 -16.6		
<b>Non-Revenue Act**</b>	99,608 12.7	125,017 -0.2	231,377 11.2	864,532 2.4	331,890 0.6	146,654 -11.2	127,016 -3.5	138,134 14.8	222,862 -5.8	866,863 6.3	234,813 -5.8	148,000 19.3		
Liquor Sales/Liter	19,529 -7.5	18,344 -2.4	14,969 -23.9	19,172 -0.9	19,874 -10.7	18,401 -8.1	25,694 7.4	19,420 -6.1	20,714 9.2	19,946 -2.6	21,026 1.2	31,373 6.1		
Cigarette	22,623 1.4	27,879 -15.7	32,173 10.3	33,000 -22.1	34,029 3.1	39,369 7.3	32,512 -7.5	37,156 17.6	36,096 -6.5	30,311 1.2	33,727 -3.0	38,862 8.5		
Property (State School Levy)	6,147 4.1	28,666 -0.2	112,590 11.4	735,586 5.1	169,547 -11.7	11,348 3.9	6,477 -23.1	8,600 -8.3	41,765 -28.7	728,464 7.5	111,864 -13.5	11,455 -6.6		
Real Estate Excise	30,667 18.7	41,024 11.5	47,388 2.6	55,565 5.4	67,653 39.6	62,522 -25.1	55,473 5.3	63,283 33.0	59,079 -0.9	53,383 22.8	55,561 2.1	42,057 31.1		
Unclaimed Property	7,086 -1,241.5	-2,469 2.4	3,415 -168.0	-4,809 66.8	-3,163 -25.8	-3,693 50.6	-4,491 73.9	-2,252 125.9	41,199 -1.9	27,012 -13.7	479 -156.4	3,144 -152.4		
Other	13,556 -1.8	11,572 12.8	20,840 22.7	26,019 -20.7	43,950 14.0	18,707 13.8	11,351 -18.7	11,927 -1.1	24,009 28.0	7,748 -37.8	12,156 11.3	21,108 4.0		
<b>Department of Licensing**</b>	342 -20.4	560 -10.4	1,077 -54.8	3,736 31.6	5,848 12.9	3,202 -11.5	1,060 -2.8	586 16.2	372 8.9	235 17.0	296 10.9	270 -12.2		
<b>Administrative Office of the Courts**</b>	6,257 -9.6	7,193 -4.7	7,708 -3.3	7,569 -11.8	6,945 -7.2	6,917 -1.9	7,184 0.7	6,358 -7.7	7,578 6.4	7,585 -8.8	6,301 1.2	6,676 -7.4		
<b>Total General Fund-State***</b>	<b>1,006,282</b> <b>6.0</b>	<b>1,027,479</b> <b>1.7</b>	<b>1,295,550</b> <b>5.7</b>	<b>1,853,694</b> <b>4.0</b>	<b>1,357,850</b> <b>3.7</b>	<b>1,279,049</b> <b>2.8</b>	<b>1,218,841</b> <b>6.4</b>	<b>1,210,259</b> <b>6.5</b>	<b>1,361,250</b> <b>6.6</b>	<b>1,896,026</b> <b>5.2</b>	<b>1,239,893</b> <b>4.4</b>	<b>1,463,123</b> <b>10.2</b>		

\*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
<b>January 11, 2015 - February 10, 2015</b>				
<b>February 10, 2015 Collections Compared to the November 2014 Forecast</b>				
Department of Revenue-Total	\$1,402,732	\$1,456,178	\$53,446	3.8%
Revenue Act** (1)	1,271,726	1,308,178	36,452	2.9%
Non-Revenue Act(2)	131,006	148,000	16,994	13.0%
Liquor Sales/Liter	28,490	31,373	2,883	10.1%
Cigarette	33,032	38,862	5,830	17.6%
Property (State School Levy)	11,630	11,455	(175)	-1.5%
Real Estate Excise	37,615	42,057	4,442	11.8%
Unclaimed Property	0	3,144	3,144	NA
Other	20,238	21,108	870	4.3%
Department of Licensing (2)	245	270	25	10.1%
Administrative Office of the Courts (2)	6,356	6,676	319	5.0%
<b>Total General Fund-State***</b>	<b>\$1,409,333</b>	<b>\$1,463,123</b>	<b>\$53,790</b>	<b>3.8%</b>

### Cumulative Variance Since the November Forecast (November 11, 2014 - February 10, 2015)

Department of Revenue-Total	\$4,510,116	\$4,577,681	\$67,565	1.5%
Revenue Act** (3)	3,276,053	3,328,005	51,952	1.6%
Non-Revenue Act(4)	1,234,063	1,249,676	15,612	1.3%
Liquor Sales/Liter	68,770	72,346	3,576	5.2%
Cigarette	90,972	102,900	11,928	13.1%
Property (State School Levy)	860,960	851,782	(9,177)	-1.1%
Real Estate Excise	140,813	151,001	10,188	7.2%
Unclaimed Property	28,159	30,634	2,475	8.8%
Other	44,390	41,012	(3,378)	-7.6%
Department of Licensing (4)	722	800	78	10.8%
Administrative Office of the Courts	19,177	20,561	1,384	7.2%
<b>Total General Fund-State***</b>	<b>\$4,530,016</b>	<b>\$4,599,042</b>	<b>\$69,026</b>	<b>1.5%</b>

1 Collections January 11, 2015 - February 10, 2015. Collections primarily reflect December 2014 activity of monthly filers, Q4 2014 activity of quarterly filers and 2014 activity of annual filers.

2 January 2015 collections.

3 Cumulative collections, estimates and variance since the November 2014 forecast (November 11, 2014 - February 10, 2015) and revisions to history.

4 Cumulative collections, estimates and variance since the November forecast (November 2014 - January 2015) and revisions to history.

\* Based on the November 2014 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.