



ECONOMIC & REVENUE UPDATE

13 September 2010

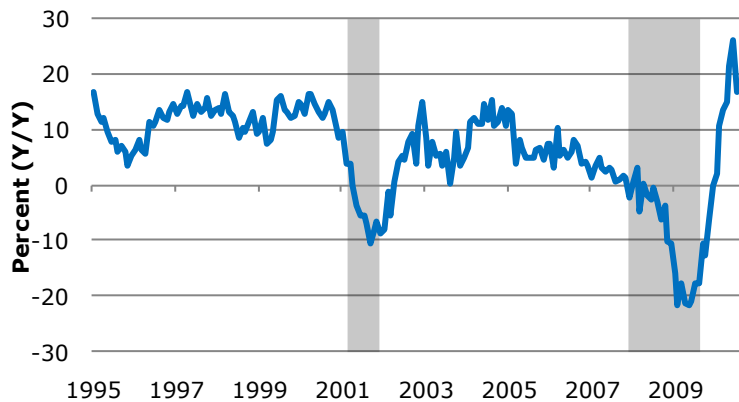
summary

- **The U.S. economy is still growing, but it's barely noticeable. Data revisions have placed activity at a lower level than previously reported. Job growth remains sub-par, housing is headed south again, and financial markets indicate continuing weakness. The level of uncertainty in the outlook has increased.**
- **The Washington recovery seems to have lost momentum in the summer months after strong growth in the spring. Private sector job gains have been offset by job losses in government. Recent housing data are also disappointing. We remain optimistic about our aerospace and software publishing industries, however.**
- **Major General Fund-State (GF-S) revenues for the August 11, 2010 – September 10, 2010 collection period were \$67.3 million (-6.5%) lower than our June forecast. While adjusted Revenue Act collections continued to show year-over-year growth, they came in \$75.9 million (8.3%) below the forecast. The cumulative variance of major GF-S revenue sources since the June forecast is now -\$191.8 million (-5.7%).**

United States

- The economy continues to muddle along, barely growing, and giving little indication of any impending acceleration. May and June saw a pause in activity, and July brought little relief. Job growth remains anemic; housing is looking for a new bottom; and, despite some easing in credit conditions, small businesses continue to face a challenging credit environment. There is still considerable drag in the economy, little lift, and increased uncertainty.
- The August employment report was better than expected, but still weak. Private sector jobs rose by 67,000 in August, and the prior two months' private job gains were revised up by 66,000 jobs. Overall, however, net jobs fell by 54,000 in August, as government employment fell by 121,000 jobs, most of them temporary census workers. Average hourly earnings were up 6 cents to \$22.66, only 1.7% over a year ago. The manufacturing workweek increased by 0.1 hours to 40.2 hours. The unemployment rate ticked up to 9.6%.
- Following the downward data revisions mentioned in the last [monthly](#), GDP growth in the second quarter was further revised from a below trend 2.4% SAAR (seasonally adjusted annualized rate) to an even slower 1.6%. It had grown by 3.7% in the first quarter and 5.0% in the last quarter of 2009. Both equity and bond markets indicate continued economic softness and very modest growth, but no double-dip recession. The risk of the latter happening, however, has increased as the stimulus winds down and private demand remains on the sidelines.

Declining imports precede weak growth



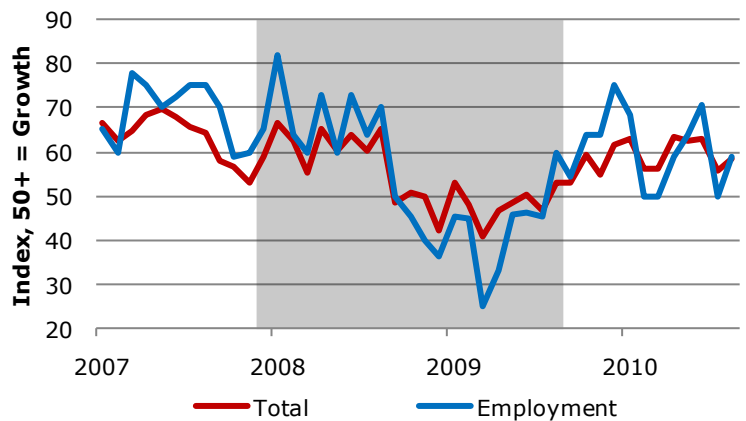
united states

- Home sales and housing starts have both collapsed since the expiry of the housing tax credits at the end of April. In July existing home sales fell a staggering 27.2% to their lowest level ever. New home sales fell 12.4%, also to a record low. Housing starts in July were 546,000 (SA) units, a 19.6% drop from April. The inventory of homes on the market remains elevated at 8 months for new homes and 13 months for existing homes at current sales rates. Additionally, there is a shadow inventory of foreclosed homes that have yet to hit the market. Home prices appear to be stabilizing, but are yet to recover. The June 2010 Case-Shiller 20-city composite home price index is up a modest 4.2% from June last year. The peak-to-trough decline in home prices through the middle of last year was about 47%. We don't expect the housing market will start recovering in a meaningful way until at least next year.
- The U.S. real trade deficit (i.e. measured in 2005\$) decreased in July to USD 47.7 billion (SA) from USD 53.6 billion (SA) in June. Real exports increased 2.9% from the prior month, while imports fell 2.2%. We anticipate this will provide a modest upward boost to real GDP for the third quarter, but a word of caution is in order. Declining imports are usually associated with a weakening economy ([see figure](#)).

WASHINGTON

- The Washington recovery seems to have lost momentum in the summer months after strong growth in the spring. In June and July, the private sector has added 5,500 jobs which is better than the national rate but still a little weaker than our last forecast. During the same period, however, state and local governments shed 4,700 jobs, offsetting most of the private sector gains.
- Recent housing data are disappointing. After reaching a post-recession high of 17,800 units (SAAR) in March 2010, single-family permits fell to 15,200 in April and 11,900 in May before partially recovering to 14,100 in June and 12,500 in July. Clearly, the earlier strength was mainly due to the federal home-buyer tax credits which had the effect of pulling significant activity forward in time.
- We remain optimistic about the outlook for the aerospace industry in Washington. Boeing navigated the recent recession with only minimal job cuts. Both air cargo and passenger traffic are now rebounding. Boeing has announced that it will employ 900 people in a composite research center in Seattle. Initially the new facility will manufacture sections of the 787-9 airplane. Aerospace employment has now stabilized and we expect modest employment growth in 2012 and 2013.
- As is the case nationally, the recovery in Washington is likely to be led by the manufacturing sector. The National Association of Purchasing Management's Western Washington Index, which measures strength in the manufacturing sector, rose to 58.6 in August from 55.9 in July. Values above fifty indicate expansion. The Western Washington

Manufacturing recovery continues



washington

index has now indicated growth for thirteen consecutive months. The employment component of the index has also been 50 or higher for thirteen months ([see figure](#)).

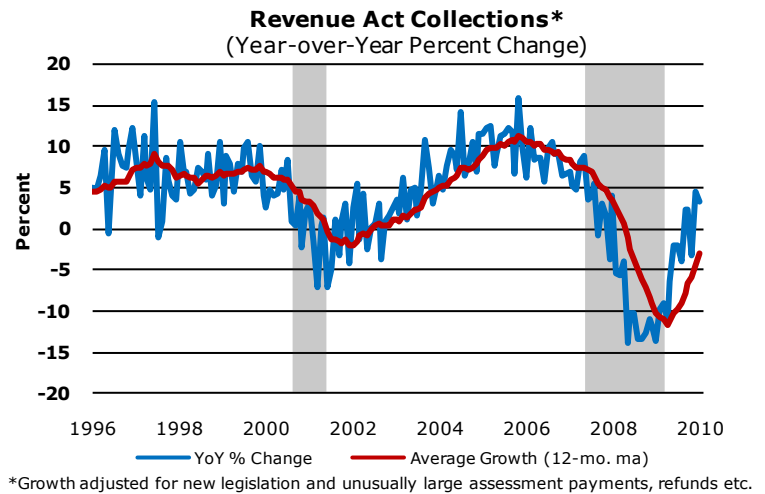
- After the unprecedented Microsoft layoffs in 2009, the state’s software sector has returned to growth. While the software publishing industry lost 100 jobs in August, it has added a total of 900 in the first seven months of 2010. We expect modest employment growth in software publishing to continue through the remainder of this year.
- Washington’s personal income is now growing moderately. From the first quarter of 2009 through the first quarter of 2010 total personal income grew 1.2% despite a 3.6% decline in employment. Average wages per job rose 2.5% over the year, offsetting much of the impact of lower employment. Also, income from other sources rose. We should see income growth picking up now that positive, albeit weak, job growth has resumed.
- The Seattle Consumer Price Index showed outright deflation in the first two quarters of 2010. The main reason for this is shelter costs which fell as a result of the depressed housing market. The most recent report showed a modest firming in shelter costs and overall Seattle inflation. It now appears likely that inflation will be close to zero in 2010, picking up in 2011, 2012, and 2013.

revenue collections

REVENUE COLLECTIONS

Overview

- Revenue Act collections continue to show year-over-year growth (adjusted for non-economic factors). Adjusted receipts from the August 11, 2010 – September 10, 2010 collection period, which mainly represent July economic activity, were 3.2% above their year-ago level ([see figure](#)). In the previous collection period, adjusted collections were 4.6% above their year-ago level.

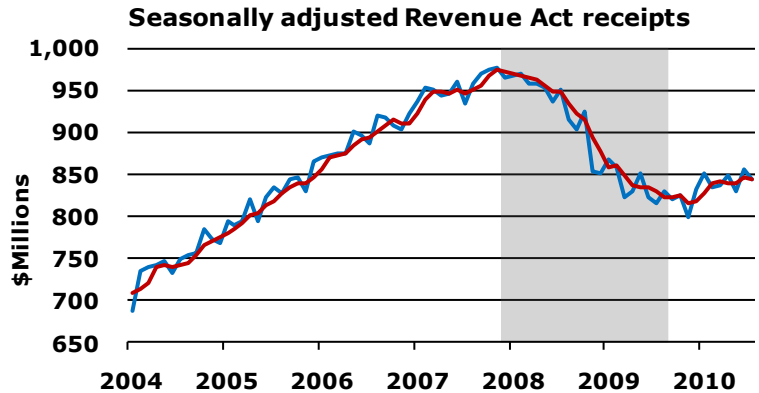


- Major General Fund-State (GF-S) revenues for the August 11, 2010 – September 10, 2010 collection period were \$67.3 million (6.5%) lower than our June forecast.
- Cumulatively, the total variance in the major GF-S sources included in this report from June 11-September 10, 2010 is -\$191.8 million (-5.7%). During this period, unexpected one-time transfers and large refunds totaled \$39.6 million. Absent these payments and transfers, the cumulative variance would have been -\$152.2 million (-4.6%).

Revenue Act

- The revenue collections reported here are for the August 11 – September 10, 2010 collection period. Collections correspond primarily to economic activity in July 2010.
- Collections for this period are \$75.9 million (8.3%) below the June forecast.

■ The chart showing year-over-year Revenue Act growth reflects new revenues added under ESSB 5073. By this measure, revenues increased 3.2% year-over-year in the current period after adjustments for large one-time payments and refunds. In the previous period adjusted revenues had increased 4.6%. Unadjusted for definitional changes and one time revenue, revenue increased 1.9% year-over-year as shown in the “Key Revenue Variables” table. On a seasonally adjusted basis, revenue declined slightly but the three month moving average of collections is still trending upwards ([see figure](#)).



January 2004 through July 2010 preliminary activity, ESSB 5073 definition, adjusted for large payments/refunds

- Under legislation passed in the 2010 session, the B&O tax rate for service industries has been temporarily increased from 1.5% to 1.8% as of May 1, 2010. In addition, sales of bottled water became temporarily subject to retail sales tax and candy permanently subject to the tax as of June 1, 2010. These tax changes are estimated to increase Revenue Act receipts by approximately \$23 million per month. Without this \$23 million in additional revenue, adjusted year-over-year Revenue Act growth would have been 0.4%.
- Preliminary ERFC monthly estimates indicate retail sales tax collections are up 3.0% year-over-year and B&O taxes are up 0.8%.
- Preliminary tax payments from electronic filers who also paid in the August 11 – September 10 collection period of last year were up 1.7% year-over-year. Some details:
 - Payments in the retail trade sector were up 3.4% year-over-year, up from the 2.9% rate of the previous collection period. Payments from nine of the twelve major retail trade sectors showed a year-over-year increase in the current period.
 - The largest year-over-year increases in tax payments from the retail trade sector were in electronics and appliances (+18.0%), nonstore retailers (+13.0%), gas stations and convenience stores (+11.3%) and drug and health stores (+6.4%). The three decreasing sectors were food and beverage stores (-2.4%), miscellaneous retailers (-1.8%) and motor vehicles and parts (-0.5%).
 - Payments in non-retail trade sectors were up 0.7% year-over-year, an improvement from last month’s flat 0.0% change.
 - Payments in the construction sector were down 15.4%, while those in the manufacturing sector were up 2.4% year-over-year.

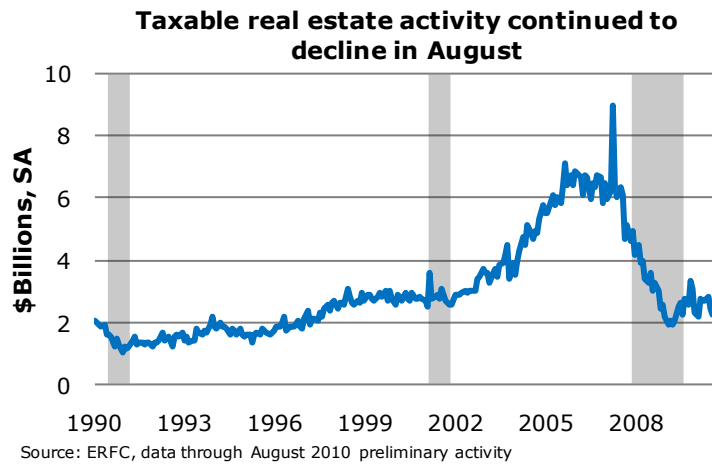
revenue collections

- Excluding the construction sector, total payments were up 4.4% year-over-year and payments from non-retail trade sectors were up 5.2%. Excluding both construction and manufacturing, payments from non-retail trade sectors were up 5.5%.

DOR Non-Revenue Act

- August collections were \$9.3 million (9.4%) above the June forecast. The cumulative variance since the June forecast is +\$3.6 million (0.7%).
- Most of the positive variance was due to cigarette tax receipts, which came in \$7.0 million (21.3%) above the forecast. This largely offset the \$10.0 million shortfall during the last collection period, although the cumulative variance is still -\$8.2 million (-7.7%). Receipts were up 54.7% year-over-year, due mainly to a 91.4 cent per pack increase in GF-S taxes that took effect on May 1st. The large year-over-year increases that can be seen in months prior to July 2010 in the “Key Revenue Variables” were due to the re-classification of pre-existing cigarette taxes as GF-S taxes effective July 2009.

- August real estate excise tax collections were \$2.4 million (7.0%) less than forecasted. Seasonally adjusted activity fell 8.1% from July’s level after an 11.8% drop in the previous month (see figure). This continued the larger-than-expected drop in activity that followed the expiration of the federal homebuyer tax credit. Nevertheless, collections were still 1.7% greater than those of August 2009.



- “Other” revenues came in \$2.6 million (36.6%) above the forecast due to positive variances in brokered natural gas and leasehold excise tax payments. The new tax on carbonated beverages is now included in this category, contributing to the 106.3% growth shown in the table.
- Liquor tax receipts were \$1.8 million (10.9%) greater than forecasted.
- August DOR non-Revenue Act collections are up 21.6% year-over-year, largely due to the increased cigarette and new carbonated beverage taxes.

Other Revenue

- Department of Licensing receipts for August were \$89,000 (7.8%) above the June forecast. Cumulatively, receipts through August are \$1.0 million (-7.4%) less than forecasted.
- August revenue from the Administrative Office of the Courts was \$717,000 (-8.1%) below the June forecast. Cumulatively, revenue from the office is \$1.4 million (-5.4%) below the forecast.

revenue collections

Key U.S. Economic Variables

	2010						2008	2009
	Mar.	Apr.	May	Jun.	Jul.	Aug.		
Real GDP (SAAR)	3.7	-	-	1.6	-	-	0.4	-2.4
Industrial Production (SA, 2002 = 100)	91.0	91.3	92.5	92.5	93.4	-	96.7	87.7
<i>Y/Y % Change</i>	4.4	5.6	8.0	8.2	7.7	-	-3.3	-9.3
ISM Manufacturing Index (50+ = growth)	59.6	60.4	59.7	56.2	55.5	56.3	45.5	46.2
ISM Non-Manuf. Index (50+ = growth)	55.4	55.4	55.4	53.8	54.3	51.5	47.3	46.2
Housing Starts (SAAR, 000)	634	679	588	537	546	-	900	554
<i>Y/Y % Change</i>	21.9	42.3	6.9	-7.9	-7.0	-	-32.9	-38.4
Light Motor Vehicle Sales (SAAR, mil.)	11.7	11.3	11.6	11.2	11.5	11.5	13.2	10.4
<i>Y/Y % Change</i>	20.7	22.1	18.0	15.1	2.2	-19.0	-18.2	-21.5
CPI (SA, 1982-84 = 100)	217.7	217.6	217.2	216.9	217.6	-	215.2	214.5
<i>Y/Y % Change</i>	2.4	2.2	2.0	1.1	1.3	-	3.8	-0.3
Core CPI (SA, 1982-84 = 100)	220.7	220.8	221.0	221.4	221.7	-	215.6	219.2
<i>Y/Y % Change</i>	1.2	1.0	1.0	1.0	1.0	-	2.3	1.7
IPD for Consumption (2000=100)	111.0	111.0	110.9	110.8	111.0	-	109.1	109.3
<i>Y/Y % Change</i>	2.5	2.3	2.1	1.4	1.5	-	3.3	0.2
Nonfarm Payroll Empl., e-o-p (SA, mil.)	129.8	130.2	130.6	130.5	130.4	130.3	134.3	129.6
<i>Monthly Change</i>	0.21	0.31	0.43	-0.13	-0.11	-0.05	-3.62	-4.74
Unemployment Rate (SA, percent)	9.7	9.9	9.7	9.5	9.5	9.6	5.8	9.3
Yield on 10-Year Treasury Note (percent)	3.73	3.85	3.42	3.20	3.01	2.70	3.67	3.26
Yield on 3-Month Treasury Bill (percent)	0.15	0.16	0.16	0.12	0.16	0.16	1.39	0.15
Broad Real USD Index** (Mar. 1973=100)	88.0	87.5	89.7	90.1	88.7	87.9	87.9	91.5
Federal Budget Deficit (\$ bil.)*	65.4	82.7	135.9	68.4	165.0	-	454.8	1,415.7
<i>FYTD sum</i>	717.0	799.7	935.6	1,004.0	1,169.1	-		
US Trade Balance (\$ bil.)	-39.7	-40.0	-41.8	-49.8	-42.8	-	-698.8	-374.9
<i>YTD Sum</i>	-114.5	-154.5	-196.3	-246.1	-288.8	-		

*Federal Fiscal Year 2009 runs from Oct. 1, 2008 to Sept. 30, 2009.

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

Key Washington Economic Variables

	2010						2008	2009	
	Mar.	Apr.	May	Jun.	Jul.	Aug.			
Employment								<i>End-of-period</i>	
Total Nonfarm (SA, 000)	2,792.2	2,801.0	2,810.4	2,805.1	2,802.8	-	2,913.3	2,783.0	
Change from Previous Month (000)	5.1	8.8	9.4	-5.3	-2.3	-	-49.9	-130.3	
Construction	147.0	148.3	148.3	148.5	149.4	-	184.6	148.4	
Change from Previous Month	-0.9	1.3	0.0	0.2	0.9	-	-24.7	-36.2	
Manufacturing	257.4	259.1	258.7	259.1	258.4	-	284.4	257.5	
Change from Previous Month	0.2	1.7	-0.4	0.4	-0.7	-	-11.8	-26.9	
Aerospace	81.1	80.8	80.3	81.1	81.5	-	85.5	81.2	
Change from Previous Month	0.2	-0.3	-0.5	0.8	0.4	-	2.6	-4.3	
Software	50.9	51.2	51.3	51.4	51.3	-	53.0	50.4	
Change from Previous Month	0.1	0.3	0.1	0.1	-0.1	-	4.6	-2.6	
All Other	2,336.9	2,342.4	2,352.1	2,346.1	2,343.7	-	2,391.3	2,326.7	
Change from Previous Month	5.7	5.5	9.7	-6.0	-2.4	-	-18.0	-64.6	
Other Indicators								<i>Annual Average</i>	
Seattle CPI (1982-84=100)	-	226.5	-	226.1	-	-	224.7	226.0	
	-	0.3%	-	-0.5%	-	-	4.2%	0.6%	
Housing Permits (SAAR, 000)	19.3	16.7	14.1	21.3	18.4	-	27.4	15.9	
	35.8%	30.6%	-8.6%	49.4%	25.8%	-	-39.5%	-42.1%	
WA Index of Leading Ind. (2004=100)	114.9	115.5	115.0	115.3	116.1	-	116.5	110.0	
	8.0%	7.3%	5.9%	5.8%	5.7%	-	-0.1%	-5.6%	
WA Business Cycle Ind. (Trend=50)	4.3	4.3	4.0	7.2	6.1	-	41.4	8.4	
	-63.6%	-49.6%	-45.7%	5.5%	0.8%	-	-33.6%	-79.8%	
Avg. Weekly Hours in Manuf. (SA)	41.3	41.6	42.4	41.3	41.9	-	42.3	42.0	
	2.3%	0.6%	2.2%	-1.1%	-0.2%	-	0.8%	-0.7%	
Avg. Hourly Earnings in Manuf.	23.8	23.3	23.1	23.2	23.5	-	21.0	23.4	
	1.0%	-0.9%	-1.3%	-0.6%	1.2%	-	2.4%	11.4%	
New Vehicle Registrations (SA, 000)	14.0	16.1	16.3	15.7	14.5	15.1	19.0	14.0	
	9.5%	25.5%	28.7%	22.5%	5.8%	-17.6%	-20.5%	-26.5%	
Initial Unemployment Claims (SA, 000)	56.9	55.2	57.1	62.5	60.7	60.4	45.8	69.4	
	-20.3%	-20.5%	-22.4%	-11.4%	-17.0%	-17.3%	34.1%	51.4%	
Personal Income (SAAR, \$bil.)	281.5	-	-	-	-	-	280.7	278.4	
	1.6%	-	-	-	-	-	3.6%	-0.8%	
Median Home Price (\$000)	245.9	-	-	246.8	-	-	283.4	255.7	
	-3.0%	-	-	-6.9%	-	-	-7.5%	-9.8%	

*Percentage Change is Year-over-Year

Key Revenue Variables

	2009		2010								
	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	Aug 11- Sep 10*
Department of Revenue-Total	1,065,342	1,498,976	1,002,270	1,142,108	782,676	788,877	1,045,481	1,601,911	1,093,845	1,061,881	951,439
	-6.2	-4.3	6.3	3.5	1.7	12.1	7.7	9.8	6.4	2.0	3.8
Revenue Act	925,039	769,855	738,003	1,048,036	718,560	687,570	892,259	804,996	800,650	963,515	843,523
	-9.5	-10.4	-5.6	-1.1	-2.3	3.7	2.1	8.8	1.2	3.1	1.9
Retail Sales Tax	591,854	498,284	479,966	675,459	442,862	442,827	558,294	505,068	522,430	593,014	576,433
	-12.3	-14.0	-9.0	-1.5	-8.8	0.4	0.7	4.2	-2.7	-1.2	3.0
Business and Occupation Tax	257,068	201,453	174,957	285,711	190,756	169,039	252,778	211,752	195,760	284,250	196,722
	-3.8	1.7	-7.3	1.9	9.7	8.2	6.9	21.5	9.4	12.6	0.8
Use Tax	36,620	31,985	30,001	42,638	31,493	32,207	37,466	35,681	35,327	41,819	31,642
	-11.6	-21.8	5.1	-6.6	1.3	-1.2	6.1	-5.6	3.3	2.9	-10.4
Public Utility Tax	27,222	25,863	35,188	32,902	36,036	29,597	32,517	30,997	29,108	27,532	27,134
	0.2	-10.7	42.1	-11.5	7.9	-17.2	-10.7	-5.7	2.1	2.8	5.3
Tobacco Products Tax	2,764	2,696	2,491	3,020	2,197	2,445	3,265	3,448	2,383	3,600	2,676
	174.9	177.2	189.8	251.7	167.4	146.1	240.5	262.4	136.4	18.7	1.7
Penalties and Interest	9,510	9,575	15,400	8,306	15,217	11,456	7,940	18,050	15,643	13,301	8,916
	-7.7	-7.2	40.7	-16.0	38.0	-445.4	-22.1	89.4	35.7	22.4	-0.1
Non-Revenue Act**	140,303	729,121	264,268	94,073	64,116	101,307	153,222	796,916	293,195	98,366	107,916
	24.2	3.1	63.9	113.7	90.4	151.4	57.4	10.9	23.6	-8.2	21.6
Liquor Sales/Liter	15,534	17,057	15,940	23,070	13,934	14,126	15,366	15,556	16,056	16,232	18,220
	26.5	23.5	18.4	21.6	14.9	23.8	24.2	25.1	15.2	0.2	-2.8
Cigarette	23,475	22,361	25,990	25,758	12,829	23,816	23,570	35,990	34,746	24,130	39,860
	387.6	541.2	636.8	520.2	266.8	488.1	558.1	749.4	976.1	-19.6	54.7
Property (State School Levy)	26,889	611,109	179,586	10,976	6,304	24,533	66,565	692,782	162,563	10,843	7,094
	185.0	-0.1	60.7	NA	NA	NA	72.6	4.4	5.5	6.5	6.6
Real Estate Excise	33,271	31,545	35,706	20,687	18,792	31,952	32,636	33,849	39,401	34,128	31,762
	-10.0	-15.1	33.1	7.1	-36.1	61.3	32.2	37.6	11.6	-6.2	1.7
Timber (state share)	0	807	0	0	919	0	0	646	0	0	1,354
	NA	-46.5	NA	NA	-8.2	NA	NA	-3.2	NA	NA	NA
Other	41,135	46,242	7,045	13,582	11,338	6,881	15,085	18,093	40,430	13,034	9,626
	-16.5	17.8	23.8	-11.0	172.3	622.8	-17.0	33.8	32.1	-7.5	106.3
Department of Licensing**	282	200	198	168	283	447	1,045	2,326	7,357	3,784	1,230
	-13.1	11.0	-7.2	-30.5	7.9	4.2	-81.5	-38.1	6.8	20.7	37.0
Lottery**	0	0	0	0	0	0	0	0	0	0	0
	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Administrative Office of the Courts**	8,380	9,001	7,681	7,928	6,693	8,189	10,012	8,827	7,148	8,966	8,131
	NA	NA	NA	NA	NA	NA	NA	NA	NA	-1.7	-5.7
Total General Fund-State***	1,074,004	1,508,177	1,010,149	1,150,205	789,652	797,513	1,056,538	1,613,065	1,108,350	1,074,632	960,800
	-5.4	-4.4	7.1	4.2	2.6	13.3	8.2	10.3	7.1	1.5	3.8

*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. Reflects new definition of GF-S revenue after July 2009.

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

Revenue Forecast Variance

Thousands of Dollars

Period/Source	Estimate*	Actual	Difference Amount	Percent
August 11, 2010 - September 10, 2010				
September 10, 2010 Collections Compared to the June 2010 Forecast				
Department of Revenue-Total	\$1,018,122	\$951,439	(\$66,683)	-6.5%
Revenue Act** (1)	919,472	843,523	(75,949)	-8.3%
Non-Revenue Act(2)	\$98,650	\$107,916	\$9,266	9.4%
Liquor Sales/Liter	16,423	18,220	1,797	10.9%
Cigarette	32,853	39,860	7,007	21.3%
Property (State School Levy)	6,794	7,094	300	4.4%
Real Estate Excise	34,165	31,762	(2,403)	-7.0%
Timber (state share)	1,313	1,354	41	3.1%
Other	7,102	9,626	2,524	35.5%
Department of Licensing (2)	1,141	1,230	89	7.8%
Lottery (5)	0	0	0	0.0%
Administrative Office of the Courts (2)	8,849	8,131	(717)	-8.1%
Total General Fund-State***	\$1,028,111	\$960,800	(\$67,311)	-6.5%

Cumulative Variance Since the June Forecast (June 11 - September 10, 2010)

Department of Revenue-Total	\$3,296,562	3,107,165	(189,397)	-5.7%
Revenue Act** (3)	2,800,654	2,607,688	(192,966)	-6.9%
Non-Revenue Act(4)	495,908	499,477	3,569	0.7%
Liquor Sales/Liter	47,983	50,509	2,525	5.3%
Cigarette	106,929	98,735	(8,194)	-7.7%
Property (State School Levy)	179,013	180,499	1,486	0.8%
Real Estate Excise	107,928	105,291	(2,637)	-2.4%
Timber (state share)	1,313	1,354	41	3.1%
Other	52,741	63,089	10,348	19.6%
Department of Licensing (4)	13,365	12,371	(994)	-7.4%
Lottery	0	0	0	0.0%
Administrative Office of the Courts	25,629	24,245	(1,384)	-5.4%
Total General Fund-State***	\$3,335,556	\$3,143,782	(\$191,775)	-5.7%

1 Collections August 11, 2010 - September 10, 2010. Collections primarily reflect July 2010 activity.

2 August 2010 collections.

3 Cumulative collections, estimates and variance since the June 2010 forecast; (June 11, 2009 - September 10, 2010) and revisions to history.

4 Cumulative collections, estimates and variance since the June forecast (June-August 2010) and revisions to history.

5 Lottery transfers to the General Fund

* Based on the June 2010 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.