



ECONOMIC & REVENUE UPDATE

September 12, 2016

summary

Summary

- **U.S. employment slowed in August, with 151,000 net new jobs added.**
- **U.S. real GDP growth for the second quarter of 2016 was revised down from 1.2% to 1.1% (SAAR).**
- **U.S. non-manufacturing industries expanded at their slowest rate in over six years.**
- **Washington housing construction and Seattle home prices remain strong.**
- **Exports continue to suffer from a strong dollar and weak growth abroad.**
- **Major General Fund-State revenue collections for the August 11 - September 10, 2016 collection period came in \$95.9 million (7.0%) above the June forecast.**
- **During the period, large one-time audit payments, less one large refund, added \$99.8 million to collections. Without this revenue, collections would have been \$3.9 million (0.3%) lower than forecasted.**
- **Cumulatively, collections are now \$224.7 million (5.3%) above the June forecast.**
- **Large one-time audit payments net of large refunds have added \$127.0 million to collections since the June forecast. Without this revenue, cumulative collections would have been \$97.7 million (2.3%) higher than forecasted.**

United States

Labor market indicators looked weaker this month. Although initial claims for unemployment insurance remain low, employment and wage gains slowed. The second estimate of GDP growth for the second quarter was revised down slightly, while the Purchasing Managers Index for both manufacturing and non-manufacturing industries decreased. On the positive side this month, housing starts and new home sales were both stronger.

The U.S. economy added 151,000 net new jobs in August, below the average monthly gain of 204,000 jobs over the prior 12 months. Employment gains in June and July were revised up by a total of 1,000 jobs. Sectors with notable employment gains in August included food services and drinking places (+34,000), local government (+24,000), social assistance (+22,000), professional and technical services (+20,000), financial activities (+15,000), retail trade (+15,000), and transportation and warehousing (+15,000). Industries with net declines in employment in August included manufacturing (-14,000), nursing and residential care facilities (-9,000), construction (-6,000), accommodations (-5,000), mining (-4,000), and temporary help services (-3,000).

Average hourly earnings increased by three cents in August and were 2.4% above their year-ago level. The average work week in August decreased by 0.1 hours to 34.3 hours. The unemployment rate in August was 4.9%, unchanged from June and July.

The second estimate of real GDP growth for the second quarter of 2016 was revised down from 1.2% to 1.1% at a seasonally adjusted annual rate (SAAR). The June economic forecast expects GDP growth to increase to 2.4% for the second half of 2016.

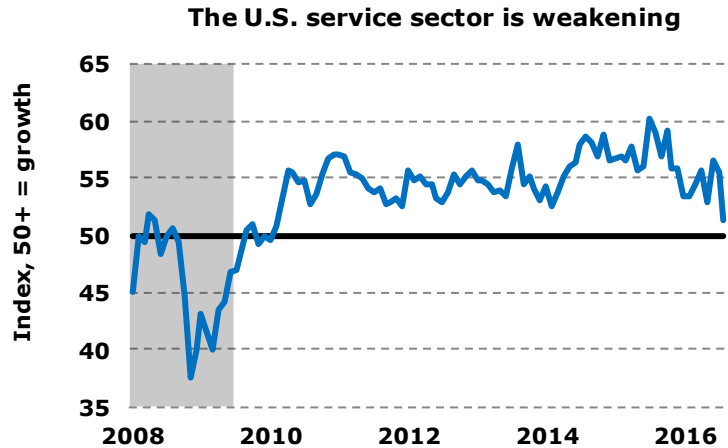
Industrial production increased in both June and July. However, industrial production is still 0.5% below its July 2015 level. New orders for core capital goods (i.e., durables excluding

united states

aircraft and military), which is a proxy for business investment, increased by 1.5% (SA) in July according to Census data.

After five months of expansion, manufacturing activity contracted in August. The Institute for Supply Management's Purchasing Managers Index (PMI) decreased by 3.2 points to 49.5 (50 or higher indicates growth). The non-manufacturing PMI decreased for a second straight month, falling by 4.1 points to 51.4 in August.

The non-manufacturing sector continues to expand as the index has remained above 50 for 79 consecutive months but is at its lowest level since February 2010 ([see figure](#)).



Initial claims for unemployment insurance decreased by 4,000 to 259,000 (SA) in the week ending September 3rd. The four-week moving average of initial claims decreased by 1,750 to 261,250. Initial claims have now been below 300,000 for 79 consecutive weeks, the longest streak since 1973. Layoff announcements in August, as tracked by outplacement firm Challenger, Gray, and Christmas, decreased by 29% to 32,188 from 45,346 in July. Year-to-date layoff announcements are still 10% below the same period in 2015.

Recent U.S. housing data have been mixed. July housing starts increased by 2.1% (SA) compared to June and were 5.6% above their July 2015 level. Housing units authorized by building permits in July were nearly unchanged from June, decreasing by 0.1% (SA); building permits were 0.9% above their July 2015 level. Existing home sales decreased in July by 3.2% (SA) compared to June, their first monthly decline since November 2015; they are now 1.6% below July 2015 sales. New single family home sales in July were very strong, increasing by 12.4% (SA) above their June level and 31.3% (SA) above their year-ago level. The seasonally adjusted Case-Shiller national home price index for June was 0.2% above its May level and 5.1% above its year-ago level.

Two key measures of consumer optimism give conflicting views in August. The University of Michigan (UM) index of consumer sentiment was almost unchanged, declining by 0.2 points to 89.8. However, this marked three consecutive months of decline for the UM index. The Conference Board index of consumer confidence increased 4.4 points to 101.1, its highest level since September 2015. The Conference Board survey noted more positive consumer assessments of both current and near-term economic conditions, while the slight decrease in the UM index was attributed to less positive views on current economic conditions.

Light motor vehicle sales slowed to 17.0 million units in August, decreasing 5.0% (SAAR) from July and 4.4% compared to August 2015. The dip in sales was similar for both cars and trucks.

Petroleum spot prices for both U.S. benchmark West Texas Intermediate (WTI) and European benchmark Brent increased over the last month. Brent spot prices are up by \$6 per barrel since early August while WTI prices increased by over \$4 per barrel during that period. For the week ending September 2nd, spot prices were \$45 per barrel for WTI and \$47 per barrel for Brent. Gasoline prices are also higher, up about \$0.05 per gallon (regular, all formulations) over the last month to \$2.20 per gallon for the week ending September 12th.

The American Trucking Association's truck tonnage index decreased 2.1% (SA) in July following a revised 1.6% decline in June. The index is 0.3% above its July 2015 level. Rail shipments were flat this month. Total rail carloads and intermodal units for August were

almost identical to July, with carloads down 1.1% (SA) and intermodal rail units (shipping containers or truck trailers) up 0.7% (SA) compared to July. Compared to their year-ago levels, carloads decreased by 7.3% while intermodal units declined by 5.0%.

WASHINGTON

We have two months of new Washington employment data since the June forecast was released. Total nonfarm payroll employment rose 13,800 (seasonally adjusted) in June and July, which was 10,600 more than the 3,200 expected in the June forecast. The manufacturing sector accounted for much of the variance in job growth, adding 500 jobs in the two-month period; the June forecast expected a reduction of 3,900 jobs. The reason was mostly aerospace which was expected to shed 3,700 jobs but instead added 100. Construction employment increased 1,100 and government payrolls expanded by 1,400 jobs. As is usually the case, the bulk of the job growth was in private, service-providing sectors which added 10,800 jobs in the last two months.

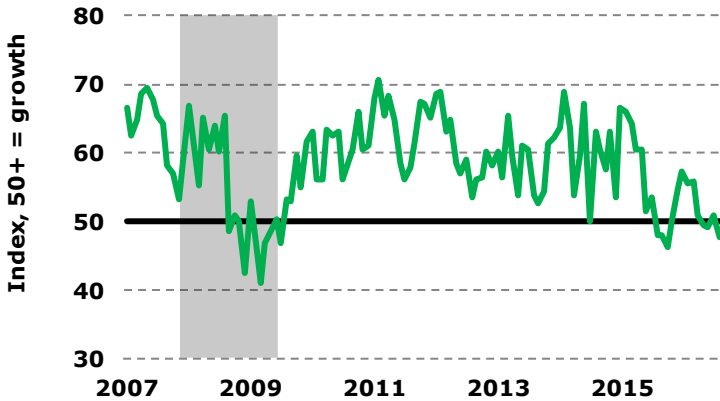
Washington housing construction was stronger than expected in the second quarter. Washington housing units authorized by building permits averaged 45,300 units (SAAR) in the second quarter of 2016, up from 37,600 in the first quarter. The June forecast expected an average rate of 42,600 units in the second quarter. Multi-family permits averaged 22,700 units in the second quarter, up from 15,300 units in the first quarter and higher than the 20,100 expected in the June forecast. Single-family permits averaged 22,600 units in second quarter, up from 22,300 units in the first quarter and slightly higher than the 22,500 units forecasted for the second quarter. The third quarter of 2016 got off to a weaker start with 39,800 units (SAAR) permitted in July of which 21,600 were single-family and 18,200 were multi-family.

Seattle home prices continue to rise rapidly. According to the S&P/Case-Shiller Home Price Indices, seasonally adjusted Seattle area home prices rose 0.5% in June following increases of 0.3% in May and 0.4% increase in April. While the last three months have exhibited weaker growth than in earlier months, we believe this is due to problems with the seasonal adjustment process. A more reliable measure is the over-the-year growth which shows an 11.0% increase in prices since the previous June. Seattle home prices are up 50.0% since the November 2011 trough and prices now exceed the May 2007 peak by 4.2%.

Second quarter 2016 Washington exports were down 8.3% from the second quarter of 2015. Transportation equipment exports (mostly Boeing planes) declined 9.5% over the year. Exports of agricultural products increased 3.8% over the year but exports of all other commodities declined 9.1% over the year. The drop likely reflects the negative influence of a stronger dollar and weak economic growth abroad.

The Institute of Supply Management - Western Washington Index (ISM-WW) fell back into negative territory in August after indicating weak but positive growth in July. The index, which measures conditions in the manufacturing sector, fell from 50.8 in July to 47.7 in August (index values above 50 indicate positive growth while values below 50 indicate contraction). The production, employment, and deliveries components all declined in August while the

Washington Manufacturing is struggling



orders and inventory components were unchanged. Manufacturing has struggled to remain positive since mid-2015 (*see figure*).

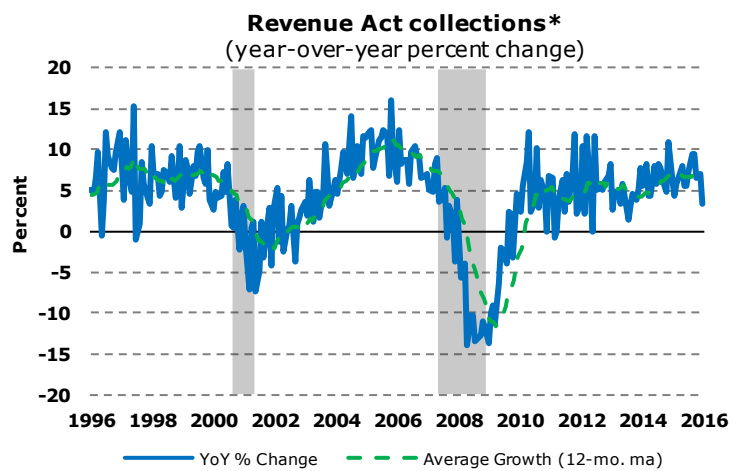
Washington car and truck sales fell 0.9% in July and 0.3% in August following increases in May and June. Seasonally adjusted new vehicle registrations have now declined in five of the seven months since January's post-recession peak. Car and truck sales are down 11.1% since January but are up 1.3% over the year.

REVENUE COLLECTIONS

Overview

Major General Fund-State revenue collections for the August 11 - September 10, 2016 collection period came in \$95.9 million (7.0%) above the June forecast. During the period, large one-time audit payments, less one large refund, added \$99.8 million to collections. Without this revenue, collections would have been \$3.9 million (0.3%) lower than forecasted.

Cumulatively, collections are now \$224.7 million (5.3%) above the June forecast. Large one-time audit payments net of large refunds have added \$127.0 million to collections since the June forecast. Without this revenue, cumulative collections would have been \$97.7 million (2.3%) higher than forecasted.

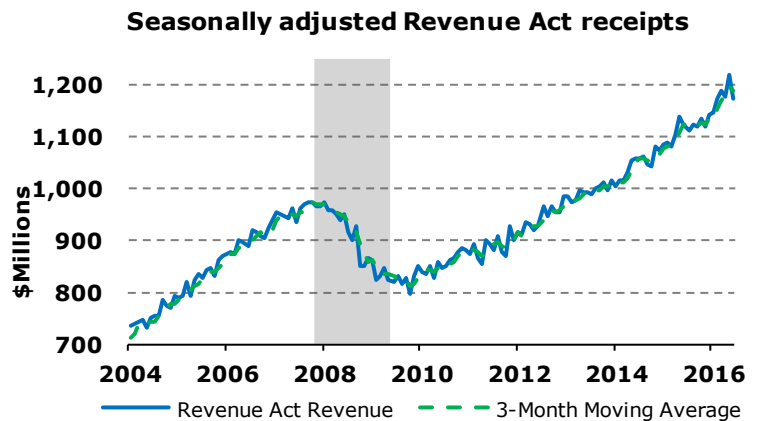


*Growth adjusted for definition change and unusually large assessment payments, refunds etc.

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 August 11, 2016 – September 10, 2016 collection period. Collections correspond primarily to the July economic activity of monthly filers.

Revenue Act collections for the current period came in \$93.2 million (7.8%) above the June forecast. This surplus, however, was due to several large one-time audit payments that were not included in the forecast. These remittances, less one large refund, totaled \$99.8 million. Without this net payment, collections would have been \$6.5 million (0.5%) lower than forecasted.



January 2004 through July 2016 preliminary activity, Current definition, adjusted for large payments/refunds and timing of payments

Cumulatively, collections are now \$193.5 million (5.4%) higher than forecasted. Since the June forecast, however, large one-time audit payments net of large refunds have added \$127.0 million to collections. Without these net payments, collections would have been \$66.4 million (1.9%) higher than forecasted.

Adjusted for this month's large one-time net payment, collections grew 3.3% year over year ([see figure](#)). The 12-month moving average of year-over-year growth decreased to 6.6%. Seasonally adjusted collections, also adjusted for the large net payment, decreased sharply from last month's elevated level ([see figure](#)).

As shown in the "Key Revenue Variables" table, unadjusted Revenue Act receipts increased by 12.0% year over year. The preliminary estimate of year-over-year retail sales tax growth is 5.9%. Due to this month's large remittances, the preliminary estimate of B&O tax growth is 22.6%.

Total tax payments as of August 29th from electronic filers who also paid in the August 11 – September 10 collection period of last year were up 1.7% year over year (payments are mainly Revenue Act taxes but include some non-Revenue Act taxes as well).

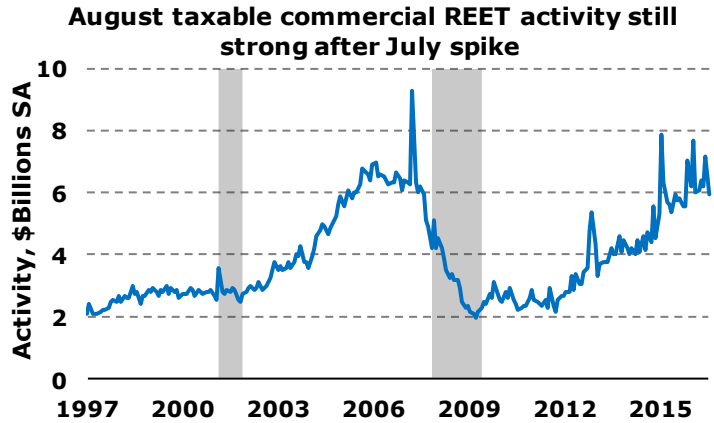
Some details of payments from electronic filers:

- Total payments in the retail trade sector were up 2.2% year over year. Last month, payments grew 4.4% year over year.
- Payments from the motor vehicles and parts sector increased by 4.9% year over year. Last month, payments in the sector increased by 6.3% year over year.
- Other retail trade sectors that showed strong growth in payments were nonstore retailers (+10.7%), drug and health stores (+9.5%), building materials and garden equipment (+7.4%) and sporting goods, toys, books and music stores (+6.5%). Growth in the drug and health stores category was boosted by the July 1 closure of unlicensed medicinal marijuana dispensaries and the shift of much of that business to existing licensed cannabis retailers.
- Four retail trade sectors had year-over-year declines in payments: food and beverage stores (-7.0%), gas stations and convenience stores (-5.1%), electronics and appliances (-4.1%) and miscellaneous retailers (-2.1%).
- Payments from non-retail trade sectors were up 1.4% year over year in the current period. Last month, year-over-year payments increased 4.3%.
- Tax payments by businesses in the accommodation and food services sector increased by 3.8% year over year. Last month receipts from the sector increased 3.9% year over year.
- Payments from the manufacturing sector decreased by 16.2% year over year. Last month payments increased 1.8% year over year. The month saw large year-over-year decreases in payments from both the petroleum refining sector and the transportation equipment sector, which came after moderate increases in both last month. Excluding the transportation and petroleum sectors, payments from the remaining manufacturing sectors decreased by 7.2% year over year, largely due to strong payments last year.
- Excluding the manufacturing sector, payments from non-retail trade sectors increased 2.9% year over year. Last month, non-retail payments excluding manufacturing increased 4.5%.
- Tax payments by businesses in the construction sector increased by 6.5% year over year. Last month, payments increased 9.4% year over year.

DOR Non-Revenue Act

July August collections came in \$2.7 million (1.7%) above the June forecast. Cumulatively, collections are now \$31.5 million (4.9%) above the forecast.

This month's collections would have shown a shortfall had it not been for a surplus in real estate excise tax (REET) collections, which came in \$8.4 million (10.6%) higher than forecasted. The surplus stemmed from commercial property sales. Sales of large commercial property (property valued at \$10 million or more) totaled \$743 million. Collections from residential sales came in close to the forecast. Seasonally adjusted activity decreased after last month's large spike in large commercial property sales, which totaled a revised \$1.6 billion ([see figure](#)). Cumulatively, collections are now \$41.4 million (17.4%) higher than forecasted.



Source: ERFC, data through August 2016 preliminary activity

Cigarette tax receipts came in \$1.5 million (4.5%) higher than forecasted. Cumulatively, however, collections are \$0.2 million (0.1%) lower than forecasted.

Liquor taxes came in \$2.2 million (8.5%) lower than forecasted. Cumulatively, however, collections are right on target, only \$11,000 (0.0%) higher than forecasted.

Property tax receipts came in \$0.5 million (6.3%) lower than forecasted. Cumulatively, collections are now \$3.8 million (2.1%) below the forecast.

Refunds of unclaimed property from the GF-S were \$3.1 million higher than forecasted. Cumulatively, net refunds are now \$12.7 million higher than forecasted.

Other DOR revenue came in \$1.6 million (15.0%) lower than forecasted. The variance stemmed from the leasehold excise tax. Cumulatively, however, collections are \$6.7 million (11.8%) higher than forecasted.

Other Revenue

Department of Licensing receipts for August came in \$0.2 million (13.2%) lower than forecasted. Cumulative collections are also \$0.2 million (1.7%) lower than forecasted.

Revenue from the Administrative Office of the Courts came in \$0.1 million (2.0%) higher than forecasted. Cumulatively, collections are now \$0.1 million (0.4%) lower than forecasted.

Key U.S. Economic Variables

	2016						2014	2015
	Mar.	Apr.	May	Jun.	Jul.	Aug.		
Real GDP (SAAR)	0.8	-	-	1.1	-	-	2.4	2.6
Industrial Production (SA, 2007 = 100)	103.4	103.9	103.7	104.1	104.9	-	104.9	105.2
Y/Y % Change	-2.0	-1.3	-1.3	-0.7	-0.5	-	2.9	0.3
ISM Manufacturing Index (50+ = growth)	51.8	50.8	51.3	53.2	52.6	49.4	55.7	51.4
ISM Non-Manuf. Index (50+ = growth)	54.5	55.7	52.9	56.5	55.5	51.4	56.2	57.2
Housing Starts (SAAR, 000)	1,113	1,155	1,128	1,186	1,211	-	1,001	1,108
Y/Y % Change	15.5	-3.1	6.1	-2.2	5.6	-	7.8	10.7
Light Motor Vehicle Sales (SAAR, mil.)	16.8	17.5	17.3	16.7	17.9	17.0	16.5	17.4
Y/Y % Change	-1.9	4.6	-2.4	-1.5	1.7	-4.4	6.0	5.6
CPI (SA, 1982-84 = 100)	237.9	238.9	239.4	239.9	239.8	-	236.7	237.0
Y/Y % Change	0.9	1.1	1.1	1.1	0.9	-	1.6	0.1
Core CPI (SA, 1982-84 = 100)	246.1	246.6	247.1	247.5	247.7	-	237.9	242.2
Y/Y % Change	2.2	2.1	2.2	2.2	2.2	-	1.7	1.8
IPD for Consumption (2009=100)	110.0	110.3	110.5	110.7	110.7	-	109.2	109.5
Y/Y % Change	0.8	1.0	1.0	0.9	0.8	-	1.5	0.3
Nonfarm Payroll Empl., e-o-p (SA, mil.)	143.7	143.9	143.9	144.2	144.4	144.6	140.4	143.1
Monthly Change	0.19	0.14	0.02	0.27	0.28	0.15	3.02	2.74
Unemployment Rate (SA, percent)	5.0	5.0	4.7	4.9	4.9	4.9	6.2	5.3
Yield on 10-Year Treasury Note (percent)	1.89	1.81	1.81	1.64	1.50	1.56	2.54	2.14
Yield on 3-Month Treasury Bill (percent)	0.30	0.23	0.28	0.27	0.30	0.30	0.03	0.05
Broad Real USD Index** (Mar. 1973=100)	97.7	96.3	97.3	97.6	98.0	97.0	86.2	95.4
Federal Budget Deficit (\$ bil.)*	108.0	-106.5	52.5	-6.3	112.8	-	483.6	439.1
FYTD sum	461.0	461.0	513.6	507.3	620.1	-		
US Trade Balance (\$ bil.)	-36.9	-38.6	-42.0	-44.7	-39.5	-	-490.2	-500.4
YTD Sum	-125.2	-163.8	-205.8	-250.5	-289.9	-		

*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

	2016						2014	2015	
	Mar.	Apr.	May	Jun.	Jul.	Aug.			
Employment								<i>End-of-period</i>	
Total Nonfarm (SA, 000)	3,217.3	3,225.8	3,229.8	3,236.8	3,243.6	-	3,100.3	3,188.0	
<i>Change from Previous Month (000)</i>	5.0	8.5	3.9	7.1	6.7	-	78.7	87.6	
Construction	182.5	183.3	182.9	183.6	184.0	-	168.6	177.1	
<i>Change from Previous Month</i>	0.3	0.8	-0.3	0.7	0.4	-	16.2	8.5	
Manufacturing	290.2	290.0	289.7	290.1	290.2	-	290.9	291.1	
<i>Change from Previous Month</i>	-0.9	-0.2	-0.3	0.4	0.1	-	3.0	0.3	
Aerospace	92.2	91.9	91.7	91.2	91.8	-	94.4	93.2	
<i>Change from Previous Month</i>	-0.4	-0.2	-0.3	-0.5	0.6	-	-0.5	-1.2	
Software	58.2	58.4	58.5	59.4	59.7	-	55.2	57.4	
<i>Change from Previous Month</i>	0.4	0.1	0.1	1.0	0.3	-	0.3	2.2	
All Other	2,686.4	2,694.1	2,698.7	2,703.7	2,709.6	-	2,585.6	2,662.3	
<i>Change from Previous Month</i>	5.1	7.7	4.5	5.0	6.0	-	59.3	76.7	
Other Indicators								<i>Annual Average</i>	
Seattle CPI (1982-84=100)	-	253.8	-	256.1	-	-	246.0	249.4	
	-	2.5%	-	1.8%	-	-	1.8%	1.4%	
Housing Permits (SAAR, 000)	40.8	49.3	38.8	47.7	39.8	-	34.3	36.4	
	2.8%	25.8%	5.8%	23.4%	21.3%	-	11.8%	6.1%	
WA Index of Leading Ind. (2004=100)	120.3	121.3	122.1	122.2	122.5	-	118.0	120.0	
	0.3%	0.9%	1.2%	1.1%	1.6%	-	2.7%	1.7%	
WA Business Cycle Ind. (Trend=50)	64.0	64.0	66.9	67.3	68.2	-	47.5	58.7	
	10.7%	9.3%	13.8%	14.3%	14.0%	-	16.3%	23.6%	
Avg. Weekly Hours in Manuf. (SA)	41.1	41.4	41.7	41.2	41.6	-	41.1	41.3	
	0.1%	0.3%	1.5%	-0.5%	0.2%	-	-1.1%	0.5%	
Avg. Hourly Earnings in Manuf.	26.4	26.4	26.2	26.5	26.4	-	25.2	25.5	
	3.7%	4.1%	3.4%	4.4%	4.4%	-	3.4%	1.5%	
New Vehicle Registrations (SA, 000)	25.7	24.6	25.3	25.5	25.3	25.2	23.3	25.0	
	5.3%	-0.5%	3.8%	2.1%	-1.1%	1.3%	5.4%	7.3%	
Initial Unemployment Claims (SA, 000)	30.9	30.1	30.3	29.9	31.6	30.7	35.7	32.3	
	-1.1%	-2.3%	-3.2%	-2.0%	-5.4%	-7.1%	-11.0%	-9.5%	
Personal Income (SAAR, \$bil.)	378.9	-	-	-	-	-	350.3	367.1	
	5.6%	-	-	-	-	-	5.8%	4.8%	
Median Home Price (\$000)	289.4	-	-	317.5	-	-	266.0	286.2	
	6.9%	-	-	9.7%	-	-	5.5%	7.6%	

*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

	2015					2016							
	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	Aug 11- Sep 10*
Department of Revenue-Total	1,307,733	1,263,435	1,418,988	1,980,140	1,345,874	1,545,740	1,112,384	1,184,792	1,464,935	2,093,552	1,493,853	1,514,117	1,449,879
	8.0	5.0	4.9	4.9	9.1	6.2	4.5	8.9	9.0	8.7	7.4	5.4	10.9
Revenue Act	1,152,679	1,116,823	1,199,762	1,089,367	1,051,563	1,415,044	986,724	1,021,579	1,224,759	1,118,136	1,159,028	1,333,615	1,290,996
	6.4	4.8	6.1	6.7	5.3	8.3	5.7	7.8	10.3	12.9	11.3	5.8	12.0
Retail Sales Tax	761,391	731,630	782,233	716,965	667,481	901,360	631,435	647,111	765,588	728,523	768,370	866,647	806,584
	8.0	4.3	6.8	8.6	4.1	8.9	5.9	6.1	8.2	13.3	12.0	6.9	5.9
Business and Occupation Tax	286,835	283,300	321,516	282,016	271,703	378,280	255,333	269,043	350,865	286,100	294,506	349,938	351,725
	1.0	4.0	5.5	5.7	1.9	2.6	7.2	13.1	13.9	10.7	11.9	2.6	22.6
Use Tax	54,782	54,633	53,986	49,311	53,414	60,703	47,952	47,779	52,962	49,549	48,043	60,321	51,092
	1.1	12.1	7.3	-5.5	27.0	10.3	4.9	3.0	12.5	2.8	-6.5	0.7	-6.7
Public Utility Tax	30,563	29,051	26,493	23,365	35,076	53,670	29,979	38,474	38,933	32,723	29,912	32,280	30,591
	6.7	0.9	-10.3	-16.1	24.4	28.5	-23.6	11.4	11.4	1.3	5.0	1.2	0.1
Tobacco Products Tax	4,201	5,256	3,465	3,940	4,646	3,406	3,046	4,518	5,512	4,159	4,782	4,357	3,767
	5.2	13.3	-18.4	-5.4	49.3	-6.7	-13.2	26.0	26.1	17.4	31.3	-4.2	-10.3
Penalties and Interest	14,907	12,954	12,068	13,770	19,243	17,626	18,981	14,655	10,898	17,081	13,414	20,071	47,237
	91.7	41.7	28.5	35.6	10.5	76.5	70.7	-1.1	33.9	293.7	46.5	73.4	216.9
Non-Revenue Act**	155,054	146,613	219,226	890,751	294,311	130,695	125,660	163,213	240,176	975,416	334,825	180,502	158,883
	22.1	6.1	-1.6	2.8	25.3	-11.7	-3.5	16.3	3.1	4.2	-4.2	2.0	2.5
Liquor Sales/Liter	23,842	21,597	20,457	14,883	24,935	31,411	17,743	18,566	20,318	18,459	20,424	22,221	23,294
	-7.2	11.2	-1.2	-25.4	18.6	0.1	-4.7	0.8	7.5	27.5	-21.3	9.8	-2.3
Cigarette	34,012	34,363	29,127	33,547	38,969	31,481	23,657	31,049	32,055	31,823	34,225	35,071	35,096
	4.6	-7.5	-19.3	10.7	15.5	-19.0	4.5	47.9	-5.6	-13.7	-5.7	-5.5	3.2
Property (State School Levy)	7,225	10,051	40,137	735,696	127,461	9,910	5,095	33,233	96,587	812,579	156,766	10,476	6,801
	11.5	16.9	-3.9	1.0	13.9	-13.5	-21.0	9.3	3.6	2.6	-3.5	-14.8	-5.9
Real Estate Excise	82,660	76,591	70,343	54,172	92,822	46,529	65,089	68,390	68,504	80,381	93,071	98,344	87,901
	49.0	21.0	19.1	1.5	67.1	10.6	-4.8	16.0	1.3	29.9	0.0	13.6	6.3
Unclaimed Property	-3,266	-3,427	42,500	39,946	2,135	-3,046	-2,923	1,647	6,945	-3,988	-4,434	-5,175	-3,059
	-27.3	52.2	3.2	47.9	346.1	-196.9	-205.3	135.1	-2,153.8	63.0	-21.8	259.7	-6.3
Other	10,580	7,438	16,662	12,507	7,989	14,411	16,998	10,327	15,768	36,161	34,773	19,565	8,851
	-6.8	-37.6	-30.6	61.4	-34.3	-31.7	48.5	-4.4	-19.1	7.3	-6.9	-11.9	-16.3
Department of Licensing**	1,009	474	355	244	316	377	492	831	2,487	2,833	6,503	2,406	1,100
	-4.8	-19.2	-4.6	3.7	6.9	39.9	27.5	18.1	105.0	-26.8	1.4	-21.0	9.0
Administrative Office of the Courts**	7,387	6,779	6,607	7,744	5,583	6,310	5,785	6,989	7,398	7,350	6,109	6,145	6,856
	2.8	6.6	-12.8	2.1	-11.4	-5.5	-4.4	-3.2	-7.3	-6.7	-8.7	-9.5	-7.2
Total General Fund-State***	1,316,129	1,270,688	1,425,950	1,988,128	1,351,773	1,552,426	1,118,662	1,192,611	1,474,819	2,103,735	1,506,465	1,522,668	1,457,835
	8.0	5.0	4.8	4.9	9.0	6.2	4.5	8.9	9.0	8.5	7.3	5.2	10.8

*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.

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, 2016 - September 10, 2016				
September 10, 2016 Collections Compared to the June 2016 Forecast				
Department of Revenue-Total	\$1,353,973	\$1,449,879	\$95,907	7.1%
Revenue Act** (1)	1,197,784	1,290,996	93,213	7.8%
Non-Revenue Act(2)	156,189	158,883	2,694	1.7%
Liquor Sales/Liter	25,456	23,294	(2,162)	-8.5%
Cigarette	33,584	35,096	1,512	4.5%
Property (State School Levy)	7,258	6,801	(456)	-6.3%
Real Estate Excise	79,482	87,901	8,419	10.6%
Unclaimed Property	0	(3,059)	(3,059)	NA
Other	10,409	8,851	(1,559)	-15.0%
Department of Licensing (2)	1,267	1,100	(167)	-13.2%
Administrative Office of the Courts (2)	6,719	6,856	137	2.0%
Total General Fund-State***	\$1,361,958	\$1,457,835	\$95,877	7.0%

Cumulative Variance Since the June Forecast (June 11, 2016 - September 10, 2016)

Department of Revenue-Total	\$4,232,907	\$4,457,849	\$224,942	5.3%
Revenue Act** (3)	3,590,160	3,783,638	193,478	5.4%
Non-Revenue Act(4)	642,747	674,211	31,463	4.9%
Liquor Sales/Liter	65,928	65,939	11	0.0%
Cigarette	104,548	104,392	(156)	-0.1%
Property (State School Levy)	177,853	174,044	(3,810)	-2.1%
Real Estate Excise	237,915	279,315	41,401	17.4%
Unclaimed Property	0	(12,668)	(12,668)	NA
Other	56,503	63,189	6,686	11.8%
Department of Licensing (4)	10,184	10,009	(175)	-1.7%
Administrative Office of the Courts	19,177	19,110	(67)	-0.4%
Total General Fund-State***	\$4,262,269	\$4,486,968	\$224,699	5.3%

1 Collections August 11, 2016 - September 10, 2016. Collections primarily reflect July 2016 activity of monthly filers.

2 August 2016 collections.

3 Cumulative collections, estimates and variance since the June 2016 forecast; (June 11, 2016 - September 10, 2016) and revisions to history.

4 Cumulative collections, estimates and variance since the June forecast (June - August 2016) and revisions to history.

* Based on the June 2016 economic and revenue forecast released June 15, 2016.

**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.