



ECONOMIC & REVENUE UPDATE

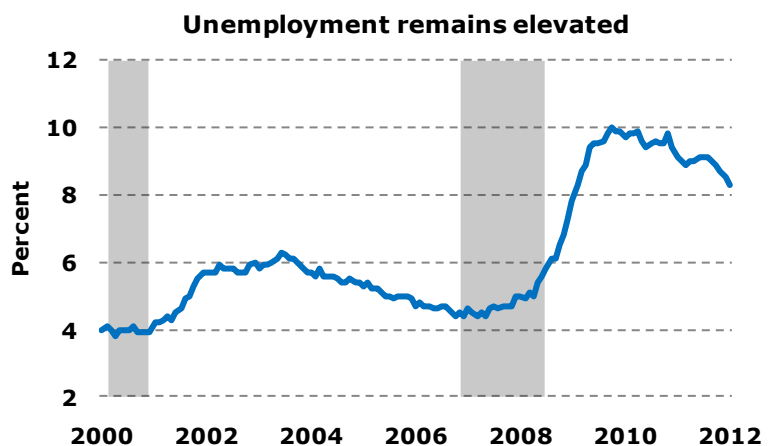
13 February 2012

summary

- The preliminary February forecast for the U.S. economy is similar to the November forecast, with continued concerns about downside risks.
- Washington's economy is narrowly outperforming the national economy thanks to aerospace, software, and exports; but the recovery remains unusually slow and the risks remain unusually high.
- Major General Fund-State revenue collections for the January 11 – February 10, 2012 collection period were \$54.0 million (4.4%) higher than the November forecast, but almost half of the positive variance was due to legislation passed in December that increased transfers of unclaimed property into the General Fund.
- Cumulatively, collections since the November forecast are \$44.8 million (1.1%) higher than forecasted. Without the extra unclaimed property revenue, and \$17.5 million in unexpected one-time refunds that occurred over the past two months, cumulative collections would have been \$37.5 million (1.0%) above the forecast.

United States

The preliminary February economic forecast does not deviate substantially from the November forecast and indicates our continued expectation of a slow-growth scenario. Although we can point to some signs of an improving economy, the high level of uncertainty identified in the November forecast remains. This uncertainty is due to risks associated with the on-going European debt crisis, concerns about slowing growth in Asia, and the potential for Iran to block oil supplies in response to international sanctions. Gridlock in Washington DC adds to the uncertainty, as do the upcoming elections in the U.S., Russia, France and anticipated leadership changes in China. In addition, the weak housing market continues to be a drag on the economy.



united states

The January employment data, showing an increase of 243,000 jobs and a reduction in the unemployment rate from 8.5% to 8.3% ([see figure](#)), were much better than expected. Despite this positive showing, the labor market remains fragile; the average duration of unemployment remains longer than in previous recoveries dating back to the Great Depression. Declining labor force participation rates are also worrying. The GDP growth rate of 2.8% for the fourth quarter of 2011 was the strongest performance since the middle of 2010. However, this rate is unlikely to be sustainable as two-thirds of this growth was due to inventory accumulation.

The housing market remains lackluster. The number of houses in foreclosure or with seriously delinquent mortgages has declined but remains near 8% of mortgages. House

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united states

prices declined in 2011 by 4.7%, although this was heavily influenced by distressed sales. Excluding distressed sales, houses prices declined by a much smaller 0.9%. The recent settlement with several large mortgage lenders over alleged abuses in the foreclosure process will provide some help for the housing market but is unlikely to have a dramatic impact. Contract data suggests residential construction has turned a corner, with 4.9% more square footage under contract in 2011 compared to 2010. Despite this positive trend, residential square footage is still down 64% from the peak in 2005.

Transportation activity, such as truck and rail traffic, is generally highly correlated with economic growth. Truck shipments, as measured by the Truck Tonnage Index, rose by 5.9% for 2011, the largest annual increase since 1998. Rail car loadings, although flat for most of 2011, had a large spike in December. However, other transportation measures, such as container traffic at major ports and air cargo miles, remain weak.

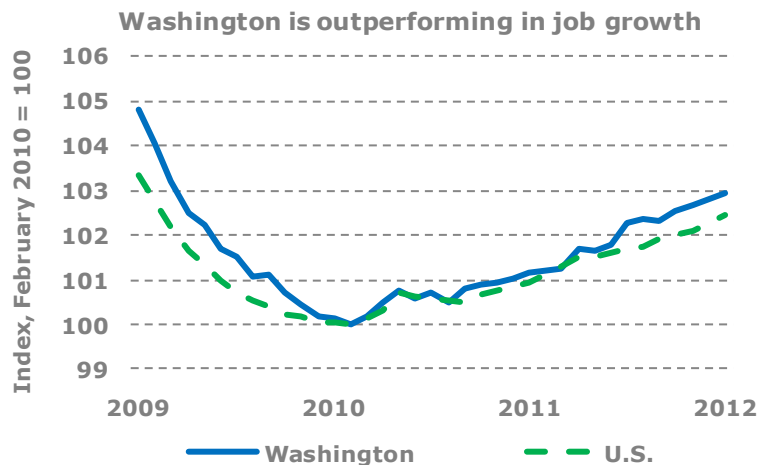
Light motor vehicle sales increased to 14.2 million units from 13.6 million (SAAR) in December. While this is a positive sign, it may reflect replacement demand as much as a gain in consumer confidence given the relatively old age of vehicles on the road. Although consumer confidence appears to have stabilized, it remains well below pre-recession levels. With high unemployment rates and declining house prices, consumers are likely to remain cautious.

All in all, we continue to expect a muddle-through economy. Despite some positive signs, unemployment remains high, the housing market remains weak, and the economy continues to face a variety of risks.

WASHINGTON

The Washington economy is recovering about as expected in the November forecast. There have been no major developments since November that have altered the outlook significantly. The state's economy is narrowly outperforming the U.S. economy ([see figure](#)) and we expect that trend to continue. The aerospace sector has added 11,500 jobs since May 2010, which is nearly double the 6,000 lost during the recession, while the software sector has added 1,800 jobs since December 2009, making up for most of the 2,500 jobs lost during the recession. Export growth is slowing but still strong. Total exports in the fourth quarter were up by 15% year-over-year. Exports of transportation equipment (mostly Boeing planes) account for nearly 50% of the state's exports and were up 27% from the previous year. Exports other than transportation equipment were up 5%. Boeing has approximately seven years of commercial orders on the books.

On the downside, construction, which has a disproportional impact on revenue, remains weak. While no longer falling, employment in the construction sector is flat. Government



washington

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washington

employment continues to decline, especially at the state and local level. The state's economy is also vulnerable to potential adverse national and global developments.

We have two months of new Washington employment data since the November forecast was released. Employment growth in November and December was slightly better than the November projection. The Washington economy added a total of 6,500 jobs in the final two months of the year compared to the 4,300 net new jobs expected in the forecast. The private sector added 7,800 jobs (we had expected 4,600) but the public sector lost 1,300 jobs (we had expected a loss of 300). The manufacturing sector continues to show strong employment growth, adding 3,600 jobs of which 2,300 were in aerospace. Construction employment declined by 400. Private service-providing industries added the majority of new jobs in the two month period at 4,600 jobs. We had expected an increase of 3,700 private service-providing jobs. Other indicators also describe a slowly healing labor market. The state's unemployment rate declined to 8.5% in December 2011 from a peak of 10.0% in December 2009, but remains very high two and a half years into the recovery and, as is the case nationally, the state's initial claims for unemployment insurance continue to trend down.

Housing construction remains weak but the fourth quarter was slightly better than expected in the November forecast. Single-family permits averaged 13,900 units (SAAR) which is higher than our forecast of 11,500 units for the quarter. Multi-family permits were also slightly higher than expected, averaging 8,600 units compared to the 8,000 expected for the quarter. Overall permits averaged 22,500 units compared to 19,400 expected in the November forecast. We continue to believe the trend is positive in multifamily housing due to rising rents and declining apartment vacancies. The near-term outlook for single-family construction is flat to negative.

We believe the Washington economy will continue to outperform the U.S. economy. In our preliminary February economic forecast we raised our Washington job growth forecast for 2012 and 2013 to 1.6% and 2.0% from 1.2% and 1.9% in the November forecast. We also raised our forecast for personal income growth to 3.0% and 4.8% from 2.8% and 4.7% in November. Our initial forecast for 2014 and 2015 calls for job growth of 1.9% in each year and income growth of 6.0% and 5.9%. Our final February economic forecast will be released on February 16th along with the February revenue forecast.

REVENUE COLLECTIONS

revenue collections

Overview

Major General Fund-State revenue collections for the January 11 – February 10, 2012 collection period were \$54.2 million (4.4%) higher than the November forecast, but almost half of the positive variance was due to legislation passed in December (described below) that increased transfers of funds from unclaimed property into the General Fund.

Cumulatively, collections since the November forecast are \$44.8 million (1.1%) higher than expected. Without the extra unclaimed property revenue from this month and \$17.5 million in unexpected one-time refunds that occurred over the last two months, cumulative collections would have been \$37.5 million (1.0%) above the forecast.

Revenue Act

The revenue collections reported here are for the January 11 – February 10, 2011 collection period. Collections correspond primarily to the December 2011 economic activity

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of monthly filers but also contain revenue from the fourth quarter, 2011 activity of quarterly filers and 2011 activity of annual filers.

Revenue Act collections for the current period came in \$23.7 million (2.1%) above the November forecast. During the period, there was a large one-time refund of \$5.5 million. Without the refund, collections would have been \$29.2 million (2.6%) higher than the forecast. Cumulatively, collections are \$20.9 million (0.7%) below the forecast, but without \$17.5 million in unexpected one-time refunds that occurred over the past two months the shortfall would have been \$3.5 million (-0.1%).

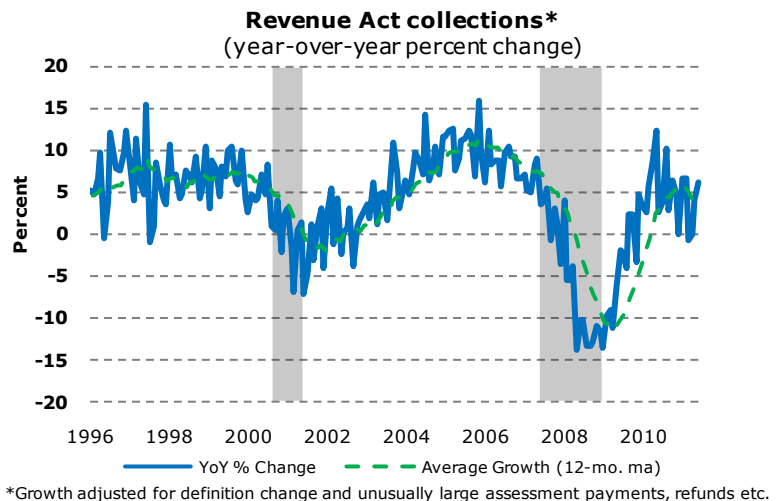
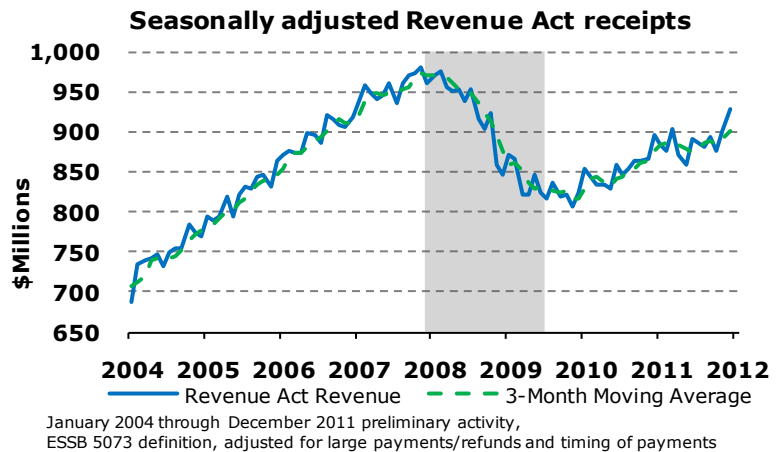
Seasonally adjusted collections increased from last month's level and are now at their highest level since the onset of the recession (see figure). Adjusted for large one-time payments and refunds in the current and year-ago periods, Revenue Act collections increased 6.2% year-over-year (see figure). In the previous period revenues had increased 4.0%.

Unadjusted for large one-time refunds this year and last year, revenue increased 8.4% year-over-year as shown in the "Key Revenue Variables" table. Preliminary unadjusted ERFC monthly estimates indicate retail sales tax collections increased 6.9% year-over-year and B&O taxes increased 10.5% year-over-year.

Tax payments as of January 30th from electronic filers who also paid in the January 11 – February 10 collection period of last year were up 4.8% year-over-year, slightly slower growth than last month's 5.9% increase.

Some details of payments from electronic filers:

- Payments in the retail trade sector were up 3.6% year-over-year. In the previous period, year-over-year payments increased 5.1%.
- Payments from the motor vehicle and parts sector increased 7.7% year-over-year. In the previous period, year-over-year payments increased 5.5%. Excluding the auto sector, payments from the retail trade sector were up 2.8% year-over-year in the current period and 5.0% in the previous period.



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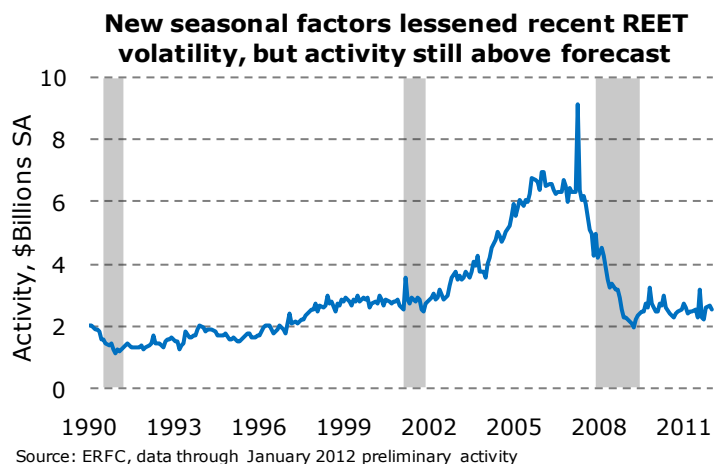
- Other retail trade sectors showing strong year-over-year increases in tax payments were non-store retailers (+13.0%), electronics and appliances (+7.8%) and miscellaneous retailers (+7.4%). One retail trade sector, food and beverage stores, had a year-over-year decline in payments (-6.4%).
- Payments in non-retail trade sectors were up 5.7% year-over-year in the current period and 6.4% in the previous period.
- For the second month in a row, tax payments by businesses in the construction sector showed year-over-year growth, increasing by 2.1%. Payments in the manufacturing sector were up 20.4%, with strong growth in payments from petroleum refiners and the transportation equipment sector.
- Excluding the construction sector, total payments were up 5.1% year-over-year and payments from non-retail trade sectors were up 6.4%. Excluding both construction and manufacturing, total payments were up 4.1% and payments from non-retail trade sectors were up 4.6%.

DOR Non-Revenue Act

January collections were \$30.5 million (29.3%) above the November forecast. \$24.7 million of the positive variance, however, was due to a post-forecast legislative change described below. Cumulatively, DOR non-Revenue Act collections are now \$65.9 million (6.0%) above the forecast.

This month's positive variance was due to larger-than-forecasted transfers of unclaimed property into the General Fund, part of the category of "other" revenue in the Revenue Forecast Variance table. Transfers came in \$29.6 million above the forecast. Most of the extra transfers were due to the effects of SHB 2169, passed in the December 2011 emergency legislative session. Under the bill, stocks, bonds, and other securities turned in to the state as unclaimed property may now be sold as soon as practicable. Prior to the new law, securities were required to be held for one to three years before being sold. In January, \$24.7 million of securities were sold, and additional securities are in the process of being sold over the coming months. In addition to the positive variance in unclaimed property, there was also a \$2.1 positive variance in the "other" category in revenue from state forest lands. Cumulatively, "other" revenue is now \$40.1 million (67.1%) above the November forecast.

Real estate excise taxes once again exceeded expectations, coming in \$4.3 million (23.4%) higher than forecasted. Due to new seasonal adjustment factors, this month's chart of seasonally adjusted activity shows slightly less recent volatility than last month's, although the large spike in August from several large commercial property sales is still evident ([see figure](#)). Activity was forecasted to remain close to the level it was before and after the August spike, but actual activity jumped the month after the forecast and has only come down slightly in the



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revenue collections

most recent month. It is still too soon to tell whether the recent strengthening will last or is only temporary. Collections were down 1.9% year-over-year both this month and last month due to temporarily strong collections last year. Cumulatively, collections are \$19.6 million (30.0%) greater than forecasted.

Property tax collections came in \$1.8 million (15.7%) lower than forecasted. Cumulatively, however, property tax payments are \$10.1 million (1.3%) greater than forecasted.

Cigarette tax receipts came in \$4.8 million (13.1%) lower than forecasted. Liquor tax receipts came in \$615,000 (2.6%) higher than forecasted. Cumulatively, cigarette tax receipts are \$5.0 million (4.6%) lower than forecasted and liquor tax receipts are \$1.2 million (2.0%) higher than forecasted.

Other Revenue

Department of Licensing receipts for January were \$20,000 (11.5%) higher than the November forecast. Cumulatively, receipts are \$98,000 (17.4%) higher than forecasted.

Revenue from the Administrative Office of the Courts was \$256,000 (3.3%) lower than forecasted. Cumulatively, revenue is \$223,000 (1.0%) below the forecasted amount.

Key U.S. Economic Variables

	2011					2012		2010	2011
	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.			
Real GDP (SAAR)	-	1.8	-	-	2.8	-		3.0	1.7
Industrial Production (SA, 2002 = 100)	94.4	94.6	95.1	94.9	95.3	-		90.1	93.8
<i>Y/Y % Change</i>	3.7	3.7	4.4	3.8	2.9	-		5.3	4.1
ISM Manufacturing Index (50+ = growth)	52.5	52.5	51.8	52.2	53.1	54.1		57.3	55.2
ISM Non-Manuf. Index (50+ = growth)	53.8	52.6	52.6	52.6	53.0	56.8		54.1	54.5
Housing Starts (SAAR, 000)	585	646	628	685	657	-		585	607
<i>Y/Y % Change</i>	-3.5	8.2	16.5	24.3	24.9	-		5.6	3.7
Light Motor Vehicle Sales (SAAR, mil.)	12.1	13.1	13.3	13.6	13.6	14.2		11.6	12.8
<i>Y/Y % Change</i>	5.0	10.8	8.9	11.0	8.4	11.7		11.6	10.4
CPI (SA, 1982-84 = 100)	226.3	227.0	226.8	226.7	226.7	-		32.5	33.4
<i>Y/Y % Change</i>	3.8	3.9	3.6	3.4	3.0	-		3.0	2.8
Core CPI (SA, 1982-84 = 100)	226.0	226.1	226.4	226.8	227.2	-		33.6	34.7
<i>Y/Y % Change</i>	2.0	2.0	2.1	2.2	2.2	-		2.5	3.5
IPD for Consumption (2000=100)	114.4	114.6	114.5	114.5	114.6	-		111.1	113.8
<i>Y/Y % Change</i>	2.9	2.9	2.7	2.6	2.4	-		1.8	2.4
Nonfarm Payroll Empl., e-o-p (SA, mil.)	131.5	131.7	131.8	132.0	132.2	132.4		130.3	132.2
<i>Monthly Change</i>	0.09	0.20	0.11	0.16	0.20	0.24		1.03	1.82
Unemployment Rate (SA, percent)	9.1	9.0	8.9	8.7	8.5	8.3		9.6	9.0
Yield on 10-Year Treasury Note (percent)	2.30	1.98	2.15	2.01	1.98	1.97		3.21	2.79
Yield on 3-Month Treasury Bill (percent)	0.02	0.01	0.02	0.01	0.01	0.03		0.14	0.05
Broad Real USD Index** (Mar. 1973=100)	81.2	83.5	84.0	84.3	85.0	84.4		87.1	82.7
Federal Budget Deficit (\$ bil.)*	134.1	62.8	98.5	137.3	86.0	27.4		1,294.2	1,296.8
<i>FYTD sum</i>	1,234.0	1,296.8	98.5	235.8	223.3	113.4			
US Trade Balance (\$ bil.)	-45.1	-43.9	-43.0	-47.1	-48.8	-		-500.0	-558.0
<i>YTD Sum</i>	-375.3	-419.2	-462.2	-509.2	-558.0	-			

*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

	2011					2012		2010	2011
	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.			
Employment	<i>End-of-period</i>								
Total Nonfarm (SA, 000)	2,834.5	2,833.0	2,837.6	2,841.9	2,844.1	-	2,796.0	2,844.1	
Change from Previous Month (000)	2.6	-1.4	4.6	4.3	2.2	-	22.9	48.1	
Construction	137.9	138.0	138.3	137.9	137.9	-	138.2	137.9	
Change from Previous Month	-0.1	0.1	0.4	-0.4	0.0	-	-7.7	-0.3	
Manufacturing	271.2	272.2	273.1	274.6	276.7	-	260.1	276.7	
Change from Previous Month	1.4	1.0	0.9	1.6	2.0	-	3.2	16.6	
Aerospace	88.2	89.1	89.4	90.5	91.7	-	81.9	91.7	
Change from Previous Month	0.5	0.9	0.3	1.1	1.1	-	0.8	9.8	
Software	52.1	52.1	52.2	52.3	52.4	-	51.2	52.4	
Change from Previous Month	0.3	0.0	0.1	0.1	0.0	-	0.6	1.2	
All Other	2,373.2	2,370.8	2,374.1	2,377.0	2,377.2	-	2,346.5	2,377.2	
Change from Previous Month	0.9	-2.5	3.3	3.0	0.2	-	26.7	30.7	
Other Indicators	<i>Annual Average</i>								
Seattle CPI (1982-84=100)	233.8	-	235.9	-	234.8	-	226.7	232.8	
	2.7%	-	3.8%	-	3.5%	-	0.3%	2.7%	
Housing Permits (SAAR, 000)	22.1	20.3	16.0	26.0	25.4	-	19.6	21.6	
	3.1%	16.5%	-7.9%	32.1%	-6.6%	-	22.9%	10.1%	
WA Index of Leading Ind. (2004=100)	112.2	111.5	111.5	112.8	113.2	-	104.7	111.0	
	7.0%	6.0%	5.1%	5.5%	5.3%	-	4.8%	6.0%	
WA Business Cycle Ind. (Trend=50)	11.4	9.1	7.4	13.3	14.3	-	4.6	9.4	
	110.2%	143.0%	95.1%	117.1%	52.9%	-	-40.9%	103.3%	
Avg. Weekly Hours in Manuf. (SA)	42.2	42.6	42.6	42.7	42.0	-	41.8	42.3	
	-0.5%	0.3%	0.9%	2.1%	0.7%	-	-0.3%	1.2%	
Avg. Hourly Earnings in Manuf.	23.4	23.8	23.9	24.1	24.3	-	23.5	24.0	
	2.0%	1.7%	2.4%	2.5%	0.7%	-	0.4%	2.1%	
New Vehicle Registrations (SA, 000)	16.0	16.4	16.7	18.2	18.2	17.9	15.5	17.0	
	1.2%	4.9%	6.5%	18.4%	12.0%	5.3%	10.7%	9.9%	
Initial Unemployment Claims (SA, 000)	48.6	48.4	48.7	48.4	42.3	52.9	56.5	49.9	
	-17.2%	-16.0%	-10.1%	-2.8%	-22.6%	-1.7%	-18.1%	-11.8%	
Personal Income (SAAR, \$bil.)	-	301.5	-	-	-	-	287.1	-	
	-	4.3%	-	-	-	-	3.0%	-	
Median Home Price (\$000)	-	225.3	-	-	-	-	245.2	-	
	-	-9.5%	-	-	-	-	-4.1%	-	

*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

	2011												2012	
	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*		
Department of Revenue-Total	834,514 6.6	870,549 10.4	1,335,204 27.7	1,641,571 2.5	1,270,126 16.1	1,092,482 2.9	1,020,032 7.2	994,146 7.1	1,139,412 -1.0	1,626,929 2.7	1,070,561 -3.2	1,269,913 10.1		
Revenue Act	754,431 5.0	767,732 11.7	1,179,888 32.2	861,245 7.0	816,518 2.0	983,045 2.0	899,856 6.7	896,724 7.3	976,349 -0.7	845,057 -1.4	829,991 -0.7	1,135,635 8.4		
Retail Sales Tax	453,708 2.4	458,338 3.5	664,871 19.1	524,437 3.8	505,397 -3.3	599,867 1.2	570,607 3.4	564,767 5.9	607,066 0.3	528,237 -2.3	545,805 3.4	708,262 6.9		
Business and Occupation Tax	214,154 12.3	219,836 30.1	342,902 35.7	239,931 13.3	230,620 17.8	289,042 1.7	251,468 17.5	254,354 15.0	284,690 -3.0	238,227 0.8	210,726 -7.3	314,490 10.5		
Use Tax	32,900 4.5	36,181 12.3	109,077 191.1	41,435 16.1	38,934 10.2	49,193 17.6	38,771 1.1	37,115 0.7	41,932 -0.7	36,319 4.6	31,206 -12.0	52,005 13.7		
Public Utility Tax	39,836 10.5	36,583 23.6	40,003 23.0	33,817 9.1	30,194 3.7	29,136 5.8	26,207 1.4	27,937 4.0	29,194 2.2	27,650 -5.3	32,351 18.1	45,244 14.7		
Tobacco Products Tax	3,983 81.3	3,338 36.5	4,053 24.1	3,865 12.1	4,243 78.1	4,334 20.4	4,003 13.6	4,462 26.4	4,238 -2.2	3,958 -6.0	3,593 5.3	4,269 -1.7		
Penalties and Interest	9,851 -35.3	13,456 17.5	18,982 139.1	17,759 -1.6	7,130 -54.4	11,473 -13.7	8,799 -11.2	8,089 -40.6	9,229 -5.4	10,665 -9.0	6,311 -53.8	11,366 3.6		
Non-Revenue Act**	80,083 24.9	102,817 1.5	155,316 1.4	780,325 -2.1	453,608 54.7	109,437 11.3	120,176 11.1	97,423 4.9	163,063 -2.3	781,872 7.5	240,569 -11.1	134,278 27.3		
Liquor Sales/Liter	13,913 -0.1	14,524 2.8	16,020 4.3	16,164 3.9	16,594 3.3	17,247 6.3	18,625 2.2	17,897 8.3	16,998 7.2	16,912 1.1	17,828 5.8	24,559 3.9		
Cigarette	25,441 98.3	27,921 17.2	28,463 20.8	23,966 -33.4	107,936 210.6	38,924 61.3	41,012 2.9	37,554 29.2	34,412 2.7	35,258 34.8	35,561 -2.7	31,419 5.4		
Property (State School Levy)	6,857 8.8	25,700 4.8	67,364 1.2	694,837 0.3	184,883 13.7	9,491 -12.5	7,295 2.8	10,583 7.2	38,957 16.8	654,270 6.7	145,816 -16.0	9,659 -22.1		
Real Estate Excise	19,704 4.9	27,816 -12.9	28,763 -11.9	27,102 -19.9	39,094 -0.8	31,156 -8.7	45,591 43.5	31,027 13.5	23,540 -24.2	29,745 10.3	32,631 -1.9	22,471 -1.9		
Timber (state share)	788 -14.2	0 NA	0 NA	825 27.6	0 NA	0 NA	1,166 -29.0	0 NA	0 NA	958 -9.5	0 NA	0 NA	0 NA	
Other	13,379 18.6	6,855 -20.1	14,707 -2.5	17,432 -2.9	105,100 160.8	12,619 -2.9	6,488 -31.7	362 -96.3	49,156 -7.6	44,729 5.4	8,733 -14.7	46,170 180.8		
Department of Licensing**	341 20.5	521 16.6	1,733 65.8	2,861 23.0	6,300 -14.4	3,004 -20.6	1,371 11.5	510 3.4	301 -5.6	244 101.8	221 69.1	194 50.6		
Lottery**	0 NA	0 NA	0 NA	0 NA	6,651 NA	0 NA	0 NA	0 NA	0 NA	0 NA	0 NA	0 NA	0 NA	
Administrative Office of the Courts**	6,350 -5.1	8,165 -0.3	9,371 -6.4	8,399 -4.9	7,997 11.9	8,416 -6.1	7,961 -2.1	8,640 9.1	7,972 2.3	8,281 -5.3	7,462 1.2	7,401 -7.0		
Total General Fund-State***	841,205 6.5	879,235 10.2	1,346,308 27.4	1,652,830 2.5	1,291,073 16.5	1,103,901 2.7	1,029,364 7.1	1,003,296 7.1	1,147,686 -1.0	1,635,454 2.5	1,078,244 -3.2	1,277,509 10.0		

*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
January 11, 2012 - February 10, 2012				
February 10, 2012 Collections Compared to the November 2011 Forecast				
Department of Revenue-Total	\$1,215,723	\$1,269,913	\$54,190	4.5%
Revenue Act** (1)	1,111,908	1,135,635	23,727	2.1%
Non-Revenue Act(2)	103,815	134,278	30,463	29.3%
Liquor Sales/Liter	23,945	24,559	615	2.6%
Cigarette	36,171	31,419	(4,752)	-13.1%
Property (State School Levy)	11,461	9,659	(1,803)	-15.7%
Real Estate Excise	18,214	22,471	4,257	23.4%
Timber (state share)	0	0	0	0.0%
Other	14,024	46,170	32,146	229.2%
Department of Licensing (2)	174	194	20	11.5%
Lottery (5)	0	0	0	0.0%
Administrative Office of the Courts (2)	7,657	7,401	(256)	-3.3%
Total General Fund-State***	\$1,223,555	\$1,277,509	\$53,954	4.4%

Cumulative Variance Since the November Forecast (November 11, 2011 - February 10, 2012)

Department of Revenue-Total	\$3,922,476	\$3,967,403	\$44,927	1.1%
Revenue Act** (3)	2,831,627	2,810,683	(20,943)	-0.7%
Non-Revenue Act(4)	1,090,849	1,156,719	65,870	6.0%
Liquor Sales/Liter	58,126	59,300	1,174	2.0%
Cigarette	107,199	102,238	(4,961)	-4.6%
Property (State School Levy)	799,660	809,744	10,084	1.3%
Real Estate Excise	65,281	84,847	19,566	30.0%
Timber (state share)	1,040	958	(83)	-7.9%
Other	59,543	99,632	40,090	67.3%
Department of Licensing (4)	562	660	98	17.4%
Lottery	0	0	0	0.0%
Administrative Office of the Courts	23,368	23,145	(223)	-1.0%
Total General Fund-State***	\$3,946,406	\$3,991,207	\$44,802	1.1%

1 Collections January 11, 2011 - February 10, 2012. Collections primarily reflect December 2011 activity of monthly filers, fourth quarter 2011 activity of quarterly filers, and 2011 activity of annual filers.

2 January 2011 collections.

3 Cumulative collections, estimates and variance since the November 2011 forecast; (November 11, 2011 -February 10, 2012) and revisions to history.

4 Cumulative collections, estimates and variance since the November forecast (November-January 2011) and revisions to history.

5 Lottery transfers to the General Fund

* Based on the November 2011 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.