



ECONOMIC & REVENUE UPDATE

October 11, 2017

summary

Summary

- **The U.S. labor market lost 33,000 net new jobs in September as Hurricanes Harvey and Irma impacted employment.**
- **Light motor vehicle sales had their strongest month since July 2005, in part due to replacement demand for vehicles damaged by Hurricane Harvey.**
- **Residential building permits were up but housing starts and sales were down.**
- **Washington personal income has been revised higher.**
- **Washington manufacturing activity and light vehicle sales remained strong in September.**
- **Major General Fund-State revenue collections for the September 11 - October 10, 2017 collection period came in \$45.5 million (3.2%) above the September forecast.**
- **Revenue Act taxes came in \$23.7 million (1.9%) above the forecast and non-Revenue Act taxes were \$21.7 million (13.3%) above the forecast.**

United States

This month's negative employment data likely reflect the temporary impacts of recent hurricanes; other labor market indicators such as average hourly earnings and layoff notices are positive. Other economic data this month were mixed, with strong auto sales, generally positive manufacturing indicators and higher building permits but weaker consumer confidence and home sales.

The U.S. economy lost 33,000 net new jobs in September, the first decline in employment in 83 months. However, the loss of jobs is likely due to the effects of Hurricanes Harvey and Irma, which temporarily caused business closures and prevented employees from reporting to work. Employment gains in July and August were revised down by a total of 38,000 jobs. Sectors with notable employment gains in September included health care (+23,000), transportation and warehousing (+22,000), professional and technical services (+12,000), educational services (+14,000), insurance carriers and related (+11,000) and construction (+8,000). Industries with net employment declines in September included accommodation and food services (-105,000), information (-9,000), social assistance (-9,000), food and beverage stores (-7,000) and arts, entertainment and recreation (-6,000).

Initial claims for unemployment insurance decreased by 12,000 to 260,000 (SA) in the week ending September 30th. The four-week moving average of initial claims decreased by 9,500 to 268,250. Layoff announcements in September, as tracked by outplacement firm Challenger, Gray, and Christmas, totaled 32,346, 4.4% lower than in August. Announced job cuts for the third quarter (94,478) were 22.5% below the same period in 2016.

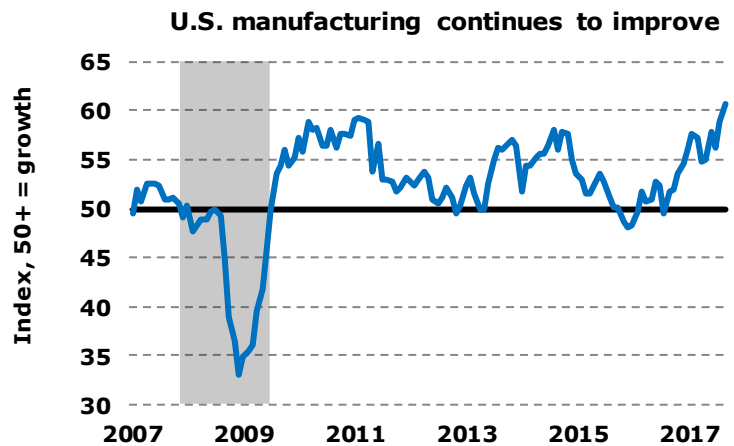
Average hourly earnings continue to advance, increasing by twelve cents in September. Average hourly earnings are 2.9% above their year-ago level. The average workweek in September was unchanged at 34.4 hours. The unemployment rate in September was 4.2%, down from 4.4% in August.

Manufacturing activity continued to expand in September. The Institute for Supply Management's Purchasing Managers Index (PMI) increased by 2.0 points to a post-recession high

united states

of 60.8 (50 or higher indicates growth). The non-manufacturing PMI for September increased by 4.5 points from August to 59.8. The non-manufacturing index has remained above 50 for 93 consecutive months.

Industrial production decreased by 0.9% (SA) in August following a revised 0.4% (SA) increase in July. The decline in industrial activity reflects at least in part the negative impact of Hurricane Harvey on the energy and chemical sectors. New orders for core capital goods (i.e., durables excluding aircraft and military), which is a proxy for business investment, increased by 1.1% (SA) in August and were 2.3% (SA) above their year-ago level according to U.S. Census Bureau data.



U.S. housing data improved this month but remain weak. Housing units authorized by building permits in August were 5.7% (SA) above their July level and 8.3% above their year-ago level. August housing starts decreased by 0.8% (SA) compared to July but were 1.4% above their August 2016 level. Existing home sales in August fell 1.7% (SA) compared to July but were 0.2% above their year-ago level. New single-family home sales decreased from a revised 580,000 (SAAR) in July to 560,000 in August, a decline of 3.4% and 1.2% below their year-ago level. The seasonally adjusted Case-Shiller national home price index for July was 0.5% above its June level and 6.0% above its year-ago level.

Two key measures of consumer confidence both decreased this month. The University of Michigan index of consumer sentiment fell by 1.8 points in September to 95.1. The Conference Board index of consumer confidence decreased slightly, dropping 0.6 points in September to 119.8.

Light motor vehicle sales in September increased by 15.0% (SAAR) relative to August and were 4.8% above year-ago sales. Replacement of vehicles damaged or destroyed by Hurricane Harvey, strong fleet sales and continued high levels of sales incentives were responsible for the strongest month of auto sales since July 2005.

Petroleum spot prices are higher for both U.S. and European crude oil compared to early September. For the week ending September 29th, U.S. benchmark West Texas Intermediate was up \$5 per barrel to \$52 while European benchmark Brent increased over \$6 to \$59 per barrel. Gasoline prices decreased over the last month, falling eighteen cents to \$2.50 per gallon (regular, all formulations) for the week ending October 9th.

The American Trucking Association's truck tonnage index increased 7.1% (SA) in August following a revised 0.5% increase in July. The index is 8.2% above year-ago levels. Rail carloads for September were 1.3% (SA) below their August level and 2.3% below their year-ago level. Intermodal rail units (shipping containers or truck trailers) were 1.7% (SA) low-

WASHINGTON

Total nonfarm payroll employment rose 16,000 (seasonally adjusted) in June, July, and August, which represents a solid 1.9% annual rate of growth. This was down from a very strong 2.9% average growth rate during the previous year. Manufacturing lost only 400

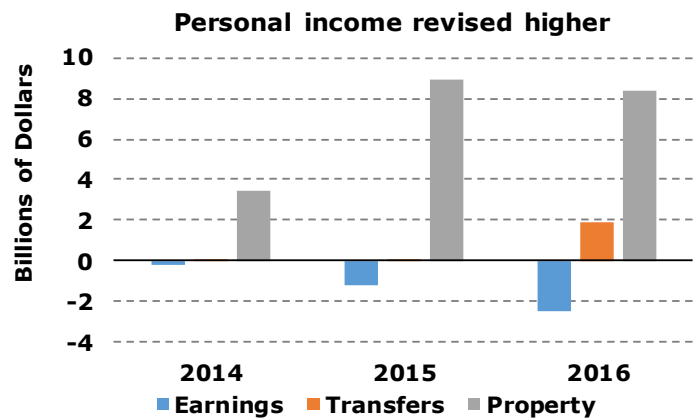
jobs in the three-month period in spite of the loss of 1,600 aerospace jobs. Construction employment increased 900 in June, July, and August and government employment expanded by 3,000 jobs. As usual, the bulk of the net new jobs occurred in private, service-providing sectors, which added 12,500 jobs.

Washington housing construction in the third quarter to date has been stronger than expected in the September forecast. In July and August, 46,400 units (SAAR) were permitted of which 23,700 were single family and 22,700 were multi-family. The September forecast assumed an average rate of 43,600 units for the third quarter as a whole (SAAR) consisting of 23,600 single-family units and 19,900 multi-family units.

Seattle area home prices continue to rise very rapidly. According to the S&P/Case-Shiller Home Price Indices, seasonally adjusted Seattle area home prices rose 0.7% in July compared to a 0.3% increase in the Composite-20 index. However, the over-the-month changes are problematic due to seasonal adjustment issues. A more reliable measure is the over-the-year growth, which shows a 13.5% increase in prices since the previous July, more than double the 5.9% increase in the Composite-20 index. Not only are prices rising faster in Seattle than in other major metropolitan areas but also the rate of price appreciation in Seattle has been increasing in recent years. Seattle home prices are now up 71% since the December 2011 trough and now exceed the May 2007 peak by 19%.

After the September forecast was released, the U.S. Department of Commerce, Bureau of Economic Analysis (BEA) released state personal income estimates for the second quarter of 2017. According to these estimates, Washington personal income rose to \$412.3 billion (SAAR) in the second quarter of 2017 from \$409.1 billion in the first quarter. The reported 3.2% growth rate (SAAR) in Washington personal income was the 18th largest among the states and District of Columbia and slightly exceeded the 2.9% growth rate for the U.S. as a whole. Over the last year, from the second quarter of 2016 to the second quarter of 2017, Washington personal income grew 4.1% which was well above the 2.9% for the nation and 3rd highest among the states and the District of Columbia.

The September personal income release also incorporated the impact of the annual revision to the national income and product accounts. The revisions covered the period from 2014 through the first quarter of 2017. The estimate for 2016 annual personal income was revised up \$7.9 billion (2.0%) compared to the June BEA release. The increase in 2016 was mainly due to the estimate for property income (dividends, interest, and rent), which was revised up by \$8.4 billion ([see figure](#)). The revision to property income was the result of newly available IRS tabulations for 2015 and revised tabulations for 2014. We will reflect the revised personal income data in the November 2017 forecast.



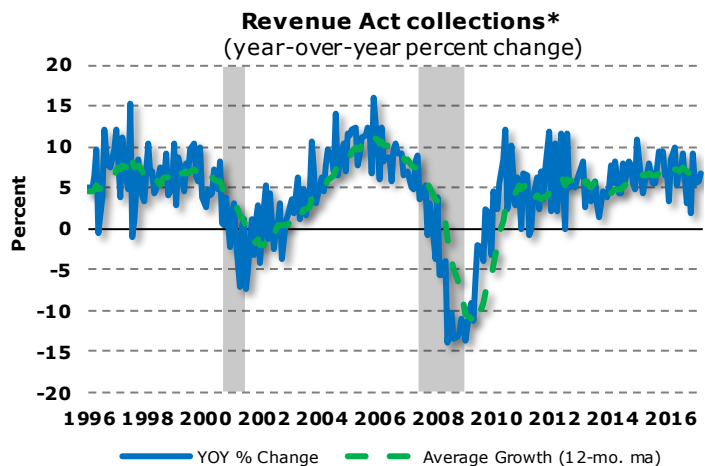
The Institute of Supply Management – Western Washington Index (ISM-WW) remained strong in September. The index, which measures conditions in the manufacturing sector, decreased from 58.2 in August to a still strong 57.5 in September (index values above 50 indicate growth while values below 50 indicate contraction). This was a significant improvement from the previous three months whose index values were all less than or equal to 50. The production, orders, and inventory components indicated expansion in September while the employment and deliveries components were neutral at 50.

Washington car and truck sales increased in July, August, and September after sinking to the lowest level in more than three years in June. Seasonally adjusted new vehicle registrations increased 3.5% in July, 8.6% in August, and 3.5% in September to 319,000 units (SAAR). Car and truck sales are up 1.4% over the year but down 4.8% since the post-recession peak in January 2016.

REVENUE COLLECTIONS

Overview

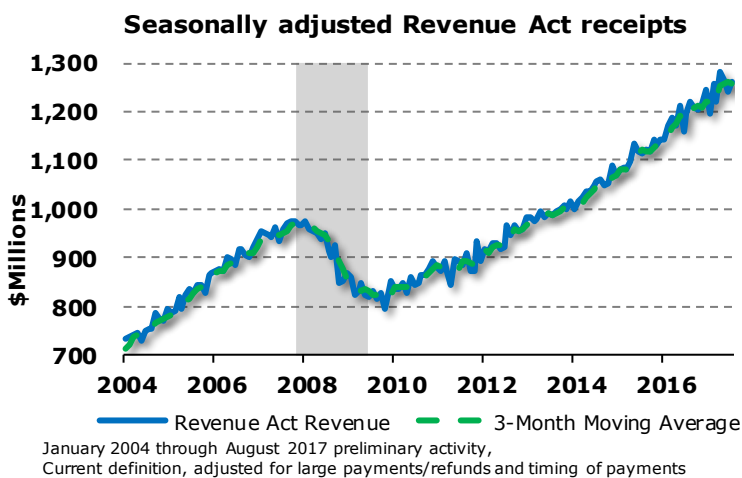
Major General Fund-State revenue collections for the September 11 - October 10, 2017 collection period came in \$45.5 million (3.2%) above the September forecast. Revenue Act taxes came in \$23.7 million (1.9%) above the forecast and non-Revenue Act taxes were \$21.7 million (13.3%) above the forecast. Much of the variance in non-Revenue Act taxes, however, was from a one-time \$7.4 million payment for past-due taxes.



Revenue Act

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 September 11 - October 10, 2017 collection period. Collections correspond primarily to the August economic activity of monthly filers.

Revenue Act collections for the current period came in \$23.7 million (1.9%) above the September forecast. Adjusted for large audit payments and refunds in the current and prior years, collections grew 6.7% year over year (see figure). The 12-month moving average of year-over-year growth decreased to 6.5%. Seasonally adjusted collections increased slightly from last month's level (see figure).



As shown in the "Key Revenue Variables" table, unadjusted Revenue Act receipts increased by 6.0% year over year. The preliminary estimate of year-over-year retail sales tax growth is 8.5%. The preliminary estimate of B&O tax growth is 5.9%.

Total tax payments as of September 27th from electronic filers who also paid in the September 11 - October 10 collection period of last year were up 8.4% year over year (payments are mainly Revenue Act taxes but include some non-Revenue Act taxes as well).

Last month payments were up 7.6% year over year. Some details of payments from electronic filers:

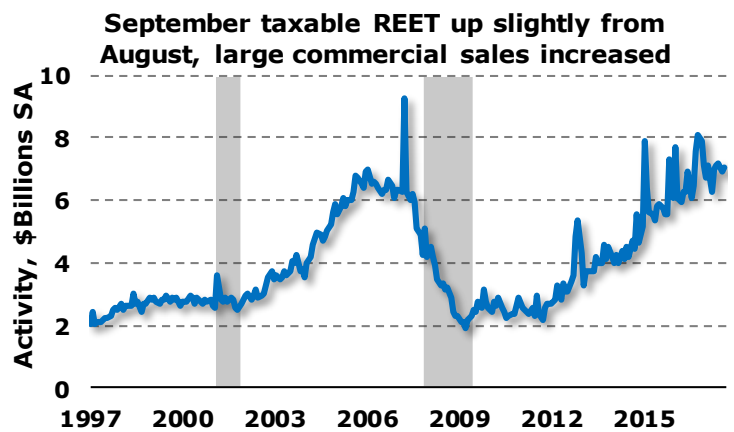
- Total payments in the retail trade sector were up 9.3% year over year. Last month, payments grew 9.6% year over year.
- Payments from the motor vehicles and parts sector increased by 6.8% year over year. Last month, payments in the sector increased by 8.3% year over year.
- Retail trade sectors that showed strong growth in payments were nonstore retailers (+18.3%), furniture and home furnishings (+13.4%), general merchandise stores (+12.4%), gas stations and convenience stores (+12.4%), building materials and garden equipment (+12.3%) and food and beverage stores (+8.3%). No retail trade sector had a year-over-year decline in payments.
- Payments from non-retail trade sectors were up 7.9% year over year in the current period. Last month, year-over-year payments increased 6.4%.
- Tax payments by businesses in the accommodation and food services sector increased by 7.5% year over year. Last month receipts from the sector increased 5.4% year over year.
- Payments from the manufacturing sector increased by 6.9% year over year. Last month payments increased 5.4% year over year. The month saw moderate year-over-year increases in payments from both the petroleum refining and transportation equipment sectors. Excluding the transportation and petroleum sectors, payments from the remaining manufacturing sectors increased by 5.3% year over year.
- Tax payments by businesses in the construction sector increased by 9.5% year over year. Last month receipts from the construction sector increased 9.6% year over year.

DOR Non-Revenue Act

September DOR non-Revenue Act collections came in \$20.4 million (12.9%) above the September forecast. During the collection period, there was a \$7.4 million one-time payment for past-due taxes. Without this payment, collections would have been \$13.0 million (8.2%) higher than forecasted.

Aside from the large one-time payment, most of this month’s surplus was from real estate excise tax (REET) collections, which came in \$9.0 million (11.1%) higher than forecasted. Sales of large commercial property (property valued at \$10 million or more) came in higher than expected at \$845 million, up from last month’s revised total of \$690 million. Collections from residential sales also came in higher than forecasted. Seasonally adjusted activity increased slightly from last month’s level ([see figure](#)).

Liquor taxes came in \$0.5 million (2.0%) lower than forecasted. Cigarette tax receipts came in \$0.3 million (0.9%) lower than forecasted.



Source: ERFC, data through September 2017 preliminary activity

Property tax receipts came in \$0.6 million (4.9%) higher than forecasted. Refunds of unclaimed property from the GF-S were \$1.2 million (73.0%) lower than forecasted.

Other DOR revenue came in \$9.4 million (93.1%) higher than forecasted, due mainly to the large one-time payment mentioned above. Without the payment, collections would have been 2.0 million (20.3%) higher than forecasted.

Other Revenue

Revenue from the Administrative Office of the Courts came in \$1.3 million (25.5%) higher than forecasted.

Key U.S. Economic Variables

	2017						2015	2016
	Apr.	May	Jun.	Jul.	Aug.	Sep.		
Real GDP (SAAR)	-	-	3.1	-	-	-	2.9	1.5
Industrial Production (SA, 2007 = 100)	105.0	105.1	105.3	105.7	104.7	-	104.4	103.1
<i>YOY % Change</i>	2.1	2.3	2.1	2.4	1.5	-	-0.7	-1.2
ISM Manufacturing Index (50+ = growth)	54.8	54.9	57.8	56.3	58.8	60.8	51.4	51.5
ISM Non-Manuf. Index (50+ = growth)	57.5	56.9	57.4	53.9	55.3	59.8	57.2	54.9
Housing Starts (SAAR, 000)	1,154	1,129	1,217	1,190	1,180	-	1,107	1,177
<i>YOY % Change</i>	-0.9	0.9	2.3	-2.7	1.4	-	10.6	6.3
Light Motor Vehicle Sales (SAAR, mil.)	17.0	16.8	16.7	16.8	16.1	18.6	17.4	17.5
<i>YOY % Change</i>	-2.0	-2.2	-0.6	-5.9	-6.3	4.8	5.7	0.5
CPI (SA, 1982-84 = 100)	244.2	243.8	243.8	244.0	245.0	-	237.0	240.0
<i>YOY % Change</i>	2.2	1.9	1.6	1.7	1.9	-	0.1	1.3
Core CPI (SA, 1982-84 = 100)	251.2	251.3	251.6	251.9	252.5	-	242.2	247.6
<i>YOY % Change</i>	1.9	1.7	1.7	1.7	1.7	-	1.8	2.2
IPD for Consumption (2009=100)	112.3	112.2	112.3	112.4	112.6	-	109.5	110.8
<i>YOY % Change</i>	1.7	1.5	1.4	1.4	1.4	-	0.3	1.2
Nonfarm Payroll Empl., e-o-p (SA, mil.)	146.0	146.2	146.4	146.5	146.7	146.7	143.1	145.3
<i>Monthly Change</i>	0.21	0.15	0.21	0.14	0.17	-0.03	2.71	2.24
Unemployment Rate (SA, percent)	4.4	4.3	4.4	4.3	4.4	4.2	5.3	4.9
Yield on 10-Year Treasury Note (percent)	2.30	2.30	2.19	2.32	2.21	2.20	2.14	1.84
Yield on 3-Month Treasury Bill (percent)	0.81	0.90	1.00	1.09	1.03	1.05	0.05	0.32
Broad Real USD Index** (Mar. 1973=100)	100.0	99.4	98.0	96.6	95.6	94.5	95.3	99.0
Federal Budget Deficit (\$ bil.)*	-182.4	88.4	90.2	42.9	107.7	-	439.1	693.9
<i>FYTD sum</i>	344.4	432.9	523.1	566.0	673.7	-	-	-
US Trade Balance (\$ bil.)	-47.4	-46.4	-43.5	-43.6	-42.4	-	-500.4	-504.8
<i>YTD Sum</i>	-185.5	-231.9	-275.4	-319.0	-361.4	-	-	-

*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

	2017						2015	2016
	Apr.	May	Jun.	Jul.	Aug.	Sep.		
Employment							<i>End-of-period</i>	
Total Nonfarm (SA, 000)	3,320.1	3,327.1	3,334.1	3,342.2	3,343.1	-	3,183.3	3,282.2
<i>Change from Previous Month (000)</i>	3.2	7.0	6.9	8.1	0.9	-	82.9	98.9
Construction	200.4	200.6	201.8	200.7	201.5	-	177.0	193.3
<i>Change from Previous Month</i>	0.9	0.2	1.2	-1.1	0.9	-	8.6	16.3
Manufacturing	285.0	284.2	284.4	284.5	283.7	-	292.8	286.0
<i>Change from Previous Month</i>	-0.4	-0.9	0.3	0.1	-0.8	-	1.7	-6.8
Aerospace	85.3	84.2	84.2	83.6	82.6	-	93.5	87.4
<i>Change from Previous Month</i>	-0.6	-1.1	0.0	-0.6	-1.0	-	-0.9	-6.1
Software	61.0	61.0	61.1	61.6	62.0	-	57.0	60.1
<i>Change from Previous Month</i>	0.0	0.0	0.2	0.5	0.3	-	1.8	3.2
All Other	2,773.7	2,781.4	2,786.7	2,795.3	2,795.9	-	2,656.5	2,742.7
<i>Change from Previous Month</i>	2.7	7.7	5.3	8.6	0.6	-	70.9	86.1
Other Indicators							<i>Annual Average</i>	
Seattle CPI (1982-84=100)	261.6	-	263.8	-	263.3	-	249.4	255.0
	3.1%	-	3.0%	-	2.5%	-	1.4%	2.3%
Housing Permits (SAAR, 000)	52.3	39.2	40.1	44.5	48.2	-	40.6	42.9
	11.2%	-0.3%	-13.8%	10.0%	58.2%	-	19.0%	5.6%
WA Index of Leading Ind. (2004=100)	123.5	123.6	124.2	124.4	124.8	-	119.9	121.5
	1.8%	1.0%	1.8%	1.7%	2.0%	-	1.8%	1.3%
WA Business Cycle Ind. (Trend=50)	71.3	73.3	72.4	72.4	73.3	-	58.7	67.5
	10.6%	9.2%	7.1%	5.7%	8.9%	-	23.7%	15.0%
Avg. Weekly Hours in Manuf. (SA)	41.7	41.3	41.6	41.3	42.1	-	41.3	41.6
	0.8%	-0.7%	0.7%	-0.8%	1.7%	-	0.5%	0.6%
Avg. Hourly Earnings in Manuf.	27.1	26.9	27.1	27.2	27.3	-	25.5	26.4
	2.8%	2.4%	2.4%	3.2%	3.6%	-	1.5%	3.5%
New Vehicle Registrations (SA, 000)	23.8	24.2	22.9	23.7	25.7	26.6	25.0	26.1
	-3.9%	-5.4%	-10.8%	-7.2%	0.4%	1.4%	7.3%	4.5%
Initial Unemployment Claims (SA, 000)	28.4	26.3	27.2	27.1	27.9	27.5	32.3	30.3
	-6.3%	-13.9%	-9.7%	-13.4%	-9.1%	-5.1%	-9.5%	-6.1%
Personal Income (SAAR, \$bil.)	-	-	412.3	-	-	-	380.0	397.8
	-	-	4.1%	-	-	-	5.8%	4.7%
Median Home Price (\$000)	-	-	337.7	-	-	-	286.2	315.3
	-	-	6.4%	-	-	-	7.6%	10.2%

*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

	2016				2017								
	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	Sep 11- Oct 10*
Department of Revenue-Total	1,369,228	1,586,367	2,068,533	1,438,668	1,627,333	1,197,559	1,213,050	1,541,322	2,144,883	1,573,812	1,590,439	1,438,865	1,459,366
	8.4	11.8	4.5	6.9	5.3	7.7	2.4	5.2	2.5	5.4	5.0	-0.8	6.6
Revenue Act	1,208,614	1,318,426	1,157,810	1,145,956	1,475,350	1,085,206	1,045,180	1,308,201	1,138,287	1,209,425	1,408,395	1,260,549	1,280,897
	8.2	9.9	6.3	9.0	4.3	10.0	2.3	6.8	1.8	4.3	5.6	-2.4	6.0
Retail Sales Tax	791,805	854,833	753,027	731,396	946,066	677,767	663,950	839,253	740,298	789,137	918,099	842,244	858,901
	8.2	9.3	5.0	9.6	5.0	7.3	2.6	9.6	1.6	2.7	5.9	3.4	8.5
Business and Occupation Tax	296,520	358,780	299,845	308,930	409,006	279,226	265,848	353,897	290,851	305,169	372,900	308,348	313,929
	4.7	11.6	6.3	13.7	8.1	9.4	-1.2	0.9	1.7	3.6	6.6	0.1	5.9
Use Tax	51,801	58,983	52,211	49,804	59,798	56,449	52,485	54,998	53,375	60,367	65,265	56,191	54,655
	-5.2	9.3	5.9	-6.8	-1.5	17.7	9.8	3.8	7.7	25.7	8.2	-10.7	5.5
Public Utility Tax	25,096	25,899	29,212	26,887	38,445	50,617	41,209	42,843	33,455	32,602	32,689	30,190	29,093
	-13.6	-2.2	25.0	-23.3	-28.4	68.8	7.1	10.0	2.2	9.0	1.3	8.4	15.9
Tobacco Products Tax	5,302	4,017	4,836	4,105	4,271	3,778	4,315	3,955	4,100	5,269	4,783	5,660	6,513
	0.9	15.9	22.7	-11.6	25.4	24.1	-4.5	-28.3	-1.4	10.2	9.8	37.5	22.8
Penalties and Interest	38,090	15,915	18,679	24,833	17,763	17,369	17,373	13,256	16,207	16,883	14,660	17,916	17,805
	194.0	31.9	35.6	29.1	0.8	-8.5	18.5	21.6	-5.1	25.9	-27.0	-75.7	-53.3
Non-Revenue Act**	160,613	267,941	910,724	292,712	151,983	112,352	167,870	233,121	1,006,596	364,386	182,043	178,316	178,470
	9.5	22.2	2.2	-0.5	16.3	-10.6	2.9	-2.9	3.2	8.8	0.9	12.2	11.1
Liquor Sales/Liter	22,187	20,397	19,781	22,561	31,513	18,665	19,143	20,787	19,486	22,334	22,107	24,496	23,854
	2.7	-0.3	32.9	-9.5	0.3	5.2	3.1	2.3	5.6	9.4	-0.5	5.2	7.5
Cigarette	35,358	35,368	30,612	31,328	27,967	21,382	30,422	26,364	31,159	37,762	30,614	38,723	33,441
	2.9	21.4	-8.7	-19.6	-11.2	-9.6	-2.0	-17.8	-2.1	10.3	-12.7	10.3	-5.4
Property (State School Levy)	11,280	46,286	730,065	139,097	9,586	5,533	33,290	100,813	821,190	171,233	12,337	6,561	12,104
	12.2	15.3	-0.8	9.1	-3.3	8.6	0.2	4.4	1.1	9.2	17.8	-3.5	7.3
Real Estate Excise	84,358	95,452	85,213	89,302	59,382	60,360	73,646	68,149	96,608	107,207	99,385	101,683	89,953
	10.1	35.7	57.3	-3.8	27.6	-7.3	7.7	-0.5	20.2	15.2	1.1	15.7	6.6
Unclaimed Property	-2,283	47,015	40,658	-293	2,058	-4,081	-1,590	-1,007	-2,821	-6,180	-3,587	-779	-448
	-33.4	10.6	1.8	-113.7	-167.6	39.6	-196.5	-114.5	-29.2	39.4	-30.7	-74.5	-80.4
Other	9,713	23,423	4,395	10,717	21,478	10,494	12,958	18,015	40,973	32,029	21,188	7,634	19,566
	30.6	40.6	-64.9	34.1	49.0	-38.3	25.5	14.3	13.3	-7.9	8.3	-13.7	101.4
Administrative Office of the Courts**	6,292	6,129	7,135	5,619	5,796	5,404	5,587	7,086	6,354	6,094	6,479	6,195	6,501
	-7.2	-7.2	-7.9	0.7	-8.1	-6.6	-20.1	-4.2	-13.6	-0.2	5.4	-9.6	3.3
Total General Fund-State***	1,375,520	1,592,496	2,075,668	1,444,287	1,633,129	1,202,963	1,218,637	1,548,408	2,151,237	1,579,905	1,596,918	1,445,061	1,465,868
	8.3	11.7	4.4	6.9	5.2	7.6	2.3	5.2	2.4	5.3	5.0	-0.8	6.6

*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
September 11, 2017 - October 10, 2017				
October 10, 2017 Collections Compared to the September 2017 Forecast				
Department of Revenue-Total	\$1,415,234	\$1,459,366	\$44,132	3.1%
Revenue Act** (1)	1,257,160	1,280,897	23,737	1.9%
Non-Revenue Act(2)	158,074	178,470	20,396	12.9%
Liquor Sales/Liter	23,385	23,854	469	2.0%
Cigarette	33,746	33,441	(304)	-0.9%
Property (State School Levy)	11,535	12,104	569	4.9%
Real Estate Excise	80,940	89,953	9,012	11.1%
Unclaimed Property	(1,662)	(448)	1,214	-73.0%
Other	10,131	19,566	9,435	93.1%
Administrative Office of the Courts (2)	5,182	6,501	1,319	25.5%
Total General Fund-State***	\$1,420,417	\$1,465,868	\$45,451	3.2%

Cumulative Variance Since the September Forecast (September 11, 2017 - October 10, 2017)

Department of Revenue-Total	\$1,415,234	\$1,459,366	\$44,132	3.1%
Revenue Act** (3)	1,257,160	1,280,897	23,737	1.9%
Non-Revenue Act(4)	158,074	178,470	20,396	12.9%
Liquor Sales/Liter	23,385	23,854	469	2.0%
Cigarette	33,746	33,441	(304)	-0.9%
Property (State School Levy)	11,535	12,104	569	4.9%
Real Estate Excise	80,940	89,953	9,012	11.1%
Unclaimed Property	(1,662)	(448)	1,214	-73.0%
Other	10,131	19,566	9,435	93.1%
Administrative Office of the Courts (4)	5,182	6,501	1,319	25.5%
Total General Fund-State***	\$1,420,417	\$1,465,868	\$45,451	3.2%

1 Collections September 11, 2017 - October 10, 2017. Collections primarily reflect August 2017 activity of monthly filers.

2 September 2017 collections.

3 Cumulative collections, estimates and variance since the September 2017 forecast; (September 11, 2017 - October 10, 2017) and revisions to history.

4 Cumulative collections, estimates and variance since the September forecast (September 2017) and revisions to history.

* Based on the September 2017 economic and revenue forecast released September 20, 2017.

**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 the Department of Revenue and the Administrative Office of the Courts.