



# ECONOMIC & REVENUE UPDATE

September 11, 2017

summary

## Summary

- **The U.S. labor market added 156,000 net new jobs in August; June and July data were revised down by a combined 41,000 jobs.**
- **Nationally, residential construction activity and home sales slowed.**
- **U.S. real gross domestic product grew at an annual rate of 3.0% in the second quarter.**
- **Washington employment growth is on track.**
- **Washington exports are down due to aerospace.**
- **Major General Fund-State revenue collections for the August 11 - September 10, 2017 collection period came in \$18.6 million (1.3%) above the June forecast.**
- **Cumulatively, collections are now \$94.3 million (2.1%) higher than forecasted.**
- **Since the June forecast, there have been \$19.2 million in net large refunds that were not included in the forecast. Had the refunds not occurred, cumulative collections would have been \$113.5 million (2.5%) higher than forecasted.**

## United States

Nationally, economic data were generally positive this month but with a few notable exceptions. Manufacturing activity, consumer confidence and GDP data were all stronger this month. However, housing data weakened and auto sales continued to slow. Initial claims for unemployment insurance were at their highest level since April 2015, although at least part of this increase was due to Hurricane Harvey.

The U.S. economy added 156,000 net new jobs in August. Employment gains in June and July were revised down by a total of 41,000 jobs. Sectors with notable employment gains in August included manufacturing (+36,000), construction (+28,000), professional and technical services (+22,000), health care (+20,000), administrative and support services (+16,000), and membership associations and organizations (+12,000). Industries with net employment declines in August included performing arts and spectator sports (-9,000), motion picture and sound recording (-5,000), and social assistance (-4,000).

Initial claims for unemployment insurance increased by 62,000 to 298,000 (SA) in the week ending September 2nd. The four-week moving average of initial claims increased by 13,500 to 250,250. Layoff announcements in August, as tracked by outplacement firm Challenger, Gray, and Christmas, totaled 33,825, 19.5% higher than in July. Construction, retail trade and finance had the largest number of job cuts in August.

Average hourly earnings continue to advance, increasing by three cents in August. Average hourly earnings are 2.5% above their year-ago level. The average workweek in August declined 0.1 hours from July to 34.4 hours. The unemployment rate in August was 4.4%, up from 4.3% in July.

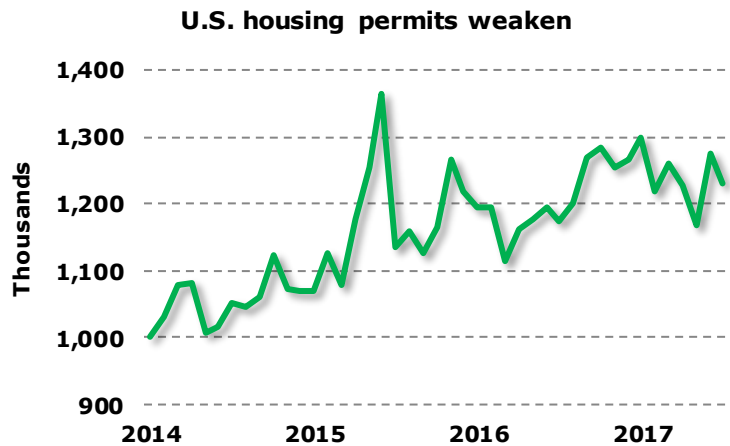
The second estimate of second quarter real GDP growth was revised up from 2.6% to 3.0% (SAAR). Personal consumption expenditures grew at a 3.3% rate and nonresidential fixed investment grew by 6.9%.

united states

Manufacturing activity continued to expand in August. The Institute for Supply Management’s Purchasing Managers Index (PMI) increased by 2.5 points to 58.8 (50 or higher indicates growth). The non-manufacturing PMI for August increased by 1.4 points from July to 55.3. The non-manufacturing index has remained above 50 for 92 consecutive months.

Industrial production increased by 0.2% (SA) in July following a revised 0.4% (SA) increase in June. Industrial production is now 2.2% above its July 2016 level. New orders for core capital goods (i.e., durables excluding aircraft and military), which is a proxy for business investment, increased by 1.0% (SA) in July and were 1.1% (SA) above their year-ago level according to U.S. Census Bureau data.

U.S. housing data were generally weak this month. Housing units authorized by building permits in July were 4.1% (SA) below their June level but 4.1% above their year-ago level (see figure). July housing starts decreased by 4.8% (SA) compared to June and were 5.6% below their July 2016 level. Existing home sales in July fell 1.3% (SA) compared to June but were 2.1% above their year-ago level. New single-family home sales decreased from a revised 630,000 (SAAR) in June to 571,000 in July, a decline of 9.4% and 8.9% below their year-ago level. The seasonally adjusted Case-Shiller national home price index for June was 0.3% above its May level and 5.8% above its year-ago level.



Two key measures of consumer confidence both increased this month. The University of Michigan index of consumer sentiment increased by 3.4 points in August to 96.8. The Conference Board index of consumer confidence increased for a second straight month, rising 2.9 points in August to 122.9.

Light motor vehicle sales in August declined by 3.7% (SAAR) relative to July and fell by 6.3% compared to year-ago sales. Some of this decline was likely due to the impact of Hurricane Harvey. However, the destruction of vehicles by Hurricanes Harvey and Irma can be expected to increase replacement vehicle sales in the future. Domestic vehicles accounted for nearly 79% of August sales.

Petroleum spot prices are lower for U.S. crude and unchanged for European oil compared to early August. For the week ending September 1st, U.S. benchmark West Texas Intermediate was down almost \$3 per barrel to \$47 while European benchmark Brent remained at \$52 per barrel. Gasoline prices increased over the last month, rising nearly thirty-one cents to \$2.69 per gallon (regular, all formulations) for the week ending September 11th.

The American Trucking Association’s truck tonnage index increased 0.1% (SA) in July following a revised 4.4% decrease in June. The index is 2.3% above year-ago levels. Rail carloads for August were 0.4% (SA) below their July level and 0.3% below their year-ago level. Intermodal rail units (shipping containers or truck trailers) were 0.8% (SA) higher than in July and 5.8% above their August 2016 level.

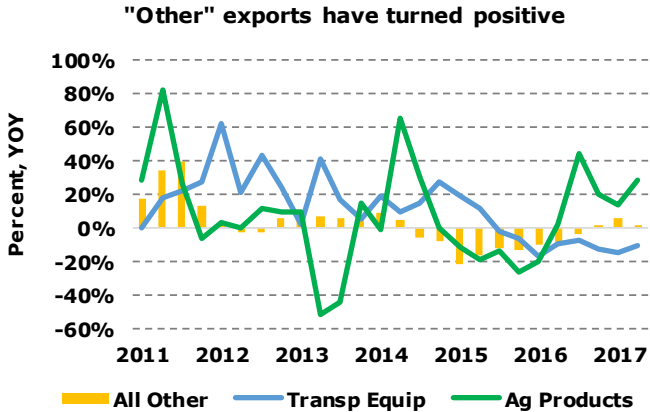
WASHINGTON

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 in July was about as expected in the June forecast. In July, 44,500 units (SAAR) were permitted of which 23,200 were single family and 21,300 were multi-family. The June forecast assumed an average rate of 43,800 units for the third quarter as a whole (SAAR) consisting of 24,200 single-family units and 19,600 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 0.8% in June compared to a 0.1% 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 13.4% increase in prices since the previous June, more than double the 5.7% 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. Seattle home prices are now up 70% since the December 2011 trough and now exceed the May 2007 peak by 18%.

Second quarter 2017 Washington exports were down 3.4% from the second quarter of 2016 because of a 10.1% decline in transportation equipment exports (mostly Boeing planes). Exports of agricultural products increased 28.9% over the year and exports of all other commodities rose 1.9% over the year. This "other" category, which consists mainly of manufactured goods, has shown positive over-the-year growth for the last three quarters ([see figure](#)).



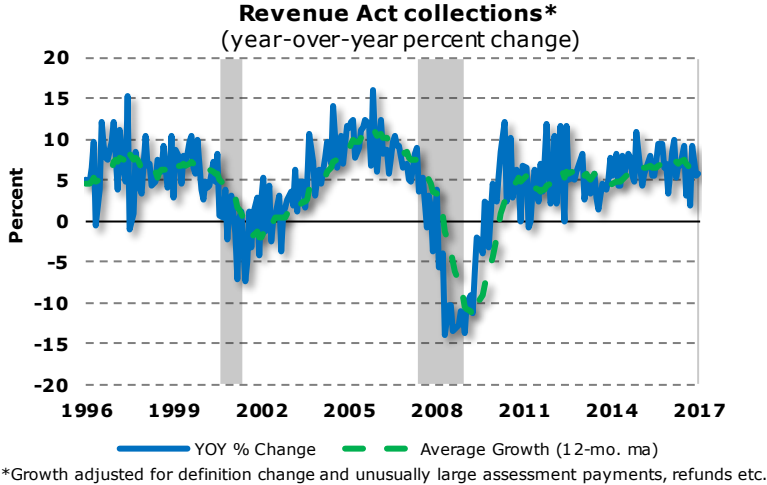
The Institute of Supply Management - Western Washington Index (ISM-WW) moved back into positive territory in August. The index, which measures conditions in the manufacturing sector, increased from 47.0 in in July to 58.2 in August (index values above 50 indicate growth while values below 50 indicate contraction). The index had been less than or equal to 50 in each of the three previous months. The production, orders, and inventory components indicated expansion in August but the employment component indicated contraction. The venter deliveries component was neutral at 50. Manufacturing has fluctuated around the 50 mark since mid-2015.

Washington car and truck sales increased in July after sinking to the lowest level in more than three years in June. Seasonally adjusted new vehicle registrations increased 3.5% in July to 283,900 (SAAR) from 274,300 in June. Car and truck sales are still down 15.3% since the post-recession peak in January 2016 and down 7.2% over the year.

REVENUE COLLECTIONS

Overview

Major General Fund-State revenue collections for the August 11 - September 10, 2017 collection period came in \$18.6 million (1.3%) above the June forecast. Cumulatively, collections are now \$94.3 million (2.1%) higher than forecasted. Since the June forecast, there have been \$19.2 million in net large refunds that were not included in the forecast. Had the refunds not occurred, cumulative collections would have been \$113.5 million (2.5%) higher than forecasted.



Revenue Act

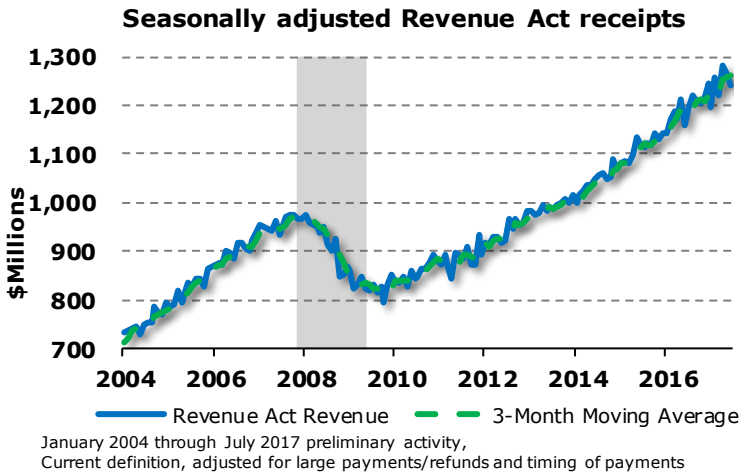
Revenue Act taxes consist of the sales, use, business and occupation (B&O), utility, and tobacco products taxes along with associated penalty and interest payments. The revenue collections reported here are for the August 11 – September 10, 2017 collection period. Collections correspond primarily to the July economic activity of monthly filers.

Revenue Act collections for the current period came in \$8.9 million (0.7%) above the June forecast. Cumulatively, collections are \$66.2 million (1.7%) higher than forecasted. Since the June forecast, there have been \$19.2 million in net large refunds that were not included in the forecast. Adjusted for the refunds, cumulative collections would have been \$85.4 million (2.2%) higher than forecasted.

Adjusted for several large audit payments last year, collections grew 5.8% year over year (see figure). The 12-month moving average of year-over-year growth increased to 6.6%. Seasonally adjusted collections decreased slightly from last month’s level (see figure).

As shown in the “Key Revenue Variables” table, unadjusted Revenue Act receipts decreased by 2.4% year over year. The preliminary estimate of year-over-year retail sales tax growth is 2.9%. The preliminary estimate of B&O tax growth is 1.9%.

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 7.6% year over year (payments are mainly Revenue Act taxes but include some non-Revenue Act taxes as well). Last month payments were up 6.7% year over year. Some details of payments from electronic filers:

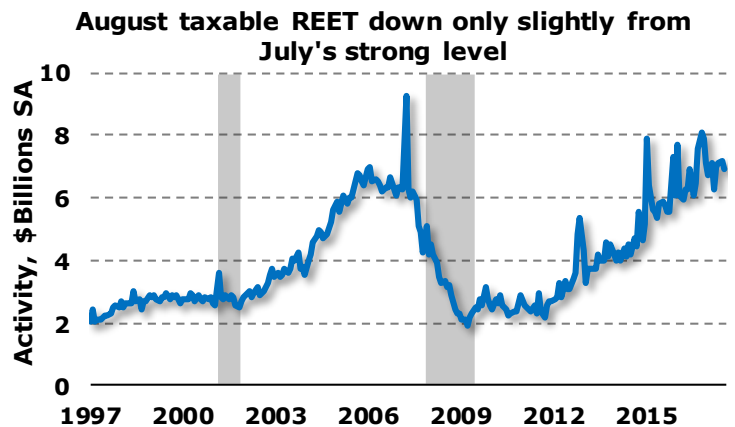


- Total payments in the retail trade sector were up 9.6% year over year. Last month, payments grew 7.7% year over year.
- Payments from the motor vehicles and parts sector increased by 8.3% year over year. Last month, payments in the sector increased by 9.3% year over year.
- Retail trade sectors that showed strong growth in payments were nonstore retailers (+24.8%), building materials and garden equipment (+14.4%), furniture and home furnishings (+14.4%), electronics and appliances (+13.3%), gas stations and convenience stores (+11.0%) and drug and health stores (+8.7%). Strength in electronics and appliances was largely due to weak growth last year. No retail trade sector had a year-over-year decline in payments.
- Payments from non-retail trade sectors were up 6.4% year over year in the current period. Last month, year-over-year payments increased 6.2%.
- Tax payments by businesses in the accommodation and food services sector increased by 5.4% year over year. Last month receipts from the sector increased 8.9% year over year.
- Payments from the manufacturing sector increased by 5.4% year over year. Last month payments decreased 5.0% 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 3.8% year over year.
- Tax payments by businesses in the construction sector increased by 9.6% year over year. Last month receipts from the construction sector increased 10.8% year over year.

**DOR Non-Revenue Act**

August DOR non-Revenue Act collections came in \$9.6 million (5.7%) above the June forecast. Cumulatively, collections are now \$26.6 million (3.8%) higher than forecasted.

Most of this month’s surplus was from real estate excise tax (REET) collections, which came in \$6.8 million (7.2%) higher than forecasted. Sales of large commercial property (property valued at \$10 million or more) came in higher than expected at \$600 million, up from last month’s revised total of \$480 million. Collections from residential sales also came in higher than forecasted. Seasonally adjusted activity decreased slightly from last month’s level ([see figure](#)). Cumulatively, REET collections are \$23.3 million (8.2%) higher than forecasted.



Source: ERFC, data through August 2017 preliminary activity

Cigarette tax receipts came in \$6.2 million (19.0%) higher than forecasted. Much of the positive variance, however, was due to the timing of this month’s tax stamp purchases, which are done prior to the sales of the cigarettes themselves. These earlier-than-expected purchases should reduce receipts next month. Cumulatively, collections are now \$6.0 million (5.9%) higher than forecasted.

Refunds of unclaimed property from the GF-S were \$0.9 million (53.4%) lower than forecasted. Cumulatively, refunds are now \$4.5 million (74.4%) higher than forecasted.

Liquor taxes came in \$1.3 million (5.0%) lower than forecasted. Cumulatively, however, collections are \$0.3 million (0.4%) higher than forecasted.

Property tax receipts came in \$0.4 million (6.0%) lower than forecasted. Cumulatively, collections are now \$1.4 million (0.7%) higher than forecasted.

Other DOR revenue came in \$2.5 million (25.0%) lower than forecasted, due mainly to leasehold excise tax collections. Cumulatively, however, collections are \$0.1 million (0.2%) higher than forecasted.

### **Other Revenue**

Revenue from the Administrative Office of the Courts came in \$33,000 (0.5%) higher than forecasted. Cumulatively, collections are now \$1.6 million (9.1%) higher than forecasted.



## Key U.S. Economic Variables

	2017						2015	2016
	Mar.	Apr.	May	Jun.	Jul.	Aug.		
Real GDP (SAAR)	1.2	-	-	3.0	-	-	2.9	1.5
Industrial Production (SA, 2007 = 100)	103.9	104.9	104.9	105.3	105.5	-	104.4	103.1
<i>YOY % Change</i>	1.4	2.0	2.1	2.1	2.2	-	-0.7	-1.2
ISM Manufacturing Index (50+ = growth)	57.2	54.8	54.9	57.8	56.3	58.8	51.4	51.5
ISM Non-Manuf. Index (50+ = growth)	55.2	57.5	56.9	57.4	53.9	55.3	57.2	54.9
Housing Starts (SAAR, 000)	1,189	1,154	1,129	1,213	1,155	-	1,107	1,177
<i>YOY % Change</i>	5.4	-0.9	0.9	1.9	-5.6	-	10.6	6.3
Light Motor Vehicle Sales (SAAR, mil.)	16.8	17.0	16.8	16.7	16.8	16.1	17.4	17.5
<i>YOY % Change</i>	0.9	-2.0	-2.2	-0.6	-5.9	-6.3	5.7	0.5
CPI (SA, 1982-84 = 100)	243.8	244.2	243.8	243.8	244.0	-	237.0	240.0
<i>YOY % Change</i>	2.4	2.2	1.9	1.6	1.7	-	0.1	1.3
Core CPI (SA, 1982-84 = 100)	251.0	251.2	251.3	251.6	251.9	-	242.2	247.6
<i>YOY % Change</i>	2.0	1.9	1.7	1.7	1.7	-	1.8	2.2
IPD for Consumption (2009=100)	112.1	112.3	112.2	112.3	112.4	-	109.5	110.8
<i>YOY % Change</i>	1.8	1.7	1.5	1.4	1.4	-	0.3	1.2
Nonfarm Payroll Empl., e-o-p (SA, mil.)	145.8	146.0	146.2	146.4	146.6	146.7	143.1	145.3
<i>Monthly Change</i>	0.05	0.21	0.15	0.21	0.19	0.16	2.71	2.24
Unemployment Rate (SA, percent)	4.5	4.4	4.3	4.4	4.3	4.4	5.3	4.9
Yield on 10-Year Treasury Note (percent)	2.48	2.30	2.30	2.19	2.32	2.21	2.14	1.84
Yield on 3-Month Treasury Bill (percent)	0.75	0.81	0.90	1.00	1.09	1.03	0.05	0.32
Broad Real USD Index** (Mar. 1973=100)	102.2	101.3	100.7	99.3	97.9	96.9	96.3	100.2
Federal Budget Deficit (\$ bil.)*	176.2	-182.4	88.4	90.2	42.9	-	439.1	693.9
<i>FYTD sum</i>	525.2	342.8	431.2	521.4	564.4	-		
US Trade Balance (\$ bil.)	-44.8	-47.4	-46.4	-43.5	-43.7	-	-500.4	-504.8
<i>YTD Sum</i>	-138.1	-185.5	-231.9	-275.4	-319.1	-		

\*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	
	Mar.	Apr.	May	Jun.	Jul.	Aug.			
<b>Employment</b>								<i>End-of-period</i>	
Total Nonfarm (SA, 000)	3,316.9	3,320.4	3,326.9	3,334.0	3,342.2	-	3,183.3	3,282.2	
<i>Change from Previous Month (000)</i>	13.5	3.5	6.4	7.1	8.2	-	82.9	98.9	
Construction	199.5	200.4	200.6	201.7	200.9	-	177.0	193.3	
<i>Change from Previous Month</i>	1.5	0.9	0.2	1.1	-0.8	-	8.6	16.3	
Manufacturing	285.4	285.1	284.1	284.4	284.5	-	292.8	286.0	
<i>Change from Previous Month</i>	-0.3	-0.3	-1.0	0.3	0.0	-	1.7	-6.8	
Aerospace	85.9	85.3	84.2	84.2	83.6	-	93.5	87.4	
<i>Change from Previous Month</i>	-0.8	-0.6	-1.1	0.0	-0.6	-	-0.9	-6.1	
Software	61.0	61.0	61.0	61.2	61.8	-	57.0	60.1	
<i>Change from Previous Month</i>	0.2	0.0	0.0	0.2	0.6	-	1.8	3.2	
All Other	2,771.0	2,774.0	2,781.2	2,786.7	2,795.1	-	2,656.5	2,742.7	
<i>Change from Previous Month</i>	12.1	2.9	7.2	5.5	8.4	-	70.9	86.1	
<b>Other Indicators</b>								<i>Annual Average</i>	
Seattle CPI (1982-84=100)	-	261.6	-	263.8	-	-	249.4	255.0	
	-	3.1%	-	3.0%	-	-	1.4%	2.3%	
Housing Permits (SAAR, 000)	38.1	52.3	39.2	40.1	44.5	-	40.6	42.9	
	-6.0%	11.2%	-0.3%	-13.8%	10.0%	-	19.0%	5.6%	
WA Index of Leading Ind. (2004=100)	122.9	123.7	123.8	124.5	124.5	-	120.1	121.6	
	1.8%	1.9%	1.0%	1.8%	1.6%	-	1.8%	1.3%	
WA Business Cycle Ind. (Trend=50)	72.9	71.3	73.2	72.0	71.9	-	58.7	67.5	
	13.3%	10.6%	8.9%	6.6%	5.0%	-	23.7%	15.0%	
Avg. Weekly Hours in Manuf. (SA)	41.6	41.7	41.3	41.6	41.2	-	41.3	41.6	
	0.8%	0.8%	-0.7%	0.7%	-1.0%	-	0.5%	0.6%	
Avg. Hourly Earnings in Manuf.	27.2	27.1	26.9	27.1	27.2	-	25.5	26.4	
	2.9%	2.8%	2.4%	2.4%	3.5%	-	1.5%	3.5%	
New Vehicle Registrations (SA, 000)	25.5	23.8	24.2	22.9	23.7	-	25.0	26.1	
	-1.0%	-3.9%	-5.4%	-10.8%	-7.2%	-	7.3%	4.5%	
Initial Unemployment Claims (SA, 000)	27.2	28.4	26.3	27.2	27.1	27.9	32.3	30.3	
	-12.3%	-6.3%	-13.9%	-9.7%	-13.4%	-9.1%	-9.5%	-6.1%	
Personal Income (SAAR, \$bil.)	401.9	-	-	-	-	-	372.1	389.9	
	4.9%	-	-	-	-	-	4.6%	4.8%	
Median Home Price (\$000)	324.3	-	-	337.7	-	-	286.2	315.3	
	12.1%	-	-	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							
	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*
<b>Department of Revenue-Total</b>	1,449,879	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	1,575,007	1,590,439	1,438,865
	<i>10.9</i>	<i>8.4</i>	<i>11.8</i>	<i>4.5</i>	<i>6.9</i>	<i>5.3</i>	<i>7.7</i>	<i>2.4</i>	<i>5.2</i>	<i>2.5</i>	<i>5.4</i>	<i>5.0</i>	<i>-0.8</i>
<b>Revenue Act</b>	1,290,996	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
	<i>12.0</i>	<i>8.2</i>	<i>9.9</i>	<i>6.3</i>	<i>9.0</i>	<i>4.3</i>	<i>10.0</i>	<i>2.3</i>	<i>6.8</i>	<i>1.8</i>	<i>4.3</i>	<i>5.6</i>	<i>-2.4</i>
Retail Sales Tax	814,351	791,805	854,833	753,027	731,396	946,066	677,767	663,950	839,253	740,298	789,137	920,086	837,646
	<i>7.0</i>	<i>8.2</i>	<i>9.3</i>	<i>5.0</i>	<i>9.6</i>	<i>5.0</i>	<i>7.3</i>	<i>2.6</i>	<i>7.5</i>	<i>1.6</i>	<i>2.7</i>	<i>6.2</i>	<i>2.9</i>
Business and Occupation Tax	308,011	296,520	358,780	299,845	308,930	409,006	279,226	265,848	353,897	290,851	305,169	375,331	313,813
	<i>7.4</i>	<i>4.7</i>	<i>11.6</i>	<i>6.3</i>	<i>13.7</i>	<i>8.1</i>	<i>9.4</i>	<i>-1.2</i>	<i>5.8</i>	<i>1.7</i>	<i>3.6</i>	<i>7.3</i>	<i>1.9</i>
Use Tax	62,941	51,801	58,983	52,211	49,804	59,798	56,449	52,485	54,998	53,375	60,367	61,689	60,724
	<i>14.9</i>	<i>-5.2</i>	<i>9.3</i>	<i>5.9</i>	<i>-6.8</i>	<i>-1.5</i>	<i>17.7</i>	<i>9.8</i>	<i>1.1</i>	<i>7.7</i>	<i>25.7</i>	<i>2.3</i>	<i>-3.5</i>
Public Utility Tax	27,854	25,096	25,899	29,212	26,887	38,445	50,617	41,209	42,843	33,455	32,602	33,621	28,457
	<i>-8.9</i>	<i>-13.6</i>	<i>-2.2</i>	<i>25.0</i>	<i>-23.3</i>	<i>-28.4</i>	<i>68.8</i>	<i>7.1</i>	<i>16.4</i>	<i>2.2</i>	<i>9.0</i>	<i>4.2</i>	<i>2.2</i>
Tobacco Products Tax	4,117	5,302	4,017	4,836	4,105	4,271	3,778	4,315	3,955	4,100	5,269	4,978	4,230
	<i>-2.0</i>	<i>0.9</i>	<i>15.9</i>	<i>22.7</i>	<i>-11.6</i>	<i>25.4</i>	<i>24.1</i>	<i>-4.5</i>	<i>-4.6</i>	<i>-1.4</i>	<i>10.2</i>	<i>14.3</i>	<i>2.7</i>
Penalties and Interest	73,723	38,090	15,915	18,679	24,833	17,763	17,369	17,373	13,256	16,207	16,883	12,690	15,677
	<i>394.5</i>	<i>194.0</i>	<i>31.9</i>	<i>35.6</i>	<i>29.1</i>	<i>0.8</i>	<i>-8.5</i>	<i>18.5</i>	<i>-4.3</i>	<i>-5.1</i>	<i>25.9</i>	<i>-36.8</i>	<i>-78.7</i>
<b>Non-Revenue Act**</b>	158,883	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
	<i>2.5</i>	<i>9.5</i>	<i>22.2</i>	<i>2.2</i>	<i>-0.5</i>	<i>16.3</i>	<i>-10.6</i>	<i>2.9</i>	<i>-2.9</i>	<i>3.2</i>	<i>8.8</i>	<i>0.9</i>	<i>12.2</i>
Liquor Sales/Liter	23,294	22,187	20,397	19,781	22,561	31,513	18,665	19,143	20,787	19,486	22,334	22,107	24,496
	<i>-2.3</i>	<i>2.7</i>	<i>-0.3</i>	<i>32.9</i>	<i>-9.5</i>	<i>0.3</i>	<i>5.2</i>	<i>3.1</i>	<i>2.3</i>	<i>5.6</i>	<i>9.4</i>	<i>-0.5</i>	<i>5.2</i>
Cigarette	35,096	35,358	35,368	30,612	31,328	27,967	21,382	30,422	26,364	31,159	37,762	30,614	38,723
	<i>3.2</i>	<i>2.9</i>	<i>21.4</i>	<i>-8.7</i>	<i>-19.6</i>	<i>-11.2</i>	<i>-9.6</i>	<i>-2.0</i>	<i>-17.8</i>	<i>-2.1</i>	<i>10.3</i>	<i>-12.7</i>	<i>10.3</i>
Property (State School Levy)	6,801	11,280	46,286	730,065	139,097	9,586	5,533	33,290	100,813	821,190	171,233	12,337	6,561
	<i>-5.9</i>	<i>12.2</i>	<i>15.3</i>	<i>-0.8</i>	<i>9.1</i>	<i>-3.3</i>	<i>8.6</i>	<i>0.2</i>	<i>4.4</i>	<i>1.1</i>	<i>9.2</i>	<i>17.8</i>	<i>-3.5</i>
Real Estate Excise	87,901	84,358	95,452	85,213	89,302	59,382	60,360	73,646	68,149	96,608	107,207	99,385	101,683
	<i>6.3</i>	<i>10.1</i>	<i>35.7</i>	<i>57.3</i>	<i>-3.8</i>	<i>27.6</i>	<i>-7.3</i>	<i>7.7</i>	<i>-0.5</i>	<i>20.2</i>	<i>15.2</i>	<i>1.1</i>	<i>15.7</i>
Unclaimed Property	-3,059	-2,283	47,015	40,658	-293	2,058	-4,081	-1,590	-1,007	-2,821	-6,180	-3,587	-779
	<i>-6.3</i>	<i>-33.4</i>	<i>10.6</i>	<i>1.8</i>	<i>-113.7</i>	<i>-167.6</i>	<i>39.6</i>	<i>-196.5</i>	<i>-114.5</i>	<i>-29.2</i>	<i>39.4</i>	<i>-30.7</i>	<i>-74.5</i>
Other	8,851	9,713	23,423	4,395	10,717	21,478	10,494	12,958	18,015	40,973	32,029	21,188	7,634
	<i>-16.3</i>	<i>30.6</i>	<i>40.6</i>	<i>-64.9</i>	<i>34.1</i>	<i>49.0</i>	<i>-38.3</i>	<i>25.5</i>	<i>14.3</i>	<i>13.3</i>	<i>-7.9</i>	<i>8.3</i>	<i>-13.7</i>
<b>Administrative Office of the Courts**</b>	6,856	6,292	6,129	7,135	5,619	5,796	5,404	5,587	7,086	6,354	6,094	6,479	6,195
	<i>-7.2</i>	<i>-7.2</i>	<i>-7.2</i>	<i>-7.9</i>	<i>0.7</i>	<i>-8.1</i>	<i>-6.6</i>	<i>-20.1</i>	<i>-4.2</i>	<i>-13.6</i>	<i>-0.2</i>	<i>5.4</i>	<i>-9.6</i>
<b>Total General Fund-State***</b>	<b>1,456,735</b>	<b>1,375,520</b>	<b>1,592,496</b>	<b>2,075,668</b>	<b>1,444,287</b>	<b>1,633,129</b>	<b>1,202,963</b>	<b>1,218,637</b>	<b>1,548,408</b>	<b>2,151,237</b>	<b>1,581,101</b>	<b>1,596,918</b>	<b>1,445,061</b>
	<i>10.8</i>	<i>8.3</i>	<i>11.7</i>	<i>4.4</i>	<i>6.9</i>	<i>5.2</i>	<i>7.6</i>	<i>2.3</i>	<i>5.2</i>	<i>2.4</i>	<i>5.4</i>	<i>5.0</i>	<i>-0.8</i>

\*Revenue Act components: ERFC preliminary estimates

\*\*Monthly Revenues (month of beginning of collection period)

\*\*\* Detail may not add due to rounding. The GFS total in this report includes only collections from larger state agencies: the DOR, Lottery Commission, AOC and DOL.

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

## Revenue Forecast Variance

Thousands of Dollars

Period/Source	Estimate*	Actual	Difference Amount	Percent
<b>August 11, 2017 - September 10, 2017</b>				
<b>September 10, 2017 Collections Compared to the June 2017 Forecast</b>				
Department of Revenue-Total	\$1,420,326	\$1,438,865	\$18,539	1.3%
Revenue Act** (1)	1,251,653	1,260,549	8,896	0.7%
Non-Revenue Act(2)	168,673	178,316	9,643	5.7%
Liquor Sales/Liter	25,790	24,496	(1,295)	-5.0%
Cigarette	32,550	38,723	6,173	19.0%
Property (State School Levy)	6,983	6,561	(422)	-6.0%
Real Estate Excise	94,847	101,683	6,837	7.2%
Unclaimed Property	(1,672)	(779)	893	-53.4%
Other	10,176	7,634	(2,542)	-25.0%
Administrative Office of the Courts (2)	6,162	6,195	33	0.5%
<b>Total General Fund-State***</b>	<b>\$1,426,489</b>	<b>\$1,445,061</b>	<b>\$18,572</b>	<b>1.3%</b>

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

Department of Revenue-Total	\$4,511,527	\$4,604,312	\$92,784	2.1%
Revenue Act** (3)	3,813,370	3,879,566	66,196	1.7%
Non-Revenue Act(4)	698,157	724,745	26,588	3.8%
Liquor Sales/Liter	68,662	68,937	276	0.4%
Cigarette	101,103	107,098	5,995	5.9%
Property (State School Levy)	188,741	190,130	1,389	0.7%
Real Estate Excise	284,979	308,275	23,296	8.2%
Unclaimed Property	(6,047)	(10,546)	(4,499)	74.4%
Other	60,720	60,851	131	0.2%
Administrative Office of the Courts (4)	17,209	18,768	1,560	9.1%
<b>Total General Fund-State***</b>	<b>\$4,528,736</b>	<b>\$4,623,080</b>	<b>\$94,344</b>	<b>2.1%</b>

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

2 August 2017 collections.

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

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

\* Based on the June 2017 economic and revenue forecast released June 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 larger state agencies: the Department of Revenue, Department of Licensing, Lottery Commission and Administrative Office of the Courts.