



ECONOMIC & REVENUE UPDATE

August 11, 2015

Summary

- **U.S. real GDP growth for the second quarter was estimated to be 2.3% at an annual rate; first quarter growth was revised up from -0.2% to +0.6%.**
- **U.S. employment expanded by 215,000 net new jobs in July, while May and June employment was revised up by 14,000.**
- **U.S. housing starts have exceeded one million units for three consecutive months.**
- **U.S. consumers appear to be concerned about the slow pace of economic growth.**
- **The Washington economy is performing as expected in the June forecast.**
- **Washington job growth remains solid.**
- **Washington housing permits returned to a more sustainable level in the second quarter.**
- **Major General Fund-State revenue collections for the July 11 - August 10, 2015 collection period came in \$107.5 million (8.0%) above the June forecast.**
- **During the collection period, there were \$15.1 million in large audit payments that were not included in the forecast. Without these payments, collections would have been \$92.5 million (6.9%) higher than forecasted.**
- **Most of this month's surplus was from Revenue Act taxes, which came in \$80.3 million (6.8%) higher than forecasted. The unexpectedly high level of those taxes is likely the result of normal month-to-month fluctuations rather than an indication of a potential uptick in underlying economic activity.**
- **Cumulatively, collections are now \$125 million (2.7%) higher than forecasted. Adjusted for cumulative large payments and refunds not included in the forecast, collections would have been \$117.1 million (2.5%) higher than forecasted.**

United States

This month's national economic data are consistent with the slow, steady rate of economic growth that has occurred over the last several years. Employment continued to expand in July, although at a slower pace than in 2014. Second quarter real GDP grew at a 2.3% rate, about the average over the last ten quarters. While the housing and auto sectors have been strong, manufacturing activity has been weak and survey data suggest consumers are concerned about the pace of economic growth.

Nonfarm employment increased by 215,000 net new jobs in July, while May and June employment data were revised up by a total of 14,000 jobs. Over the past three months, job gains have averaged 235,000 per month; this compares to a monthly average of 260,000 new jobs per month in 2014. Sectors with notable employment gains in July included retail trade (+36,000), leisure and hospitality (+30,000), health care (+28,000), professional and technical services (+27,000), and manufacturing (+15,000). Employment declined in both temporary help services (-9,000) and mining (-5,000). Average hourly earnings increased by 0.2% and average weekly hours worked increased by 0.1 hours from June. The unemployment rate was unchanged from June at 5.3%.

summary

united states

The first estimate of real GDP growth for the second quarter was 2.3% at an annual rate. Real GDP growth for the first quarter of 2015 was revised up from -0.2% to +0.6% at an annual rate. Our June forecast predicted 0.2% growth for the first quarter and 2.8% growth for the second quarter.

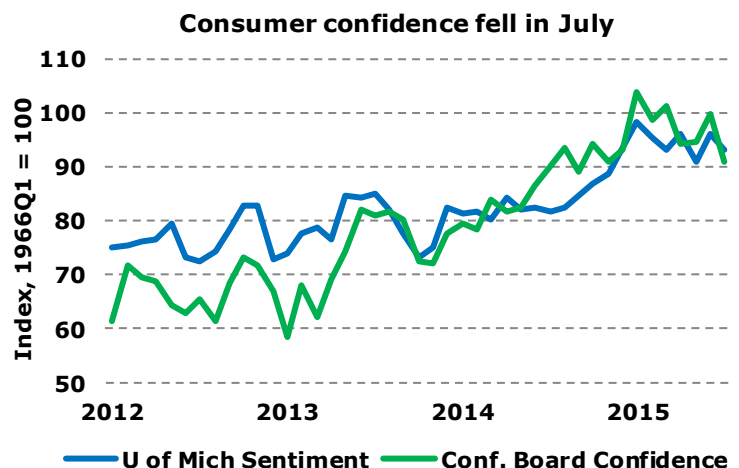
After two months of decline, industrial production in June increased by 0.3% (SA) compared to May. On an annualized basis, industrial production has declined at a rate of 1.4% in the second quarter. Mining, utilities and nondurable manufacturing all had increased output in June, while durable manufacturing declined by 0.1% compared to May. New orders for core capital goods (i.e., durables excluding aircraft and military), which are a proxy for business investment, increased by 0.7% in June (SA) after a revised 0.8% decrease in May.

Manufacturing activity in July, as measured by the Institute for Supply Management’s Purchasing Managers Index (PMI), decreased by 0.8 points to 52.7 (50 or higher indicates growth). Despite this month’s slower pace, manufacturing activity has expanded for 31 consecutive months. The June non-manufacturing PMI increased by 4.3 points to 60.3. Non-manufacturing activity has now expanded for 66 consecutive months through July.

Initial claims for unemployment insurance increased by 3,000 to 270,000 (SA) in the week ending August 1st. The four-week moving average of initial claims decreased by 6,500 to 268,250. Employers announced plans to cut 105,696 jobs in July, the highest level for lay-off announcements since September 2011, according to outplacement firm Challenger, Gray, and Christmas. Cutbacks by the U.S. Army in troops and in civilian workers accounted for 57,000 of the layoff announcements; these layoffs will occur over the next two years.

June was another generally positive month for housing activity, with increases in building permits, housing starts, and existing home sales. Housing units authorized by building permits in June increased by 7.4% (SA) compared to May. This is the highest level for building permits since July 2007. Housing starts increased by 9.8% (SA) in June compared to May; housing starts have been above 1 million units for three consecutive months. After increasing for two consecutive months, new single family home sales decreased in June, with sales falling by 6.8% (SA) compared to May. Existing home sales in June increased by 3.2% (SA) compared to their May level and are at their highest level since February 2007. The seasonally-adjusted Case-Shiller national home price index for May was barely above its April level and is 4.4% above its May 2014 level.

The major consumer confidence measures suggest increased concerns regarding the economy’s direction. The Conference Board index of consumer confidence, which had increased in June, reversed course in July and dropped 8.9 points to 90.9 (see figure). The University of Michigan consumer sentiment survey, which had also increased in June, dropped 3.0 points to 93.1 in July. The decrease in the Conference Board index was attributed to more pessimistic expectations regarding the economy’s performance over the next six months, while the decrease in the University of Michigan index was largely due to the disappointing pace of recent economic growth.



Light motor vehicle sales in July increased from 17.0 million units to 17.6 million units (SAAR). Auto sales have been at or above 17 million units in four of the last five months. It

should be noted that auto sales data have recently been revised to reflect new seasonal adjustment factors.

Oil prices declined over the last month, with the spot price for U.S. benchmark West Texas Intermediate (WTI) decreasing by \$10 per barrel to \$48 while spot prices for European benchmark Brent oil declined by \$6 per barrel to \$54 for the week ending July 31st. Gasoline prices increased slightly over the last month before declining to \$2.72 per gallon (regular, all formulations) for the week ending August 10th, nearly \$0.16 per gallon below the early July price.

The American Trucking Association's truck tonnage index decreased 0.5% in June following a revised 0.8% (SA) increase in May. Compared to June 2014, truck tonnage was up 1.8%; weak manufacturing output and inventory reductions were again cited as factors limiting growth in tonnage. July shipments by rail carload were 2.7% (SA) above their June level but remain 6.6% below their year-ago level. Intermodal rail units in July (shipping containers or truck trailers) were 0.6% (SA) below their June level and 3.6% above their July 2014 level.

In mid-July, Greece came to a tentative agreement with its creditors to avoid defaulting on its debt and possibly exiting the Eurozone. The agreement calls for Greece to raise taxes, reduce pension benefits and privatize some state assets; further negotiations will provide details on debt payments and restructuring.

China continues to be a risk to the forecast. According to China Securities Depository & Clearing Corporation, a government agency that tracks financial accounts, the number of Chinese retail investors holding stocks in their accounts slid to 51 million at the end of July from 75 million at the end of June. Retail investors own around 80% of listed stocks' tradable shares, and they strongly contributed to the biggest monthly decline in the Shanghai Composite Index in six years. It remains to be seen whether this decline in share prices impacts U.S. exports to China.

WASHINGTON

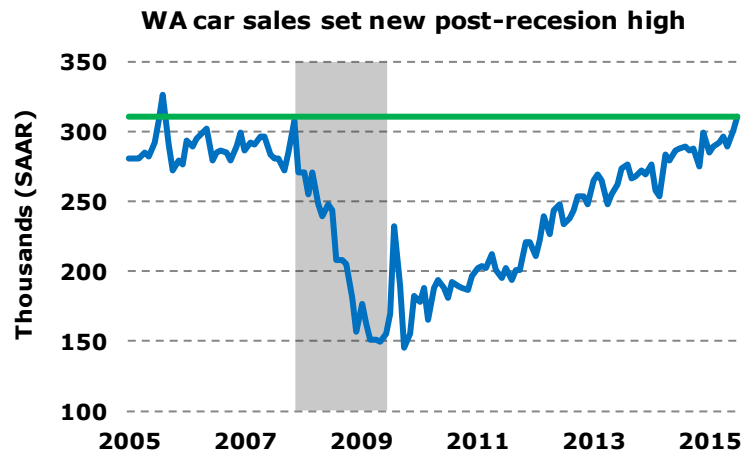
In the two months since the June forecast was released, the Washington economy added 12,300 jobs, 1,300 fewer than the 13,600 expected in the forecast but still a solid 2.4% rate of growth (SAAR). Most of the jobs created in May and June were in private, service-providing sectors which added 10,400 jobs. The manufacturing sector added 200 jobs; the same number was added in aerospace. Construction employment rose 800 in May and June while government employment increased 1,000. The state's unemployment rate continues to fall, declining from 5.5% in April to 5.4% in May and 5.3% in June.

As expected in the June forecast, Washington housing permits declined sharply from an eight-year-high 53,600 units (SAAR) in the first quarter of 2015 to a more sustainable 36,800 units in the second quarter. The June forecast projected 37,400 units in the second quarter. In the June forecast we viewed the first quarter surge in permits with skepticism both because the weather was unseasonably mild and because the strength was in the volatile multi-family segment. This view appears to be validated by the recent data. Single-family permits totaled 18,900 units in the second quarter compared to the forecast of 19,200 units and 17,900 multi-family units were permitted compared to the forecast of 18,200 units.

Seattle area home prices were essentially unchanged in May 2015 after adjusting for normal seasonal variation according to the S&P/Case-Shiller Home Price Indices. May's index was still 7.4% higher than the previous May and was 35.2% higher than the November 2011 trough. Seasonally adjusted Seattle area home prices have declined only once (last July) since November 2011. The steady gains in the Seattle area index have brought local home prices back to just 6.1% below the May 2007 peak.

ECONOMIC & REVENUE UPDATE

Seattle area consumer price inflation remains tame thanks mainly to falling energy costs. Over the last year, from June 2014 to June 2015, consumer prices in the Seattle area rose 1.6% compared to 0.2% for the U.S. city average. However, core prices, which exclude food and energy, were up 2.8% in Seattle compared to 1.8% for the nation. Seattle inflation was very close to the June forecast in the first half of 2015. As a result, the second quarter Seattle core index is just 0.1% higher than expected in the June forecast while the Seattle all items CPI is right on target.



In the week ending August 1, the 4-week moving average of Washington initial claims for unemployment insurance increased to 7,743 (SA) from 7,589 the previous week. Initial claims have drifted steadily up since the 4-week moving average reached a post-recession low in mid-June. Despite the recent increases, the current rate is still lower than at the onset of the recession.

The Institute of Supply Management - Western Washington Index (ISM-WW) increased slightly from 51.4 in June to 53.6 in July (index values above 50 indicate positive growth while values below 50 indicate contractions). The production, orders, employment, and deliveries components all improved in July but the inventory component worsened. The last time the ISM-WW index was below 50 was July 2009.

For the second consecutive month, Washington car and truck sales reached a new post-recession high ([see figure](#)). Washington new vehicle registrations jumped 3.5% in July to 311,100 (SAAR) following a 4.0% increase in June. The last time more than 300,000 (SAAR) new vehicles were registered in a month was November 2007, just before the onset of the Great Recession.

REVENUE COLLECTIONS

Overview

Major General Fund-State revenue collections for the July 11 - August 10, 2015 collection period came in \$107.5 million (8.0%) above the June forecast. During the collection period, there were \$15.1 million in large audit payments that were not included in the forecast. Without these payments, collections would have been \$92.5 million (6.9%) higher than forecasted.

Most of this month's surplus was from Revenue Act taxes, which came in \$80.3 million (6.8%) higher than forecasted. The unexpectedly high level of those taxes is likely the result of normal month-to-month fluctuations rather than an indication of a potential uptick in underlying economic activity.

Cumulatively, collections are now \$125 million (2.7%) higher than forecasted. Adjusted for cumulative large payments and refunds not included in the forecast, collections would have been \$117.1 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 July 11 – August 10, 2015 collection period. Collections correspond primarily to the June economic activity of monthly filers and second quarter activity of quarterly filers.

Revenue Act collections for the current period came in \$80.3 million (6.8%) above the June forecast. During the period, however, there were \$15.1 million in large payments for past due taxes that were not included in the forecast. Without these payments, collections would have been \$65.2 million (5.5%) higher than forecasted.

As can be seen in the chart of seasonally adjusted collections ([see figure](#)), this month’s collections increased sharply from those of the last few months. As also can be seen from the chart, however, historical collections have occasionally shown large fluctuations from month to month. Given this, plus the fact that collections for the prior two months have come in below expectations, this month’s large collections are probably the result of another of these fluctuations rather than an indication of a potential uptick in underlying economic activity.

Cumulatively, collections are now \$68.8 million (2.1%) above the forecast. Adjusted for cumulative net large payments and refunds since the June forecast, collections are \$61.0 million (1.9%) higher than forecasted.

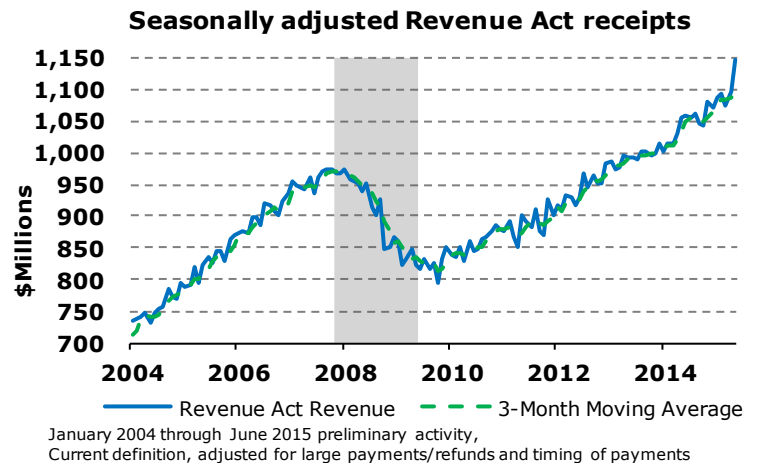
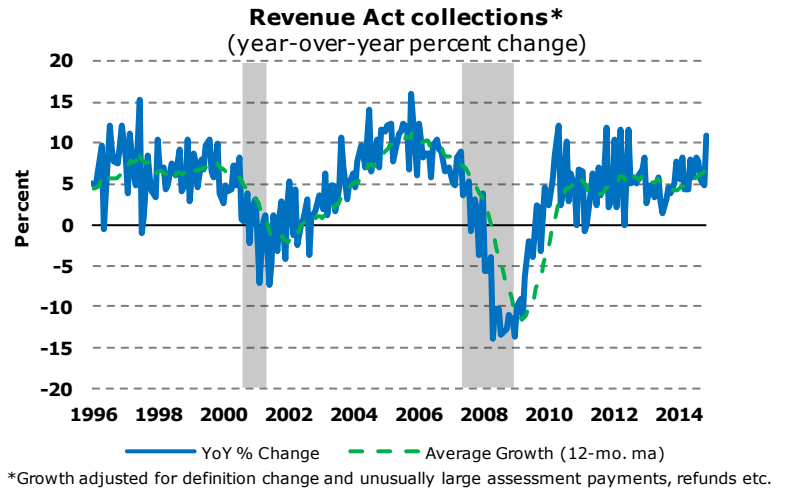
Adjusted for large one-time payments and refunds, collections grew 10.9% year over year ([see figure](#)). The 12-month moving average of year-over-year growth increased to 6.9%. Adjusted collections for second quarter activity (collections from May 11-August 10) increased 7.3% year over year, the same rate as first quarter growth.

As shown in the “Key Revenue Variables” table, unadjusted Revenue Act receipts increased by 12.3% year over year. The preliminary estimate of year-over-year retail sales tax growth is 12.5%. The preliminary estimate of B&O tax growth is 11.6%.

Total tax payments as of July 29th from electronic filers who also paid in the July 11 – August 10 collection period of last year were up 8.9% 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 9.6% year over year. Last month, payments grew 6.0% year over year.

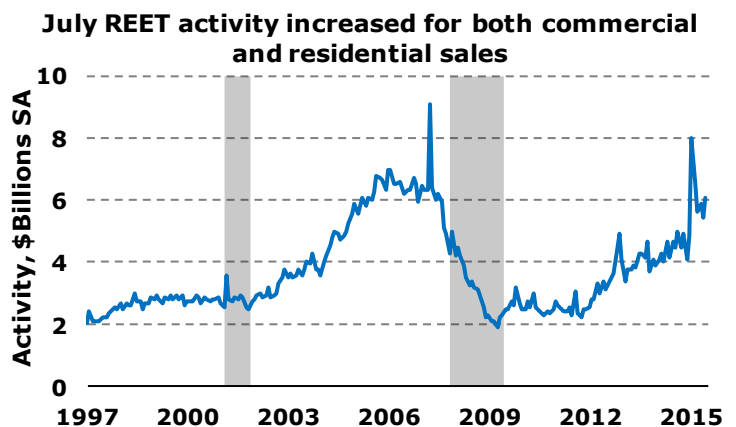


- Payments from the motor vehicles and parts sector increased by 13.1% year over year. Last month, payments in the sector increased by 10.3% year over year.
- Other retail trade sectors that showed strong growth in payments were nonstore retailers (+21.4%), electronics and appliances (+18.3%), building materials and garden equipment (+13.5%), furniture and home furnishings (+10.9%), drug and health stores (+9.5%) and general merchandise stores (+8.5%). The strong growth in electronics and appliances, and to a lesser extent that of general merchandise stores, was largely due to weak payments last year. No retail trade sectors had year-over-year declines in payments.
- Payments from non-retail trade sectors were up 8.5% year over year in the current period. Last month, year-over-year payments increased 2.4%.
- Payments from the manufacturing sector decreased by 18.6% year over year. Last month payments decreased 26.9% year over year. This month once again saw a large year-over-year decrease in payments from the petroleum refining sector due to price decreases in refined products. Payments from the transportation equipment sector also showed a large decline but the decline was due to credits taken this year which were not taken in the year-ago period rather than a decrease in taxable activity. Excluding the transportation and petroleum sectors, payments from the remaining manufacturing sectors increased by a strong 8.5% year over year.
- Excluding the manufacturing sector, payments from non-retail trade sectors increased 11.6% year over year. Last month, non-retail payments excluding manufacturing increased 6.0%.
- Tax payments by businesses in the accommodation and food services sector increased by 11.3% year over year. Last month receipts from the sector increased 9.2% year over year.
- Tax payments by businesses in the construction sector increased by 22.1% year over year. Last month, payments increased 11.9% year over year.

DOR Non-Revenue Act

July collections came in \$27.2 million (18.2%) above the forecast. Cumulatively, collections are now \$54.1 million (3.8%) above the forecast.

Most of this month’s surplus once again came from real estate excise tax (REET) collections, which came in \$18.9 million (28.0%) higher than forecasted. Large sales of commercial property were higher than expected, with sales of property valued at \$10 million or more totaling \$896 million. Residential sales were also stronger than forecasted. Seasonally adjusted activity increased ([see figure](#)). Cumulatively, collections are \$46.6 million (23.9%) above the forecast.



Source: ERFC, data through July 2015 preliminary activity

Cigarette tax receipts came in \$2.1 million (6.0%) higher than forecasted. Cumulatively, collections are \$5.5 million (5.3%) above the forecast.

Liquor taxes came in \$1.5 million (8.2%) higher than forecasted. Cumulative collections are now \$0.7 million (1.2%) higher than forecasted. Adjusted for an increase in this year’s distribution of taxes to local governments, tax receipts for June sales increased by 14.8% year

over year. Unadjusted receipts increased by 10.0% year over year as reported in the "Key Revenue Variables" table.

Property tax receipts came in \$0.4 million (3.4%) higher than forecasted. Cumulatively, collections are \$6.2 million (0.6%) above the forecast.

Refunds of unclaimed property from the GF-S were \$1.4 million higher than forecasted. Cumulatively, transfers of unclaimed property into the GF-S are \$9.6 million lower than forecasted.

Other revenue came in \$5.7 million (34.9%) higher than forecasted. Most of the surplus came from leasehold excise taxes. Cumulatively, "other" revenues are now \$4.6 million (5.2%) higher than forecasted.

Other Revenue

Department of Licensing receipts for July came in \$22,000 (0.6%) lower than the June forecast. Cumulatively, receipts are \$0.7 million (6.3%) higher than forecasted.

Revenue from the Administrative Office of the Courts came in \$0.1 million (1.5%) above the forecast. Cumulatively, receipts are \$1.4 million (6.8%) above the forecast.

Key U.S. Economic Variables

	2015						2013	2014
	Feb.	Mar.	Apr.	May	Jun.	Jul.		
Real GDP (SAAR)	-	0.6	-	-	2.3	-	1.5	2.4
Industrial Production (SA, 2007 = 100)	107.5	107.4	107.0	106.9	107.1	-	101.9	105.7
<i>Y/Y % Change</i>	3.5	2.6	2.1	1.5	1.3	-	1.9	3.7
ISM Manufacturing Index (50+ = growth)	52.9	51.5	51.5	52.8	53.5	52.7	53.9	55.7
ISM Non-Manuf. Index (50+ = growth)	56.9	56.5	57.8	55.7	56.0	60.3	54.7	56.2
Housing Starts (SAAR, 000)	900	954	1,190	1,069	1,174	-	928	1,001
<i>Y/Y % Change</i>	-5.4	-0.9	14.5	8.4	26.6	-	18.4	7.8
Light Motor Vehicle Sales (SAAR, mil.)	16.4	17.1	16.7	17.7	17.0	17.6	15.6	16.5
<i>Y/Y % Change</i>	6.4	4.0	4.3	5.8	0.6	6.2	7.6	6.0
CPI (SA, 1982-84 = 100)	235.2	235.7	236.0	237.0	237.8	-	233.0	236.7
<i>Y/Y % Change</i>	-0.1	0.0	-0.1	0.0	0.2	-	1.5	1.6
Core CPI (SA, 1982-84 = 100)	240.2	240.8	241.4	241.8	242.2	-	233.8	237.9
<i>Y/Y % Change</i>	1.7	1.8	1.8	1.7	1.8	-	1.8	1.7
IPD for Consumption (2009=100)	108.8	109.0	109.1	109.4	109.7	-	107.6	109.1
<i>Y/Y % Change</i>	0.3	0.3	0.1	0.2	0.3	-	1.4	1.4
Nonfarm Payroll Empl., e-o-p (SA, mil.)	141.1	141.2	141.4	141.6	141.9	142.1	137.5	140.6
<i>Monthly Change</i>	0.27	0.12	0.19	0.26	0.23	0.22	2.39	3.12
Unemployment Rate (SA, percent)	5.5	5.5	5.4	5.5	5.3	5.3	7.4	6.2
Yield on 10-Year Treasury Note (percent)	1.98	2.04	1.94	2.20	2.36	2.32	2.35	2.54
Yield on 3-Month Treasury Bill (percent)	0.02	0.03	0.02	0.02	0.02	0.03	0.06	0.03
Broad Real USD Index** (Mar. 1973=100)	93.3	94.9	93.9	93.3	94.1	95.5	84.5	86.3
Federal Budget Deficit (\$ bil.)*	192.4	52.9	-156.7	82.4	-51.8	-	680.2	483.6
<i>FYTD sum</i>	386.6	439.5	282.8	365.2	313.4	-		
US Trade Balance (\$ bil.)	-37.2	-50.6	-40.7	-40.9	-43.8	-	-478.4	-508.3
<i>YTD Sum</i>	-79.7	-130.3	-171.0	-211.9	-255.7	-		

*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

	2015						2013	2014	
	Feb.	Mar.	Apr.	May	Jun.	Jul.			
Employment								<i>End-of-period</i>	
Total Nonfarm (SA, 000)	3,123.9	3,131.0	3,137.9	3,143.9	3,150.2	-	3,027.9	3,110.8	
<i>Change from Previous Month (000)</i>	1.5	7.1	6.9	6.0	6.4	-	73.9	82.9	
Construction	173.1	174.0	175.4	176.3	176.3	-	152.9	167.9	
<i>Change from Previous Month</i>	0.3	0.9	1.5	0.8	0.0	-	8.5	15.1	
Manufacturing	289.3	289.1	288.3	287.5	288.6	-	287.8	289.2	
<i>Change from Previous Month</i>	0.1	-0.2	-0.8	-0.8	1.0	-	2.9	1.4	
Aerospace	93.1	92.8	92.4	92.1	92.6	-	95.0	93.8	
<i>Change from Previous Month</i>	0.0	-0.3	-0.4	-0.3	0.6	-	-1.7	-1.2	
Software	54.8	55.0	55.1	55.1	55.4	-	54.9	55.0	
<i>Change from Previous Month</i>	-0.3	0.1	0.1	0.0	0.3	-	2.2	0.1	
All Other	2,606.7	2,612.9	2,619.1	2,625.0	2,630.0	-	2,532.4	2,598.7	
<i>Change from Previous Month</i>	1.4	6.3	6.2	5.9	5.0	-	60.3	66.3	
Other Indicators								<i>Annual Average</i>	
Seattle CPI (1982-84=100)	245.5	-	247.6	-	251.6	-	241.6	246.0	
	1.1%	-	0.4%	-	1.6%	-	1.2%	1.8%	
Housing Permits (SAAR, 000)	59.6	42.3	36.2	36.1	38.0	-	30.9	33.9	
	72.4%	26.6%	-15.4%	15.0%	21.4%	-	9.8%	10.0%	
WA Index of Leading Ind. (2004=100)	120.2	119.8	120.0	120.5	121.0	-	114.8	117.9	
	4.0%	2.9%	2.4%	2.7%	2.1%	-	3.0%	2.7%	
WA Business Cycle Ind. (Trend=50)	57.2	57.1	57.1	57.6	57.9	-	40.7	47.8	
	31.9%	29.7%	22.1%	21.6%	20.4%	-	30.1%	17.3%	
Avg. Weekly Hours in Manuf. (SA)	40.9	41.2	41.1	41.0	41.7	-	41.6	41.1	
	0.1%	0.2%	0.8%	0.1%	1.2%	-	-0.9%	-1.1%	
Avg. Hourly Earnings in Manuf.	25.3	25.5	25.3	25.4	25.0	-	24.3	25.2	
	1.2%	1.4%	1.1%	0.5%	-0.4%	-	0.8%	3.4%	
New Vehicle Registrations (SA, 000)	24.1	24.4	24.7	24.1	25.1	25.9	22.1	23.4	
	11.9%	15.5%	4.7%	3.4%	5.0%	8.0%	11.5%	5.5%	
Initial Unemployment Claims (SA, 000)	34.3	31.6	30.7	31.6	30.0	33.9	40.1	35.8	
	-16.9%	-17.5%	-16.8%	-15.4%	-7.1%	-1.9%	-10.0%	-10.9%	
Personal Income (SAAR, \$bil.)	-	362.6	-	-	-	-	332.7	351.5	
	-	5.3%	-	-	-	-	2.5%	5.7%	
Median Home Price (\$000)	-	270.6	-	-	-	-	252.1	266.0	
	-	8.7%	-	-	-	-	8.4%	5.5%	

*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

	2014				2015							
	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*
Department of Revenue-Total	1,210,597 6.4	1,203,314 6.5	1,353,300 6.6	1,888,207 5.3	1,233,297 4.4	1,454,827 10.2	1,064,106 6.4	1,087,585 6.7	1,343,402 4.4	1,926,298 4.6	1,391,287 3.4	1,436,608 13.2
Revenue Act	1,083,581 7.7	1,065,180 5.5	1,130,438 9.4	1,021,344 4.4	998,484 7.2	1,306,827 9.2	933,831 3.8	947,271 5.9	1,110,525 5.2	990,113 1.3	1,041,782 2.8	1,259,975 12.3
Retail Sales Tax	705,114 8.0	701,594 7.3	732,094 10.2	660,261 4.8	641,066 9.7	827,783 10.2	596,069 6.3	610,013 9.7	707,839 6.5	643,264 1.4	685,970 3.1	793,035 12.5
Business and Occupation Tax	283,898 6.7	272,284 1.4	304,831 7.8	266,733 1.8	266,628 4.0	368,586 11.2	238,168 -0.9	237,899 1.4	308,125 9.3	258,442 2.7	263,160 2.2	358,746 11.6
Use Tax	54,167 21.4	48,739 7.5	50,336 13.8	52,174 20.7	42,066 -7.8	55,055 -2.7	45,715 11.6	46,407 3.8	47,092 -8.4	48,210 7.5	51,370 9.6	62,045 15.9
Public Utility Tax	28,631 1.9	28,784 3.6	29,537 12.1	27,857 -6.9	28,193 -3.7	41,766 0.6	39,250 -8.7	34,550 -14.9	34,963 -11.0	32,317 -2.0	28,486 -4.2	30,392 5.1
Tobacco Products Tax	3,993 3.4	4,637 -0.9	4,246 8.0	4,166 28.7	3,111 -22.4	3,649 11.7	3,510 -2.8	3,586 19.3	4,370 -1.7	3,541 -10.5	3,641 6.5	5,049 7.5
Penalties and Interest	7,778 -23.4	9,142 -1.5	9,395 -21.6	10,154 2.9	17,420 47.8	9,987 -19.4	11,118 -0.6	14,816 -5.8	8,137 -41.2	4,339 -56.2	9,155 -13.6	10,709 19.2
Non-Revenue Act**	127,016 -3.5	138,134 14.8	222,862 -5.8	866,863 6.3	234,813 -5.8	148,000 19.3	130,275 30.8	140,314 12.2	232,877 0.6	936,185 8.3	349,505 5.3	176,632 20.4
Liquor Sales/Liter	25,694 7.4	19,420 -6.1	20,714 9.2	19,946 -2.6	21,026 1.2	31,373 6.1	18,620 -4.7	18,420 0.4	18,898 26.2	14,475 -24.5	25,964 30.6	20,233 10.0
Cigarette	32,512 -7.5	37,156 17.6	36,096 -6.5	30,311 1.2	33,727 -3.0	38,862 8.5	22,640 0.1	21,000 -24.7	33,954 5.5	36,889 11.8	36,289 6.6	37,124 -5.7
Property (State School Levy)	6,477 -23.1	8,600 -8.3	41,765 -28.7	728,464 7.5	111,864 -13.5	11,455 -6.6	6,447 4.9	30,415 6.1	93,229 -17.2	791,712 7.6	162,494 -4.2	12,296 8.4
Real Estate Excise	55,473 5.3	63,283 33.0	59,079 -0.9	53,383 22.8	55,561 2.1	42,057 31.1	68,343 122.9	58,972 43.8	67,633 42.7	61,865 11.3	93,063 37.6	86,561 38.4
Unclaimed Property	-4,491 73.9	-2,252 125.9	41,199 -1.9	27,012 -13.7	479 -156.4	3,144 -152.4	2,776 -60.8	700 -128.4	-338 -109.9	-2,446 -49.1	-5,671 79.3	-1,439 -61.0
Other	11,351 -18.7	11,927 -1.1	24,009 28.0	7,748 -37.8	12,156 11.3	21,108 4.0	11,448 -15.5	10,807 -6.6	19,502 -6.4	33,691 29.5	37,365 -15.0	21,857 16.8
Department of Licensing**	1,060 -2.8	586 16.2	372 8.9	235 17.0	296 10.9	270 -12.2	386 12.8	704 25.7	1,213 12.6	3,871 3.6	5,236 -10.5	3,400 6.2
Administrative Office of the Courts**	7,184 0.7	6,358 -7.7	7,578 6.4	7,585 -8.8	6,301 1.2	6,676 -7.4	6,050 -3.3	7,219 0.4	7,976 3.5	7,881 4.1	6,690 -3.7	6,792 -1.8
Total General Fund-State***	1,218,841 6.4	1,210,259 6.5	1,361,250 6.6	1,896,026 5.2	1,239,893 4.4	1,461,772 10.1	1,070,542 6.4	1,095,508 6.6	1,352,591 4.4	1,938,051 4.6	1,403,212 3.3	1,446,800 13.1

*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
July 11, 2015 - August 10, 2015				
August 10, 2015 Collections Compared to the June 2015 Forecast				
Department of Revenue-Total	\$1,329,145	\$1,436,608	\$107,462	8.1%
Revenue Act** (1)	1,179,714	1,259,975	80,261	6.8%
Non-Revenue Act(2)	149,431	176,632	27,201	18.2%
Liquor Sales/Liter	18,691	20,233	1,541	8.2%
Cigarette	35,012	37,124	2,113	6.0%
Property (State School Levy)	11,891	12,296	406	3.4%
Real Estate Excise	67,632	86,561	18,929	28.0%
Unclaimed Property	0	(1,439)	(1,439)	NA
Other	16,205	21,857	5,652	34.9%
Department of Licensing (2)	3,422	3,400	(22)	-0.6%
Administrative Office of the Courts (2)	6,694	6,792	98	1.5%
Total General Fund-State***	\$1,339,261	\$1,446,800	\$107,539	8.0%

Cumulative Variance Since the June Forecast (May 11, 2015 - August 10, 2015)

Department of Revenue-Total	\$4,631,308	\$4,754,193	\$122,884	2.7%
Revenue Act** (3)	3,223,042	3,291,870	68,828	2.1%
Non-Revenue Act(4)	1,408,266	1,462,322	54,056	3.8%
Liquor Sales/Liter	59,977	60,671	694	1.2%
Cigarette	104,782	110,302	5,521	5.3%
Property (State School Levy)	960,261	966,502	6,241	0.6%
Real Estate Excise	194,917	241,490	46,573	23.9%
Unclaimed Property	0	(9,556)	(9,556)	NA
Other	88,329	92,913	4,584	5.2%
Department of Licensing (4)	11,770	12,507	737	6.3%
Administrative Office of the Courts	20,004	21,363	1,359	6.8%
Total General Fund-State***	\$4,663,082	\$4,788,063	\$124,981	2.7%

1 Collections July 11, 2015 - August 10, 2015. Collections primarily reflect June 2015 activity of monthly filers and second quarter 2015 activity of quarterly filers.

2 July 2015 collections.

3 Cumulative collections, estimates and variance since the June 2015 forecast; (May 11, 2015 - August 10, 2015) and revisions to history.

4 Cumulative collections, estimates and variance since the June forecast (May-July 2015) and revisions to history.

* Based on the June 2015 economic and revenue forecast released May 18, 2015.

**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.