



ECONOMIC & REVENUE UPDATE

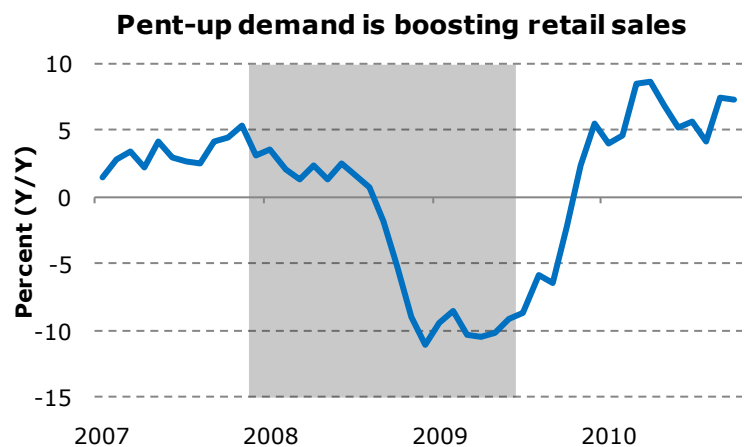
13 December 2010

summary

- **The economy continues to muddle along. Output is growing, but jobs and housing are not. There is some evidence that consumers are giving vent to pent-up demand, but it is too early to be sanguine about that. The economic outlook remains fraught with considerable uncertainty.**
- **Washington's economic expansion has continued to be weak. Private sector job growth remains positive but anemic and largely offset by state and local job losses. The prospects for aerospace and software are good, but housing and non-residential construction will lag.**
- **Major General Fund-State (GF-S) revenues for the November 11, 2010 – December 10, 2010 collection period were \$24.1 million (1.5%) higher than our November forecast, but \$20.9 million of the positive variance was due to large unexpected one-time payments. Excluding these non-economic factors, collections were just \$3.2 million (0.2%) above the forecast.**

United States

The economy continues to muddle along. Output is growing again, but not fast enough yet to lower the unemployment rate. So we are in a recovery, but it still feels like a recession. Housing is not growing, but it is no longer subtracting from growth. Retail sales appear to be recovering as pent-up demand from two years of retrenchment is released. Economic news since our last forecast has been generally positive, but there is still considerable uncertainty about the future.



Third quarter real GDP growth was revised upward to a 2.5% seasonally adjusted annualized rate (SAAR) from 2.0% by the Bureau of Economic Analysis (BEA) in its second estimate. Real consumer spending growth was also revised up to 2.8% (SAAR) from 2.6%. Both GDP and consumer spending have now grown for five quarters. Business investment in equipment and software grew 16.8% (SAAR), its fourth consecutive quarter of double-digit growth. However, investment in non-residential structures fell 5.7% (SAAR). It has now been in decline for the past two years.

After a modestly encouraging October jobs report, the November report was downright disappointing. Net job growth in November was just 39,000 (SA), although October's number was revised upward by 21,000 to 172,000 (SA) job gains. The unemployment rate edged up to 9.8% in November from 9.6% in October. The number of long-term unemployed (those jobless for 27 weeks and longer) accounted for 41.9% of the unemployed. Over the past 12 months, average hourly earnings have increased by a meager 1.6%.

united states

Housing continues to bump along the bottom. Housing starts fell to 519,000 (SAAR) units in October, while September's estimate was revised down to 588,000 (SAAR) from 610,000. Both new and existing home sales also fell in October. Home prices remain soft as well. The September 2010 Case-Shiller 20-city composite home price index fell 0.8% SA from its previous reading, but is up a modest 0.6% from a year ago.

There are some signs of a release in pent-up demand, although it is still too early to predict how holiday sales will eventually turn out. Retail sales, measured by the Census Bureau in September and October grew 7.4% and 7.3%, respectively, over a year ago ([see figure](#)). November's results are due to be released tomorrow. In a separate measure by the BEA, October personal consumption expenditures grew 5.2% (SAAR). Light motor vehicle sales have also steadily increased throughout this year. November sales were 12.3 million (SAAR) units, 12.9% above a year ago.

Since our November forecast, the balance of economic news that is not reported above, has been on the upside. Confidence measures are improving again; equity markets are up as are bond yields; the latter in response to news of the tax cut deal arrived at between the President and Congress. Our November forecast had assumed a one year extension of the 2001-2003 tax cuts. The second year of the extension, as well as the one-year partial payroll tax holiday, will provide more stimulus than our November forecast had factored in. But, we are not yet sanguine about the future. This recovery has been weak and erratic, and fears of European sovereign debt default is once again casting its long shadow across the Atlantic. We will continue to assess progress one month at a time.

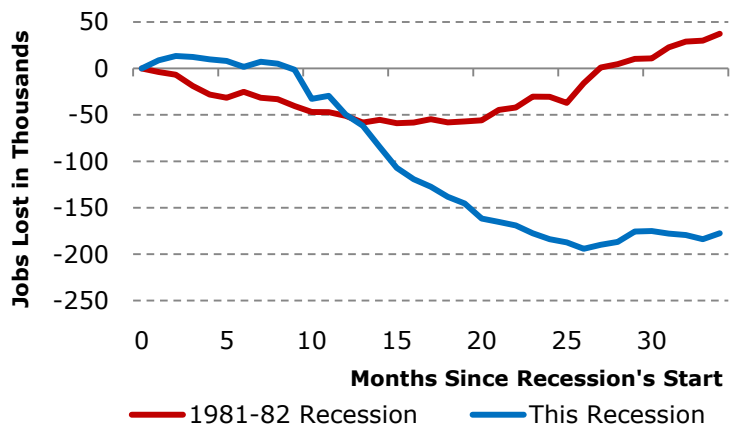
WASHINGTON

Washington's economic expansion has continued to be weak. After strong growth in the spring, the state's private sector added just 6,000 jobs in June through October. During the same period, state and local governments shed 4,700 jobs, offsetting most of the private sector gains. The recovery in the labor market from this recession has been weak by historical standards.

Not only is the state coming back from the largest employment deficit since the Great Depression, it is coming back at a slower rate than any of the past four recessions. In 1981-82, which prior to this had been the worst post-war recession, 59,000 Washington jobs (2.9% of the labor force) were lost from the business cycle peak to the employment trough. This time around employment fell 194,000 (5.5% of the labor force), excluding the effects of temporary Census jobs ([see figure](#)). The state has regained only 17,000 of those jobs in the last eight months. Washington nonfarm payroll employment is still down 177,000 jobs since the recession began.

The housing sector has also weakened following some improvement during the spring. After reaching a post-recession high of 17,800 units (SAAR) in March of 2010, single-family permits have weakened and are at 14,000 units (SAAR) as of October. It is apparent that the earlier strength was mainly due to the federal homebuyer tax credits which had the effect of pulling activity forward by a few months. It also appears that

The jobs recovery has been weak



permits for multiple unit structures are again bumping along the bottom, coming in at 3,400 units (SAAR) in October. The housing recovery will be slow as it is still weighed down by low confidence and an excess supply of housing. We expect permits to decline further to 16,100 in the fourth quarter before returning to growth in 2011. Home prices have also weakened since the expiration of the credits. The Case-Shiller Home Price Index for Seattle showed signs of firming in the spring but prices have declined in each of the past four months and are now down 2.6% over last year.

Construction employment remains weak in Washington but the rate of decline has slowed. The state lost about 7,300 construction jobs during the first ten months of this year compared a drop of 32,000 during the first ten months of 2009. Construction employment will continue to drift down for several more months. We do not expect any growth until the second half of next year. Still, the worst is behind us. We expect to lose about 1,800 total construction jobs over the next three quarters compared to 69,200 lost to date. In spite of a fairly strong recovery in 2012 and 2013, construction employment will still be 46,000 below the previous peak at the end of 2013.

Aerospace employment has fluctuated up and down over the course of 2010 and is down 900 since the end of 2009. Still, this is a huge improvement over the prior year when the sector lost 4,300 jobs. The outlook for 2011 and beyond is positive. Boeing plans to raise its production of the 737 to 35 per month in early 2012 and 38 per month by mid-2013. Combined, these represent more than a 20% increase in production from the current rate of 31.5 per month. Boeing also plans to increase production of the 777 to 7 per month in mid-2011 from the current rate of 5 per month. Production of the new 787 and 747-8 will also be ramping up in 2011 and 2012. The improving prospects for Boeing are due to air cargo and passenger traffic which have rebounded surprisingly quickly from the global recession.

After the unprecedented Microsoft layoffs in 2009, the state's software sector has returned to growth. Microsoft announced record revenue of \$16.20 billion for the quarter ended Sept. 30, 2010 and also raised its quarterly dividend 23%. The software publishing industry added 100 jobs in October and a total of 1,200 in the first ten months of 2010. We expect modest software employment growth through 2011 with growth accelerating in 2012 and 2013.

Personal income in the state has rebounded and increased at an estimated 4.8% annualized rate in the second quarter. This is the third consecutive quarterly increase and the highest rate since early 2008. Total wage and salary disbursements increased at a 4.7% rate in the second quarter after a declining at a 3.4% rate in the first quarter. Nonwage personal income also grew at a healthy 5.0% rate.

REVENUE COLLECTIONS

Overview

Major General Fund-State (GF-S) revenues for the November 11, 2010 – December 10, 2010 collection period were \$24.1 million (1.5%) higher than our November forecast, but \$20.9 million of the positive variance was due to large unexpected one-time payments. Excluding these non-economic factors, collections were just \$3.2 million (0.2%) above the forecast.

Year-over-year growth in Revenue Act collections continued to improve. Receipts from the November 11, 2010 – December 10, 2010 collection period, which mainly represent October economic activity, were 8.6% above their year-ago level after adjusting for non-

economic factors (see figure). We had forecasted growth of 8.3%. In the previous collection period, adjusted collections were 5.5% above their year-ago level.

Revenue Act

The revenue collections reported here are for the November 11 – December 10, 2010 collection period. Collections correspond primarily to economic activity in October 2010.

Collections for this period are \$23.1 million (2.8%) above the November forecast, but \$20.9 million of the positive variance was due to large audit payments of business and occupation (B&O) taxes that were not included in the forecast. Excluding these payments, collections were \$2.2 million (0.3%) above the forecast.

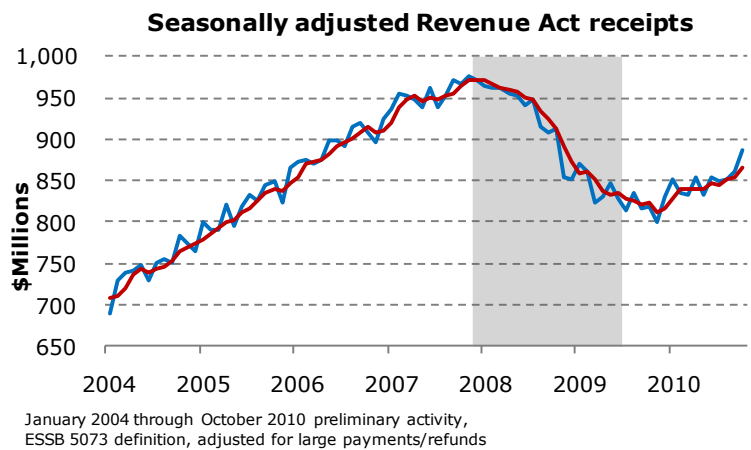
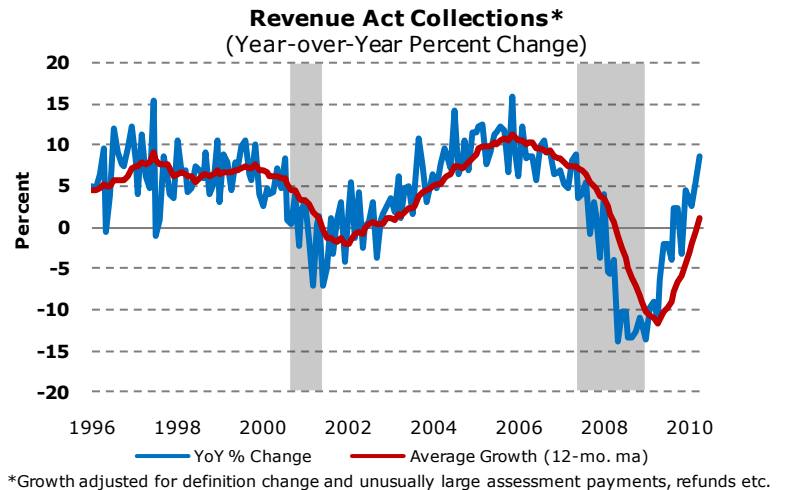
The chart showing year-over-year Revenue Act growth reflects new revenues added under ESSB 5073. By this measure, revenues increased 8.6% year-over-year in the current period after adjustments for large one-time payments and refunds. In the previous period adjusted revenues had increased 5.5%.

Unadjusted for non-economic factors, revenue increased 11.3% year-over-year as shown in the "Key Revenue Variables" table. On a seasonally adjusted basis, revenue showed increasing growth (see figure).

Under legislation passed in the 2010 session, the B&O tax rate for service industries has been temporarily increased from 1.5% to 1.8% as of May 1, 2010. In addition, retail sales taxes were applied to bottled water and candy sales beginning June 1, 2010 (although the taxes were rescinded as of December 2, 2010, they were still in place in October). These tax changes are estimated to have increased Revenue Act receipts by approximately \$23 million per month. Without this \$23 million in additional revenue, adjusted year-over-year Revenue Act growth would have been 5.6%.

Preliminary ERFC monthly estimates indicate retail sales tax collections are up 6.7% year-over-year and B&O taxes are up 24.1%. Excluding the one-time payments of B&O taxes discussed above, year-over-year growth in B&O taxes would have been 13.8%.

Tax payments as of December 1 from electronic filers who also paid in the November 11 – December 10 collection period of last year were up 2.7% year-over-year.



revenue collections

revenue collections

Some details:

- Payments in the retail trade sector were up 6.2% year-over-year. In the previous period, year-over-year payments increased 7.1%.
- Payments from the motor vehicle and parts sector were up 12.0% year-over-year. In the previous period, year-over-year payments increased 14.7%. Excluding the auto sector, payments from the retail trade sector were up 4.7% year-over-year, down slightly from the 5.1% increase in ex-auto payments in the previous period.
- The largest year-over-year increases in tax payments from other retail trade sectors were from gas stations and convenience stores (+12.7%), electronics and appliances (+12.3%), food and beverage stores (+9.0%) and non-store retailers (+6.1%). Only one sector showed a year-over-year decline: sporting goods, toys, books and music (-0.1%).
- Payments in non-retail trade sectors were up 0.7% year-over-year, a slowing of growth from last month's 1.6% increase.
- Payments in the construction sector were down 9.4% and those in the manufacturing sector were down 9.6% year-over-year. The decrease in payments from the manufacturing sector was largely due to higher-than-average payments from the transportation equipment sector in the year-ago period.
- Excluding the construction sector, total payments were up 4.6% year-over-year and payments from non-retail trade sectors were up 3.5%. Excluding both construction and manufacturing, total payments were up 5.9% and payments from non-retail trade sectors were up 5.6%.

DOR Non-Revenue Act

November collections were \$862,000 (0.1%) above the November forecast.

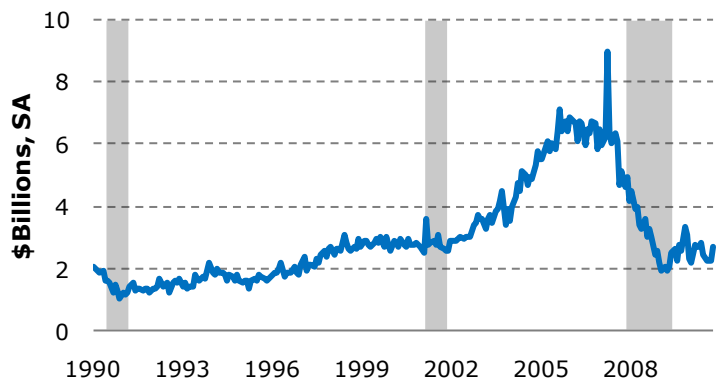
The positive variance was due to "other" revenues, which came in \$3.9 million (10.0%) above the forecast. The variance in the category came from \$5.0 million in greater-than-forecasted transfers of unclaimed property into the GF-S.

Cigarette tax receipts came in \$1.6 million (5.8%) below the forecast. Receipts were up 16.9% year-over-year, due mainly to a 91.4 cent per pack increase in GF-S taxes that took effect on May 1st. The large year-over-year increases that can be seen in months prior to July 2010 in the "Key Revenue Variables" were due to the re-classification of pre-existing cigarette taxes as GF-S taxes effective July 2009.

November real estate excise tax collections came in \$1.0 million (3.7%) below the forecast. Though reported taxable activity showed improvement in November ([see figure](#)), collections were down 14.5% year-over-year due to strong sales in the fall of 2009 from federal tax credits for first-time homebuyers.

Property tax collections were \$380,000 (0.1%) lower than forecasted.

REET activity improved in November



Source: ERFC, data through November 2010 preliminary activity

ECONOMIC & REVENUE UPDATE

revenue...

Liquor tax receipts came in \$58,000 (0.3%) higher than forecasted.

November DOR non-Revenue Act collections are down 0.2% year-over-year, due mainly to year-over-year declines in real estate excise taxes and "other" revenue.

Other Revenue

Department of Licensing receipts for November came in \$55,000 (31.1%) below the November forecast.

November revenue from the Administrative Office of the Courts was \$198,000 (2.3%) above the forecast.

Key U.S. Economic Variables

	2010						2008	2009
	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.		
Real GDP (SAAR)	1.7	-	-	2.5	-	-	0.0	-2.6
Industrial Production (SA, 2002 = 100)	92.6	93.3	93.5	93.4	93.4	-	96.7	87.7
<i>Y/Y % Change</i>	8.3	7.6	6.6	5.6	5.3	-	-3.3	-9.3
ISM Manufacturing Index (50+ = growth)	56.2	55.5	56.3	54.4	56.9	56.6	45.5	46.2
ISM Non-Manuf. Index (50+ = growth)	53.8	54.3	51.5	53.2	54.3	55.0	47.3	46.2
Housing Starts (SAAR, 000)	539	550	614	588	519	-	900	554
<i>Y/Y % Change</i>	-7.5	-6.3	5.0	0.3	-1.9	-	-32.9	-38.4
Light Motor Vehicle Sales (SAAR, mil.)	11.2	11.5	11.5	11.8	12.3	12.3	13.2	10.4
<i>Y/Y % Change</i>	15.1	2.2	-19.0	25.4	17.6	12.9	-18.2	-21.5
CPI (SA, 1982-84 = 100)	216.9	217.6	218.2	218.4	218.9	-	215.2	214.5
<i>Y/Y % Change</i>	1.1	1.3	1.2	1.1	1.2	-	3.8	-0.3
Core CPI (SA, 1982-84 = 100)	221.4	221.7	221.8	221.8	221.8	-	215.6	219.2
<i>Y/Y % Change</i>	1.0	1.0	1.0	0.8	0.6	-	2.3	1.7
IPD for Consumption (2000=100)	110.8	111.0	111.2	111.3	111.5	-	109.1	109.3
<i>Y/Y % Change</i>	1.4	1.5	1.4	1.4	1.3	-	3.3	0.2
Nonfarm Payroll Empl., e-o-p (SA, mil.)	130.5	130.4	130.4	130.3	130.5	130.5	134.3	129.6
<i>Monthly Change</i>	-0.13	-0.12	0.00	-0.02	0.17	0.04	-3.62	-4.74
Unemployment Rate (SA, percent)	9.5	9.5	9.6	9.6	9.6	9.8	5.8	9.3
Yield on 10-Year Treasury Note (percent)	3.20	3.01	2.70	2.65	2.54	2.76	3.67	3.26
Yield on 3-Month Treasury Bill (percent)	0.12	0.16	0.16	0.15	0.13	0.14	1.39	0.15
Broad Real USD Index** (Mar. 1973=100)	89.8	88.3	87.6	86.6	84.1	84.2	87.6	91.1
Federal Budget Deficit (\$ bil.)*	68.4	165.0	90.5	34.6	140.4	150.4	454.8	1,415.7
<i>FYTD sum</i>	1,004.0	1,169.1	1,259.6	1,294.2	140.4	290.8		
US Trade Balance (\$ bil.)	-50.1	-42.9	-46.9	-44.6	-38.7	-	-698.8	-374.9
<i>YTD Sum</i>	-247.5	-290.4	-337.3	-381.9	-420.6	-		

*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

	2010						2008	2009	
	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.			
Employment								<i>End-of-period</i>	
Total Nonfarm (SA, 000)	2,791.1	2,786.8	2,784.6	2,780.0	2,785.9	-	2,913.5	2,779.9	
Change from Previous Month (000)	-3.9	-4.3	-2.2	-4.6	5.9	-	-49.7	-133.6	
Construction	141.0	141.2	141.1	140.6	140.2	-	184.7	147.5	
Change from Previous Month	-0.8	0.2	-0.1	-0.5	-0.4	-	-24.4	-37.2	
Manufacturing	258.2	257.3	257.4	258.2	257.8	-	284.3	257.4	
Change from Previous Month	0.3	-0.9	0.1	0.8	-0.4	-	-11.8	-26.9	
Aerospace	80.4	80.7	80.0	80.4	80.3	-	85.5	81.2	
Change from Previous Month	0.1	0.3	-0.7	0.4	-0.1	-	2.6	-4.3	
Software	51.0	50.9	51.3	51.5	51.6	-	53.0	50.4	
Change from Previous Month	0.3	-0.1	0.4	0.2	0.1	-	4.5	-2.6	
All Other	2,340.9	2,337.4	2,334.8	2,329.7	2,336.3	-	2,391.5	2,324.6	
Change from Previous Month	-3.7	-3.5	-2.6	-5.1	6.6	-	-18.0	-66.9	
Other Indicators								<i>Annual Average</i>	
Seattle CPI (1982-84=100)	226.1	-	227.6	-	227.3	-	224.7	226.0	
	-0.5%	-	0.2%	-	0.4%	-	4.2%	0.6%	
Housing Permits (SAAR, 000)	21.3	18.4	23.5	16.5	17.3	-	27.4	15.9	
	49.4%	25.8%	30.7%	-9.4%	-1.5%	-	-39.5%	-42.1%	
WA Index of Leading Ind. (2004=100)	115.1	115.9	116.3	116.3	117.9	-	116.5	110.0	
	5.6%	5.6%	5.4%	5.1%	5.5%	-	-0.1%	-5.6%	
WA Business Cycle Ind. (Trend=50)	7.1	5.9	6.4	3.9	4.0	-	41.4	8.4	
	3.8%	-2.8%	19.5%	-38.1%	-10.5%	-	-33.6%	-79.8%	
Avg. Weekly Hours in Manuf. (SA)	41.3	41.9	42.6	42.7	42.4	-	42.3	42.0	
	-1.1%	-0.2%	1.6%	2.1%	0.0%	-	0.8%	-0.7%	
Avg. Hourly Earnings in Manuf.	23.2	23.5	23.0	23.4	23.4	-	21.0	23.4	
	-0.6%	1.2%	-0.8%	-0.8%	-0.5%	-	2.4%	11.4%	
New Vehicle Registrations (SA, 000)	15.7	14.5	15.1	15.5	15.3	15.3	19.0	14.0	
	22.5%	5.8%	-17.6%	-1.6%	28.5%	21.1%	-20.5%	-26.5%	
Initial Unemployment Claims (SA, 000)	62.5	60.7	60.4	63.3	53.9	48.8	45.8	69.4	
	-11.4%	-17.0%	-17.3%	-17.5%	-22.0%	-18.8%	34.1%	51.4%	
Personal Income (SAAR, \$bil.)	293.8	-	-	-	-	-	287.1	286.1	
	2.5%	-	-	-	-	-	5.4%	-0.4%	
Median Home Price (\$000)	246.8	-	-	248.9	-	-	283.4	255.7	
	-6.9%	-	-	-4.3%	-	-	-7.5%	-9.8%	

*Percentage Change is Year-over-Year

Key Revenue Variables

	2010										
	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	Oct 11- Nov 10	Nov 11- Dec 10*
Department of Revenue-Total	1,142,108	782,676	788,877	1,045,481	1,601,911	1,093,845	1,061,881	951,439	928,373	1,150,677	1,584,564
	3.5	1.7	12.1	7.7	9.8	6.4	2.0	3.8	3.9	8.0	5.7
Revenue Act	1,048,036	718,560	687,570	892,259	804,996	800,650	963,515	843,523	835,533	983,708	857,053
	-1.1	-2.3	3.7	2.1	8.8	1.2	3.1	1.9	4.2	6.3	11.3
Retail Sales Tax	675,459	442,862	442,827	558,294	505,068	522,430	593,014	551,943	533,504	605,478	531,430
	-1.5	-8.8	0.4	0.7	4.2	-2.7	-1.2	-1.4	-0.5	2.3	6.7
Business and Occupation Tax	285,711	190,756	169,039	252,778	211,752	195,760	284,250	213,939	221,128	293,354	250,067
	1.9	9.7	8.2	6.9	21.5	9.4	12.6	9.6	14.1	14.1	24.1
Use Tax	42,638	31,493	32,207	37,466	35,681	35,327	41,819	38,363	36,873	42,233	33,273
	-6.6	1.3	-1.2	6.1	-5.6	3.3	2.9	8.7	10.5	15.3	4.0
Public Utility Tax	32,902	36,036	29,597	32,517	30,997	29,108	27,532	25,848	26,868	28,555	28,539
	-11.5	7.9	-17.2	-10.7	-5.7	2.1	2.8	0.3	1.8	4.9	10.3
Tobacco Products Tax	3,020	2,197	2,445	3,265	3,448	2,383	3,600	3,524	3,530	4,332	2,294
	251.7	167.4	146.1	240.5	262.4	136.4	18.7	34.0	-24.8	56.7	-14.9
Penalties and Interest	8,306	15,217	11,456	7,940	18,050	15,643	13,301	9,906	13,630	9,756	11,450
	-16.0	38.0	-445.4	-22.1	89.4	35.7	22.4	11.0	87.8	2.6	19.6
Non-Revenue Act**	94,073	64,116	101,307	153,222	796,916	293,195	98,366	107,916	92,840	166,968	727,511
	113.7	90.4	151.4	57.4	10.9	23.6	-8.2	21.6	1.4	19.0	-0.1
Liquor Sales/Liter	23,070	13,934	14,126	15,366	15,556	16,056	16,232	18,220	16,531	15,859	16,725
	21.6	14.9	23.8	24.2	25.1	15.2	0.2	-2.8	3.5	2.1	-1.9
Cigarette	25,758	12,829	23,816	23,570	35,990	34,746	24,130	39,860	29,057	33,520	26,149
	520.2	266.8	488.1	558.1	749.4	976.1	-19.6	54.7	16.2	42.8	16.9
Property (State School Levy)	10,976	6,304	24,533	66,565	692,782	162,563	10,843	7,094	9,871	33,355	613,332
	NA	NA	NA	72.6	4.4	5.5	6.5	6.6	7.5	24.0	0.4
Real Estate Excise	20,687	18,792	31,952	32,636	33,849	39,401	34,128	31,762	27,326	31,038	26,960
	7.1	-36.1	61.3	32.2	37.6	11.6	-6.2	1.7	-20.0	-6.7	-14.5
Timber (state share)	0	919	0	0	646	0	0	1,354	0	0	1,058
	NA	-8.2	NA	NA	-3.2	NA	NA	85.6	NA	NA	31.1
Other	13,582	11,338	6,881	15,085	18,093	40,430	13,034	9,626	10,055	53,196	43,286
	-11.0	172.3	622.8	-17.0	33.8	32.1	-7.5	106.3	56.8	29.3	-6.1
Department of Licensing**	168	283	447	1,045	2,326	7,357	3,784	1,230	494	319	121
	-30.5	7.9	4.2	-81.5	-38.1	6.8	20.7	37.0	18.6	13.3	-39.4
Lottery**	0	0	0	0	0	0	0	0	0	0	0
	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Administrative Office of the Courts**	7,928	6,693	8,189	10,012	8,827	7,148	8,966	8,131	7,922	7,796	8,747
	NA	NA	NA	NA	NA	NA	-1.7	-5.7	-7.6	-7.0	-2.8
Total General Fund-State***	1,150,205	789,652	797,513	1,056,538	1,613,065	1,108,350	1,074,632	960,800	936,789	1,158,791	1,593,432
	4.2	2.6	13.3	8.2	10.3	7.1	1.5	3.8	3.8	7.9	5.7

*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. Reflects new definition of GF-S revenue after July 2009.

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

Revenue Forecast Variance

Thousands of Dollars

Period/Source	Estimate*	Actual	Difference Amount	Percent
November 11, 2010 - December 10, 2010				
December 10, 2010 Collections Compared to the November 2010 Forecast				
Department of Revenue-Total	\$1,560,569	\$1,584,564	\$23,995	1.5%
Revenue Act** (1)	833,920	857,053	23,133	2.8%
Non-Revenue Act(2)	\$726,650	\$727,511	\$862	0.1%
Liquor Sales/Liter	16,667	16,725	58	0.3%
Cigarette	27,766	26,149	(1,617)	-5.8%
Property (State School Levy)	613,712	613,332	(380)	-0.1%
Real Estate Excise	27,992	26,960	(1,032)	-3.7%
Timber (state share)	1,160	1,058	(102)	-8.8%
Other	39,352	43,286	3,934	10.0%
Department of Licensing (2)	176	121	(55)	-31.1%
Lottery (5)	0	0	0	0.0%
Administrative Office of the Courts (2)	8,549	8,747	198	2.3%
Total General Fund-State***	\$1,569,294	\$1,593,432	\$24,138	1.5%

Cumulative Variance Since the November Forecast (November 11 - December 10, 2010)

Department of Revenue-Total	\$1,560,569	1,584,564	23,995	1.5%
Revenue Act** (3)	833,920	857,053	23,133	2.8%
Non-Revenue Act(4)	726,650	727,511	862	0.1%
Liquor Sales/Liter	16,667	16,725	58	0.3%
Cigarette	27,766	26,149	(1,617)	-5.8%
Property (State School Levy)	613,712	613,332	(380)	-0.1%
Real Estate Excise	27,992	26,960	(1,032)	-3.7%
Timber (state share)	1,160	1,058	(102)	-8.8%
Other	39,352	43,286	3,934	10.0%
Department of Licensing (4)	176	121	(55)	-31.1%
Lottery	0	0	0	0.0%
Administrative Office of the Courts	8,549	8,747	198	2.3%
Total General Fund-State***	\$1,569,294	\$1,593,432	\$24,138	1.5%

1 Collections November 11, 2010 - December 10, 2010. Collections primarily reflect October 2010 activity

2 November 2010 collections.

3 Cumulative collections, estimates and variance since the November 2010 forecast; (November 11, 2009 - December 10, 2010) and revisions to history.

4 Cumulative collections, estimates and variance since the November forecast (November 2010) and revisions to history.

5 Lottery transfers to the General Fund

* Based on the November 2010 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.