



ECONOMIC & REVENUE UPDATE

January 11, 2016

summary

Summary

- **U.S. employment increased by 292,000 net new jobs in December; October and November employment data were revised up by a total of 50,000.**
- **U.S. real GDP growth for the third quarter was revised down from 2.1% to 2.0% at an annual rate.**
- **U.S. housing starts and building permits both increased in November while existing home sales declined.**
- **Washington home price appreciation and housing construction have strengthened recently.**
- **Washington car and truck sales reached a new all-time high in 2015.**
- **Major General Fund-State revenue collections for the December 10, 2015 - January 10, 2016 collection period came in \$31.5 million (2.4%) above the November forecast.**
- **The forecast included a \$10.8 million audit payment that was supposed to occur this month but is now expected at a future date.**
- **Cumulatively, collections are now \$15.4 million (0.5%) higher than forecasted.**

United States

Economic data were generally upbeat this month. Labor market indicators from job growth to initial unemployment claims and layoff announcements were all positive, current and planned residential construction activity were up, and auto sales for the full year hit a 15 year high. However, not everything was good news, as overall manufacturing activity contracted for a second straight month, truck and rail traffic slowed, and existing home sales dropped.

Nonfarm employment increased by 292,000 net new jobs in December; October and November employment data were revised up by a total of 50,000 jobs. As a result, average monthly employment gains for 2015 rose to 221,000 (compared to 260,000 in 2014). Sectors with notable employment gains in December included construction (+45,000), employment services (+42,000), health care (+39,000), leisure and hospitality (+29,000), motion picture and sound recording (+15,000) and couriers and messengers (+15,000). Mining employment continued to decline, falling by 8,000 jobs. Average hourly earnings decreased by one cent (2.5% above their December 2014 level) and average weekly hours worked were unchanged at 34.5 hours. The unemployment rate in December was unchanged at 5.0%.

The third estimate of real GDP growth for the third quarter was revised down from 2.1% to 2.0% at an annual rate. The revision was primarily due to a larger decrease in private inventory investment than was previously estimated.

Industrial production declined by 0.6% (SA) in November and is 1.2% below its November 2014 level. New orders for core capital goods (i.e., durables excluding aircraft and military), which are a proxy for business investment, decreased by 0.3% (SA) in November after increasing by a revised 0.6% in October.

Manufacturing activity in December, as measured by the Institute for Supply Management's Purchasing Managers Index (PMI), decreased by 0.4 points to 48.2 (50 or higher

united states

indicates growth). This is the second consecutive month that manufacturing activity has contracted. The December non-manufacturing PMI decreased by 0.6 points to 55.3. Despite the decline, the index remains above 50; non-manufacturing activity has now expanded for 71 consecutive months through December.

Initial claims for unemployment insurance decreased by 10,000 to 277,000 (SA) in the week ending January 2nd. The four-week moving average of initial claims decreased by 1,250 to 275,750. Layoff announcements in December, as tracked by outplacement firm Challenger, Gray, and Christmas, decreased to 23,622 from 30,593 in November. This is the fewest monthly job cuts since June 2000. Despite the low December number, overall layoff announcements in 2015 were 24% above their 2014 level.

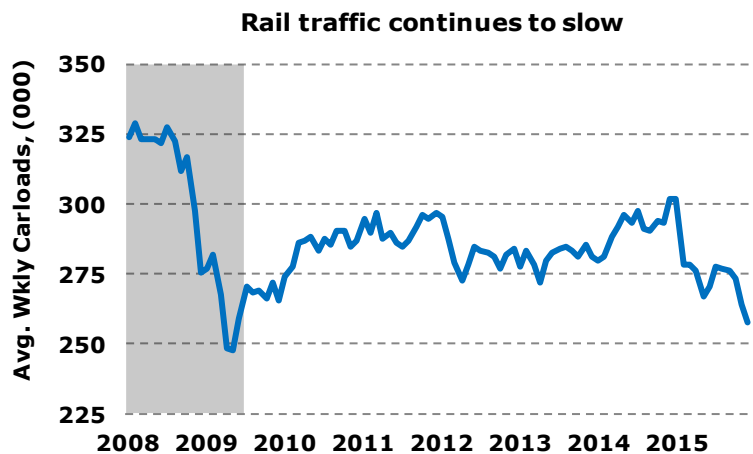
Data on home sales and construction activity in November were generally positive. November housing starts increased by 10.5% (SA) compared to October and were 16.5% above their year-ago level. Housing units authorized by building permits in November increased by 11.0% (SA) compared to October and were 19.5% above their November 2014 level. Existing home sales decreased in November by 10.5% (SA) compared to October, making it the slowest month for existing home sales since April 2014. By contrast, new single family home sales in November increased by 4.3% (SA) above their October level. The seasonally-adjusted Case-Shiller national home price index for October was 0.9% above its September level and 5.2% above its year-ago level.

The two major consumer confidence measures both increased in December after several months of moving in opposite directions. The University of Michigan index of consumer sentiment increased for a third straight month, rising 1.3 points to a revised 92.6 in December. The Conference Board consumer confidence survey rose 3.9 points to 96.5 in December. While the University of Michigan survey data cited the positive impact of low prices and the availability of discounts for durable goods on consumer sentiment, the increase in the Conference Board index was mainly due to a more favorable view of the labor market than in November.

Light motor vehicle sales declined from 18.2 million units (SAAR) in November to 17.3 million units in December. However, overall 2015 sales of 17.5 million units were at their highest level in 15 years.

Petroleum spot prices for both U.S. benchmark West Texas Intermediate (WTI) and European benchmark Brent continue to decline. For the week ending January 1st, WTI was \$37 per barrel (down \$3 since last month) and Brent was \$37 per barrel (down \$6 since last month). Gasoline prices were also down, falling nearly \$0.06 since early December to \$2.00 per gallon (regular, all formulations) for the week ending January 11th.

The American Trucking Association's truck tonnage index decreased 0.9% (SA) in November following a revised 1.8% (SA) increase in October. Compared to November 2014, the seasonally adjusted index increased 0.2%, the smallest year-over-year gain since February 2013. Rail traffic continued to slow in December ([see figure](#)). Shipments by rail carload were 2.4% (SA) below their November level and 14.6% below their year-ago level. Intermodal rail units in December (shipping containers or truck trailers) were 1.5% (SA) below their November level and 0.3% below their December 2014 level.



WASHINGTON

washington

We have just one month of new Washington employment data since the November forecast was released. Total nonfarm payroll employment rose 5,000 (seasonally adjusted) in November, just 100 more than the 4,900 expected in the November forecast. The increase in employment in November was more than accounted for by private, service-providing sectors which added 6,300 jobs. The construction sector added 1,000 jobs in November but the manufacturing sector lost 300 jobs in spite of an increase of 100 jobs in aerospace. Government payrolls shrank by 2,100 jobs in November.

Washington housing construction was stronger than expected in the first two months of the fourth quarter. Washington housing permits averaged 38,400 units (SAAR) in October and November, up from an average rate of 37,400 units in the third quarter. The November forecast expected an average rate of 36,400 units for the fourth quarter as a whole. Multifamily permits averaged 16,800 units in October and November which was exactly the rate expected in the November forecast for the fourth quarter. Single-family permits, however, averaged 21,600 units in October and November compared to the forecast for 19,600 units. Single-family permits in both October and November were higher than in any single month since November 2007.

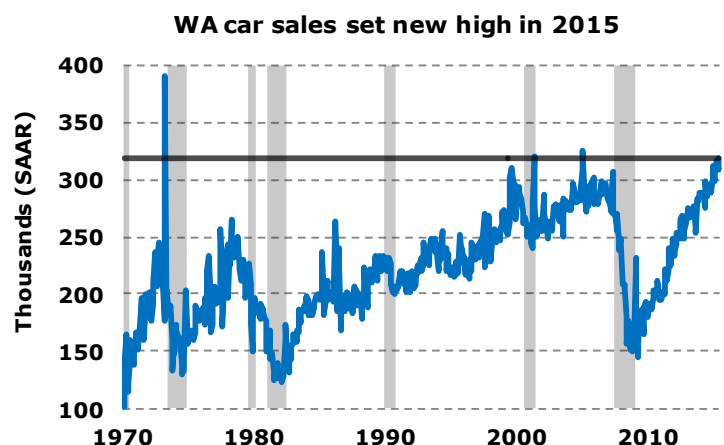
Seattle home prices surged in August, September, and October after three months of essentially no change. According to the S&P/Case-Shiller Home Price Indices, seasonally adjusted Seattle area home prices jumped 0.7% in August, 0.9% in September, and 1.3% in October following changes of -0.1%, 0.2%, and 0.0% in May, June, and July. Seattle home prices are up 8.8% over the previous October and are 39.1% higher than the November 2011 trough. Seattle area home prices have recovered to just 3.4% below the May 2007 peak.

In December, the U.S. Department of Commerce, Bureau of Economic Analysis (BEA) released estimates of quarterly state personal income through the third quarter of 2015. Washington personal income grew at a 5.2% rate (SAAR) in the third quarter which ranked 27th among the states (including the District of Columbia). The national average personal income growth rate was also 5.2%.

Also in December, the BEA released estimates of personal consumption expenditures (PCE) by state for 1997 through 2014. These estimates are not adjusted for inflation. Washington personal consumption expenditures rose 4.8% in 2014 compared to 4.2% for the nation. Washington's 2014 consumption growth rate ranked tenth strongest among the states and District of Columbia. Washington PCE has now increased in every year since a 1.1% decline in 2009. The growth rate in 2014 matched 2011 as the highest so far in the recovery.

Washington car and truck sales reached a new all-time high in 2015 ([see figure](#)). Seasonally adjusted new vehicle registrations increased 2.8% in December to 318,000 (SAAR). Registrations were up 6.3% over the previous December. The strong growth in December capped a record-setting year for car and truck sales at 300,700 new vehicle registrations.

The Institute of Supply Management - Western Washington Index (ISM-WW) moved back into positive territory in December. The index, which measures conditions in the manufacturing sector, rose to 54.5 in De-



ember from 50.0 in November (index values above 50 indicate positive growth while values below 50 indicate contraction). The previous three months were all below 50. Prior to August 2015, the index had been above 50 in every month since July 2009. The production, orders, employment, and inventories components all improved in December but the deliveries component worsened.

REVENUE COLLECTIONS

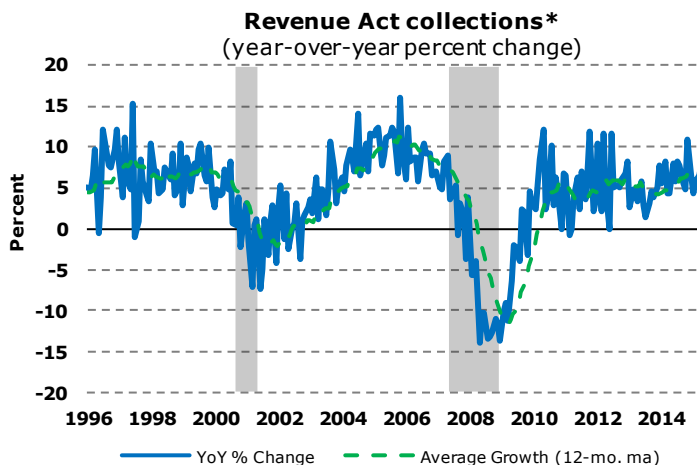
Overview

Major General Fund-State revenue collections for the December 10, 2015 - January 10, 2016 collection period came in \$31.5 million (2.4%) above the November forecast. The forecast included a \$10.8 million audit payment that was supposed to occur this month but did not. The payment is still expected to occur. During the period there was also an \$8.6 million refund that was not included in the forecast, but this was partially offset by a \$4.4 million audit payment. Absent the net refund and missing payment, collections would have been \$46.5 million (3.5%) higher than forecasted.

Cumulatively, collections are now \$15.4 million (0.5%) higher than forecasted. Without the large refund and delayed payment, collections would have been \$34.8 million (1.0%) 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 December 10, 2015 - January 10, 2016 collection period. Collections correspond primarily to the November economic activity of monthly filers.



*Growth adjusted for definition change and unusually large assessment payments, refunds etc.

Revenue Act collections for the current period came in \$14.8 million (1.4%) below the November forecast. The forecast included a \$10.8 million audit payment that was supposed to occur this month but is now expected at a future date. Last month's forecasted audit payment, however, arrived this month, coming in at \$4.4 million. This month also saw a non-forecasted large refund of \$8.6 million. Without the refund, and with the audit payments arriving as expected, collections would have been right on target, only \$0.2 million (0.0%) higher than forecasted.

Cumulatively, Revenue Act collections are now \$26.9 million (1.2%) lower than forecasted. Adjusted for the audit payments and refunds outlined above, however, cumulative collections would have been only \$7.5 million (0.3%) lower than forecasted.

Adjusted for large one-time payments and refunds in the current and year-ago periods, collections grew 8.0% year over year (see figure). The 12-month moving average of year-over-year growth decreased to 6.9%. Seasonally adjusted collections increased over the month (see figure).

As shown in the "Key Revenue Variables" table, unadjusted Revenue Act receipts increased by 5.3% year over year. The preliminary estimate of year-over-year retail sales tax growth is 4.9%. The preliminary estimate of B&O tax growth is 4.6%.

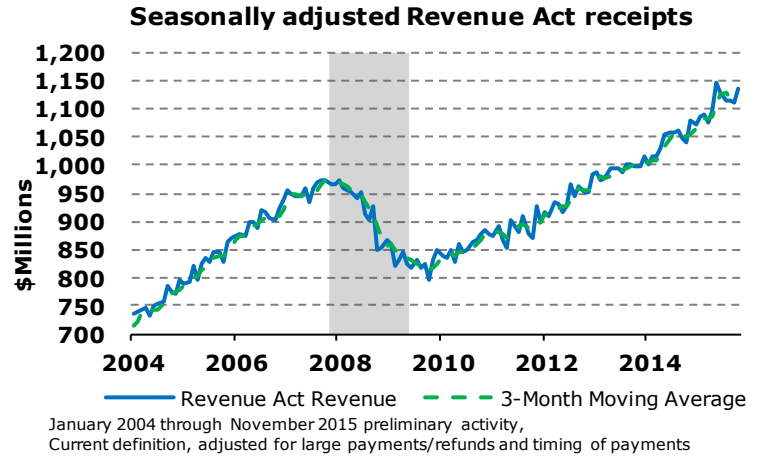
Total tax payments as of December 30th from electronic filers who also paid in the December 11 – January 10 collection period of last year were up 7.3% year over year (payments are mainly Revenue Act taxes but include some non-Revenue Act taxes as well).

Some details of payments from electronic filers:

- Total payments in the retail trade sector were up 4.7% year over year. Last month, payments grew 3.7% year over year.
- Payments from the motor vehicles and parts sector increased by 6.3% year over year. Last month, payments in the sector increased by 11.0% year over year.
- Other retail trade sectors that showed strong growth in payments were nonstore retailers (+16.8%), electronics and appliances (+10.7%), drug and health stores (+10.3%), building materials and garden equipment (+9.9%) and furniture and home furnishings (+6.4%).
- Three retail trade sectors had year-over-year declines in payments. The gas station and convenience store sector, which had a decline of 5.8%, has been showing declines for several months due to the year-over-year decline in gas prices. Payments from food and beverage stores declined by 2.0%, which may be related to continuing difficulties from the Safeway-Albertsons merger and Haggen bankruptcy. Payments from the volatile apparel and accessories sector declined by 3.0%.
- Payments from non-retail trade sectors were up a strong 9.0% year over year in the current period. Last month, year-over-year payments increased 3.9%.
- Payments from the manufacturing sector decreased by 3.5% year over year. Last month payments decreased 13.5% 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 declined very slightly. Excluding the transportation and petroleum sectors, payments from the remaining manufacturing sectors increased by 5.5% year over year.
- Excluding the manufacturing sector, payments from non-retail trade sectors increased 10.3% year over year. Last month, non-retail payments excluding manufacturing increased 5.7%.
- Tax payments by businesses in the accommodation and food services sector increased by 6.3% year over year. Last month receipts from the sector increased 4.7% year over year.
- Tax payments by businesses in the construction sector increased by 16.4% year over year. Last month, payments increased 7.8% year over year.

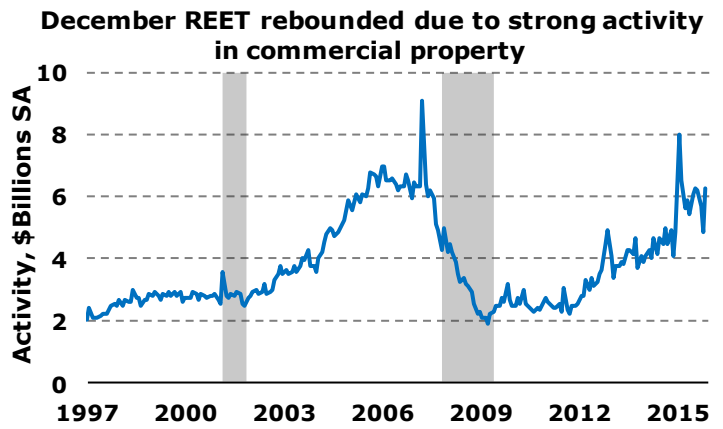
DOR Non-Revenue Act

December collections came in \$47.1 million (19.0%) above the forecast. Cumulatively, collections are \$43.3 million (3.8%) higher than forecasted.



ECONOMIC & REVENUE UPDATE

Much of this month’s surplus was due to real estate excise tax (REET) collections, which came in \$23.1 million (33.0%) higher than forecasted. \$2 million of this surplus was due to late payments from last month. Most of the surplus, however, came from large sales of commercial property. Sales of property valued at \$10 million or more totaled \$2.1 billion, bringing in \$24.6 million in GF-S revenue. Such sales were forecasted to generate only \$4 million. Residential sales were close to their forecasted value. Seasonally adjusted activity rebounded to a level similar to that of October (see figure). Cumulatively, collections are now \$16.0 million (12.2%) higher than forecasted.



Source: ERFC, data through December 2015 preliminary activity

Property tax receipts came in \$9.6 million (8.1%) higher than forecasted. Cumulatively, however, collections are only \$1.8 million (0.2%) higher than forecasted.

Cigarette tax receipts came in \$9.1 million (30.5%) higher than forecasted. Cumulatively, collections are now \$9.4 million (14.9%) higher than forecasted.

As expected given last months’ shortfall, liquor taxes came in \$4.6 million (22.5%) higher than forecasted. Adjusted for an increase in this year’s distribution of taxes to local governments, tax receipts, which represent November sales, increased by 25.3% year over year. Unadjusted receipts increased by 18.6% year over year as reported in the “Key Revenue Variables” table. Cumulatively, collections are now only \$0.4 million (0.9%) lower than forecasted.

Transfers of unclaimed property into the GF-S were \$2.1 million higher than forecasted. Cumulatively, transfers are \$18.0 million (74.8%) higher than forecasted.

Other DOR revenue came in \$1.4 million (14.7%) lower than forecasted. Cumulatively, collections are \$1.5 million (7.0%) lower than forecasted.

Other Revenue

Department of Licensing receipts for December came in \$48,000 (17.8%) higher than the November forecast. Cumulatively, collections are now \$57,000 (11.4%) higher than forecasted.

Revenue from the Administrative Office of the Courts came in \$0.8 million (12.3%) lower than forecasted. Cumulatively, collections are \$1.1 million (7.7%) lower than forecasted.

Key U.S. Economic Variables

| | 2015 | | | | | | 2014 | 2015 |
|--|--------|--------|--------|--------|--------|-------|--------|-------|
| | Jul. | Aug. | Sep. | Oct. | Nov. | Dec. | | |
| Real GDP (SAAR) | - | - | 2.0 | - | - | - | 2.4 | - |
| Industrial Production (SA, 2007 = 100) | 107.5 | 107.7 | 107.5 | 107.1 | 106.5 | - | 105.7 | - |
| <i>Y/Y % Change</i> | 1.3 | 1.5 | 0.8 | 0.3 | -1.2 | - | 3.7 | - |
| ISM Manufacturing Index (50+ = growth) | 52.7 | 51.1 | 50.2 | 50.1 | 48.6 | 48.2 | 55.7 | 51.4 |
| ISM Non-Manuf. Index (50+ = growth) | 60.3 | 59.0 | 56.9 | 59.1 | 55.9 | 55.3 | 56.2 | 57.2 |
| Housing Starts (SAAR, 000) | 1,152 | 1,116 | 1,207 | 1,062 | 1,173 | - | 1,001 | - |
| <i>Y/Y % Change</i> | 5.2 | 15.5 | 17.6 | -1.6 | 16.5 | - | 7.8 | - |
| Light Motor Vehicle Sales (SAAR, mil.) | 17.6 | 17.8 | 18.2 | 18.2 | 18.2 | 17.3 | 16.5 | 17.4 |
| <i>Y/Y % Change</i> | 6.2 | 2.8 | 9.9 | 10.0 | 6.2 | 2.5 | 6.0 | 5.6 |
| CPI (SA, 1982-84 = 100) | 238.1 | 237.9 | 237.6 | 238.0 | 238.1 | - | 236.7 | - |
| <i>Y/Y % Change</i> | 0.2 | 0.2 | 0.0 | 0.1 | 0.4 | - | 1.6 | - |
| Core CPI (SA, 1982-84 = 100) | 242.5 | 242.7 | 243.2 | 243.7 | 244.1 | - | 237.9 | - |
| <i>Y/Y % Change</i> | 1.8 | 1.8 | 1.9 | 1.9 | 2.0 | - | 1.7 | - |
| IPD for Consumption (2009=100) | 109.8 | 109.8 | 109.7 | 109.8 | 109.8 | - | 109.1 | - |
| <i>Y/Y % Change</i> | 0.3 | 0.3 | 0.2 | 0.2 | 0.4 | - | 1.4 | - |
| Nonfarm Payroll Empl., e-o-p (SA, mil.) | 142.1 | 142.2 | 142.4 | 142.7 | 143.0 | 143.2 | 140.6 | 143.2 |
| <i>Monthly Change</i> | 0.22 | 0.15 | 0.15 | 0.31 | 0.25 | 0.29 | 3.12 | 2.65 |
| Unemployment Rate (SA, percent) | 5.3 | 5.1 | 5.1 | 5.0 | 5.0 | 5.0 | 6.2 | 5.3 |
| Yield on 10-Year Treasury Note (percent) | 2.32 | 2.17 | 2.17 | 2.07 | 2.26 | 2.24 | 2.54 | 2.14 |
| Yield on 3-Month Treasury Bill (percent) | 0.03 | 0.07 | 0.02 | 0.02 | 0.13 | 0.23 | 0.03 | 0.05 |
| Broad Real USD Index** (Mar. 1973=100) | 95.7 | 97.4 | 98.1 | 97.2 | 98.5 | 99.4 | 86.4 | 95.7 |
| Federal Budget Deficit (\$ bil.)* | 149.2 | 64.4 | -91.1 | 136.5 | 64.6 | - | 483.6 | - |
| <i>FYTD sum</i> | 465.5 | 530.0 | 438.9 | 136.5 | 201.1 | - | | |
| US Trade Balance (\$ bil.) | -42.4 | -48.8 | -42.5 | -44.6 | -42.4 | - | -508.3 | - |
| <i>YTD Sum</i> | -309.8 | -358.6 | -401.1 | -445.6 | -488.0 | - | | |

*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 | | | | | | 2014 | 2015 | |
|---|---------|---------|---------|---------|---------|-------|---------|-----------------------|--|
| | Jul. | Aug. | Sep. | Oct. | Nov. | Dec. | | | |
| Employment | | | | | | | | <i>End-of-period</i> | |
| Total Nonfarm (SA, 000) | 3,167.0 | 3,169.7 | 3,172.3 | 3,178.2 | 3,183.2 | - | 3,118.9 | - | |
| <i>Change from Previous Month (000)</i> | 6.5 | 2.7 | 2.7 | 5.9 | 5.0 | - | 91.6 | - | |
| Construction | 172.7 | 173.0 | 173.0 | 173.8 | 174.8 | - | 167.8 | - | |
| <i>Change from Previous Month</i> | 0.2 | 0.4 | 0.0 | 0.8 | 1.0 | - | 15.4 | - | |
| Manufacturing | 290.3 | 289.3 | 289.8 | 287.9 | 287.7 | - | 289.5 | - | |
| <i>Change from Previous Month</i> | -0.4 | -0.9 | 0.5 | -1.9 | -0.3 | - | 1.8 | - | |
| Aerospace | 93.4 | 92.5 | 93.1 | 91.6 | 91.7 | - | 93.8 | - | |
| <i>Change from Previous Month</i> | 0.1 | -0.9 | 0.6 | -1.6 | 0.1 | - | -1.2 | - | |
| Software | 55.3 | 55.4 | 56.0 | 56.1 | 56.3 | - | 55.0 | - | |
| <i>Change from Previous Month</i> | 0.0 | 0.1 | 0.6 | 0.0 | 0.2 | - | 0.1 | - | |
| All Other | 2,648.8 | 2,651.9 | 2,653.5 | 2,660.4 | 2,664.4 | - | 2,606.6 | - | |
| <i>Change from Previous Month</i> | 6.8 | 3.1 | 1.6 | 7.0 | 4.0 | - | 74.4 | - | |
| Other Indicators | | | | | | | | <i>Annual Average</i> | |
| Seattle CPI (1982-84=100) | - | 251.6 | - | 250.8 | - | - | 246.0 | - | |
| | - | 1.8% | - | 1.2% | - | - | 1.8% | - | |
| Housing Permits (SAAR, 000) | 31.4 | 42.9 | 37.9 | 35.9 | 41.0 | - | 33.9 | - | |
| | -7.2% | 38.5% | 9.3% | 9.7% | 7.4% | - | 10.0% | - | |
| WA Index of Leading Ind. (2004=100) | 120.4 | 119.9 | 118.6 | 119.8 | 120.5 | - | 117.9 | - | |
| | 1.4% | 1.1% | 0.2% | 0.6% | 0.4% | - | 2.7% | - | |
| WA Business Cycle Ind. (Trend=50) | 59.8 | 59.2 | 59.0 | 60.0 | 58.7 | - | 47.5 | - | |
| | 20.1% | 19.4% | 19.0% | 23.4% | 19.2% | - | 16.6% | - | |
| Avg. Weekly Hours in Manuf. (SA) | 41.7 | 41.6 | 41.6 | 41.3 | 41.2 | - | 41.1 | - | |
| | 2.4% | 0.9% | 0.0% | 0.0% | -0.7% | - | -1.1% | - | |
| Avg. Hourly Earnings in Manuf. | 25.3 | 25.3 | 25.8 | 25.7 | 25.8 | - | 25.2 | - | |
| | 1.6% | 1.8% | 2.2% | 1.9% | 1.3% | - | 3.4% | - | |
| New Vehicle Registrations (SA, 000) | 25.9 | 24.8 | 25.3 | 26.4 | 25.8 | 26.5 | 23.4 | 25.1 | |
| | 8.0% | 3.3% | 5.8% | 9.9% | 12.4% | 6.3% | 5.5% | 7.3% | |
| Initial Unemployment Claims (SA, 000) | 33.9 | 33.5 | 33.7 | 33.6 | 31.7 | 31.9 | 35.8 | 32.4 | |
| | -1.9% | -6.8% | -6.0% | -0.8% | -4.8% | -2.4% | -10.9% | -9.5% | |
| Personal Income (SAAR, \$bil.) | - | - | 372.6 | - | - | - | 350.3 | - | |
| | - | - | 5.9% | - | - | - | 5.8% | - | |
| Median Home Price (\$000) | - | - | 298.0 | - | - | - | 266.0 | - | |
| | - | - | 7.5% | - | - | - | 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 | | | | | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| | 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 | Oct 11- Nov 10 | Nov 11- Dec 10 | Dec 11- Jan 10* |
| Department of Revenue-Total | 1,233,297 | 1,454,827 | 1,064,106 | 1,087,585 | 1,343,402 | 1,926,298 | 1,391,288 | 1,436,608 | 1,307,733 | 1,263,435 | 1,418,988 | 1,980,140 | 1,345,874 |
| | 4.4 | 10.2 | 6.4 | 6.7 | 4.4 | 4.6 | 3.4 | 13.2 | 8.0 | 5.0 | 4.9 | 4.9 | 9.1 |
| Revenue Act | 998,484 | 1,306,827 | 933,831 | 947,271 | 1,110,525 | 990,113 | 1,041,782 | 1,259,975 | 1,152,679 | 1,116,823 | 1,199,762 | 1,089,367 | 1,051,563 |
| | 7.2 | 9.2 | 3.8 | 5.9 | 5.2 | 1.3 | 2.8 | 12.3 | 6.4 | 4.8 | 6.1 | 6.7 | 5.3 |
| Retail Sales Tax | 641,066 | 827,783 | 596,069 | 610,013 | 707,839 | 643,264 | 685,970 | 810,922 | 761,391 | 731,630 | 782,233 | 717,185 | 672,177 |
| | 9.7 | 10.2 | 6.3 | 9.7 | 6.5 | 1.4 | 3.1 | 15.1 | 8.0 | 4.3 | 6.8 | 8.6 | 4.9 |
| Business and Occupation Tax | 266,628 | 368,586 | 238,168 | 237,899 | 308,125 | 258,442 | 263,160 | 341,117 | 286,835 | 283,300 | 321,516 | 281,777 | 278,815 |
| | 4.0 | 11.2 | -0.9 | 1.4 | 9.3 | 2.7 | 2.2 | 6.1 | 1.0 | 4.0 | 5.5 | 5.6 | 4.6 |
| Use Tax | 42,066 | 55,055 | 45,715 | 46,407 | 47,092 | 48,210 | 51,370 | 59,919 | 54,782 | 54,633 | 53,986 | 49,340 | 42,599 |
| | -7.8 | -2.7 | 11.6 | 3.8 | -8.4 | 7.5 | 9.6 | 12.0 | 1.1 | 12.1 | 7.3 | -5.4 | 1.3 |
| Public Utility Tax | 28,193 | 41,766 | 39,250 | 34,550 | 34,963 | 32,317 | 28,486 | 31,894 | 30,563 | 29,051 | 26,493 | 23,357 | 35,250 |
| | -3.7 | 0.6 | -8.7 | -14.9 | -11.0 | -2.0 | -4.2 | 10.3 | 6.7 | 0.9 | -10.3 | -16.2 | 25.0 |
| Tobacco Products Tax | 3,111 | 3,649 | 3,510 | 3,586 | 4,370 | 3,541 | 3,641 | 4,547 | 4,201 | 5,256 | 3,465 | 3,940 | 3,433 |
| | -22.4 | 11.7 | -2.8 | 19.3 | -1.7 | -10.5 | 6.5 | -3.2 | 5.2 | 13.3 | -18.4 | -5.4 | 10.3 |
| Penalties and Interest | 17,420 | 9,987 | 11,118 | 14,816 | 8,137 | 4,339 | 9,155 | 11,576 | 14,907 | 12,954 | 12,068 | 13,769 | 19,290 |
| | 47.8 | -19.4 | -0.6 | -5.8 | -41.2 | -56.2 | -13.6 | 28.9 | 91.7 | 41.7 | 28.5 | 35.6 | 10.7 |
| Non-Revenue Act** | 234,813 | 148,000 | 130,275 | 140,314 | 232,877 | 936,185 | 349,506 | 176,632 | 155,054 | 146,613 | 219,226 | 890,751 | 294,311 |
| | -5.8 | 19.3 | 30.8 | 12.2 | 0.6 | 8.3 | 5.3 | 20.4 | 22.1 | 6.1 | -1.6 | 2.8 | 25.3 |
| Liquor Sales/Liter | 21,026 | 31,373 | 18,620 | 18,420 | 18,898 | 14,475 | 25,964 | 20,233 | 23,842 | 21,597 | 20,457 | 14,883 | 24,935 |
| | 1.2 | 6.1 | -4.7 | 0.4 | 26.2 | -24.5 | 30.6 | 10.0 | -7.2 | 11.2 | -1.2 | -25.4 | 18.6 |
| Cigarette | 33,727 | 38,862 | 22,640 | 21,000 | 33,954 | 36,889 | 36,289 | 37,124 | 34,012 | 34,363 | 29,127 | 33,547 | 38,969 |
| | -3.0 | 8.5 | 0.1 | -24.7 | 5.5 | 11.8 | 6.6 | -5.7 | 4.6 | -7.5 | -19.3 | 10.7 | 15.5 |
| Property (State School Levy) | 111,864 | 11,455 | 6,447 | 30,415 | 93,229 | 791,712 | 162,494 | 12,296 | 7,225 | 10,051 | 40,137 | 735,696 | 127,461 |
| | -13.5 | -6.6 | 4.9 | 6.1 | -17.2 | 7.6 | -4.2 | 8.4 | 11.5 | 16.9 | -3.9 | 1.0 | 13.9 |
| Real Estate Excise | 55,561 | 42,057 | 68,343 | 58,972 | 67,633 | 61,865 | 93,063 | 86,561 | 82,660 | 76,591 | 70,343 | 54,172 | 92,822 |
| | 2.1 | 31.1 | 122.9 | 43.8 | 42.7 | 11.3 | 37.6 | 38.4 | 49.0 | 21.0 | 19.1 | 1.5 | 67.1 |
| Unclaimed Property | 479 | 3,144 | 2,776 | 700 | -338 | -2,446 | -5,671 | -1,439 | -3,266 | -3,427 | 42,500 | 39,946 | 2,135 |
| | -156.4 | -152.4 | -60.8 | -128.4 | -109.9 | -49.1 | 79.3 | -61.0 | -27.3 | 52.2 | 3.2 | 47.9 | 346.1 |
| Other | 12,156 | 21,108 | 11,448 | 10,807 | 19,502 | 33,691 | 37,367 | 21,857 | 10,580 | 7,438 | 16,662 | 12,507 | 7,989 |
| | 11.3 | 4.0 | -15.5 | -6.6 | -6.4 | 29.5 | -15.0 | 16.8 | -6.8 | -37.6 | -30.6 | 61.4 | -34.3 |
| Department of Licensing** | 296 | 270 | 386 | 704 | 1,213 | 3,871 | 6,416 | 3,044 | 1,009 | 474 | 355 | 244 | 315 |
| | 10.9 | -12.2 | 12.8 | 25.7 | 12.6 | 3.6 | 9.7 | -4.9 | -4.8 | -19.2 | -4.6 | 3.7 | 6.7 |
| Administrative Office of the Courts** | 6,301 | 6,675 | 6,050 | 7,219 | 7,976 | 7,881 | 6,689 | 6,792 | 7,387 | 6,779 | 6,607 | 7,744 | 5,583 |
| | 1.2 | -7.4 | -3.3 | 0.4 | 3.5 | 4.1 | -3.7 | -1.8 | 2.8 | 6.6 | -12.8 | 2.1 | -11.4 |
| Total General Fund-State*** | 1,239,893 | 1,461,771 | 1,070,541 | 1,095,508 | 1,352,591 | 1,938,050 | 1,404,394 | 1,446,444 | 1,316,129 | 1,270,688 | 1,425,950 | 1,988,128 | 1,351,773 |
| | 4.4 | 10.1 | 6.4 | 6.6 | 4.4 | 4.6 | 3.4 | 13.1 | 8.0 | 5.0 | 4.8 | 4.9 | 9.0 |

*Revenue Act components: ERFC preliminary estimates

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

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

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

Revenue Forecast Variance

Thousands of Dollars

| Period/Source | Estimate* | Actual | Difference Amount | Percent |
|--|--------------------|--------------------|-------------------|-------------|
| December 11, 2015 - January 10, 2016 | | | | |
| January 10, 2016 Collections Compared to the November 2015 Forecast | | | | |
| Department of Revenue-Total | \$1,313,639 | \$1,345,874 | \$32,235 | 2.5% |
| Revenue Act** (1) | 1,066,388 | 1,051,563 | (14,825) | -1.4% |
| Non-Revenue Act(2) | 247,250 | 294,311 | 47,061 | 19.0% |
| Liquor Sales/Liter | 20,351 | 24,935 | 4,583 | 22.5% |
| Cigarette | 29,861 | 38,969 | 9,108 | 30.5% |
| Property (State School Levy) | 117,900 | 127,461 | 9,561 | 8.1% |
| Real Estate Excise | 69,771 | 92,822 | 23,050 | 33.0% |
| Unclaimed Property | 0 | 2,135 | 2,135 | NA |
| Other | 9,366 | 7,989 | (1,378) | -14.7% |
| Department of Licensing (2) | 268 | 315 | 48 | 17.8% |
| Administrative Office of the Courts (2) | 6,369 | 5,583 | (787) | -12.3% |
| Total General Fund-State*** | \$1,320,276 | \$1,351,773 | \$31,497 | 2.4% |

Cumulative Variance Since the November Forecast (November 11, 2015 - January 10, 2016)

| | | | | |
|-------------------------------------|--------------------|--------------------|-----------------|-------------|
| Department of Revenue-Total | \$3,309,598 | \$3,326,015 | \$16,417 | 0.5% |
| Revenue Act** (3) | 2,167,860 | 2,140,953 | (26,907) | -1.2% |
| Non-Revenue Act(4) | 1,141,738 | 1,185,062 | 43,324 | 3.8% |
| Liquor Sales/Liter | 40,193 | 39,818 | (375) | -0.9% |
| Cigarette | 63,130 | 72,517 | 9,387 | 14.9% |
| Property (State School Levy) | 861,359 | 863,157 | 1,798 | 0.2% |
| Real Estate Excise | 130,955 | 146,993 | 16,038 | 12.2% |
| Unclaimed Property | 24,074 | 42,081 | 18,007 | 74.8% |
| Other | 22,027 | 20,495 | (1,532) | -7.0% |
| Department of Licensing (4) | 502 | 559 | 57 | 11.4% |
| Administrative Office of the Courts | 14,446 | 13,327 | (1,119) | -7.7% |
| Total General Fund-State*** | \$3,324,546 | \$3,339,901 | \$15,355 | 0.5% |

1 Collections December 11, 2015 - January 10, 2016. Collections primarily reflect November 2015 activity of monthly filers

2 December 2015 collections.

3 Cumulative collections, estimates and variance since the November 2015 forecast; (November 11, 2015 - January 10, 2016) and revisions to history.

4 Cumulative collections, estimates and variance since the November forecast (November - December 2015) and revisions to history.

* Based on the November 2015 economic and revenue forecast released November 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.