



ECONOMIC & REVENUE UPDATE

March 11, 2013

summary

Summary

- **U.S. Disposable personal income decreased by 4.0% in January.**
- **Auto and light truck sales remained strong for a fourth straight month.**
- **Across-the-board federal budget cuts went into effect March 1, 2013.**
- **Washington housing construction remains strong.**
- **Washington exports grew in 2012 but at a slower rate than in 2011.**
- **Washington manufacturing continues to grow, although at a slower rate.**
- **Major General Fund-State revenue collections for the February 11 – March 10, 2013 collection period were \$41.6 million (4.6%) higher than the November forecast.**
- **Most of this month's variance was due to the timing of Revenue Act payments, so payments in the next two months will likely be less than forecasted in November.**
- **Cumulative General Fund-State collections are now \$125.5 million (2.5%) greater than forecasted.**

United States

Real disposable personal income (DPI) decreased by 4.0% in January after having increased by 2.7% in December. The January 1st increase in the payroll tax as well as a shift in an estimated \$720 million in dividend and wage income into the fourth quarter of 2012 to avoid expected tax increases were largely responsible for the decline in January DPI. Despite the decline in DPI, real personal consumption expenditures increased by 0.1% in January.

Growth in real U.S. Gross Domestic Product (GDP) for the fourth quarter of 2012 was revised up from -0.1% to +0.1% (seasonally adjusted annual rate, SAAR). For the full year, real GDP increased by 2.2% in 2012, an improvement over the 1.8% growth rate for 2011.

February light motor vehicle (LMV) sales were 15.3 million units (SAAR), essentially unchanged from January sales. Vehicle sales have remained above 15 million units for four consecutive months, with sales incentives, improving credit availability, and the need to replace aging vehicles appearing to outweigh the impacts of the payroll tax increase or other consumer concerns.

Across-the-board federal budget cuts ("sequester") went into effect on March 1st. If these budget cuts are not rescinded by Congressional action, they could reduce federal government spending by \$53 billion between March and September of this year.

Nonfarm payroll employment (private sector and government) in the U.S. increased by 236,000 jobs in February and the unemployment rate decreased to 7.7%. Notable employment gains occurred in professional and business services (73,000), construction (48,000), health care (32,000), and retail trade (24,000), while government employment declined by 10,000 jobs. Monthly employment data for January was revised downward by 38,000 while December employment was revised up by 23,000.

Initial claims for unemployment insurance decreased by 7,000 to 340,000 (SA) in the week

united states

ending March 2nd. The four-week moving average for initial claims was 348,750, a decrease of 7,000 from the previous week. Layoff announcements, as tracked by outplacement firm Challenger, Gray, and Christmas, increased for the second straight month to 55,356 in February. This is 37.0% higher than January's announced job cuts and 7.0% above the February 2012 level.

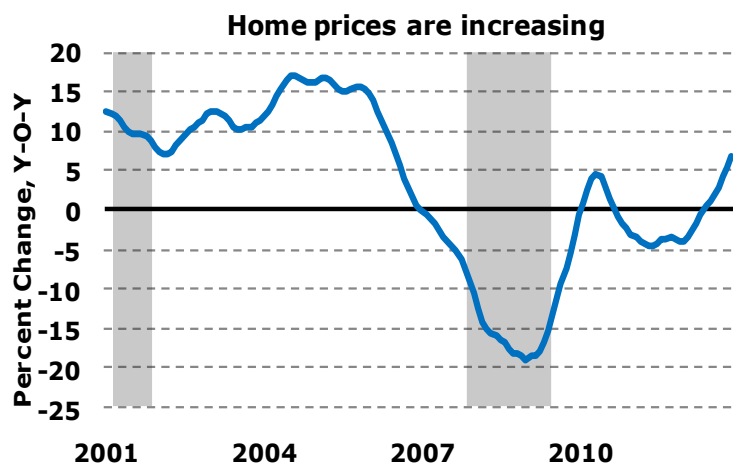
The American Trucking Association's truck tonnage index increased 2.9% (SA) in January after having increased by a revised 2.4% in December. On a year-over-year basis, the index was up 6.5% (SA), the best year-over-year result since December 2011. Rail carloads were 2.3% higher (SA) in February than in January, while intermodal units (shipping containers or truck trailers) were 3.0% higher (SA) in February than in January.

Consumers appear to have recovered from the uncertainty regarding the fiscal cliff and higher payroll taxes. The Conference Board index of consumer confidence increased by 11.2 points to 69.6 in February after having dropped in January. The University of Michigan consumer sentiment survey for February increased by 3.8 points to 77.6, explained primarily by a more positive view of the employment situation.

Industrial production declined 0.1% (SA) in January, following a 0.4% (SA) increase in December. The Institute for Supply Management's manufacturing Purchasing Managers Index for February increased 1.1 points to 54.2, indicating expansion in the manufacturing sector for the third straight month. Readings above 50 indicate growth. The non-manufacturing index increased from 55.2 to 56.0 in February and has remained above 50 for 38 straight months. Core capital goods orders (i.e. durables excluding aircraft and military) which are a proxy for business investment, increased 6.3% (SA) in January, after decreasing 0.3% (SA) in December and increasing 3.3% (SA) in November.

Although gasoline prices had been on the rise since the start of the year, they dropped slightly to \$3.76 per gallon (regular, all formulations) for the week ending March 4th from the previous week's price of \$3.78 per gallon. Spot prices for oil have also decreased recently, with Brent petroleum at \$112 per barrel for the week ending March 1st, about \$3 lower than spot prices in mid-February. Spot prices for West Texas Intermediate (WTI) crude followed a similar pattern. For the week ending March 1st, WTI was \$92 per barrel, almost \$5 below prices for the week ending February 15th.

Data from the housing market continue to be positive. Existing homes sales in January were up 0.4% (SAAR) from the December level and were 9.1% (SAAR) above the year-ago sales rate. January new home sales increased by 15.6% above December sales (SAAR) and 28.9% above the year-ago level. The seasonally adjusted Case-Shiller 20-city home price index has now increased for eleven consecutive months through December 2012 (see figure). The index is now 6.9%



above the year-ago level (SA), marking seven straight months of year-over-year growth in house prices. Seasonally adjusted housing starts in January were 8.5% below their December level but 23.6% above the January 2012 level. January housing permits were 1.8% (SAAR) above December and 35.2% above their year-ago level.

Washington

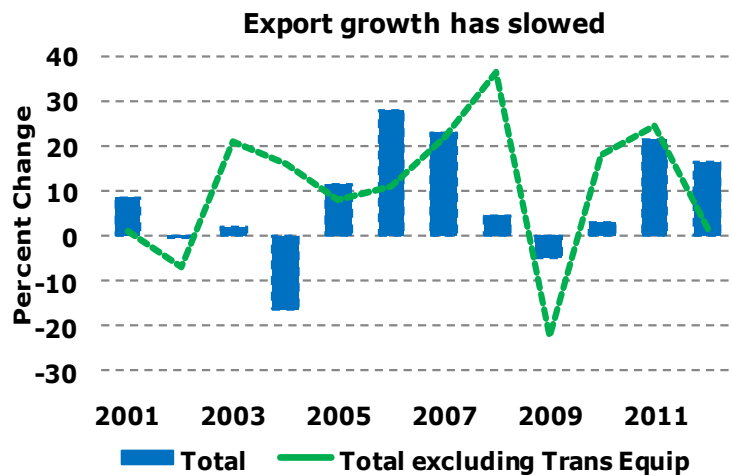
Since the November forecast, employment has grown slightly stronger than expected. However, revisions to historic data have reduced employment levels, with the net effect being 4,600 (0.2%) fewer jobs in January 2013 than expected in the November forecast. As expected in the November forecast, manufacturing employment growth remains strong, adding 2,900 jobs in the last three months (the forecast expected only 1,000 jobs). Construction employment growth has now turned positive. The construction sector added 3,000 jobs in November, December, and January (the forecast was for an increase of 1,100). Government employment, however, remained weak with a loss of 400 jobs during the last three months.

Housing construction in Washington continues to strengthen. January housing permits came in at a robust 36,700 seasonally adjusted annual rate comprised of 19,000 single-family units and 17,600 multi-family units. This follows a strong fourth quarter which averaged 31,000 (SAAR) building permits, the highest total since the second quarter of 2008.

Regional home prices are continuing to rise. Seasonally adjusted Seattle area home prices increased a strong 1.0% (not annualized) in December 2012, following a 1.4% increase in November and a 0.5% increase in October. Seattle home prices have risen in 9 of the last 10 months and are up 8.2% over the previous December.

Washington new car sales slowed in February but remained strong. New vehicle registrations in February were 267,600, down from January's 274,200 but over 20% higher than in February 2012. Washington car sales have now recovered nearly all the ground lost during the recession. The average rate so far in 2013 is 63% over the average in 2009 and only 6.6% lower than sales in 2006 which was the pre-recession peak. Consumers put off replacing vehicles during the recession and pent-up demand is likely driving the rebound in vehicle sales.

Export growth weakened but remained positive in 2012. Total Washington exports rose 16.6% in 2012, down slightly from the 21.4% growth rate in 2011. The continued strong growth in exports was mostly due to acceleration in exports of transportation equipment (mostly aircraft) from a 17.4% growth rate in 2011 to 36.0% in 2012. Outside of transportation equipment, exports struggled to maintain positive growth, slowing from 24.6% in 2011 to just 1.7% in 2012 (see figure).



The manufacturing sector weakened in February but continues to indicate growth according to Western Washington's purchasing managers. The Western Washington Institute of Supply Management composite index declined to 56.3 in February from 60.2 in January (above 50 indicates positive growth). The last time the Western Washington index was below 50 was in July 2009.

Inflation in the Seattle metropolitan area has cooled substantially in the last six months. As of December 2012, the all items Seattle CPI was up just 1.4% over the previous December, down from 2.7% inflation in June. Seattle core inflation in December 2012 was

1.6%, down from 3.0% just six months earlier. The main reason for the reduction in inflation was shelter costs which rose 3.9% year over year in June but only 2.1% in December. On an annual average basis, Seattle inflation slowed to 2.5% in 2012 from 2.7% in 2011.

REVENUE COLLECTIONS

Overview

Major General Fund-State revenue collections for the February 11 – March 10, 2013 collection period were \$41.6 million (4.6%) higher than the November forecast. Most of this month’s variance, however, was due to a difference in the timing of Revenue Act collections relative to the forecast. This month’s \$40.7 million positive variance in Revenue Act collections indicates payments in the next two months will likely be less than forecasted in November.

Cumulative General Fund-State (GF-S) collections are now \$125.5 million (2.5%) greater than forecasted. During the last three months, however, there has been a net of \$9.8 million in large one-time Revenue Act payments and refunds for taxable activity prior to the current collection period. In addition, this month there was a temporary \$3.5 million estate tax payment which will be transferred out of the GF-S in the future. Adjusted for these factors, the cumulative forecast variance is \$112.1 million (2.2%).

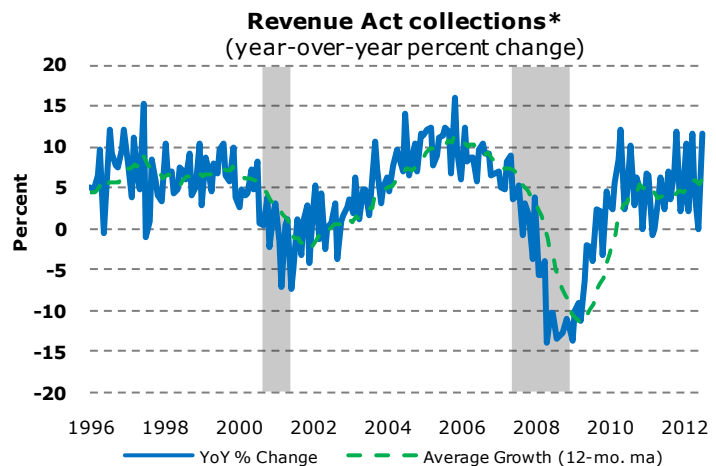
Revenue Act

The revenue collections reported here are for the February 11, 2013 – March 10, 2013 collection period. Collections correspond primarily to the January 2013 economic activity of monthly filers.

Revenue Act collections for the current period came in \$40.7 million (5.0%) above the November forecast. During the period there was a \$5.0 million refund related to taxable activity prior to the current collection period. Without this refund, collections would have been \$45.7 million (5.6%) more than forecasted.

Adjusted for large one-time payments and refunds in the current and year-ago periods, year-over-year Revenue Act collections grew at 11.6% (see figure). As this growth rate is considerably higher than the average growth of recent months, it is likely that this month’s positive variance was mainly due to the timing of tax payments rather than a sudden increase in economic activity. While some of the year-over-year growth came from reduced January 2012 payments resulting from that month’s severe winter storms, much of it is likely due to a change in payment patterns relative to last year’s payments that was also noticeable in the collections of the last 3 months. In those months, December 10th collections grew at 11.6% year-over-year but this growth was followed by growth rates of 5.4% and 0.0%. Collections for the next two months are therefore likely to be lower than forecasted in November. This month’s upward jump is noticeable in the chart of seasonally adjusted collections (see figure).

Cumulative collections are now \$70.4 million (1.9%) above the November forecast. Since the forecast, however, there has been a net of \$9.8 million in

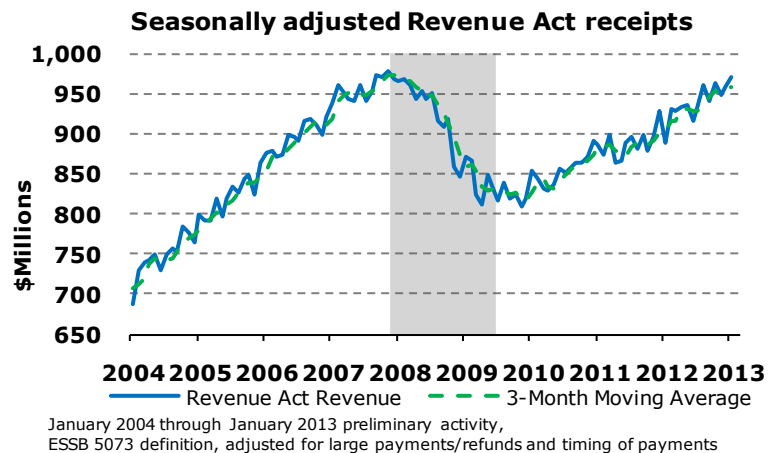


*Growth adjusted for definition change and unusually large assessment payments, refunds etc.

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large one-time Revenue Act payments and refunds for taxable activity prior to the current collection period. Without these payments, cumulative collections would have been \$60.4 million (1.6%) greater than forecasted.

As shown in the "Key Revenue Variables" table, unadjusted Revenue Act receipts increased by 9.8% year-over-year. The preliminary estimate of B&O tax growth is 18.3% year-over-year and the preliminary estimate of retail sales tax growth is 7.6%.



Total tax payments as of February 27th from electronic filers who also paid in the February 11 – March 10 collection period of last year were up 14.2% year-over-year (payments are mainly Revenue Act taxes but include some non-Revenue Act taxes as well). Last month, total payments increased by 2.6%.

Some details of payments from electronic filers:

- Total payments in the retail trade sector, the sector most affected by last year's storms, were up 21.1% year-over-year. Last month, payments grew 7.7%. Stores that now sell spirits saw payments jump even more, with payments from food and beverage stores increasing 43.5% year-over-year and payments from general merchandise stores increasing 24.9%. Excluding food and beverage stores and general merchandise stores, payments from the retail trade sector would still have grown by 17.5%.
- Payments from the motor vehicles and parts sector, also affected by winter storms last year, increased by 20.1% year-over-year. Last month, year-over-year payments increased 9.2%.
- Most retail trade sectors showed strong growth in payments. Exceptionally strong growth was seen in sporting goods, toys and music stores (+30.3%), apparel and accessories (+25.8%) and nonstore retailers (+17.7%). No retail trade sector saw a year-over-year decrease in payments.
- Payments from non-retail trade sectors were up 10.3% year-over-year in the current period but were down 1.0% in the previous period.
- Payments from the manufacturing sector were up 8.9% year-over-year. Last month payments decreased 20.2% year-over-year. This month saw moderate increases in payments from both the transportation equipment sector and the petroleum refining sector. Without the petroleum and transportation equipment sectors, payments from the manufacturing sector would have increased 11.2% year-over-year.
- Excluding the manufacturing sector, payments from non-retail trade sectors increased 10.4%. Last month, non-retail payments excluding manufacturing increased 1.1%.
- Tax payments by businesses in the construction sector increased by 17.2% year-over-year, due largely to last year's storm. Last month, payments increased 5.9%.

DOR Non-Revenue Act

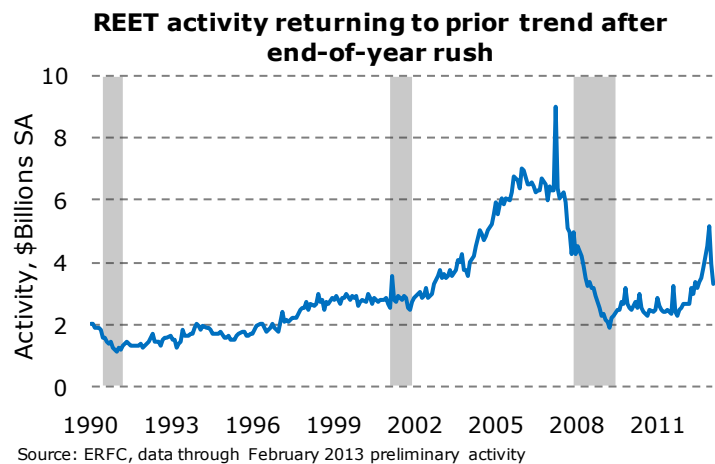
February collections came in \$80,000 (0.1%) above the forecast. During the period, however, there was a \$3.5 million estate tax payment that is temporarily part of the GF-S due to administrative procedures but will be transferred to a non-GF-S fund in the future.

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Without this payment, collections would have been \$3.5 million (3.9%) lower than forecasted. Cumulatively, DOR non-Revenue Act collections are now \$55.5 million (4.4%) higher than forecasted (\$52.0 million without the estate tax payment).

Real estate excise tax (REET) once again came in higher than forecasted, beating the November estimate by \$4.6 million (21.6%). REET collections had been exceeding the forecast due to accelerated year-end sales ahead of the January 2013 increases in federal capital gains and dividend taxes.

As this month's collections are mainly from 2013 activity, they represent stronger-than-anticipated sales independent of the year-end rush. February, however, is the smallest collection month and has very volatile sales, so this month's variance may not be an indicator of future strength. Seasonally adjusted activity decreased once again, reflecting a return to its previous trend after the year-end rush (see figure). REET collections are now cumulatively \$51.6 million (40.5%) above the November forecast.



Liquor taxes came in \$3.0 million (16.7%) above the forecast. Adjusted for a decrease in this year's distribution of taxes to local governments, tax receipts increased by 26.0% year-over-year. Unadjusted receipts increased by 41.8% as reported in the "Key Revenue Variables" table. Cumulatively, liquor taxes are now \$3.6 million (3.9%) above the November forecast.

"Other" revenue came in \$3.2 million (32.6%) above the forecast, but this variance was due to the temporary \$3.5 million estate tax payment mentioned above. Cumulatively, "other" revenue is now \$6.6 million (7.6%) greater than forecasted.

As anticipated in last month's report, cigarette taxes came in below the forecast. February collections were \$10.4 million (31.8%) lower than forecasted. Some of the shortfall was due to a greater-than-expected fraction of tax stamps that were paid for in January rather than deferred for payment in February. The rest of the shortfall reflected other payment-timing issues which should result in higher-than-forecasted collections over the next two months. Cumulatively, collections are now \$5.7 million (4.3%) lower than forecasted.

February property tax collections came in \$0.2 million (3.8%) below the forecast. Cumulatively, property tax collections are now \$0.4 million (0.0%) below the forecast.

Other Revenue

Department of Licensing receipts for February came in \$127,000 (42.1%) higher than the November forecast. Cumulatively, receipts are now \$272,000 (28.0%) above the forecast.

Revenue from the Administrative Office of the Courts was \$0.7 million (10.8%) higher than forecasted. Cumulative receipts are now \$0.6 million (2.0%) less than forecasted.

Key U.S. Economic Variables

	2012			2013			2011	2012
	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.		
Real GDP (SAAR)	3.1	-	-	0.1	-	-	1.8	2.2
Industrial Production (SA, 2002 = 100)	97.2	97.0	98.3	98.7	98.6	-	93.7	97.3
<i>Y/Y % Change</i>	3.0	2.1	3.4	2.9	2.1	-	4.1	3.8
ISM Manufacturing Index (50+ = growth)	51.5	51.7	49.5	50.7	53.1	54.2	55.2	51.9
ISM Non-Manuf. Index (50+ = growth)	55.1	54.2	54.7	56.1	55.2	56.0	54.5	54.5
Housing Starts (SAAR, 000)	843	889	841	973	890	-	612	781
<i>Y/Y % Change</i>	30.3	41.1	18.8	39.6	23.6	-	4.5	27.6
Light Motor Vehicle Sales (SAAR, mil.)	14.9	14.3	15.5	15.4	15.3	15.4	12.8	14.5
<i>Y/Y % Change</i>	13.7	7.2	14.7	12.9	9.4	6.1	10.8	12.9
CPI (SA, 1982-84 = 100)	231.2	231.6	231.1	231.1	231.2	-	224.9	229.6
<i>Y/Y % Change</i>	2.0	2.2	1.8	1.8	1.6	-	3.1	2.1
Core CPI (SA, 1982-84 = 100)	230.6	231.0	231.3	231.5	232.1	-	225.0	229.8
<i>Y/Y % Change</i>	2.0	2.0	1.9	1.9	1.9	-	1.7	2.1
IPD for Consumption (2000=100)	116.3	116.5	116.3	116.3	116.3	-	113.8	115.8
<i>Y/Y % Change</i>	1.6	1.8	1.5	1.4	1.2	-	2.4	1.8
Nonfarm Payroll Empl., e-o-p (SA, mil.)	134.1	134.2	134.5	134.7	134.8	135.0	132.5	134.7
<i>Monthly Change</i>	0.14	0.16	0.25	0.22	0.12	0.24	2.10	2.19
Unemployment Rate (SA, percent)	7.8	7.9	7.8	7.8	7.9	7.7	9.0	8.1
Yield on 10-Year Treasury Note (percent)	1.72	1.75	1.65	1.72	1.91	1.98	2.79	1.80
Yield on 3-Month Treasury Bill (percent)	0.11	0.10	0.09	0.07	0.07	0.10	0.05	0.09
Broad Real USD Index** (Mar. 1973=100)	83.9	83.7	83.9	83.3	83.1	83.8	82.6	84.3
Federal Budget Deficit (\$ bil.)*	-75.2	120.0	172.1	1.2	-2.9	-	1,296.8	1,089.2
<i>FYTD sum</i>	1,089.2	120.0	292.1	293.3	290.4	-		
US Trade Balance (\$ bil.)	-40.3	-42.0	-48.2	-38.1	-44.4	-	-559.9	-539.5
<i>YTD Sum</i>	-411.1	-453.1	-501.4	-539.5	-584.0	-		

*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

	2012			2013			2011	2012
	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.		
Employment								<i>End-of-period</i>
Total Nonfarm (SA, 000)	2,882.1	2,886.5	2,891.3	2,895.5	2,903.3	-	2,840.9	2,895.5
Change from Previous Month (000)	-1.0	4.4	4.9	4.1	7.8	-	37.7	54.6
Construction	139.0	140.0	140.6	141.6	143.0	-	136.0	141.6
Change from Previous Month	-0.4	1.0	0.6	1.0	1.4	-	-1.7	5.6
Manufacturing	282.7	283.3	284.7	285.5	286.3	-	274.2	285.5
Change from Previous Month	-0.4	0.6	1.4	0.8	0.7	-	13.2	11.3
Aerospace	96.3	95.9	96.5	97.0	97.3	-	90.9	97.0
Change from Previous Month	0.6	-0.4	0.6	0.5	0.3	-	9.0	6.1
Software	52.6	52.6	52.8	52.9	52.6	-	52.1	52.9
Change from Previous Month	-0.1	0.1	0.1	0.1	-0.2	-	0.9	0.8
All Other	2,407.9	2,410.5	2,413.3	2,415.5	2,421.4	-	2,378.6	2,415.5
Change from Previous Month	0.0	2.6	2.8	2.2	6.0	-	25.3	36.9
Other Indicators								<i>Annual Average</i>
Seattle CPI (1982-84=100)	-	241.4	-	238.0	-	-	116.5	119.4
	-	2.3%	-	1.4%	-	-	2.8%	2.4%
Housing Permits (SAAR, 000)	29.7	28.7	34.2	31.6	37.3	-	20.9	28.5
	51.1%	74.7%	39.7%	30.0%	110.8%	-	6.2%	35.9%
WA Index of Leading Ind. (2004=100)	115.0	115.8	116.2	117.0	117.4	-	111.2	114.6
	2.8%	3.7%	2.8%	3.3%	4.8%	-	6.0%	3.1%
WA Business Cycle Ind. (Trend=50)	31.2	33.3	39.8	38.5	42.2	-	19.1	30.4
	69.1%	96.6%	80.7%	54.0%	115.3%	-	48.8%	59.0%
Avg. Weekly Hours in Manuf. (SA)	41.6	42.2	42.1	42.1	-	-	42.4	41.9
	-2.1%	-0.5%	-1.5%	0.0%	-	-	1.2%	-1.1%
Avg. Hourly Earnings in Manuf.	24.0	24.2	24.4	24.7	-	-	24.0	24.2
	0.7%	1.0%	1.0%	2.0%	-	-	2.1%	0.7%
New Vehicle Registrations (SA, 000)	20.1	21.1	20.7	20.7	22.8	22.3	17.0	19.8
	20.9%	26.9%	13.8%	12.7%	26.5%	20.4%	9.9%	16.6%
Initial Unemployment Claims (SA, 000)	43.0	41.1	43.2	39.5	40.7	38.9	49.9	44.6
	-9.9%	-16.1%	-9.2%	-8.1%	-22.9%	-13.6%	-11.8%	-10.6%
Personal Income (SAAR, \$bil.)	313.9	-	-	-	-	-	299.7	-
	4.4%	-	-	-	-	-	5.8%	-
Median Home Price (\$000)	243.1	-	-	242.5	-	-	224.4	232.5
	7.9%	-	-	11.8%	-	-	-8.5%	3.6%

*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

	2012						2013					
	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	Jan 11- Feb 10	Feb 11- Mar 10*
Department of Revenue-Total	937,324 7.7	1,137,572 -14.8	1,693,935 3.2	1,270,633 0.0	1,116,873 2.2	1,061,104 4.0	1,093,845 10.0	1,204,793 5.7	1,765,423 8.5	1,181,039 10.3	1,287,497 1.4	942,514 8.9
Revenue Act	813,701 6.0	955,769 -19.0	865,462 0.5	913,691 11.9	997,454 1.5	930,247 3.4	978,985 9.2	998,628 2.3	932,829 10.4	913,153 10.0	1,150,101 1.3	853,541 9.8
Retail Sales Tax	496,275 8.3	573,036 -13.8	527,329 0.6	563,227 11.4	619,525 3.1	592,123 3.6	612,625 8.3	622,517 2.4	581,784 10.2	577,469 5.6	715,134 2.5	501,217 7.6
Business and Occupation Tax	230,858 5.0	286,091 -16.6	252,983 5.4	266,304 15.5	291,723 0.8	255,147 1.3	283,512 11.3	292,223 2.5	270,761 13.7	250,742 18.8	336,737 -1.1	260,584 18.3
Use Tax	37,187 2.8	47,458 -56.5	39,617 -4.4	43,499 11.7	44,514 -9.6	43,689 12.6	40,710 9.6	44,502 6.0	37,794 4.1	41,793 33.8	46,676 6.3	41,505 18.7
Public Utility Tax	37,340 2.1	36,047 -9.9	32,770 -3.1	28,036 -7.1	28,612 2.9	25,441 1.4	27,731 4.5	25,746 -6.8	28,514 2.6	30,374 -2.1	36,867 -7.4	40,896 1.8
Tobacco Products Tax	3,300 -1.1	3,746 -7.6	3,700 -4.3	3,882 -8.5	3,644 -15.9	3,884 -3.0	3,873 -13.2	3,146 -25.8	3,145 -20.6	3,468 -3.5	3,475 -2.2	3,646 -3.1
Penalties and Interest	8,742 -35.0	9,391 -50.5	9,063 -49.0	8,744 22.6	9,436 -17.8	9,961 13.2	10,533 30.1	10,494 13.7	10,831 1.6	9,307 47.4	11,212 8.5	5,693 -53.4
Non-Revenue Act**	123,623 20.2	181,803 17.1	828,473 6.2	356,942 -21.3	119,419 9.1	130,858 8.9	114,860 17.9	206,164 26.4	832,594 6.5	267,886 11.4	137,396 2.3	88,972 1.2
Liquor Sales/Liter	15,940 9.7	17,799 11.1	16,306 0.9	20,002 20.5	19,416 12.6	26,234 40.9	24,032 34.3	20,300 19.4	21,303 26.0	21,568 21.0	31,136 26.8	21,122 41.8
Cigarette	32,932 17.9	33,406 17.4	34,027 42.0	38,519 -64.3	31,927 -18.0	39,614 -3.4	34,893 -7.1	36,228 5.3	37,100 5.2	30,050 -15.5	37,191 18.4	22,316 -29.8
Property (State School Levy)	31,469 22.4	69,804 3.6	697,392 0.4	198,703 7.5	12,949 36.4	6,545 -10.3	10,389 -1.8	36,286 -6.9	676,660 3.4	140,457 -3.7	8,777 -9.1	5,904 -2.0
Real Estate Excise	31,182 12.1	39,445 37.1	35,731 31.8	54,062 38.3	36,940 18.6	48,957 7.4	36,155 16.5	49,081 108.5	53,398 79.5	63,154 93.5	36,918 64.3	25,825 14.8
Timber (state share)	0 NA	0 NA	620 -24.9	0 NA	0 NA	804 -31.1	0 NA	0 NA	795 -17.0	0 NA	0 NA	618 -39.4
Other	12,099 76.5	21,350 43.8	44,398 161.5	45,656 -56.5	18,188 52.8	8,704 35.1	9,393 2,496.3	64,270 31.4	43,338 -3.1	12,657 49.1	23,375 -49.3	13,188 13.4
Department of Licensing**	538 3.3	2,161 24.7	2,775 -3.0	5,079 -19.4	3,384 12.7	1,308 -4.6	513 0.5	358 19.0	260 6.2	245 11.0	307 58.0	430 40.2
Lottery**	0 NA	0 NA	0 NA	0 NA	0 NA	0 NA	0 NA	0 NA	0 NA	0 NA	0 NA	0 NA
Administrative Office of the Courts**	8,522 4.4	8,356 -10.8	8,375 -0.3	8,158 2.0	7,571 -10.0	7,957 0.0	7,431 -14.0	7,303 -8.4	8,667 4.7	6,853 -8.2	6,462 -12.7	6,924 11.5
Total General Fund-State***	946,385 7.6	1,148,089 -14.7	1,705,086 3.2	1,283,871 -0.6	1,127,829 2.2	1,070,369 4.0	1,101,789 9.8	1,212,454 5.6	1,774,349 8.5	1,188,138 10.2	1,294,266 1.3	949,868 8.9

*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

<u>Period/Source</u>	<u>Estimate*</u>	<u>Actual</u>	<u>Difference Amount</u>	<u>Percent</u>
February 11, 2013 - March 10, 2013				
March 10, 2013 Collections Compared to the November 2012 Forecast				
Department of Revenue-Total	\$901,730	\$942,514	\$40,784	4.5%
Revenue Act** (1)	812,838	853,541	40,704	5.0%
Non-Revenue Act(2)	88,892	88,972	80	0.1%
Liquor Sales/Liter	18,097	21,122	3,026	16.7%
Cigarette	32,735	22,316	(10,419)	-31.8%
Property (State School Levy)	6,140	5,904	(236)	-3.8%
Real Estate Excise	21,230	25,825	4,595	21.6%
Timber (state share)	743	618	(125)	-16.8%
Other	9,948	13,188	3,239	32.6%
Department of Licensing (2)	303	430	127	42.1%
Lottery (5)	0	0	0	0.0%
Administrative Office of the Courts (2)	6,249	6,924	676	10.8%
Total General Fund-State***	\$908,282	\$949,868	\$41,586	4.6%

Cumulative Variance Since the November Forecast (November 11, 2012 - March 10, 2013)

Department of Revenue-Total	\$5,050,702	\$5,176,472	\$125,771	2.5%
Revenue Act** (3)	3,779,377	3,849,624	70,248	1.9%
Non-Revenue Act(4)	1,271,325	1,326,848	55,523	4.4%
Liquor Sales/Liter	91,540	95,129	3,589	3.9%
Cigarette	132,318	126,656	(5,661)	-4.3%
Property (State School Levy)	832,211	831,798	(413)	0.0%
Real Estate Excise	127,650	179,295	51,645	40.5%
Timber (state share)	1,612	1,413	(199)	-12.3%
Other	85,995	92,557	6,562	7.6%
Department of Licensing (4)	971	1,243	272	28.0%
Lottery	0	0	0	0.0%
Administrative Office of the Courts	29,486	28,907	(579)	-2.0%
Total General Fund-State***	\$5,081,158	\$5,206,622	\$125,464	2.5%

1 Collections February 11, 2013 - March 10, 2013. Collections primarily reflect January 2013 activity of monthly filers.

2 February 2013 collections.

3 Cumulative collections, estimates and variance since the November 2012 forecast; (November 11, 2012 - March 10, 2013) and revisions to history.

4 Cumulative collections, estimates and variance since the November forecast (November 2012 - February 2013) and revisions to history.

5 Lottery transfers to the General Fund

* Based on the November 2012 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.