



ECONOMIC & REVENUE UPDATE

March 11, 2014

summary

Summary

- **Weather appears to have slowed U.S. economic activity over the last several months.**
- **The U.S. labor market showed some improvement, with employment increasing by 175,000 jobs in February and initial unemployment claims decreasing.**
- **Fourth quarter U.S. real GDP growth was revised down to 2.4% from the initial estimate of 3.2%.**
- **Washington employment continues to grow at a moderate rate. In December 2013, employment finally surpassed its previous peak.**
- **A major non-economic reclassification raised social services employment and total nonfarm payroll employment by 45,300.**
- **Major General Fund-State revenue collections for the February 11 - March 10, 2014 collection period were \$13.2 million (1.3%) higher than the February forecast.**
- **Revenue Act collections were \$0.7 million (0.1%) lower than forecasted while non-Revenue Act collections were \$13.9 million (14.9%) higher than forecasted.**

United States

Recent economic data suggest slowing in several areas of the economy. Retail sales, housing starts, and manufacturing activity for January all point towards purchases postponed, construction activity delayed, and supply chains interrupted due to bad weather. It remains to be seen whether this slowdown represents a temporary disruption of activity as opposed to a loss of momentum in the economy.

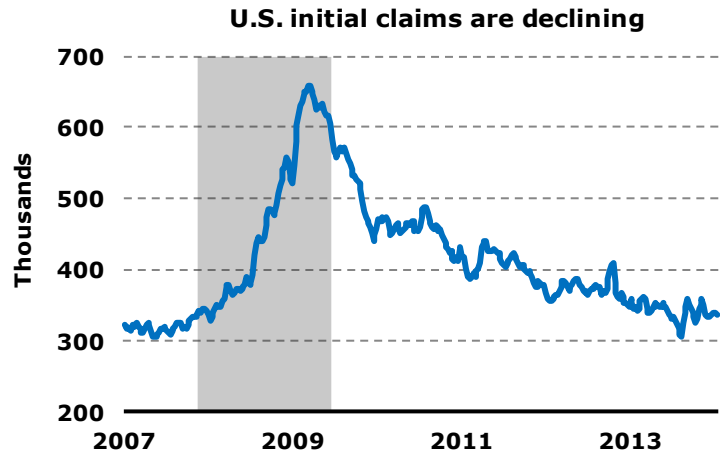
Nonfarm employment increased by 175,000 jobs in February. This is the strongest employment report since November but remains below last year's monthly average of 194,000 job gains. January employment growth was revised upward by 16,000 jobs while December job gains were revised upward by 9,000. Sectors with notable employment gains in February included professional and technical services (+35,000), leisure and hospitality (+25,000), employment services (+22,000), educational services (+18,000), construction (+15,000), and wholesale trade (+15,000). Employment declined in information (-16,000), federal government (-6,000), retail trade (-4,000), and transportation and warehousing (-4,000). The February unemployment rate increased by 0.1 percentage points to 6.7%.

After two months of increases, the Conference Board index of consumer confidence decreased by 1.3 points to 78.1 in February. The lower reading was driven by a drop in expectations regarding business conditions, jobs, and earnings. However, consumers were slightly more optimistic about current economic conditions in February compared to January. February's University of Michigan consumer sentiment survey provided conflicting evidence of consumer views. Not only did it increase slightly (by 0.4 points) to 81.6, but the University of Michigan found consumers expectations about the short-term economic outlook had improved slightly while sentiment was more negative regarding current conditions. Initial claims for unemployment insurance decreased by 26,000 to 323,000 (SA) in the week ending March 1st. The four-week moving average for initial claims decreased 2,000 to 336,500 ([see figure](#)). Layoff announcements, as tracked by outplacement firm Challenger, Gray, and Christmas, decreased to 41,835 in February. This is a 7.3% decrease in planned job cuts from January and is 24.4% lower than in February 2013.

united states

The second estimate of real GDP growth for the fourth quarter of 2013 was revised down from 3.2% to 2.4% at an annual rate. Consumer spending, inventories, exports, and state and local government spending were all revised downward, partially offset by an upward revision in nonresidential investment.

Based on the Census Bureau advance estimate, January retail and food services sales decreased by 0.4% (SA) following a revised decrease of 0.1% in December. The largest declines were in motor vehicle dealers (-2.3%) and department stores (-1.5%), while building material and garden supply dealers had sales increase by 1.4%.



Gasoline prices have increased since the start of February, when a gallon was \$3.29 (regular, all formulations); for the week ending March 10th, the price had risen to \$3.51 per gallon. The crisis in Ukraine may be affecting gasoline prices. Because Ukraine is a major corn exporter, corn prices have increased over concerns that Ukrainian corn shipments may be delayed. As corn is a major ingredient in the production of the gasoline additive ethanol, higher corn prices may be contributing to higher gasoline prices. The U.S. benchmark West Texas Intermediate spot price ended February at \$103 per barrel, up from \$97 per barrel at the end of January. The European benchmark Brent spot price varied from \$108 to \$110 per barrel during February, ending the month at \$109 and within cents of its price at the end of January.

Light motor vehicle sales for February totaled 15.3 million units (SAAR), up slightly from last month's sales of 15.2 million units. As in January, bad weather in much of the country is believed to have resulted in slower sales.

The American Trucking Association's truck tonnage index decreased 4.3% (SA) in January after decreasing by a revised 0.8% in December. The decline in January truck tonnage was attributed to bad weather. Rail carloads in February were 0.3% higher (SA) than in January. Despite the increase, this is the lowest carload traffic for any February since 2010. Intermodal rail units (shipping containers or truck trailers) in February were 2.2% (SA) above their January level and 0.8% above their February 2013 reading.

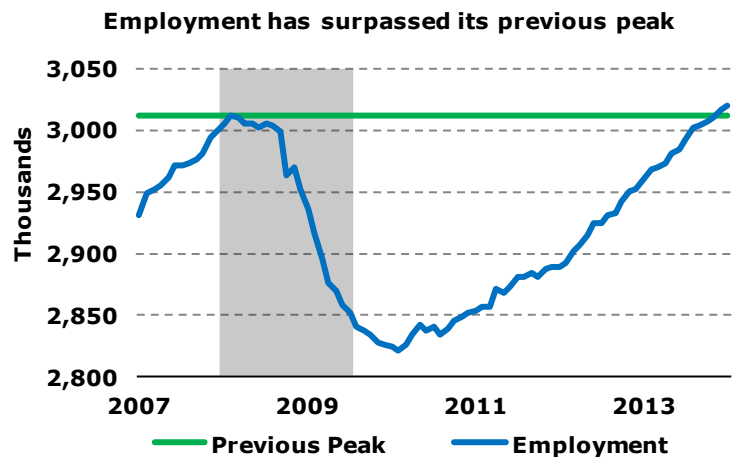
Manufacturing activity has remained positive despite weather-related disruptions, while non-manufacturing sectors continued to expand but at a slower rate. After five months of growth, industrial production decreased by 0.3% in January (SA). Core capital goods orders (i.e., durables excluding aircraft and military) which are a proxy for business investment, increased by 1.5% (SA) in January after a 1.6% decline in December. Manufacturing activity, as measured by the Institute for Supply Management's Purchasing Managers Index (PMI), increased to 53.2 in February (50 or higher indicates growth) from 51.3 in January. Several respondents to the PMI survey mentioned weather as having a negative impact on business. The non-manufacturing PMI for February decreased by 2.4 points to 51.6, with the construction and wholesale trade sectors citing weather as a factor in slower activity. However, the non-manufacturing PMI has remained above 50 for 50 consecutive months dating back to January 2010.

The housing market remained sluggish in January, although weather is likely to have played some role in the slowdown. Housing units authorized by building permits were 5.4% (SAAR) below their December level, dropping to 937,000 units. However, this is 2.4% above hous-

ing permits for January 2013. Housing starts also slowed in January, falling 16.0% (SA) below the December rate. Existing home sales in January were 5.1% lower than in December, falling to 4.62 million units (SAAR). This is the lowest level for existing home sales since July 2012. After declining in November and December, new home sales increased by 9.6% (SAAR) in January. Pending home sales increased by 0.1% in January after an 8.7% drop in December but remain 9.0% below their year-ago levels. Despite the slowdown in activity, home price appreciation has continued. The seasonally adjusted Case-Shiller 20-city home price index has increased for twenty-three consecutive months through December 2013. The index is now 13.5% above the year-ago level (SA).

WASHINGTON

In the last three months, the Washington economy added 12,400 net new jobs. Private, service-providing industries accounted for most of the job growth in November, December, and January, adding a net 10,100 jobs. The construction sector added 2,300 jobs but manufacturing was flat. Public sector payrolls added 1,800 jobs in the last three months as growth at the state and local level outweighed a decline in federal employment. Washington employment reached a major milestone in December by finally surpassing its previous peak ([see figure](#)). The state's unemployment rate declined to 6.4% in January from 6.7% in December and 7.3% in January 2013



January's employment release incorporated a significant non-economic reclassification. In Washington and five other states, employees of certain state-funded programs that provide services for the elderly and disabled had been counted as household employees who were considered out of the scope of nonfarm payroll employment. The BLS has determined that these employees actually belong to the social services sector which is in the scope of non-farm payroll employment. As a result of this reclassification from out-of-scope to in-scope, seasonally adjusted December 2013 employment in the social services sector is higher than previously reported by 45,300 or 69% and total nonfarm payroll employment is now 1.5% higher.

The Institute of Supply Management - Western Washington Index (ISM-WW) continues to indicate positive growth in the manufacturing sector. The overall index soared to 68.7 in February which was the highest reading in two years (index values above 50 indicate positive growth while values below 50 indicate contractions). The production, orders, and employment components were all very strong in February (80.0, 81.8, 77.3). The last time the Western Washington index was below 50 was in July 2009.

Washington housing construction rebounded in the fourth quarter of 2013 after a slump in the middle of the year. The number of housing units authorized by building permits rose to 34,600 (SAAR) in the fourth quarter from 27,900 in the third quarter and 27,800 in the second quarter. Preliminary results for the first quarter of 2014 were poor. In January, the total number of housing units authorized by building permits came in at 25,700 units (SAAR) compared to a forecast of 31,400. The weakness was in multi-family housing where only 6,300 units were authorized compared to a forecast of 12,600 units. The bright spot was single-family housing where 19,300 units were authorized compared to a forecast of 18,700 units. January's single-family results were the best in seven months.

Regional home prices continue to rise. According to the S&P/Case-Shiller Home Price Indices, seasonally adjusted Seattle area home prices have risen in each of the last 22 months and, as of December 2013, are now 12.5% higher than in the previous December. Even with the recent gains, Seattle area home prices are still 15.5% lower than their 2007 peak.

In a sign that the recovery in car sales may be maturing, Washington car and light truck sales fell to 252,800 in February (SAAR) from a post-recession high of 280,800 in January. February was down 3.9% from the previous February. This was the first year-over-year decline since 2010.

REVENUE COLLECTIONS

Overview

Major General Fund-State revenue collections for the February 11 - March 10, 2014 collection period were \$13.2 million (1.3%) higher than the February forecast. Revenue Act collections were \$0.7 million (0.1%) lower than forecasted while non-Revenue Act collections were \$13.9 million (14.9%) higher than forecasted.

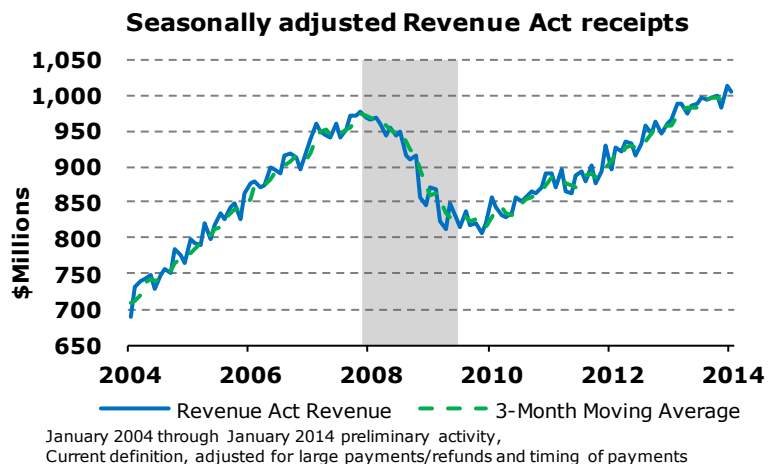
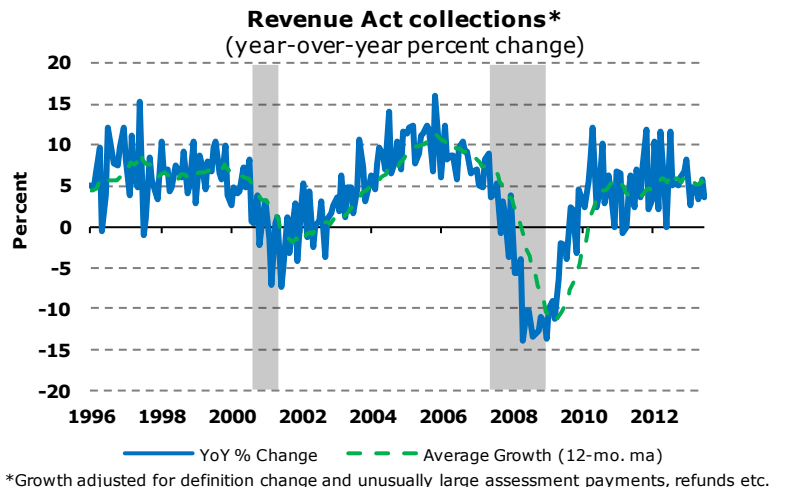
Revenue Act

The revenue collections reported here are for the February 11 - March 10, 2014 collection period. Collections correspond primarily to the January economic activity of monthly filers.

Revenue Act collections for the current period came in \$0.7 million (0.1%) below the February forecast. Adjusted for large one-time large refunds and payments, Revenue Act collections grew 3.7% year over year (see figure). The 12-month moving average of year-over-year growth decreased to 5.2%. Seasonally adjusted collections decreased slightly (see figure).

As shown in the "Key Revenue Variables" table, unadjusted Revenue Act receipts increased by 5.5% year over year. The preliminary estimate of year-over-year retail sales tax growth is 6.3%. The preliminary estimate of B&O tax growth is 0.5%. Year-over-year growth in B&O tax receipts are forecasted to be low or negative for the next 5 months due to the July 1, 2013 expiration of a temporary surcharge on service-producing businesses.

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 3.0% 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 0.3% year over year. Last month, payments grew 4.3% year over year.
- This month’s low growth in payments from the retail trade sector was mainly the result of a 9.5% year-over-year decline in payments from the general merchandise stores sector, along with a 6.7% decline in apparel and accessories and a 4.6% decline in sporting goods, toys, books and music stores. These declines seem to be the result of very strong payments from these sectors for January 2013 activity rather than weakness in this year’s payments. Excluding general merchandise stores, payments from the retail trade sector increased 3.0% year over year.
- Payments from the motor vehicles and parts sector increased by 4.3% year over year. Last month, payments in the sector increased by 8.0% year over year.
- Retail trade sectors that showed strong growth in payments were nonstore retailers (+8.7%) and drug and health stores (+6.7%).
- Payments from non-retail trade sectors were up 4.5% year over year in the current period. Last month, year-over-year payments increased 4.6%.
- Payments from the manufacturing sector increased by 10.3% year over year. Last month payments increased 41.0% year over year. This month saw a moderate year-over-year increase in payments from the transportation equipment sector and a small decrease from the petroleum refining sector. Excluding the transportation equipment and petroleum sectors, payments from other manufacturing sectors increased 8.2% year over year.
- Excluding the manufacturing sector, payments from non-retail trade sectors increased 4.0%. Last month, non-retail payments excluding manufacturing increased 2.6%.
- Tax payments by businesses in the construction sector increased by 4.7% year over year. Last month, payments increased 6.7% year over year.

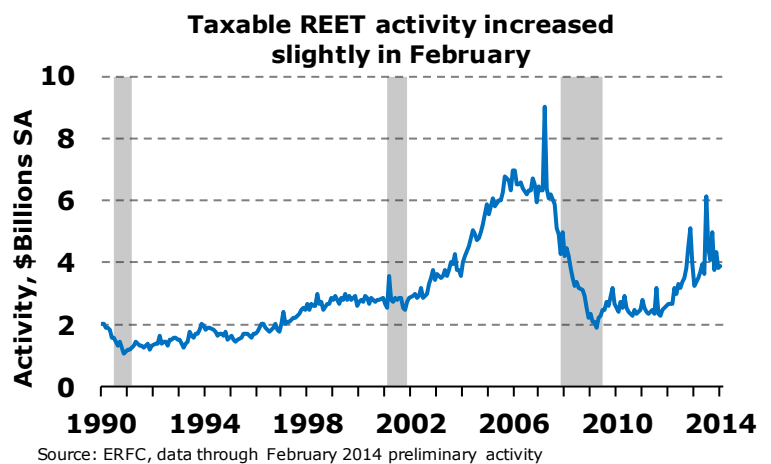
DOR Non-Revenue Act

February collections came in \$13.5 million (15.5%) above the forecast. The large positive variance stemmed mainly from the “other revenue” category, which came in \$11.1 million (115.7%) higher than forecasted. Most of the category’s surplus was due to higher-than-expected transfers of unclaimed property into the GF-S.

Real estate excise tax (REET) collections came in \$2.0 million (7.0%) higher than forecasted.

Sales of commercial property were down from last month but still relatively strong, with \$252 million in sales valued at \$10 million or more. Seasonally adjusted taxable real estate activity increased slightly ([see figure](#)).

Liquor taxes came in \$2.1 million (12.3%) above the forecast. Adjusted for an increase in this year’s distribution of taxes to local governments, tax receipts for January sales de-



creased by 1.6% year over year. Unadjusted receipts decreased by 7.5% as reported in the "Key Revenue Variables" table.

Property tax collections came in \$48,000 (0.8%) higher than forecasted, while cigarette tax receipts came in \$1.8 million (7.4%) lower than forecasted.

Other Revenue

Department of Licensing receipts for February came in \$60,000 (15.0%) below the February forecast. Revenue from the Administrative Office of the Courts was \$0.5 million (8.2%) higher than the forecast.

Key U.S. Economic Variables

	2013			2014			2012	2013
	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.		
Real GDP (SAAR)	4.1	-	-	2.4	-	-	2.8	1.9
Industrial Production (SA, 2007 = 100)	100.2	100.4	101.0	101.4	101.0	-	97.0	99.5
<i>Y/Y % Change</i>	3.3	3.6	3.0	3.3	2.9	-	3.6	2.6
ISM Manufacturing Index (50+ = growth)	56.2	56.4	57.3	57.0	51.3	53.2	51.7	53.9
ISM Non-Manuf. Index (50+ = growth)	54.4	55.4	53.9	53.0	54.0	51.6	54.6	54.7
Housing Starts (SAAR, 000)	873	899	1,101	1,048	880	-	783	931
<i>Y/Y % Change</i>	2.2	4.1	30.8	6.6	-2.0	-	28.0	18.9
Light Motor Vehicle Sales (SAAR, mil.)	15.3	15.2	16.4	15.4	15.2	15.3	14.5	15.6
<i>Y/Y % Change</i>	3.4	5.8	7.1	1.0	0.1	0.0	12.7	7.6
CPI (SA, 1982-84 = 100)	233.9	233.8	233.9	234.6	234.9	-	229.6	233.0
<i>Y/Y % Change</i>	1.2	0.9	1.2	1.5	1.6	-	2.1	1.5
Core CPI (SA, 1982-84 = 100)	234.6	234.9	235.2	235.5	235.8	-	229.8	233.8
<i>Y/Y % Change</i>	1.7	1.7	1.7	1.7	1.6	-	2.1	1.8
IPD for Consumption (2009=100)	107.5	107.6	107.6	107.8	107.9	-	106.0	107.2
<i>Y/Y % Change</i>	0.9	0.8	1.0	1.1	1.2	-	1.8	1.1
Nonfarm Payroll Empl., e-o-p (SA, mil.)	136.8	137.0	137.3	137.4	137.5	137.7	135.1	137.4
<i>Monthly Change</i>	0.16	0.24	0.27	0.08	0.13	0.18	2.24	2.33
Unemployment Rate (SA, percent)	7.2	7.2	7.0	6.7	6.6	6.7	8.1	7.4
Yield on 10-Year Treasury Note (percent)	2.81	2.62	2.72	2.90	2.86	2.71	1.80	2.35
Yield on 3-Month Treasury Bill (percent)	0.02	0.05	0.07	0.07	0.04	0.05	0.09	0.06
Broad Real USD Index** (Mar. 1973=100)	85.0	84.0	84.7	84.9	85.7	85.8	84.3	84.6
Federal Budget Deficit (\$ bil.)*	-75.1	91.6	135.2	-53.2	10.4	-	1,089.2	680.3
<i>FYTD sum</i>	680.3	91.6	226.8	173.6	184.0	-		
US Trade Balance (\$ bil.)	-43.4	-39.8	-35.2	-39.0	-39.1	-	-534.7	-474.9
<i>YTD Sum</i>	-360.9	-400.7	-435.9	-474.9	-39.1	-		

*Federal Fiscal Year runs from October 1st to September 30th.

**Weighted average of U.S. dollar foreign exchange values against currencies of major U.S. trading partners, Federal Reserve.

Key Washington Economic Variables

	2013				2014		2012	2013	
	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.			
Employment								<i>End-of-period</i>	
Total Nonfarm (SA, 000)	3,003.6	3,006.8	3,010.8	3,016.5	3,019.3	-	2,951.7	3,016.5	
<i>Change from Previous Month (000)</i>	2.2	3.2	4.0	5.6	2.8	-	63.1	64.7	
Construction	150.1	149.3	149.2	149.6	151.5	-	144.5	149.6	
<i>Change from Previous Month</i>	0.4	-0.8	0.0	0.4	1.9	-	8.4	5.2	
Manufacturing	286.4	286.3	286.2	286.7	286.3	-	284.7	286.7	
<i>Change from Previous Month</i>	-0.3	-0.1	0.0	0.5	-0.4	-	10.2	2.0	
Aerospace	95.7	94.8	94.5	95.4	94.3	-	96.7	95.4	
<i>Change from Previous Month</i>	-0.3	-1.0	-0.3	0.9	-1.1	-	5.8	-1.4	
Software	54.4	54.4	54.6	54.5	54.6	-	52.7	54.5	
<i>Change from Previous Month</i>	0.0	-0.1	0.2	0.0	0.1	-	0.6	1.9	
All Other	2,512.7	2,516.9	2,520.8	2,525.5	2,526.8	-	2,469.9	2,525.5	
<i>Change from Previous Month</i>	2.1	4.2	3.8	4.8	1.2	-	43.9	55.6	
Other Indicators								<i>Annual Average</i>	
Seattle CPI (1982-84=100)	-	242.8	-	241.1	-	-	238.7	241.6	
	-	0.6%	-	1.3%	-	-	2.5%	1.2%	
Housing Permits (SAAR, 000)	29.2	32.8	35.0	33.2	25.7	-	28.3	30.8	
	-4.2%	16.6%	7.1%	2.5%	-23.5%	-	34.1%	9.0%	
WA Index of Leading Ind. (2004=100)	116.4	116.0	118.1	117.7	117.6	-	111.8	115.7	
	3.2%	2.0%	4.3%	3.0%	2.2%	-	3.3%	3.5%	
WA Business Cycle Ind. (Trend=50)	43.8	46.0	45.2	45.7	39.6	-	30.6	41.2	
	37.1%	38.6%	14.6%	16.9%	-0.9%	-	57.6%	34.8%	
Avg. Weekly Hours in Manuf. (SA)	41.5	41.1	41.3	41.7	40.8	-	42.0	41.6	
	-1.1%	-2.3%	-1.5%	-1.5%	-3.0%	-	-0.8%	-0.9%	
Avg. Hourly Earnings in Manuf.	24.2	24.5	24.7	25.5	25.1	-	24.1	24.3	
	0.9%	1.3%	1.2%	3.7%	2.5%	-	0.7%	0.8%	
New Vehicle Registrations (SA, 000)	22.2	22.4	22.2	22.5	23.4	21.2	19.8	22.1	
	9.8%	5.7%	6.6%	8.7%	4.8%	-3.9%	16.5%	11.5%	
Initial Unemployment Claims (SA, 000)	38.1	45.3	34.8	38.2	36.2	41.6	44.6	40.1	
	-13.8%	12.0%	-19.0%	-3.0%	-9.5%	3.3%	-10.6%	-10.0%	
Personal Income (SAAR, \$bil.)	329.9	-	-	-	-	-	317.6	-	
	4.1%	-	-	-	-	-	4.8%	-	
Median Home Price (\$000)	263.4	-	-	256.3	-	-	232.5	252.1	
	8.4%	-	-	5.7%	-	-	3.6%	8.4%	

*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

	2013						2014					
	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	1,002,341 6.9	1,215,238 6.8	1,771,000 4.5	1,296,974 2.1	1,233,405 10.4	1,138,230 7.3	1,129,529 3.3	1,270,094 5.4	1,794,096 1.6	1,181,060 0.0	1,320,415 2.6	1,000,368 6.1
Revenue Act	877,120 7.8	1,007,189 5.4	926,273 7.0	966,962 5.8	1,068,312 7.1	1,005,940 8.1	1,009,226 3.1	1,033,506 3.5	978,084 4.9	931,732 2.0	1,196,447 4.0	900,074 5.5
Retail Sales Tax	527,196 6.2	613,769 7.1	577,213 9.5	606,837 7.7	665,498 7.4	653,087 10.3	653,589 6.7	664,132 6.7	629,879 7.8	584,548 1.2	751,170 5.1	554,962 6.3
Business and Occupation Tax	258,934 12.2	299,279 4.6	260,306 2.9	273,672 2.8	310,370 6.4	266,141 4.3	268,529 -5.3	282,860 -3.2	261,960 -0.1	256,454 2.2	331,505 -1.6	241,142 0.5
Use Tax	39,069 5.1	46,800 -1.4	43,209 9.1	44,374 2.0	50,751 14.0	44,601 2.1	45,354 11.4	44,237 -0.6	43,226 -4.4	45,647 9.2	56,608 21.3	44,366 17.1
Public Utility Tax	38,216 2.3	34,155 -5.2	32,606 -0.5	29,288 4.5	27,554 -3.7	28,091 10.4	27,795 0.2	26,359 2.4	29,914 6.5	29,289 -3.6	41,501 12.6	47,124 13.1
Tobacco Products Tax	3,229 -2.1	3,687 -1.6	3,827 3.5	3,996 2.9	5,030 38.1	3,860 -0.6	4,681 20.9	3,930 24.9	3,237 -13.2	4,010 15.6	3,266 -6.0	3,391 0.4
Penalties and Interest	10,476 19.8	9,498 1.1	9,112 0.5	8,796 0.6	9,109 -3.5	10,159 2.0	9,278 -11.9	11,989 14.2	9,867 7.0	11,785 26.6	12,397 10.6	9,089 5.9
Non-Revenue Act**	125,221 1.3	208,049 14.4	844,727 2.0	330,011 -7.5	165,094 38.2	132,290 1.1	120,303 4.7	236,588 14.8	816,012 -2.0	249,328 -6.9	123,968 -9.8	100,293 12.7
Liquor Sales/Liter	18,787 17.9	19,663 10.5	19,353 18.7	22,260 11.3	20,025 3.1	23,931 -8.8	20,689 -13.9	18,975 -6.5	20,475 -3.9	20,784 -3.6	29,573 -5.0	19,529 -7.5
Cigarette	33,058 0.4	29,157 -12.7	42,365 24.5	32,997 -14.3	36,691 14.9	35,149 -11.3	31,588 -9.5	38,604 6.6	29,948 -19.3	34,763 15.7	35,824 -3.7	22,623 1.4
Property (State School Levy)	28,731 -8.7	101,083 44.8	699,714 0.3	192,002 -3.4	10,920 -15.7	8,424 28.7	9,381 -9.7	58,609 61.5	677,754 0.2	129,310 -7.9	12,260 39.7	6,147 4.1
Real Estate Excise	36,800 18.0	46,189 17.1	52,703 47.5	48,455 -10.4	83,478 126.0	52,692 7.6	47,587 31.6	59,637 21.5	43,454 -18.6	54,397 -13.9	32,072 -13.1	30,667 18.7
Timber (state share)	0 NA	0 NA	673 8.6	0 NA	0 NA	716 -11.0	0 NA	0 NA	637 -19.9	0 NA	0 NA	685 10.9
Other	7,846 -34.8	11,959 -44.0	29,919 -32.6	34,297 -25.2	13,979 -23.1	11,379 32.7	11,058 17.7	60,763 -5.4	43,745 1.0	10,075 -25.8	14,239 -38.8	20,642 238.3
Department of Licensing**	624 16.0	2,385 10.4	2,839 2.3	5,179 2.0	3,618 6.9	1,091 -16.6	504 -1.7	342 -4.6	201 -22.6	267 8.7	307 -0.1	342 -20.4
Administrative Office of the Courts**	7,548 -11.4	7,973 -4.6	8,579 2.4	7,487 -8.2	7,053 -6.8	7,136 -10.3	6,890 -7.3	7,122 -2.5	8,313 -4.1	6,224 -9.2	7,207 11.5	6,264 -9.5
Total General Fund-State***	1,010,514 6.8	1,225,596 6.8	1,782,418 4.5	1,309,640 2.0	1,244,077 10.3	1,146,457 7.1	1,136,923 3.2	1,277,558 5.4	1,802,609 1.6	1,187,551 0.0	1,327,928 2.6	1,006,974 6.0

*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
February 11, 2014 - March 10, 2014				
March 10, 2014 Collections Compared to the February 2014 Forecast				
Department of Revenue-Total	\$987,557	\$1,000,368	\$12,811	1.3%
Revenue Act** (1)	900,746	900,074	(671)	-0.1%
Non-Revenue Act(2)	86,811	100,293	13,483	15.5%
Liquor Sales/Liter	17,385	19,529	2,144	12.3%
Cigarette	24,440	22,623	(1,817)	-7.4%
Property (State School Levy)	6,100	6,147	48	0.8%
Real Estate Excise	28,666	30,667	2,001	7.0%
Timber (state share)	651	685	34	5.2%
Other	9,568	20,642	11,073	115.7%
Department of Licensing (2)	403	342	(60)	-15.0%
Administrative Office of the Courts (2)	5,788	6,264	475	8.2%
Total General Fund-State***	\$993,747	\$1,006,974	\$13,226	1.3%

Cumulative Variance Since the February Forecast (February 11, 2014 - March 10, 2014)

Department of Revenue-Total	\$987,557	\$1,000,368	\$12,811	1.3%
Revenue Act** (3)	900,746	900,074	(671)	-0.1%
Non-Revenue Act(4)	86,811	100,293	13,483	15.5%
Liquor Sales/Liter	17,385	19,529	2,144	12.3%
Cigarette	24,440	22,623	(1,817)	-7.4%
Property (State School Levy)	6,100	6,147	48	0.8%
Real Estate Excise	28,666	30,667	2,001	7.0%
Timber (state share)	651	685	34	5.2%
Other	9,568	20,642	11,073	115.7%
Department of Licensing (4)	403	342	(60)	-15.0%
Administrative Office of the Courts	5,788	6,264	475	8.2%
Total General Fund-State***	\$993,747	\$1,006,974	\$13,226	1.3%

1 Collections February 11, 2014 - March 10, 2014. Collections primarily reflect January 2014 activity of monthly filers

2 February 2014 collections.

3 Cumulative collections, estimates and variance since the February 2014 forecast; (February 11, 2014 - March 10, 2014) and revisions to history.

4 Cumulative collections, estimates and variance since the February forecast (February 2014) and revisions to history.

* Based on the February 2014 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.