



# ECONOMIC & REVENUE UPDATE

May 15, 2018

summary

## Summary

- **The U.S. labor market added 164,000 net new jobs in April.**
- **U.S. real GDP grew by 2.3% in the first quarter of 2018.**
- **Petroleum prices continue to rise.**
- **Washington real GDP growth led the nation in 2017.**
- **Washington exports were up over the year for the second consecutive quarter**
- **Major General Fund-State (GF-S) revenue collections for the April 11 - May 10, 2018 collection period came in \$80.1 million (4.7%) above the February forecast.**
- **Revenue Act collections for the March 11 – April 10, 2018 collection period were revised upward by \$20.3 million.**
- **Cumulatively, collections are now \$85.4 million (2.0%) higher than forecasted.**

## United States

This month's data continued to portray an expanding economy. The labor market was healthy, with a moderate increase in new jobs and record low initial unemployment claims. First quarter GDP growth was a steady 2.3%, consumer confidence remained at high levels and residential construction activity strengthened. However, oil and gasoline prices were on the rise, auto sales were flat and truck and rail traffic were down for the month.

The U.S. economy added 164,000 net new jobs in April. Employment data for February and March were revised up by 30,000 jobs. Sectors with notable employment gains in April included professional and technical services (+26,000), administrative and support services (+26,000), health care (+24,000), manufacturing (+24,000), and accommodation and food services (+19,000). Industries with net employment declines in April included wholesale trade (-10,000), state government (-7,000), and clothing and clothing accessories stores (-5,000).

Initial claims for unemployment insurance were unchanged at 211,000 (SA) in the week ending May 5th. The four-week moving average of initial claims decreased by 5,500 to 216,000. This is the lowest level for the four-week moving average since December 20, 1969. Layoff announcements in April, as tracked by outplacement firm Challenger, Gray, and Christmas, totaled 36,081 or 40.2% lower than in March. For the first four months of the year, job cuts are 8.4% above the same period last year.

Average hourly earnings increased by four cents in April and are 2.6% above their year-ago level. The average workweek in April was unchanged at 34.5 hours. The April unemployment rate dropped to 3.9% after six months at 4.1%.

The first, or "advance," estimate of real gross domestic product (GDP) growth for the first quarter of 2018 was 2.3% (SAAR). In the fourth quarter of 2017, real GDP grew at a 2.9% rate (SAAR).

united states

Manufacturing activity expanded for a 20th consecutive month in April but at a somewhat slower pace. The Institute for Supply Management’s Purchasing Managers Index (PMI) decreased by 2.0 points to 57.3 (50 or higher indicates growth). The non-manufacturing PMI for April decreased by 2.0 points from March to 56.8. The non-manufacturing index has remained above 50 for 99 consecutive months.

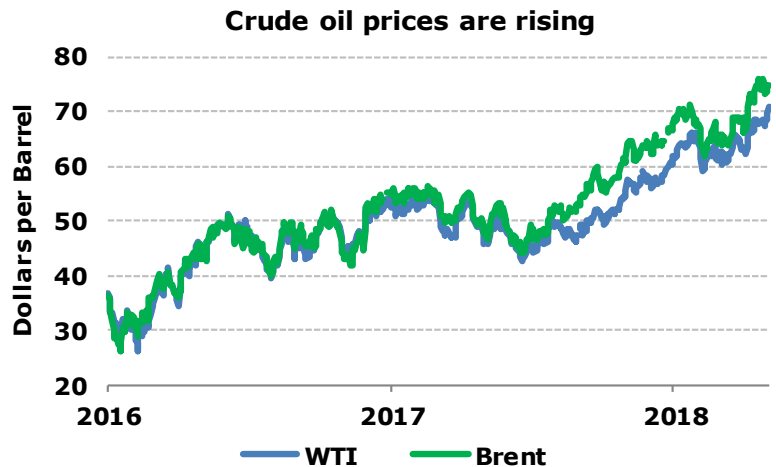
Industrial production increased by 0.5% (SA) in March following a revised 1.0% increase in February. New orders for core capital goods (i.e., durables excluding aircraft and military), which is a proxy for business investment, decreased by 0.4% (SA) in March and were 3.0% (SA) above their year-ago level according to U.S. Census Bureau data.

U.S. residential construction and sales activity were both stronger this month. Housing units authorized by building permits in March were 2.5% (SA) above their February level and 7.5% above their year-ago level. March housing starts increased by 1.9% (SA) compared to February and were 10.9% above their March 2017 level. Existing home sales increased for a second consecutive month, rising 1.1% in March (SA) compared to February but remain 1.2% below their March 2017 level. After declining for three months, new single-family home sales in March increased by 4.0% (SA) compared to February. Over the year, new home sales were up by 8.8% in March. The seasonally adjusted Case-Shiller national home price index for February was 0.5% above its January level and 6.3% above its year-ago level.

Two key measures of consumer confidence gave conflicting signals this month. The University of Michigan index of consumer sentiment decreased by 2.6 points in April to 98.8, with the long duration of the economic expansion making consumers somewhat apprehensive about future economic trends. The Conference Board index of consumer confidence increased by 1.7 points in April to 128.7. Compared to March, survey respondents were more optimistic about both current and future economic conditions.

Light motor vehicle sales dropped slightly in April, decreasing by 32,000 to 17.2 million units (SAAR) compared to March sales but up almost 1.0% over the year. Domestic vehicles accounted for nearly 77% of April light vehicle sales.

Petroleum spot prices in the U.S. increased over the last month ([see figure](#)). For the week ending May 4th, U.S. benchmark West Texas Intermediate was \$68 per barrel, up \$5 per barrel from early April. European benchmark Brent was \$74 per barrel, an increase of \$7 per barrel since early April. Gasoline prices also rose over the last month, up eighteen cents to \$2.87 per gallon (regular, all formulations) for the week ending May 14th.



The American Trucking Association’s truck tonnage index decreased 1.1% (SA) in March but was 6.3% above its year-ago level. Rail carloads for April were 0.6% (SA) below their March level but 3.2% above their year-ago level. Intermodal rail units (shipping containers or truck trailers) were 0.9% (SA) lower than in March but 6.5% above their April 2017 level.

WASHINGTON

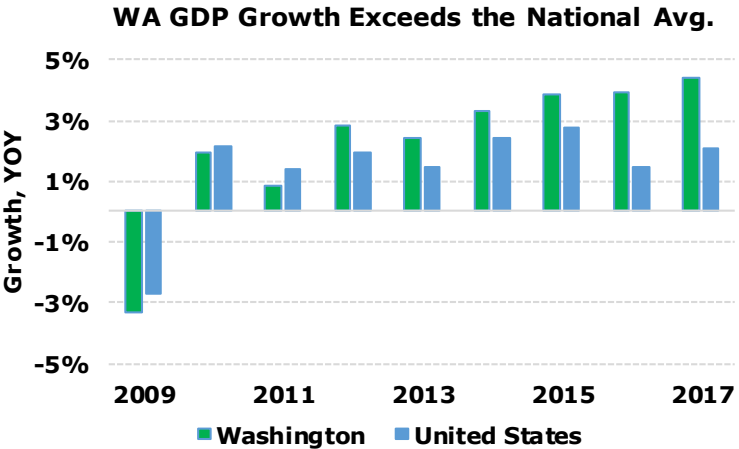
We have three months of new Washington employment data since the February forecast was released. Total nonfarm payroll employment rose 17,500 (seasonally adjusted) in February, March, and April, which was 400 less than expected in the forecast. As is usually the case, the majority of the employment increase was due to private, services-providing industries, which added 12,500 net new jobs in the three-month period. Construction employment grew 2,100 and manufacturing employment increased 600. Government payrolls expanded by 2,100 in February, March, and April.

Washington housing construction exceeded the forecast in the first quarter of 2018. The number of housing units authorized by building permits totaled 49,200 (SAAR) in January, February, and March which was 6,000 more than the 43,200 expected in the February forecast. The variance was mostly due to the multi-family sector. In the first quarter, 24,200 multi-family units were permitted which was 4,500 more than expected. The number of single-family units permitted was 25,000, which exceeded the forecast by 1,400 units.

Seattle home prices continue to rise very rapidly. According to the S&P/Case-Shiller Home Price Indices, seasonally adjusted Seattle area home prices rose 1.4% in February compared to 0.8% in the Composite-20 index. The over-the-year growth was 12.7% in Seattle, which was nearly double the 6.7% increase in the Composite-20 index. Seattle home prices are now up 84% since the December 2011 trough and now exceed the May 2007 peak by 28%.

Seattle area consumer price inflation remains above the national average. Over the last year, from April 2017 to April 2018, consumer prices in the Seattle area rose 3.3% compared to 2.4% for the U.S. city average. Core prices, which exclude food and energy, were up 3.1% in Seattle compared to 2.1% for the nation. The higher Seattle inflation is due to more rapid growth in shelter costs. During the year, shelter costs in Seattle rose 5.9% compared to 3.4% for the nation. Excluding shelter, Seattle inflation matched the national average at 1.9% over the year.

For the second consecutive year, Washington ranked first in the nation in real GDP growth. In May, the U.S. Department of Commerce, Bureau of Economic Analysis (BEA) released Real Gross Domestic Product (GDP) estimates by state through 2017. The 4.4% growth rate in Washington real GDP in 2017 was the largest among the states and District of Columbia and was significantly higher than the 2.1% growth rate for the U.S. as a whole (see figure). This was the sixth consecutive year Washington GDP growth has exceeded the national average after lagging in 2009, 2010, and 2011. The difference between Washington GDP growth and U.S. GDP was almost entirely due to two sectors: information services (which includes software publishing and other IT information services such as internet publishing and web search portals) and retail trade (which includes electronic shopping). Between the two of them, these sectors contributed 2.1 percentage points more to Washington GDP growth than to U.S. GDP growth.



Washington exports were up over the year for the second consecutive quarter. Exports increased 3.9% in the first quarter of 2018 compared to the first quarter of 2017. Transpor-

tation equipment exports (mostly Boeing planes) and exports of agricultural products both rose 2.8% over the year while exports of all other commodities (mostly manufacturing) increased 6.2% over the year.

The Institute of Supply Management - Western Washington Index (ISM-WW) declined in April but remained in positive territory. The index, which measures conditions in the manufacturing sector, decreased from 68.0 in March to 55.8 in April (index values above 50 indicate growth while values below 50 indicate contraction). The index has exceeded 50 in each of the last nine months. The production, orders, inventory, and deliveries components all indicated expansion in April while only the employment component indicated contraction.

Seasonally adjusted new vehicle registrations fell 3.4% in April, which was the fourth decline in the last five months. Car and truck sales are up 1.7% over the year but are down 11.5% since the post-recession peak in November 2017.

**REVENUE COLLECTIONS**

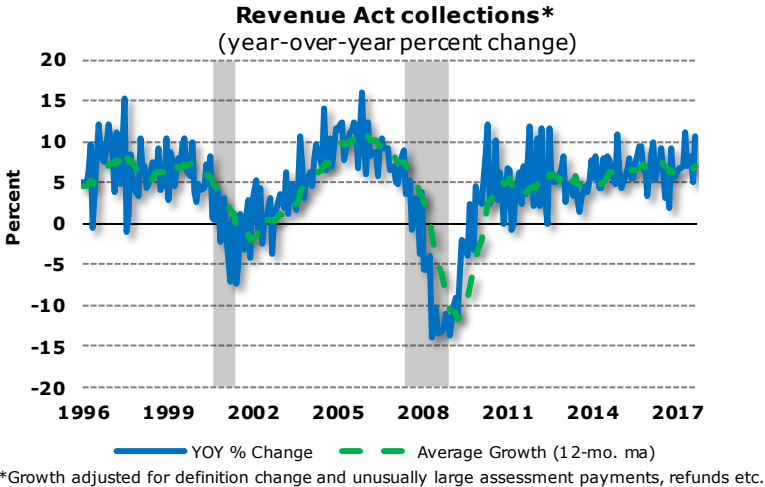
**Overview**

Major General Fund-State (GF-S) revenue collections for the April 11 - May 10, 2018 collection period came in \$80.1 million (4.7%) above the February forecast. During the collection period there were \$9.9 million in large one-time payments not included in the forecast. Without these payments, collections would have been \$70.2 million (4.1%) higher than forecasted.

Revenue Act collections for the March 11 - April 10, 2018 collection period were revised upward by \$20.3 million. With the revision and this month's surplus, collections are now \$85.4 million (2.0%) higher than forecasted.

**Revenue Act**

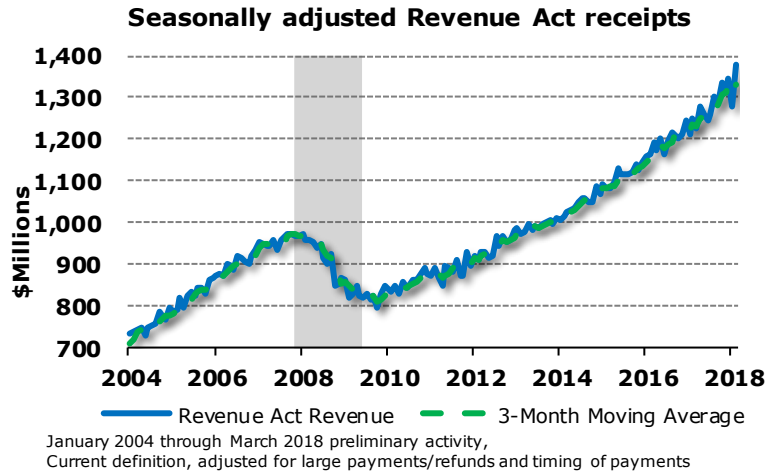
Revenue Act taxes consist of the sales, use, business and occupation (B&O), utility, and tobacco products taxes along with associated penalty and interest payments. The revenue collections reported here are for the April 11 - May 10, 2018 collection period. Collections correspond primarily to the March economic activity of monthly filers and first quarter activity of quarterly filers.



Revenue Act collections for the current period came in \$75.5 million (5.5%) above the February forecast. During the period there were \$9.9 million in large one-time payments that were not included in the forecast. Without these payments, collections would have been \$65.6 million (4.7%) higher than forecasted.

Revenue Act collections for the March 11 - April 10, 2018 collection period were revised upward by \$20.3 million. With the revision and this month's surplus, collections are now \$82.2 million (2.3%) higher than forecasted.

Adjusted for this month’s large one-time payments, collections grew 10.6% year over year (see figure). The 12-month moving average of year-over-year growth increased to 7.1% from last month’s revised figure of 6.8%. Seasonally adjusted collections increased from last month’s level (see figure). Adjusted collections for first quarter activity (February 11 – May 10 collections) grew 8.2% year over year, down slightly from fourth quarter growth of 8.3%.



As shown in the “Key Revenue Variables” table, unadjusted Revenue Act collections increased 11.3% year over year. Retail sales tax collections grew 11.5% year over year and B&O tax collections grew 10.6%.

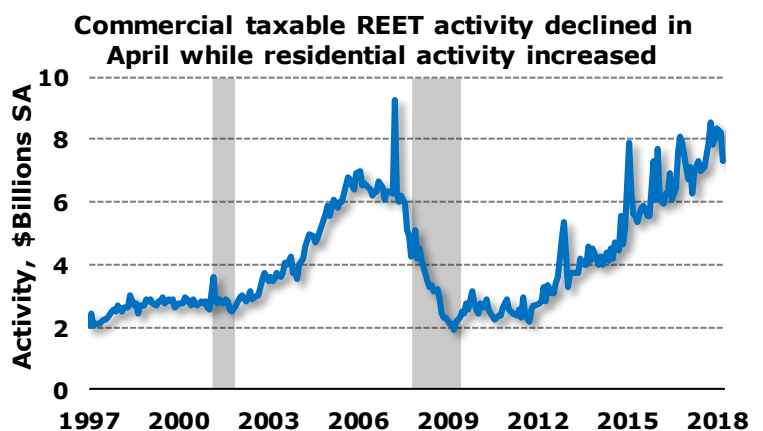
Due to last month’s changes in the tax reporting system, details of excise tax payments by industry are not currently available.

**DOR Non-Revenue Act**

April DOR non-Revenue Act collections came in \$3.8 million (1.2%) above the forecast. Cumulatively, collections are now \$0.4 million (0.1%) higher than forecasted.

Most of the surplus stemmed from liquor taxes, which came in \$8.3 million (39.3%) higher than forecasted. The surplus was the result of a one-time extension of the due date of the March 25th combined excise tax return to April 5th, which pushed some March payments into April. Cumulatively, collections are now \$1.5 million (2.5%) higher than forecasted.

Real estate excise tax (REET) collections came in \$4.3 million (5.4%) higher than forecasted. Sales of large commercial property (property valued at \$10 million or more) came in lower than expected at \$213 million, down sharply from last month’s sales of \$1.06 billion. Collections from residential sales, however, came in higher than forecasted. Seasonally adjusted activity declined from last month’s level (see figure).



Source: ERFC, data through April 2018 preliminary activity

Property tax receipts came in \$8.2 million (5.3%) lower than forecasted. Cumulatively, receipts are now \$14.7 million (6.9%) lower than forecasted.

Cigarette tax receipts came in \$4.1 million (13.9%) lower than forecasted. The shortfall, however, was due to the timing of tax stamp payments rather than the level of stamp purchases. Much of this month’s shortfall should therefore be made up next month. Cumulatively, receipts are now \$8.1 million (9.8%) lower than forecasted.

Transfers of unclaimed property into the GF-S were \$1.9 million higher than expected. Cumulatively, transfers are now \$5.6 million higher than forecasted.

Other DOR revenue came in \$1.7 million (15.8%) higher than forecasted. Cumulatively, other revenue is now \$0.1 million (0.3%) higher than forecasted.

### **Other Revenue**

Revenue from the Administrative Office of the Courts came in \$0.8 million (13.5%) higher than forecasted. Cumulatively, revenue is now \$2.8 million (17.7%) higher than forecasted.

## Key U.S. Economic Variables

	2017		2018				2016	2017
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.		
Real GDP (SAAR)	-	2.9	-	-	2.3	-	1.5	2.3
Industrial Production (SA, 2007 = 100)	105.3	105.8	105.6	106.6	107.2	-	102.1	103.7
<i>YOY % Change</i>	3.4	2.9	3.0	4.4	4.3	-	-1.9	1.6
ISM Manufacturing Index (50+ = growth)	58.2	59.7	59.1	60.8	59.3	57.3	51.5	57.6
ISM Non-Manuf. Index (50+ = growth)	57.4	55.9	59.7	59.5	58.8	56.8	54.9	57.0
Housing Starts (SAAR, 000)	1,299	1,207	1,339	1,295	1,319	-	1,177	1,208
<i>YOY % Change</i>	13.1	-4.8	8.3	0.5	10.9	-	6.3	2.6
Light Motor Vehicle Sales (SAAR, mil.)	17.5	17.9	17.2	17.1	17.5	17.2	17.5	17.3
<i>YOY % Change</i>	-1.0	-1.7	-1.6	-2.2	3.9	0.7	0.5	-1.4
CPI (SA, 1982-84 = 100)	247.6	248.0	249.2	249.6	249.5	250.0	240.0	245.2
<i>YOY % Change</i>	2.2	2.1	2.1	2.1	2.3	2.4	1.3	2.1
Core CPI (SA, 1982-84 = 100)	253.7	254.4	255.3	255.8	256.2	256.5	247.6	252.2
<i>YOY % Change</i>	1.7	1.8	1.8	1.8	2.1	2.1	2.2	1.8
IPD for Consumption (2009=100)	113.5	113.6	114.1	114.3	114.3	-	110.8	112.7
<i>YOY % Change</i>	1.7	1.7	1.7	1.7	2.0	-	1.2	1.7
Nonfarm Payroll Empl., e-o-p (SA, mil.)	147.5	147.6	147.8	148.1	148.3	148.4	145.4	147.6
<i>Monthly Change</i>	0.22	0.18	0.18	0.32	0.14	0.16	2.34	2.19
Unemployment Rate (SA, percent)	4.1	4.1	4.1	4.1	4.1	3.9	4.9	4.4
Yield on 10-Year Treasury Note (percent)	2.35	2.40	2.58	2.86	2.84	2.87	1.84	2.33
Yield on 3-Month Treasury Bill (percent)	1.25	1.34	1.43	1.59	1.73	1.79	0.32	0.95
Broad Real USD Index** (Mar. 1973=100)	96.9	96.6	94.7	95.0	95.2	95.2	99.1	98.5
Federal Budget Deficit (\$ bil.)*	138.5	23.2	-49.2	215.2	208.7	-214.3	693.9	665.8
<i>FYTD sum</i>	201.8	225.0	175.7	391.0	599.7	385.4		
US Trade Balance (\$ bil.)	-50.9	-53.9	-56.7	-57.7	-49.0	-	-504.8	-568.4
<i>YTD Sum</i>	-514.5	-568.4	-56.7	-114.4	-163.4	-		

\*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

	2017		2018				2016	2017
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.		
<b>Employment</b>								<i>End-of-period</i>
Total Nonfarm (SA, 000)	3,351.7	3,362.0	3,370.9	3,378.0	3,384.0	3,388.3	3,284.3	3,362.0
Change from Previous Month (000)	11.1	10.3	8.8	7.1	6.0	4.3	98.5	77.7
Construction	204.6	206.3	207.7	208.2	208.7	209.7	193.9	206.3
Change from Previous Month	2.5	1.7	1.3	0.5	0.5	1.0	16.3	12.5
Manufacturing	282.2	283.8	284.5	284.4	285.5	285.1	287.0	283.8
Change from Previous Month	1.2	1.6	0.7	-0.1	1.1	-0.4	-6.1	-3.2
Aerospace	81.6	81.5	81.6	81.5	81.5	81.5	87.7	81.5
Change from Previous Month	0.3	-0.2	0.2	-0.1	0.0	0.0	-5.8	-6.2
Software	62.2	62.5	62.8	63.3	63.5	64.1	60.3	62.5
Change from Previous Month	0.2	0.3	0.3	0.5	0.2	0.5	3.2	2.2
All Other	2,802.7	2,809.4	2,815.9	2,822.1	2,826.3	2,829.4	2,743.1	2,809.4
Change from Previous Month	7.2	6.7	6.5	6.2	4.2	3.1	85.0	66.3
<b>Other Indicators</b>								<i>Annual Average</i>
Seattle CPI (1982-84=100)	-	265.9	-	268.0	-	270.3	255.0	262.7
	-	3.5%	-	3.3%	-	3.3%	2.3%	3.0%
Housing Permits (SAAR, 000)	51.9	49.6	39.1	46.4	62.0	-	42.9	44.9
	11.8%	-4.8%	-1.3%	2.7%	58.4%	-	5.5%	4.7%
WA Index of Leading Ind. (2004=100)	123.1	124.7	124.1	124.8	126.0	-	119.8	122.3
	2.1%	3.9%	2.8%	3.8%	4.2%	-	1.4%	2.1%
WA Business Cycle Ind. (Trend=50)	81.0	80.4	79.1	79.4	80.3	-	67.9	74.8
	14.1%	11.3%	11.2%	13.0%	10.7%	-	15.7%	10.3%
Avg. Weekly Hours in Manuf. (SA)	42.1	42.1	41.7	42.3	42.0	-	41.6	41.7
	-0.2%	1.5%	0.7%	2.9%	1.0%	-	0.6%	0.3%
Avg. Hourly Earnings in Manuf.	28.0	28.4	28.1	28.0	28.1	-	26.4	27.4
	5.5%	5.3%	4.2%	3.1%	3.5%	-	3.5%	3.6%
New Vehicle Registrations (SA, 000)	28.0	26.6	25.1	25.0	25.7	24.8	26.1	25.4
	6.0%	-0.6%	-0.2%	2.5%	1.4%	1.7%	4.4%	-2.8%
Initial Unemployment Claims (SA, 000)	25.2	24.4	27.9	27.3	26.0	26.0	30.3	27.0
	-11.8%	-15.8%	2.5%	-7.7%	-7.6%	-9.6%	-5.9%	-11.1%
Personal Income (SAAR, \$bil.)	-	424.6	-	-	-	-	397.8	416.8
	-	5.0%	-	-	-	-	4.7%	4.8%
Median Home Price (\$000)	-	352.2	-	-	-	-	315.9	342.7
	-	8.8%	-	-	-	-	9.3%	8.5%

\*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

	2017					2018							
	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	Mar 11- Apr 10	Apr 11- May 10*
<b>Department of Revenue-Total</b>	1,541,322	2,144,883	1,573,812	1,590,439	1,438,865	1,459,366	1,698,248	2,151,574	1,572,657	1,774,474	1,298,160	1,277,108	1,765,343
	5.2	2.5	5.4	5.0	-0.8	6.6	7.1	4.0	9.3	9.0	8.4	5.3	14.5
<b>Revenue Act</b>	1,308,201	1,138,287	1,209,425	1,408,395	1,260,549	1,280,897	1,420,341	1,229,201	1,271,300	1,611,781	1,169,326	1,097,294	1,456,428
	6.8	1.8	4.3	5.6	-2.4	6.0	7.7	6.2	10.9	9.2	7.8	5.0	11.3
Retail Sales Tax	839,253	740,298	789,137	918,099	842,244	890,183	926,968	797,565	817,127	976,735	705,705	702,322	935,545
	9.6	1.6	2.7	5.9	3.4	12.4	8.4	5.9	11.7	3.2	4.1	5.8	11.5
Business and Occupation Tax	353,897	290,851	305,169	372,900	308,348	317,297	391,779	321,861	335,291	458,476	325,920	274,923	391,436
	0.9	1.7	3.6	6.6	0.1	7.0	9.2	7.3	8.5	12.1	16.7	3.4	10.6
Use Tax	54,998	53,375	60,367	65,265	56,191	50,642	55,665	53,038	55,931	73,687	49,178	73,182	64,662
	3.8	7.7	25.7	8.2	-10.7	-2.2	-5.6	1.6	12.3	23.2	-12.9	39.4	17.6
Public Utility Tax	42,843	33,455	32,602	32,689	30,190	28,787	20,511	29,153	28,939	44,339	51,428	34,259	47,617
	10.0	2.2	9.0	1.3	8.4	14.7	-20.8	-0.2	7.6	15.3	1.6	-16.9	11.1
Tobacco Products Tax	3,955	4,100	5,269	4,783	5,660	6,695	3,941	5,328	4,721	4,558	4,416	3,398	3,862
	-28.3	-1.4	10.2	9.8	37.5	26.3	-1.9	10.2	15.0	6.7	16.9	-21.3	-2.4
Penalties and Interest	13,256	16,207	16,883	14,660	17,916	-12,707	21,478	22,256	29,291	53,986	32,678	9,211	13,306
	21.6	-5.1	25.9	-27.0	-75.7	-133.4	35.0	19.1	18.0	203.9	88.1	-47.0	0.4
<b>Non-Revenue Act**</b>	233,121	1,006,596	364,386	182,043	178,316	178,470	277,907	922,373	301,357	162,693	128,833	179,814	308,915
	-2.9	3.2	8.8	0.9	12.2	11.1	3.7	1.3	3.0	7.0	14.7	7.1	32.5
Liquor Sales/Liter	20,787	19,486	22,334	22,107	24,496	23,854	21,058	17,722	26,629	32,140	21,407	11,354	29,366
	2.3	5.6	9.4	-0.5	5.2	7.5	3.2	-10.4	18.0	2.0	14.7	-40.7	41.3
Cigarette	26,364	31,159	37,762	30,614	38,723	33,441	24,697	33,054	29,029	33,337	22,139	26,923	25,549
	-17.8	-2.1	10.3	-12.7	10.3	-5.4	-30.2	8.0	-7.3	19.2	3.5	-11.5	-3.1
Property (State School Levy)	100,813	821,190	171,233	12,337	6,561	12,104	40,276	747,319	142,621	9,131	5,896	44,762	148,005
	4.4	1.1	9.2	17.8	-3.5	7.3	-13.0	2.4	2.5	-4.7	6.6	34.5	46.8
Real Estate Excise	68,149	96,608	107,207	99,385	101,683	89,953	99,378	87,763	96,959	67,965	65,165	84,485	83,757
	-0.5	20.2	15.2	1.1	15.7	6.6	4.1	3.0	8.6	14.5	8.0	14.7	22.9
Unclaimed Property	-1,007	-2,821	-6,180	-3,587	-779	-448	71,678	28,236	-5,266	-474	3,210	503	1,886
	-114.5	-29.2	39.4	-30.7	-74.5	-80.4	52.5	-30.6	1,698.6	-123.0	-178.7	-131.7	-287.4
Other	18,015	40,973	32,029	21,188	7,634	19,566	20,821	8,279	11,386	20,594	11,016	11,787	20,351
	14.3	13.3	-7.9	8.3	-13.7	101.4	-11.1	88.4	6.3	-4.1	5.0	-9.0	13.0
<b>Administrative Office of the Courts**</b>	7,086	6,354	6,094	6,479	6,195	6,501	5,681	6,581	5,967	5,392	6,013	5,670	7,102
	-4.2	-13.6	-0.2	5.4	-9.6	3.3	-7.3	-7.8	6.2	-7.0	11.3	1.5	0.2
<b>Total General Fund-State***</b>	<b>1,548,408</b>	<b>2,151,237</b>	<b>1,579,905</b>	<b>1,596,918</b>	<b>1,445,061</b>	<b>1,465,868</b>	<b>1,703,928</b>	<b>2,158,155</b>	<b>1,578,624</b>	<b>1,779,866</b>	<b>1,304,173</b>	<b>1,282,778</b>	<b>1,772,445</b>
	<b>5.2</b>	<b>2.4</b>	<b>5.3</b>	<b>5.0</b>	<b>-0.8</b>	<b>6.6</b>	<b>7.0</b>	<b>4.0</b>	<b>9.3</b>	<b>9.0</b>	<b>8.4</b>	<b>5.3</b>	<b>14.5</b>

\*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
<b>April 11 - May 10, 2018</b>				
<b>May 10, 2018 Collections Compared to the February 2018 Forecast</b>				
Department of Revenue-Total	\$1,686,072	\$1,765,343	\$79,271	4.7%
Revenue Act** (1)	1,380,941	1,456,428	75,487	5.5%
Non-Revenue Act(2)	305,131	308,915	3,783	1.2%
Liquor Sales/Liter	21,083	29,366	8,284	39.3%
Cigarette	29,672	25,549	(4,123)	-13.9%
Property (State School Levy)	156,213	148,005	(8,208)	-5.3%
Real Estate Excise	79,499	83,757	4,258	5.4%
Unclaimed Property	0	1,886	1,886	NA
Other	18,665	20,351	1,686	9.0%
Administrative Office of the Courts (2)	6,260	7,102	842	13.5%
<b>Total General Fund-State***</b>	<b>\$1,692,332</b>	<b>\$1,772,445</b>	<b>\$80,113</b>	<b>4.7%</b>

### Cumulative Variance Since the February Forecast (February 11, 2018 - May 10, 2018)

Department of Revenue-Total	\$4,258,020	\$4,340,611	\$82,590	1.9%
Revenue Act** (3)	3,640,827	3,723,048	82,222	2.3%
Non-Revenue Act(4)	617,194	617,562	368	0.1%
Liquor Sales/Liter	60,599	62,127	1,528	2.5%
Cigarette	82,700	74,611	(8,089)	-9.8%
Property (State School Levy)	213,354	198,663	(14,691)	-6.9%
Real Estate Excise	217,524	233,408	15,884	7.3%
Unclaimed Property	0	5,600	5,600	NA
Other	43,016	43,154	138	0.3%
Administrative Office of the Courts (4)	15,957	18,785	2,828	17.7%
<b>Total General Fund-State***</b>	<b>\$4,273,977</b>	<b>\$4,359,395</b>	<b>\$85,418</b>	<b>2.0%</b>

1 Collections April 11 - May 10, 2018. Collections primarily reflect March 2018 activity of monthly filers and first quarter 2018 activity of quarterly filers.

2 April 2018 collections.

3 Cumulative collections, estimates and variance since the February 2018 forecast; (February 11, 2018 - May 10, 2018) and revisions to history.

4 Cumulative collections, estimates and variance since the February forecast (February - April 2018) and revisions to history.

\* Based on the February 2018 economic and revenue forecast released February 15, 2018.

\*\*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 the Department of Revenue and the Administrative Office of the Courts.