



ECONOMIC & REVENUE UPDATE

September 11, 2012

summary

- **August U.S. employment grew by only 96,000 jobs; June and July employment data were revised downward by a total of 41,000 jobs.**
- **The U.S. housing market continues to improve.**
- **The Washington recovery remains on track with the June forecast.**
- **Washington employment, income, and housing are doing as well or better than expected but exports are weakening.**
- **General Fund-State revenue continues to come in as expected. Collections from the August 11 – September 10, 2012 collection period were only \$1.1 million (0.1%) less than the June forecast.**
- **Cumulatively, collections in the last three months are \$20.8 million (0.6%) above the forecast, due mainly to higher-than-expected real estate excise tax receipts.**

United States

After the addition of 163,000 new jobs initially reported in July, the August U.S. employment report of 96,000 new jobs resumes the string of weak job reports that started in April of this year. The June and July employment data were also revised down by a total of 41,000; average monthly job gains have been about 139,000 so far this year. If payrolls expand at this pace for the rest of the year, 2012 job creation would stand at about 1.7 million jobs. This would be below the 1.8 million increase in payrolls for 2011.

The Conference Board index of consumer confidence decreased by 4.8 points, dropping from 65.4 in July to 60.6 in August. The decline was largely due to pessimism regarding the outlook over the next six months, with consumers anticipating somewhat less favorable business and labor market conditions. The index is now at its lowest point since November of last year. The University of Michigan consumer sentiment survey for August moved in the opposite direction, increasing by 2.0 points, from 72.3 in July to 74.3 in August. This increase was attributed to July's strong employment growth and generally rising stock prices.

The U.S. Department of Commerce released its second estimate of real GDP growth for the second quarter of 2012. The 1.7% growth rate, revised up from the initial estimate of 1.5%, reflects slightly higher growth in consumer spending and lower imports.

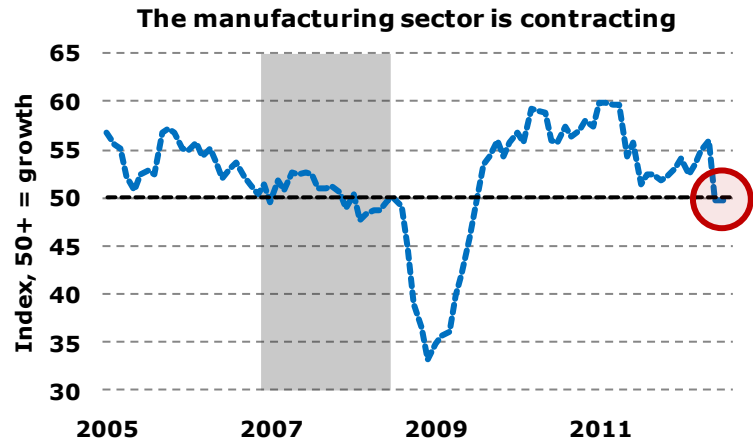
Real disposable personal income increased by 0.3% in July. Real personal consumption expenditures increased by 0.4% in July after decreasing by 0.1% in June.

Industrial production grew 0.6% (SA) in July, following a 0.1% (SA) increase in June. The Institute for Supply Management's manufacturing Purchasing Managers Index for August

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decreased 0.2 points to 49.6, the lowest reading since July 2009 (see figure). Readings above 50 indicate growth. The non-manufacturing index increased by 1.1 points to 53.7 and has remained above 50 for 31 straight months. Core capital goods orders (i.e. durables excluding aircraft and military) which are a proxy for business investment, decreased 4.0% in July, after declining 2.7% in June and increasing 2.3% in May.



Gasoline prices gradually increased throughout August, with regular averaging \$3.84 per gallon for the week ending September 3rd. Prices for both West Texas Intermediate (WTI) and Brent petroleum were higher in August compared to July. The average August spot price for WTI was \$90 per barrel compared to \$88 in July; the Brent spot price averaged \$105 per barrel in August, up by more than \$2 from the July price. Light-vehicle sales increased to 14.5 million units (SAAR) in August from their July sales level of 14.1 million units, making the eighth consecutive month with sales at or above 14 million units.

The European sovereign debt and banking crisis continues to pose a substantial risk to the U.S. economy. Eurozone economies are struggling, with GDP decreasing by 0.7% (SAAR) in the second quarter of this year. However, the European Central Bank has announced plans to purchase bonds issued by some of the weaker Eurozone economies, which should help to reduce borrowing costs for the affected countries.

Sales of both existing and new homes rose in July. Existing home sales increased 2.3% (SA) in July compared to June and are 10.4% above the July 2011 sales level. New home sales rose to 372,000 units (SAAR) in July, 3.6% above June sales and 25.3% above the year-ago level. The seasonally adjusted Case-Shiller 20-city home price index increased 0.9% in June from the previous month, the fifth consecutive monthly increase. The index is now 0.5% above the year-ago level (SA), the first time that home prices have increased on an annual basis since the summer of 2010 when homebuyer tax credits raised housing demand.

Other indicators of note continue to give a mixed picture of the economy. Layoff announcements for August were down 37% from a year earlier and down 13% from announced job cuts in July. Initial claims for unemployment insurance declined by 12,000 in the week ending September 1st to 365,000; however, the four-week moving average increased by 1,500. Rail carloads were 0.7% lower (SA) in August than in July, while intermodal units shipping containers or truck trailers were 0.4% lower (SA) in August than in July.

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Washington

Recent developments at the state level have generally been a bit stronger than expected in the June forecast. Employment growth in recent months has slightly outpaced the modest growth we expected in June. Personal income is tracking above our forecast in early 2012 due mainly to very strong wage growth in the first quarter. Housing construction was stronger than expected in the second quarter and Seattle area home prices are now higher

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than in the previous year. The strengthening housing market is also reflected in the recent Seattle consumer price index data where rising rents are driving Seattle inflation above the national average. On the downside, Washington exports have weakened considerably due to slower growth overseas.

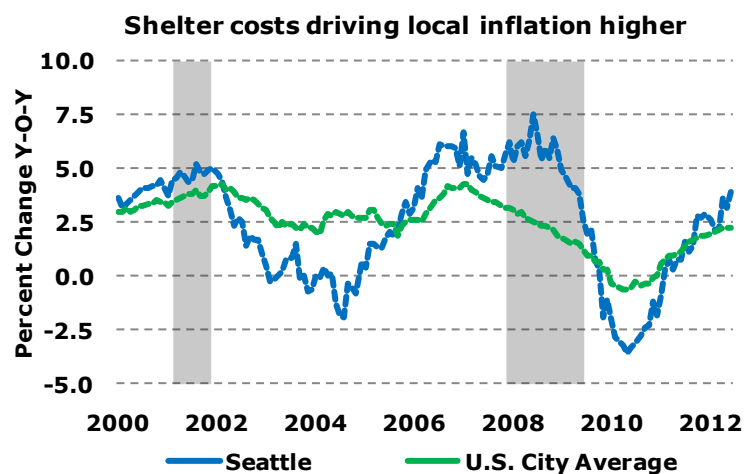
In the two months since the June forecast was adopted, the Washington economy added 10,300 jobs, 3,500 better than the 6,800 expected in the June forecast. In addition, revisions to previous estimates raised the level of total employment in May 2012 by 3,900. As a result of the historical revisions and slightly stronger than expected growth, total employment is 7,400 (0.2%) higher in July than expected in the June forecast. As expected in the June forecast, manufacturing employment growth remains strong, construction employment growth remains weak, and government employment continues to decline.

The June forecast had assumed some backsliding in housing construction in the second quarter of 2012 after the strong growth in the first quarter but this was not the case. Washington housing permits came in at 28,100 (SAAR) units in the second quarter of 2012 compared to 27,700 in the first quarter and 20,600 in the fourth quarter of 2011. Single-family permits totaled 15,900 in the second quarter while multi-family permits came in at a 12,200 annual rate. These are both stronger than the June forecast of 13,600 single-family and 10,800 multi-family units. The third quarter got off to a strong start as well with 17,200 single-family units, 12,600 multi-family units and 29,800 total units permitted in the month (SAAR). While both single-family construction and multi-family construction have improved, single-family remains relatively depressed. Multi-family construction, however, is back in the normal range for Washington. We expect housing to continue to recover slowly throughout the forecast.

According to the S&P/Case-Shiller Home Price Indices, seasonally adjusted Seattle area home prices have risen in each of the last four months and, as of June, are now 1.7% higher than in the previous June. Prior to May and June of this year, Seattle home prices had not registered a year-over-year gain since December 2007. Nationally June home prices were up 0.5% compared to the previous year.

Our current estimate of Washington personal income for the first quarter of 2012 is \$4.4 billion (1.4%) higher than the June forecast. The upward revision is due mainly to the incorporation of newly available data for the first quarter which showed that wages were stronger than assumed in the June forecast. Wage and salary disbursements were \$3.5 billion higher than assumed in the June forecast. Non-wage income was \$0.9 billion higher than expected mostly due to higher proprietor's income and higher employee benefits.

Seattle headline inflation over the twelve months ending in June 2012 was 2.7% compared to 1.7% for the U.S. city average. Core inflation in Seattle was 3.0% compared for 2.2% for the nation. The main reason for the higher inflation in Seattle is faster growth in shelter costs, which are driven primarily by rents. Seattle shelter costs have risen 3.9% over the last year compared to 2.2% for the U.S. city average ([see figure](#)), adding 0.7 percentage points to Seattle core inflation.



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The slowing global economy has put an end to Washington's export boom. Total exports in the second quarter of 2012 were only 7.5% higher than in the previous year compared to 25.2% growth in the first quarter and 32.2% growth in the second quarter of last year. Transportation equipment exports (mostly Boeing planes) were 21.3% higher than in the previous year but exports other than transportation equipment declined 2.8%. This was the first year-over-year decline in non-transportation equipment exports since mid-2009.

REVENUE COLLECTIONS

Overview

General Fund-State revenue continues to come in as expected. Collections from the August 11 – September 10, 2012 collection period were only \$1.1 million (0.1%) less than the June forecast. Cumulatively, receipts in the three months since the forecast are \$20.8 million (0.6%) higher than expected, due mainly to a large positive variance in real estate excise tax receipts.

Revenue Act

The revenue collections reported here are for the August 11 – September 10, 2011 collection period. Collections correspond primarily to the July 2012 economic activity of monthly filers.

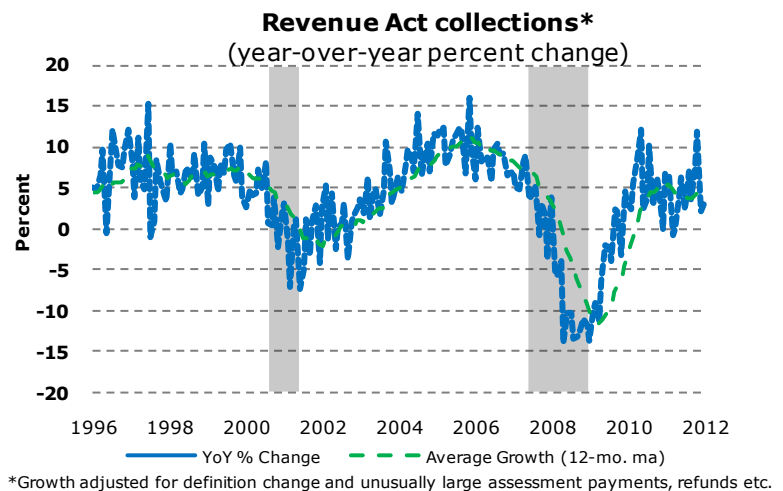
Revenue Act collections for the current period came in \$17.8 million (1.9%) below the June forecast. Collections increased 3.4% year-over-year ([see figure](#)). There were no large one-time payments and refunds in the current or year-ago periods. Seasonally adjusted collections increased from last month's level ([see figure](#)). Cumulatively, collections are now \$15.3 million (0.5%) less than forecasted.

As shown in the "Key Revenue Variables" table, preliminary ERFC monthly estimates indicate retail sales tax collections increased 3.1% year-over-year and B&O taxes increased 4.9% year-over-year.

Total tax payments as of August 29th from electronic filers who also paid in the August 11 – September 10 collection period of last year were up 5.2% year over year (payments are mainly Revenue Act taxes but include some non-Revenue Act taxes as well). Last month, total payments increased by 0.8%.

Some details of payments from electronic filers:

- Total payments in the retail trade sector were up 11.2% year over year, up from last month's growth rate of 6.3%. Much of the increase was likely attributed to the recently allowed private sales of spirits, as payments from food and beverage stores increased 32.7% year over year and payments from general merchandise stores increased 13.6%. Payments from drug and health stores (+10.6%) were



revenue collections

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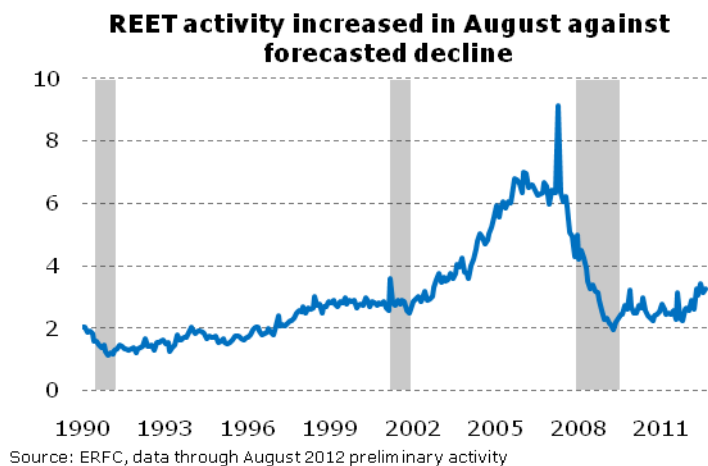
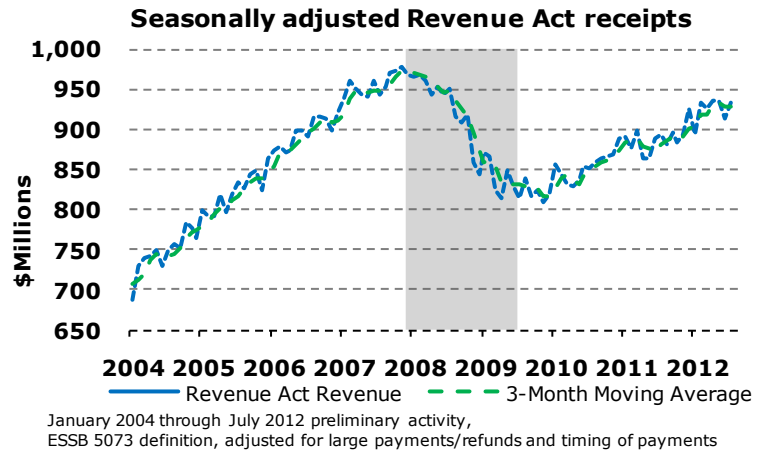
also likely boosted by the sales. Excluding food and beverage stores and general merchandise stores, however, payments from the retail trade sector still would have grown by 8.1%.

- Payments from the motor vehicle and parts sector increased 10.8% year-over-year. In the previous period, year-over-year payments increased 11.2%.
- Other retail trade sectors that showed strong growth in payments were nonstore retailers (+20.7%), miscellaneous retailers (+10.3%) and furniture and home furnishings (+7.8%). Only one retail trade sector saw a slight year-over-year decrease in payments this month: gas stations and convenience stores (-0.04%).
- Payments in non-retail trade sectors were up 1.6% year over year in the current period and down 2.3% in the previous period.
- The slow growth in non-retail trade was due to a 21.9% decline in payments from the manufacturing sector. Last month total payments in the manufacturing sector decreased 17.3%. Both months saw large declines in payments from both the petroleum refining and transportation equipment sectors. This month's decline in the transportation equipment sector, however, was due to the redemption of a large credit that was not taken during the same period last year. Payments from the petroleum refining sector have been down year-over-year due to both a year-over-year decline in gasoline prices and the aftereffects of a refinery fire in February. Recent increases in oil and gas prices, however, should soon begin to improve payments from the sector.
- Tax payments by businesses in the construction sector increased 5.8% year-over-year. In the previous period, payments increased 3.7%.

DOR Non-Revenue Act

August collections came in \$16.3 million (14.2%) above the June forecast. Cumulatively, DOR non-Revenue Act receipts are now \$35.6 million (6.2%) above the forecast.

Most of this month's positive variance came from real estate excise tax (REET), which came in \$11.7 million (31.2%) higher than forecasted. Ever since April, there has been a surge of large commercial transactions which have boosted seasonally adjusted REET activity above its previous trend. The number of these transactions was expected to lessen in August. Instead, activity increased from its July level ([see](#)



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[figure](#)). Due to a large positive variance in June as well, cumulative receipts are now \$22.1 million (18.8%) greater than forecasted.

Another contributor to this month's positive variance was liquor taxes, which came in \$3.3 million (14.4%) above the forecast. August's liquor taxes receipts reflect activity in July, which was the second month of liquor sales in privately-owned stores. Adjusted for a decrease in this year's distribution of taxes to local governments, tax receipts increased by 25.5% year over year (unadjusted receipts increased by 40.9% as reported in the "Key Revenue Variables" table). Total liters sold increased by 15.4% year over year. As this is only the second month of private sales, it is too early to whether this rate of growth will be sustained or if will diminish after an initial surge due to the sudden increase in availability. Cumulatively, liquor tax receipts are \$4.0 million (6.4%) greater than forecasted.

Cigarette tax revenue also came in ahead of the forecast, exceeding it by \$1.6 million (4.1%). Cumulatively, however, cigarette tax collections are only \$1.1 million (1.0%) above the forecast.

August property tax receipts were \$223,000 (3.3%) less than the forecast, but cumulative receipts are \$1.5 million (0.7%) above the forecast.

Other Revenue

Department of Licensing receipts for August were \$356,000 (37.4%) higher than the June forecast. Cumulatively, collections are \$957,000 (10.3%) higher than forecasted.

Revenue from the Administrative Office of the Courts was \$86,000 (1.0%) higher than forecasted. Cumulative receipts, however, are \$352,000 (1.5%) lower than forecasted.

Key U.S. Economic Variables

	2012						2010	2011
	Mar.	Apr.	May	Jun.	Jul.	Aug.		
Real GDP (SAAR)	2.0	-	-	1.7	-	-	2.4	1.8
Industrial Production (SA, 2002 = 100)	96.4	97.2	97.3	97.4	98.0	-	90.1	93.7
<i>Y/Y % Change</i>	3.6	4.9	4.7	4.7	4.4	-	5.4	4.1
ISM Manufacturing Index (50+ = growth)	53.4	54.8	55.9	49.7	49.8	49.6	57.3	55.2
ISM Non-Manuf. Index (50+ = growth)	56.0	53.5	51.8	52.1	52.6	53.7	54.1	54.5
Housing Starts (SAAR, 000)	706	747	706	754	746	-	586	612
<i>Y/Y % Change</i>	17.7	35.3	28.1	22.6	21.5	-	5.7	4.5
Light Motor Vehicle Sales (SAAR, mil.)	14.1	14.1	14.0	14.4	14.1	14.5	11.6	12.8
<i>Y/Y % Change</i>	8.2	7.2	19.0	24.3	13.6	16.6	11.6	10.8
CPI (SA, 1982-84 = 100)	229.1	229.2	228.5	228.6	228.7	-	32.5	33.4
<i>Y/Y % Change</i>	2.6	2.3	1.7	1.7	1.4	-	3.0	2.8
Core CPI (SA, 1982-84 = 100)	228.4	229.0	229.4	229.9	230.1	-	33.6	34.7
<i>Y/Y % Change</i>	2.3	2.3	2.3	2.2	2.1	-	2.5	3.5
IPD for Consumption (2000=100)	115.6	115.6	115.4	115.5	115.5	-	111.1	113.8
<i>Y/Y % Change</i>	2.2	1.9	1.5	1.5	1.3	-	1.9	2.4
Nonfarm Payroll Empl., e-o-p (SA, mil.)	132.9	132.9	133.0	133.1	133.2	133.3	130.3	132.2
<i>Monthly Change</i>	0.14	0.07	0.09	0.05	0.14	0.10	1.03	1.84
Unemployment Rate (SA, percent)	8.2	8.1	8.2	8.2	8.3	8.1	9.6	9.0
Yield on 10-Year Treasury Note (percent)	2.17	2.05	1.80	1.62	1.53	1.68	3.21	2.79
Yield on 3-Month Treasury Bill (percent)	0.08	0.08	0.09	0.09	0.10	0.10	0.14	0.05
Broad Real USD Index** (Mar. 1973=100)	83.8	83.9	85.1	86.2	85.8	84.9	87.2	82.7
Federal Budget Deficit (\$ bil.)*	198.2	-59.1	124.6	59.7	69.6	-	1,294.2	1,296.8
<i>FYTD sum</i>	779.0	719.9	844.5	904.2	973.8	-		
US Trade Balance (\$ bil.)	-51.6	-49.8	-47.6	-41.9	-42.0	-	-494.7	-559.9
<i>YTD Sum</i>	-148.4	-198.2	-245.8	-287.7	-329.7	-		

*Federal Fiscal Year 2009 runs from Oct. 1, 2008 to Sept. 30, 2009.

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

Key Washington Economic Variables

	2012						2010	2011	
	Mar.	Apr.	May	Jun.	Jul.	Aug.			
Employment								<i>End-of-period</i>	
Total Nonfarm (SA, 000)	2,858.0	2,860.1	2,863.7	2,870.8	2,874.1	-	2,801.6	2,839.6	
Change from Previous Month (000)	8.7	2.2	3.6	7.1	3.2	-	23.8	38.0	
Construction	139.0	138.8	138.5	138.5	138.7	-	138.1	137.7	
Change from Previous Month	1.2	-0.2	-0.2	-0.1	0.2	-	-8.1	-0.5	
Manufacturing	277.0	278.3	278.9	281.1	282.6	-	261.1	274.5	
Change from Previous Month	1.6	1.3	0.6	2.2	1.5	-	3.9	13.3	
Aerospace	92.1	92.4	92.8	94.4	95.4	-	81.9	91.0	
Change from Previous Month	0.6	0.4	0.4	1.6	1.0	-	0.8	9.1	
Software	52.1	52.2	52.4	52.6	52.7	-	51.1	51.9	
Change from Previous Month	0.1	0.1	0.2	0.2	0.1	-	0.5	0.8	
All Other	2,389.8	2,390.8	2,393.8	2,398.7	2,400.1	-	2,351.2	2,375.5	
Change from Previous Month	5.8	1.0	3.0	4.8	1.4	-	27.5	24.3	
Other Indicators								<i>Annual Average</i>	
Seattle CPI (1982-84=100)	-	237.9	-	239.5	-	-	226.7	232.8	
	-	2.9%	-	2.7%	-	-	0.3%	2.7%	
Housing Permits (SAAR, 000)	41.1	29.0	24.8	26.8	29.8	-	19.6	21.2	
	133.4%	-14.5%	0.0%	54.1%	43.0%	-	22.7%	8.3%	
WA Index of Leading Ind. (2004=100)	115.3	114.3	114.4	114.2	114.6	-	104.8	111.1	
	5.4%	2.8%	2.8%	2.8%	1.9%	-	4.9%	6.0%	
WA Business Cycle Ind. (Trend=50)	27.8	26.9	25.6	27.8	28.1	-	13.2	18.4	
	77.0%	30.2%	38.9%	61.4%	58.4%	-	-18.3%	39.1%	
Avg. Weekly Hours in Manuf. (SA)	42.8	42.0	42.0	41.8	41.0	-	41.9	42.4	
	1.9%	-0.9%	-1.9%	-1.7%	-4.5%	-	-0.3%	1.2%	
Avg. Hourly Earnings in Manuf.	24.3	23.9	24.1	24.1	24.0	-	23.5	24.0	
	0.6%	-1.0%	0.6%	0.8%	0.3%	-	0.4%	2.1%	
New Vehicle Registrations (SA, 000)	20.5	18.5	20.2	21.1	19.5	19.7	15.5	17.0	
	18.9%	5.9%	21.1%	27.9%	15.9%	22.6%	10.7%	9.9%	
Initial Unemployment Claims (SA, 000)	46.4	47.1	44.1	46.1	45.1	42.5	56.5	49.9	
	-7.5%	-11.3%	-15.1%	-9.0%	-11.7%	-12.6%	-18.1%	-11.8%	
Personal Income (SAAR, \$bil.)	311.3	-	-	-	-	-	287.2	302.4	
	4.5%	-	-	-	-	-	3.0%	5.3%	
Median Home Price (\$000)	208.3	-	-	236.0	-	-	245.2	224.4	
	-8.7%	-	-	4.0%	-	-	-4.1%	-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

	2011				2012								
	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	May 11- Jun 10	Jun 11- Jul 10	Jul 11- Aug 10	Aug 11- Sep 10*	
Department of Revenue-Total	994,146 <i>7.1</i>	1,139,412 <i>-1.0</i>	1,626,929 <i>2.7</i>	1,070,561 <i>-3.2</i>	1,269,913 <i>10.1</i>	865,345 <i>3.7</i>	937,324 <i>7.7</i>	1,137,572 <i>-14.8</i>	1,693,935 <i>3.2</i>	1,270,633 <i>0.0</i>	1,116,873 <i>2.2</i>	1,061,104 <i>4.0</i>	
Revenue Act	896,724 <i>7.3</i>	976,349 <i>-0.7</i>	845,057 <i>-1.4</i>	829,991 <i>-0.7</i>	1,135,635 <i>8.4</i>	777,433 <i>3.0</i>	813,701 <i>6.0</i>	955,769 <i>-19.0</i>	865,462 <i>0.5</i>	913,691 <i>11.9</i>	997,454 <i>1.5</i>	930,247 <i>3.4</i>	
Retail Sales Tax	565,701 <i>6.0</i>	608,090 <i>0.4</i>	529,131 <i>-2.2</i>	546,693 <i>3.5</i>	698,431 <i>5.4</i>	466,023 <i>2.7</i>	496,275 <i>8.3</i>	573,036 <i>-13.8</i>	527,329 <i>0.6</i>	563,227 <i>11.4</i>	619,525 <i>3.1</i>	588,792 <i>3.1</i>	
Business and Occupation Tax	254,770 <i>15.2</i>	285,187 <i>-2.8</i>	238,640 <i>1.0</i>	211,136 <i>-7.2</i>	340,789 <i>19.7</i>	220,285 <i>2.9</i>	230,858 <i>5.0</i>	286,091 <i>-16.6</i>	252,983 <i>5.4</i>	266,304 <i>15.5</i>	291,723 <i>0.8</i>	264,241 <i>4.9</i>	
Use Tax	37,155 <i>0.8</i>	41,979 <i>-0.6</i>	36,364 <i>4.7</i>	31,240 <i>-11.9</i>	43,966 <i>-3.9</i>	34,971 <i>6.3</i>	37,187 <i>2.8</i>	47,458 <i>-56.5</i>	39,617 <i>-4.4</i>	43,499 <i>11.7</i>	44,514 <i>-9.6</i>	37,588 <i>-3.1</i>	
Public Utility Tax	26,542 <i>-1.2</i>	27,622 <i>-3.3</i>	26,295 <i>-9.9</i>	31,015 <i>13.2</i>	38,561 <i>-2.3</i>	40,167 <i>0.8</i>	37,340 <i>2.1</i>	36,047 <i>-9.9</i>	32,770 <i>-3.1</i>	28,036 <i>-7.1</i>	28,612 <i>2.9</i>	26,334 <i>5.0</i>	
Tobacco Products Tax	4,462 <i>26.4</i>	4,238 <i>-2.2</i>	3,958 <i>-6.0</i>	3,593 <i>5.3</i>	3,554 <i>-18.1</i>	3,763 <i>-5.5</i>	3,300 <i>-1.1</i>	3,746 <i>-7.6</i>	3,700 <i>-4.3</i>	3,882 <i>-8.5</i>	3,644 <i>-15.9</i>	4,037 <i>0.8</i>	
Penalties and Interest	8,093 <i>-40.6</i>	9,233 <i>-5.4</i>	10,669 <i>-9.0</i>	6,315 <i>-53.8</i>	10,333 <i>-5.8</i>	12,223 <i>24.1</i>	8,742 <i>-35.0</i>	9,391 <i>-50.5</i>	9,063 <i>-49.0</i>	8,744 <i>22.6</i>	9,436 <i>-17.8</i>	9,255 <i>5.1</i>	
Non-Revenue Act**	97,423 <i>4.9</i>	163,063 <i>-2.3</i>	781,872 <i>7.5</i>	240,569 <i>-11.1</i>	134,278 <i>27.3</i>	87,913 <i>9.8</i>	123,623 <i>20.2</i>	181,803 <i>17.1</i>	828,473 <i>6.2</i>	356,942 <i>-21.3</i>	119,419 <i>9.1</i>	130,858 <i>8.9</i>	
Liquor Sales/Liter	17,897 <i>8.3</i>	16,998 <i>7.2</i>	16,912 <i>1.1</i>	17,828 <i>5.8</i>	24,559 <i>3.9</i>	14,892 <i>7.0</i>	15,940 <i>9.7</i>	17,799 <i>11.1</i>	16,306 <i>0.9</i>	20,002 <i>20.5</i>	19,416 <i>12.6</i>	26,234 <i>40.9</i>	
Cigarette	37,554 <i>29.2</i>	34,412 <i>2.7</i>	35,258 <i>34.8</i>	35,561 <i>-2.7</i>	31,419 <i>5.4</i>	31,768 <i>24.9</i>	32,932 <i>17.9</i>	33,406 <i>17.4</i>	34,027 <i>42.0</i>	38,519 <i>-64.3</i>	31,927 <i>-18.0</i>	39,614 <i>-3.4</i>	
Property (State School Levy)	10,583 <i>7.2</i>	38,957 <i>16.8</i>	654,270 <i>6.7</i>	145,816 <i>-16.0</i>	9,659 <i>-22.1</i>	6,023 <i>-12.2</i>	31,469 <i>22.4</i>	69,804 <i>3.6</i>	697,392 <i>0.4</i>	198,703 <i>7.5</i>	12,949 <i>36.4</i>	6,545 <i>-10.3</i>	
Real Estate Excise	31,027 <i>13.5</i>	23,540 <i>-24.2</i>	29,745 <i>10.3</i>	32,631 <i>-1.9</i>	22,471 <i>-1.9</i>	22,495 <i>14.2</i>	31,182 <i>12.1</i>	39,445 <i>37.1</i>	35,731 <i>31.8</i>	54,062 <i>38.3</i>	36,940 <i>18.6</i>	48,957 <i>7.4</i>	
Timber (state share)	0 <i>NA</i>	0 <i>NA</i>	958 <i>-9.5</i>	0 <i>NA</i>	0 <i>NA</i>	1,019 <i>29.2</i>	0 <i>NA</i>	0 <i>NA</i>	620 <i>-24.9</i>	0 <i>NA</i>	0 <i>NA</i>	804 <i>-31.1</i>	
Other	362 <i>-96.3</i>	49,156 <i>-7.6</i>	44,729 <i>5.4</i>	8,733 <i>-14.7</i>	46,170 <i>180.8</i>	11,717 <i>-12.1</i>	12,099 <i>76.5</i>	21,350 <i>43.8</i>	44,398 <i>161.5</i>	45,656 <i>-56.5</i>	18,188 <i>52.8</i>	8,704 <i>35.1</i>	
Department of Licensing**	510 <i>3.4</i>	301 <i>-5.6</i>	244 <i>101.8</i>	221 <i>69.1</i>	194 <i>50.6</i>	307 <i>-10.2</i>	538 <i>3.3</i>	2,161 <i>24.7</i>	2,775 <i>-3.0</i>	5,079 <i>-19.4</i>	3,384 <i>12.7</i>	1,308 <i>-4.6</i>	
Lottery**	0 <i>NA</i>	0 <i>NA</i>	0 <i>NA</i>	0 <i>NA</i>	0 <i>NA</i>	0 <i>NA</i>	0 <i>NA</i>	0 <i>NA</i>	0 <i>NA</i>	0 <i>NA</i>	0 <i>NA</i>	0 <i>NA</i>	
Administrative Office of the Courts**	8,640 <i>9.1</i>	7,972 <i>2.3</i>	8,281 <i>-5.3</i>	7,462 <i>1.2</i>	7,401 <i>-7.0</i>	6,212 <i>-2.2</i>	8,522 <i>4.4</i>	8,356 <i>-10.8</i>	8,375 <i>-0.3</i>	8,158 <i>2.0</i>	7,571 <i>-10.0</i>	7,957 <i>-0.1</i>	
Total General Fund-State***	1,003,296 <i>7.1</i>	1,147,686 <i>-1.0</i>	1,635,454 <i>2.5</i>	1,078,244 <i>-3.2</i>	1,277,509 <i>10.0</i>	871,864 <i>3.6</i>	946,385 <i>7.6</i>	1,148,089 <i>-14.7</i>	1,705,086 <i>3.2</i>	1,283,871 <i>-0.6</i>	1,127,829 <i>2.2</i>	1,070,369 <i>4.0</i>	

*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
August 11, 2012 - September 10, 2012				
September 10, 2012 Collections Compared to the June 2012 Forecast				
Department of Revenue-Total	\$1,062,652	\$1,061,104	(\$1,548)	-0.1%
Revenue Act** (1)	948,065	930,247	(17,819)	-1.9%
Non-Revenue Act(2)	114,587	130,858	16,270	14.2%
Liquor Sales/Liter	22,931	26,234	3,303	14.4%
Cigarette	38,045	39,614	1,569	4.1%
Property (State School Levy)	6,768	6,545	(223)	-3.3%
Real Estate Excise	37,306	48,957	11,650	31.2%
Timber (state share)	1,134	804	(329)	-29.0%
Other	8,403	8,704	300	3.6%
Department of Licensing (2)	952	1,308	356	37.4%
Lottery (5)	0	0	0	0.0%
Administrative Office of the Courts (2)	7,871	7,957	86	1.1%
Total General Fund-State***	\$1,071,475	\$1,070,369	(\$1,106)	-0.1%

Cumulative Variance Since the June Forecast (June 11, 2012 - September 10, 2012)

Department of Revenue-Total	\$3,428,367	\$3,448,610	\$20,243	0.6%
Revenue Act** (3)	2,856,722	2,841,391	(15,331)	-0.5%
Non-Revenue Act(4)	571,645	607,219	35,574	6.2%
Liquor Sales/Liter	61,688	65,652	3,965	6.4%
Cigarette	108,965	110,059	1,095	1.0%
Property (State School Levy)	216,729	218,197	1,468	0.7%
Real Estate Excise	117,828	139,958	22,130	18.8%
Timber (state share)	1,134	804	(329)	-29.0%
Other	65,302	72,548	7,246	11.1%
Department of Licensing (4)	9,277	10,234	957	10.3%
Lottery	0	0	0	0.0%
Administrative Office of the Courts	24,039	23,687	(352)	-1.5%
Total General Fund-State***	\$3,461,684	\$3,482,531	\$20,847	0.6%

1 Collections August 11, 2012 - September 10, 2012. Collections primarily reflect July 2012 activity of monthly filers

2 August 2012 collections.

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

4 Cumulative collections, estimates and variance since the June forecast (June - August 2012) and revisions to history.

5 Lottery transfers to the General Fund

* Based on the June 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 August 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.