



# ECONOMIC & REVENUE UPDATE

September 17, 2018

summary

## Summary

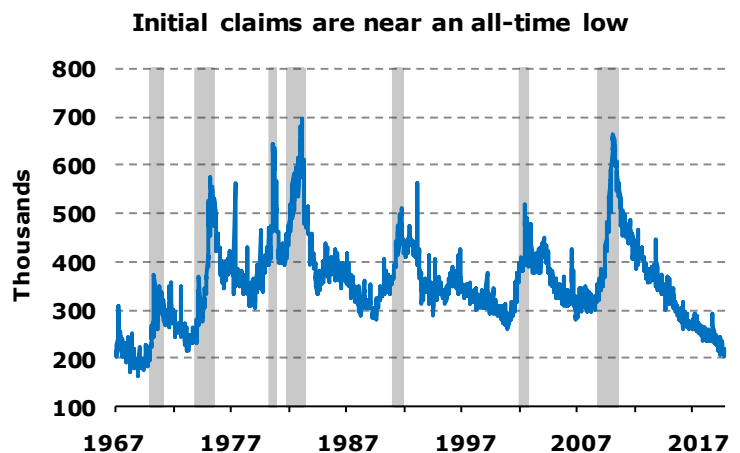
- **The U.S. labor market added 201,000 net new jobs in August.**
- **U.S. real GDP growth was revised from 4.1% to 4.2% (SAAR) in the second quarter.**
- **U.S. initial claims for unemployment insurance were at their lowest level since December 1969.**
- **Washington employment growth has been stronger than expected.**
- **Seattle area consumer price inflation remains well above the national average.**
- **Major General Fund-State (GF-S) revenue collections for the August 11 - September 10, 2018 collection period came in \$71.9 million (4.8%) above the June forecast.**
- **Cumulatively, collections are now \$146.9 million (3.0%) higher than forecasted.**

## United States

The national economy continues to expand with an increase in employment, record low initial unemployment insurance claims and continued expansion in manufacturing activity. However, existing home sales dipped and auto sales remained weak.

The U.S. economy added 201,000 net new jobs in August. Employment data for June and July were revised down by 50,000 jobs. Sectors with notable employment gains in August included health care (+33,000), professional and technical services (+28,000), construction (+23,000), wholesale trade (+22,000), accommodation and food services (+20,000) and administrative and support services (+20,000). Industries with net employment declines in August included clothing and accessories stores (-21,000), information (-6,000), performing arts and spectator sports (-5,000), state government excluding education (-3,000), and manufacturing (-3,000).

Initial claims for unemployment insurance decreased by 1,000 to 204,000 (SA) in the week ending September 8th. This is the lowest level for initial claims since December 1969 ([see figure](#)). The four-week moving average of initial claims decreased by 2,000 to 208,000. Layoff announcements in August, as tracked by outplacement firm Challenger, Gray, and Christmas, totaled 38,472 or 41.8% higher than in July. The retail sector continues to lead all industries in job cuts so far this year with 79,478 (25.6% of year-to-date job cuts).



Average hourly earnings increased by ten cents in August and are 2.9% above their year-ago level. The average workweek in August was unchanged at 34.5 hours. The August unemployment rate remained at 3.9%.

united states

The second estimate of real gross domestic product (GDP) growth for the second quarter of 2018 was revised up from 4.1% to 4.2% (SAAR). The upward revision reflected stronger contributions from nonresidential fixed investment and private inventory investment, partially offset by a downward revision to personal consumption expenditures. In the first quarter, real GDP grew at a 2.2% rate (SAAR).

Manufacturing activity expanded for a 24th consecutive month in August. The Institute for Supply Management's Purchasing Managers Index (PMI) increased by 3.2 points to 61.3 (50 or higher indicates growth). The non-manufacturing PMI for August increased by 2.8 points from July to 58.5. The non-manufacturing index has remained above 50 for 103 consecutive months.

Industrial production increased by 0.4% (SA) in August following a revised 0.4% increase in July. New orders for core capital goods (i.e., durables excluding aircraft and military), which is a proxy for business investment, increased by 1.4% (SA) in July according to U.S. Census Bureau advance data.

U.S. residential construction activity improved this month while sales of both new and existing homes slowed. Housing units authorized by building permits in July were 1.5% (SA) above their June level and 4.2% above their year-ago level. July housing starts increased by 0.9% (SA) compared to June but were 1.4% below their July 2017 level. Existing home sales decreased for the fourth consecutive month in July, falling by 0.7% (SA) compared to June. Existing home sales in July were at their slowest pace in over two years and are 1.5% below their year-ago level. New single-family home sales in July decreased by 1.7% (SA) compared to June. However, new home sales were up by 12.8% compared to July 2017. The seasonally adjusted Case-Shiller national home price index for June was 0.3% above its May level and 6.3% above its year-ago level.

Two key measures of consumer confidence painted a mixed picture this month but remain at high levels. Consumers responding to the University of Michigan consumer sentiment survey reported less favorable perceptions of product prices, resulting in a 2.6 point decline to 95.3 in the sentiment index in August. The Conference Board index of consumer confidence increased by 5.5 points in August to 133.4, its highest level since October 2000. Consumers were more confident about both current conditions and future economic conditions compared to July.

Light motor vehicle sales in August were 0.3% (SAAR) below July sales and down 0.8% from August 2017. Domestic vehicles accounted for nearly 79% of August light vehicle sales.

Petroleum spot prices in the U.S. were mixed over the last month. For the week ending September 7th, U.S. benchmark West Texas Intermediate was unchanged from early August at \$69 per barrel. Over the same time period, European benchmark Brent increased by \$4 to \$77 per barrel. Gasoline prices were relatively unchanged over the last month, falling one cent to \$2.84 per gallon (regular, all formulations) between August 6th and September 17th.

The American Trucking Association's truck tonnage index decreased 0.4% (SA) in June but was 7.8% above its year-ago level. Rail carloads for August were 0.2% (SA) above their July level and 4.1% above their year-ago level. Intermodal rail units (shipping containers or truck trailers) were 0.4% (SA) lower than in July but 5.3% above their August 2017 level.

## WASHINGTON

We have three months of new Washington employment data since the June forecast was released. Total nonfarm payroll employment rose 24,300 (seasonally adjusted) in June,

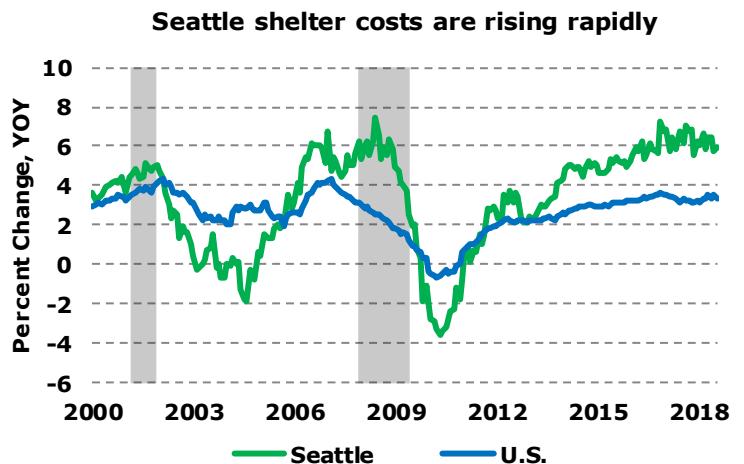
July, and August, which was 6,300 more than the 17,900 expected in the June forecast. The variance in employment growth was mostly due to the private services-providing sectors, which added 18,600 jobs compared to 14,200 in the June forecast. Manufacturing employment increased 1,300 in June, July, and August, boosted by an increase of 1,100 aerospace employees. Construction employment increased by 900 jobs and government payrolls expanded by 3,500 jobs.

Washington housing construction declined in the second quarter of 2018 and fell short of the June forecast. The number of housing units authorized by building permits decreased to 43,200 units (SAAR) in the second quarter of 2018 from 49,200 units in the first quarter. Second quarter permits were made up of 23,000 single-family units and 20,200 multi-family units. The June forecast assumed 46,700 units (SAAR) in the second quarter, consisting of 24,400 single-family units and 22,300 multi-family units.

Housing permits remained weak in July at 35,400 units (SAAR) of which 21,800 were single-family units and 13,700 were multi-family units. The June forecast expected 42,800 units in the third quarter as a whole, consisting of 23,600 single-family units and 19,300 multi-family units.

In a sign that the housing market may be cooling, seasonally adjusted Seattle area home prices rose just 0.2% in June according to the S&P/Case-Shiller Home Price Indices. The Composite-20 index rose just 0.1%. The monthly results might be misleading, however, due to ongoing problems with seasonal adjustment. The over-the-year growth was 12.8% in Seattle, which was double the 6.4% increase in the Composite-20 index. Seattle home prices are now up 92% since the December 2011 trough and exceed the May 2007 peak by 33%.

Seattle area consumer price inflation remains well above the national average. Over the last year, from August 2017 to August 2018, consumer prices in the Seattle area rose 3.2% (seasonally adjusted) compared to 2.7% for the U.S. city average. Core prices, which exclude food and energy, were up 3.0% in Seattle compared to 2.2% for the nation. The higher Seattle inflation was due to more rapid growth in shelter costs. During the year, shelter costs in Seattle rose 6.0% compared to 3.4% for the nation (see figure). Excluding shelter costs, Seattle inflation was below the national average at 1.5% compared to 2.3%.



The Institute of Supply Management - Western Washington Index (ISM-WW) increased in August and remained solidly in positive territory. The index, which measures conditions in the manufacturing sector, increased from 60.0 in July to 61.1 in August (index values above 50 indicate growth while values below 50 indicate contraction). The index has exceeded 50 in each of the last 13 months. The production, orders, employment, and inventory components all indicated expansion in August while the deliveries component was neutral at 50.

Car and truck sales declined for a third consecutive month in August. Seasonally adjusted new vehicle registrations fell 2.0% in August following declines of 1.4% in July and 1.0% in June. Sales are down 7.1% over the year and 14.9% since the November 2017 post-recession peak.

## REVENUE COLLECTIONS

### Overview

Major General Fund-State (GF-S) revenue collections for the August 11 - September 10, 2018 collection period came in \$71.9 million (4.8%) above the June forecast. Cumulatively, collections are now \$146.9 million (3.0%) 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 August 11 - September 10, 2018 collection period. Collections correspond primarily to the July economic activity of monthly filers.

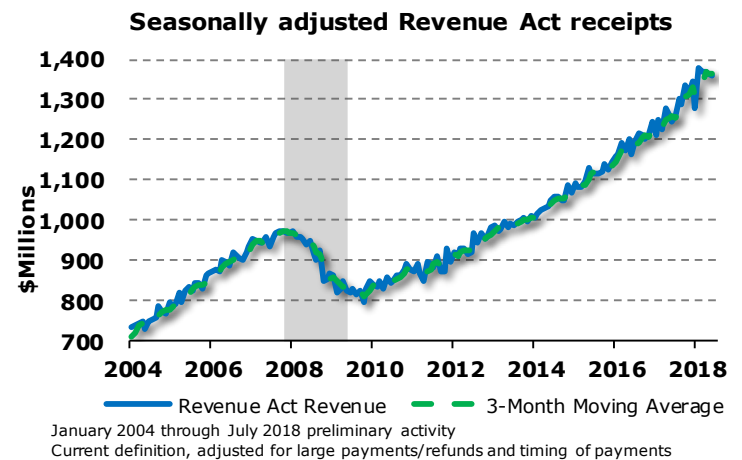
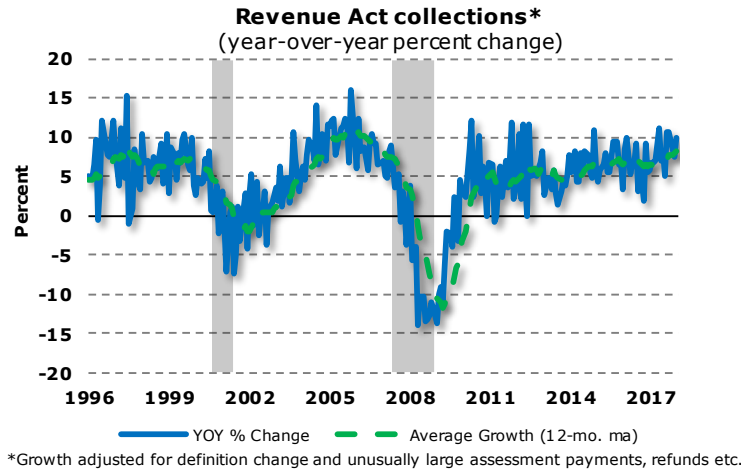
Revenue Act collections for the current period came in \$64.8 million (4.9%) above the June forecast. Cumulatively, collections are now \$137.4 million (3.3%) above the forecast. Since the June forecast, there have been \$8.6 million in large one-time payments of past-due taxes. Without these payments, cumulative collections would have been \$128.8 million (3.1%) above the forecast.

Adjusted for a large one-time payment, collections grew 10.0% year over year ([see figure](#)). The 12-month moving average of year-over-year growth increased to 8.3%. Seasonally adjusted collections decreased slightly from last month's level ([see figure](#)).

As shown in the "Key Revenue Variables" table, unadjusted Revenue Act collections increased 10.2% year over year. Retail sales tax collections grew 10.7% year over year and B&O tax collections grew 12.1%.

Total tax payments as of September 6th from electronic filers who also filed returns in the August 11 - August 30 period of last year were up 10.5% year over year (payments are mainly Revenue Act taxes but include some non-Revenue Act taxes as well). Last month payments were up 7.6% year over year. Some details of payments from electronic filers:

- Total payments in the retail trade sector were up 5.9% year over year. Last month, payments grew 5.2% year over year.
- Payments from the motor vehicles and parts sector increased by 3.2% year over year. Last month, payments in the sector increased by 4.9% year over year.
- Retail trade sectors that showed strong growth in payments were miscellaneous retailers (+14.5%), gas stations and convenience stores (+11.3%), nonstore retailers



(+10.6%) and furniture and home furnishings (+7.7%).

- Payments from non-retail trade sectors were up 13.2% year over year in the current period. Last month, year-over-year payments increased 8.8%.
- Tax payments by businesses in the accommodation and food services sector increased by 2.9% year over year. Last month receipts from the sector increased 3.2% year over year.
- Payments from the manufacturing sector increased by 25.8% year over year. Last month payments increased 17.4% year over year. The month saw a large year-over-year increase in payments from the petroleum refining sector and a moderate increase in payments from the transportation equipment sector. Excluding the transportation and petroleum sectors, payments from the remaining manufacturing sectors increased by 12.9% year over year.
- Tax payments by businesses in the construction sector increased by 15.3% year over year. Last month receipts from the construction sector increased 9.6% year over year.
- Payments in the management, education and health services sector increased by 33.8%. Last month receipts in the sector increased by 24.1%. Payments in the sector have shown strong growth since payments for January activity, concurrent with the implementation of the state’s Marketplace Fairness Act. Under the act, marketplace facilitators of sales from out-of-state retailers must report or collect taxes for those sales. Since the facilitators are providing a service to the out-of-state retailers, the taxes they collect are reported in the service sector rather than the retail trade sector.

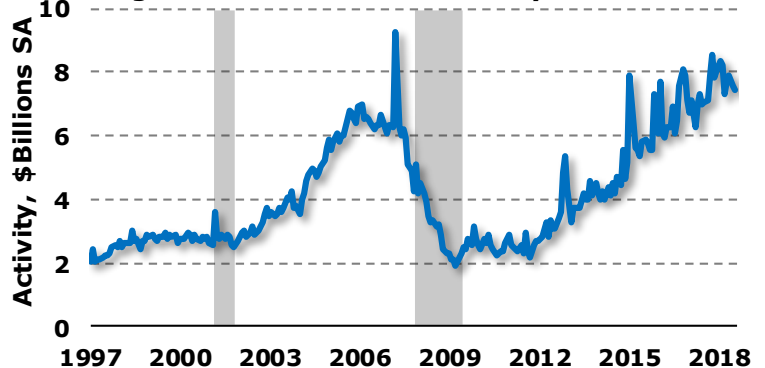
**DOR Non-Revenue Act**

August DOR non-Revenue Act collections came in \$6.7 million (3.7%) above the forecast. Cumulatively, collections are now \$7.8 million (1.0%) above the forecast.

As expected after last month’s cumulative shortfall, cigarette tax receipts came in \$4.7 million (14.5%) higher than forecasted. Cumulatively, receipts are now \$0.7 million (0.7%) higher than forecasted.

Real estate excise tax (REET) collections came in \$2.4 million (2.3%) higher than forecasted. Sales of large commercial property (property valued at \$10 million or more) came in higher than expected at \$902 million, down from last month’s revised sales of \$1.48 billion. Collections from residential sales came in lower than forecasted. Seasonally adjusted activity decreased from last month’s level ([see figure](#)). Cumulatively, collections are now \$12.3 million (3.8%) higher than forecasted.

**Large commercial taxable REET activity decreased in August while residential activity increased**



Source: ERFC, data through August 2018 preliminary activity

Property tax receipts came in \$1.4 million (13.5%) higher than forecasted. Cumulatively, receipts are \$3.5 million (1.3%) higher than forecasted.

Liquor taxes came in \$0.8 million (3.2%) higher than forecasted. Cumulatively, collections are now \$0.6 million (0.9%) higher than forecasted.

Refunds of unclaimed property from the GF-S were \$2.8 million higher than forecasted. Cumulatively, unclaimed property refunds are now \$6.1 million (66.7%) higher than forecasted.

Other DOR revenue came in \$0.2 million (2.2%) higher than forecasted. Cumulatively, however, other revenue is \$3.3 million (6.0%) lower than forecasted.

### **Other Revenue**

Revenue from the Administrative Office of the Courts came in \$0.5 million (7.3%) higher than forecasted. Cumulatively, revenue is \$1.7 million (9.5%) higher than forecasted.

## Key U.S. Economic Variables

	2018						2016	2017
	Mar.	Apr.	May	Jun.	Jul.	Aug.		
Real GDP (SAAR)	2.2	-	-	4.1	-	-	1.6	2.2
Industrial Production (SA, 2007 = 100)	106.4	107.6	106.7	107.4	107.8	108.2	102.1	103.7
<i>YOY % Change</i>	3.6	3.8	2.9	3.5	4.0	4.9	-1.9	1.6
ISM Manufacturing Index (50+ = growth)	59.3	57.3	58.7	60.2	58.1	61.3	51.5	57.6
ISM Non-Manuf. Index (50+ = growth)	58.8	56.8	58.6	59.1	55.7	58.5	54.9	57.0
Housing Starts (SAAR, 000)	1,327	1,276	1,329	1,158	1,168	-	1,177	1,208
<i>YOY % Change</i>	12.6	9.5	18.4	-5.5	-1.4	-	6.4	2.6
Light Motor Vehicle Sales (SAAR, mil.)	17.3	17.1	17.2	17.2	16.8	16.7	17.5	17.2
<i>YOY % Change</i>	2.7	0.5	2.4	3.2	0.0	0.8	0.5	-1.6
CPI (SA, 1982-84 = 100)	249.5	250.0	250.5	250.9	251.3	251.8	240.0	245.1
<i>YOY % Change</i>	2.4	2.4	2.7	2.8	2.9	2.7	1.3	2.1
Core CPI (SA, 1982-84 = 100)	256.2	256.5	256.9	257.3	257.9	258.1	247.6	252.2
<i>YOY % Change</i>	2.1	2.1	2.2	2.2	2.3	2.2	2.2	1.8
IPD for Consumption (2009=100)	107.6	107.8	108.1	108.2	108.3	-	104.2	106.1
<i>YOY % Change</i>	2.1	2.0	2.2	2.2	2.3	-	1.1	1.8
Nonfarm Payroll Empl., e-o-p (SA, mil.)	148.3	148.5	148.7	148.9	149.1	149.3	145.4	147.6
<i>Monthly Change</i>	0.16	0.18	0.27	0.21	0.15	0.20	2.34	2.19
Unemployment Rate (SA, percent)	4.1	3.9	3.8	4.0	3.9	3.9	4.9	4.4
Yield on 10-Year Treasury Note (percent)	2.84	2.87	2.98	2.91	2.89	2.89	1.84	2.33
Yield on 3-Month Treasury Bill (percent)	1.73	1.79	1.90	1.94	1.99	2.07	0.32	0.95
Broad Real USD Index** (Mar. 1973=100)	95.2	95.3	97.9	99.4	99.7	100.9	99.0	98.4
Federal Budget Deficit (\$ bil.)*	208.7	-214.3	146.8	74.9	76.9	214.1	693.9	665.8
<i>FYTD sum</i>	599.7	385.4	532.2	607.1	684.0	898.1		
US Trade Balance (\$ bil.)	-46.7	-45.5	-42.6	-45.7	-50.1	-	-502.0	-552.3
<i>YTD Sum</i>	-154.0	-199.5	-242.1	-287.8	-337.9	-		

\*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

	2018						2016	2017	
	Mar.	Apr.	May	Jun.	Jul.	Aug.			
<b>Employment</b>								<i>End-of-period</i>	
Total Nonfarm (SA, 000)	3,394.0	3,398.4	3,408.4	3,415.0	3,425.5	3,432.7	3,284.3	3,360.8	
<i>Change from Previous Month (000)</i>	9.1	4.4	10.0	6.5	10.5	7.2	98.5	76.5	
Construction	209.9	211.0	212.1	211.8	211.4	212.9	193.9	206.5	
<i>Change from Previous Month</i>	0.9	1.2	1.0	-0.3	-0.4	1.5	16.3	12.6	
Manufacturing	285.2	285.0	285.6	285.9	287.6	287.0	287.0	283.6	
<i>Change from Previous Month</i>	0.9	-0.2	0.7	0.3	1.7	-0.6	-6.1	-3.3	
Aerospace	82.1	82.1	82.8	83.3	84.0	83.8	87.7	81.5	
<i>Change from Previous Month</i>	0.0	0.0	0.7	0.5	0.7	-0.2	-5.8	-6.2	
Software	63.6	64.0	64.6	65.2	65.2	65.8	60.3	62.6	
<i>Change from Previous Month</i>	0.3	0.4	0.5	0.6	0.0	0.6	3.2	2.2	
All Other	2,835.4	2,838.4	2,846.1	2,852.1	2,861.4	2,867.0	2,743.1	2,808.1	
<i>Change from Previous Month</i>	7.0	3.0	7.8	6.0	9.2	5.6	85.0	65.0	
<b>Other Indicators</b>								<i>Annual Average</i>	
Seattle CPI (1982-84=100, NSA)	-	270.3	-	272.4	-	271.6	255.0	262.7	
	-	3.3%	-	3.3%	-	3.1%	2.3%	3.0%	
Housing Permits (SAAR, 000)	62.0	50.8	33.8	45.1	35.4	-	42.9	44.9	
	58.4%	0.9%	-15.6%	9.0%	-21.0%	-	5.5%	4.7%	
WA Index of Leading Ind. (2004=100)	125.9	126.0	124.9	124.5	124.8	-	119.8	122.4	
	4.1%	3.4%	2.5%	1.5%	1.7%	-	1.4%	2.1%	
WA Business Cycle Ind. (Trend=50)	82.1	81.2	82.6	82.9	83.1	-	67.9	74.8	
	13.3%	13.6%	12.5%	12.9%	12.8%	-	15.7%	10.3%	
Avg. Weekly Hours in Manuf. (SA)	41.8	43.0	42.4	42.6	41.7	-	41.6	41.7	
	0.5%	3.1%	2.4%	2.4%	0.8%	-	0.6%	0.3%	
Avg. Hourly Earnings in Manuf.	28.2	28.4	28.1	28.2	28.1	-	26.4	27.4	
	3.7%	4.8%	4.7%	4.2%	3.6%	-	3.5%	3.6%	
New Vehicle Registrations (SA, 000)	25.7	24.8	24.9	24.7	24.3	23.8	26.1	25.4	
	1.4%	1.7%	1.8%	5.7%	0.9%	-7.1%	4.4%	-2.8%	
Initial Unemployment Claims (SA, 000)	26.0	26.0	25.6	26.9	25.1	27.2	30.3	27.0	
	-7.6%	-9.6%	-6.7%	-3.5%	-6.9%	-1.2%	-5.9%	-11.1%	
Personal Income (SAAR, \$bil.)	434.1	-	-	-	-	-	397.8	417.2	
	6.0%	-	-	-	-	-	4.7%	4.9%	
Median Home Price (\$000)	360.2	-	-	373.4	-	-	315.9	342.7	
	11.1%	-	-	10.6%	-	-	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							
	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	May 11- Jun 10	Jun 11- Jul 10	Jul 11- Aug 10	Aug 11- Sep 10*
<b>Department of Revenue-Total</b>	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	2,784,039	1,780,202	1,719,052	1,576,384
	-0.8	6.6	7.1	4.0	9.3	9.0	8.4	5.3	14.5	29.8	13.1	8.1	9.6
<b>Revenue Act</b>	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	1,260,746	1,340,750	1,520,569	1,389,534
	-2.4	6.0	7.7	6.2	10.9	9.2	7.8	5.0	11.3	10.8	10.9	8.0	10.2
Retail Sales Tax	842,244	890,183	926,968	797,565	817,127	976,735	705,705	702,322	935,545	831,263	894,841	1,005,475	932,157
	3.4	12.4	8.4	5.9	11.7	3.2	4.1	5.8	11.5	12.3	13.4	9.5	10.7
Business and Occupation Tax	308,348	317,297	391,779	321,861	335,291	458,476	325,920	274,923	391,436	324,707	340,253	401,004	345,600
	0.1	7.0	9.2	7.3	8.5	12.1	16.7	3.4	10.6	11.6	11.5	7.5	12.1
Use Tax	56,191	50,642	55,665	53,038	55,931	73,687	49,178	73,182	64,662	56,083	61,172	60,394	61,013
	-10.7	-2.2	-5.6	1.6	12.3	23.2	-12.9	39.4	17.6	5.1	1.3	-7.5	8.6
Public Utility Tax	30,190	28,787	20,511	29,153	28,939	44,339	51,428	34,259	47,617	35,828	33,231	33,249	32,238
	8.4	14.7	-20.8	-0.2	7.6	15.3	1.6	-16.9	11.1	7.1	1.9	1.7	6.8
Tobacco Products Tax	5,660	6,695	3,941	5,328	4,721	4,558	4,416	3,398	3,862	6,544	2,946	9,680	2,881
	37.5	26.3	-1.9	10.2	15.0	6.7	16.9	-21.3	-2.4	59.6	-44.1	102.4	-49.1
Penalties and Interest	17,916	-12,707	21,478	22,256	29,291	53,986	32,678	9,211	13,306	6,321	8,307	10,766	15,644
	-75.7	-133.4	35.0	19.1	18.0	203.9	88.1	-47.0	0.4	-61.0	-50.8	-26.6	-12.7
<b>Non-Revenue Act**</b>	178,316	178,470	277,907	922,373	301,357	162,693	128,833	179,814	308,915	1,523,293	439,452	198,483	186,850
	12.2	11.1	3.7	1.3	3.0	7.0	14.7	7.1	32.5	51.3	20.6	9.0	4.8
Liquor Sales/Liter	24,496	23,854	21,058	17,722	26,629	32,140	21,407	11,354	29,366	20,143	23,516	23,113	25,903
	5.2	7.5	3.2	-10.4	18.0	2.0	14.7	-40.7	41.3	3.4	5.3	4.5	5.7
Cigarette	38,723	33,441	24,697	33,054	29,029	33,337	22,139	26,923	25,549	34,626	25,277	34,986	37,024
	10.3	-5.4	-30.2	8.0	-7.3	19.2	3.5	-11.5	-3.1	11.1	-33.1	14.3	-4.4
Property (State School Levy)	6,561	12,104	40,276	747,319	142,621	9,131	5,896	44,762	148,005	1,316,010	256,383	16,041	11,460
	-3.5	7.3	-13.0	2.4	2.5	-4.7	6.6	34.5	46.8	60.3	49.7	30.0	74.7
Real Estate Excise	101,683	89,953	99,378	87,763	96,959	67,965	65,165	84,485	83,757	98,780	113,692	113,921	107,696
	15.7	6.6	4.1	3.0	8.6	14.5	8.0	14.7	22.9	2.2	6.0	14.6	5.9
Unclaimed Property	-779	-448	71,678	28,236	-5,266	-474	3,210	503	1,886	7,978	-4,114	-6,415	-4,611
	-74.5	-80.4	52.5	-30.6	1,698.6	-123.0	-178.7	-131.7	-287.4	-382.8	-33.4	78.8	491.7
Other	7,634	19,566	20,821	8,279	11,386	20,594	11,016	11,787	20,351	45,756	24,697	16,839	9,378
	-13.7	101.4	-11.1	88.4	6.3	-4.1	5.0	-9.0	13.0	11.7	-22.9	-20.5	22.9
<b>Administrative Office of the Courts**</b>	6,194	6,500	6,680	6,580	5,967	5,372	6,012	5,669	7,102	6,623	6,454	6,125	6,681
	-9.6	3.3	9.0	-7.8	6.2	-7.3	11.3	1.5	0.2	4.2	5.9	-5.5	7.9
<b>Total General Fund-State***</b>	<b>1,445,060</b>	<b>1,465,866</b>	<b>1,704,927</b>	<b>2,158,154</b>	<b>1,578,624</b>	<b>1,779,846</b>	<b>1,304,172</b>	<b>1,282,777</b>	<b>1,772,445</b>	<b>2,790,662</b>	<b>1,786,657</b>	<b>1,725,177</b>	<b>1,583,065</b>
	<b>-0.8</b>	<b>6.6</b>	<b>7.1</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>	<b>29.7</b>	<b>13.1</b>	<b>8.0</b>	<b>9.6</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>August 11 - September 10, 2018</b>				
<b>September 10, 2018 Collections Compared to the June 2018 Forecast</b>				
Department of Revenue-Total	\$1,504,907	\$1,576,384	\$71,477	4.7%
Revenue Act** (1)	1,324,768	1,389,534	64,766	4.9%
Non-Revenue Act(2)	180,139	186,850	6,711	3.7%
Liquor Sales/Liter	25,094	25,903	810	3.2%
Cigarette	32,345	37,024	4,678	14.5%
Property (State School Levy)	10,095	11,460	1,365	13.5%
Real Estate Excise	105,286	107,696	2,410	2.3%
Unclaimed Property	(1,859)	(4,611)	(2,753)	148.1%
Other	9,178	9,378	200	2.2%
Administrative Office of the Courts (2)	6,227	6,681	454	7.3%
<b>Total General Fund-State***</b>	<b>\$1,511,134</b>	<b>\$1,583,065</b>	<b>\$71,932</b>	<b>4.8%</b>

### Cumulative Variance Since the June Forecast (June 11, 2018 - September 10, 2018)

Department of Revenue-Total	\$4,930,392	\$5,075,638	\$145,246	2.9%
Revenue Act** (3)	4,113,431	4,250,853	137,421	3.3%
Non-Revenue Act(4)	816,961	824,785	7,825	1.0%
Liquor Sales/Liter	71,920	72,533	612	0.9%
Cigarette	96,631	97,287	656	0.7%
Property (State School Levy)	280,354	283,884	3,530	1.3%
Real Estate Excise	322,980	335,308	12,328	3.8%
Unclaimed Property	(9,082)	(15,140)	(6,058)	66.7%
Other	54,157	50,914	(3,243)	-6.0%
Administrative Office of the Courts (4)	17,592	19,261	1,668	9.5%
<b>Total General Fund-State***</b>	<b>\$4,947,984</b>	<b>\$5,094,899</b>	<b>\$146,914</b>	<b>3.0%</b>

1 Collections August 11 - September 10, 2018. Collections primarily reflect July 2018 activity of monthly filers.

2 August 2018 collections.

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

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

\* Based on the June 2018 economic and revenue forecast released June 19, 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.