



Monthly Revenue Release

Agency of Administration
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Montpelier, VT - Secretary of Administration Susanne Young releases Vermont's Revenue Results for September 2018. In total, the three major funds - General Fund, Transportation Fund, and Education Fund – were above their monthly target, with the General Fund exceeding its target and Transportation and Education funds falling below their targets.

Revenue collections for the month of September 2018 have been compiled. General Fund tax revenues collected for the month totaled \$137.88 million, or \$11.95 million above the monthly consensus revenue target, according to Secretary of Administration Susanne Young. "General Fund performance, particularly in the personal and corporate income tax, was strong through the first three months, including the key month of September," stated Secretary Young. "Year-to-date, the first quarter of fiscal year 2019 revenues were \$15.36 million above forecast, an upbeat and encouraging start to the fiscal year for the General Fund."

The Transportation Fund collected \$21.50 million for the month of September, or -\$5.31 million below target. The Fuel Tax receipts, including the Gas Tax and Diesel Tax, missed their marks by a wide margin and some weakness in the Motor Vehicle Purchase and Use Tax contributed to the target miss. "It is likely that these fuel tax results are attributable to the timing of collections, rather than poor performance, because the last days of September fell on a weekend and receipts were not booked until October," said Young. "We will monitor the performance in the Transportation Fund closely to determine if that is, in fact, the case." This fiscal year to date, the Transportation Fund is below target by -\$2.75 million, or -3.85%.

The Education Fund collected \$42.56 million for the month, or -\$2.2 million below target. For the year, the fund is -\$3.05 million, or -2.30%, below forecast. "Underperformance in the Sales and Use Tax, which is now directed one hundred percent to the Education Fund, may be attributable to a slower than expected ramp-up in e-commerce sales tax collections required by the June 2018 U.S. Supreme Court decision in the *Wayfair* case," noted Young.

The State's three largest funds, in the aggregate, are above the consensus forecast by almost \$10 million over the first three months of fiscal year 2019. On a year-over-year basis, after adjusting for legislative changes noted below, the three funds in aggregate continue to reflect solid gains in a broad range of tax categories.

Of note, Act 11 of 2018 made several key changes to existing State revenue and expenditure distributions effective July 1 and implemented in the current fiscal year. The most significant changes were the shift of the entirety of the Sales and Use tax and 25% of the Meals and Rooms tax from the General Fund to the Education Fund offset by the elimination of a lump sum annual transfer of General Fund dollars to the Education Fund. Adjusting these changes, for comparison purposes only, the year-to-date fiscal 2019 revenues represent increases of 10.91%, -2.89%, and 2.55% for the General Fund, Transportation Fund, and Education Fund, respectively, from the corresponding first three months of fiscal 2018. Personal Income tax - the largest component of the General Fund - increased by 7.36% over fiscal 2018.

State of Vermont Revenue, by Major Fund **Month: Sep-18**
vs. Consensus Revenue Forecast Target **FY: 2019**

General Fund By Major Element (In Millions)*	Month				Fiscal YTD				Prior Fiscal YTD Restated (1)		
	Target	Revenue	Change	% Change	Target	Revenue	Change	% Change	Revenue	\$ Change	% Change
Personal Income	\$ 81.72	\$ 84.77	\$ 3.05	3.73%	\$184.58	\$190.12	\$ 5.54	3.00%	\$ 177.09	\$ 13.03	7.36%
Sales & Use (1)	\$ -	\$ -	\$ -	n/a	\$ -	\$ -	\$ -	n/a	\$ -	\$ -	n/a
Corporate	\$ 17.80	\$ 27.67	\$ 9.87	55.44%	\$ 22.46	\$ 34.86	\$ 12.39	55.18%	\$ 19.36	\$ 15.50	80.04%
Meals & Room (1)	\$ 13.51	\$ 13.44	\$ (0.07)	-0.50%	\$ 37.85	\$ 38.07	\$ 0.22	0.58%	\$ 36.61	\$ 1.46	3.98%
Insurance Premium	\$ 0.79	\$ 0.38	\$ (0.41)	-51.46%	\$ 8.44	\$ 7.95	\$ (0.49)	-5.76%	\$ 8.32	\$ (0.37)	-4.48%
Inheritance & Estate	\$ 2.09	\$ 1.48	\$ (0.62)	-29.42%	\$ 5.28	\$ 2.37	\$ (2.91)	-55.07%	\$ 2.45	\$ (0.08)	-3.29%
Real Prop. Transfer	\$ 1.27	\$ 1.16	\$ (0.11)	-8.46%	\$ 3.40	\$ 3.27	\$ (0.13)	-3.76%	\$ 3.02	\$ 0.25	8.20%
Other	\$ 8.74	\$ 8.97	\$ 0.23	2.67%	\$ 25.59	\$ 26.32	\$ 0.73	2.86%	\$ 26.29	\$ 0.03	0.11%
Total	\$ 125.92	\$137.88	\$ 11.95	9.49%	\$287.59	\$302.96	\$ 15.36	5.34%	\$ 273.15	\$ 29.81	10.91%

*Differences due to rounding

Transportation Fund By Major Element (In Millions)*	Month				Fiscal YTD				Prior Fiscal YTD		
Tax Component	Target	Revenue	Change	% Change	Target	Revenue	Change	% Change	Revenue	\$ Change	% Change
Gasoline	\$ 7.41	\$ 5.32	\$ (2.10)	-28.30%	\$ 21.18	\$ 18.96	\$ (2.22)	-10.48%	\$ 21.22	\$ (2.25)	-10.63%
Diesel Fuel	\$ 1.99	\$ 1.65	\$ (0.33)	-16.72%	\$ 4.73	\$ 4.60	\$ (0.13)	-2.67%	\$ 4.97	\$ (0.37)	-7.50%
MV Purchase & Use	\$ 8.13	\$ 6.03	\$ (2.10)	-25.80%	\$ 19.17	\$ 17.91	\$ (1.26)	-6.59%	\$ 17.93	\$ (0.01)	-0.08%
Motor Vehicle Fees	\$ 7.33	\$ 6.54	\$ (0.80)	-10.86%	\$ 20.92	\$ 21.17	\$ 0.25	1.19%	\$ 21.57	\$ (0.40)	-1.85%
Other	\$ 1.94	\$ 1.96	\$ 0.02	0.89%	\$ 5.28	\$ 5.90	\$ 0.61	11.62%	\$ 4.90	\$ 1.00	20.37%
Total	\$ 26.81	\$ 21.50	\$ (5.31)	-19.80%	\$ 71.28	\$ 68.54	\$ (2.75)	-3.85%	\$ 70.58	\$ (2.04)	-2.89%

Note:

TIB Fuel Fees/Gasoline	\$ 1.45	\$ 1.02	\$ (0.43)	-29.92%	\$ 4.14	\$ 3.51	\$ (0.64)	-15.35%	\$ 3.40	\$ 0.11	3.24%
TIB Fuel Fees/Diesel	\$ 0.18	\$ 0.18	\$ (0.00)	-1.75%	\$ 0.44	\$ 0.51	\$ 0.06	14.67%	\$ 0.51	\$ (0.00)	-0.43%

*Differences due to rounding

Education Fund By Major Element (In Millions)*	Month				Fiscal YTD				Prior Fiscal YTD Restated (1)		
Non-Property Tax Component	Target	Revenue	Change	% Change	Target	Revenue	Change	% Change	Revenue	\$ Change	% Change
Sales & Use (1)	\$ 33.71	\$ 33.15	\$ (0.56)	-1.66%	\$104.90	\$102.70	\$ (2.20)	-2.10%	\$ 99.65	\$ 3.05	3.06%
Meals & Room (1)	\$ 4.50	\$ 4.48	\$ (0.02)	-0.50%	\$ 12.62	\$ 12.69	\$ 0.07	0.58%	\$ 12.20	\$ 0.49	3.98%
MV Purchase & Use	\$ 4.07	\$ 3.02	\$ (1.05)	-25.80%	\$ 9.59	\$ 8.96	\$ (0.63)	-6.59%	\$ 8.96	\$ (0.01)	-0.08%
Lottery Transfer	\$ 2.26	\$ 1.76	\$ (0.50)	-22.02%	\$ 5.25	\$ 4.90	\$ (0.34)	-6.50%	\$ 5.27	\$ (0.37)	-6.93%
Investment Income	\$ 0.23	\$ 0.15	\$ (0.07)	-30.65%	\$ 0.23	\$ 0.28	\$ 0.05	21.87%	\$ 0.22	\$ 0.06	28.16%
Total	\$ 44.76	\$ 42.56	\$ (2.20)	-4.92%	\$132.57	\$129.53	\$ (3.05)	-2.30%	\$ 126.31	\$ 3.22	2.55%

*Differences due to rounding

(1) Act 11 of 2018 changed State revenue and expense distributions to: (1) Sales and Use tax to the Education Fund, (2) 25% of the Meals and Rooms tax to the Education Fund; Both previously distributed to the General Fund; and (3) eliminating the General Fund transfer to the Education Fund. Prior Year (FY 2018) restated accordingly.

**Comparative Statement of Revenues
General Fund
As of September 30, 2018**

	<u>Total to Date Last Year</u>	<u>Total to Date This Year</u>	<u>% of Change</u>
Taxes			
Personal Income Tax	177,091,445	190,122,989	7.4%
Sales & Use Tax	64,773,394	0	-100.0%
Corporate Income Tax	19,361,591	34,857,916	80.0%
Meals & Rooms Tax	48,811,618	38,065,819	-22.0%
Liquor & Wine Tax	4,748,811	4,884,846	2.9%
Insurance Premium	8,322,266	7,949,732	-4.5%
Telephone Gross Receipts	52,566	53,274	1.3%
Telephone Property Tax	1,100,001	1,010,597	-8.1%
Beverage Tax	1,953,696	1,712,711	-12.3%
Electric Generating	0	0	0.0%
Inheritance & Estate Tax	2,454,659	2,374,000	-3.3%
Real Property Transfer Tax	3,020,662	3,268,280	8.2%
Bank Franchise Tax	3,150,141	3,184,922	1.1%
All Other Taxes	214,745	645,184	200.4%
Total Taxes	<u>335,055,595</u>	<u>288,130,271</u>	<u>-14.0%</u>
Other Revenues			
Business Licenses	17,833	23,315	30.7%
Fees	11,244,771	11,753,503	4.5%
Services	739,071	699,140	-5.4%
Fines, Forfeits & Penalties	730,153	643,120	-11.9%
Interest, Prem	649,575	1,640,131	152.5%
Special Assessments	0	0	0.0%
All Other Revenues	1,688,087	67,517	-96.0%
Total Other Revenues	<u>15,069,490</u>	<u>14,826,724</u>	<u>-1.6%</u>
Total General Fund	<u><u>350,125,085</u></u>	<u><u>302,956,995</u></u>	<u><u>-13.5%</u></u>

**Comparative Statement of Revenues
Transportation Fund
As of September 30, 2018**

		<u>Total to Date</u> <u>Last Year</u>	<u>Total to Date</u> <u>This Year</u>	<u>% of Change</u>
Non-Dedicated				
Taxes				
Motor Fuel	400380	9,729,189	8,700,688	-10.6%
Fuel Tax Assessment	400390	11,488,349	10,261,887	-10.7%
Gasoline		<u>21,217,538</u>	<u>18,962,576</u>	-10.6%
Diesel Fuel	400440	4,334,325	3,996,436	-7.8%
Int'l Foreign Trade-Fr Foreign	400480	523,082	484,068	-7.5%
Int'l Foreign Trade-In State	400500	114,783	118,794	3.5%
Diesel Fuel		<u>4,972,190</u>	<u>4,599,298</u>	-7.5%
Purchase & Use	400400	17,043,477	16,844,101	-1.2%
Use Tax- Vehicle Rental	400460	882,039	1,067,770	21.1%
MV Purchase & Use		<u>17,925,516</u>	<u>17,911,871</u>	-0.1%
Total Taxes		<u>44,115,245</u>	<u>41,473,745</u>	-6.0%
Other Revenues				
Commercial Driver	405520	126,132	165,407	31.1%
Automobile Licenses & Reg	410100	19,261,387	0	-100.0%
Motor Vehicle Registrations	410105	0	15,367,337	100.0%
Driver Licenses	410106	0	3,710,738	100.0%
IRP In State	410160	839,481	812,175	-3.3%
IRP From Foreign	410180	1,341,207	1,114,158	-16.9%
Motor Vehicle Fees		<u>21,568,207</u>	<u>21,169,815</u>	-1.8%
Railroad	400360	128,621	6,170	-95.2%
Jet Fuel Sales Tax	400420	111,725	417,906	274.0%
Natural Gas Fuel	400430	78	5,126	6472.5%
Licenses-Non-Business-General	410000	0	23,092	100.0%
Directional Signs	410060	55,800	56,600	1.4%
Oversize Permits	410080	490,055	548,142	11.9%
DMV Miscellaneous Fees	410107	0	31,803	100.0%
DMV Fees Over-Short	410108	0	(17,553)	100.0%
Fuel User	410120	15,899	15,849	-0.3%
Inspection Sticker Fees	410130	453,133	883,227	94.9%
All Terrain Vehicle Reg	410140	18,801	12,813	-31.8%
Title Certificate	415440	1,446,338	1,453,047	0.5%
TB-New Vehicle Dealer Fee	415450	1,320	780	-40.9%
TB-Manufacturers Fee	415451	1,800	4,200	133.3%
IFTA-72 Hour Trip Permit	415460	3,810	2,940	-22.8%
Highway Access Permit Fees	415475	15,400	17,050	10.7%
Motorcycle Training	415480	92,696	250,231	169.9%
Safety/Service Organization	415500	474	697	47.0%
Bldg Bright Future Plate-Initi	415530	42	77	83.3%
Bldg Bright Future Plate-Renew	415535	801	781	-2.5%
Conservation Plates - Renewal	417740	6,483	6,801	4.9%
Conservation Plates - Initial	417745	2,053	2,822	37.4%
Rents-General	420000	3,033	119,130	3827.4%
Temp Bridge Rental	420050	4,746	2,723	-42.6%
Railroads	420060	291,056	439,999	51.2%
Airports	420080	65,747	69,974	6.4%
Surplus Property Sales	423100	14,936	118,361	692.4%
Copy - Printing & Duplicating	426205	235	0	-100.0%
Fines, Forfeits, Penalties	427000	1,000	0	-100.0%
Non-Suff Funds Charges	427120	3,220	49,531	1438.2%
Uniform Traffic Tick Fines St	427203	152	826	442.4%
Title 23 Crim DWI	427205	153,203	139,880	-8.7%
Fines Pending Allocation	427403	485,338	158,761	-67.3%
Civil Traffic Fines State	427404	959,542	777,176	-19.0%
Civil Traffic Fines Local	427405	0	(83)	100.0%
Motor Vehicle Violations	427420	0	(1,119)	100.0%
ATV Fines - 15%	427426	609	826	35.7%
Littering Fines	427470	1,275	864	-32.2%
Seatbelt Violations	427480	6,829	5,957	-12.8%
Interest Income - Program	428100	25,636	22,118	-13.7%
Litigation Settlement	455100	0	54,000	100.0%
Other Revenues - General	460000	4,392	5,254	19.6%
Accident Damage Recovery	460050	31,248	117,019	274.5%
Proceeds from Sale of Assets	480030	519	42,964	8173.4%
Other		<u>4,898,043</u>	<u>5,846,760</u>	19.4%
Total Other Revenues		<u>26,466,249</u>	<u>27,016,575</u>	2.1%
Total Non-Dedicated		<u>70,581,494</u>	<u>68,490,320</u>	-3.0%
Dedicated				
Federal Grants - Operating	430000	107,202,694	94,032,104	-12.3%
ARRA Federal Capital Grants	435001	1,422,258	0	-100.0%
Federal Aid		<u>108,624,952</u>	<u>94,032,104</u>	-13.4%
Motor Fuel Assessment-Gasoline	415485	3,395,105	3,500,648	3.1%
Motor Fuel Assessment-Diesel	415486	437,326	440,488	0.7%
Diesel TIB - IFTA VT	415487	13,929	12,728	-8.6%
Diesel TIB - IFTA From Foreign	415488	55,981	51,864	-7.4%
Interest Income - Program	428100	2,300	3,129	36.0%
Infrastructure Bond Fund Revenue	415485	<u>3,904,641</u>	<u>4,008,857</u>	2.7%
Transportation Impact Fee	415470	35,509	76,198	114.6%
Interest Income - Program	428100	100	136	35.6%
Transportation Impact Fee	415470	<u>35,609</u>	<u>76,334</u>	114.4%
Motorboat Registrations	412510	404,607	386,479	-4.5%
Sales of Services	424000	534	1,346	152.0%
Boating Safety Violations	427505	1,988	2,751	38.4%
Local Revenues	460110	971,650	234,425	-75.9%
Other		<u>1,378,779</u>	<u>625,001</u>	-54.7%
Total Dedicated		<u>113,943,980</u>	<u>98,742,296</u>	-13.3%
Total Transportation Fund		<u>184,525,474</u>	<u>167,232,617</u>	-9.4%

**Comparative Statement of Revenues
Education Fund
As of September 30, 2018**

	<u>Total to Date Last Year</u>	<u>Total to Date This Year</u>	<u>% of Change</u>
Non-Dedicated			
Estimated Revenues:			
Sales & Use Tax	34,877,981	102,696,405	194.4%
Meals & Rooms Tax	0	12,688,606	100.0%
Purchase & Use Tax	8,962,758	8,955,935	-0.1%
Lottery Transfer	5,269,105	4,904,088	-6.9%
Investment Income	220,160	282,164	28.2%
Total estimated revenues	<u>49,330,005</u>	<u>129,527,199</u>	<u>162.6%</u>
Other Revenues:			
Education Property Taxes	799,841	481,809	-39.8%
Electric Energy Educ Prop Tax	0	0	0.0%
Uniform Capacity Tax	50,773	194,664	283.4%
Medicaid Reimbursement	0	0	0.0%
All Other Revenues	656,220	235,967	-64.0%
Total other revenues	<u>1,506,834</u>	<u>912,439</u>	<u>-39.4%</u>
Total Education Fund	<u><u>50,836,839</u></u>	<u><u>130,439,638</u></u>	<u><u>156.6%</u></u>