

EXECUTIVE TAX REVENUE FORECAST

SFY 2008-09 Estimate

The Executive estimate of total tax collections in SFY 2008-09 is \$60.8 billion, a decline of 0.1 percent or \$85 million. Growth in the personal income tax and business taxes has slowed significantly and is estimated to slow even further, reflecting the severe decline in economic activity across the nation.

SFY 2009-10 Outlook

All Funds tax receipts are expected to increase by \$596 million, or an increase of one percent, to \$61.4 billion. The national recession that started in December 2007, is forecast to continue through the first half of 2009, putting significant downward pressure on tax receipts. The Executive is proposing a wide range of tax, fee and assessment increases as well as additional loophole closures.

Table 34

Executive Tax Forecast Summary					
State Fiscal Years 2008-09 and 2009-10					
(\$ in Millions)					
	2007-08	2008-09	Percent	2009-10	Percent
	Actual	Estimate	Growth	Forecast	Growth
Personal Income Tax	\$22,759	\$22,979	1.0%	\$22,662	-1.4%
User Taxes	8,555	8,712	1.8%	10,022	15.0%
Business Taxes	6,017	5,645	-6.2%	6,084	7.8%
Other	1,063	1,268	19.3%	1,048	-17.4%
General Fund Taxes	38,395	38,604	0.5%	39,815	3.1%
Non-General Fund Taxes	22,476	22,183	9.5%	21,568	13.0%
All Fund Taxes	\$60,871	\$60,786	-0.1%	\$61,383	1.0%

Table 35

Executive Revenue Estimates: Total Tax Collections SFY 2007-08 & SFY 2008-09				
(\$ in Millions)				
	2007-08	2008-09		Percent
	Actual	Estimate	Change	Growth
Personal Income Tax	\$36,564	36,559	(\$5)	0.0%
Gross Receipts	43,170	43,753	583	1.4%
Withholding	28,440	27,626	(814)	-2.9%
Estimated Payments	11,640	12,452	812	7.0%
Vouchers	8,592	7,627	(965)	-11.2%
IT 370s	3,048	4,825	1,777	58.3%
Final Payments	2,167	2,728	561	25.9%
Delinquencies	923	947	24	2.6%
Total Refunds	6,606	7,194	588	8.9%
Prior Year Refunds	4,286	4,485	199	4.6%
Current Refunds	1,500	1,750	250	16.7%
Previous Refunds	341	330	(11)	-3.2%
State/City Offsets	479	629	150	31.3%
Collections	36,564	36,559	(5)	0.0%
User Taxes and Fees	13,993	14,495	502	3.6%
Sales and Use Tax	11,296	11,444	148	1.3%
Motor Fuel Tax	525	523	(2)	-0.4%
Cigarette Tax	977	1,311	334	34.2%
Motor Vehicle Fees	748	766	18	2.4%
Highway Use	148	147	(1)	-0.7%
Alcoholic Beverage Tax	205	206	1	0.5%
Alcoholic Beverage Fees	47	45	(2)	-4.3%
Auto Rental Tax	47	53	6	12.8%
Business Taxes	8,232	7,715	(517)	-6.3%
Corporate Franchise	3,997	3,599	(398)	-10.0%
Utility Tax	802	858	56	7.0%
Insurance Tax	1,219	1,221	2	0.2%
Bank Tax	1,058	894	(164)	-15.5%
Petroleum Business Tax	1,156	1,143	(13)	-1.1%
Other	2,084	2,018	(66)	-3.2%
Real Property Gains	1	0	(1)	0.0%
Estate and Gift	1,037	1,242	205	19.8%
Real Estate Transfer	1,021	750	(271)	-26.5%
Pari Mutuel	23	23	0	0.0%
Other	1	1	0	0.0%
Total Taxes	\$60,871	\$60,786	(\$85)	-0.1%

Table 36

Executive Revenue Estimates: Total Tax Collections SFY 2008-09 & SFY 2009-10				
(\$ in Millions)				
	2008-09	2009-10		Percent
	Estimate	Forecast	Change	Growth
Personal Income Tax	36,559	34,769	(\$1,790)	-4.9%
Gross Receipts	43,753	41,733	(2,020)	-4.6%
Withholding	27,626	28,125	499	1.8%
Estimated Payments	12,452	10,106	(2,346)	-18.8%
Vouchers	7,627	7,051	(576)	-7.6%
IT 370s	4,825	3,055	(1,770)	-36.7%
Final Payments	2,728	2,386	(342)	-12.5%
Delinquencies	947	1,116	169	17.8%
Total Refunds	7,194	6,964	(230)	-3.2%
Prior Year Refunds	4,485	4,320	(165)	-3.7%
Current Refunds	1,750	1,750	0	0.0%
Previous Refunds	330	310	(20)	-6.1%
State/City Offsets	629	584	(45)	-7.2%
Collections	36,559	34,769	(1,790)	-4.9%
User Taxes and Fees	14,495	16,792	2,297	15.8%
Sales and Use Tax	11,444	13,300	1,856	16.2%
Motor Fuel Tax	523	528	5	1.0%
Cigarette Tax	1,311	1,384	73	5.6%
Motor Vehicle Fees	766	908	142	18.5%
Highway Use	147	160	13	8.8%
Alcoholic Beverage Tax	206	297	91	44.2%
Alcoholic Beverage Fees	45	152	107	237.8%
Auto Rental Tax	53	63	10	18.9%
Business Taxes	7,715	8,133	418	5.4%
Corporate Franchise	3,599	3,902	303	8.4%
Utility Tax	858	928	70	8.2%
Insurance Tax	1,221	1,397	176	14.4%
Bank Tax	894	731	(163)	-18.2%
Petroleum Business Tax	1,143	1,175	32	2.8%
Other	2,018	1,688	(330)	-16.4%
Real Property Gains	0	-	0	0.0%
Estate and Gift	1,242	1,024	(218)	-17.6%
Real Estate Transfer	750	640	(110)	-14.7%
Pari Mutuel	23	23	0	0.0%
Other	1	1	0	0.0%
Total Taxes	\$60,786	61,383	\$597	1.0%