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The monthly revenue report of December 2009 state tax collections was released today.

Results

- Total revenue collections were \$989 million, 10.6% below total collections for the same period last year. This represents the sixth month of double digit declines in the last twelve months. Total collections were \$5 million below the December 2009 forecast amount.
- Sales tax collections totaled \$472 million for the month, 3% below collections for the same period last year.
- Individual income tax collections totaled \$300 million for the month, 3% below collections for the same period last year.

Commentary

Revenue collections for the six-month period of July through December were \$723 million less than the same six month period of FY 2009 (-11.4%). Sales tax revenues for the six months were 9% below the same period last year. Individual income tax revenues were 15% below the same period last year. Corporate income tax revenues were 37% below the same period last year. Of the four major sources of state revenue, only gaming receipts were higher than the same six-month period last year—by 2.8%.

Actual collections for December were \$5 million below the December 2009 forecast. Sales and corporate income taxes were below the monthly target while individual income tax and gaming taxes were above the target.

The latest state revenue forecast issued on December 15, 2009 reduced projected general fund revenues by \$1.039 billion for FY 2010 compared to the May 2009 forecast. As a result monthly targets for the fiscal year have been reduced. For example, the monthly target for December is \$174 million less than the December target from the forecast in May. These reductions also result in the July-November targets being adjusted from their May amount. July-December actual collections, compared to the revised monthly targets from the December forecast, are \$48 million above target. (Page 1) [Actual collections are \$624 million below the targets from the May forecast]

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