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

Results

- Total revenue collections were \$997 million, 3.3% below total collections for the same period last year. Total collections were \$46 million below the forecast amount.
- Sales tax collections totaled \$492 million for the month, 8.5% below collections for the same period last year.
- Individual income tax collections totaled \$272 million for the month, 13% below collections for the same period last year.

Commentary

Revenue collections for the month of October were once again below the May 2009 forecast. In addition, an accounting error related to sales tax collections on out-of-state motor vehicle sales artificially overstated collections for July, August and September by \$9 million. Those prior periods have been restated as part of this report.

Sales tax revenues were below prior year for the eleventh straight month and below forecast for the fifteenth consecutive month. Year to date sales tax revenues are 11% below prior year. Individual income tax collections continue to be soft down 13% versus prior year for the month of October and down 19% versus prior year for the first four months of the current fiscal year.

Corporate income tax revenues for October were above prior year collections and above the monthly target by \$25 million. Of the \$25 million, approximately 80% is the result of a one-time payment from one corporate taxpayer to settle a pending audit. Year to date, corporate tax collections are 26% below prior year.

Gaming revenues exceeded forecast again in October. Through the first four months of the fiscal year, gaming revenues are \$15 million above forecast.

Collectively, revenues through four months are \$309 million (7.4%) below forecast and \$517 million (12%) below prior year.

November 6, 2009