



# ECONOMIC & REVENUE UPDATE

January 16, 2019

summary

## Summary

- **The U.S. labor market added 312,000 net new jobs in December.**
- **Crude oil and gasoline prices continued to drop this month.**
- **Shipments of freight by both rail and truck increased in December.**
- **Seattle area home prices are declining.**
- **Washington personal income is growing rapidly.**
- **Major General Fund-State (GF-S) revenue collections for the December 11, 2018 - January 10, 2019 collection period came in \$12.2 million (0.7%) above the November forecast.**
- **Cumulatively, collections are now \$126.1 million (3.7%) above the November forecast.**
- **Since the November forecast there have been \$44.9 million in one-time large payments that were not anticipated in the forecast. Without these payments, collections would have been \$81.2 million (2.4%) higher than forecasted.**

## United States

The national labor market was very strong this month with a larger than expected increase in jobs and lower initial unemployment claims. Crude oil and gasoline prices continued to decline and residential construction and sales picked up. Manufacturing and non-manufacturing activity continued to expand but at a somewhat slower rate.

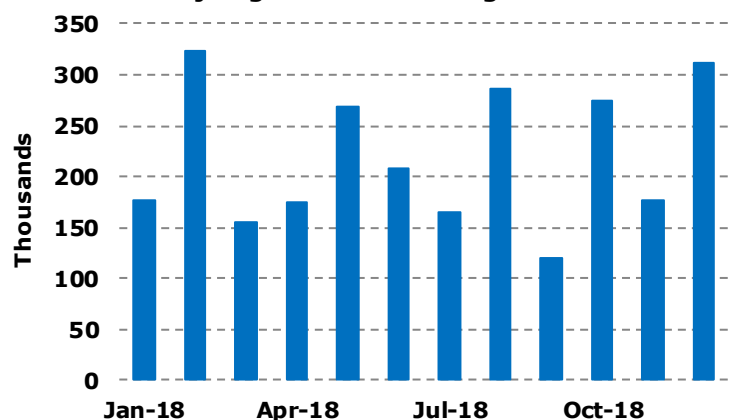
The U.S. economy added 312,000 net new jobs in December; this compares to an average job gain of 211,000 in the first 11 months of 2018 ([see figure](#)).

Employment data for October and November were revised up by 58,000 jobs. Sectors with notable employment gains in December included health care (+50,000), food services and drinking places (+41,000), construction (+38,000), manufacturing (+32,000), educational services (+24,000) and retail trade (+24,000). Sectors with net employment declines in December included couriers and messengers (-5,000), nondepository credit intermediation (-5,000) and the U.S. Postal Service (-4,000).

Initial claims for unemployment insurance decreased by 17,000 to 216,000 (SA) in the week ending January 5th. The four-week moving average of initial claims increased by 2,500 to 221,750. Layoff announcements in December, as tracked by outplacement firm Challenger, Gray, and Christmas, totaled 43,884 or 17.3% lower than in November. For all of 2018, employers announced 538,659 job cuts, nearly 29% higher than for 2017.

Average hourly earnings increased by eleven cents in December and are 3.2% above their year-ago level. The average workweek in December increased by 0.1 hours to 34.5 hours. The December unemployment rate increased by 0.2% to 3.9%.

U.S. job growth was strong in December



united states

The third estimate of real U.S. GDP growth for the third quarter of 2018 was revised down by 0.1% to 3.4% (SAAR). In the second quarter, real GDP grew by 4.2%.

Manufacturing activity expanded for a 28th consecutive month in December although at a slower pace. The Institute for Supply Management's Purchasing Managers Index (PMI) decreased by 5.2 points to 54.1 (50 or higher indicates growth). The non-manufacturing PMI for December decreased by 3.1 points from November to 57.6. The non-manufacturing index has remained above 50 for 107 consecutive months.

Industrial production increased by 0.6% (SA) in November following a revised 0.2% decrease in October. New orders for core capital goods (i.e., durables excluding aircraft and military), which is a proxy for business investment, decreased by 0.6% (SA) in preliminary November data following a revised 0.5% increase (SA) in October according to U.S. Census Bureau data.

U.S. residential construction activity and sales improved this month but generally remain below year-ago levels. Housing units authorized by building permits in November were 5.0% (SA) above their October level and 0.4% above their year-ago level. November housing starts increased by 3.2% (SA) compared to October but were 3.6% below their November 2017 level. Existing home sales increased for a second consecutive month, rising by 1.9% (SA) in November. However, existing home sales are 7.0% below their year-ago level. Due to the federal government shutdown, no new single-family home sales data were available from the U.S. Census Bureau for November. The seasonally adjusted Case-Shiller national home price index for October was 0.5% above its September level and 5.5% above its year-ago level.

Two key measures of consumer confidence remain at high levels but moved in opposite directions this month. The University of Michigan index of consumer sentiment increased by 0.8 in December to 98.3. The sentiment index averaged 98.4 in 2018, its best year since averaging 107.6 in 2000. The Conference Board index of consumer confidence decreased by 8.3 points in December to 128.1. Consumers responding to the Conference Board survey were less confident about future business conditions and job prospects compared to November.

Petroleum spot prices in the U.S. continued their decline over the last month. For the week ending January 11th, U.S. benchmark West Texas Intermediate decreased \$2 per barrel from early December to \$51 per barrel. Over the same period, European benchmark Brent decreased by \$2 to \$59 per barrel. Gasoline prices dropped 12 cents to \$2.25 per gallon (regular, all formulations) between December 17, 2018 and January 14, 2019.

The American Trucking Association's truck tonnage index increased 0.4% (SA) in November and was 7.6% above its year-ago level. Rail carloads for December were 4.0% (SA) above their November level and 2.8% above their year-ago level. Intermodal rail units (shipping containers or truck trailers) were 3.5% (SA) higher than in November and 4.6% above their December 2017 level.

## WASHINGTON

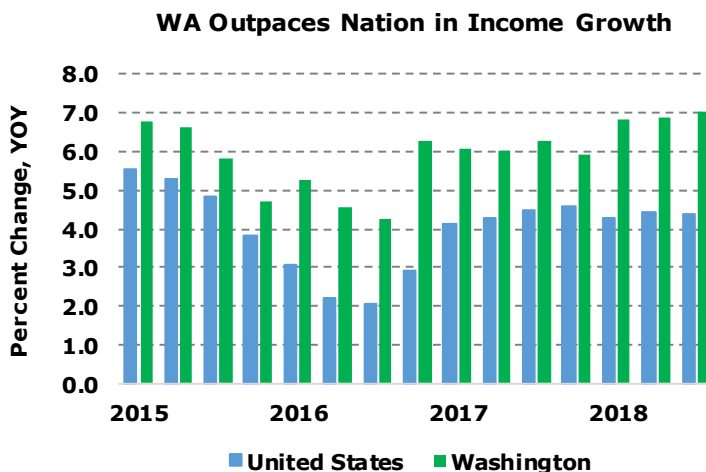
We have two months of new Washington employment data since the November forecast was released. Total nonfarm payroll employment rose 13,500 (seasonally adjusted) in November and December, which was 800 more than the 12,700 expected in the November forecast. Manufacturing added 3,200 jobs and construction employment rose 2,000. Private services-providing sectors added 8,100 jobs and government payrolls added 100 jobs.

Washington's unemployment remained at 4.3% in December which was the third consecutive month at an all-time low. The series extends back to 1976. A year ago, in December 2017, the Washington unemployment rate stood at 4.7%.

In a sign that the local housing market has cooled, seasonally adjusted Seattle area home prices fell 0.3% in October according to the S&P/Case-Shiller Home Price Indices. This was the fourth consecutive monthly decline. In October, the over-the-year growth was 7.4% in Seattle compared to 12.8% a year ago. Seattle home prices are still up 88% since the December 2011 trough and exceed the May 2007 peak by 31%.

Washington housing permit data were not updated in December due to the partial shut-down of the federal government.

In December, the U.S. Department of Commerce, Bureau of Economic Analysis (BEA) released state personal income estimates for the third quarter of 2018. According to these estimates, Washington personal income rose to \$461.1 billion (SAAR) in the third quarter from \$454.3 billion in the second quarter. The reported 6.2% growth rate (SAAR) in Washington personal income was the second highest among the states and District of Columbia and exceeded the 4.0% growth rate for the U.S. by a large margin. Most of the difference in personal income growth was due to retail trade (which includes electronic shopping) and information (which includes software publishing and other IT services such as internet publishing and web search portals). Over the year, Washington personal income grew 7.1%, which was highest among the states and DC and easily surpassed the 4.4% rate for the U.S. as a whole ([see figure](#)).



Seattle area consumer price inflation remains above the national average. Over the last year, from December 2017 to December 2018, consumer prices in the Seattle area rose 2.8% (seasonally adjusted) compared to 1.9% for the U.S. city average. Core prices, which exclude food and energy, increased 2.6% in Seattle compared to 2.2% for the nation. The higher Seattle inflation was mostly due to more rapid growth in shelter costs. During the year, shelter costs in Seattle rose 4.9% compared to 3.2% for the nation. Excluding shelter costs, Seattle inflation was 1.5% compared to 1.3% U.S. city average.

The Institute of Supply Management - Western Washington Index (ISM-WW) declined in December and remained barely in positive territory. The index, which measures conditions in the manufacturing sector, decreased from 60.0 in November to 52.7 in December (index values above 50 indicate growth while values below 50 indicate contraction). The index has exceeded 50 in each of the last 17 months. The production, inventory, and deliveries components all indicated expansion in December while the orders component indicated contraction. The employment component was neutral at 50.

Car and truck sales declined in December after three consecutive increases. Seasonally adjusted new vehicle registrations declined 5.7% in December following monthly increases of 2.8%, 2.5% and 6.9%. Sales are down 5.0% over the year and 9.6% since the November 2017 post-recession peak.

**REVENUE COLLECTIONS**

**Overview**

Major General Fund-State (GF-S) revenue collections for the December 11, 2018 - January 10, 2019 collection period came in \$12.2 million (0.7%) above the November forecast. Cumulatively, collections are now \$126.1 million (3.7%) above the November forecast.

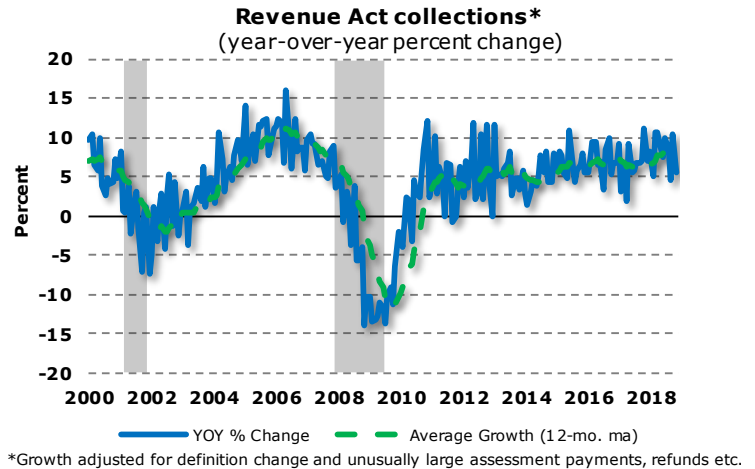
Since the November forecast there have been \$44.9 million in one-time large payments that were not anticipated in the forecast. Without these payments, collections would have been \$81.2 million (2.4%) higher than forecasted.

**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 December 11, 2018 – January 10, 2019 collection period. Collections correspond primarily to the November economic activity of monthly filers.

Revenue Act collections for the current period came in \$7.6 million (0.6%) above the November forecast. Cumulatively, collections are now \$117.2 million (4.4%) above the forecast. Since the forecast there have been \$44.9 million in large one-time payments that were not included in the forecast. Without these payments, cumulative collections would have been \$72.3 million (2.7%) higher than forecasted.

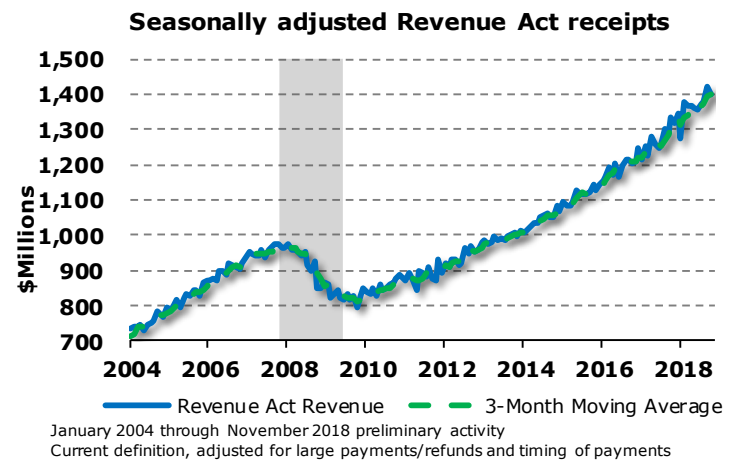


Adjusted for total large one-time payments, collections grew 5.5% year over year (see figure). The 12-month moving average of year-over-year growth decreased to 8.0%. Seasonally adjusted collections decreased from last month's elevated level (see figure).

As shown in the "Key Revenue Variables" table, unadjusted Revenue Act collections increased 5.2% year over year. Preliminary retail sales tax collections grew 9.9% year over year and B&O tax collections grew 1.8% year over year.

Total tax payments as of December 31, 2018 from electronic filers who also filed returns in the December 11 – December 29 period of 2017 were up 8.4% year over year (payments are mainly Revenue Act taxes but include some non-Revenue Act taxes as well). Last month payments were up 11.2% year over year. Some details of payments from electronic filers:

- Total payments in the retail trade sector were up 4.9% year over year. Last month, payments grew 5.4% year over year.
- Payments from the motor vehicles and parts sector increased by 4.5% year over year. Last month, payments in the sector increased by 2.8% year over year.
- Retail trade sectors that showed relatively strong growth in payments were nonstore retailers (+14.5%), miscellaneous retailers (+9.6%), apparel and accessories (+8.0%), furniture and home furnishings (+7.6%) and gas stations and convenience stores (+7.3%). Two retail trade sectors had year-over-year declines in payments: food and beverage stores (-3.5%) and electronics and appliances (-0.8%). The decrease from electronics and appliances was due to higher-than-average payments last year.
- Payments from non-retail trade sectors were up 10.4% year over year in the current period. Last month, year-over-year payments increased 14.4%.
- Tax payments by businesses in the accommodation and food services sector increased by 4.7% year over year. Last month receipts from the sector increased 3.5% year over year.



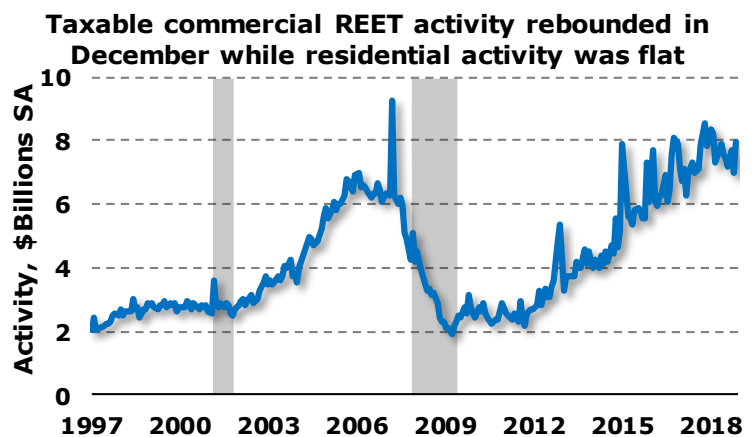
- Payments from the manufacturing sector increased by 16.3% year over year. Last month payments increased 20.5% year over year. The month saw a large year-over-year increase in payments from the petroleum refining sector due to the increase in gas prices over the year and a moderate increase in payments from the transportation equipment sector. Excluding the transportation and petroleum sectors, payments from the remaining manufacturing sectors increased by 8.4% year over year.
- Tax payments by businesses in the construction sector increased by 16.1% year over year. Last month receipts from the construction sector increased 15.8% year over year.

**DOR Non-Revenue Act**

As noted in last month’s report, \$935 million of property tax revenue was transferred from the additional levy to the Education Legacy Trust Account in November 2018. The November forecast had assumed the transfer would occur in December. The transfer is now recorded in the “Key Revenue Variables” table. For purposes of this report, however, this month’s variances are reported net of the transfer. The cumulative variance was not affected by the earlier transfer.

Adjusted for the transfer noted above, December DOR non-Revenue Act collections came in \$4.2 million (1.2%) higher than forecasted. Cumulatively, receipts are now \$8.3 million (1.0%) higher than forecasted.

Most of the surplus was due to real estate excise tax (REET), which came in \$8.7 million (11.0%) higher than forecasted. Sales of large commercial property (property valued at \$10 million or more) came in much higher than expected at \$1.79 billion, up sharply from last month’s revised sales of \$841 million. Collections from residential sales came in lower than forecasted. Seasonally adjusted activity increased from last month’s level (see figure). Due to month’s shortfall, cumulative REET collections are only \$1.6 million (1.0%) higher than forecasted.



Source: ERFC, data through December 2018 preliminary activity

Property tax receipts came in \$1.4 million (0.7%) higher than forecasted. Cumulatively, receipts are now \$7.8 million (1.6%) higher than forecasted.

Cigarette tax receipts came in \$1.4 million (4.7%) lower than forecasted. Cumulatively, receipts are now \$1.1 million (1.9%) lower than forecasted.

Liquor taxes came in \$3.1 million (11.5%) lower than forecasted. Due to last month’s surplus, however, cumulative collections are \$0.9 million (2.0%) higher than forecasted.

Refunds of unclaimed property from the GF-S were \$1.9 million higher than forecasted. Cumulative transfers of unclaimed property into the GF-S, net of refunds, are now \$3.6 million (16.2%) lower than forecasted.

All other DOR revenue came in \$0.5 million (6.2%) higher than forecasted. Cumulatively, receipts are now \$2.7 million (18.7%) higher than forecasted.

**Other Revenue**

Revenue from the Administrative Office of the Courts came in \$0.3 million (5.1%) higher than forecasted. Cumulatively, receipts are now \$0.6 million (4.9%) higher than forecasted.

## Key U.S. Economic Variables

	2018						2017	2018
	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.		
Real GDP (SAAR)	-	-	3.4	-	-	-	2.2	-
Industrial Production (SA, 2007 = 100)	107.9	108.8	108.9	108.7	109.4	-	103.7	-
<i>YOY % Change</i>	4.1	5.4	5.6	3.8	3.9	-	1.6	-
ISM Manufacturing Index (50+ = growth)	58.1	61.3	59.8	57.7	59.3	54.1	57.6	58.8
ISM Non-Manuf. Index (50+ = growth)	55.7	58.5	61.6	60.3	60.7	57.6	57.0	58.9
Housing Starts (SAAR, 000)	1,184	1,280	1,237	1,217	1,256	-	1,208	-
<i>YOY % Change</i>	-0.1	9.2	6.8	-3.8	-3.6	-	2.6	-
Light Motor Vehicle Sales (SAAR, mil.)	16.7	16.7	17.4	17.5	17.4	-	17.1	-
<i>YOY % Change</i>	0.1	1.4	-3.7	-2.2	-0.7	-	-2.1	-
CPI (SA, 1982-84 = 100)	251.3	251.8	252.0	252.8	252.9	252.7	245.1	251.1
<i>YOY % Change</i>	2.9	2.7	2.3	2.5	2.2	1.9	2.1	2.4
Core CPI (SA, 1982-84 = 100)	257.9	258.1	258.4	258.9	259.5	260.0	252.2	257.6
<i>YOY % Change</i>	2.3	2.2	2.2	2.2	2.2	2.2	1.8	2.1
IPD for Consumption (2009=100)	108.4	108.5	108.6	108.8	108.9	-	106.1	-
<i>YOY % Change</i>	2.4	2.2	2.0	2.0	1.8	-	1.8	-
Nonfarm Payroll Empl., e-o-p (SA, mil.)	149.1	149.4	149.5	149.8	150.0	150.3	147.6	150.3
<i>Monthly Change</i>	0.17	0.29	0.12	0.27	0.18	0.31	2.19	2.64
Unemployment Rate (SA, percent)	3.9	3.9	3.7	3.7	3.7	3.9	4.4	3.9
Yield on 10-Year Treasury Note (percent)	2.89	2.89	3.00	3.15	3.12	2.83	2.33	2.91
Yield on 3-Month Treasury Bill (percent)	1.99	2.07	2.17	2.29	2.37	2.41	0.95	1.97
Broad Real USD Index** (Mar. 1973=100)	99.9	101.0	101.2	101.9	103.1	103.2	98.6	99.1
Federal Budget Deficit (\$ bil.)*	76.9	214.1	-119.1	100.5	204.9	-	665.8	779.0
<i>FYTD sum</i>	684.0	898.1	779.0	100.5	305.4	-	-	-
US Trade Balance (\$ bil.)	-50.4	-53.7	-54.6	-55.5	-	-	-552.3	-
<i>YTD Sum</i>	-339.0	-392.7	-447.3	-502.7	-	-	-	-

\*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						2017	2018	
	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.			
<b>Employment</b>								<i>End-of-period</i>	
Total Nonfarm (SA, 000)	3,413.7	3,422.7	3,424.1	3,437.8	3,443.9	3,451.2	3,360.4	3,451.2	
<i>Change from Previous Month (000)</i>	10.2	9.0	1.4	13.6	6.1	7.3	76.1	90.8	
Construction	212.1	213.8	213.9	216.2	216.1	218.2	206.0	218.2	
<i>Change from Previous Month</i>	-0.3	1.7	0.1	2.2	-0.1	2.1	12.5	12.2	
Manufacturing	287.2	286.8	289.1	289.8	292.1	292.9	283.2	292.9	
<i>Change from Previous Month</i>	1.7	-0.4	2.2	0.7	2.3	0.9	-3.4	9.7	
Aerospace	83.8	83.6	85.0	84.9	85.9	85.8	81.5	85.8	
<i>Change from Previous Month</i>	0.7	-0.1	1.4	-0.1	1.0	-0.1	-6.2	4.4	
Software	65.0	65.6	65.4	65.5	65.9	66.3	62.6	66.3	
<i>Change from Previous Month</i>	0.1	0.7	-0.2	0.2	0.4	0.3	2.2	3.7	
All Other	2,849.4	2,856.4	2,855.8	2,866.3	2,869.8	2,873.8	2,808.6	2,873.8	
<i>Change from Previous Month</i>	8.7	7.0	-0.6	10.5	3.5	4.0	64.8	65.2	
<b>Other Indicators</b>								<i>Annual Average</i>	
Seattle CPI (1982-84=100, NSA)	-	271.6	-	272.8	-	273.3	262.7	271.1	
	-	3.1%	-	3.1%	-	2.8%	3.0%	3.2%	
Housing Permits (SAAR, 000)	35.4	42.2	41.4	39.7	-	-	44.9	-	
	-21.0%	-8.8%	4.0%	-20.9%	-	-	4.7%	-	
WA Index of Leading Ind. (2004=100)	125.7	125.2	126.4	126.7	-	-	122.8	-	
	2.1%	1.5%	2.2%	1.8%	-	-	2.4%	-	
WA Business Cycle Ind. (Trend=50)	82.4	81.9	83.6	85.2	86.4	-	74.8	-	
	11.8%	8.9%	8.2%	8.7%	6.5%	-	10.3%	-	
Avg. Weekly Hours in Manuf. (SA)	41.8	41.8	42.5	42.1	42.9	-	41.7	-	
	1.0%	0.0%	1.2%	0.0%	2.0%	-	0.3%	-	
Avg. Hourly Earnings in Manuf.	28.1	28.1	28.9	28.7	29.0	-	27.4	-	
	3.6%	3.3%	3.4%	4.4%	3.6%	-	3.6%	-	
New Vehicle Registrations (SA, 000)	24.3	23.8	24.5	25.1	26.9	25.3	25.4	25.0	
	0.9%	-7.1%	-6.7%	-6.2%	-4.1%	-5.0%	-2.8%	-1.5%	
Initial Unemployment Claims (SA, 000)	25.1	27.2	27.5	24.1	27.0	25.9	27.0	26.4	
	-6.9%	-1.2%	2.3%	0.7%	7.5%	6.3%	-11.1%	-2.3%	
Personal Income (SAAR, \$bil.)	-	-	461.1	-	-	-	428.8	-	
	-	-	7.1%	-	-	-	6.1%	-	
Median Home Price (\$000)	-	-	386.9	-	-	-	342.7	-	
	-	-	6.5%	-	-	-	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										
	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	Sep 11- Oct 10	Oct 11- Nov 10	Nov 11- Dec 10	Dec 11- Jan10*
<b>Department of Revenue-Total</b>	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	1,568,422	1,793,847	1,877,704	1,680,824
	9.3	9.0	8.4	5.3	14.5	29.8	13.7	8.1	9.6	7.5	5.6	-12.7	6.9
<b>Revenue Act</b>	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	1,397,541	1,478,119	1,416,368	1,337,181
	10.9	9.2	7.8	5.0	11.3	10.8	10.9	8.0	10.2	9.1	4.1	15.2	5.2
Retail Sales Tax	817,127	976,735	705,705	702,322	935,545	831,263	894,841	1,005,475	932,157	941,131	977,235	926,758	898,071
	11.7	3.2	4.1	5.8	11.5	12.3	13.4	9.5	10.7	5.7	5.4	16.2	9.9
Business and Occupation Tax	335,291	458,476	325,920	274,923	391,436	324,707	340,253	401,004	345,600	356,524	395,408	364,258	341,189
	8.5	12.1	16.7	3.4	10.6	11.6	11.5	7.5	12.1	12.4	0.9	13.2	1.8
Use Tax	55,931	73,687	49,178	73,182	64,662	56,083	61,172	60,394	61,013	53,662	61,023	75,996	65,551
	12.3	23.2	-12.9	39.4	17.6	5.1	1.3	-7.5	8.6	6.0	9.6	43.3	17.2
Public Utility Tax	28,939	44,339	51,428	34,259	47,617	35,828	33,231	33,249	32,238	35,435	33,141	18,911	18,442
	7.6	15.3	1.6	-16.9	11.1	7.1	1.9	1.7	6.8	23.1	61.6	-35.1	-36.3
Tobacco Products Tax	4,721	4,558	4,416	3,398	3,862	6,544	2,946	9,680	2,881	3,128	6,148	2,629	2,468
	15.0	6.7	16.9	-21.3	-2.4	59.6	-44.1	102.4	-49.1	-53.3	56.0	-50.7	-47.7
Penalties and Interest	29,291	53,986	32,678	9,211	13,306	6,321	8,307	10,766	15,644	7,662	5,163	27,816	11,461
	18.0	203.9	88.1	-47.0	0.4	-61.0	-50.8	-26.6	-12.7	-160.3	-76.0	25.0	-60.9
<b>Non-Revenue Act**</b>	301,357	162,693	128,833	179,814	308,915	1,523,293	439,452	198,483	186,850	170,881	315,728	461,336	343,642
	3.0	7.0	14.7	7.1	32.5	51.3	20.6	9.0	4.8	-4.3	13.6	-50.0	14.0
Liquor Sales/Liter	26,629	32,140	21,407	11,354	29,366	20,143	23,516	23,113	25,903	24,612	21,615	23,006	23,830
	18.0	2.0	14.7	-40.7	41.3	3.4	5.3	4.5	5.7	3.2	2.6	29.8	-10.5
Cigarette	29,029	33,337	22,139	26,923	25,549	34,626	25,277	34,986	37,024	27,466	32,159	29,425	29,282
	-7.3	19.2	3.5	-11.5	-3.1	11.1	-33.1	14.3	-4.4	-17.9	30.2	-11.0	0.9
Property (State School Levy)	142,621	9,131	5,896	44,762	148,005	1,316,010	256,383	16,041	11,460	18,029	44,884	308,610	195,910
	2.5	-4.7	6.6	34.5	46.8	60.3	49.7	30.0	74.7	49.0	11.4	-58.7	37.4
Real Estate Excise	96,959	67,965	65,165	84,485	83,757	98,780	113,692	113,921	107,696	86,608	110,880	71,714	87,576
	8.6	14.5	8.0	14.7	22.9	2.2	6.0	14.6	5.9	-3.7	11.6	-18.3	-9.7
Unclaimed Property	-5,266	-474	3,210	503	1,886	7,978	-4,114	-6,415	-4,611	5,164	85,362	20,247	-1,866
	1,698.6	-123.0	-178.7	-131.7	-287.4	-382.8	-33.4	78.8	491.7	-1,252.5	19.1	-28.3	-64.6
Other	11,386	20,594	11,016	11,787	20,351	45,756	24,697	16,839	9,378	9,002	20,828	8,334	8,910
	6.3	-4.1	5.0	-9.0	13.0	11.7	-22.9	-20.5	22.9	-54.0	0.0	0.7	-21.8
<b>Administrative Office of the Courts**</b>	5,967	5,372	6,012	5,669	7,102	6,623	6,454	6,125	6,681	6,243	5,986	7,049	5,667
	6.2	-7.3	11.3	1.5	0.2	4.2	5.9	-5.5	7.9	-4.0	-10.4	7.1	-5.0
<b>Total General Fund-State***</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>1,574,665</b>	<b>1,799,833</b>	<b>1,884,753</b>	<b>1,686,491</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>	<b>7.4</b>	<b>5.6</b>	<b>-12.7</b>	<b>6.8</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>December 11, 2018 - January 10, 2019</b>				
<b>January 10, 2019 Collections Compared to the November 2018 Forecast</b>				
Department of Revenue-Total	\$1,668,911	\$1,680,824	\$11,912	0.7%
Revenue Act** (1)	1,329,470	1,337,181	7,711	0.6%
Non-Revenue Act(2)	339,441	343,642	4,201	1.2%
Liquor Sales/Liter	26,919	23,830	(3,089)	-11.5%
Cigarette	30,730	29,282	(1,448)	-4.7%
Property (State School Levy)	194,507	195,910	1,403	0.7%
Real Estate Excise	78,897	87,576	8,679	11.0%
Unclaimed Property	0	(1,866)	(1,866)	NA
Other	8,388	8,910	522	6.2%
Administrative Office of the Courts (2)	5,390	5,667	277	5.1%
<b>Total General Fund-State***</b>	<b>\$1,674,301</b>	<b>\$1,686,491</b>	<b>\$12,189</b>	<b>0.7%</b>

### Cumulative Variance Since the November Forecast (November 11, 2018 - January 10, 2019)

Department of Revenue-Total	\$3,433,052	\$3,558,528	\$125,476	3.7%
Revenue Act** (3)	2,636,389	2,753,550	117,161	4.4%
Non-Revenue Act(4)	796,663	804,978	8,315	1.0%
Liquor Sales/Liter	45,921	46,836	915	2.0%
Cigarette	59,844	58,708	(1,136)	-1.9%
Property (State School Levy)	496,715	504,520	7,805	1.6%
Real Estate Excise	157,727	159,290	1,563	1.0%
Unclaimed Property	21,932	18,381	(3,551)	-16.2%
Other	14,524	17,244	2,720	18.7%
Administrative Office of the Courts (4)	12,117	12,716	599	4.9%
<b>Total General Fund-State***</b>	<b>\$3,445,168</b>	<b>\$3,571,243</b>	<b>\$126,075</b>	<b>3.7%</b>

1 Collections December 11, 2018 - January 10, 2019. Collections primarily reflect November 2018 activity of monthly filers.

2 December 2018 collections.

3 Cumulative collections, estimates and variance since the November 2018 forecast; (November 11, 2018 - January 10, 2019) and revisions to history.

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

\* Based on the November 2018 economic and revenue forecast released November 20, 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.