



Senate Appropriations Committee

The Monthly Report

April 2013

Jake Corman, Chairman



General Fund Collections Dip Again In March

General Fund revenue collections for the month ended March 2013 totaled \$4.15 billion, which was \$69.4 million, or 1.6%, below estimate. Fiscal year-to-date collections total \$20.3 billion, which is \$35.5 million, or 0.2%, above estimate. Fiscal year-to-date General Fund revenue collections are nearly 3.9% ahead of last year at this time. March is typically the largest revenue collection month of the year.

Gross receipts tax (GRT) revenues were below estimate by \$83 million for the month, and GRT revenues are \$94.5 million short of estimate for the year. The adjustments to the Official Revenue Estimate contained in the Governor's FY 2013-14 Executive Budget anticipated that GRT revenues would be short by \$92.2 million for the 2012-13 fiscal year. Because the overwhelming majority of GRT is collected in March, it appears that the \$92.2 million downward adjustment will prove to be accurate unless some unexpected changes occur in GRT revenues between now and the end of June.

Except for GRT and corporate net income tax (CNI), corporation tax collections were above estimate in all other major categories. On the whole, corporation tax collections were \$15 million below estimate for the month. Notably, the financial institutions tax was \$55.8 million, or 21%, above estimate for the month. Corporation taxes are now \$254.8 million above estimate for the year, led by CNI tax at \$195.8 million more than anticipated. March is the month for which the first quarterly installments of estimated

payments for the 2013 tax year are due for CNI and capital stock/franchise tax (CSFT). The estimated payments appear to be running very close to the estimate, and so this pattern may repeat itself in June when the second quarterly installment for 2013 is due. A large portion of the CNI and CSFT annual payments for the 2012 tax year are due by April 15.

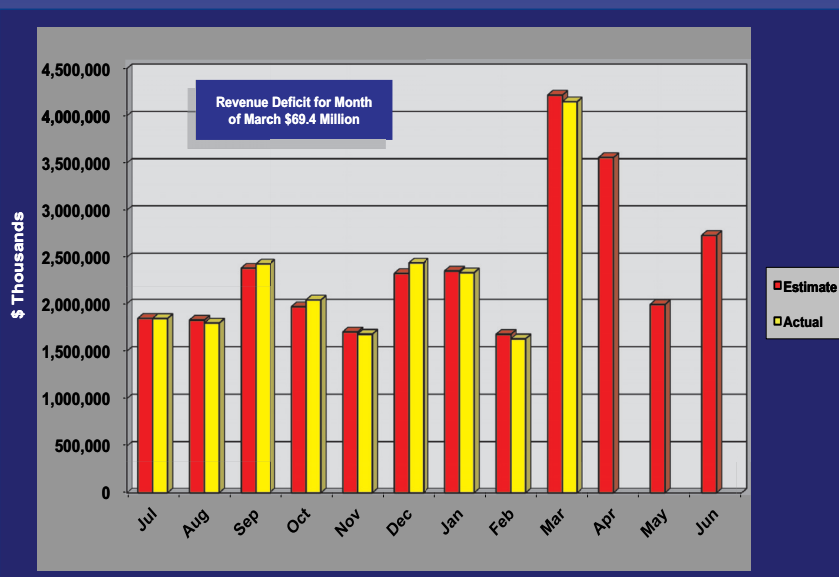
Sales and use tax collections were below estimate by a disappointing \$51.3 million for the month. General sales and use tax was \$31.1 million below estimate, while sales tax on motor vehicles missed the estimate by \$20.2 million. Total sales and use tax collections for FY 2012-13 are \$244.5

million below estimate so far this year. SUT collections are only 1.2% ahead of last year, while the official estimate predicted 5.1% annual growth.

Personal income tax collections were below estimate by \$11 million, or 1.3%, for the month. March 2013 employers' withholding collections totaled \$754 million, which was \$3.5 million below estimate. Individual estimated PIT collections were below estimate by \$2.1 million, and PIT payments on annual tax returns were \$5.4 million short of estimate. The bulk of PIT annual payments will be due by April 15.

Continued...

General Fund Tax Collections
Fiscal Year 2012-2013
Comparison of Official Estimate with Actual Revenue by Month



Senate Appropriations Committee, Jake Corman, Chairman



Realty transfer tax collections just exceeded the estimate by \$387,403 for the month. RTT is now \$17.4 million above estimate for the year. Inheritance tax collections missed the mark at \$8.4 million below estimate for the month, and they are now \$47 million below esti-

mate for the year. Cigarette tax was below estimate by \$10.9 million for the month, and liquor tax collections were \$743,874 ahead of estimate. Table games tax revenue exceeded estimate by \$317,707.

General Fund non-tax revenue exceeded the estimate by \$27.2 mil-

lion, which was a welcome offset to the tax revenue shortfall of \$96.7 million for the month.

Motor License Fund collections were \$3.6 million below estimate for the month of March. The Motor License Fund is \$14.7 million above estimate for the year.

Pennsylvania Labor Force Reaches Highest Number In History

In January 2013, Pennsylvania's labor force reached 6,552,000 - the highest number in Pennsylvania history. Since Governor Corbett took office, the state labor force has grown by nearly 160,000, indicating that not only have more Pennsylvanians found jobs, but also those who had previously left the

labor force are returning to seek employment. In addition, between January 2011 and January 2013, 117,900 private-sector jobs were added to the Pennsylvania economy and private-sector jobs in January 2013 were up 7,800 over December 2011. However, the news is not all good as it is important to note that

despite the increases in the number of jobs, Pennsylvania's unemployment rate in January 2013 was 8.2%, compared to previous month's rate of 7.9%. The chart below compares Pennsylvania's workforce statistics over a two-year time period.

PA WORKFORCE STATS JANUARY 2013

PENNSYLVANIA	JANUARY 2011 (PRE-CORBETT)	JANUARY 2013	DIFF	% DIFF
Total JOBS	5,665,300	5,747,800	82,500	1.5%
Total EMPLOYMENT	5,894,000	6,016,000	122,000	2.1%
Total LABOR FORCE	6,405,000	6,552,000	147,000	2.3%
Total UNEMPLOYMENT	511,000	537,000	26,000	5.1%
UNEMPLOYMENT RATE	8.0%	8.2%	2%	

Definitions for each of the above terms:

Total JOBS – The total number of private- and public-sector jobs reported by survey of employers located in the state. Excluded are self-employed, proprietors, unpaid volunteers, unpaid family employees, farm workers, and domestic employees.

Total EMPLOYMENT – The number of state residents who identify themselves by survey as employed. Included are self-employed, unpaid family workers, agricultural workers, and private household workers.

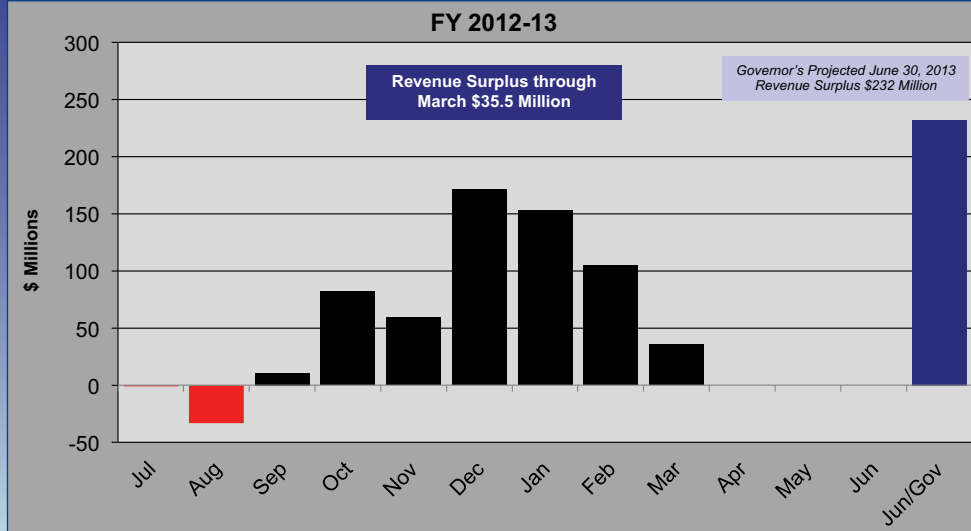
Total LABOR FORCE – The sum of the number of people working and the number of unemployed who live in the state.

Total UNEMPLOYMENT – The number of people living in the state who did not have jobs, but were available and actively searching for work.

UNEMPLOYMENT RATE – The number of unemployed divided by the labor force.

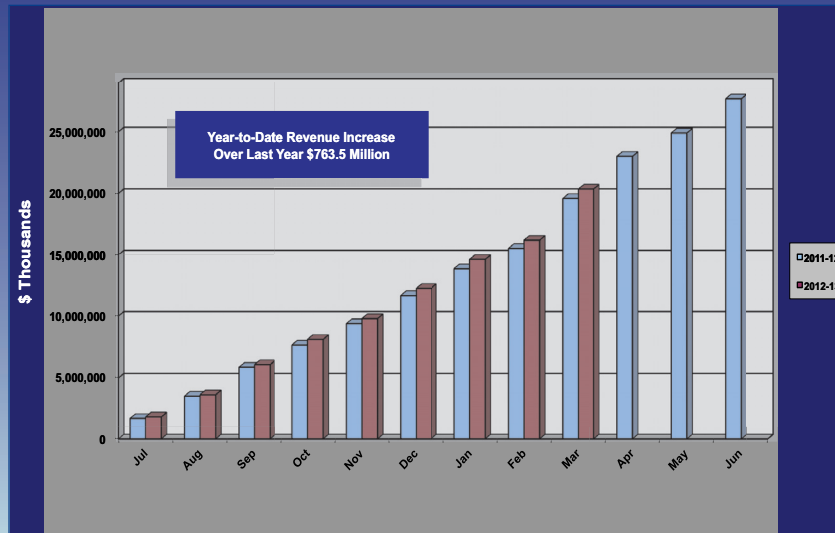


General Fund Tax Collections Year-to-Date Revenue Comparison with Official Estimate



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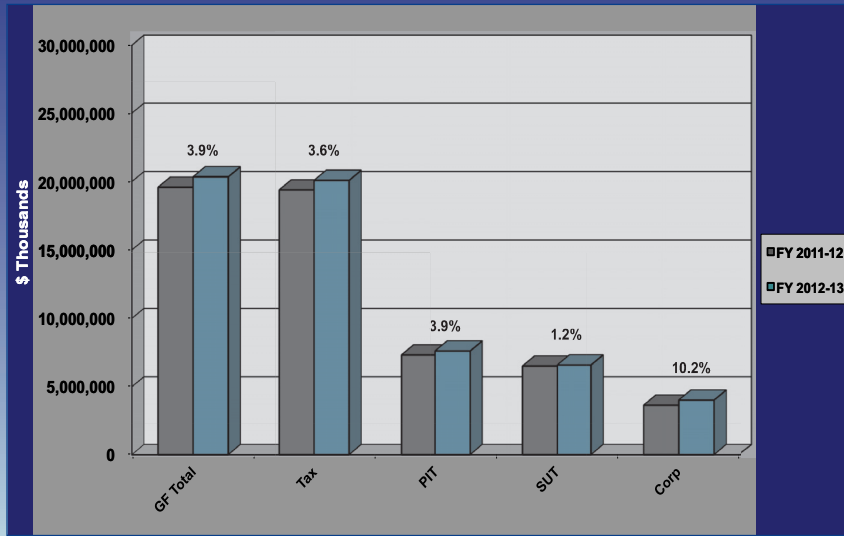
General Fund Revenue Collections Fiscal Year 2012-2013 Revenue Comparison with Last Year



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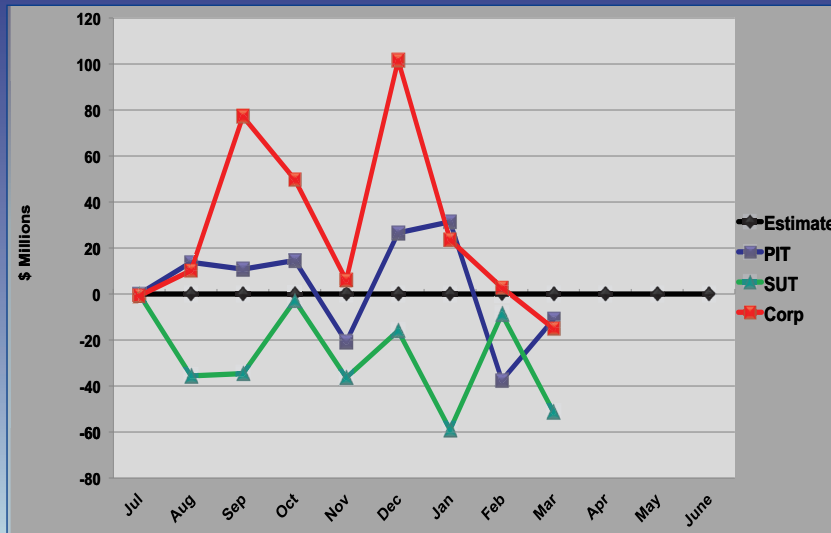


General Fund Revenue Collections Fiscal Year 2012-2013 Comparison of Actual Collections with Prior Year



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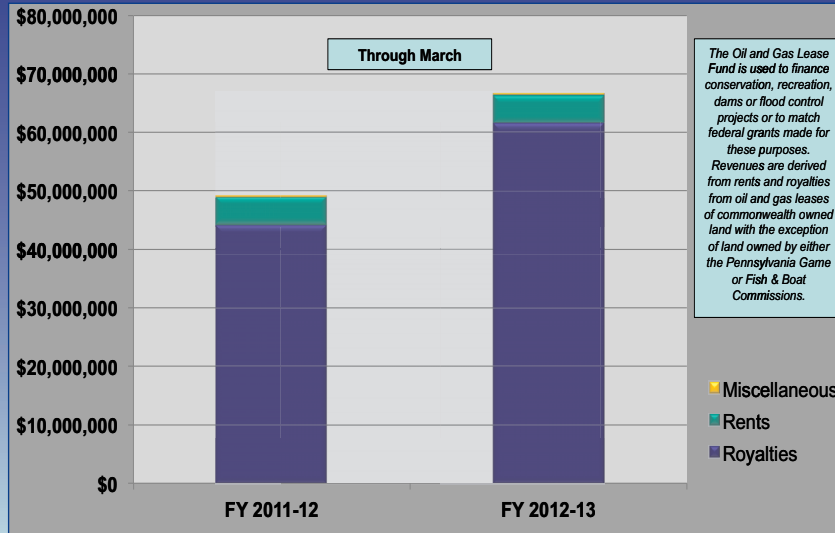
Fiscal Year 2012-13 Performance of Major Tax Types Above/Below the Monthly Estimate



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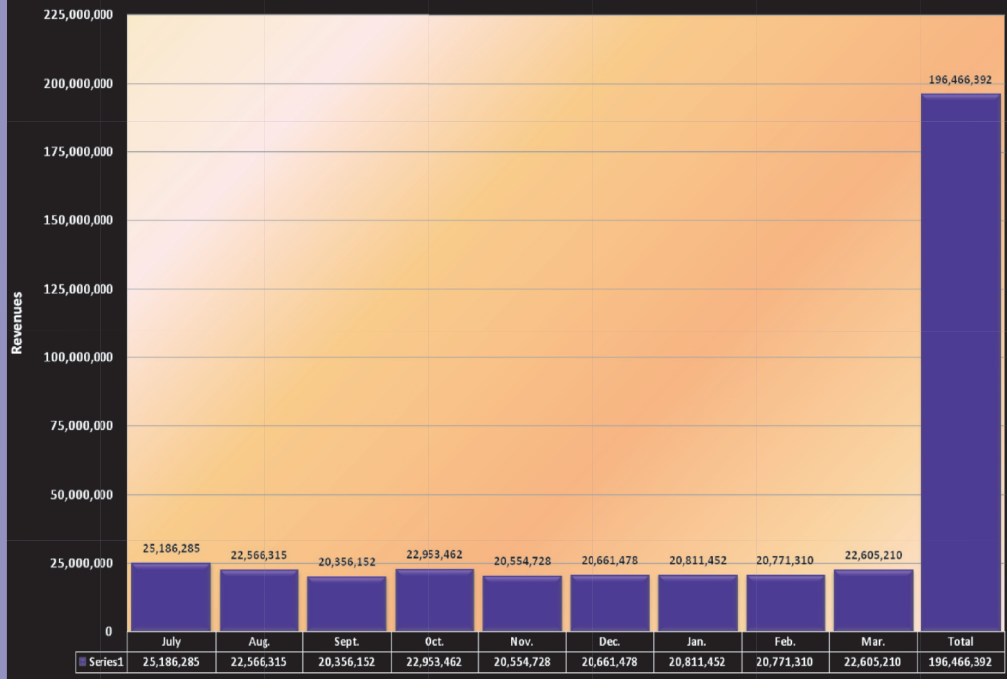


Oil and Gas Lease Fund Year-to-Date Revenue Compared with Prior Year



Senate Appropriations Committee, Jake Corman, Chairman

PA Race Horse Development Fund Revenues by Month





Appropriations Committee Monthly Revenue Report

REVENUE SOURCES	YTD FY 2011-12	March 2013 Actual	March 2013 Estimated	Surplus/ (Deficit)	YTD Actual	YTD Estimated	Surplus/ (Deficit)
TOTAL - GENERAL FUND	19,580,324	4,150,358	4,219,800	(69,442)	20,344,223	20,308,700	35,523
TOTAL - NON-TAX REVENUE	197,765	65,132	37,900	27,232	260,501	193,800	66,701
TOTAL - TAX REVENUE	19,382,559	4,085,226	4,181,900	(96,674)	20,083,722	20,114,900	(31,178)
TOTAL - Corporation Taxes	3,645,046	2,369,553	2,384,600	(15,047)	4,017,549	3,762,700	254,849
Accelerated Deposits	19,520	18,785	0	18,785	19,736	0	19,736
Corp. Net Income	1,204,654	356,874	368,500	(11,626)	1,551,553	1,355,800	195,753
Cap. Stock & Franchise	535,245	86,693	84,200	2,493	413,819	358,600	55,219
Gross Receipts	1,224,386	1,229,227	1,312,200	(82,973)	1,291,154	1,385,700	(94,546)
PURTA	3,690	(4)	1,600	(1,604)	3,642	3,600	42
Insurance Premiums	384,307	355,822	351,600	4,222	391,965	381,400	10,565
Financial Institutions	267,579	319,513	263,700	55,813	339,381	271,700	67,681
Other Selective Bus. Taxes	5,665	2,643	2,800	(157)	6,298	5,900	398
TOTAL - Consumption Taxes	7,537,120	784,022	845,600	(61,578)	7,591,397	7,871,900	(280,503)
Sales and Use	6,506,772	677,685	729,000	(51,315)	6,587,321	6,831,800	(244,479)
General (net of transfers)	5,658,784	574,813	605,900	(31,087)	5,742,513	5,895,500	(152,987)
Motor Vehicle Sales	847,988	102,872	123,100	(20,228)	844,807	936,300	(91,493)
Cigarette Tax	786,736	78,217	89,100	(10,883)	749,635	787,300	(37,665)
Malt Beverage	19,112	1,776	1,900	(124)	18,690	19,100	(410)
Liquor	224,500	26,344	25,600	744	235,752	233,700	2,052
TOTAL - Other Taxes	8,200,393	931,652	951,700	(20,048)	8,474,775	8,480,300	(5,525)
Personal Income	7,320,914	859,534	870,500	(10,966)	7,608,378	7,580,600	27,778
Withholding	6,247,013	753,957	757,500	(3,543)	6,421,061	6,440,700	(19,639)
Non-Withholding	1,073,901	105,576	113,000	(7,424)	1,187,318	1,139,900	47,418
Realty Transfer	211,236	22,887	22,500	387	246,444	229,000	17,444
Inheritance & Estate	602,120	71,971	80,400	(8,429)	583,802	630,800	(46,998)
Minor & Repealed	(4,879)	(32,058)	(30,700)	(1,358)	(29,691)	(29,700)	9
Table Games	71,002	9,318	9,000	318	65,842	69,600	(3,758)
TOTAL - MOTOR LICENSE FUND	1,764,891	190,219	193,780	(3,561)	1,741,432	1,726,760	14,672
TOTAL - Liquid Fuels Taxes	907,859	86,471	86,830	(359)	892,150	888,250	3,900
Liquid Fuels	401,809	35,585	37,960	(2,375)	401,664	405,000	(3,336)
Fuels	118,797	12,470	11,670	800	114,894	119,290	(4,396)
Motor Carriers/IFTA	36,817	3,387	6,160	(2,773)	35,007	34,940	67
Alternative Fuels	208	88	20	68	1,009	430	579
Oil Company Franchise	350,228	34,940	31,020	3,920	339,576	328,590	10,986
TOTAL - Licenses, Fees & Other	857,031	103,749	106,950	(3,201)	849,282	838,510	10,772
Licenses and Fees	620,640	92,646	96,500	(3,854)	625,246	615,920	9,326
Other Motor Receipts	236,391	11,103	10,450	653	224,036	222,590	1,446