



Senate Appropriations Committee

The Monthly Report

October 2012

Jake Corman, Chairman



General Fund Collections Exceed Estimate for September

General Fund revenue collections for the month ended September 2012 totaled \$2.43 billion, which was \$43.9 million, or 1.8%, above estimate for the month. Fiscal year-to-date collections total \$6.07 billion, which is \$10.7 million, or 0.2%, above estimate for the year. Total General Fund revenues through September 2012 are \$219.7 million, or 3.8% ahead of revenues last year at this time. September is a “quarterly estimated tax payment” month for calendar year corporate and individual filers.

September’s corporation tax collections were above estimate by \$77.1 million for the month. Without this relatively strong performance in corporation taxes, the monthly revenue collections would have been below estimate. This is noteworthy because the effect of receiving better-than-expected quarterly estimated payments will not repeat in the coming months of October and November.

Personal income tax collections were above estimate by \$10.8 million for the month. Employers’ withholding was \$1.2 million below estimate for the month, and non-withholding payments were over estimate by \$12 million. Employers’ withholding collections were 3% ahead of September 2011, and after adjusting for remittance due dates, withheld PIT would likely have been about 4.5% ahead of last September. Indi-

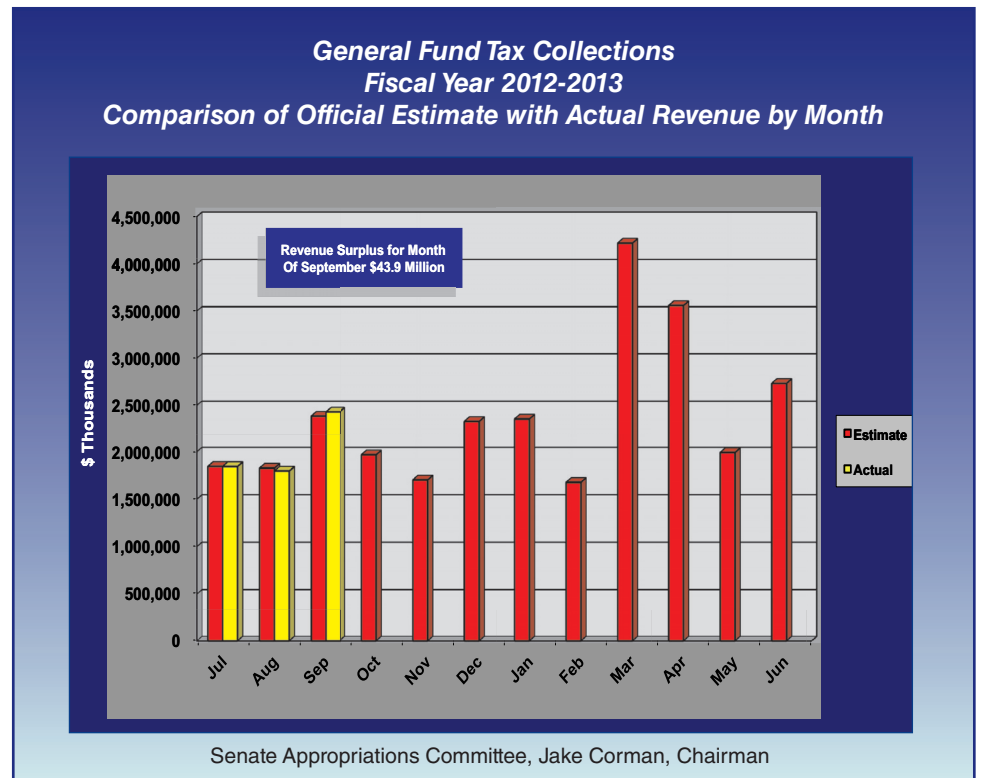
vidual quarterly estimated tax payments for September were 8.8% above last year. Total year-to-date PIT collections through September 2012 are \$87.9 million, or 3.8%, more than last year at this time.

Sales and use tax collections were below estimate for the month by \$34.5 million. Non-motor SUT was below estimate by \$30.9 million for the month, and SUT on motor vehicles was below estimate by \$3.6 million. SUT collections through September 2012 are only 1.9% ahead of last fiscal year. The FY 2012-13 Official General Fund Revenue Estimate

calls for annual SUT growth of 5.1% over last year.

Realty transfer tax was below estimate by \$4.3 million, or 15.4%, for the month, and inheritance tax collections were \$8 million below estimate for the month. Cigarette tax collections were \$7.1 million below estimate, and table games tax was \$627,393 million below estimate for the month as well.

Motor License Fund collections were \$7.3 million below estimate for the month of September. The Motor License Fund is \$3.3 million above estimate for the year.





Corbett Administration Announces Selected Counties for Human Services Block Grant Pilot Program

Governor Tom Corbett recently announced the 20 counties selected to participate in the Human Services Block Grant, a new program that transforms how the state works with counties to distribute funding for human services.

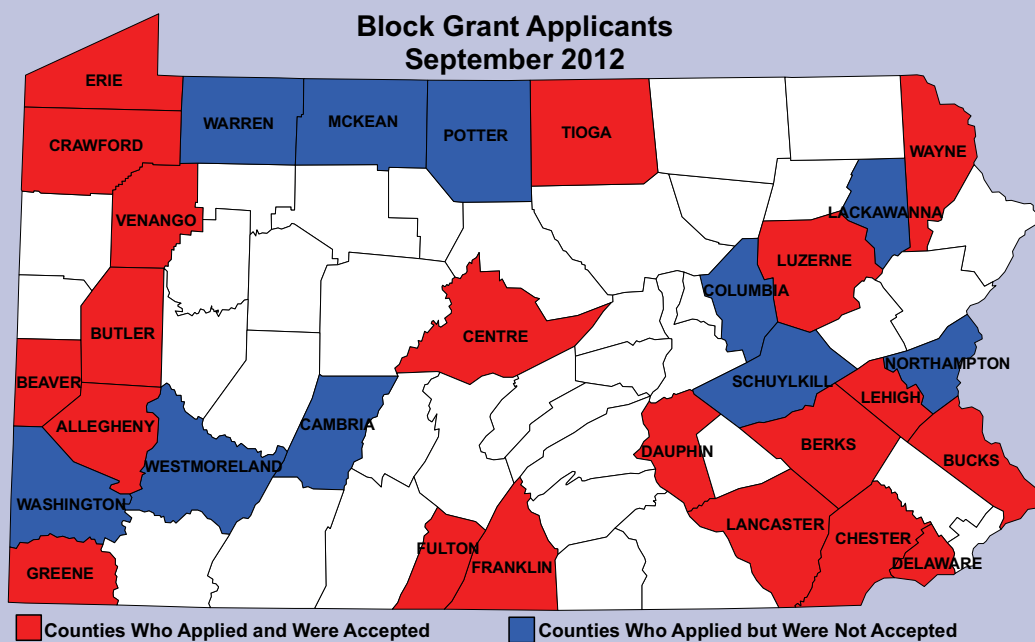
The Human Services Block Grant consists of seven funding

streams that will allow counties the flexibility to decide where the money is needed most. Traditional funding streams defined up front how much money was spent on each program, resulting in a one-size-fits-all system.

The Department of Public Welfare reviewed 30 county applications and selected the 20

participating counties based on several factors, including the county's geography, size, poverty-level, recent population shifts, its administrative structure and its demonstrated ability to manage the block grant.

Below is a map showing counties in red that have been selected to participate in the human services block grant program.



State Departments and Agencies to Submit Budget Requests

In August, Governor Corbett issued his budget program and policy guidelines to the departments and agencies whose budget he controls. The program policy guidelines provide direction for the preparation of the Governor's FY 2013-14 Executive Budget agency budget requests.

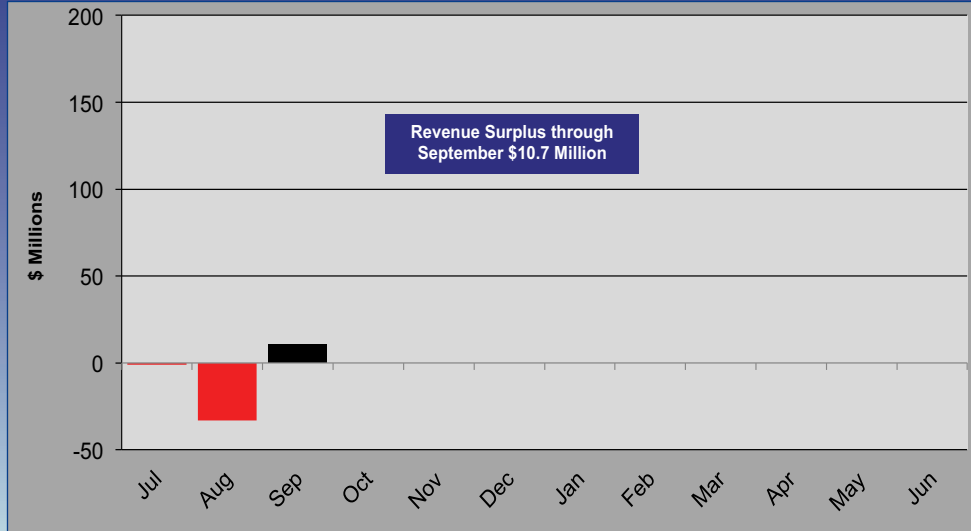
Departments and agencies are required to submit their proposed budget requests this week to the Governor's office. According to the Governor, departments and agencies should not assume funding increases for the 2013-14 fiscal year and should continue to evaluate current programs and

recommend changes that will improve program management and operations, reduce costs and optimize direct services.

To review the program guidelines, please visit www.portal.pa.us for the administrative circular.

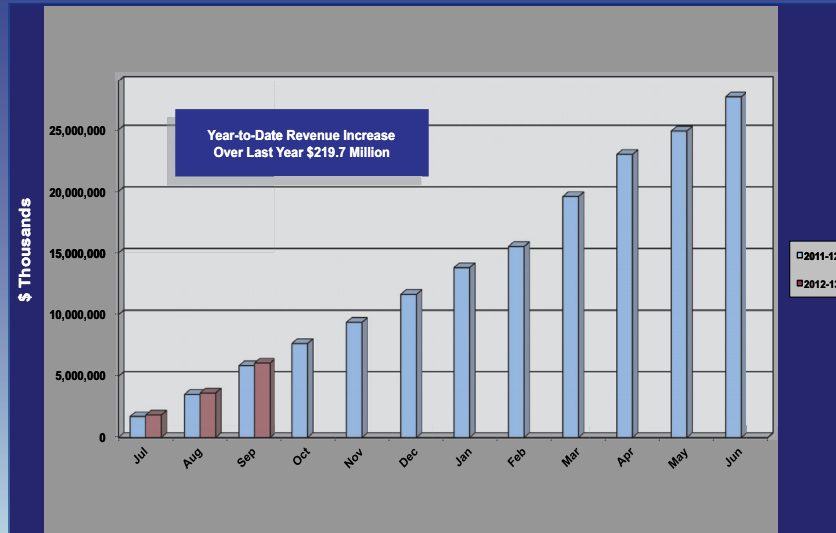


General Fund Tax Collections Year-to-Date Revenue Comparison with Official Estimate



Senate Appropriations Committee, Jake Corman, Chairman

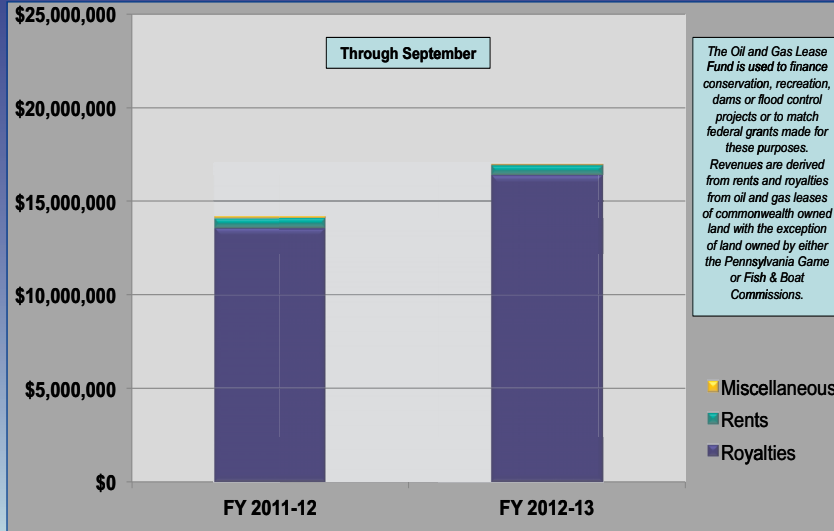
General Fund Revenue Collections Fiscal Year 2012-2013 Revenue Comparison with Last Year



Senate Appropriations Committee, Jake Corman, Chairman

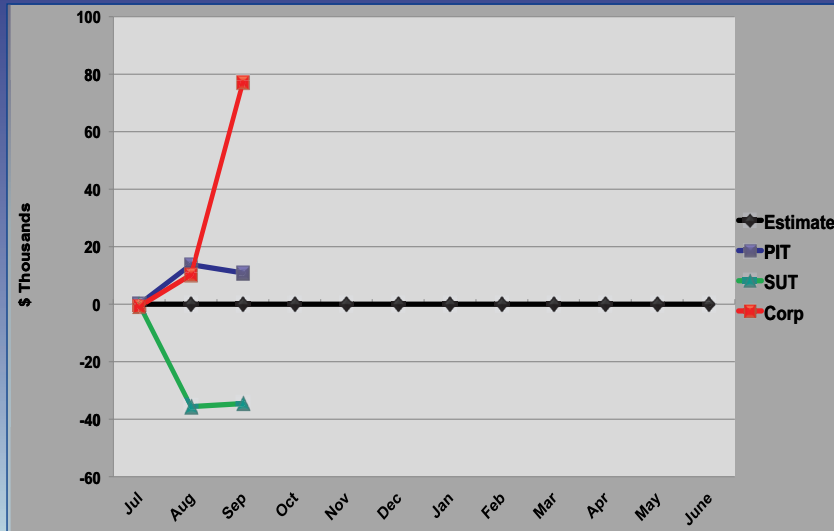


Oil and Gas Lease Fund Year-to-Date Revenue Compared with Prior Year



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



Senate Appropriations Committee, Jake Corman, Chairman



Appropriations Committee Monthly Revenue Report

REVENUE SOURCES	YTD FY 2011-12	September 2012 Actual	September 2012 Estimated	Surplus/ (Deficit)	YTD Actual	YTD Estimated	Surplus/ (Deficit)
TOTAL - GENERAL FUND	5,849,067	2,429,297	2,385,400	43,897	6,068,812	6,058,100	10,712
TOTAL - NON-TAX REVENUE	74,943	26,738	15,700	11,038	81,952	77,900	4,052
TOTAL - TAX REVENUE	5,774,124	2,402,558	2,369,700	32,858	5,986,859	5,980,200	6,659
TOTAL - Corporation Taxes	603,927	536,176	459,100	77,076	705,206	618,800	86,406
Accelerated Deposits	4,811	11,179	0	11,179	10,795	0	10,795
Corp. Net Income	408,818	401,115	352,300	48,815	498,366	451,200	47,166
Cap. Stock & Franchise	151,985	112,314	85,700	26,614	147,525	115,200	32,325
Gross Receipts	23,891	4,474	16,700	(12,226)	36,323	44,700	(8,377)
PURTA	1,661	1,955	1,300	655	3,283	1,600	1,683
Insurance Premiums	1,282	462	300	162	2,038	1,900	138
Financial Institutions	10,599	4,025	2,300	1,725	5,837	3,300	2,537
Other Selective Bus. Taxes	878	652	500	152	1,039	900	139
TOTAL - Consumption Taxes	2,546,469	832,968	875,000	(42,032)	2,576,842	2,658,900	(82,058)
Sales and Use	2,193,623	712,758	747,300	(34,542)	2,236,062	2,306,300	(70,238)
General (net of transfers)	1,904,859	617,178	648,100	(30,922)	1,930,592	1,980,900	(50,308)
Motor Vehicle Sales	288,764	95,580	99,200	(3,620)	305,471	325,400	(19,929)
Cigarette Tax	276,804	94,336	101,400	(7,064)	261,610	274,600	(12,990)
Malt Beverage	7,406	2,377	2,600	(223)	7,195	7,400	(205)
Liquor	68,636	23,496	23,700	(204)	71,974	70,600	1,374
TOTAL - Other Taxes	2,623,728	1,033,414	1,035,600	(2,186)	2,704,811	2,702,500	2,311
Personal Income	2,316,377	947,922	937,100	10,822	2,404,260	2,379,800	24,460
Withholding	1,957,638	635,687	636,900	(1,213)	2,011,262	1,996,000	15,262
Non-Withholding	358,739	312,235	300,200	12,035	392,998	383,800	9,198
Realty Transfer	82,173	23,532	27,800	(4,268)	88,558	90,700	(2,142)
Inheritance & Estate	200,545	55,291	63,300	(8,009)	189,776	207,800	(18,024)
Minor & Repealed	312	(2)	100	(102)	(79)	500	(579)
Table Games	24,321	6,673	7,300	(627)	22,296	23,700	(1,404)
TOTAL - MOTOR LICENSE FUND	617,048	187,512	194,780	(7,268)	610,312	607,010	3,302
TOTAL - Liquid Fuels Taxes	328,446	113,602	117,000	(3,398)	323,002	323,500	(498)
Liquid Fuels	157,575	56,358	53,390	2,968	154,665	152,610	2,055
Fuels	39,488	12,838	13,680	(842)	39,055	40,780	(1,725)
Motor Carriers/IFTA	13,260	5,568	6,000	(432)	12,151	8,790	3,361
Alternative Fuels	92	140	10	130	476	330	146
Oil Company Franchise	118,031	38,697	43,920	(5,223)	116,655	120,990	(4,335)
TOTAL - Licenses, Fees & Other	288,602	73,910	77,780	(3,870)	287,311	283,510	3,801
Licenses and Fees	213,121	68,181	70,150	(1,969)	215,536	211,080	4,456
Other Motor Receipts	75,481	5,729	7,630	(1,901)	71,775	72,430	(655)