



The Monthly Report

October 2013

Jake Corman, Chairman



September Revenues Outpace the Estimate

General Fund revenue collections for the month ended September 2013 totaled \$2.43 billion, which was \$15.2 million, or 0.6%, above estimate for the month. Fiscal year-to-date collections total \$6.1 billion, which is \$12.8 million, or 0.2%, above estimate for the year. Total General Fund revenues through September 2013 are \$40.7 million, or 0.7%, ahead of revenues last year at this time. September is a “quarterly estimated tax payment” month for calendar year corporate and individual filers.

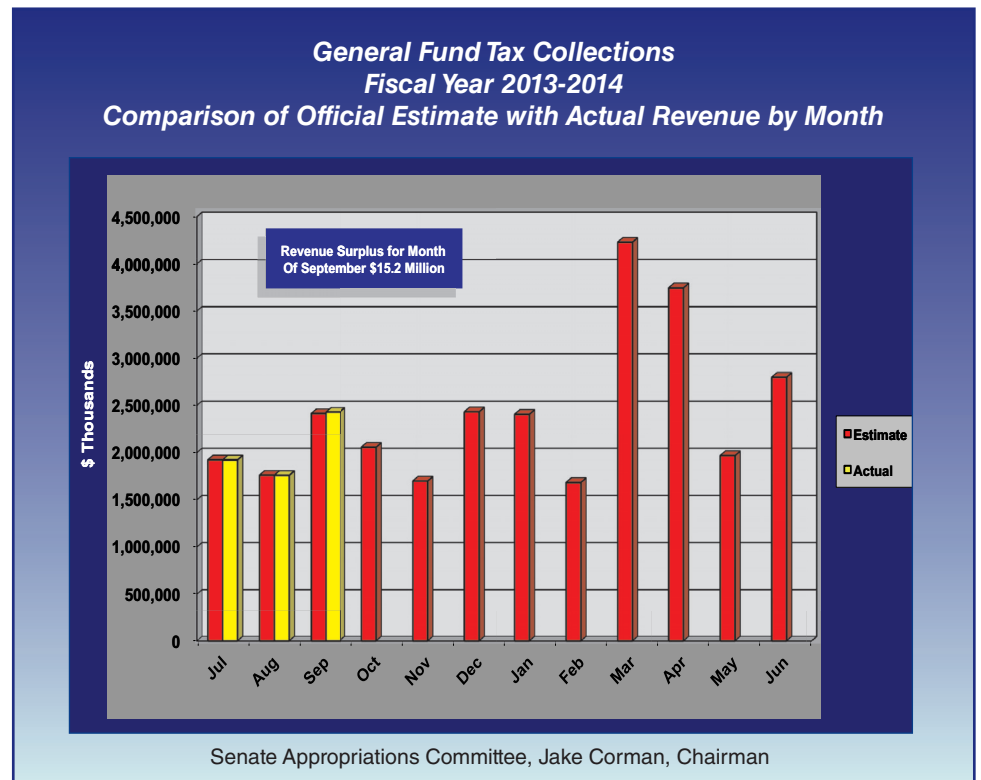
September’s overall corporation tax collections were below estimate by \$8.2 million for the month. Capital stock and franchise tax collections were \$19.7 million, or 44%, above estimate for the month. Annual corporate net income tax payments were \$27.6 million above estimate for the month; however, quarterly estimated CNI tax payments were \$55.4 million below estimate for the month. This is noteworthy because December is the final quarterly estimated tax payment month for 2013 CNI tax payments, and so the relatively weak performance for September may be repeated in a few months when quarterly

estimated payments are due once again.

Personal income tax collections were above estimate by \$8.3 million for the month. Employers’ withholding was \$10.2 million below estimate for the month, and non-withholding payments were over estimate by \$18.5 million. Employers’ withholding collections were 1.5% ahead of September 2012, which is an indication that income and employment gains remain modest, at best. Individual

quarterly estimated tax payments for September were 9.8% above last year, which may reflect stronger gains from non-job related income such as the stock market. Total year-to-date PIT collections through September 2013 are \$80 million, or 3.3%, more than last year at this time. The FY 2013-14 Official General Fund Revenue Estimate calls for annual PIT growth of 3.13% over last year.

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Sales and use tax collections were just under estimate for the month by \$880,864. Non-motor SUT was below estimate by \$2.4 million for the month, but SUT on motor vehicles was above estimate by \$1.5 million. SUT collections through September 2013 are 2.9% ahead of last fiscal year. The FY 2013-14 Official General Fund Revenue Estimate calls for annual SUT growth of 3.77% over last year.

Realty transfer tax was above estimate by \$6.3 million, or 21.8%, for the month. A recent jump in mortgage rates does not appear to have caused a sharp drop in the real estate market, and still-recovering prices should continue to bolster the housing sector going forward. Inheritance tax collections were \$3 million above estimate for the month. Cigarette tax collections just missed the estimate by

\$263,888, and liquor tax collections and table games tax collections were \$1.8 million and \$419,166 below estimate for the month, respectively. Non-tax revenue collections exceeded the estimate by \$9.2 million.

Motor License Fund collections were \$4.9 million below estimate for the month of September. The Motor License Fund is \$16.4 million below estimate for the year.

State Departments and Agencies to Submit Budget Requests

Recently, 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 2014-15 Executive Budget agency budget requests.

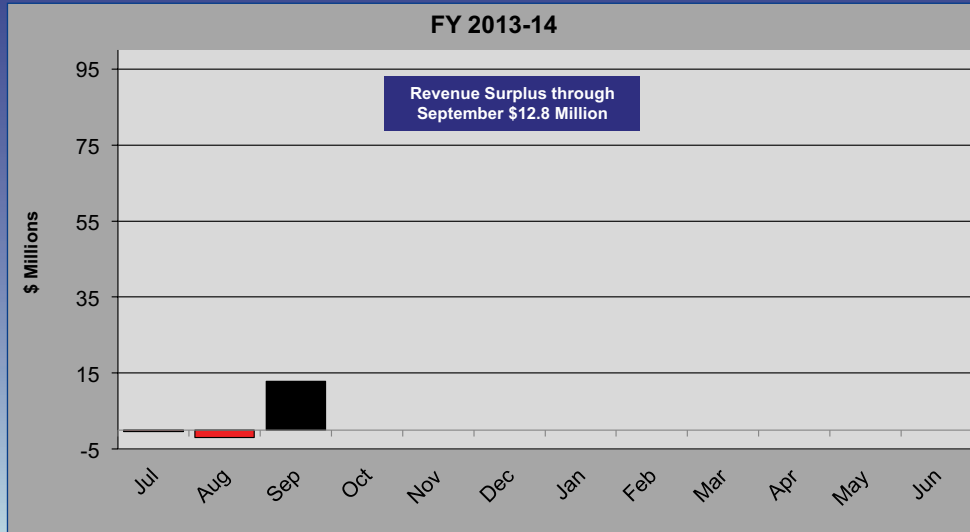
Departments and agencies are required to submit their proposed budget requests to the Governor's office. According to the Governor, departments and agencies should not assume funding increases for the 2014-15 fiscal year and should continue to evaluate current programs and recommend changes that will im-

prove program management and operations, reduce costs and optimize direct services.

To review the program guidelines, please visit http://www.portal.state.pa.us/portal/server.pt/community/oa_home/401 for the administrative circular.

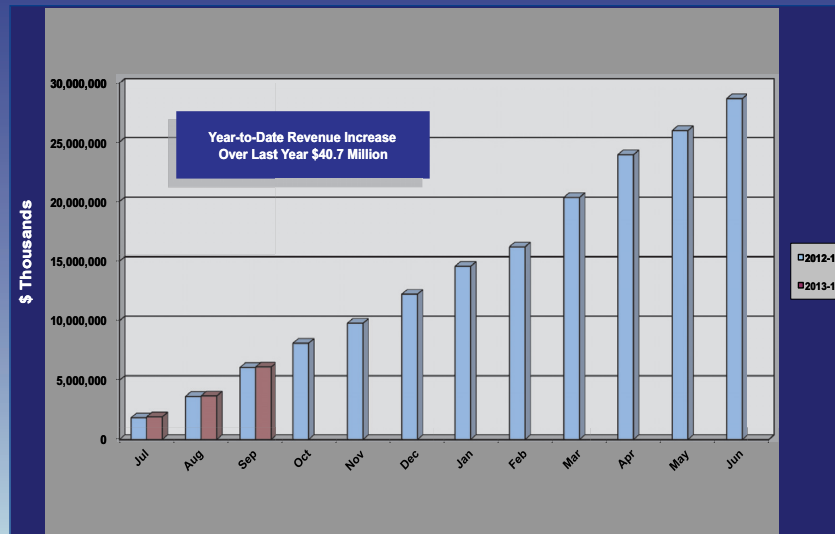


General Fund Tax Collections Year-to-Date Revenue Comparison with Official Estimate



Senate Appropriations Committee, Jake Corman, Chairman

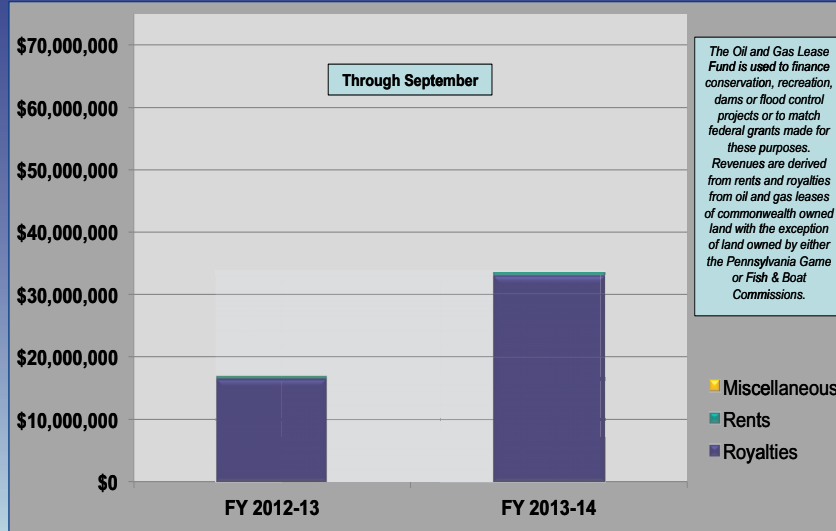
General Fund Revenue Collections Fiscal Year 2013-2014 Revenue Comparison with Last Year



Senate Appropriations Committee, Jake Corman, Chairman

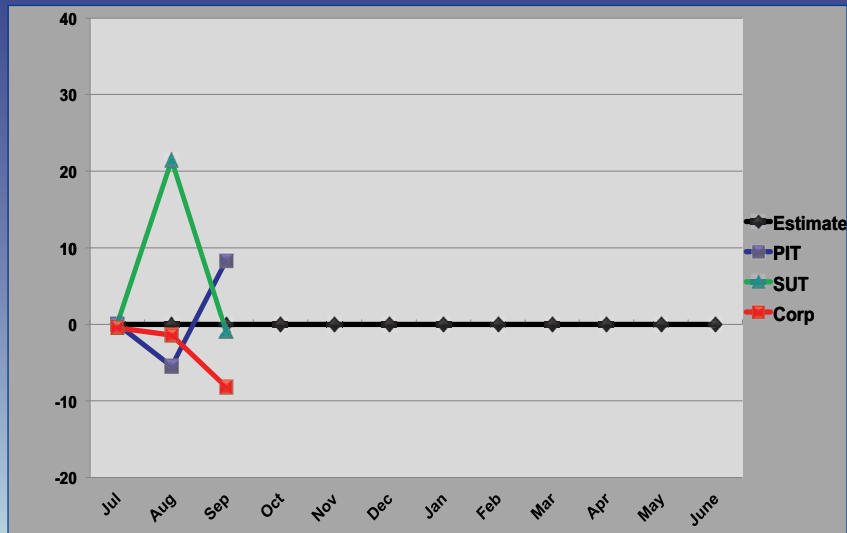


Oil and Gas Lease Fund Year-to-Date Revenue Compared with Prior Year



Senate Appropriations Committee, Jake Corman, Chairman

Fiscal Year 2013-14 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 2012-13	September 2013 Actual	September 2013 Estimated	Surplus/ (Deficit)	YTD Actual	YTD Estimated	Surplus/ (Deficit)
TOTAL - GENERAL FUND	6,068,811	2,427,752	2,412,600	15,152	6,109,536	6,096,700	12,836
TOTAL - NON-TAX REVENUE	81,952	22,751	13,600	9,151	50,969	55,400	(4,431)
TOTAL - TAX REVENUE	5,986,859	2,405,001	2,399,000	6,001	6,058,567	6,041,300	17,267
TOTAL - Corporation Taxes	705,206	457,444	465,600	(8,156)	588,932	598,900	(9,968)
Accelerated Deposits	10,795	437	0	437	3,147	0	3,147
Corp. Net Income	498,366	381,959	409,800	(27,841)	477,818	506,000	(28,182)
Cap. Stock & Franchise	147,525	64,425	44,700	19,725	88,611	68,600	20,011
Gross Receipts	36,323	5,537	4,100	1,437	13,228	13,200	28
PURTA	3,283	1,302	1,300	2	2,063	2,600	(537)
Insurance Premiums	2,038	392	2,500	(2,108)	(747)	3,700	(4,447)
Financial Institutions	5,837	2,129	2,500	(371)	3,143	3,700	(557)
Other Selective Bus. Taxes	1,039	1,263	700	563	1,669	1,100	569
TOTAL - Consumption Taxes	2,576,842	848,491	851,600	(3,109)	2,636,206	2,617,800	18,406
Sales and Use	2,236,062	730,419	731,300	(881)	2,301,707	2,281,100	20,607
General (net of transfers)	1,930,592	626,891	629,300	(2,409)	1,971,687	1,954,100	17,587
Motor Vehicle Sales	305,471	103,529	102,000	1,529	330,020	327,000	3,020
Cigarette Tax	261,610	92,836	93,100	(264)	252,727	253,500	(773)
Malt Beverage	7,195	2,291	2,500	(209)	7,101	7,500	(399)
Liquor	71,974	22,944	24,700	(1,756)	74,671	75,700	(1,029)
TOTAL - Other Taxes	2,704,811	1,099,067	1,081,800	17,267	2,833,430	2,824,600	8,830
Personal Income	2,404,260	986,039	977,700	8,339	2,484,309	2,481,400	2,909
Withholding	2,011,277	645,739	655,900	(10,704)	2,056,600	2,070,100	(14,058)
Non-Withholding	392,983	340,300	321,800	18,500	427,708	411,300	16,408
Realty Transfer	88,558	35,210	28,900	6,310	112,035	105,800	6,235
Inheritance & Estate	189,776	70,758	67,800	2,958	213,637	213,800	(163)
Minor & Repealed	(79)	179	100	79	924	300	624
Table Games	22,296	6,881	7,300	(419)	22,526	23,300	(774)
TOTAL - MOTOR LICENSE FUND	610,312	182,283	187,160	(4,877)	602,984	619,430	(16,446)
TOTAL - Liquid Fuels Taxes	323,002	107,796	114,420	(6,624)	318,201	336,570	(18,369)
Liquid Fuels	154,665	48,558	53,600	(5,042)	145,787	161,100	(15,313)
Fuels	39,055	13,996	13,000	996	40,828	40,500	328
Motor Carriers/IFTA	12,151	4,580	5,900	(1,320)	12,322	10,300	2,022
Alternative Fuels	476	134	120	14	364	270	94
Oil Company Franchise	116,655	40,527	41,800	(1,273)	118,900	124,400	(5,500)
TOTAL - Licenses, Fees & Other	287,311	74,487	72,740	1,747	284,783	282,860	1,923
Licenses and Fees	215,536	72,894	69,500	3,394	225,125	220,200	4,925
Other Motor Receipts	71,775	1,593	3,240	(1,647)	59,659	62,660	(3,001)