



Pennsylvania Senate Appropriations Committee

Senator Pat Browne
Chairman



Monthly Report September 2022

General Fund Revenues Hold Steady

General Fund revenue collections for the month of August exceeded the estimate by \$63.8 million, or 2.3%. General Fund tax revenues were \$45.7 million, or 1.6%, higher than the monthly estimate, and non-tax revenue was \$18.1 million over the estimate. General Fund revenue collections for the first two months of the fiscal year are \$60.4 million, or 1.1%, ahead of estimate.

Total corporation tax revenues were below the monthly estimate by \$1.8 million, or 1.6%, although August typically is not a large corporation tax collection month. On the other hand, sales and use tax (SUT) collections were above estimate by \$45.5 million, or 4%, for the month and were 5.4% higher than August 2021 collections. August 2022 included a \$45.3 million transfer of sales and use tax collections from motor vehicle sales to the Public Transportation Trust Fund.

Personal income tax (PIT) collections missed the estimate by \$6.4 million, or 0.5%. Despite being below the monthly estimate, PIT collections were 20.8% higher than last year for the month of August mainly because August 2021 had only four large weekly PIT withholding due dates (i.e., Wednesdays) while August 2022 had five such dates. Each large weekly PIT due date results in approximately \$140 million being deposited into the General Fund.

General Fund revenue collections are 5.4% higher than last year through the first two months of the fiscal year; however, the mismatch in PIT withholding due dates, along with SUT and PIT transfers need to be accounted for when making any comparison between years.

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**General Fund Revenue Collections
Fiscal Year 2022-23
Comparison of Official Estimate with
Actual Revenue Year-to-Date**



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PENNSYLVANIA'S 2022 SUNDAY HUNTING DATES

SUNDAY, NOV. 13

SUNDAY, NOV. 20

SUNDAY, NOV. 27

All Sunday Hunting & Seasons Details are
Available Online at www.pgc.pa.gov



Thanks for being a Pennsylvania Hunter

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General Fund Revenues Hold Steady Continued.....

August 2022 General Fund Revenue vs. Monthly Estimate:

- General Fund revenue collections of \$2.86 billion were above the monthly estimate by \$63.8 million, or 2.3%.
- General Fund tax revenues were above estimate by \$45.7 million, or 1.6%.
- Corporation taxes were \$1.8 million, or 1.6%, below the estimate.
- Sales and use tax collections beat the estimate by \$45.5 million, or 4%, for the month.
- Personal income tax collections were below estimate by \$6.4 million, or 0.5%.
- Non-tax revenues were over the estimate by \$18.1 million or 107%.

Fiscal Year 2022-23 vs. the Official Revenue Estimate To-Date:

- Total General Fund revenues are \$60.4 million, or 1.1%, higher than the Official Revenue Estimate through the month of August.
- General Fund tax revenue is \$42.3 million, or 0.8%, above estimate.
- Corporation taxes are \$5.1 million, or 1.8%, below estimate.
- Sales and use taxes are \$45.4 million, or 1.9%, above estimate.
 - General SUT collections are \$21 million, or 1%, above estimate.
 - SUT collections on motor vehicle sales are \$24.4 million, or 10.9%, higher than the estimate.
- Personal income tax collections are below estimate by \$6.4 million, or 0.3%.
 - Withheld PIT is \$8.9 million, or 0.4%, less than the estimate.
 - Non-withheld PIT (annual & estimated payments) is \$2.6 million, or 1.5%, ahead of estimate.
- Realty transfer tax revenues are \$18.1 million, or 17.3%, above estimate.
- Inheritance tax collections are \$3.3 million, or 1.4%, below estimate.
- Non-tax revenues are \$18.1 million, or 30.5%, above estimate.

**General Fund Revenue Collections
Fiscal Year 2022-23
Comparison of Official Estimate with
Actual Revenue by Month**



Fiscal Year 2022-23 vs. Fiscal Year 2021-22:

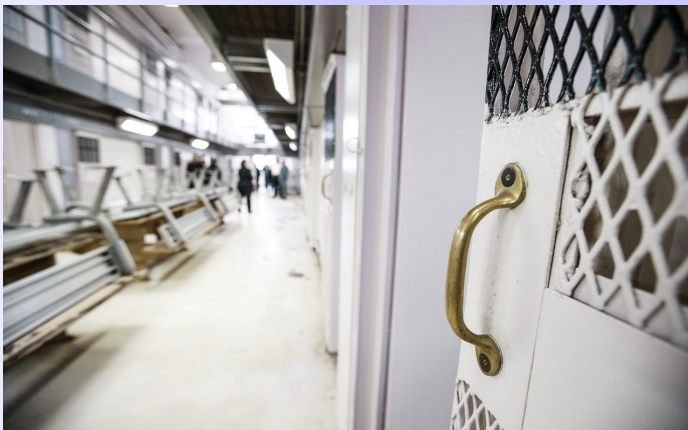
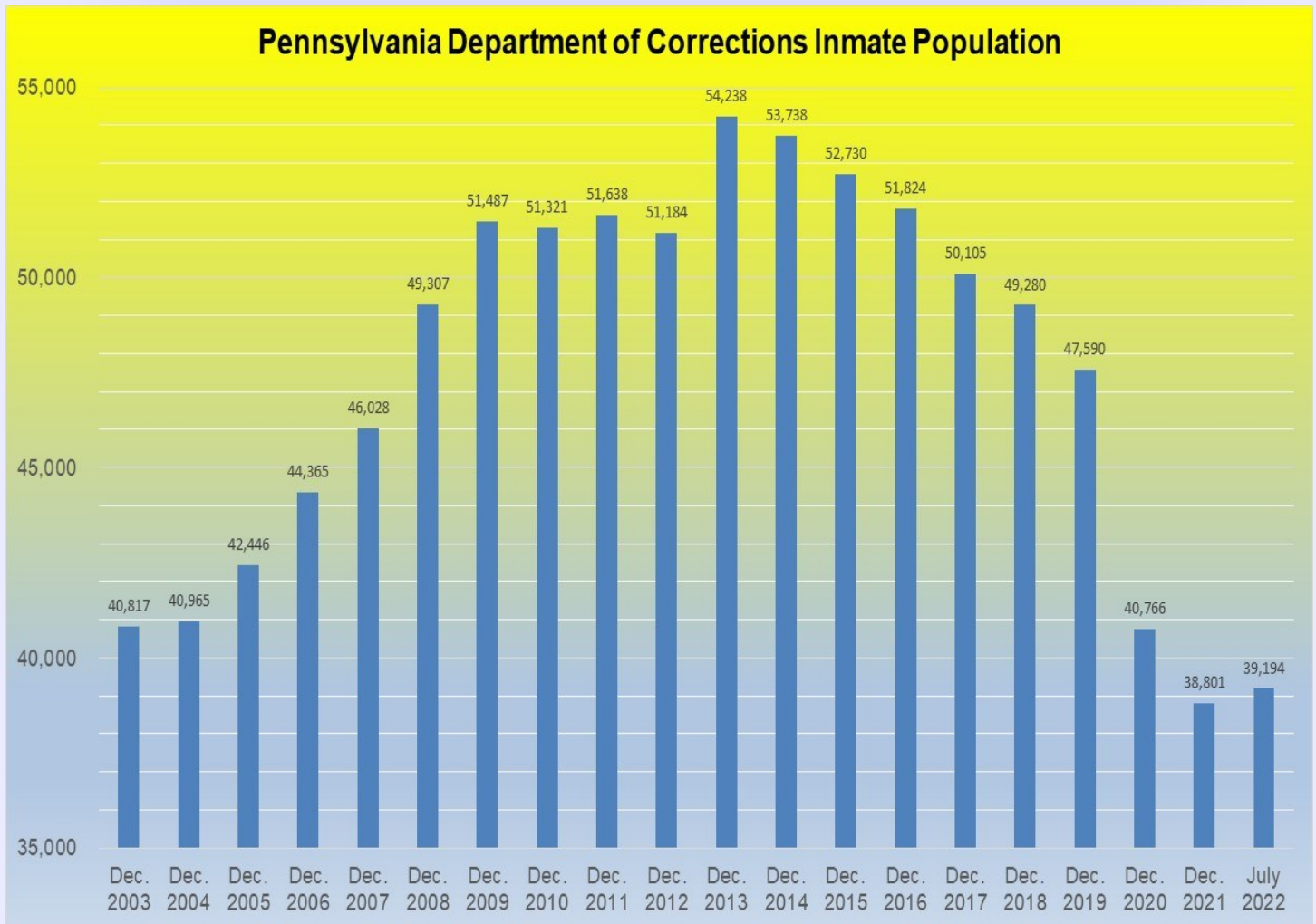
- Total General Fund revenues through August are \$286.7 million, or 5.4% higher than last year at this time, although FY 2022-23 had one additional PIT withholding date compared to FY 2021-22.
- One typical weekly PIT withholding date adds approximately \$140 million to General Fund revenue collections.
- Thus far in FY 2022-23, new SUT and PIT transfers out of the General Fund have totaled approximately \$132.5 million.
- Corporation taxes are \$16.8 million, or 5.5%, lower than last fiscal year.
- Sales and use tax collections are \$80.4 million, or 3.4%, more than last year through August despite \$87.5 million being transferred out of SUT collected on motor vehicles so far in FY 2022-23.
- Personal income tax collections exceed last year's collections by \$217.5 million, or 11.2%, but approximately \$100 million is attributable to the additional withholding date, net of a one-time \$45 million transfer to the Election Integrity Restricted Account made in July 2022.
- Non-tax revenues are \$30.8 million, or 66%, more than last fiscal year through August led by a substantial year-over-year increase in Treasury investment income.

Motor License Fund:

- Motor License Fund revenues are below the estimate by \$24.7 million, or 4.9%, through August.
- Motor License Fund revenues are \$12.4 million, or 2.5%, less than last fiscal year at this time.

Pennsylvania Department of Corrections Inmate Population

As of July 2022, Pennsylvania's state prison inmate population is down 28% since its peak in 2013. The General Assembly's work on the Justice Reinvestment Initiative (JRI) and, more recently, JRI II, has successfully reformed the Commonwealth's criminal justice system while at the same time protecting the community from crime. Overall, Department of Corrections data indicates that state correctional facilities are currently operating at 84% of capacity.



FY 2022-23 GENERAL FUND REVENUES

Comparison between Official Revenue Estimate and Independent Fiscal Office Estimate

REVENUE SOURCE	FY 2021-22 Actual Collections	FY 2022-23 Official Revenue Estimate	Growth	FY 2022-23 IFO Revenue Estimate	Amount Over/(Under) Official Estimate	Growth
Total General Fund	\$48,134,217,000	\$43,579,700,000	-9.5%	\$42,187,000,000	(\$1,392,700,000)	-12.4%
Total Tax Revenue	\$43,488,640,000	\$42,804,100,000	-1.6%	\$41,423,000,000	(\$1,381,100,000)	-4.7%
Total Corporation Taxes	\$7,316,981,000	\$6,891,500,000	-5.8%	\$6,896,000,000	\$4,500,000	-5.8%
Accelerated Deposits	\$862,000	\$0		\$0	\$0	
Corporate Net Inc.	\$5,323,091,000	\$4,900,200,000	-7.9%	\$4,892,000,000	(\$8,200,000)	-8.1%
<u>Sel. Business - Total</u>	<u>\$1,993,028,000</u>	<u>\$1,991,300,000</u>	<u>-0.1%</u>	<u>\$2,004,000,000</u>	<u>\$12,700,000</u>	<u>0.6%</u>
Gross Receipts	\$1,022,443,000	\$1,013,300,000	-0.9%	\$1,045,000,000	\$31,700,000	2.2%
Util. Property	\$39,498,000	\$39,900,000	1.0%	\$40,000,000	\$100,000	1.3%
Insurance Prem.	\$482,284,000	\$494,400,000	2.5%	\$475,000,000	(\$19,400,000)	-1.5%
Financial Inst.	\$448,803,000	\$443,700,000	-1.1%	\$444,000,000	\$300,000	-1.1%
Total Consumption Taxes	\$15,391,473,000	\$15,280,600,000	-0.7%	\$14,674,000,000	(\$606,600,000)	-4.7%
<u>Sales - Total</u>	<u>\$13,914,254,000</u>	<u>\$13,814,900,000</u>	<u>-0.7%</u>	<u>\$13,196,000,000</u>	<u>(\$618,900,000)</u>	<u>-5.2%</u>
Non-Motor	\$12,076,320,000	\$12,483,900,000	3.4%	\$11,831,000,000	(\$652,900,000)	-2.0%
Motor Vehicle	\$1,837,934,000	\$1,331,000,000	-27.6%	\$1,365,000,000	\$34,000,000	-25.7%
Cigarette	\$874,065,000	\$841,900,000	-3.7%	\$845,000,000	\$3,100,000	-3.3%
Other Tobacco Products	\$149,417,000	\$163,000,000	9.1%	\$164,000,000	\$1,000,000	9.8%
Malt Beverage	\$22,473,000	\$21,700,000	-3.4%	\$24,000,000	\$2,300,000	6.8%
Liquor	\$431,264,000	\$439,100,000	1.8%	\$445,000,000	\$5,900,000	3.2%
Total Other Taxes	\$20,780,186,000	\$20,632,000,000	-0.7%	\$19,853,000,000	(\$779,000,000)	-4.5%
<u>PIT - Total</u>	<u>\$18,125,688,000</u>	<u>\$18,163,700,000</u>	<u>0.2%</u>	<u>\$17,367,000,000</u>	<u>(\$796,700,000)</u>	<u>-4.2%</u>
Withholding	\$12,026,246,000	\$12,595,800,000	4.7%	\$12,754,000,000	\$158,200,000	6.1%
Estimated	\$2,760,419,000	\$3,320,500,000	20.3%	\$2,484,000,000	(\$836,500,000)	-10.0%
Annual	\$3,339,023,000	\$2,247,400,000	-32.7%	\$2,129,000,000	(\$118,400,000)	-36.2%
Realty Transfer	\$847,072,000	\$760,400,000	-10.2%	\$781,000,000	\$20,600,000	-7.8%
Inheritance	\$1,550,429,000	\$1,462,100,000	-5.7%	\$1,415,000,000	(\$47,100,000)	-8.7%
Gaming	\$307,857,000	\$317,200,000	3.0%	\$348,000,000	\$30,800,000	13.0%
Minor and Repealed	(\$50,860,000)	(\$71,400,000)	-40.4%	(\$58,000,000)	\$13,400,000	14.0%
Total Non-Tax Revenue	\$4,645,577,000	\$775,600,000	-83.3%	\$764,100,000	(\$11,500,000)	-83.6%
Liquor Store Profits	\$185,100,000	\$185,100,000		\$185,100,000	\$0	
<u>Lic., Fees, & Misc. - Total</u>	<u>\$4,393,592,000</u>	<u>\$528,200,000</u>	<u>-88.0%</u>	<u>\$516,000,000</u>	<u>(\$12,200,000)</u>	<u>-88.3%</u>
Lic. and Fees	\$168,025,000	\$150,600,000	-10.4%	\$158,000,000	\$7,400,000	-6.0%
Miscellaneous	\$4,225,567,000	\$377,600,000	-91.1%	\$358,000,000	(\$19,600,000)	-91.5%
F. P & I Other	\$66,885,000	\$62,300,000	-6.9%	\$63,000,000	\$700,000	-5.8%

Fiscal Year 2022-23
Senate Appropriations Committee
Monthly Revenue Report
(\$ thousands)

REVENUE SOURCES	YTD FY 2021-22	August 2022 Actual	August 2022 Estimated	Surplus/ (Deficit)	YTD Actual	YTD Estimated	Surplus/ (Deficit)
TOTAL - GENERAL FUND	5,274,496	2,864,945	2,801,100	63,845	5,561,146	5,500,700	60,446
TOTAL - NON-TAX REVENUE	46,700	34,983	16,900	18,083	77,510	59,400	18,110
TOTAL - TAX REVENUE	5,227,796	2,829,962	2,784,200	45,762	5,483,637	5,441,300	42,337
TOTAL - Corporation Taxes	302,547	111,269	113,100	(1,831)	285,765	290,900	(5,135)
Accelerated Deposits	(3,206)	6	0	6	(3,406)	0	(3,406)
Corp. Net Income	277,385	101,989	107,500	(5,511)	252,515	258,000	(5,485)
Gross Receipts	4,363	7,125	2,700	4,425	10,056	5,600	4,456
PURTA	870	137	100	37	137	100	37
Insurance Premiums	19,531	581	900	(319)	24,528	24,800	(272)
Financial Institutions	3,605	1,430	1,900	(470)	1,934	2,400	(466)
TOTAL - Consumption Taxes	2,590,308	1,304,247	1,272,600	31,647	2,642,853	2,611,300	31,553
Sales and Use	2,347,169	1,169,658	1,124,200	45,458	2,427,600	2,382,200	45,400
General (net of transfers)	2,034,480	1,034,859	1,013,800	21,059	2,180,430	2,159,400	21,030
Motor Vehicle Sales	312,689	134,799	110,400	24,399	247,170	222,800	24,370
Cigarette Tax	144,341	86,031	98,200	(12,169)	116,533	128,700	(12,167)
Other Tobacco Products	25,009	12,370	13,500	(1,130)	24,769	25,900	(1,131)
Malt Beverage	4,100	1,870	2,000	(130)	3,925	4,100	(175)
Liquor	69,690	34,319	34,700	(381)	70,025	70,400	(375)
TOTAL - Other Taxes	2,334,941	1,414,446	1,398,500	15,946	2,555,019	2,539,100	15,919
Personal Income	1,937,957	1,182,516	1,188,900	(6,384)	2,155,434	2,161,800	(6,366)
Withholding	1,771,023	1,098,487	1,107,400	(8,913)	1,980,880	1,989,800	(8,920)
Non-Withholding	166,934	84,030	81,500	2,530	174,554	172,000	2,554
Realty Transfer	106,339	88,840	70,700	18,140	123,233	105,100	18,133
Inheritance & Estate	227,208	116,716	120,000	(3,284)	226,898	230,200	(3,302)
Minor & Repealed	17,443	2,211	(100)	2,311	3,285	1,000	2,285
Gaming	45,994	24,163	19,000	5,163	46,168	41,000	5,168
TOTAL - MOTOR LICENSE FUND	492,983	239,665	264,990	(25,325)	480,591	505,290	(24,699)
TOTAL - Liquid Fuels Taxes	319,369	161,156	175,200	(14,044)	302,804	316,900	(14,096)
Motor Carriers/IFTA	25,647	24,472	29,100	(4,628)	27,647	32,300	(4,653)
Alternative Fuels	2,800	1,402	1,300	102	2,813	2,700	113
Oil Company Franchise	290,920	135,281	144,800	(9,519)	272,343	281,900	(9,557)
Minor & Repealed	1	1	0	1	1	0	1
TOTAL - Licenses, Fees & Other	173,614	78,509	89,790	(11,281)	177,786	188,390	(10,604)
Licenses and Fees	177,942	76,572	89,300	(12,728)	173,304	186,000	(12,696)
Other Motor Receipts	(4,328)	1,937	490	1,447	4,482	2,390	2,092