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The monthly revenue report of October 2012 state tax collections was released today.

Results

- State general revenues totaled \$1,085 million, \$24 million (+2.3%) above target and \$4 million (+0.4%) above collections for the same period last year.
- Sales tax collections totaled \$558 million for the month, \$16 million (+2.9%) above collections for the same period last year.
- Individual income tax collections totaled \$353 million for the month, \$20 million (+6.1%) above target but \$32 million (-8.3%) below collections for the same period last year. Payroll withholdings decreased 8.0% compared to the same period last year.
- Year-over-year comparisons are impacted by the individual income tax timing issue (1 fewer Friday than the same month last year). More reliable year-over-year comparisons can be made by looking at September and October revenues in combination.

Commentary

Through October, state general fund revenues have increased 4.0%, nearly double the rate needed to meet the most recent forecast. Total general fund revenues are now \$75 million ahead of forecast through the first four months of the fiscal year.

Sales tax collections increased 2.9% over the same period last year. Fiscal year-to-date sales tax revenues have grown 2.7%, exceeding the growth needed to meet the overall forecast.

Individual income tax collections exceeded the October target by \$20 million, but fell short of collections for the same period last year by \$32 million (-8.3%). The year-over-year decrease in individual income tax collections is caused by a timing issue related to the number of payrolls in a given month compared to that same month in the prior year (1 fewer Friday compared to prior year). As a result, payroll withholdings decreased 8.0% compared to the same period last year. Viewed over two months, payroll withholdings have grown 5.2% compared to the same two-month period last year. Individual income tax collections have increased 6.7% and are now ahead of target (+1.2%) through the first four months of the fiscal year.

Corporate income tax collections remain strong, exceeding the target by \$3 million (+7.4%). Through October, corporate income tax collections have increased 13.8% compared to the same period last year and are running \$64 million ahead of target.

Through the first four months of the fiscal year, riverboat wagering taxes are essentially on target (+0.4%) and flat with the same period last year (-0.4%).

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