

ARKANSAS REVENUE REPORT

April 2021

Prepared for: MEMBERS OF THE ARKANSAS GENERAL ASSEMBLY
HIGHLIGHTS OF THE MONTH AND YEAR-TO-DATE COLLECTIONS

Prepared by: THE BUREAU OF LEGISLATIVE RESEARCH

Collections of Gross General Revenues year-to-date of approximately \$6,453.0 million have increased \$649.3 million, or 11.2%, above the \$5,803.7 million collected last fiscal year-to-date. Net General Revenue Available for distribution this month of \$779.6 million increased \$242.4 million, or 45.1%, from the \$537.2 million available for distribution in April 2020. In accordance with Act 1315 of 1999, the Chief Fiscal Officer of the State transferred \$2,650,012.30 from Corporate Income Tax to the Workforce 2000 Development Fund for a current total of \$26,500,123.00.

COMPARISON OF THE FIRST TEN MONTHS OF THE 2020-2021 FISCAL YEAR
DISTRIBUTION OF GROSS GENERAL REVENUES
WITH THE SAME PERIOD OF 2019-2020

	<u>2020-2021</u>	<u>2019-2020</u>	<u>% Increase/ (Decrease)</u>
GROSS GENERAL REVENUES	\$6,452,992,711.89	\$5,803,651,291.66	11.2%
Less: Claims & Taxes Erroneously Paid	216,023.87	184,355.35	17.2%
Uncollected Checks	2,976,222.28	2,870,984.24	3.7%
EFT Reversals	19,249,342.88	10,717,727.69	79.6%
NET GENERAL REVENUES	\$6,430,551,122.86	\$5,789,878,224.38	11.1%
Less: State Central Services Fund	\$135,041,573.56	\$121,587,442.71	11.1%
Constitutional Officers' Fund	64,305,511.25	57,898,782.25	11.1%
Individual Income Tax Refunds	377,956,803.93	427,530,035.78	-11.6%
City-County Tourist Facilities	887,908.00	887,908.00	0.0%
Corporation Income Tax Refunds	61,693,505.27	47,063,074.72	31.1%
Water Waste Pollution Abatement Bond	12,400,000.00	12,400,000.00	0.0%
Educational Excellence Trust Fund	290,437,339.20	281,453,133.30	3.2%
Economic Development Incentive Fund	8,642,195.00	14,053,296.00	-38.5%
College Saving Bond Fund	2,996,118.75	3,249,853.66	-7.8%
Educational Adequacy Fund	25,675,153.30	24,880,935.00	3.2%
Amendment 82 Bonds	1,014,545.34	1,050,809.42	-3.5%
NET AVAILABLE FOR DISTRIBUTION	<u>\$5,449,500,469.26</u>	<u>\$4,797,822,953.54</u>	<u>13.6%</u>

NET GENERAL REVENUE REQUIREMENTS

Revenue Stabilization Law Requirements for 2020-2021
With Dollar & Percentage Increases Needed to Fund

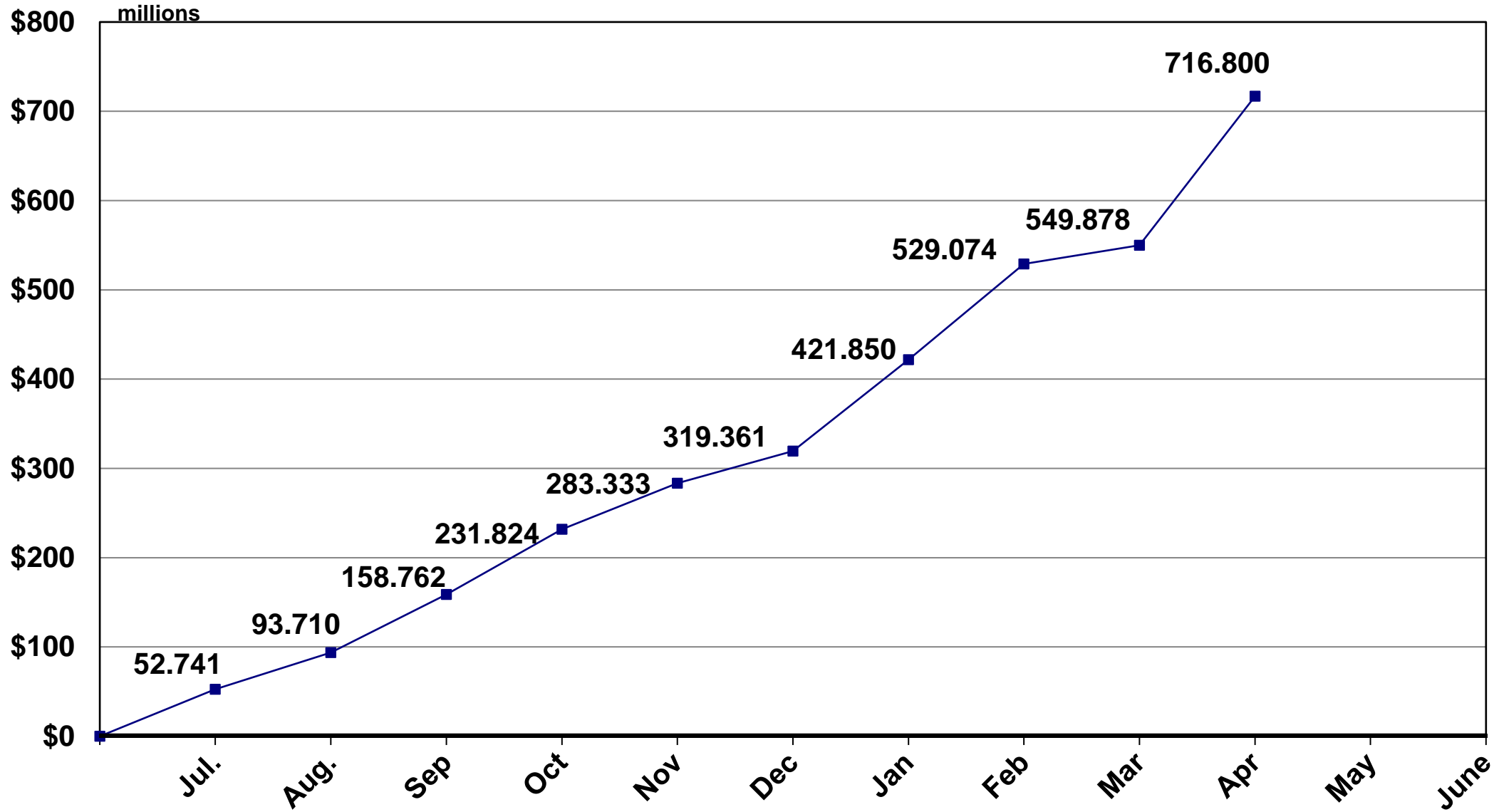
Allotment (A) *	\$5,321,552,301.00
Allotment (A1)	\$184,355,546.00
Allotment (B)	\$90,696,076.00
Allotment (C)	\$90,696,076.00
Allotment (D) *	<u>\$212,259,587.00</u>
	\$5,899,559,586.00

Total Dollar Amount Required to Fund 2020-2021	
Current DFA Estimate (A + A1 + B + C)	\$5,687,299,999.00
Net General Revenues Distributed in 2019-2020	<u>\$5,753,386,754.42</u>
Dollar Increase (Decrease) in 2020-2021 Required over 2019-2020	(\$66,086,755.42)
Dollar Increase (Decrease) Collected Year-To-Date	<u>\$651,677,515.72</u>
Dollar Increase (Decrease) Required for Remainder of Year	(\$717,764,271.14)

Annual % Increase Required to Fund 2020-2021 Current DFA Estimate -1.149%

* Includes Allocations to Restricted Reserve and Medicaid Trust Funds

CUMULATIVE DEVIATION FROM DFA NET GENERAL REVENUES AVAILABLE FOR DISTRIBUTION FORECAST



■ Month of 2020-2021

	<u>April</u> <u>2021</u>	<u>April</u> <u>2020</u>	<u>Percent</u> <u>Increase/</u> <u>(Decrease)</u>	<u>Ten</u> <u>Months</u> <u>2020-2021</u>	<u>Ten</u> <u>Months</u> <u>2019-2020</u>	<u>Percent</u> <u>Increase/</u> <u>(Decrease)</u>
<u>GENERAL REVENUES COLLECTED</u>						
<u>BY THE REVENUE DIVISION:</u>						
<u>Gross Receipts Taxes:</u>	\$293,574,840.85	\$198,163,751.02	48.1%	\$2,390,605,537.07	\$2,148,924,614.87	11.2%
<u>Income Taxes:</u>						
Corporation - Final Payments	\$110,545,797.60	\$75,824,570.74	45.8%	\$178,519,470.78	\$142,182,967.47	25.6%
Corporation - Estimates	41,281,253.45	22,805,675.03	81.0%	317,731,565.91	261,585,552.70	21.5%
Individual - Final Payments	104,842,185.82	45,698,833.74	129.4%	480,514,682.15	212,531,690.51	126.1%
Individual - Withholding-Monthly	292,138,231.79	274,763,019.41	6.3%	2,330,659,949.40	2,398,042,212.42	-2.8%
Individual - Estimates	75,004,778.74	46,479,289.91	61.4%	365,973,909.76	275,826,898.79	32.7%
Total Income Taxes	\$623,812,247.40	\$465,571,388.83	34.0%	\$3,673,399,578.00	\$3,290,169,321.89	11.6%
<u>Cigarette and Tobacco Taxes:</u>						
Cigarette Tax	\$13,891,972.60	\$11,772,868.53	18.0%	\$128,188,160.80	\$129,695,432.34	-1.2%
Cigarette Permits	-	5,775.00	-100.0%	-	10,670.00	-100.0%
Cigar and Tobacco Taxes	6,938,706.94	5,960,548.02	16.4%	58,069,767.55	52,120,141.12	11.4%
Cigarette Paper Tax	73,175.26	85,420.66	-14.3%	736,023.25	939,419.83	-21.7%
Total Cigarette & Tob. Taxes	\$20,903,854.80	\$17,824,612.21	17.3%	\$186,993,951.60	\$182,765,663.29	2.3%
<u>Alcoholic Beverage Taxes:</u>						
Liquor Tax - \$2.50 Per Gallon	\$1,159,857.00	\$888,955.89	30.5%	\$10,168,908.32	\$8,555,184.73	18.9%
Liquor Permits	32,325.00	10,952.00	195.2%	1,770,210.00	983,032.00	80.1%
Retail Beer Tax	1,571,567.93	1,394,797.43	12.7%	14,538,427.98	13,166,889.40	10.4%
Beer Permits	14,250.00	21,002.00	-32.1%	517,140.00	490,259.50	5.5%
Wine Distribution Tax	315,542.63	284,879.07	10.8%	2,761,321.64	2,481,131.60	11.3%
Small Winery Tax	17,322.10	12,217.80	41.8%	132,969.07	128,528.68	3.5%
Wine Permits	7,900.00	5,625.00	40.4%	152,750.00	195,825.00	-22.0%
Liquor Enforcement Tax	42,065.00	31,391.09	34.0%	366,435.09	301,440.86	21.6%
Wine Dist. Enforcement Tax	7,887.00	6,967.00	13.2%	69,403.00	61,442.00	13.0%
Winery Enforcement Tax	459.12	337.84	35.9%	3,652.38	3,522.22	3.7%
Beer Enforcement Tax	37,778.49	33,312.24	13.4%	343,079.33	314,806.12	9.0%
ABC Permit Violations	5,700.00	17,800.00	-68.0%	140,270.00	310,300.00	-54.8%
Light Wine Enforcement	1,140.00	695.00	64.0%	9,318.99	5,246.97	77.6%
Light Wine Tax		5,749.99	-100.0%	86,805.83	51,075.72	70.0%
Light Liquor Tax	12,608.95	39,542.00	-68.1%	560,686.67	398,988.58	40.5%
ABC Transcripts	68,533.00			\$68,533.00		
Layout Center Permit	-			\$50.00	\$200.00	-75.0%
Total Alcohol. Beverage Taxes	\$3,294,936.22	\$2,754,224.35	19.6%	\$31,689,961.30	\$27,447,873.38	15.5%
Medical Marijuana Implementation Fund:						
Medical Marijuana Tax						

	<u>April 2021</u>	<u>April 2020</u>	<u>Percent Increase/ (Decrease)</u>	<u>Ten Months 2020-2021</u>	<u>Ten Months 2019-2020</u>	<u>Percent Increase/ (Decrease)</u>
<u>Racing Taxes:</u>						
Dog Racing	\$62,328.69	\$93.00	66920.1%	\$346,845.70	\$522,208.08	-33.6%
Horse Racing	126,754.83	134,471.45	-5.7%	858,620.62	1,005,424.28	-14.6%
Electronic Games License Fee	-			7,000.00	1,600.00	337.5%
Electronic Games Privilege Fee	-			10,362,675.01	18,016,759.58	-42.5%
Casino License Fees	267,735.00	29,160.00	818.2%	13,130,375.52	10,588,996.05	24.0%
Casino Gaming Tax	11,421,321.74	2,222,493.35	413.9%	11,599,586.74	2,544,083.35	355.9%
Total Racing Taxes	\$11,878,140.26	\$2,386,217.80	397.8%	\$36,305,103.59	\$32,679,071.34	11.1%
<u>Severance Tax - 3/4:</u>	\$771,905.78	\$390,849.63	97.5%	\$6,112,090.04	\$7,105,693.62	-14.0%
<u>Natural Gas Severance Tax:</u>				\$675,000.00	\$675,000.00	
<u>Estate Tax:</u>						
<u>Real Estate Transfer Tax:</u>						
				\$2,607,788.32	\$2,607,788.32	
<u>DFA Fines, Penalties and Court Cost</u>	\$107,469.12	\$9,889.00	986.8%	\$323,377.68	\$146,002.32	121.5%
<u>DWI Reinstatement Fee:</u>	\$36,384.89	\$57,676.39	-36.9%	\$128,877.24	\$169,477.80	-24.0%
<u>DUI Reinstatement Fees:</u>	\$304.20	\$516.00	-41.0%	\$4,533.60	\$6,084.00	-25.5%
<u>Dyed Distillate Special Fuel Gallonage Tax:</u>	\$658,252.89	\$878,217.99	-25.0%	\$6,810,393.91	\$6,885,422.12	-1.1%
<u>Car Wash Fees:</u>	\$93,913.54	\$53,800.61		\$834,734.00	\$325,773.21	
<u>Miscellaneous Taxes:</u>						
Vending Machine Decal Act 344 of '97	\$116.10	\$83.70	38.7%	\$125,724.96	\$165,990.65	-24.3%
Bingo Registration Fee	1,215.00	550.00	120.9%	\$7,225.00	\$14,614.00	-50.6%
Bingo Gross Receipts Tax	17,047.80	14,048.00	21.4%	\$112,402.05	\$160,874.80	-30.1%
Intra-Agency Transfer		(93,094.51)			-	
Total Miscellaneous Taxes	\$18,378.90	(\$78,412.81)	-123.4%	\$245,352.01	\$341,479.45	-28.2%
<u>SUBTOTAL REVENUE DIVISION</u>	\$955,150,628.85	\$688,012,731.02	38.8%	\$6,336,736,278.36	\$5,700,249,265.61	11.2%
<u>GENERAL REVENUES</u>						
<u>Secretary of State:</u>						
Franchise Tax				\$8,000,000.00	\$8,000,000.00	
Anonymous Campaign Contribution				\$94.77	\$330.00	-71.3%
Fictitious Name Penalty						

	<u>April 2021</u>	<u>April 2020</u>	<u>Percent Increase/ (Decrease)</u>	<u>Ten Months 2020-2021</u>	<u>Ten Months 2019-2020</u>	<u>Percent Increase/ (Decrease)</u>
<u>Insurance Department:</u>						
Premium Tax	\$201,385.83	\$437,909.49	-54.0%	\$64,881,234.96	\$60,873,477.65	6.6%
<u>Labor Department:</u>						
Employment Agency Tax				\$2,110.00	\$50.00	4120.0%
<u>State Auditor:</u>						
Unclaimed Property Act 55 (1ES) of '03				\$27,495,974.64	\$19,441,089.56	41.4%
<u>State Highway & Transportation Dept.:</u>						
Motor Carrier Fees	\$26,659.55	\$23,994.10	11.1%	\$184,183.27	\$237,487.87	-22.4%
Registration of Insurance Fee						
Large Truck Speeding Fine	\$4,476.79	\$20,381.09	-78.0%	\$94,630.67	\$126,380.05	-25.1%
Trailer Exemption Offset						
<u>State Securities Department:</u>						
Securities Fees	\$510,415.77	\$442,891.99	15.2%	\$13,150,998.77	\$12,216,942.57	7.6%
<u>Commissioner of State Lands:</u>						
Mineral Royalties & Leases	\$20,871.63			\$289,781.36	\$193,454.40	49.8%
<u>Health Department:</u>						
Pet Store Registration Fee	\$100.00			\$500.00	\$50.00	900.0%
<u>State Treasurer:</u>						
Bail Bondsman						
College Saving Bond						
Surplus Campaign Funds						
Miscellaneous Reimbursement						
<u>Attorney General:</u>						
Professional Fund Raiser Fee	\$4,870.00	\$3,110.00	56.6%	\$44,790.00	\$44,540.00	0.6%
Undistributed Back Pay						
Long-Term Care Act 1292 of 1993						
Arkansas Medicaid Program Trust Act 1621						
<u>Department of Finance & Administration:</u>						
Temporary Buyers Tag Fees	\$37,374.50	\$74,557.32	-49.9%	\$481,382.75	\$470,384.58	2.3%
Multi-Tax Holding Account	\$13,678.03	\$55.02	24760.1%	(\$8,904.10)	\$87,083.89	-110.2%
<u>Ethics Commission:</u>						
Late Filing Fees						
<u>Oil and Gas Commission:</u>						
Gas Assessment Fees	\$181,314.82	\$164,758.55	10.0%	\$1,639,656.44	\$1,710,755.48	-4.2%
<u>TOTAL GENERAL REVENUES</u>	<u>\$956,151,775.77</u>	<u>\$689,180,388.58</u>	<u>38.7%</u>	<u>\$6,452,992,711.89</u>	<u>\$5,803,651,291.66</u>	<u>11.2%</u>

	<u>April</u> <u>2021</u>	<u>April</u> <u>2020</u>	<u>Percent</u> <u>Increase/</u> <u>(Decrease)</u>	<u>Ten</u> <u>Months</u> <u>2020-2021</u>	<u>Ten</u> <u>Months</u> <u>2019-2020</u>	<u>Percent</u> <u>Increase/</u> <u>(Decrease)</u>
<u>SPECIAL REVENUES COLLECTED</u>						
<u>BY THE REVENUE DIVISION BY</u>						
<u>BENEFITING FUND OR ACCOUNT:</u>						
<u>State Central Services:</u>						
Driver's License Vision Test	\$133,881.66	\$63,342.00	111.4%	\$1,124,922.96	\$1,818,270.46	-38.1%
Gross Receipts Tax Permit	35,706.02	18,195.00	96.2%	325,106.62	302,040.26	7.6%
Liability Insurance Reinstatement Fee	120.00	360.00	-66.7%	288.20	4,581.00	-93.7%
Special License Plate Fee	350,466.16	313,925.81	11.6%	2,770,967.94	2,570,282.19	7.8%
Special Drivers License-Act 311 of '73	79,503.85	32,401.62	145.4%	619,365.61	636,246.33	-2.7%
Validation Decal Fee-Act 974 of '97	285,097.23	255,159.64	11.7%	2,312,435.47	2,237,263.43	3.4%
DWI Reinstatement Fee Act 802 of '95	120,070.11	167,782.13	-28.4%	425,294.86	536,726.78	-20.8%
Additional Severance Tax - Coal	-	-	-	-	-	-
Rental Car Search Act 1359 of '99	255.00	4.00	6275.0%	1,298.00	1,022.00	27.0%
Driver Confirmation Act 1810 of '01	-	-	-	-	-	-
Total State Central Services	\$1,005,100.03	\$851,170.20	18.1%	\$7,579,679.66	\$8,106,432.45	-6.5%
<u>Highway and Transportation Department:</u>						
Motor Vehicle Trip Permits	\$20,460.00	\$38,115.00	-46.3%	\$325,215.00	\$253,308.00	28.4%
Motor Vehicle Licenses	16,631,041.41	12,982,306.20	28.1%	115,218,869.30	107,811,370.99	6.9%
Motor Fuels Tax	35,188,267.16	32,027,641.63	9.9%	328,070,202.59	336,925,039.15	-2.6%
Motor Fuels Tax-Act 437 of '79	1,876,079.23	1,706,880.06	9.9%	17,501,718.81	17,989,124.53	-2.7%
Motor Fuels Tax Increase of '73	1,876,079.23	1,706,880.06	9.9%	17,501,718.81	17,989,124.53	-2.7%
Motor Fuel Interstate Users	744,372.92	220,975.93	236.9%	16,801,789.63	12,159,144.35	38.2%
Cotton Trailer Registration Permit	-	487.00	-100.0%	38,493.00	48,725.00	-21.0%
Electric/Hybrid Vehicle Registration Fee	269,236.82	182,102.89	47.8%	2,125,708.76	1,078,192.44	97.2%
Driver Search Fees-Act 1067 of '79	1,520,442.35	739,080.00	105.7%	6,923,538.35	7,129,576.46	-2.9%
Unified Carrier Fees-Act 232 of '07	44,224.83	609,097.23	-92.7%	1,910,838.22	1,410,881.23	35.4%
Natural Gas Severance	3,369,495.86	442,156.59	662.1%	12,569,236.89	12,044,232.39	4.4%
Motor Fuel Wholesale Tax	3,966,594.73	3,554,543.99	11.6%	65,852,158.70	22,565,149.61	191.8%
Distillate Spec Fuel Wholesale Tax	3,497,879.03	3,252,755.51	7.5%	31,635,053.57	18,379,316.95	72.1%
Total Highway Department	\$69,004,173.57	\$57,463,022.09	20.1%	\$616,474,541.63	\$555,783,185.63	10.9%
<u>State Police:</u>						
Intransit Fees						
Commerical Drivers Lic. Test	55,900.00	24,705.00	126.3%	490,324.00	513,730.57	-4.6%
Liablity Insurance Fine	550.00	550.00		\$4,525.00	\$4,205.53	7.6%
Driver's License Inc. Act 1500/2001	130,233.72	81,512.14	59.8%	1,207,361.17	3,361,962.66	-64.1%
Drive Out License	114.00	168.00	-32.1%	1,308.00	1,940.00	-32.6%
Driver Test Fee	-	-	-	25.00	1.58	1482.3%
Addl Driver Search Fees-Act 586 of 2019	306,112.59	149,967.00	-104.1%	1,377,811.59	882,506.71	56.1%
DWI Reinststate./Duplicate Act 1001/2003	1,800,565.76	918,837.14	96.0%	7,521,865.72	5,538,347.44	35.8%
VIN Inspection Fee Act 1329/2003	10,806.13	7,067.77	52.9%	84,580.99	62,926.32	34.4%
Total State Police	\$2,304,282.20	\$1,182,807.05	94.8%	\$10,687,801.47	\$10,365,620.81	3.1%

	<u>April 2021</u>	<u>April 2020</u>	<u>Percent Increase/ (Decrease)</u>	<u>Ten Months 2020-2021</u>	<u>Ten Months 2019-2020</u>	<u>Percent Increase/ (Decrease)</u>
<u>Miscellaneous Agencies:</u>						
Prostate Cancer Foundation-Add.Tobacco Tax	\$12,239.37	\$10,297.01	18.9%	\$108,784.65	\$105,059.83	3.5%
<u>Forestry Commission:</u>						
Timber Severance	\$322,151.25	\$273,601.29	17.7%	\$3,328,480.80	\$3,711,753.01	-10.3%
<u>Boating Safety:</u>						
Motor Boat Registration	\$130,628.87	\$75,538.03	72.9%	\$722,615.65	\$590,428.30	22.4%
<u>County Aid:</u>						
Severance Tax - 1/4	\$288,907.45	\$154,274.58	87.3%	\$2,006,103.45	\$2,633,293.73	-23.8%
Real Estate Transfer - Act 754 of '83	\$192,454.79	\$129,237.31	48.9%	\$1,643,819.93	\$1,265,772.02	29.9%
Add.Severance.Tax-Act 761 of '83	\$108,055.29	\$85,311.12	26.7%	\$849,397.28	\$801,319.67	6.0%
<u>Aeronautics Department:</u>						
Aviation Use Tax						
Aviation Sales Tax	\$1,524,975.80	\$838,796.20	81.8%	\$8,713,502.70	\$8,719,344.70	-0.1%
<u>Mid-South Community College-Nursing Program:</u>						
Dog Racing - 15 Additional Days	\$1,806.97			\$7,518.08	\$18,507.96	-59.4%
<u>Racing Commission:</u>						
Electronic Gaming Application Fees				\$39,400.00	\$5,400.00	629.6%
<u>Soybean Board:</u>						
Soybean Tax - State	\$182,603.71	\$109,705.57	66.4%	\$3,678,469.55	\$2,565,041.06	43.4%
Soybean Tax - National	\$182,603.74	\$109,705.61	66.4%	\$3,678,469.66	\$2,565,041.21	43.4%
<u>Oil Museum:</u>						
Severance Tax - Oil & Brine	\$6,128.31	\$6,207.44	-1.3%	\$56,958.83	\$60,807.02	-6.3%
<u>Clerks Continuing Education:</u>						
Real Estate Transfer - Act 754 of '83				\$108,359.13	\$108,359.13	
<u>Oil & Gas Commission:</u>						
Additional Severance Tax - Brine	\$9,442.15	\$9,434.94	0.1%	\$87,759.58	\$89,179.04	-1.6%
<u>Ark. Beef Council:</u>						
Beef Council - State	\$39,492.50	\$25,737.14	53.4%	\$358,073.54	\$347,331.15	3.1%
Beef Council - National	\$39,492.50	\$25,737.14	53.4%	\$358,073.54	\$347,331.09	3.1%

	<u>April 2021</u>	<u>April 2020</u>	<u>Percent Increase/ (Decrease)</u>	<u>Ten Months 2020-2021</u>	<u>Ten Months 2019-2020</u>	<u>Percent Increase/ (Decrease)</u>
<u>Wheat Board:</u>						
Wheat Tax	\$122.42	\$1,757.63	-93.0%	\$35,556.33	\$25,175.56	41.2%
<u>Rice Board:</u>						
Rice Tax	\$628,239.94	\$497,715.67	26.2%	\$5,329,225.39	\$4,831,556.31	10.3%
<u>Ark. Natural & Cultural Resources Grant & Trust:</u>						
Add'l. Real Estate Transfer - 80%	\$3,079,537.23	\$2,067,797.09	48.9%	\$28,901,741.43	\$22,852,976.04	26.5%
<u>Parks & Tourism:</u>						
Add'l Real Estate Transfer - 10%	\$384,942.15	\$258,474.63	48.9%	\$3,612,717.68	\$2,856,621.97	26.5%
<u>Natural & Cultural Resources Historic Preservation:</u>						
Add'l Real Estate Transfer - 10%	\$384,942.15	\$258,474.63	48.9%	\$3,612,717.68	\$2,856,621.97	26.5%
<u>Public Health:</u>						
DWI Reinstatement Fee 802/95	\$25,469.29	\$35,590.07	-28.4%	\$144,213.88	\$113,851.02	26.7%
DUI Reinstatement Fee 863/93	\$202.80	\$344.00	-41.0%	\$3,022.40	\$4,056.00	-25.5%
Amusement Machines	\$2,177.50	\$117.50	1753.2%	\$56,375.00	\$35,312.31	59.6%
<u>Disease & Pest Control:</u>						
Livestock & Poultry Vacc. Fee	\$70,170.56	\$35,326.60	98.6%	\$512,923.38	\$491,460.08	4.4%
<u>Petroleum Storage Tank:</u>						
Environmental Assurance Fee	\$648,958.82	\$657,800.41	-1.3%	\$6,047,354.93	\$6,317,043.97	-4.3%
<u>Commercial Drivers License:</u>						
Driver's Search Fee	\$401,403.06	\$192,786.00	108.2%	\$1,860,066.06	\$1,768,213.68	5.2%
Commerical Drivers License Fee	\$49,384.79	\$34,522.87	43.0%	\$485,066.60	\$542,614.83	-10.6%
CDL Fund - Expedited Title Fee	\$159,605.94	\$108,289.32	47.4%	\$1,423,470.56	\$713,950.51	99.4%
CDL Fund - Title Application Fee	\$3,418.38	\$564.20	505.9%	\$15,548.19	\$1,105.15	1306.9%
<u>Waste Tire Grant:</u>						
Waste Tire Fee Act 749 of '91						
District Waste Tire Fee						
<u>Department of Environmental Quality Fee:</u>						
Waste Tire Fee 8%						

	<u>April 2021</u>	<u>April 2020</u>	<u>Percent Increase/ (Decrease)</u>	<u>Ten Months 2020-2021</u>	<u>Ten Months 2019-2020</u>	<u>Percent Increase/ (Decrease)</u>
<u>Swine Testing:</u>						
Swine Testing Fee				\$8.45	\$32.00	-73.6%
<u>Telecommunication Equipment:</u>						
Local Exchange Carrier Surcharge	\$42,905.99	\$35,966.36	19.3%	\$375,083.74	\$370,396.45	1.3%
<u>Conservation Tax:</u>						
Sales & Use Tax - 1/8 cent	\$9,094,857.85	\$6,227,367.03	46.0%	\$74,027,306.77	\$65,868,434.11	12.4%
<u>Arkansas Corn and Grain Promotion:</u>						
Corn & Grain Assessment	\$87,009.74	\$95,063.84	-8.5%	\$1,143,386.23	\$1,042,543.04	9.7%
<u>Catfish Promotion Board:</u>						
Catfish Feed Assessment	\$727.23	\$435.98	66.8%	\$18,663.75	\$19,621.39	-4.9%
<u>Game Protection:</u>						
Fines & Interest	\$109,377.92	\$101,385.80	7.9%	\$826,770.87	\$814,721.67	1.5%
<u>Public School:</u>						
Amusement Machines				\$30,000.00	\$30,000.00	
<u>Breast Cancer Research (UAMS):</u>						
Additional Tobacco Tax	\$86,538.00	\$72,817.33	18.8%	\$769,913.02	\$744,515.17	3.4%
Breast Cancer/Komen License Plate	\$18,125.00	\$17,627.50	2.8%	\$147,930.82	\$147,212.85	0.5%
<u>Breast Cancer Control (Health Dept.):</u>						
Additional Tobacco Tax	\$309,362.91	\$260,319.26	18.8%	\$2,752,698.01	\$2,662,315.45	3.4%
<u>Aging and Adult Services (Meals on Wheels):</u>						
Additional Tobacco Tax	\$200,954.98	\$169,860.56	18.3%	\$1,829,525.83	\$1,821,313.95	0.5%
<u>UAMS</u>						
Additional Tobacco Tax	\$38,151.24	\$32,105.48	18.8%	\$339,577.67	\$328,561.85	3.4%

	<u>April 2021</u>	<u>April 2020</u>	<u>Percent Increase/ (Decrease)</u>	<u>Ten Months 2020-2021</u>	<u>Ten Months 2019-2020</u>	<u>Percent Increase/ (Decrease)</u>
<u>Property Tax Relief - Amendment 79:</u>						
Sales & Use Tax - 1/2 cent	\$32,273,072.61	\$21,688,184.26	48.8%	\$261,753,625.72	\$234,916,239.26	11.4%
Dyed Diesel Tax - 87/07	\$67,396.92	\$83,685.84	-19.5%	\$750,060.99	\$738,487.48	1.6%
<u>Educational Adequacy:</u>						
Sales & Use Tax - 7/8 cent	\$56,482,838.79	\$37,979,398.40	48.7%	\$458,327,962.81	\$411,492,252.12	11.4%
Dyed Diesel Tax - 87/07	\$118,142.69	\$146,696.44	-19.5%	\$1,314,812.92	\$1,294,525.08	1.6%
<u>In God We Trust:</u>						
Special License Plate Fee - 727/05	\$10,475.00	\$10,543.41	-0.6%	\$95,304.57	\$89,876.53	6.0%
<u>REVENUE DIVISION:</u>						
<u>TOTAL SPECIAL REVENUES COLLECTED</u>	<u>\$180,133,050.40</u>	<u>\$132,421,600.83</u>	<u>36.0%</u>	<u>\$1,517,030,440.81</u>	<u>\$1,363,980,815.61</u>	<u>11.2%</u>
<u>Ad Valorem Tax Trust:</u>						
Private Car Bus & Truck	\$12,760,551.94	\$11,000,931.74	16.0%	\$22,258,250.46	\$20,467,309.02	8.8%
<u>AR Medicaid Program Trust:</u>						
Soft Drink Tax	\$3,770,175.55	\$3,650,140.47	3.3%	\$34,399,849.20	\$33,123,675.14	3.9%
<u>AR Disaster Relief Program Trust:</u>						
Grant/Gift/Donation						
<u>AR School For The Deaf Fund:</u>						
Income Tax Check Off Contribution						
<u>AR School For The Blind Fund:</u>						
Income Tax Check Off Contribution						



STATE OF ARKANSAS
**Department of Finance
and Administration**

OFFICE OF THE SECRETARY

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May 19, 2021

The Honorable Terry Rice, Co-Chair
The Honorable Jeff Wardlaw, Co-Chair
Arkansas Legislative Council
State Capitol
Little Rock, Arkansas 72201

Dear Senator Rice and Representative Wardlaw:

In accordance with Arkansas Code Annotated §10-3-1404 (a) (1), I am attaching tables summarizing the May 19, 2021 revision to the official general revenue forecast for Fiscal Years 2021, 2022, and 2023.

Summary of Net Available Revenues:

Current Year

- For FY 2021 net available revenues are expected to reach \$5,687.3 million, a decrease of \$66.1 million, or -1.1 percent from FY 2020 results for net available. The forecast included state income tax cuts and related changes in withholding formula rates during the year but not multiple rounds of subsequent federal stimulus programs for households, workers, and small businesses. Year-to-date actual growth after 10 months in the fiscal year has been 13.6 percent above year earlier levels, resulting in \$716.8 million above forecast at that point. Individual Income Tax collections have been above year ago levels in part because of the tax filing deadline change to July from April in the prior fiscal year. Growth relative to forecast and year ago levels have also been better than expected in Payroll Withholding, Corporate Income Tax and Sales Tax.

The FY 2021 forecast is expected to fund the allocations “A” + “A1” + “B” + “C” in the current Revenue Stabilization Law.

Forecast

- For FY 2022 net available revenues are expected to reach \$5,866.2 million, an increase of \$178.9 million or 3.1 percent above FY 2021.

The FY 2022 forecast is expected to fund the allocations “A” + “B” + “C” + “D” in the current Revenue Stabilization Law. A surplus of \$17.0 million is now anticipated for FY 2022. The forecast incorporates tax cuts passed during the 93rd General Assembly-Regular Session.

- For FY 2023 net available revenues are expected to reach \$6,156.3 million, an increase of \$290.1 million or 4.9 percent above FY 2022.

Economic Forecast Assumptions

Economic models employed by the Department of Finance and Administration indicate accelerated economic recovery for the nation with indicators of robust growth in consumption and travel planning as the course of the vaccination campaign shifts to the optimistic case. U.S. GDP growth in real terms (excluding inflation rates) has been revised up to 6.0 percent in FY22 with nominal growth (including inflation) at 8.3 percent.

The Arkansas economy currently displays robust signals for revenue potential from consumption indicators and business activity in the short run. Consumption continues to be bolstered by stimulus transfers and assistance to small business. Low interest rates and better overall household savings and debt exposure point to a more pronounced expansion than in the previous case after the financial crisis in 2009. Employment levels and wage income growth dipped less than the national average during the early stages of the pandemic in 2020 and match national growth in 2021. Monthly survey estimates of unemployment in the general labor market indicate lower rates at the state level at 4.4 percent vs. 6.0 percent at the national level.

The short-term outlook for the Arkansas economy is robust with abundant sector indicators on the rise amid the dominant story of accelerated vaccination progress and federal stimulus. A much-needed recovery in the hardest hit sectors of travel, conventions, and full-service restaurants will complete the recovery story. Total wage income will expand above trend in FY22 and slow slightly below trend in FY23 in the shadow of stimulus spending. Transfer payments in the nonwage categories of personal income are expected to fall 11 percent in FY22 after the termination of multiple stimulus programs. Retail sales are expected to soften in the second half of FY22 in the aftermath of high consumption rates in FY20-21 from spending surges tied to stimulus programs. A blended picture for growth will mark FY22 with notable recovery in wage income and jobs, offsetting declines in transfer payments from stimulus programs.

Risk remains for revenue prediction in the biennium stemming from the issue of timing for the inevitable decline from one-time stimulus benefiting households and businesses in the recovery and relief programs. A cautious approach has been implemented in the forecast by selection of more stable indicators compared to those reflecting volatility of one-time funds and short-term spending patterns. This primarily refers to the expected slowdown in the second half of FY 22 and FY 23.

The department utilizes more stable and conservative forecast sources and models among national forecast contractors to maintain a conservative input process. Revenue sources are evaluated separately to capture collection issues for each contributing revenue line. We have provided a conservative revenue forecast recognizing the growth opportunities and the risk profile.

I have attempted to provide this information in a format that facilitates your work. A narrative summary of the revenue forecasts and tables for quick reference are included with this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry W. Walther". The signature is fluid and cursive, with a large initial "L" and "W".

Larry W. Walther
Secretary

LWW/jps
Attachments (3)

STATE AND NATIONAL ECONOMIC AND REVENUE FORECASTS

The following sections summarize the economic outlook for the nation and Arkansas for the next two years with comments updating current year conditions. The Official Revenue Forecast for the 2021-2023 Biennium Forecast is included.

The revenue forecasts are conditionally based on the expected economic conditions in the state and nation as of April 2021. The U.S. and state economic forecasts were compiled from simulations representing structural economic modeling systems at IHS Markit Inc., a national forecast provider. The Office of Economic Analysis and Tax Research, DFA, prepared the general revenue forecast.

Economic and Revenue Estimates for Fiscal Year 2021

Summary of Economic and Revenue Estimates for FY 2021

- **FY 2021 U.S. Gross Domestic Product (Real Output).** This summary is based on the April 2021 baseline forecast of IHS Markit Inc. During FY 2021, the United States economy is expected to produce final goods and services valued in inflation-adjusted dollars at \$18,959 billion, for an annual increase of \$282 billion or 1.5 percent. Two general measures of inflation indicate moderate near-term price gains during the year, stemming from energy price recovery and material supply constraints during initial economic rebound. The inflation measures consist of the Consumer Price Index (CPI) and the GDP price deflator, a measure of overall price inflation spanning consumers, businesses, and government. The Consumer Price Index is expected to increase 1.8 percent and the GDP price deflator is expected to rise by 1.7 percent.
- **U.S. gross domestic product in current dollars** is estimated at \$21,782 billion, an increase of \$690 billion or 3.3 percent.
- **Average annual U.S. oil prices** are estimated at \$52 per barrel (domestic crude price to refineries) in FY 2021 from the April forecast. Energy prices in general have been hit by deep contraction in demand and limited travel recovery in major economies. Weekly and monthly price swings could vary widely around the annual averages.

- **FY 2021 Arkansas total personal income** (the sum of wages and salaries, proprietor's income, rent, dividends, interest and transfer payments) is estimated at \$148.6 billion (current dollars), an increase of \$8.5 billion or 6.1 percent over FY 2020.
- **FY 2021 Arkansas wage and salary disbursements** are estimated at \$63.4 billion, an increase of \$2.9 billion or 4.9 percent.
- **FY 2021 Arkansas payroll employment** is expected to reach a level of 1.255 million jobs, a decrease of approximately 7,300 jobs or -0.6 percent. Private sector job change is expected to be -0.3 percent below the prior period.

FY 2021 Gross General Revenues

Gross general revenues are estimated at \$6,941.0 million, a decrease from FY 2020 of \$26.7 million, or -0.4 percent.

Pursuant to Arkansas Code §19-5-202, the total fee deducted from general revenue for funding of the State Central Services Fund and Constitutional Officers Fund for FY 2019 was set at 3.1 percent.

In addition to the usual deductions from gross general revenues, such as the Constitutional Officers Fund, the State Central Services Fund, and refunds of individual and corporate income taxes, the following trust fund is noted:

- **Act 1315 (1999) Educational Excellence Trust Fund.** Act 1315 (1999) established a benchmark of 14.14 percent which is applied against actual sales and use tax collections of the previous fiscal year. Under this formula, \$348.5 million has been determined to be distributed (net) in FY 2021.

FY 2021 Net Available General Revenues

The net available forecast for FY 2021 is unchanged from the Official General Revenue Forecast of April 2, 2020. Net available revenues are estimated at \$5,687.3 million, a decrease of \$66.1 million or -1.1 percent from FY 2020.

FY 2021 revenues are expected to fund the allocations "A" + "A1" + "B" + "C" in the current Revenue Stabilization Law.

FY 2021 Selected Special Revenues:

- **FY 2021 Educational Adequacy Fund:** Act 107 of the Second Extraordinary Session of 2003 increased the state sales and use tax rate from 5.125% to 6.0%, effective March 1, 2004. Effective July 1, 2004, a new sales tax on selected services went into effect in addition to an increase in vending machine decal fees. Act 94 increased the minimum corporate franchise tax and the tax rate, effective for calendar years beginning January 1, 2004. Effective with FY 2008, a portion of the six-cent per gallon dyed diesel tax is also deposited to the Educational Adequacy Fund to partially offset the revenue loss from exempting dyed diesel from sales tax.

The additional revenues are deposited as special revenues to the Educational Adequacy Fund to be used to fulfill the financial obligations of the state to provide an adequate educational system. Estimate for FY 2021: \$535.6 million.

- **FY 2021 WorkForce 2000 (Special Corporate Income Taxes).** Act 1315 (1999) established a benchmark of 6.78 percent which will be applied against net corporate income tax collections in the previous fiscal year. Under this formula, it has been determined that \$30.8 million will be distributed in FY 2021.

Economic and Revenue Estimates for the 2021–2023 Biennium

Summary of Economic and Revenue Estimates for FY 2022

- **FY 2022 U.S. Gross Domestic Product (Real Output).** This summary is based on the April 2021 baseline forecast of IHS Markit Inc. During FY 2022, the United States economy is expected to produce final goods and services valued in inflation-adjusted dollars at \$20,106 billion, an increase of \$1,147 billion or 6.0 percent. Two general measures of inflation indicate rising price pressures during the year. The Consumer Price Index is expected to increase 1.9 percent and the GDP price deflator is expected to rise by 2.1 percent.
- **U.S. gross domestic product in current dollars** is estimated at \$23,590 billion, an increase of \$1,808 billion or 8.3 percent over FY 2021.
- **Average annual U.S. oil prices** are estimated at \$63 per barrel (domestic crude price to refineries) in FY2022. Gradual price gain in annual averages is expected during the biennium, after a deep drop in FY20. Weekly and monthly price swings could vary widely around the annual averages.

- **FY 2022 Arkansas total personal income** is estimated at \$149.6 billion (current dollars), an increase of \$1.0 billion or 0.7 percent over FY 2021. Lower transfer payments in FY 2022 from stimulus payment timing in the prior year accounts for the weak year-over-year change.
- **FY 2022 Arkansas wage and salary disbursements** are estimated at \$66.9 billion, an increase of \$3.5 billion or 5.5 percent. Total disbursements reflect the combined effects of net job growth, longer average work weeks, and any gains in wage rates, bonuses, or level of overtime pay rates.
- **FY 2022 Arkansas payroll employment** is expected to reach a level of 1.290 million jobs, an increase of approximately 34,900 jobs or 2.8 percent. Private sector job growth is expected to be 3.1 percent in FY 2022.

FY 2022 Gross General Revenues

Gross general revenues are estimated at \$6,994.6 million, an increase from FY 2021 of \$53.6 million, or 0.8 percent.

The total fee deducted from general revenue for funding of the State Central Services Fund and Constitutional Officers Fund for FY 2022 is assumed to remain at 3.1 percent.

In addition to the usual deductions from gross general revenues, such as the Constitutional Officers Fund, the State Central Services Fund, and refunds of individual and corporate income taxes, the following trust fund is noted:

- **Act 1315 (1999) Educational Excellence Trust Fund.** Act 1315 (1999) established a benchmark of 14.14 percent which is applied against actual sales and use tax collections of the previous fiscal year. \$351.0 million is estimated to be distributed (net) in FY 2022.

FY 2022 Net Available General Revenues

Net available revenues are estimated at \$5,866.2 million, an increase of \$178.9 million or 3.1 percent compared to FY 2021.

FY 2022 revenues are expected to fund the allocations “A” + “B” + “C” + “D” in the Revenue Stabilization Law. A surplus of \$17.0 million is now anticipated for FY 2022.

FY 2022 Selected Special Revenues:

- **FY 2022 Educational Adequacy Fund:** Act 107 of the Second Extraordinary Session of 2003 increased the state sales and use tax rate from 5.125% to 6.0%, effective March 1, 2004. Effective July 1, 2004, a new sales tax on selected services went into effect in addition to an increase in vending machine decal fees. Act 94 increased the minimum corporate franchise tax and the tax rate, effective for calendar years beginning January 1, 2004. Effective with FY 2008, a portion of the six-cent per gallon dyed diesel tax is also deposited to the Educational Adequacy Fund to partially offset the revenue loss from exempting dyed diesel from sales tax.

The additional revenues are deposited as special revenues to the Educational Adequacy Fund to be used to fulfill the financial obligations of the state to provide an adequate educational system. Estimate for FY 2022: \$580.8 million.

- **FY 2022 WorkForce 2000 (Special Corporate Income Taxes).** Act 1315 (1999) established a benchmark of 6.78 percent which will be applied against net corporate income tax collections in the previous fiscal year. \$27.7 million is estimated to be distributed in FY 2022.

Summary of Economic and Revenue Estimates for FY 2023

- **FY 2023 U.S. Gross Domestic Product (Real Output).** During FY 2023, the United States economy is expected to produce final goods and services valued at \$20,639 billion in inflation-adjusted dollars, an increase of \$534 billion or 2.7 percent. The two inflation measures of consumer price index (CPI) and GDP price deflator are expected to continue a moderate increase with economic expansion. The consumer price index (CPI) is expected to increase 1.6 percent and the GDP price deflator is expected to increase 2.1 percent in FY 2023.
- **U.S. gross domestic product in current dollars** is estimated at \$24,717 billion for FY 2023, an increase of \$1,127 billion or 4.8 percent.
- **Average annual U.S. oil prices** are estimated at \$60 per barrel (domestic crude price to refineries) in FY 2023. Oil prices and domestic energy demand are expected to stabilize. Weekly and monthly price swings could vary widely around the annual averages.

- **FY 2023 Arkansas total personal income** will reach \$155.4 billion (current dollars), an increase of \$5.8 billion or 3.9 percent over FY 2022. Personal income is expected to expand moderately in a rising job market and expanding national economy.
- **FY 2023 Arkansas wage and salary disbursements** are estimated at \$69.3 billion, an increase of \$2.5 billion or 3.7 percent.
- **FY 2023 Arkansas payroll employment** is estimated to grow from a level of 1.290 million jobs in FY 2022 to 1.299 million jobs in FY 2023. This represents an increase of approximately 9,200 jobs or 0.7 percent. Private sector job growth is expected to be 0.5 percent in FY 2023.

FY 2023 Gross General Revenues

The forecast for gross general revenues in FY 2023 is \$7,267.7 million, an increase of \$273.1 million or 3.9 percent over FY 2022.

The total fee deducted from general revenue for funding of the State Central Services Fund and Constitutional Officers Fund for FY 2023 is assumed to remain at 3.1 percent.

In addition to the usual deductions from gross general revenues, such as the Constitutional Officers Fund, the State Central Services Fund, and refunds of individual and corporate income taxes, the following trust fund is noted:

- **Act 1315 (1999) Educational Excellence Trust Fund.** Act 1315 (1999) established a benchmark of 14.14 percent which is applied against actual sales and use tax collections of the previous fiscal year. Under this formula, an estimated \$385.7 million may be distributed (net) in FY 2023.

FY 2023 Net Available General Revenues

For FY 2023, net available general revenues are estimated at \$6,156.3 million, an increase of \$290.1 million or 4.9 percent over FY 2022.

FY 2023 Selected Special Revenues:

- **FY 2023 Educational Adequacy Fund:** Act 107 of the Second Extraordinary Session of 2003 increased the state sales and use tax rate from 5.125% to 6.0%,

effective March 1, 2004. Effective July 1, 2004, a new sales tax on selected services went into effect in addition to an increase in vending machine decal fees. Act 94 increased the minimum corporate franchise tax and the tax rate, effective for calendar years beginning January 1, 2004. Effective with FY 2008, a portion of the six-cent per gallon dyed diesel tax is also deposited to the Educational Adequacy Fund to partially offset the revenue loss from exempting dyed diesel from sales tax.

The additional revenues are deposited as special revenues to the Educational Adequacy Fund to be used to fulfill the financial obligations of the state to provide an adequate educational system. Estimate for FY 2023: \$581.8 million.

- **FY 2023 WorkForce 2000 (Special Corporate Income Taxes)** Act 1315 (1999) established a benchmark of 6.78 percent which will be applied against net corporate income tax collections in the previous fiscal year. Under this formula, an estimated \$28.8 million may be distributed (net) in FY 2023.

**Office of the Secretary and
Economic Analysis and Tax Research,
Department of Finance and Administration
May 19, 2021**

**Official General Revenue Forecast
FY 2021 - 2023 Biennium**

Millions of Dollars	05/19/21 Estimate	FY 21 Increase	Yr/Yr % CH	05/19/21 Estimate	FY 22 Increase	Yr/Yr % CH	05/19/21 Estimate	FY 23 Increase	Yr/Yr % CH
Individual Income	3,380.4	-38.2	-1.1	3,189.7	-190.7	-5.6	3,455.2	265.5	8.3
Corporate Income	453.3	-28.8	-6.0	478.7	25.4	5.6	483.7	5.0	1.0
Sales and Use Tax	2,561.8	18.1	0.7	2,815.3	253.5	9.9	2,803.1	-12.2	-0.4
Alcohol	62.5	1.7	2.7	63.6	1.1	1.8	64.7	1.1	1.7
Tobacco	199.3	-21.1	-9.6	196.0	-3.3	-1.7	186.6	-9.4	-4.8
Insurance	164.2	39.2	31.3	139.6	-24.6	-15.0	162.7	23.1	16.5
Racing	1.6	-0.1	-3.8	1.5	-0.1	-6.3	1.3	-0.2	-13.3
Gaming	31.2	-1.2	-3.7	31.2	0.0	0.0	31.2	0.0	0.0
Severance	6.4	-1.1	-14.3	7.2	0.8	12.5	6.9	-0.3	-4.2
Franchise	8.0	0.0	0.0	8.0	0.0	0.0	8.0	0.0	0.0
Real Estate Transfer	2.6	0.0	-0.3	2.6	0.0	0.0	2.6	0.0	0.0
Miscellaneous	69.7	4.7	7.3	61.2	-8.5	-12.2	61.7	0.5	0.8
Total Gross	6,941.0	-26.7	-0.4	6,994.6	53.6	0.8	7,267.7	273.1	3.9
LESS: SCS / COF	215.2	-0.5	-0.2	216.8	1.6	0.7	225.3	8.5	3.9
Individual Refunds	501.8	-1.8	-0.4	370.0	-131.8	-26.3	302.7	-67.3	-18.2
Corporate Refunds	63.8	14.5	29.5	68.8	5.0	7.8	74.9	6.1	8.9
Claims Reserve	10.0	10.0	0.0	10.0	0.0	0.0	10.0	0.0	0.0
Econ Develop Incentive	23.4	5.5	30.6	23.4	0.0	0.0	23.4	0.0	0.0
Recycling Tax Credit	16.0	0.0	0.0	16.0	0.0	0.0	16.0	0.0	0.0
Amendment 82 Bonds	5.3	0.0	0.2	5.3	0.0	0.0	5.3	0.0	0.0
Water / Sewer Bonds	14.8	0.0	0.0	14.8	0.0	0.0	14.8	0.0	0.0
College Savings Bonds	23.2	0.0	0.0	20.4	-2.8	-12.1	18.3	-2.1	-10.3
City / County Tourist	0.9	0.0	1.4	0.9	0.0	0.0	0.9	0.0	0.0
Educational Excellence	348.5	10.8	3.2	351.0	2.5	0.7	385.7	34.7	9.9
Educational Adequacy	30.8	0.9	3.2	31.0	0.2	0.6	34.1	3.1	10.0
Net Available	5,687.3	-66.1	-1.1	5,866.2	178.9	3.1	6,156.3	290.1	4.9
LESS: Surplus	0.0	-3.2		17.0					
Net Available Distribution	5,687.3	-62.9	-1.1	5,849.2	161.9	2.8	6,156.3	307.1	5.3

**Economic Assumptions and the
Official General Revenue Forecast
FY 2021 - 2023 Biennium**

Millions of Dollars	05/19/21 Estimate	FY21 Increase	Yr/Yr % CH	05/19/21 Estimate	FY22 Increase	Yr/Yr % CH	05/19/21 Estimate	FY23 Increase	Yr/Yr % CH
Individual Income Tax	3,380.4	-38.2	-1.1	3,189.7	-190.7	-5.6	3,455.2	265.5	8.3
Individual Refunds	<u>501.8</u>	<u>-1.8</u>	<u>-0.4</u>	<u>370.0</u>	<u>-131.8</u>	<u>-26.3</u>	<u>302.7</u>	<u>-67.3</u>	<u>-18.2</u>
Net Individual Income	2,878.6	-36.3	-1.2	2,819.7	-58.9	-2.0	3,152.5	332.8	11.8
Corporate Income Tax	453.3	-28.8	-6.0	478.7	25.4	5.6	483.7	5.0	1.0
Corporate Refunds	<u>63.8</u>	<u>14.5</u>	<u>29.5</u>	<u>68.8</u>	<u>5.0</u>	<u>7.8</u>	<u>74.9</u>	<u>6.1</u>	<u>8.9</u>
Net Corporate Income	389.5	-43.3	-10.0	409.9	20.4	5.2	408.8	-1.1	-0.3
Sales and Use Tax	2,561.8	18.1	0.7	2,815.3	253.5	9.9	2,803.1	-12.2	-0.4
Net Economic Tax Revenue	5,829.9	-61.5	-1.0	6,044.9	215.0	3.7	6,364.4	319.5	5.3
Other Tax Revenue	545.5	22.2	4.2	510.9	-34.6	-6.3	525.7	14.8	2.9
Gross General Revenues	6,941.0	-26.7	-0.4	6,994.6	53.6	0.8	7,267.7	273.1	3.9
LESS: SCS / COF	215.2	-0.5	-0.2	216.8	1.6	0.7	225.3	8.5	3.9
Individual Refunds	501.8	-1.8	-0.4	370.0	-131.8	-26.3	302.7	-67.3	-18.2
Corporate Refunds	63.8	14.5	29.5	68.8	5.0	7.8	74.9	6.1	8.9
Claims Reserve	10.0	10.0	0.0	10.0	0.0	0.0	10.0	0.0	0.0
Econ Develop Incentive	23.4	5.5	30.6	23.4	0.0	0.0	23.4	0.0	0.0
Recycling Tax Credit	16.0	0.0	0.0	16.0	0.0	0.0	16.0	0.0	0.0
Amendment 82 Bonds	5.3	0.0	0.2	5.3	0.0	0.0	5.3	0.0	0.0
Water / Sewer Bonds	14.8	0.0	0.0	14.8	0.0	0.0	14.8	0.0	0.0
College Savings Bonds	23.2	0.0	0.0	20.4	-2.8	-12.1	18.3	-2.1	-10.3
City / County Tourist	0.9	0.0	1.4	0.9	0.0	0.0	0.9	0.0	0.0
Educational Excellence	348.5	10.8	3.2	351.0	2.5	0.7	385.7	34.7	9.9
Educational Adequacy	30.8	0.9	3.2	31.0	0.2	0.6	34.1	3.1	10.0
Net Available	5,687.3	-66.1	-1.1	5,866.2	178.9	3.1	6,156.3	290.1	4.9
LESS: Surplus	0.0	-3.2		17.0			0.0		
Net Available Distribution	5,687.3	-62.9	-1.1	5,849.2	161.9	2.8	6,156.3	307.1	5.3
ECONOMIC ASSUMPTIONS	FY2021			FY2022			FY2023		
U.S. GDP Nominal (Billion \$)	21,781.8	689.5	3.3%	23,590.2	1,808.5	8.3%	24,717.0	1,126.8	4.8%
U.S. GDP Real (Billions 2012\$ Chain-Weight)	18,959.1	281.9	1.5%	20,105.7	1,146.6	6.0%	20,639.2	533.5	2.7%
U.S. GDP Deflator (Chain-Wt, 2012=100)	114.9	1.9	1.7%	117.3	2.4	2.1%	119.8	2.4	2.1%
U.S. CPI Price Index (1982-84=100)	262.0	4.7	1.8%	267.0	5.0	1.9%	271.2	4.2	1.6%
OIL - Avg. Dom. Crude to Refinery (\$ per barrel)	52.1	3.0	6.1%	63.2	11.1	21.3%	60.0	-3.2	-5.1%
AR. Net General Revenue (Million \$)	6,375.4	-39.4	-0.6%	6,555.8	180.4	2.8%	6,890.1	334.3	5.1%
AR. Net GR % of Total Personal Income	4.3%	-0.3%	-6.3%	4.4%	0.1%	2.1%	4.4%	0.1%	1.2%
AR. Total Personal Income (Million \$)	148,576.8	8,549.8	6.1%	149,611.4	1,034.6	0.7%	155,413.4	5,802.0	3.9%
AR. Wage & Salary Disbursements (Million \$)	63,384.0	2,936.8	4.9%	66,866.8	3,482.8	5.5%	69,336.9	2,470.1	3.7%
AR. Personal Transfer Payments (Million \$)	42,071.9	5,348.4	14.6%	37,242.5	-4,829.4	-11.5%	38,348.4	1,105.9	3.0%
AR. Per Capita Income (\$)	48,973.0	2,720.0	5.9%	49,208.0	235.0	0.5%	50,970.0	1,762.0	3.6%
AR. GDP Nominal (Million \$)	134,548.0	5,352.2	4.1%	145,180.1	10,632.1	7.9%	151,463.2	6,283.0	4.3%
AR. Employment Total Payroll (Thousands)	1,255.2	-7.3	-0.6%	1,290.1	34.9	2.8%	1,299.3	9.2	0.7%
AR. Employment Private Sector (Thousands)	1,048.5	-3.4	-0.3%	1,081.0	32.5	3.1%	1,086.9	5.9	0.5%
AR. Employment Manufacturing (Thousands)	156.1	-2.8	-1.8%	160.6	4.5	2.9%	160.0	-0.6	-0.4%
AR. New Car/Light Truck registrations (Thous.)	126.3	7.1	6.0%	127.9	1.6	1.3%	126.4	-1.5	-1.2%
AR. Retail Sales (Million \$)	47,643.0	5,355.1	12.7%	48,099.2	456.2	1.0%	48,523.9	424.7	0.9%

U.S. Summary: IHS Markit, April 2021 baseline

Arkansas Summary: IHS Markit, April 2021 baseline