

Monthly Revenue Release

Agency of Administration
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Montpelier, VT - Secretary of Administration Kristin Clouser releases Vermont's revenue results for March 2022. General Fund, Transportation Fund and Education Fund revenues are above target for the month. Fiscal year-to-date, General Fund and Education Fund revenues are above target while the Transportation Fund is slightly below target.

Revenue collections for the month of March 2022 have been compiled. The State's General Fund, Transportation Fund, and Education Fund receipts in March were a combined \$239.9 million, or 8.9%, above upwardly revised monthly consensus expectations. Cumulative revenues stand at 1.2% above revised consensus expectations through the third quarter of the state's fiscal year.

General Fund revenues collected for the month totaled \$162.6 million, or \$15.9 million above the monthly consensus cash flow revenue target. Fiscal year to date, General Fund revenues were \$1,336.2 million, exceeding their target by \$19.8 million or 1.5%. This month's performance in the General Fund was supported by a small net gain in the personal income category and larger gains in corporate taxes and meals & room taxes. Personal income receipts were bolstered by upbeat receipts activity in withholding and estimated tax payments, but surprisingly large refund activity moderated the overall gains in this category again last month.

Revenues into the Transportation Fund beat expectations, bringing in \$26.7 million in March compared to the consensus cash flow target estimate of \$25.1 million. Fiscal year-to-date, the T-Fund brought in \$209.6 million which was \$1.4 million or 0.7% below the consensus cash flow target. The better than consensus expectations receipts performance of the T-Fund in March confirms the bounce-back nature of receipts activity given the February "short-month" effect on all T-Fund revenue components. A good amount of the fuel tax transactions that would typically have been posted prior to February month-end "spilled over" into March. As a result, receipts in March exceeded targets and helped balance out last month's lag.

The Education Fund revenues were \$2.2 million, or 4.5%, above the monthly consensus cash flow target, having collected \$50.7 million in March. For the first three quarters of the fiscal year, the Ed Fund received \$508.0 million, which is 1.1% higher than the consensus cash flow target. Monthly receipts into the Ed Fund continued to reflect the underlying strength of household consumption activity - particularly with respect to e-commerce activity - that has bolstered consumption tax payments from e-commerce payers.

The three major state funds are a combined \$23.8 million ahead of consensus revenue estimates heading into the crucial April income tax filing deadline. According to Administration Secretary Clouser: "Combined revenues in March more than made up for the slight dip in February and, despite all the uncertainty in the economy and in world affairs, Vermont enters the final quarter of the fiscal year in good shape from a revenue standpoint."

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State of Vermont Revenue, by Major Fund vs. Consensus Revenue Forecast Target **Month: March**
FY: 2022

General Fund By Major Element (In Millions)* (1&2)

| Tax Component | Month | | | | Fiscal YTD | | | | Prior Fiscal YTD Restated | | |
|-------------------------|---------------|---------------|--------------|---------------|----------------|----------------|--------------|--------------|---------------------------|---------------|---------------|
| | Target | Revenue | \$ Change | % Change | Target | Revenue | \$ Change | % Change | Revenue | \$ Change | % Change |
| Personal Income (1) | 57.32 | 59.52 | 2.20 | 3.84% | 717.35 | 720.52 | 3.17 | 0.44% | 870.88 | -150.36 | -17.27% |
| Corporate (2) | 35.35 | 42.10 | 6.75 | 19.10% | 122.87 | 134.12 | 11.25 | 9.16% | 79.26 | 54.87 | 69.22% |
| Meals & Room | 11.30 | 13.78 | 2.48 | 21.92% | 109.05 | 116.71 | 7.66 | 7.02% | 73.82 | 42.90 | 58.11% |
| Insurance Premium | 11.69 | 17.21 | 5.52 | 47.18% | 50.12 | 55.73 | 5.61 | 11.19% | 53.08 | 2.65 | 4.99% |
| Inheritance & Estate | 1.80 | -0.12 | -1.92 | -106.92% | 16.93 | 12.59 | -4.34 | -25.62% | 22.17 | -9.58 | -43.20% |
| Real Prop. Transfer | 1.37 | 2.23 | 0.86 | 62.30% | 17.09 | 18.11 | 1.02 | 5.97% | 16.89 | 1.22 | 7.22% |
| State Health Care Taxes | 20.54 | 20.58 | 0.04 | 0.21% | 220.84 | 215.57 | -5.28 | -2.39% | 217.85 | -2.28 | -1.05% |
| Other | 7.35 | 7.32 | -0.04 | -0.49% | 62.22 | 62.87 | 0.65 | 1.05% | 58.47 | 4.40 | 7.53% |
| Total | 146.72 | 162.61 | 15.89 | 10.83% | 1316.46 | 1336.21 | 19.75 | 1.50% | 1392.40 | -56.19 | -4.04% |

*Differences due to rounding

Transportation Fund By Major Element (In Millions)*

| Tax Component | Month | | | | Fiscal YTD | | | | Prior Fiscal YTD | | |
|--------------------|--------------|--------------|-------------|--------------|---------------|---------------|--------------|---------------|------------------|--------------|--------------|
| | Target | Revenue | \$ Change | % Change | Target | Revenue | \$ Change | % Change | Revenue | \$ Change | % Change |
| Gasoline | 6.16 | 7.58 | 1.43 | 23.17% | 55.01 | 54.76 | -0.25 | -0.45% | 50.47 | 4.29 | 8.51% |
| Diesel Fuel | 1.58 | 1.68 | 0.10 | 6.42% | 14.11 | 13.89 | -0.22 | -1.57% | 13.43 | 0.46 | 3.42% |
| MV Purchase & Use | 7.61 | 7.78 | 0.17 | 2.23% | 65.78 | 65.87 | 0.08 | 0.13% | 58.87 | 6.99 | 11.88% |
| Motor Vehicle Fees | 7.90 | 8.01 | 0.12 | 1.47% | 60.73 | 60.63 | -0.10 | -0.17% | 61.07 | -0.43 | -0.71% |
| Other | 1.88 | 1.61 | -0.27 | -14.45% | 15.45 | 14.50 | -0.95 | -6.18% | 14.46 | 0.04 | 0.25% |
| Total | 25.13 | 26.67 | 1.54 | 6.14% | 211.08 | 209.64 | -1.44 | -0.68% | 198.30 | 11.35 | 5.72% |

Note:

| | | | | | | | | | | | |
|------------------------|------|------|------|--------|-------|-------|-------|--------|------|------|--------|
| TIB Fuel Fees/Gasoline | 1.32 | 1.73 | 0.41 | 30.77% | 11.01 | 11.03 | 0.02 | 0.17% | 7.52 | 3.50 | 46.60% |
| TIB Fuel Fees/Diesel | 0.17 | 0.18 | 0.01 | 3.14% | 1.52 | 1.47 | -0.05 | -3.17% | 1.43 | 0.05 | 3.16% |

*Differences due to rounding

Education Fund By Major Element (In Millions)*

| Non-Property Tax Component | Month | | | | Fiscal YTD | | | | Prior Fiscal YTD Restated | | |
|----------------------------|--------------|--------------|-------------|--------------|---------------|---------------|-------------|--------------|---------------------------|--------------|---------------|
| | Target | Revenue | \$ Change | % Change | Target | Revenue | \$ Change | % Change | Revenue | \$ Change | % Change |
| Sales & Use | 38.16 | 39.28 | 1.11 | 2.92% | 408.70 | 411.46 | 2.76 | 0.67% | 377.17 | 34.28 | 9.09% |
| Meals & Room | 4.09 | 4.99 | 0.90 | 21.92% | 39.51 | 42.29 | 2.77 | 7.02% | 26.75 | 15.54 | 58.11% |
| MV Purchase & Use | 3.80 | 3.89 | 0.08 | 2.23% | 32.89 | 32.93 | 0.04 | 0.13% | 29.44 | 3.50 | 11.88% |
| Lottery Transfer | 2.40 | 2.48 | 0.08 | 3.22% | 21.39 | 21.27 | -0.12 | -0.56% | 21.51 | -0.23 | -1.09% |
| Investment Income | 0.01 | 0.02 | 0.01 | 83.59% | 0.08 | 0.08 | 0.00 | 4.30% | 0.08 | 0.00 | 4.98% |
| Total | 48.47 | 50.66 | 2.18 | 4.50% | 502.57 | 508.03 | 5.46 | 1.09% | 454.94 | 53.09 | 11.67% |

*Differences due to rounding

(1) FY21 Personal Income includes \$162M in deferred payments from FY20

(2) FY21 Corporate Income Tax includes \$19.2M in deferred payments from FY20

State of Vermont
Comparative Statement of Revenues
General Fund
As of March 31, 2022

| | <u>Total to Date</u> <u>Last Year</u> | <u>Total to Date</u> <u>This Year</u> | <u>% Change</u> |
|-----------------------------------|--|--|----------------------------|
| Taxes | | | |
| Personal Income Tax | 870,881,910 | 720,519,314 | -17.3% |
| Sales & Use Tax | 0 | 0 | 0.0% |
| Corporate Income Tax | 79,256,551 | 134,121,832 | 69.2% |
| Meals & Rooms Tax | 73,816,433 | 116,712,378 | 58.1% |
| Liquor & Wine Tax | 3,647,001 | 3,863,320 | 5.9% |
| Insurance Premium | 53,077,527 | 55,727,663 | 5.0% |
| Telephone Gross Receipts | 162,445 | 169,044 | 4.1% |
| Telephone Property Tax | 1,325,772 | 1,629,909 | 22.9% |
| Beverage Tax | 5,544,603 | 5,380,753 | -3.0% |
| Cannabis Excise Tax | 0 | 0 | 0.0% |
| Electric Generating | 0 | 0 | 0.0% |
| Inheritance & Estate Tax | 22,165,653 | 12,589,557 | -43.2% |
| Real Property Transfer Tax | 16,886,613 | 18,106,073 | 7.2% |
| Bank Franchise Tax | 10,051,297 | 12,759,572 | 26.9% |
| All Other Taxes | 428,874 | 1,040,466 | 142.6% |
| Total Taxes | <u>1,137,244,680</u> | <u>1,082,619,882</u> | <u>-4.8%</u> |
| Other Revenues | | | |
| Business Licenses | 936,833 | 1,023,238 | 9.2% |
| Fees | 30,819,481 | 31,258,129 | 1.4% |
| Services | 2,117,385 | 2,062,392 | -2.6% |
| Fines, Forfeits & Penalties | 2,211,864 | 2,057,334 | -7.0% |
| Interest, Prem | 435,773 | 689,682 | 58.3% |
| Special Assessments | 9 | 0 | -100.0% |
| All Other Revenues | 743,603 | 935,497 | 25.8% |
| Total Other Revenues | <u>37,264,948</u> | <u>38,026,271</u> | <u>2.0%</u> |
| Health Care Revenues | | | |
| Health Care Taxes and Assessments | <u>217,849,029</u> | <u>215,565,008</u> | <u>-1.0%</u> |
| Total General Fund | <u><u>1,392,358,657</u></u> | <u><u>1,336,211,161</u></u> | <u><u>-4.0%</u></u> |

**State of Vermont
Comparative Statement of Revenues
Education Fund
As of March 31, 2022**

| | <u>Total to Date Last Year</u> | <u>Total to Date This Year</u> | <u>% Change</u> |
|---------------------------------|------------------------------------|------------------------------------|---------------------|
| Non-Dedicated | | | |
| Estimated Revenues: | | | |
| Sales & Use Tax | 377,173,259 | 411,457,977 | 9.1% |
| Meals & Rooms Tax | 26,745,085 | 42,287,094 | 58.1% |
| Purchase & Use Tax | 29,436,042 | 32,932,997 | 11.9% |
| Lottery Transfer | 21,506,763 | 21,273,196 | -1.1% |
| Investment Income | 81,327 | 79,878 | -1.8% |
| Total estimated revenues | <u>454,942,476</u> | <u>508,031,142</u> | <u>11.7%</u> |
| Other Revenues: | | | |
| Education Property Taxes | 97,450,383 | 103,071,861 | 5.8% |
| Electric Energy Educ Prop Tax | 0 | 0 | 0.0% |
| Uniform Capacity Tax | 801,254 | 794,866 | -0.8% |
| Medicaid Reimbursement | 0 | 0 | 0.0% |
| All Other Revenues | 491,174 | 1,491,758 | 203.7% |
| Total other revenues | <u>98,742,811</u> | <u>105,358,484</u> | <u>6.7%</u> |
| Total Education Fund | <u><u>553,685,287</u></u> | <u><u>613,389,626</u></u> | <u>10.8%</u> |

**State of Vermont
Comparative Statement of Revenues
Transportation Fund
As of March 31, 2022**

| | <u>Total to Date Last Year</u> | <u>Total to Date This Year</u> | <u>% Change</u> |
|----------------------------------|------------------------------------|------------------------------------|-----------------|
| Non-Dedicated | | | |
| Taxes | | | |
| Gasoline | 50,465,269 | 54,758,668 | 8.5% |
| Diesel Fuel | 13,426,359 | 13,885,245 | 3.4% |
| MV Purchase & Use | 58,872,084 | 65,865,994 | 11.9% |
| Total Taxes | <u>122,763,712</u> | <u>134,509,907</u> | 9.6% |
| Other Revenues | | | |
| Motor Vehicle Fees | 61,067,181 | 60,632,263 | -0.7% |
| Other | 14,467,511 | 14,500,351 | 0.2% |
| Total Other Revenues | <u>75,534,692</u> | <u>75,132,614</u> | -0.5% |
| Total Non-Dedicated | <u>198,298,404</u> | <u>209,642,521</u> | 5.7% |
| Dedicated | | | |
| Federal Aid | 256,126,055 | 220,456,642 | -13.9% |
| Infrastructure Bond Fund Revenue | 8,948,247 | 12,497,625 | 39.7% |
| Transportation Impact Fee | (91,957) | 96,165 | 204.6% |
| Other | 1,481,960 | 1,984,012 | 33.9% |
| Total Dedicated | <u>266,464,305</u> | <u>235,034,444</u> | -11.8% |
| Total Transportation Fund | <u>464,762,709</u> | <u>444,676,964</u> | -4.3% |