



Senate Appropriations Committee

The Monthly Report

Gibson E. Armstrong, Chairman

March Tax Collections Fail To Meet Estimate

Perhaps as a harbinger of future fiscal problems, General Fund tax revenues of \$3.98 billion for March were \$109.8 million, or 2.7 percent below the monthly estimate. This shortfall negates the \$91 million surplus that had been reported for February. Most people are unaware that March is the largest estimated tax receipt month in a given fiscal year, primarily because of the amount of annual and quarterly corporate tax payments which are due in this month. As a result, a shortfall in March is not a good omen for the remainder of the fiscal year.

During March, collections of the corporate taxes (over 50 percent of the anticipated monthly revenues) were below the estimate by \$111 million, or 4.5 percent. Also, collections of the cigarette tax, liquor tax, realty transfer tax, inheritance tax, and the non tax revenue were below anticipated amounts for March. Sales tax and the personal income tax were ahead of the estimate. Year-to-date collections of the non withheld personal income tax are 9.9 percent above the estimate, and 18 percent above the previous year's collection for the same time period. The surplus in the non withheld personal income tax collections represents two-thirds of the year-to-date overall General Fund revenue surplus.

For the year, General Fund revenues are \$180.5 million, or less than 1 percent, ahead of estimated amounts. Year-to-date collections of \$19.9 billion are 2.4 percent ahead of the prior year's receipts through the end of March.

The following information has been prepared by the Department of Revenue to provide a more detailed analysis of tax collections for March:

Sales tax receipts totaled \$621.9 million for March, which was \$8 million above estimate. Sales tax collections year-to-date totaled \$6.4 billion, which is \$27.7 million, or 0.4 percent, above estimate.

Personal Income Tax (PIT) revenue in March was \$785.5 million, which was \$26.2 million above estimate. This brings year-to-date PIT collections to \$7.2 billion, which is \$82.5 million, or 1.2 percent, above estimate.

March corporation tax revenue of \$2.3 billion was \$112.3 million below estimate. Year-to-date corporation tax

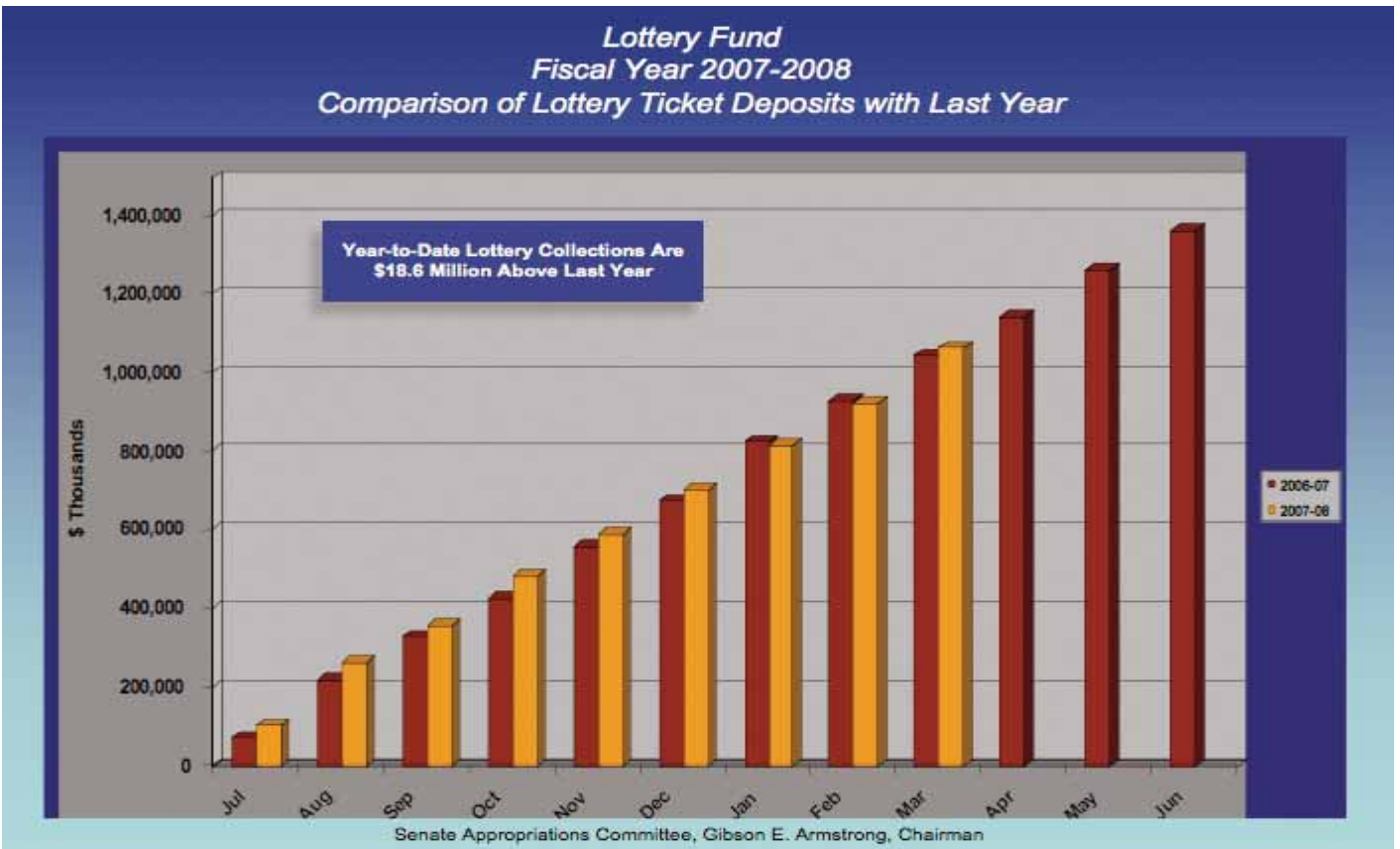
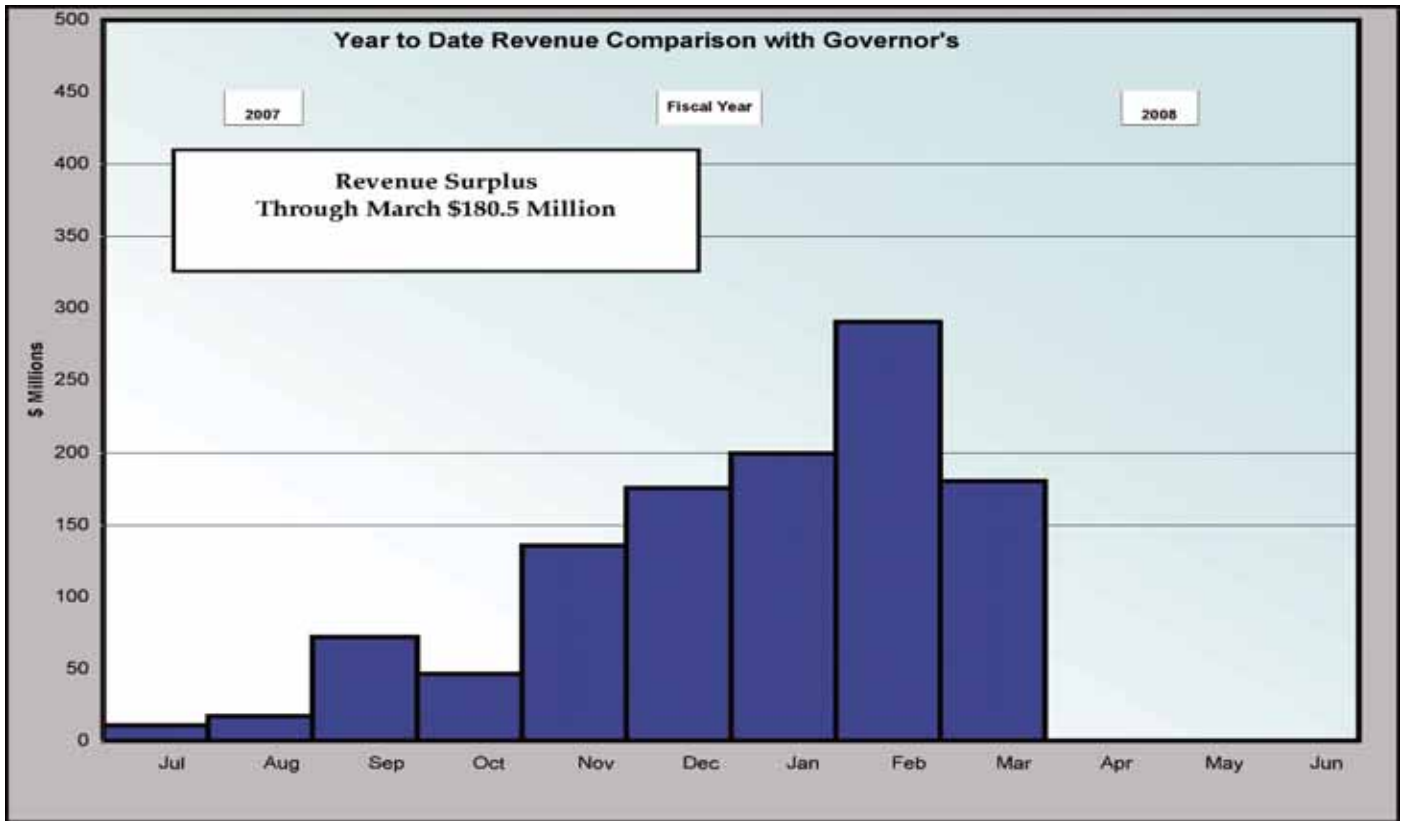
collections total \$4.2 billion, which is \$94.8 million, or 2.3 percent, above estimate.

Other General Fund revenue figures for the month included \$66.4 million in inheritance tax, which was \$5.2 million below estimate, bringing the year-to-date total to \$600.1 million, which is \$11.9 million above estimate.

Realty transfer tax was \$24.5 million for March, bringing the total to \$330.7 million for the year, which is \$2.3 million more than anticipated.

Other General Fund revenue including the cigarette, malt beverage and liquor tax totaled \$135 million for the month, \$20.9 million below estimate, bringing the year-to-date total to \$1.1 billion, which is \$38.7 million below estimate.

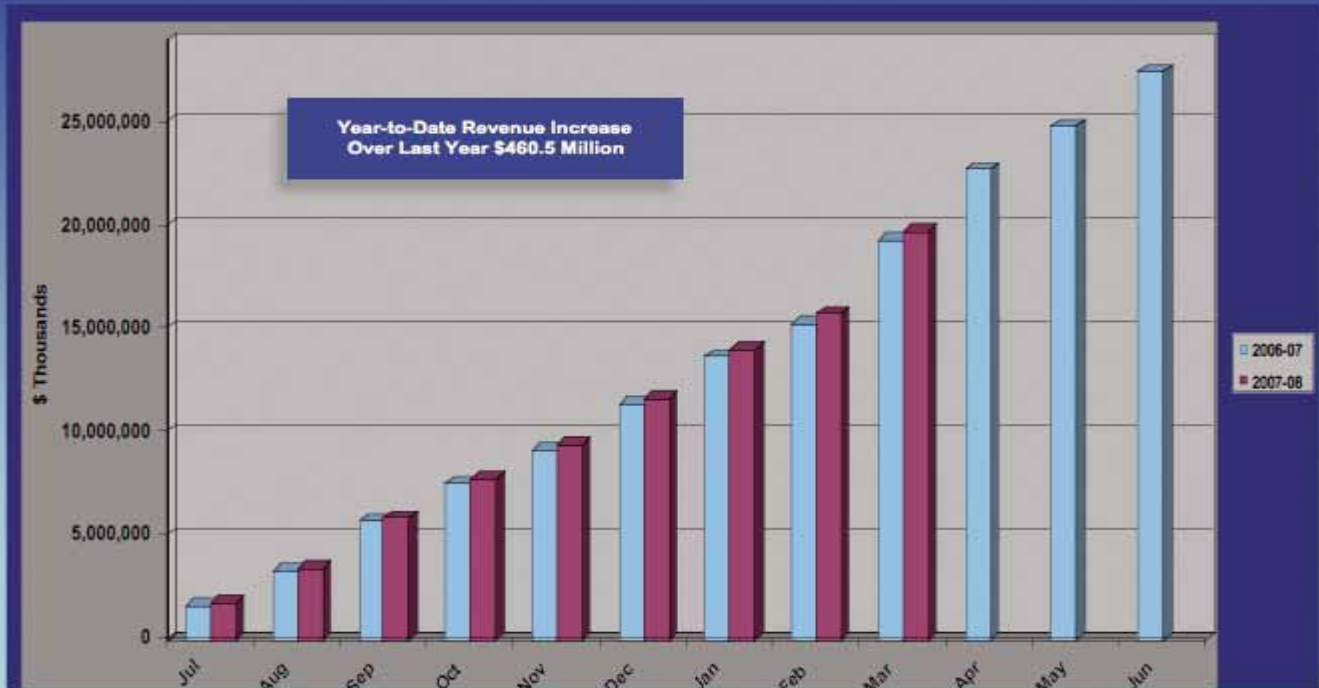




Senate Appropriations Committee, Gibson E. Armstrong, Chairman



General Fund Tax Collections Fiscal Year 2007-2008 Revenue Comparison with Last Year



Senate Appropriations Committee, Gibson E. Armstrong, Chairman

General Fund Tax Collections Fiscal Year 2007-2008 Comparison of Official Estimate with Actual Revenue by Month



Senate Appropriations Committee, Gibson E. Armstrong, Chairman

Appropriations Committee Monthly Revenue Report

Appropriations Committee Monthly Revenue Report

Monday, March 31, 2008	Revenue 2006-07	(Dollars in Thousands)					
Account:	thru March	For the month of March			For the year through March		
		Revenue	Official Estimate	Surplus (Deficit)	Revenue	Official Estimate	Surplus (Deficit)
CORPORATE TAXES:							
Clearing Account	\$2,095	\$210,464	\$0	\$210,464	\$221,282	\$0	\$221,282
Corp. Net Income	\$1,599,795	\$314,799	\$435,700	(\$120,901)	\$1,528,668	\$1,597,300	(\$68,632)
Cap. Stock & Franchise	\$671,338	\$106,245	\$130,000	(\$23,755)	\$616,739	\$542,300	\$74,439
Gross Receipts	\$1,293,121	\$1,204,485	\$1,358,800	(\$154,315)	\$1,263,189	\$1,367,300	(\$104,111)
PURTA	\$4,215	\$373	\$100	\$273	\$2,809	\$4,400	(\$1,591)
Insurance Premiums	\$371,854	\$336,248	\$356,000	(\$19,752)	\$366,703	\$393,300	(\$26,597)
Financial Institutions	\$205,295	\$167,286	\$169,500	(\$2,214)	\$185,041	\$182,500	\$2,541
Other Selective Bus. Taxes	\$10,042	\$4,323	\$4,900	(\$577)	\$9,625	\$10,300	(\$675)
CORPORATE TAX TOTAL	\$4,157,755	\$2,344,223	\$2,455,000	(\$110,777)	\$4,194,057	\$4,097,400	\$96,657
CONSUMPTION TAXES:							
Sales, Use & Occupation Tax	\$6,362,998	\$621,876	\$613,900	\$7,976	\$6,361,322	\$6,333,600	\$27,722
-Motor Vehicle Sales	\$830,455	\$89,522	\$89,700	(\$178)	\$855,121	\$831,100	\$24,021
-General (net of transfers)	\$5,532,543	\$532,355	\$524,200	\$8,155	\$5,506,201	\$5,502,500	\$3,701
Cigarette Tax	\$564,105	\$61,028	\$66,800	(\$5,772)	\$569,353	\$559,300	\$10,053
Malt Beverage Tax	\$18,777	\$1,858	\$1,800	\$58	\$19,746	\$19,400	\$346
Liquor Tax	\$167,717	\$17,372	\$18,600	(\$1,228)	\$175,902	\$179,300	(\$3,398)
CONSUMPTION TAX TOTAL	\$7,113,597	\$702,134	\$701,100	\$1,034	\$7,126,323	\$7,091,600	\$34,723
OTHER TAXES:							
Personal Income Tax	\$6,753,517	\$785,499	\$759,300	\$26,199	\$7,231,390	\$7,148,900	\$82,490
-Withheld PIT	\$5,624,140	\$677,868	\$657,600	\$20,268	\$5,898,866	\$5,936,800	(\$37,934)
-Quarterly & Annual PIT	\$1,129,376	\$107,630	\$101,700	\$5,930	\$1,332,524	\$1,212,100	\$120,424
Realty Transfer Tax	\$432,030	\$24,519	\$30,100	(\$5,581)	\$330,677	\$328,400	\$2,277
Inheritance & Estate Tax	\$557,620	\$66,405	\$71,600	(\$5,195)	\$600,120	\$588,200	\$11,920
Minor & Repealed	(\$8,836)	\$1,222	\$500	\$722	\$2,568	\$2,000	\$568
OTHER TAXES TOTAL	\$7,734,330	\$877,644	\$861,500	\$16,144	\$8,164,755	\$8,067,500	\$97,255
GENERAL FUND TAXES	\$19,005,682	\$3,924,002	\$4,017,600	(\$93,598)	\$19,485,134	\$19,256,500	\$228,634
NON-TAX REVENUES	\$321,914	\$51,989	\$68,200	(\$16,211)	\$302,979	\$351,100	(\$48,121)
GENERAL FUND	\$19,327,596	\$3,975,991	\$4,085,800	(\$109,809)	\$19,788,113	\$19,607,600	\$180,513
MOTOR LICENSE FUND:							
Liquid Fuels Tax	\$552,894	\$47,773	\$41,450	\$6,323	\$436,187	\$435,110	\$1,077
Fuels Use Tax	\$108,065	\$11,298	\$13,220	(\$1,922)	\$118,827	\$125,280	(\$6,453)
Motor Carriers Road Tax	\$30,516	\$4,289	\$4,870	(\$581)	\$26,015	\$32,890	(\$6,875)
Alternate Fuels	\$142	\$17	\$40	(\$23)	\$629	\$300	\$329
Clearing Account	\$0	\$2,323	\$0	\$2,323	\$113	\$0	\$113
Gross Receipts Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Oil Company Franchise Tax	\$314,046	\$32,554	\$40,780	(\$8,226)	\$341,097	\$354,480	(\$13,383)
Licenses and Fees	\$602,039	\$86,838	\$86,620	\$218	\$614,051	\$610,420	\$3,631
Vehicle Code Fines	\$33,450	\$4,725	\$3,690	\$1,035	\$35,654	\$33,940	\$1,714
Miscellaneous	\$99,432	\$5,937	\$9,550	(\$3,613)	\$74,154	\$85,680	(\$11,526)
Adjustment to Miscellaneous Revenue for Act 44 Transfer from PA Turnpike Commission		\$0	\$0	\$0	\$300,000	\$300,000	\$0
MOTOR FUND	\$1,740,584	\$195,755	\$200,220	(\$4,465)	\$1,646,726	\$1,678,100	(\$31,374)