

GENERAL FUND REVENUES QUARTERLY UPDATE SUMMARY

This memorandum provides a summary of general fund revenue collections, including comparisons to forecasted amounts, projections for the biennium, and comparisons to the prior biennium. **The forecasted amounts reflect the 2017 legislative revenue forecast**, prepared at the close of the 2017 legislative session.

QUARTERLY SUMMARY Total Collections Comparison to Forecast

The schedule below compares actual and forecasted general fund revenue collections for October 2018 through December 2018.

	October 2018	November 2018	December 2018
Actual collections			
Tax and fee revenues	\$186,439,762	\$127,325,970	\$123,277,053
Transfers and other sources	70,252,019	9,872	(1,063)
Total actual collections	\$256,691,781	\$127,335,842	\$123,275,990
Forecasted collections			
Tax and fee revenues	\$182,084,029	\$101,220,326	\$80,734,976
Transfers and other sources	70,252,015	0	0
Total forecasted collections	\$252,336,044	\$101,220,326	\$80,734,976
Variance to forecast			
Tax and fee revenues	\$4,355,733	\$26,105,644	\$42,542,077
Transfers and other sources	4	9,872	(1,063)
Total variance	\$4,355,737	\$26,115,516	\$42,541,014
Percentage variance	1.7%	25.8%	52.7%

Collections by Revenue Source

The schedule below provides information on actual general fund revenue collections, including tax and fee revenues as well as transfers and other sources of revenue, for October 2018 through December 2018.

	October 2018	November 2018	December 2018
Tax and fee revenues			
Sales and use tax	\$104,403,380	\$83,582,360	\$72,312,570
Motor vehicle excise tax	11,852,165	9,568,107	8,154,907
Individual income tax	53,640,364	8,647,589	6,194,042
Corporate income tax	5,407,163	2,824,500	24,145,523
Oil and gas tax collections	0	0	0
Coal conversion tax	1,976,845	1,837,974	1,954,751
Cigarette and tobacco tax	2,131,759	2,427,695	2,062,586
Wholesale liquor tax	652,182	756,637	726,701
Gaming tax	229,587	808,566	12,382
Insurance premium tax	217,125	11,646,324	2,026,638
Departmental collections	2,119,561	2,267,455	2,408,954
Interest income	421,608	435,997	472,323
Mineral leasing fees	3,388,023	2,522,766	2,805,676
Total tax and fee revenues	\$186,439,762	\$127,325,970	\$123,277,053
Transfers and other sources			
Bank of North Dakota profits	\$70,000,000	\$0	\$0
Mill and Elevator Association profits	0	0	0
Lottery	0	0	0
Gas tax administration	252,015	0	0
Legacy fund	0	0	0
Tax relief fund	0	0	0
Strategic investment and improvements fund	0	0	0
Research North Dakota fund	0	0	0
Insurance tax distribution fund	0	0	0
Political subdivision oil tax distributions	0	0	0
Western Area Water Supply Authority loan refinance	0	0	0
Remaining transfers and other sources	4	9,872	(1,063)
Total transfers and other sources	\$70,252,019	\$9,872	(\$1,063)
Total general fund revenues	\$256,691,781	\$127,335,842	\$123,275,990

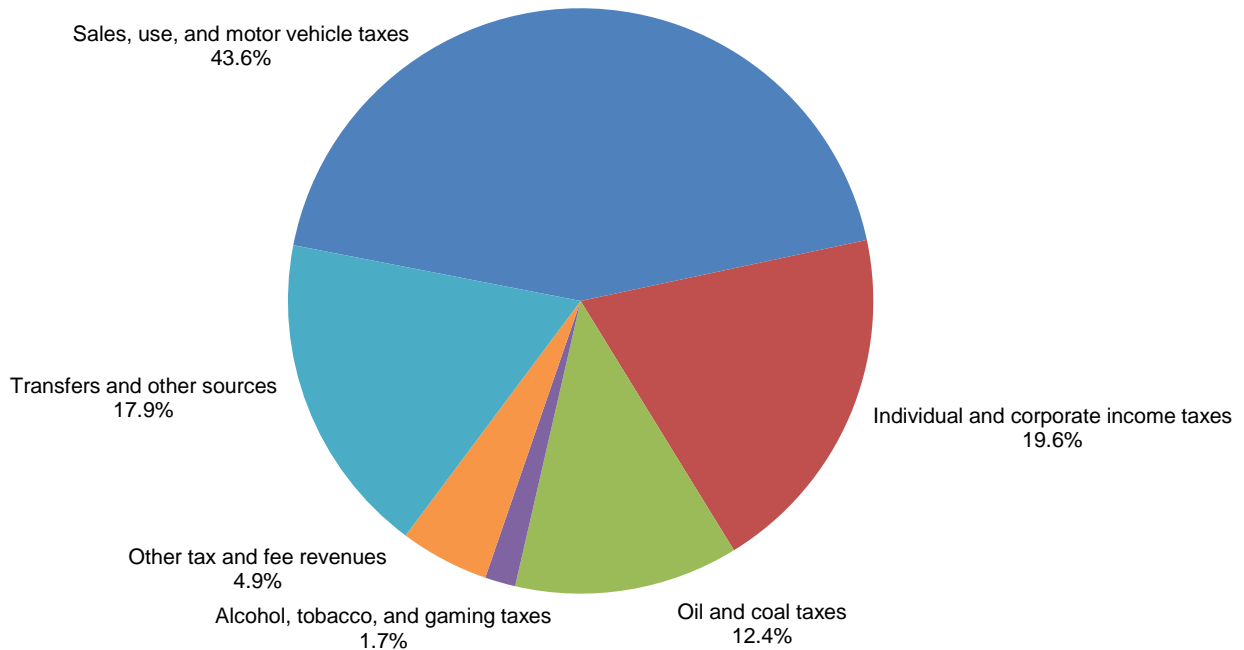
CURRENT BIENNIUM COMPARISON TO FORECAST

The schedule below provides a comparison of actual to forecasted general fund revenue collections for the biennium to date through December 2018. The forecasted amounts for the oil and gas taxes have been adjusted to reflect the actual allocations, because the allocations are limited to \$400 million per biennium.

	Biennium to Date		Increase (Decrease)	
	Actual	Forecast	Amount	Percentage
Tax and fee revenues				
Sales and use tax	\$1,343,826,130	\$1,255,998,000	\$87,828,130	7.0%
Motor vehicle excise tax	176,742,927	165,428,000	11,314,927	6.8%
Individual income tax	521,954,835	473,645,000	48,309,835	10.2%
Corporate income tax	160,390,023	67,199,000	93,191,023	138.7%
Oil and gas tax collections	400,000,000	400,000,000	0	0.0%
Coal conversion tax	31,484,352	28,210,000	3,274,352	11.6%
Cigarette and tobacco tax	40,465,056	40,699,000	(233,944)	(0.6%)
Wholesale liquor tax	13,399,744	13,472,136	(72,392)	(0.5%)
Gaming tax	4,956,070	5,438,372	(482,302)	(8.9%)
Insurance premium tax	74,974,304	84,594,285	(9,619,981)	(11.4%)
Departmental collections	59,621,672	57,088,306	2,533,366	4.4%
Interest income	6,271,970	5,142,000	1,129,970	22.0%
Mineral leasing fees	30,745,101	23,097,117	7,647,984	33.1%
Total tax and fee revenues	\$2,864,832,184	\$2,620,011,216	\$244,820,968	9.3%
Transfers and other sources				
Bank of North Dakota profits	\$140,000,000	\$140,000,000	\$0	0.0%
Mill and Elevator Association profits	10,109,147	8,802,989	1,306,158	14.8%
Lottery	7,300,000	7,500,000	(200,000)	(2.7%)
Gas tax administration	1,512,090	1,512,090	0	0.0%
Legacy fund	0	0	0	N/A
Tax relief fund	183,000,000	183,000,000	0	0.0%
Strategic investment and improvements fund	248,000,000	248,000,000	0	0.0%
Research North Dakota fund	4,000,000	4,000,000	0	0.0%
Insurance tax distribution fund	475,000	475,000	0	0.0%
Political subdivision oil tax distributions	2,875,000	2,875,000	0	0.0%
Western Area Water Supply Authority loan refinance	25,000,000	25,000,000	0	0.0%
Remaining transfers and other sources	360,196	0	360,196	N/A
Total transfers and other sources	\$622,631,433	\$621,165,079	\$1,466,354	0.2%
Total general fund revenues	\$3,487,463,617	\$3,241,176,295	\$246,287,322	7.6%

MAJOR GENERAL FUND REVENUE SOURCES

The chart below provides information on the major sources of actual general fund revenue collections for the biennium to date through December 2018.



CURRENT BIENNIUM PROJECTIONS

The schedule below provides information on actual general fund revenue collections through December 2018 and forecasted amounts for the remainder of the biennium. **The amounts shown for the original forecast reflect the 2017 legislative revenue forecast**, prepared at the close of the 2017 legislative session.

2017-19 Biennium Actual Allocations and Remaining Forecast				
	Actual Through December 2018	Remaining Forecast	Biennium Total	Original Forecast
Tax and fee revenues				
Sales and use tax	\$1,343,826,130	\$445,749,285	\$1,789,575,415	\$1,701,747,285
Motor vehicle excise tax	176,742,927	54,575,000	231,317,927	220,003,000
Individual income tax	521,954,835	225,083,000	747,037,835	698,728,000
Corporate income tax	160,390,023	34,889,415	195,279,438	102,088,415
Oil and gas tax collections	400,000,000	0	400,000,000	400,000,000
Coal conversion tax	31,484,352	11,354,000	42,838,352	39,564,000
Cigarette and tobacco tax	40,465,056	12,548,000	53,013,056	53,247,000
Wholesale liquor tax	13,399,744	4,610,864	18,010,608	18,083,000
Gaming tax	4,956,070	1,863,108	6,819,178	7,301,480
Insurance premium tax	74,974,304	45,042,836	120,017,140	129,637,121
Departmental collections	59,621,672	24,895,558	84,517,230	81,983,864
Interest income	6,271,970	2,858,000	9,129,970	8,000,000
Mineral leasing fees	30,745,101	7,402,883	38,147,984	30,500,000
Total tax and fee revenues	\$2,864,832,184	\$870,871,949	\$3,735,704,133	\$3,490,883,165
Transfers and other sources				
Bank of North Dakota profits	\$140,000,000	\$0	\$140,000,000	\$140,000,000
Mill and Elevator Association profits	10,109,147	9,763,615	19,872,762	18,566,604
Lottery	7,300,000	7,500,000	14,800,000	15,000,000
Gas tax administration	1,512,090	504,030	2,016,120	2,016,120
Legacy fund	0	200,000,000	200,000,000	200,000,000
Tax relief fund	183,000,000	0	183,000,000	183,000,000
Strategic investment and improvements fund	248,000,000	0	248,000,000	248,000,000
Research North Dakota fund	4,000,000	0	4,000,000	4,000,000
Insurance tax distribution fund	475,000	0	475,000	475,000
Political subdivision oil tax distributions	2,875,000	0	2,875,000	2,875,000
Western Area Water Supply Authority loan refinance	25,000,000	0	25,000,000	25,000,000
Remaining transfers and other sources	360,196	0	360,196	0
Total transfers and other sources	\$622,631,433	\$217,767,645	\$840,399,078	\$838,932,724
Total general fund revenues	\$3,487,463,617	\$1,088,639,594	\$4,576,103,211	\$4,329,815,889

CURRENT BIENNIUM TO PRIOR BIENNIUM COMPARISON

The schedule below provides information on actual and forecasted total general fund revenue collections for the first 18 months of the 2015-17 biennium and 2017-19 biennium.

	2017-19 Biennium Through December 2018	2015-17 Biennium Through December 2016	Increase (Decrease)	
			Amount	Percentage
Actual	\$3,487,463,617	\$3,725,668,617	(\$238,205,000)	(6.4%)
Forecast (Original)	3,241,176,295	4,330,816,478	(1,089,640,183)	(25.2%)
Variance to forecast	\$246,287,322	(\$605,147,861)	\$851,435,183	140.7%
Percentage variance to forecast	7.6%	(14.0%)		