

REVENUE TRENDS - JULY 1997

Statewide tax collections for July 1997 totaled \$265.6 million, representing a decrease of \$26.8 million or 9.2% when compared with the previous July. As a point of reference, July 1996 collections were \$29.4 million greater than July 1995 collections, meaning that July 1997 collections were \$2.6 million more than those for July 1995. Part of the reason that collections were higher in July 1996 was that June 30, 1996 was a Sunday, meaning that taxes normally due at the end of the month were not due until Monday, July 1, 1996. Thus, some June 1996 collections were recorded in July 1996. This was not the case in 1995 and 1997 because the last day of June in those years was a weekday.

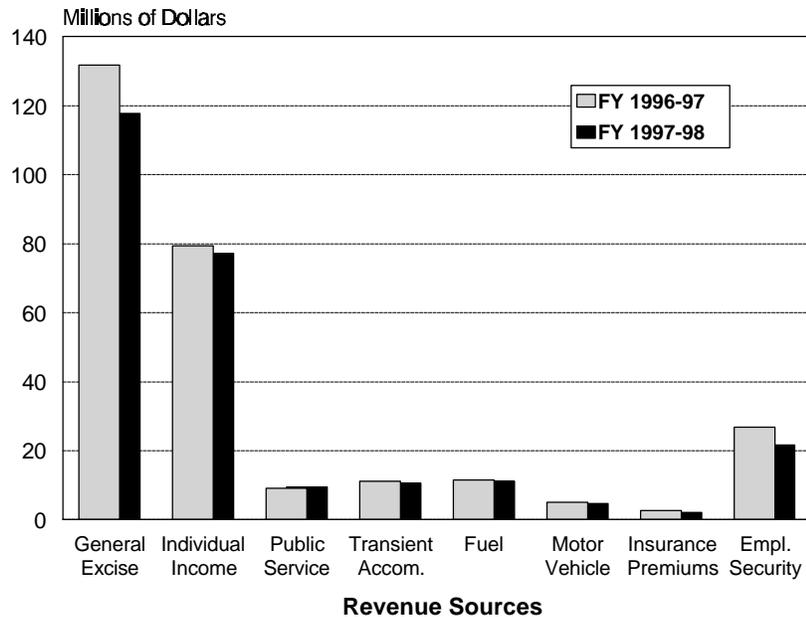
Slightly more than half of July's revenue decrease was due to a \$13.9 million or 10.6% drop in general excise and use tax collections. Since these taxes are due at the end of the month, collections are subject to the previously-mentioned "end of the month" effect when making comparisons to the same period of the previous year.

A \$6.4 million decline in withholding taxes on wages was the second largest component of July's revenue slide. July 1997 withholding was less than July 1996 withholding because of the reduction of the maximum withholding rate from 10% to 8% in October 1996.

T r a n s i e n t accommodations tax revenue declined \$0.6 million or 5%. One-sixth

of the revenue from this tax is reserved for the convention center special fund. Of the remainder, 95% is distributed to the counties by statutory formula and 5% is retained by the state for deposit into the general fund.

STATE TAX COLLECTIONS Month Ending July 31



STATE GENERAL FUND

July 1997 general fund accruals totaled \$217.6 million, a decrease of \$20.1 million or 8.5% over the previous July.