

REVENUE TRENDS - SEPTEMBER 1997

Statewide tax collections for the month of September totaled \$304.0 million, a decrease of \$3.2 million or 1.1% when compared with the previous September. As a result of this decline, cumulative state collections at the end of the first quarter of fiscal 1997-1998 totaled \$832.4 million, which was \$39.7 million or 4.6% less than what was collected during the same period of the previous fiscal year.

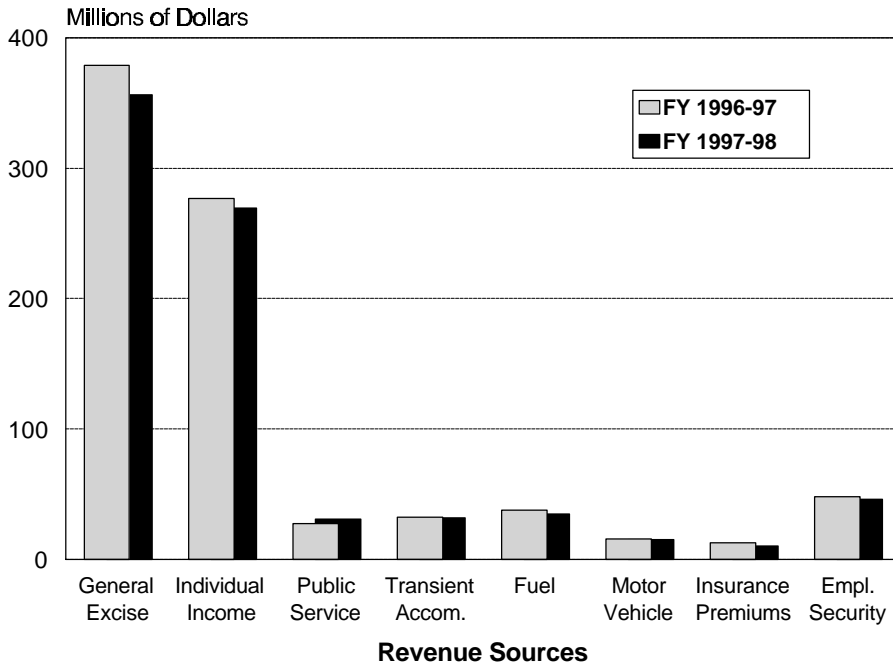
September's largest revenue decrease was a \$7.9 million drop in withholding taxes on wages. Much of this decrease was attributable to the maximum withholding rate, which was 10% in September 1996 and 8% in September 1997.

September also witnessed a decline in tax collections from the state's largest revenue source, general excise and use taxes, which slipped \$2.0 million. With this decline, cumulative fiscal year totals from this source fell \$22.5 million or 5.9% behind the previous year's pace.

September's largest revenue increase was a \$3.5 million rise in declarations of corporate estimated taxes. Next largest was a \$2.9 million increase in public service company tax revenue, which most likely represents a month-to-month variation in payment patterns.

Transient accommodations taxes is a measure of the direction of the state's most important industry. September collections from this source rose \$0.9 million. But cumulative fiscal year totals from this tax remained \$0.5 million or 1.5% below the amount collected during the comparable period last year.

STATE TAX COLLECTIONS Three Months Ending September 30



STATE GENERAL FUND

Revenue accruing to the state general fund for the month of September totaled \$273.8 million, a decrease of \$2.0 million or 0.7% when compared to September 1996.

Cumulative general fund accruals at the end of the first quarter of fiscal 1997-1998 stood at \$704.7 million, which was \$34.2 million or 4.6% less than the total accrued for the same period the previous fiscal year.