

## REVENUE TRENDS - OCTOBER 1997

October state tax collections from all revenue sources amounted to \$262.4 million, a decrease of \$2.9 million or 1.1% when compared with the previous October. With this decrease, cumulative state tax collections for the first four months of fiscal 1997-1998 amounted to \$1,094.8 million, 3.7% behind the amount collected during the same period of the prior fiscal year.

A primary contributor to October's revenue decline was a \$6.8 million increase in corporate income tax refunds. Other October declines included \$3.5 million in employment security contributions and \$1.4 million in public service company taxes, both probably due to month-to-month variation in payment patterns.

Overall revenue decline was mitigated by modest revenue gains in other revenue categories. Among these gains was a \$3.7 million advance in general excise and use tax collections. Despite the October gain, cumulative general excise and use tax collections for the first four months of fiscal 1997-1998 remained \$18.8 million or 3.8% behind the pace set for the same period the previous year.

Transient accommodations tax collections rose \$0.7 million in October, which was enough to push cumulative fiscal 1997-1998 collections from this source \$0.2 million ahead of the pace set for the same period the prior year.

Tobacco tax collections rose from \$3 million in October 1996 to \$4 million in October 1997, reflecting the increase in the tax rate on cigarettes from three cents to four cents per cigarette, which took effect on September 1, 1997.

### STATE GENERAL FUND

Tax collections accruing to the state general fund for the month of October totaled \$222.8 million, a decrease of \$0.7 million or 0.3% when compared with the previous October.

Cumulative general fund accruals for the first four months of fiscal 1998 amounted to \$927.6 million, a decrease of \$34.9 million or 3.6% when compared with the same period the prior year. For the whole fiscal year, the Council on Revenues had projected an increase of 2.8% in general fund revenue.

#### INTERNET ACCESS

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## STATE TAX COLLECTIONS Four Months Ending October 31

