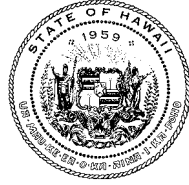


LINDA LINGLE
GOVERNOR

JAMES R. AIONA, JR.
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION
P.O. BOX 259
HONOLULU, HAWAII 96809

KURT KAWAFUCHI
DIRECTOR OF TAXATION

MARIE C. LADERTA
DEPUTY DIRECTOR

REVENUE TRENDS - NOVEMBER 2004

Total tax revenue for the month of November was \$412.4 million, up 47% from November 2003. Cumulative tax collections for the first five months of fiscal year 2005 exceeded \$1.8 billion, or \$239.4 million more than that realized during the corresponding period last year.

General excise and use tax receipts surged 70% to \$202 million for November 2004 versus November 2003. This considerable jump was due largely to a "double weekend effect", in which some October 2004 revenue was carried forward into this November, while some of last year's (November 2003) revenue was not reported until December 2003. These accounting anomalies can distort month-to-month comparisons. For FY2005, general excise and use tax remittances are up 15.3%.

Hawaii's powerful jobs engine propelled November's net individual income tax contribution to \$104 million, an \$18.3 million increase over last year. Net corporate income taxes were \$4.8 million, up \$1.4 million over last November.

Transient accommodations tax revenues, also statistically buoyed by the "double weekend effect", increased by \$8.7 million, to \$18.6 million. For the fiscal year, these taxes are up by \$14.8 million, a 21% gain, to \$84.3 million. Fuel taxes rose by \$3.9 million to \$15.4 million. For the first five months of the 2005 fiscal year, these revenues are up \$2.4 million, or 3.7%.

STATE GENERAL FUND

Partly as a positive result of the described "double weekend effect", the state general fund in November grew by \$117.1 million, compared to last year. November's \$348 million contribution brought the cumulative fiscal year general fund to \$1.56 billion, an 18% increase over the first five months of FY2004. The Council on Revenue has projected an 8.8% increase for the full year.

Cumulative FY2005 Revenue Trends

