

ESTIMATES OF GENERAL FUND TAX REVENUE: FY 2006 to FY 2012

Council MEAN Forecasts

(in thousands of dollars)

TYPE OF TAX	ACTUAL		ESTIMATED						
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
General Excise & Use 4/, 7/ & 10/	\$1,900,377	\$2,136,603	\$2,312,503	\$2,520,872	\$2,721,195	\$2,842,887	\$2,998,138	\$3,156,702	\$3,287,856
Income - Individual 9/ & 10/	1,168,570	1,381,059	1,497,617	1,624,970	1,730,973	1,828,524	1,928,750	2,028,667	2,131,028
Income - Corporation 8/	56,653	85,605	127,099	90,453	89,024	86,482	85,880	85,025	84,805
Public Service Company	99,505	108,686	116,899	129,161	141,495	153,888	166,367	178,994	191,800
Insurance Premiums	78,142	83,077	83,885	87,390	91,070	95,923	100,411	102,581	104,420
Tobacco & Licenses 1/	78,400	84,079	83,805	84,199	85,460	87,097	89,020	91,155	93,407
Liquor & Permits	41,250	43,737	45,360	46,642	47,795	48,956	50,094	51,235	52,375
Banks & Other Fin Corps 5/	(534)	36,520	11,548	13,785	15,738	17,459	19,037	20,544	21,993
Inheritance & Estate 2/	9,830	12,712	-	-	-	-	-	-	-
Conveyance 6/	7,883	12,291	20,902	24,891	29,730	35,734	43,223	52,573	64,250
Miscellaneous	681	781	791	795	798	800	803	806	808
Transient Accommodation Tax 3/	5,628	12,389	16,020	18,831	17,544	19,849	22,174	24,536	26,965
NET TOTAL	\$3,446,385	\$3,997,539	\$4,316,429	\$4,641,989	\$4,970,822	\$5,217,599	\$5,503,897	\$5,792,818	\$6,059,707
GROWTH RATE	8.3%	16.0%	8.0%	7.5%	7.1%	5.0%	5.5%	5.2%	4.6%

Notes:

- 1/ Act 246, SLH 2002, raises the cigarette tax to 6 cents each on October 1, 2002; to 6.5 cents on July 1, 2003; and to 7 cents on July 1, 2004.
- 2/ Federal Economic Growth and Tax Relief Act of 2001 phases out the federal estate tax and the state credit.
- 3/ Deposits of 44.8% of TAT revenues to counties (Act 156, SLH 1998); 32.6% to tourism special fund and 5.3% to TAT trust fund (Act 250, SLH 2002); 17.3% to convention center enterprise fund (Act 253, SLH 2002); all net of general fund deposits of excess of fund ceilings. Act 235, SLH 2005, increases allocation to tourism special fund to 34.2% and repeals TAT trust fund. Effective on July 1, 2007.
- 4/ Act 100, SLH 2003, provides a nonrefundable attractions & educational facilities tax credit equal to 100% of certain costs incurred after May 31, 2003, & before June 1, 2009, for the development of such facilities at Ko Olina Resort & Marina & the Makaha Resort. Of the maximum \$7.5 million credit per year, the General Fund loss is estimated at \$4 million.
- 5/ Transfers \$16.5 million of the franchise tax to the Litigated Claims Fund.
- 6/ Act 156, SLH 2004, increases conveyance tax rates based on a sliding scale. Deposits of 10% of conveyance tax revenues to land conservation fund; 30% to rental housing trust fund; 25% to natural area reserve fund. Effective on July 1, 2005.
- 7/ FY 2008 includes \$30 million, estimated spillover from June 30, 2007 falling on a weekend. FY 2012 excludes \$30 million, due to June 30, 2012 falling on a weekend.
- 8/ FY 2006 includes a large one-time estimated tax payment.
- 9/ Act 113, SLH 2004, changes the due date for withholding tax on wages. Applies to withholding requirements for payroll periods beginning on or after December 31, 2004.
- 10/ Assumes that delinquent tax collections decline from \$234 million in FY 2005 to \$180 million in FY 2006.