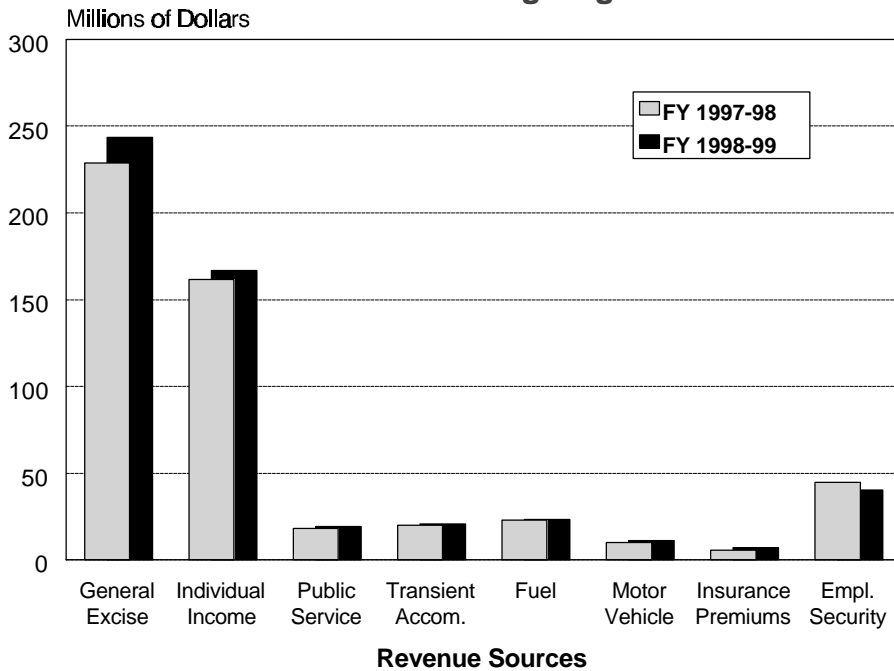


REVENUE TRENDS - AUGUST 1998

August state tax collections from all revenue sources amounted to \$285.5 million, an increase of \$22.7 million or 8.6% when compared with August 1997. With this increase, cumulative state tax collections for the first two months of fiscal 1998-1999 amounted to \$560.1 million, which was \$31.7 million or 6.0% more than the amount collected during the corresponding period in the previous fiscal year.

A \$11.5 million rise in general excise and use tax revenue accounted for about half of August's revenue increase. Cumulative revenue from this source for the first two months of the fiscal year was up \$14.7 million or 6.4%.

STATE TAX COLLECTIONS Two Months Ending August 31



Individual income tax revenue was up \$3.4 million in August and \$4.9 million or 3.1% for the first two months of the fiscal year. Also up was revenue from the transient accommodations tax, \$1.8 million for August, partly as a result of month-to-month fluctuation in payment patterns. For the first two months of the fiscal year, this tax category was up \$0.5 million or 2.6%.

Other revenue increases for August included a \$1.5 million rise in tobacco taxes and a \$1.3 million upswing in liquor taxes.

STATE GENERAL FUND

Tax collections accruing to the state general fund for the month of August totaled \$234.0 million, \$20.7 million or 9.7% more than the amount that accrued the previous August.

Cumulative general fund accruals for the first two months of fiscal 1998-

1999 amounted to \$465.0 million, an increase of \$34.1 million or 7.9% when compared with the same period the prior year. For the 1998-1999 fiscal year, the Council on Revenues had projected an increase of 0.6% in general fund revenue.

INTERNET ACCESS

For readers of this report who have access to the Internet, this report as well as our other monthly reports can be found at the Department of Taxation's website at:

<http://www.state.hi.us/tax/tax.html>