

## REVENUE TRENDS – MAY 2003

Statewide tax collections during the month of May totaled \$329.1 million, which was \$35.5 million or 12.1% more than the amount collected the previous May. With May's increase, cumulative state tax collections after eleven months of the 2002-2003 fiscal amounted to \$3,376.7 million, \$78.0 million ahead of the previous year's pace.

May revenue was helped by strong rebounds of \$10.6 million in individual estimated taxes and \$16.4 million in individual payments with returns. Employment security contributions rose by \$11.6 million due to an increase in unemployment insurance tax rates.

The largest revenue decline was a \$9.5 million drop in general excise and use tax revenue as the result of the "weekend effect". This tax is normally due on the last day of the month, but since May 31, 2003 fell on Saturday, some May 2003 revenue was paid on the first working day of June. Despite the loss in May, cumulative fiscal year revenue from this source was still 7.2% ahead of the previous year's pace, indicative of an improving economy this year.

Transient accommodations tax revenue is also subject to the weekend effect and declined by \$0.7 million.

### STATE GENERAL FUND

Tax collections accruing to the state general fund for the month of May totaled \$262.0 million, \$19.6 million or 8.1% more than the amount that accrued the previous May.

Cumulative general fund accruals after eleven months of fiscal 2002-2003 amounted to \$2,863.0 million, an increase of \$9.7 million or 0.3% when compared with the same period the prior fiscal year. For the full fiscal year, the Council on Revenues has projected an increase of 1.8%.

