

Council on Revenues DOTAX Presentation

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PRELIMINARY COMPARATIVE STATEMENT OF STATE GENERAL FUND TAX REVENUES

December 2020

(Dollars in Thousands)

	Dec 2020	CUMULATIVE TOTALS		DIFFERENCE		ADJUSTED FOR DEADLINE		
		2020-2021	2019-2020	AMOUNT	%CHANGE	ADJ AMT	IMPLIED AMT	% CHANGE
GE/Use Taxes	\$239,716	\$1,379,209	\$1,784,111	(404,903)	-22.7%		\$1,379,209	-22.7%
Income Tax - Corp.	23,390	72,346	39,468	32,878	83.3%	26,707	45,639	15.6%
Decl. Est. Taxes	34,920	116,702	101,548					
Payment w/returns	750	13,953	1,233					
Refunds	(12,281)	(58,308)	(63,312)					
Income Tax - Ind.	230,954	1,508,741	1,271,223	237,518	18.7%	281,558	1,227,183	-3.5%
Decl. Est. Taxes	41,952	451,013	237,990					
Payment w/returns	8,057	185,329	74,605					
WH Tax on Wages	187,307	1,046,075	1,080,563					
Refunds	(6,325)	(173,638)	(121,924)					
Special Fund	(36)	(36)	(12)					
Trans. Accom. Tax	13,273	35,136	318,072	(282,935)	-89.0%		35,136	-89.0%
Convention Ctr. Enterprise Fund	0	0	(8,250)					
Tourism Special Fund	0	0	(39,500)					
Turtle Bay Conservation Fund	0	0	(750)					
Land & Development Fund	0	0	(1,500)					
County Fund	0	0	(51,500)					
Mass Transit Fund	(1,246)	(3,346)	(30,882)					
SUB-TOTAL	12,027	31,790	185,689	(153,899)				
All Others	64,207	280,206	247,031	33,176	13.4%		280,206	13.4%
Collected by DOTAX	25,159	169,283	171,216					
Collected by Other Departments*	39,049	110,923	75,815					
TOTAL GENERAL FUND	\$570,293.820	\$3,272,292	\$3,527,523	(\$255,231)	-7.2%	\$308,265	\$2,964,027	-16.0%

Note: General Fund allocations are in bold print.

*Includes Conveyance Tax and Insurance Premium Tax.

**As of Jan 7, 2020

Monthly Collections of Key Tax Types**

	Dec-20	Dec-19	% Change
General Excise Tax	242,598,715	284,570,469	-14.7%
Corporate Income Tax	23,383,715	29,250,757	-20.1%
Individual Income Tax	230,354,753	217,397,286	6.0%
Declared Estimated	41,966,703	26,801,256	56.6%
Payment w/ returns	8,066,444	7,482,561	7.8%
WH on Wages	186,646,272	188,688,098	-1.1%
Refund	(6,324,666)	(5,574,629)	13.5%
Transient Accommodation	13,843,297	46,546,401	-70.3%
Estimated Total*	524,105,874	594,345,892	-11.8%

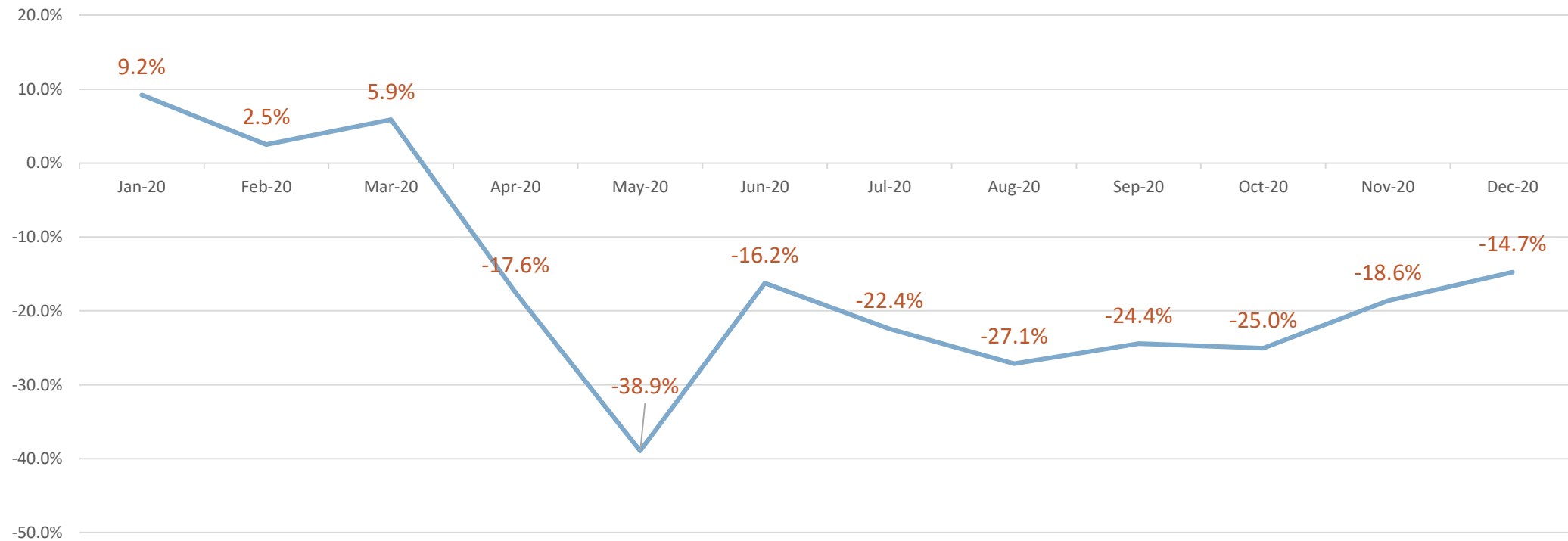
*includes estate, franchise, general excise, corporate income, individual income, public service company, and transient accommodation taxes

** As of January 3, 2021

GET and TAT collections are starting to increase from low levels

GET revenues have started to rebound with the return of tourism

GET Collections MoM %



An additional \$3.5 billion of Federal stimulus is expected to flow to Hawaii's economy

Overview of Federal Stimulus Passed in December 2020

	Federal Stimulus (Billions)	Hawaii Share	Hawaii Stimulus (Millions)
Aid to Small Business (PPP)	325	0.46%	1,495
Stimulus Checks*	166	0.41%	684
UI Extension	120	0.37%	440
Education	82	0.30%	246
Health Care	63	0.30%	189
Other	155	0.30%	465
Total	911	0.39%	3,519

Source: Federal agencies, DLIR, DOTAX, Federal Funds Information for States

A total of \$14.2 billion of Federal fiscal stimulus has flowed directly into Hawaii's economy

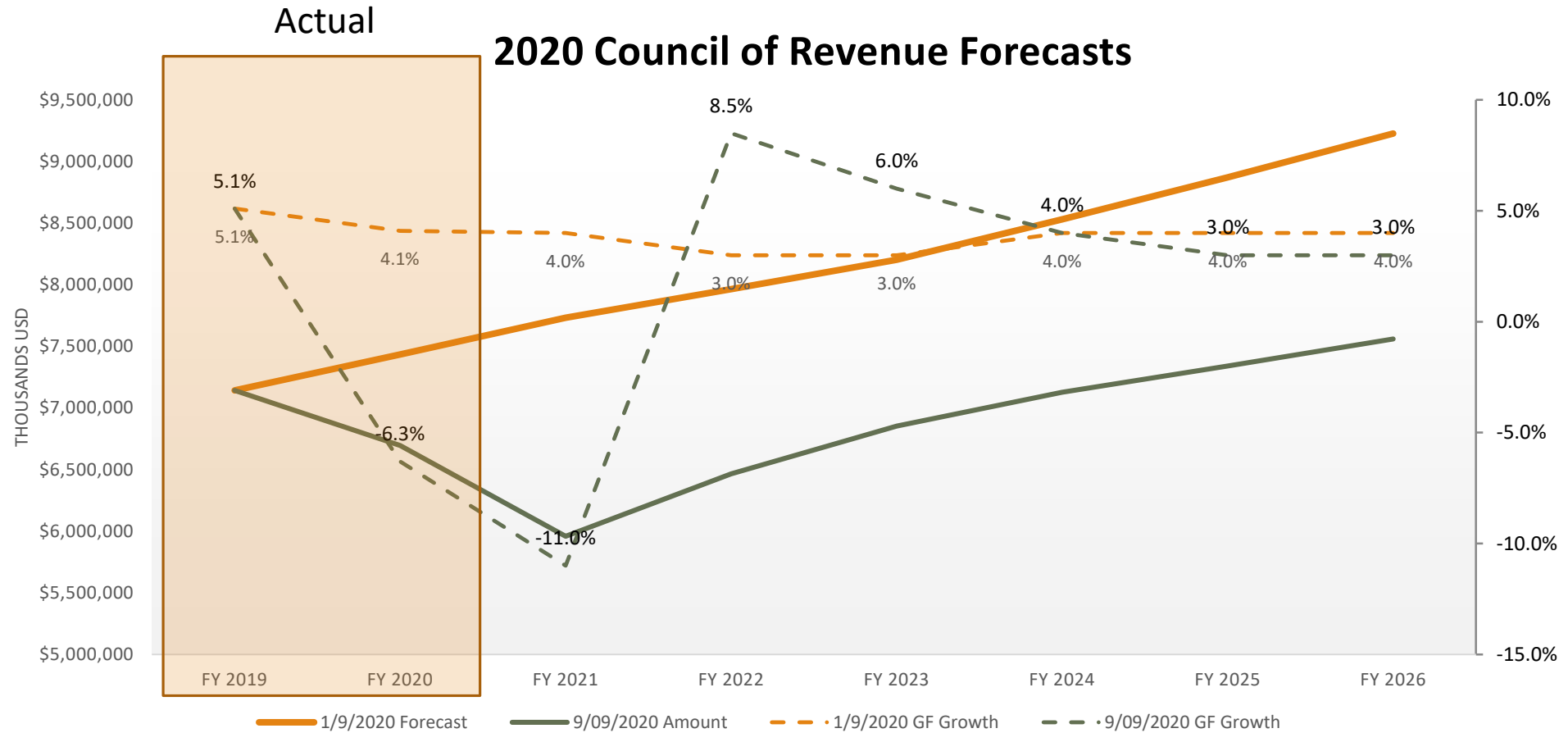
Program	National Total (\$B)	Hawaii Allocation (\$M)	Hawaii Share	Note
Coronavirus Preparedness and Response	8.3	65.8	0.79%	
Families First Coronavirus Response	104	331.7	0.32%	
CARES	2,200	6,648	0.30%	Incl. PPP
Paycheck Protection Program and Health Care Enhancement	484	3,573	0.74%	Incl. additional PPP
Sub-Total	2,796	10,618	0.38%	
December 2020 Stimulus	911	3,519	0.39%	
Total	3,707	14,137	0.38%	

Source: DBEDT and Hawaii Data Collaborative, Federal Funds Information for States, compiled from Federal Sources

Federal unemployment benefits make up for lost income

Unemployment Benefit Program	Hawaii Median Income Replacement Rate
UI Benefits w/o PUC	62%
UI Benefits w/ PUC - \$600	149%
UI Benefits w/PUC - \$300	105.5%

Source: Gonong, Noel, Vavra (2020) US Unemployment Insurance Replacement Rates During the Pandemic. Working Paper 2020-62



Sept 9, 2020 Forecast

BASE		ESTIMATED					
FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
\$ 7,141,790	\$ 6,694,808	\$ 5,958,379	\$ 6,464,841	\$ 6,852,731.8	\$ 7,126,841	\$ 7,340,646	\$ 7,560,866
5.1%	-6.3%	-11.0%	8.5%	6.0%	4.0%	3.0%	3.0%