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COUNCIL ON REVENUES

STATE OF HAWAII
P.O. BOX 259
HONOLULU, HAWAII 96809-0259

January 10, 2011

The Honorable Neil Abercrombie
Governor, State of Hawaii
Executive Chambers
State Capitol, Fifth Floor
Honolulu, HI 96813

Dear Governor Abercrombie:

At its meeting on December 29, 2010, the Council on Revenues adopted a slight revision to the forecast for State General Fund tax revenue growth in fiscal year (FY) 2011 from 2.0% to 3.0%. The Council kept its revenue growth forecast for FY 2012 through FY 2017.

Among several economic factors influencing the Council's revision the strong rise in total visitor arrivals during the current fiscal year was the predominant qualitative change from the Council's recent prior forecasts. Quantitatively, however, some members' economic forecast assumptions indicated, when applied in econometric forecast models, that the revenue growth outcome would be even more robust than previously was forecast, if only modestly. Together these qualitative and quantitative considerations, among other factors, contributed to the upward revision.

Council members chose to retain previously forecast estimates of revenue growth in fiscal years 2012-2017, but not without extensive discussion of both cyclical and trend aspects of Hawaii's likely economic performance during the 20-teens. While the Council's view regarding the out-year forecast was *not* altered from recent meetings, the questions raised about durability of economic expansion implied by the longer-term forecasts should be taken seriously. At issue is the question of whether the trend pattern of economic growth in Hawaii since the 1970s, with a compound annualized real, inflation-adjusted rate of increase of only 1.5% will, in conjunction with a trend inflation assumption, suffice to support the Council's current forecast of 6% annual nominal General Fund tax revenue growth from FY 2013 to FY 2017¹.

¹ A nominal revenue growth estimate can be approximated by the sum of real personal income growth and inflation, multiplied by an elasticity of 1.1 that, as a rule of thumb, maps nominal income growth to nominal State revenue growth. For example, the historical 1.5% real income growth rate, plus 2.5% inflation, times 1.1, yields a crude nominal revenue growth estimate of only $(1.5 + 2.5) \times 1.1 = 4.4\%$. Accepting either the Federal Reserve's longer term inflation forecasts of 1.7-2.0% annual inflation, or financial markets' implied estimate of inflation of 2.0-2.5%, taken from the pricing of U.S. Treasury securities at 5-10 year maturities, could yield nominal revenue growth around 4%.

Some Council members cautioned that the performance of Hawaii's economy since the 1970s has been punctuated by external shocks—geopolitical, meteorological and biological, not to mention financial crises—that should temper the Council's longer-term expectations. Though the probability of such events in any *given* year is relatively low, the unconditional probability of such an economic disturbance is essentially one (1)—such events are almost certain to occur *eventually*. Moreover, between 1980 and 2010 two of the worst U.S. recessions in the last century occurred, drawing Hawaii into a global recession vortex. Granted, recessions were less frequent events during the last three decades than prior to the 1980s, but two of the last four have been the most intense since the Great Depression. The point is that even in a macroeconomic environment where the average duration of economic expansion has lengthened, the impact of large, unpredictable, external economic shocks can impair long-term average growth by punctuating economic expansions with abrupt, catastrophic declines or sudden stops.

A contrasting view advanced by other Council members is that the years 2013 to 2017, from a cyclical standpoint, stand a better than even chance of being “above trend” years for Hawaii economic performance. Such episodes during the last several decades—2003 to 2007 and 1985 to 1990, for example—have yielded State revenue growth higher than long-term trend statistics would imply. Even the period 1997 to 2001 produced revenue growth, although its magnitude was diminished by the phase-in of multi-year income tax rate reductions. Similarly, revenue growth during the early-2000s would have been even higher were it not for subsidies to so-called high-tech investors. According to this view, a slight bias upward to support the 6% revenue growth forecast in the out-years is reasonable, given the history of such periods in the recent past, when economic activity in cyclical sectors like real estate and construction was especially heightened. If such patterns of economic expansion are more probable for the period than economic stagnation or decline, *including* the effects of external shocks to the economy, then slightly above average growth—say 6% instead of 4.5%—could be possible, even likely.

After contemplating an out-year revenue forecast revision to 5.5% at its meeting on December 29th, the Council held to 6% forecast previously estimated in its earlier 2010 meetings. However, the issues raised by this debate remain pertinent. A lot depends on whether, when, and by how much, a revival of private investment occurs during the 20-teens. Even conceding that the pace of economic recovery will remain moderate in fiscal years 2011 and 2012, and that its pattern will remain uneven across sectors, a sharp rebound in private investment—construction and real estate investment—would not be unusual for Hawaii's business cycle as it enters the 20-teens. Indeed, it would be unusual for such an investment renaissance *not* to occur.

Council members have grown increasingly concerned about the *mis*-use of its revenue forecast estimates, sometimes unintentionally attributing to the Council detailed, “line-item” revenue estimates. The Council devotes considerable effort, employing members' own econometric models and those of the Department of Taxation's Tax Research and Planning Office, in arriving at estimates of General Fund Revenues, the roughly 45% of the State of Hawaii's revenues that comprise *most* of the pro-cyclical movement of State government revenues. The Council does *not*, however, produce forecasts of individual *components* of the General or any other Special or Other Funds. It does not produce a forecast estimate of the Transient Accommodation Tax. It does not

produce a forecast estimate of the General Excise Tax. It does not produce a forecast estimate of federal funds intended for Medicaid reimbursement or magnitudes of Corporate Net Income Tax Refunds. Instead a vast army of individuals in public service throughout State government—including extremely able staff of the Departments of Taxation and of Budget and Finance (B&F)—provide estimates of these tax and other revenue details based on the Council on Revenue’s “top-down” forecasts for the General Fund *as well as* a wide variety of other inputs, including economic data and forecasts (some of which Council members produce, independently). Line-item details *do not* originate in the Council’s deliberations but are *based on* the Council’s deliberations (in many cases), and are *part of* the Council’s deliberations (in all cases, as they are reviewed by the Council).

Revised forecasts of State General Fund tax revenues for FY2011 through FY 2017 are shown in the table below:

Fiscal Year	General Fund Tax Revenues Amount (in Thousands)	Growth From Previous Year
2011	\$4,495,496	3.0%
2012	\$4,945,046	10.0%
2013	\$5,241,749	6.0%
2014	\$5,556,254	6.0%
2015	\$5,889,629	6.0%
2016	\$6,243,007	6.0%
2017	\$6,617,587	6.0%

The Council accepted line-item details presented to the Council by the Department of Taxation, *based on* the Council’s deliberations, and specific adjustments reflecting the impacts on General Fund tax revenues of recent tax law changes enacted by the Legislature, including many reported before, for the following Acts:

- Act 21, Session Laws of Hawaii (SLH) 2010, provides for a statutory ordering of income tax credits prioritizing refundable credits over nonrefundable credits.
- Act 22, SLH 2010, amends due dates for various taxes from the last to the 20th day of the calendar month and amending periodic insurance premium tax filing and payment dates from quarterly to monthly frequencies.
- Act 59, SLH 2010, repeals the income tax deductibility of political contributions and increasing cigarette and little cigar taxes.
- Act 73, SLH 2010, temporarily raises for five years the environmental response tax on crude petroleum.
- Act 74, SLH 2010, conformed to federal estate tax provisions as of 2009, such as the \$3.5 million exemption amount, and retained the State’s ability to “pick-up” the state death tax credit as it existed in the Internal Revenue Code at the end of 2009.

- Act 155, SLH 2010, denies general excise tax benefits, such as exemptions and favorable rates, if no general excise tax license is obtained or no annual general excise tax returns is filed. Imposes personal liability on certain individuals for general excise tax owed by a business.
- Act 192, SLH 2010, transfers to the general fund from various special funds.

Various revenue estimates provided to the Council by the Department of Budget and Finance at the Council's December 29, 2010 meeting also were accepted as submitted. Notable changes to those estimates are highlighted in the next several paragraphs.

There were no significant changes in the General Fund Non-Tax Revenues. Special Fund Tax Revenues estimates for FY 2011 to FY 2017 reflect decreases in transfer of transient accommodation taxes for the Department of Business, Economic Development and Tourism (DBEDT); and changes in the unemployment compensation taxes for the Department of Labor and Industrial Relations (DLIR), pursuant to Act 2, SLH 2010.

Special Fund Non-Tax Revenues estimates for FY 2011 to FY 2017 reflects adjustments due to lower investment earnings for DLIR Unemployment Insurance Fund and the Department of Transportation; a correction for federal unemployment insurance benefits (DLIR) and partial increase in FY 2011; and increases for the University of Hawaii's (UH) resident undergraduate tuition fees.

Other than Special Fund Non-Tax Revenues estimates for FY 2011 to FY 2017 reflect increases in federal grants for the Departments of Education, Department of Health, Department of Defense, and the Department of Human Services; and updated timelines for the receipt of various American Recovery and Reinvestment Act grants.

Please advise us if we can be of further assistance or if we can answer any questions you may have concerning the foregoing estimates.

Sincerely,



Paul H. Brewbaker, Ph.D.
Chair, Council on Revenues

Attachments

ESTIMATES OF GENERAL FUND TAX REVENUE: FY 2011 to FY 2017 *

(in thousands of dollars)

TYPE OF TAX	BASE		ESTIMATE						
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
General Excise & Use 2/ 7/ 12/	\$2,417,580	\$2,316,434	\$2,548,624	\$2,695,863	\$2,880,109	\$3,080,182	\$3,291,380	\$3,569,550	\$3,829,228
Income - Individual 4/ 6/ 8/ 11/	1,338,451	1,527,619	1,297,862	1,547,406	1,632,550	1,725,164	1,815,170	1,943,727	2,037,698
Income - Corporation 6/ 11/	53,522	59,186	48,482	56,362	63,372	75,917	88,085	100,625	112,484
Public Service Company	126,069	157,661	186,723	211,625	233,775	253,784	272,134	290,242	307,844
Insurance Premiums 6/ 7/	93,720	104,721	130,755	126,222	133,538	140,226	143,833	147,485	149,933
Tobacco & Licenses 5/ 7/ 13/	76,955	85,503	103,757	102,480	92,336	68,074	59,270	52,404	45,955
Liquor & Permits 7/	47,242	44,074	42,780	39,685	37,900	36,369	35,068	33,988	33,113
Banks & Other Fin Corps	26,075	18,666	21,831	24,349	27,206	29,380	30,877	33,762	35,953
Inheritance & Estate 10/	274	0	8,200	19,600	19,600	19,600	19,600	19,600	19,600
Conveyance 3/	8,311	18,216	21,833	21,622	15,405	15,155	14,918	14,694	14,484
Miscellaneous 9/	536	781	13,985	13,972	13,959	13,947	13,936	726	717
Transient Accommodation Tax 1/ 7/	13,566	31,698	70,664	85,860	91,999	98,456	105,358	36,204	30,578
NET TOTAL	\$4,202,301	\$4,364,559	\$4,495,496	\$4,945,046	\$5,241,749	\$5,556,254	\$5,889,629	\$6,243,007	\$6,617,587
GROWTH RATE	-9.5%	3.9%	3.0%	10.0%	6.0%	6.0%	6.0%	6.0%	6.0%

Notes:

1/ Deposits of 44.8% of TAT revenues to counties (Act 156, SLH 1998); 32.6% to the tourism special fund and 5.3% to the TAT trust fund (Act 250, SLH 2002); 17.3% to the 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 the tourism special fund to 34.2% and repeals the TAT trust fund. Effective on July 1, 2007. Act 209, SLH 2006, increases ceiling on allocation to the convention center enterprise fund to \$33 million. Effective on July 1, 2006. Act 61, SLH 2009, temporarily imposes an additional 1.0% TAT for the period 7/1/2009 through 6/30/2010, and an additional 2.0% TAT for the period 7/1/2010 through 6/30/15. These additional amounts will be deposited into the general fund. Act 5, Special Session Laws of Hawaii 2009, allocates 12.5% of the revenues derived from Act 61 to the tourism special fund for one fiscal year (FY 2011).

2/ Act 209, SLH 2007, exempts gross income received from the sale of alcohol fuel from the general excise tax. Effective on July 1, 2007, provided that the exemption repeals on June 30, 2009. Act 40, SLH 2009, reduces the interest rate on overpayments due to taxpayers from 2/3 of 1% to 1/3 of 1% per month or fraction thereof.

3/ Due to the expiration of Act 222, SLH 2007, on June 30, 2008, the amount of conveyance tax deposited into the General Fund increased from 15% to 35%. Act 59, SLH 2009, increased the conveyance tax rates for properties valued \$1 million or more.

4/ Act 60, SLH 2009, temporarily increases the standard deduction and personal exemption amounts for taxable years beginning after 12/31/10, and also temporarily creates new 9%, 10%, and 11% tax brackets for certain individuals with high taxable income beginning with taxable years beginning after 12/31/08. Act 60, SLH 2009, will be automatically repealed on December 31, 2015.

5/ Act 58, SLH 2009, taxes "little cigars" in the same manner as cigarettes beginning 9/30/09; increases the tax on tobacco products other than cigarettes, little cigars, and cigars from 40% to 70% beginning 9/30/09; imposes a 50% tax on cigars. Act 56, SLH 2009, increases the cigarette tax from 11¢ to 13¢ on 7/1/09, from 12¢ to 14¢ on 7/1/10, and from 13¢ to 15¢ on 7/1/11; and also amends the dates on which changes in the allocation of cigarette tax revenues changes. Act 59, SLH 2010, increases the tax on cigarettes and little cigars by 1¢ for sale after June 30, 2010. The additional collections will be deposited into the general fund.

6/ Act 21, SLH 2010, provides for the statutory ordering of income tax credits, which requires the claiming of refundable credits first, followed by nonrefundable credits. Applies to taxable years beginning after 12/31/09.

7/ Act 22, SLH 2010, amends the due dates for miscellaneous tax types from the last day of the calendar month to the 20th day of the calendar month, and amends the due date for filing and payment of periodic insurance premiums taxes from quarterly to monthly. Effective on July 1, 2010.

8/ Act 59, SLH 2010, repeals the deduction from taxable income for amounts given as political contributions. Effective on January 1, 2011.

9/ Act 73, SLH 2010, temporarily increases environmental response tax from \$0.05/barrel to \$1.05/barrel for the period 7/1/2010 through 6/30/2015. Sixty cents of the tax collected per barrel will be deposited into the general fund.

10/ Act 74, SLH 2010, retains the State's ability to "pick-up" the state death tax credit as it existed in the Internal Revenue Code on 12/31/2009. Applies to property interests of persons who die after 4/30/10.

11/ Delay in paying out Tax Year 2009 income tax refunds

12/ Act 155, SLH 2010, precludes taxpayers from using a general excise tax benefit, including exemptions, deductions, lower rates, or income splitting, unless the taxpayers follow all administrative requirements, subject to exemptions. The Act also creates trust liability for revenues collected by a business as a tax recovery whether such amount is separately stated or not. Effective on July 1, 2010.

13/ Act 192, SLH 2010, amends the disposition of revenues collected pursuant to tobacco tax law. Effective on July 1, 2010.

* Line-item projections generated by DOTAX, TRP consistent with COR total GF forecasts.

STATE OF HAWAII
CONSOLIDATED MULTI-YEAR GENERAL FUND REVENUES FROM SOURCES OTHER THAN TAX,
AND SPECIAL REVENUES FROM TAX & SOURCES OTHER THAN TAX
FISCAL YEARS 2010 - 2017
(in thousands of dollars)

<u>Sources</u>	<u>Actual/Est*</u> <u>FY 2010</u>	<u>Estimated</u> <u>FY 2011</u>	<u>Estimated</u> <u>FY 2012</u>	<u>Estimated</u> <u>FY 2013</u>	<u>Estimated</u> <u>FY 2014</u>	<u>Estimated</u> <u>FY 2015</u>	<u>Estimated</u> <u>FY 2016</u>	<u>Estimated</u> <u>FY 2017</u>
REVENUES - TAX								
Special Revenue Fund	438,514	761,113	728,902	835,406	803,164	756,327	723,561	709,084
REVENUES - OTHER THAN TAX								
License & Permits / Use of Money & Prop./ Other Agencies / Fines, Forfeits & Penalties / Repayment of Loans & Adv.	326,262	351,053	342,293	360,219	365,295	342,609	365,690	331,589
Federal	2,483,031	2,722,788	2,583,953	2,655,516	2,622,874	2,725,427	2,751,653	2,913,177
Federal-American Reinvestment & Recovery Act	604,524	441,511	68,255	4,264	850	0	0	0
Charges for Current Services	1,625,758	1,688,797	1,754,794	1,810,575	1,862,127	1,889,180	1,909,340	1,926,581
Non-Revenue Receipts	1,291,595	1,303,958	1,318,388	1,246,106	1,280,375	1,316,854	1,358,703	1,359,283
Office of Hawaiian Affairs	17,860	17,402	17,402	17,402	17,402	17,402	17,402	17,402
Judiciary	<u>46,419</u>	<u>46,804</u>	<u>47,544</u>	<u>48,342</u>	<u>49,156</u>	<u>49,986</u>	<u>50,832</u>	<u>51,695</u>
Subtotal Revenues - Other Than Tax	<u>6,395,449</u>	<u>6,572,313</u>	<u>6,132,629</u>	<u>6,142,423</u>	<u>6,198,079</u>	<u>6,341,458</u>	<u>6,453,620</u>	<u>6,599,727</u>
TOTAL REVENUES	6,833,963	7,333,426	6,861,531	6,977,829	7,001,243	7,097,785	7,177,181	7,308,811
ADJUSTMENTS - Revenue Transfers	<u>147,306</u>	<u>141,897</u>	<u>102,101</u>	<u>101,716</u>	<u>101,605</u>	<u>101,603</u>	<u>106,209</u>	<u>106,360</u>
TOTAL ADJUSTED REVENUES	<u>6,686,657</u>	<u>7,191,529</u>	<u>6,759,430</u>	<u>6,876,113</u>	<u>6,899,638</u>	<u>6,996,182</u>	<u>7,070,972</u>	<u>7,202,451</u>

Prepared by: Department of Budget & Finance

December 29, 2010

Note: Due to rounding, details may not add to totals.

* Unaudited, preliminary revenues.

Table 1

STATE OF HAWAII
GENERAL FUND
MULTI-YEAR REVENUES FROM SOURCES OTHER THAN TAX
FISCAL YEARS 2010 - 2017
(in thousands of dollars)

<u>Sources</u>	<u>Actual*</u> <u>FY 2010</u>	<u>Estimated</u> <u>FY 2011</u>	<u>Estimated</u> <u>FY 2012</u>	<u>Estimated</u> <u>FY 2013</u>	<u>Estimated</u> <u>FY 2014</u>	<u>Estimated</u> <u>FY 2015</u>	<u>Estimated</u> <u>FY 2016</u>	<u>Estimated</u> <u>FY 2017</u>
Licenses & Permits	1,430	1,020	1,020	1,020	1,020	1,020	1,020	1,020
Revenues from Use of Money and Property	22,760	34,415	27,908	27,107	26,159	25,196	24,255	24,255
Federal	5,803	4,557	4,579	4,579	4,579	4,579	4,579	4,579
Revenues from Other Agencies	15,239	16,152	16,152	16,147	16,147	16,147	2,505	2,505
Charges for Current Services	224,221	249,939	251,663	262,045	265,107	267,887	271,557	274,472
Fines, Forfeits & Penalties	465	363	335	365	335	365	335	335
Repayment of Loans & Advances	19,588	23,806	21,935	19,561	19,560	20,217	19,636	19,636
Non-Revenue Receipts	163,661	183,765	173,054	172,665	172,554	172,554	172,554	172,554
Judiciary	<u>35,749</u>	<u>36,174</u>	<u>36,757</u>	<u>37,391</u>	<u>38,036</u>	<u>38,695</u>	<u>39,366</u>	<u>40,051</u>
Total	<u>488,916</u>	<u>550,191</u>	<u>533,404</u>	<u>540,879</u>	<u>543,497</u>	<u>546,660</u>	<u>535,807</u>	<u>539,407</u>

Prepared by: Department of Budget & Finance

Note: Due to rounding, details may not add to totals.

* Unaudited

December 29, 2010

**STATE OF HAWAII
SPECIAL REVENUE FUND
MULTI-YEAR TAX REVENUES
FISCAL YEARS 2010 - 2017**
(in thousands of dollars)

<u>Sources</u>	<u>Actual*</u> <u>FY 2010</u>	<u>Estimated</u> <u>FY 2011</u>	<u>Estimated</u> <u>FY 2012</u>	<u>Estimated</u> <u>FY 2013</u>	<u>Estimated</u> <u>FY 2014</u>	<u>Estimated</u> <u>FY 2015</u>	<u>Estimated</u> <u>FY 2016</u>	<u>Estimated</u> <u>FY 2017</u>
Transfer of Gen. Excise Tax	-	-	-	-	-	-	-	-
Transfer of Tobacco Tax	20,020	19,852	19,857	19,857	37,238	37,238	37,238	37,238
Liquid Fuel:								
Highway	81,271	87,679	88,334	88,995	89,661	90,555	91,232	91,232
Aviation	3,592	3,549	3,549	3,549	3,549	3,549	3,549	3,549
Small Boats	<u>1,507</u>	<u>1,400</u>	<u>1,400</u>	<u>1,400</u>	<u>1,400</u>	<u>1,400</u>	<u>1,400</u>	<u>1,400</u>
Subtotal	86,370	92,628	93,283	93,944	94,610	95,504	96,181	96,181
Transfer of Transient Accom Tax	101,978	115,526	110,417	115,000	119,215	124,158	129,387	134,920
Motor Vehicle Weight Tax	32,937	34,248	34,676	35,109	35,548	35,992	36,442	36,442
Vehicle Registration Fee Tax	25,721	26,450	26,716	26,986	27,259	27,535	27,815	27,815
Vehicle Surcharge:								
Rental /Tour	40,401	40,550	30,852	29,920	30,514	31,120	31,738	31,738
Environmental Response Tax	1,570	1,341	1,341	1,340	1,340	1,340	1,340	1,340
Unemployment Comp Tax	103,252	408,000	389,000	490,000	434,000	380,000	340,000	320,000
Employment & Training	449	500	450	450	450	450	450	450
Election Campaign Contrib T.F.	217	220	210	200	190	190	170	160
Transfer of Banks & Fin. Corp Tax	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Transfer of Conveyance Tax	22,418	18,600	18,800	19,300	19,500	19,500	19,500	19,500
Transfer of Tax on Ins. Premiums	<u>1,181</u>	<u>1,200</u>	<u>1,300</u>	<u>1,300</u>	<u>1,300</u>	<u>1,300</u>	<u>1,300</u>	<u>1,300</u>
Total	<u>438,514</u>	<u>761,113</u>	<u>728,902</u>	<u>835,406</u>	<u>803,164</u>	<u>756,327</u>	<u>723,561</u>	<u>709,084</u>

Prepared by: Department of Budget & Finance

Note: Due to rounding, details may not add to totals.

* Unaudited

Table 3

December 29, 2010

STATE OF HAWAII
SPECIAL REVENUE FUND - SPECIAL FUNDS
MULTI-YEAR REVENUES FROM SOURCES OTHER THAN TAX
FISCAL YEARS 2010 - 2017
(in thousands of dollars)

<u>Sources</u>	<u>Estimated *</u> <u>FY 2010</u>	<u>Estimated</u> <u>FY 2011</u>	<u>Estimated</u> <u>FY 2012</u>	<u>Estimated</u> <u>FY 2013</u>	<u>Estimated</u> <u>FY 2014</u>	<u>Estimated</u> <u>FY 2015</u>	<u>Estimated</u> <u>FY 2016</u>	<u>Estimated</u> <u>FY 2017</u>
Licenses & Permits	14,284	14,907	17,199	17,225	17,278	17,335	17,253	17,308
Revenues from Use of Money and Property	61,622	61,752	59,384	61,811	70,483	75,492	79,479	79,459
Federal	454,194	477,677	454,340	479,730	380,176	382,217	382,217	382,217
Revenue from Other Agencies	38,487	55,460	40,460	40,460	40,459	40,459	54,101	54,101
Charges for Current Services:								
Utils & Other Enterprises	363,174	429,516	484,606	512,819	553,935	575,812	590,223	603,105
Others	854,035	871,454	903,663	919,960	923,289	928,566	930,687	932,167
Fines, Forfeits & Penalties	8,328	4,087	3,879	3,896	3,914	3,932	3,950	3,950
Non-Revenue Receipts	125,132	112,508	113,428	113,454	113,454	113,452	118,058	118,209
Judiciary	<u>10,670</u>	<u>10,630</u>	<u>10,787</u>	<u>10,951</u>	<u>11,120</u>	<u>11,291</u>	<u>11,466</u>	<u>11,644</u>
Total	<u>1,929,926</u>	<u>2,037,991</u>	<u>2,087,746</u>	<u>2,160,306</u>	<u>2,114,108</u>	<u>2,148,556</u>	<u>2,187,434</u>	<u>2,202,160</u>
Adjustments:								
Revenue Transfers	87,031	77,003	77,918	77,922	77,922	77,920	82,526	82,677
Adjusted Total	<u>1,842,895</u>	<u>1,960,988</u>	<u>2,009,828</u>	<u>2,082,384</u>	<u>2,036,186</u>	<u>2,070,636</u>	<u>2,104,908</u>	<u>2,119,483</u>

Prepared by: Department of Budget & Finance

December 29, 2010

Note: Due to rounding, details may not add to totals.

* Unaudited, preliminary

Table 4

STATE OF HAWAII
SPECIAL REVENUE FUND - OTHER THAN SPECIAL FUNDS
MULTI-YEAR REVENUES FROM SOURCES OTHER THAN TAX
FISCAL YEARS 2010 - 2017
(in thousands of dollars)

<u>Sources</u>	<u>Estimated*</u> <u>FY2010</u>	<u>Estimated</u> <u>FY2011</u>	<u>Estimated</u> <u>FY2012</u>	<u>Estimated</u> <u>FY2013</u>	<u>Estimated</u> <u>FY2014</u>	<u>Estimated</u> <u>FY2015</u>	<u>Estimated</u> <u>FY2016</u>	<u>Estimated</u> <u>FY2017</u>
Licenses & Permits	601	562	582	582	582	582	582	582
Revenues from Use of Money and Property	75,580	73,830	75,902	75,231	75,432	75,651	75,933	76,125
Federal	2,023,034	2,240,554	2,125,034	2,171,207	2,238,119	2,338,631	2,364,857	2,526,381
Federal-American Recovery & Reinvestment Act	604,524	441,511	68,255	4,264	850	0	0	0
Revenues from Other Agencies	18,772	20,075	20,296	20,590	18,396	18,396	18,396	18,396
Charges for Current Services	184,328	137,888	114,862	115,751	119,796	116,915	116,873	116,837
Fines, Forfeits & Penalties	1,937	923	923	923	923	923	923	923
Repayment of Loans & Advances	47,169	43,701	56,317	75,301	74,607	46,894	67,322	32,994
Non-Revenue Receipts	1,002,802	1,007,685	1,031,906	959,987	994,367	1,030,848	1,068,091	1,068,520
Office of Hawaiian Affairs	<u>17,860</u>	<u>17,402</u>	<u>17,402</u>	<u>17,402</u>	<u>17,402</u>	<u>17,402</u>	<u>17,402</u>	<u>17,402</u>
TOTAL	<u>3,976,607</u>	<u>3,984,131</u>	<u>3,511,479</u>	<u>3,441,238</u>	<u>3,540,474</u>	<u>3,646,242</u>	<u>3,730,379</u>	<u>3,858,160</u>
Adjustments:								
Revenue Transfers	32,829	33,146	3,146	3,146	3,146	3,146	3,146	3,146
Adjusted Total	<u>3,943,778</u>	<u>3,950,985</u>	<u>3,508,333</u>	<u>3,438,092</u>	<u>3,537,328</u>	<u>3,643,096</u>	<u>3,727,233</u>	<u>3,855,014</u>

Prepared by: Dept. of Budget & Finance

December 29, 2010

Note: Due to rounding, details may not add to totals.

* Unaudited, preliminary