

DATE: September 10, 2014

TO: Governor Mark Dayton

FROM: Jim Schowalter, Commissioner 

SUBJECT: August Revenue Review

Net general fund revenues totaled \$1.350 billion in August, \$10 million (0.7 percent) less than forecast. Individual income tax withholding in August was \$7 million below expectations, generating more than half of a \$12 million negative income tax variance. Other revenues exceeded the forecast by \$9 million, nearly offsetting small shortfalls in sales and corporate taxes. For fiscal year 2015, year-to-date receipts are now \$2.333 billion, \$79 million (3.3 percent) less than forecast.

Monthly Receipts for August 2014

(\$ in millions)	February 2014 Forecast ¹	Actual	\$ Difference
Individual Income Tax	\$633	\$621	\$(12)
General Sales Tax	506	503	(3)
Corporate Franchise Tax	37	33	(4)
Other Revenues	184	194	9
Total Revenues²	\$1,360	\$1,350	\$(10)

1. Adjusted for legislative change.
2. Totals may not add due to rounding.

All results are preliminary and subject to revision. Monthly revenue variances should be interpreted with caution. Wide swings in variances may be caused by variations in the rate at which receipts are received and refunds are issued. A more complete report covering the July, August and September receipts will be issued as part of Minnesota Management and Budget's October *Revenue and Economic Update*. That report will also update FY 2014 revenues to reflect the official closing of the fiscal year.

cc: Yvonne Prettnner-Solon, Lt. Governor
 Senator Tom Bakk, Majority Leader
 Senator David Hann, Minority Leader
 Rep. Paul Thissen, Speaker of the House
 Rep. Kurt Daudt, Minority Leader