

DATE: February 10, 2016

TO: Governor Mark Dayton
Lt. Governor Tina Smith

FROM: Myron Frans, Commissioner 

SUBJECT: January Revenue Review

Net general fund revenues totaled \$2.070 billion in January, \$106 million (5.4 percent) more than forecast in the November 2015 *Budget and Economic Forecast*. January receipts for the individual income tax and other revenues were above forecast, more than offsetting lower-than-expected general sales and corporate tax receipts. Income tax withholding receipts and estimated tax payments were both above forecast, generating a \$77 million net income tax variance. For fiscal year 2016, year to date receipts are now \$11.858 billion, exceeding the forecast by \$149 million (1.3 percent).

Monthly Receipts for January 2016

(\$ in millions)	November 2015		\$ Difference
	Forecast	Actual	
Individual Income Tax	\$1,193	\$1,270	\$77
Sales Tax	537	521	(15)
Corporate Franchise Tax	36	30	(5)
Other Revenues	199	249	50
Total Revenues¹	\$1,965	\$2,070	\$106

1. Totals may not add due to rounding.

All results are preliminary and subject to revision. Monthly revenue variances should be interpreted with great caution. Wide swings in variances may be caused by variations in the rate at which receipts are received and processed and differences in the rate at which refunds are issued. Other revenues often include unallocated accounts receivable which will be added to receipts for the appropriate tax when identified

cc: Senator Tom Bakk, Majority Leader
Senator David Hann, Minority Leader
Rep. Kurt Daudt, Speaker of the House
Rep. Paul Thissen, Minority Leader