

REVENUE TRENDS – MARCH 2002

Statewide tax collections during the month of March totaled \$217.0 million, which was \$15.9 million or 6.8% less than the amount from the previous March. With this decline, cumulative state tax collections for the first three quarters of the 2001-2002 fiscal year fell \$88.5 million or 3.3% behind the previous year's pace.

Revenue from the state's largest revenue source, general excise and use taxes, declined by \$10.6 million. Both March 2002 as well as March 2001 were subject to the "weekend effect", which occurs when the last day of the month falls on a holiday or weekend, thereby postponing the due date for taxes normally due that day to the first working day of the next month. For March 2002, the weekend effect was exacerbated by the fact that the Good Friday holiday made it a three-day weekend, thus pushing an extra day of potential tax revenue into April.

Transient accommodations taxes, which are also due on the last day of the month, dropped by \$2.3 million as a result of the extra-day "weekend effect" and the tourism slowdown and lower room prices following last year's terrorist attacks. For the fiscal year, this revenue source decreased by \$14.1 million or 10.8%.

Public service company tax revenue dropped by \$5.9 million, partially due to the transfer of funds to the counties and partially due to month-to-month fluctuations in filing patterns. For the fiscal year, this revenue source declined by \$25.7 million or 28.4%.

STATE GENERAL FUND

Revenue accruing to the state general fund for the month of March totaled \$184.6 million, which was \$18.8 million or 9.2% less than the amount accrued the previous March.

Cumulative general fund accruals after the first three quarters of fiscal 2001-2002 stood at \$2,290.7 million, which was \$48.7 million or 2.1% less than the total accrued for the same period the previous fiscal year. The Council on Revenues has projected a 0.7% decrease in general fund accruals for the full fiscal year.

