

REVENUE TRENDS – APRIL 2004

The recent cement strike was offset by a strong economy as total tax collections in April rose 22.9% to \$354.1 million, compared with \$288.1 million in the previous April. Cumulative tax collections for the first ten months of fiscal year 2003-2004 totaled \$3,300.5 million, up 8.3% from \$3,047.5 million in the same period a year ago.

General excise and use tax collections rose by 9.4% to \$163.9 million partly because of lower federal income tax rate and dividend and capital gain tax rate, which increased disposable income for consumers. Cumulative fiscal year collections came to \$1,581.4 million, up 6.2% or \$93.0 million from a year ago.

Transient accommodations tax revenues rose as well, by 16.9% to \$16.2 million. Visitor arrivals in March 2004 were artificially high as compared with March 2003 which was depressed by the 2003 Iraq War. Cumulative fiscal year revenues amounted to \$151.2 million, which was 5.8% or \$8.3 million more than the amount collected in the same period a year ago.

Individual income tax revenue in April more than doubled because of unusual low payments with return and estimated tax in last April. As a result, individual income tax revenue reported an 11.4% or \$96.4 million increase in the first ten months of fiscal year 2003-2004 to \$942.0 million.

STATE GENERAL FUND

Total tax collections deposited into the state general fund was \$300.7 million in April, up 29.2% from \$232.7 million in the previous April. With this increase, cumulative general fund deposits for the first ten months of fiscal year 2003-2004 amounted to \$2,800.4 million, which was 7.7% or \$199.4 million more than the amount deposited during the corresponding period of the previous year. For the full fiscal year, the Council on Revenues has projected an increase of 5.2%.

