



MONTHLY REVENUE REPORT

Office of Economic & Demographic Research

Volume 40, Number 10
April 2020

Revised General Revenue Collections for April 2020 (Sales Tax Data Reported is Unaudited)

Near the end of Florida's 2020 Regular Session, the World Health Organization declared a Global Pandemic (March 11, 2020). The presence of Coronavirus in Florida presented its most serious threat to the sales tax forecast, especially to those taxes collected from tourists. In addition, critical supply chains were already interrupted by the impact to other countries and retail sales displaced as a result of social distancing and crowd-avoidance behaviors. The effects on state revenues made their first real appearance in the April Collection Report.

For this month, Sales Tax collections reflect activity that occurred in March (a lagged effect), all of which was affected but to an increasing extent as the month progressed—as well as voluntary changes to submitted estimated payments in the reported month (a real-time measure). As referred to here, changes to estimated payments have more to do with payment behavior between months than the underlying economic loss. With respect to General Revenue, Sales Tax collections were down \$598.2 million or 24.1 percent of the estimate. A large part of this loss is attributed to declines in tourism and hospitality-related industries, as well as auto sales.

In addition, two other revenue sources were affected by closures or induced limitations on activity:

- Parimutuel Taxes...under by \$2.2 million
- Article V Fees and Transfers...under by \$1.1 million

May collections will also be affected in these revenue areas.

Conversely, three revenue sources coming in below estimate in April were materially affected by formal state orders delaying payment of the taxes or fees until June or later:

- Corporate Income Tax...under by \$246.0 million
- Highway Safety Fees...under by \$20.2 million
- Corporate Filing Fees...under by \$56.9 million

Generating a loss of \$323.1 million or 36.8 percent of the total loss for the month, some or all of these declines in April and May are expected to be at least partially recaptured in June.

As the last grouping in the loss category, five revenue sources coming in below the estimate experienced only normal timing delays or other administrative issues:

- Insurance Taxes...under by \$9.9 million
- County Medicaid Share...under by \$1.3 million
- Other Nonoperating Revenues...under by \$4.1 million
- Other Taxes, Licenses and Fees...under by \$0.5 million
- Service Charges...under by \$15.7 million

Since these sources were largely unaffected by the Coronavirus, the underlying causes are expected to clear in future months. The collective revenue loss attributed to April is \$31.5 million.

Six revenue sources came in over the estimate for the month and appeared to be at least initially unaffected by the negative effects of the Coronavirus outbreak:

- Documentary Stamp Tax...over by \$1.3 million
- Intangibles Taxes...over by \$13.3 million
- Beverage Taxes...over by \$6.3 million
- Tobacco Tax...over by \$0.6 million
- Severance Taxes...over by \$0.4 million
- Earnings on Investments...over by \$19.0 million

Together, these sources generated a total gain of \$40.9 million for the month; however, some of these sources are expected to experience losses in the coming months as lagged economic effects begin to appear.

After adjusting for refunds, April experienced an overall combined revenue loss of \$878.1 million from the estimate.

The figures in the table below show the variance from monthly estimates that are based on the results of the estimating conference held January 15, 2020. Note that the listing of sources below has been rearranged to reflect each source's overall importance to GR.

Month	January	February	March	April	May	June
Monthly Overage (millions)	64.5	63.4	61.3	-878.1		
Year to Date Overage (millions - cumulative)	77.6	141.1	202.4	-675.7		
Percent of Monthly Estimate Collected	102.2%	102.5%	102.4%	70.6%		
Percent of Total Year Estimate Collected	57.5%	65.2%	73.1%	79.5%		



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APRIL 2020 GENERAL REVENUE COLLECTIONS (\$ MILLIONS) BASED ON THE JANUARY 2020 REVENUE ESTIMATING CONFERENCE								
	MONTH			FISCAL YEAR TO DATE				
	ACTUAL CURRENT MONTH	ESTIMATE CURRENT MONTH	OVER/ UNDER ESTIMATE	ACTUAL CURRENT YEAR	ESTIMATE CURRENT YEAR	OVER/ UNDER ESTIMATE	PRIOR YEAR ACTUAL	PERCENT INCREASE/ DECREASE
SALES TAX COLLECTIONS	1,886.2	2,484.4	(598.2)	21,273.6	21,844.5	(570.9)	21,078.6	0.9%
CORPORATE INCOME TAX	216.1	462.1	(246.0)	1,898.9	2,114.4	(215.5)	2,252.8	-15.7%
DOCUMENTARY STAMP TAX	77.5	76.2	1.3	838.6	805.2	33.4	747.2	12.2%
INSURANCE TAXES	181.1	191.0	(9.9)	599.7	604.3	(4.6)	534.9	12.1%
HIGHWAY SAFETY FEES	22.4	42.5	(20.2)	368.7	383.2	(14.5)	435.7	-15.4%
SERVICE CHARGES	46.5	62.2	(15.7)	408.4	417.5	(9.2)	414.9	-1.6%
CORPORATE FILING FEES	35.4	92.3	(56.9)	276.4	322.3	(45.9)	304.0	-9.1%
INTANGIBLES TAXES	44.1	30.8	13.3	408.1	368.4	39.7	316.1	29.1%
COUNTIES' MEDICAID SHARE	23.9	25.2	(1.3)	251.2	251.6	(0.4)	243.6	3.1%
BEVERAGE TAXES	34.4	28.1	6.3	233.3	222.9	10.4	223.5	4.4%
EARNINGS ON INVESTMENTS	37.2	18.2	19.0	325.5	260.1	65.3	167.6	94.2%
TOBACCO TAX	15.7	15.1	0.6	129.5	128.9	0.6	137.1	-5.5%
OTHER NONOPERATING REVENUES	12.5	16.6	(4.1)	151.8	141.4	10.4	187.5	-19.0%
ARTICLE V FEES AND TRANSFERS	8.7	9.8	(1.1)	96.4	97.1	(0.7)	114.8	-16.0%
OTHER TAXES LICENSES AND FEES	2.5	3.0	(0.5)	31.9	32.0	(0.1)	32.5	-2.1%
PARIMUTUEL TAXES	0.3	2.5	(2.2)	14.8	18.3	(3.6)	17.1	-14.0%
SEVERANCE TAXES	1.7	1.3	0.4	8.3	7.4	0.9	9.8	-15.0%
INDIAN GAMING	0.0	0.0	0.0	0.0	0.0	0.0	247.7	-100.0%
TOTAL REVENUE	2,646.2	3,561.3	(915.1)	27,315.0	28,019.6	(704.6)	27,465.4	-0.5%
LESS REFUNDS	540.0	577.0	(37.0)	888.5	917.4	(28.9)	322.8	175.2%
NET REVENUE	2,106.2	2,984.3	(878.1)	26,426.4	27,102.2	(675.7)	27,142.5	-2.6%