



# The Monthly Report

From the Senate Appropriations Committee

Gibson E. Armstrong, Chairman

September 2007

## SENATE APPROPRIATIONS COMMITTEE STAFF 787-6535

**Christopher Latta**  
Chief of Staff

**Thomas W. Starke**  
Executive Director

**Gregory K. Jordan**  
Assistant Executive Director  
*Fiscal Notes, Capital Budget,  
Pension/Retirement Issues*

### Budget Analysts and Assignments

**Mary Hisrich**  
*Aging, Health, Insurance, Public Welfare, State*

**Tom Horan**  
*Treasury, Community & Economic Development,  
Revenue, Revenue Projections/Tax Matters,  
Lottery, Local Government, Consumer Advocate,  
Public Utility Commission,  
Securities Commission,  
State Gaming Control Board*

**Russ Miller**  
*Agriculture, Education, General Services,  
Libraries, Liquor Control Board,  
Milk Marketing Board, PHEAA,  
Public Television Network,  
State Tax Equalization Board*

**Lori Taylor**  
*Attorney General, Auditor General,  
Conservation & Natural Resources,  
Emergency Management Agency,  
Environmental Protection, Ethics Commission,  
Fish Commission, Game Commission,  
Housing Finance Agency, Labor & Industry,  
PennVEST, Legislature including:  
Health Care Cost Containment Council*

**Bill Witmer**  
*Governor's Office,  
Executive Offices including:  
Human Relations Commission  
PA Council on the Arts  
PA Commission on Crime & Delinquency  
Banking, Civil Service Commission,  
Corrections, Historical & Museum Commission,  
Judiciary, Military & Veterans Affairs,  
Probation & Parole, State Police, Transportation*

## Tax Receipts Continue Above Projections

Collections of General Fund taxes for the first two months of fiscal year 2007-08 are \$17.4 million, or 0.5 percent, ahead of anticipated amounts. To date, \$3.464 billion has been collected as tax revenue in this fiscal year. This amount represents a 4.1 percent increase over the prior fiscal year's tax receipts for the same time period.

Both corporate and personal income taxes are slightly behind anticipated amounts for the month and the year. In a turnaround from last year, both inheritance and realty transfer tax receipts are ahead of estimates.

However, with only two months of collections in hand, it is still a little early to forecast any kind of realistic estimate of a year end deficits or surplus. Also, with a General Fund budget of \$27.1 billion, the Commonwealth is spending approximately \$105 million per day during this fiscal year.

The following information has been provided by the Department of Revenue to provide a more detailed analysis of tax collections for August.

Sales tax receipts totaled \$693.7 million for August, which was \$11.4 million above estimate. Sales tax collections, year-to-date, total \$1.5 bil-

lion, which is \$11.5 million above estimate, or 0.8 percent, more than anticipated.

Personal Income Tax (PIT) revenue in August was \$651.4 million, which was \$16.9 million below estimate. This brings year-to-date PIT collections to \$1.3 billion, which is \$16.8 million, or 1.3 percent, below estimate.

August corporation tax revenue of \$62.3 million was \$2.6 million below estimate. Year-to-date corporation tax collections total \$160.2 million, which is \$0.9 million, or 0.6 percent, below estimate.

Other General Fund revenue figures for the month included \$73.0 million in inheritance tax, which was \$8.3 million above estimate, bringing the year-to-date total to \$151.7 million, which is \$8.3 million above estimate.

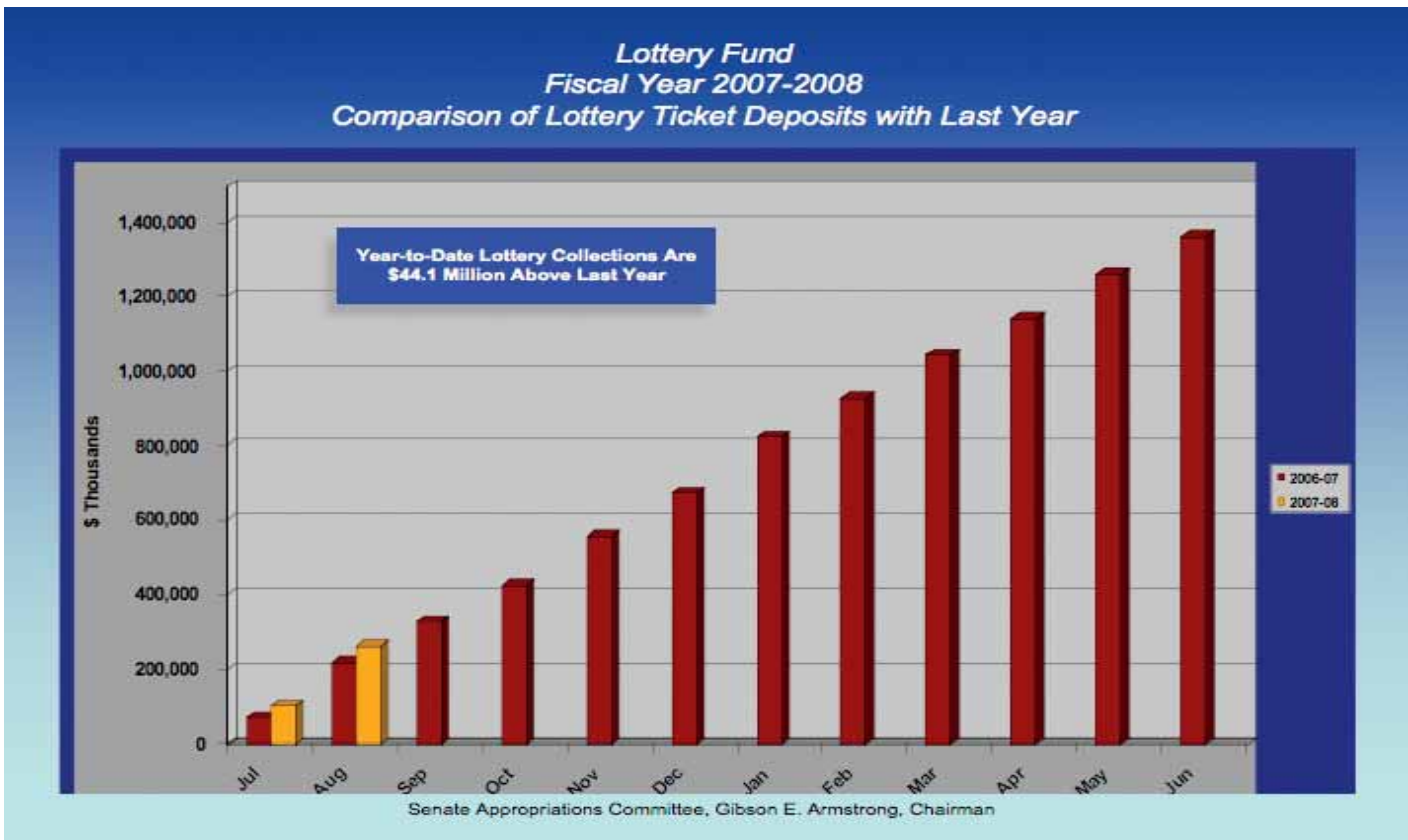
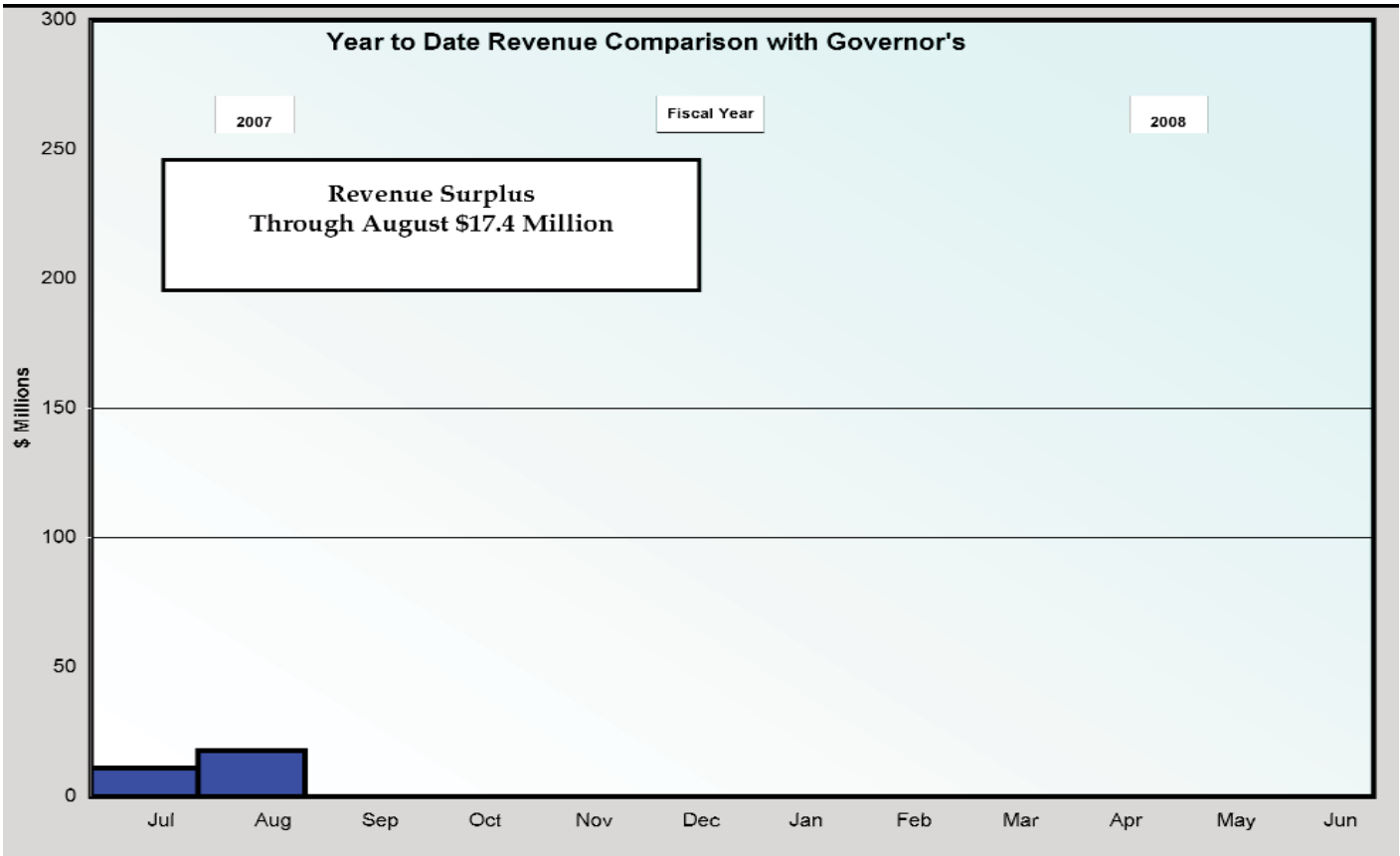
Realty transfer tax was \$53.1 million for August, bringing the total to \$107.0 million for the year, which is \$13.2 million more than anticipated.

Other General Fund revenue including the cigarette, malt beverage and liquor tax totaled \$119.6 million for the month, \$6.9 million below estimate, bringing the year-to-date total to \$243.8 million, which is \$2.2 million above estimate.

*This newsletter is available on the Senate  
Republican Caucus website at:*

**[pasenategop.com](http://pasenategop.com)**



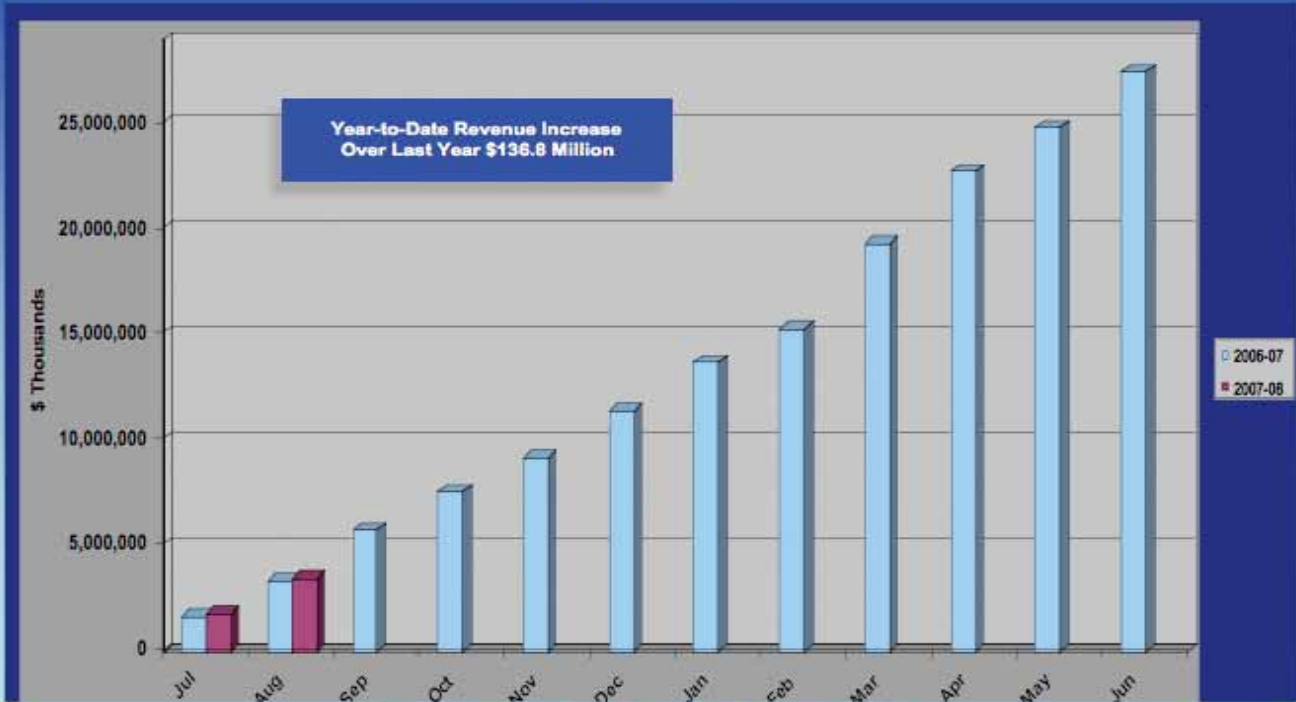


## Appropriations Committee Monthly Revenue Report

### Appropriations Committee Monthly Revenue Report

Friday, August 31, 2007	Revenue 2006-07	(Dollars in Thousands)					
		For the month of August			For the year through August		
		thru August	Official Revenue	Surplus Estimate (Deficit)	Revenue	Official Estimate	Surplus (Deficit)
<b>Account:</b>							
<b>CORPORATE TAXES:</b>							
Clearing Account	\$320	(\$3,767)	\$0	(\$3,767)	\$8,342	\$0	\$8,342
Corp. Net Income	\$88,459	\$41,393	\$43,600	(\$2,207)	\$89,298	\$94,700	(\$5,402)
Cap. Stock & Franchise	\$59,279	\$22,177	\$18,300	\$3,877	\$59,940	\$62,200	(\$2,260)
Gross Receipts	\$1,301	\$222	\$1,100	(\$878)	\$366	\$1,400	(\$1,034)
PURTA	\$305	\$1,086	\$100	\$986	\$1,196	\$200	\$996
Insurance Premiums	\$1,521	\$394	\$800	(\$406)	\$646	\$1,100	(\$454)
Financial Institutions	\$1,170	\$318	\$800	(\$482)	\$461	\$1,000	(\$539)
Other Selective Bus. Taxes	\$443	\$373	\$200	\$173	\$610	\$500	\$110
<b>CORPORATE TAX TOTAL</b>	<b>\$152,158</b>	<b>\$62,196</b>	<b>\$64,900</b>	<b>(\$2,704)</b>	<b>\$160,861</b>	<b>\$161,100</b>	<b>(\$239)</b>
<b>CONSUMPTION TAXES:</b>							
Sales, Use & Occupation Tax	\$1,474,505	\$693,709	\$682,300	\$11,409	\$1,501,357	\$1,489,900	\$11,457
-Motor Vehicle Sales	\$212,795	\$123,402	\$111,400	\$12,002	\$232,313	\$220,300	\$12,013
-General (net of transfers)	\$1,261,740	\$570,307	\$570,900	(\$593)	\$1,269,044	\$1,269,600	(\$556)
Cigarette Tax	\$116,281	\$75,161	\$70,000	\$5,161	\$121,480	\$116,300	\$5,180
Malt Beverage Tax	\$4,572	\$2,515	\$2,300	\$215	\$5,057	\$4,800	\$257
Liquor Tax	\$33,134	\$17,309	\$17,600	(\$291)	\$35,159	\$35,400	(\$241)
<b>CONSUMPTION TAX TOTAL</b>	<b>\$1,628,492</b>	<b>\$788,693</b>	<b>\$772,200</b>	<b>\$16,493</b>	<b>\$1,663,053</b>	<b>\$1,646,400</b>	<b>\$16,653</b>
<b>OTHER TAXES:</b>							
Personal Income Tax	\$1,272,133	\$651,417	\$668,300	(\$16,883)	\$1,300,011	\$1,316,800	(\$16,789)
-Withheld PIT	\$1,199,995	\$617,944	\$631,300	(\$13,356)	\$1,220,320	\$1,233,600	(\$13,280)
-Quarterly & Annual PIT	\$72,138	\$33,472	\$37,000	(\$3,528)	\$79,692	\$83,200	(\$3,508)
Realty Transfer Tax	\$111,995	\$53,075	\$39,900	\$13,175	\$106,976	\$93,800	\$13,176
Inheritance & Estate Tax	\$121,527	\$72,953	\$64,700	\$8,253	\$151,689	\$143,400	\$8,289
Minor & Repealed	\$151	\$140	\$200	(\$60)	\$202	\$200	\$2
<b>OTHER TAXES TOTAL</b>	<b>\$1,505,806</b>	<b>\$777,584</b>	<b>\$773,100</b>	<b>\$4,484</b>	<b>\$1,558,878</b>	<b>\$1,554,200</b>	<b>\$4,678</b>
<b>GENERAL FUND TAXES</b>	<b>\$3,286,456</b>	<b>\$1,628,472</b>	<b>\$1,610,200</b>	<b>\$18,272</b>	<b>\$3,382,792</b>	<b>\$3,361,700</b>	<b>\$21,092</b>
<b>NON-TAX REVENUES</b>	<b>\$40,731</b>	<b>\$24,583</b>	<b>\$36,400</b>	<b>(\$11,817)</b>	<b>\$81,242</b>	<b>\$84,900</b>	<b>(\$3,658)</b>
<b>GENERAL FUND</b>	<b>\$3,327,187</b>	<b>\$1,653,055</b>	<b>\$1,646,600</b>	<b>\$6,455</b>	<b>\$3,464,035</b>	<b>\$3,446,600</b>	<b>\$17,435</b>
<b>MOTOR LICENSE FUND:</b>							
Liquid Fuels Tax	\$226,126	\$45,259	\$49,020	(\$3,761)	\$103,748	\$107,510	(\$3,762)
Fuels Use Tax	\$14,508	\$14,295	\$14,970	(\$675)	\$27,279	\$27,950	(\$671)
Motor Carriers Road Tax	\$3,585	\$954	\$3,660	(\$2,706)	\$2,536	\$5,260	(\$2,724)
Alternate Fuels	\$34	\$20	\$40	(\$20)	\$34	\$50	(\$16)
Clearing Account	\$0	\$2,323	\$0	\$2,323	\$112	\$0	\$112
Gross Receipts Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Oil Company Franchise Tax	\$44,000	\$40,760	\$40,350	\$410	\$77,686	\$77,270	\$416
Licenses and Fees	\$133,177	\$68,930	\$79,220	(\$10,290)	\$135,895	\$146,180	(\$10,285)
Vehicle Code Fines	\$7,938	\$3,873	\$4,080	(\$207)	\$7,861	\$8,050	(\$189)
Miscellaneous	\$15,785	\$8,562	\$8,870	(\$308)	\$20,534	\$20,840	(\$306)
<b>MOTOR FUND</b>	<b>\$445,153</b>	<b>\$184,975</b>	<b>\$200,210</b>	<b>(\$15,235)</b>	<b>\$375,685</b>	<b>\$393,110</b>	<b>(\$17,425)</b>

General Fund Tax Collections  
Fiscal Year 2007-2008  
Revenue Comparison with Last Year



Senate Appropriations Committee, Gibson E. Armstrong, Chairman

General Fund Tax Collections  
Fiscal Year 2007-2008  
Comparison of Official Estimate with Actual Revenue by Month



Senate Appropriations Committee, Gibson E. Armstrong, Chairman