



**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
STATE CAPITOL
NASHVILLE, TENNESSEE 37243-0285**

**DAVE GOETZ
COMMISSIONER**

FOR IMMEDIATE RELEASE
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OCTOBER REVENUES

NASHVILLE – State revenue collections for October were \$732.8 million, which is 4.95% above collections for the same month last year, and marks the third consecutive positive growth month for sales tax collections since the state’s fiscal year began.

“On a percentage basis, October represents the highest sales tax growth in any month since April 2007,” Finance and Administration Commissioner Dave Goetz said. “We’re still a long way from meeting the collections we experienced in 2008, so the state must continue to be diligent in monitoring expenditures in order to leave the next governor with a balanced budget.”

On an accrual basis, October is the third month in the 2010-2011 fiscal year.

October collections were \$24.4 million more than the budgeted estimate. The general fund was over collected by \$28.6 million and the four other funds were under collected by \$4.2 million.

Sales tax collections were \$24.1 million more than the estimate for October. The October growth rate was 6.38 %. Year-to-date the growth rate is 3.93%.

Franchise and excise combined collections for October were \$9.4 million, and they were \$900,000 below the budgeted estimate of \$10.3 million.

Gasoline and motor fuel collections decreased by 5.02% and they were \$2.9 million below the budgeted estimate of \$73.1 million.

Tobacco tax collections for the month were over collected by \$300,000, and they were 0.54% over October 2009 collections.

Privilege tax collections were \$400,000 less than the budgeted estimate of \$20.1 million.

Inheritance and Estate taxes were over collected by \$5.4 million for the month.

All other taxes were under collected by a net of \$1.2 million.

Year-to date collections for three months were \$59.9 million more than the budgeted estimate. The general fund was over collected by \$46.3 million and the four other funds were over collected by \$13.6 million.

The budgeted revenue estimates for 2010-2011 are based on the State Funding Board’s consensus recommendation of April 7, 2010 and adopted by the second session of the 106th General Assembly in June. They are available on the state’s website at <http://www.tn.gov/finance/bud/budget.html>.

**REVENUE COLLECTIONS
OCTOBER, 2010, AND 3 MONTHS YEAR-TO-DATE**

October Collections:

	Budgeted Accrual Estimate	Actual	Difference
	<u> </u>	<u> </u>	<u> </u>
General Fund	\$556,559,000	\$585,133,000	\$28,574,000
Highway Fund	55,613,000	51,648,000	(3,965,000)
Sinking Fund	30,715,000	30,899,000	184,000
City & County Fund	63,528,000	63,085,000	(443,000)
Earmarked Fund	<u>2,050,000</u>	<u>2,050,000</u>	<u>0</u>
Total	\$708,465,000	\$732,815,000	\$24,350,000

Year-To-Date Collections:

	Budgeted Accrual Estimate	Actual	Difference
	<u> </u>	<u> </u>	<u> </u>
General Fund	\$1,954,865,000	\$2,001,190,000	\$46,325,000
Highway Fund	165,243,000	164,499,000	(744,000)
Sinking Fund	92,246,000	92,509,000	263,000
City & County Fund	181,126,000	195,225,000	14,099,000
Earmarked Fund	<u>6,149,000</u>	<u>6,150,000</u>	<u>1,000</u>
Total	\$2,399,629,000	\$2,459,573,000	\$59,944,000

Table 1
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	October			
	2009	2010	Change	Percent
Franchise & Excise	\$11,940,000	\$9,368,000	(\$2,572,000)	-21.54%
Income	2,578,000	2,572,000	(6,000)	-0.23%
Inheritance & Estate	4,994,000	12,098,000	7,104,000	142.25%
Gasoline	53,543,000	49,960,000	(3,583,000)	-6.69%
Petroleum Special	5,389,000	5,217,000	(172,000)	-3.19%
Tobacco	25,148,000	25,283,000	135,000	0.54%
Beer	1,586,000	1,473,000	(113,000)	-7.12%
Motor Vehicle Registration	17,737,000	17,946,000	209,000	1.18%
Motor Vehicle Title	858,000	879,000	21,000	2.45%
Mixed Drink	4,227,000	4,460,000	233,000	5.51%
Business	2,143,000	2,317,000	174,000	8.12%
Privilege	18,519,000	19,740,000	1,221,000	6.59%
Gross Receipts	201,000	48,000	(153,000)	-76.12%
TVA - In Lieu of Tax Payments	26,498,000	26,095,000	(403,000)	-1.52%
Alcoholic Beverage	3,114,000	3,342,000	228,000	7.32%
Sales and Use	504,732,000	536,923,000	32,191,000	6.38%
Motor Vehicle Fuel	14,980,000	15,025,000	45,000	0.30%
Severance	202,000	260,000	58,000	28.71%
Coin-operated Amusement	3,000	3,000	0	0.00%
Unauthorized Substance	(143,000)	(194,000)	(51,000)	NA
Total	\$698,249,000	\$732,815,000	\$34,566,000	4.95%

Table 2
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	August - October			
	2009-2010	2010-2011	Change	Percent
Franchise & Excise	\$277,028,000	\$290,393,000	\$13,365,000	4.82%
Income	4,836,000	5,175,000	339,000	7.01%
Inheritance & Estate	15,278,000	27,153,000	11,875,000	77.73%
Gasoline	159,901,000	162,991,000	3,090,000	1.93%
Petroleum Special	16,139,000	16,278,000	139,000	0.86%
Tobacco	78,487,000	74,965,000	(3,522,000)	-4.49%
Beer	4,583,000	4,569,000	(14,000)	-0.31%
Motor Vehicle Registration	56,406,000	56,935,000	529,000	0.94%
Motor Vehicle Title	2,658,000	2,761,000	103,000	3.88%
Mixed Drink	12,983,000	13,536,000	553,000	4.26%
Business	6,475,000	27,337,000	20,862,000	322.19%
Privilege	48,216,000	47,200,000	(1,016,000)	-2.11%
Gross Receipts	13,278,000	9,285,000	(3,993,000)	-30.07%
TVA - In Lieu of Tax Payments	79,426,000	86,269,000	6,843,000	8.62%
Alcoholic Beverage	10,120,000	10,520,000	400,000	3.95%
Sales and Use	1,524,513,000	1,584,361,000	59,848,000	3.93%
Motor Vehicle Fuel	36,215,000	39,313,000	3,098,000	8.55%
Severance	641,000	660,000	19,000	2.96%
Coin-operated Amusement	36,000	82,000	46,000	127.78%
Unauthorized Substance	(1,160,000)	(210,000)	950,000	NA
Total	\$2,346,059,000	\$2,459,573,000	\$113,514,000	4.84%

Table 3
August - October Revenue Overcollections/(Undercollections)
Budgeted Estimate

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Sales Tax	\$ 36,400,000	\$ (1,100,000)	\$ 35,300,000
Income Tax	(100,000)	0	(100,000)
Inheritance Tax	8,600,000	0	8,600,000
Privilege Tax	(7,700,000)	0	(7,700,000)
Business Tax	(9,900,000)	0	(9,900,000)
TVA	13,300,000	10,200,000	23,500,000
Gross Receipts	(4,200,000)	0	(4,200,000)
Gasoline & Motor Fuel Taxes	200,000	5,400,000	5,600,000
Motor Vehicle Registration	(200,000)	(600,000)	(800,000)
Other Taxes	<u>(100,000)</u>	<u>(300,000)</u>	<u>(400,000)</u>
Tobacco	800,000	0	800,000
Beer	(200,000)	(100,000)	(300,000)
Motor Vehicle Title	0	0	0
Mixed Drink	(200,000)	(100,000)	(300,000)
Alcoholic Beverage	(200,000)	(100,000)	(300,000)
Severance	100,000	0	100,000
Coin Operated Amusement	0	0	0
Unauthorized Substance	(400,000)	0	(400,000)
Sub-Total	<u>\$ 36,300,000</u>	<u>\$ 13,600,000</u>	<u>\$ 49,900,000</u>
F & E Taxes	<u>10,000,000</u>	<u>0</u>	<u>10,000,000</u>
Total	<u>\$ 46,300,000</u>	<u>\$ 13,600,000</u>	<u>\$ 59,900,000</u>