



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

**MIKE MORROW  
COMMISSIONER**

FOR IMMEDIATE RELEASE  
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**DECEMBER REVENUES**

NASHVILLE – State tax collections exceeded budgeted estimates in December for the fourth consecutive month of this fiscal year. Finance and Administration Commissioner Mike Morrow today announced that state revenue collections for December were \$828.6 million, which is \$33.6 million more than the state budgeted. December sales tax collections reflect retail sales activity that occurred in November.

“The positive growth occurring in sales tax and corporate tax collections is particularly encouraging, and gives us reason to believe Tennessee’s economy is on track to recover from the worst recession on record,” Morrow said. “It is especially pleasing to this administration knowing we are leaving a budget in balance, and a year-to-date revenue surplus available for the next governor and general assembly.”

On an accrual basis, December is the fifth month in the 2010-2011 fiscal year.

The general fund was over collected by \$34.1 million and the four other funds were under collected by \$563,000.

Sales tax collections were \$6.3 million more than the estimate for December. The December growth rate was 2.53%. For five months revenues are over collected by \$56.5 million, and the year-to-date growth rate is 3.75%.

Franchise and excise taxes combined were \$30.5 million above the budgeted estimate of \$121.0 million. For five months revenues are over collected by \$37.7 million.

Gasoline and motor fuel collections for December increased by 0.97% and they were \$2.0 million below the budgeted estimate of \$65.0 million. For five months revenues are over collected by \$10.9 million.

Tobacco tax collections were \$3.2 million above the budgeted estimate of \$23.5 million, and for five months they are \$1.5 million above the budgeted estimate.

Inheritance and estate taxes were over collected by \$1.6 million for the month. For five months collections are \$11.1 million above the budgeted estimate.

All other taxes were under collected by a net of \$6.0 million.

Year-to-date collections for five months were \$98.9 million more than the budgeted estimate. The general fund was over collected by \$78.4 million and the four other funds were over collected by \$20.5 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 106<sup>th</sup> General Assembly in June. They are available on the state’s website at <http://www.tn.gov/finance/bud/budget.html>.

**REVENUE COLLECTIONS  
DECEMBER, 2010, AND 5 MONTHS YEAR-TO-DATE**

**December Collections:**

	<b>Budgeted Accrual Estimate</b>	<b>Actual</b>	<b>Difference</b>
	<hr/>	<hr/>	<hr/>
General Fund	\$654,626,000	\$688,744,000	\$34,118,000
Highway Fund	47,765,000	46,814,000	(951,000)
Sinking Fund	30,558,000	30,606,000	48,000
City & County Fund	60,028,000	60,368,000	340,000
Earmarked Fund	2,050,000	2,050,000	0
<b>Total</b>	<hr/> <b>\$795,027,000</b>	<hr/> <b>\$828,582,000</b>	<hr/> <b>\$33,555,000</b>

**Year-To-Date Collections:**

	<b>Budgeted Accrual Estimate</b>	<b>Actual</b>	<b>Difference</b>
	<hr/>	<hr/>	<hr/>
General Fund	\$3,190,230,000	\$3,268,601,000	\$78,371,000
Highway Fund	265,484,000	267,423,000	1,939,000
Sinking Fund	153,391,000	153,833,000	442,000
City & County Fund	301,972,000	320,097,000	18,125,000
Earmarked Fund	10,251,000	10,249,000	(2,000)
<b>Total</b>	<hr/> <b>\$3,921,328,000</b>	<hr/> <b>\$4,020,203,000</b>	<hr/> <b>\$98,875,000</b>

**Table 1**  
**Tennessee Department of Revenue**  
**Comparative Statement of Collected Revenues**

Class of Tax	December			
	2009	2010	Change	Percent
Franchise & Excise	\$114,280,000	\$151,509,000	\$37,229,000	32.58%
Income	2,371,000	5,147,000	2,776,000	117.08%
Inheritance & Estate	9,913,000	9,270,000	(643,000)	-6.49%
Gasoline	47,862,000	48,550,000	688,000	1.44%
Petroleum Special	4,904,000	5,059,000	155,000	3.16%
Tobacco	20,069,000	26,788,000	6,719,000	33.48%
Beer	1,240,000	1,264,000	24,000	1.94%
Motor Vehicle Registration	15,568,000	15,259,000	(309,000)	-1.98%
Motor Vehicle Title	777,000	758,000	(19,000)	-2.45%
Mixed Drink	4,282,000	4,314,000	32,000	0.75%
Business	1,311,000	4,297,000	2,986,000	227.77%
Privilege	13,704,000	14,248,000	544,000	3.97%
Gross Receipts	(24,000)	(52,000)	(28,000)	-116.67%
TVA - In Lieu of Tax Payments	26,498,000	26,095,000	(403,000)	-1.52%
Alcoholic Beverage	4,047,000	4,012,000	(35,000)	-0.86%
Sales and Use	490,100,000	502,478,000	12,378,000	2.53%
Motor Vehicle Fuel	9,651,000	9,414,000	(237,000)	-2.46%
Severance	178,000	274,000	96,000	53.93%
Coin-operated Amusement	5,000	6,000	1,000	20.00%
Unauthorized Substance	(57,000)	(108,000)	(51,000)	-89.47%
<b>Total</b>	<b>\$766,679,000</b>	<b>\$828,582,000</b>	<b>\$61,903,000</b>	<b>8.07%</b>

**Table 2**  
**Tennessee Department of Revenue**  
**Comparative Statement of Collected Revenues**

Class of Tax	August - December			
	2009-2010	2010-2011	Change	Percent
Franchise & Excise	\$433,643,000	\$479,590,000	\$45,947,000	10.60%
Income	7,508,000	11,082,000	3,574,000	47.60%
Inheritance & Estate	30,467,000	42,386,000	11,919,000	39.12%
Gasoline	256,426,000	267,397,000	10,971,000	4.28%
Petroleum Special	26,185,000	26,981,000	796,000	3.04%
Tobacco	126,321,000	125,609,000	(712,000)	-0.56%
Beer	7,062,000	7,173,000	111,000	1.57%
Motor Vehicle Registration	88,156,000	88,849,000	693,000	0.79%
Motor Vehicle Title	4,187,000	4,347,000	160,000	3.82%
Mixed Drink	22,283,000	22,686,000	403,000	1.81%
Business	9,185,000	35,420,000	26,235,000	285.63%
Privilege	77,766,000	75,260,000	(2,506,000)	-3.22%
Gross Receipts	13,545,000	9,277,000	(4,268,000)	-31.51%
TVA - In Lieu of Tax Payments	132,422,000	138,459,000	6,037,000	4.56%
Alcoholic Beverage	18,469,000	18,620,000	151,000	0.82%
Sales and Use	2,508,258,000	2,602,244,000	93,986,000	3.75%
Motor Vehicle Fuel	59,270,000	63,962,000	4,692,000	7.92%
Severance	986,000	1,132,000	146,000	14.81%
Coin-operated Amusement	44,000	88,000	44,000	100.00%
Unauthorized Substance	(1,272,000)	(359,000)	913,000	NA
<b>Total</b>	<b>\$3,820,911,000</b>	<b>\$4,020,203,000</b>	<b>\$199,292,000</b>	<b>5.22%</b>

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

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Sales Tax	\$ 57,300,000	\$ (800,000)	\$ 56,500,000
Income Tax	1,900,000	1,000,000	2,900,000
Inheritance Tax	11,100,000	0	11,100,000
Privilege Tax	(10,200,000)	0	(10,200,000)
Business Tax	(28,900,000)	0	(28,900,000)
TVA	13,100,000	10,100,000	23,200,000
Gross Receipts	(4,200,000)	0	(4,200,000)
Gasoline & Motor Fuel Taxes	500,000	10,400,000	10,900,000
Motor Vehicle Registration	(300,000)	(200,000)	(500,000)
Other Taxes	400,000	0	400,000
Tobacco	1,500,000	0	1,500,000
Beer	(300,000)	(200,000)	(500,000)
Motor Vehicle Title	0	0	0
Mixed Drink	100,000	100,000	200,000
Alcoholic Beverage	(400,000)	0	(400,000)
Severance	100,000	100,000	200,000
Coin Operated Amusement	0	0	0
Unauthorized Substance	(600,000)	0	(600,000)
<b>Sub-Total</b>	<b>\$ 40,700,000</b>	<b>\$ 20,500,000</b>	<b>\$ 61,200,000</b>
F & ETaxes	37,700,000	0	37,700,000
<b>Total</b>	<b>\$ 78,400,000</b>	<b>\$ 20,500,000</b>	<b>\$ 98,900,000</b>