



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

**LARRY B. MARTIN  
COMMISSIONER**

FOR IMMEDIATE RELEASE  
MONDAY, SEPTEMBER 14, 2015

CONTACT: DAVID THURMAN  
615-741-4806

**AUGUST REVENUES**

NASHVILLE – Tennessee revenue collections exceeded budgeted estimates for the first month of the state’s fiscal year. Finance and Administration Commissioner Larry Martin today reported that overall August revenues were \$898.4 million, which is \$28.5 million above August 2014 collections. The growth rate for August was 3.27%.

“Sales tax collections reflecting July’s consumer activity grew 8.26% over the same time period one year ago, while corporate tax collections fell short of budgeted estimates by \$26.6 million,” Martin said. “The shortfall in corporate taxes can be attributed mostly to refunds of pre-paid taxes. All other taxes, taken as a group, had a negative growth of 0.38% but were \$6.0 million above the budgeted estimate for August.

“While we are encouraged by the August revenue numbers, we do have some concerns about global economic uncertainty, and what effect we might see in Tennessee from further decline in the European and Asian markets. It’s important for us to maintain close controls on state spending and to carefully monitor our revenue trends.”

On an accrual basis, August is the first month in the 2015-2016 fiscal year.

August collections were \$19.1 million more than the budgeted estimate. The general fund was over collected by \$10.6 million and the four other funds that share in state tax collections were over collected by \$8.5 million.

Sales tax collections were \$39.7 million more than the estimate for August. The August growth rate was positive 8.26%.

Franchise and excise taxes combined were \$26.6 million below the budgeted estimate of \$38.4 million, and the growth rate was negative 65.78%. Typically, August is a very small collection month for F&E taxes.

Gasoline and motor fuel collections increased by 5.95% from August of 2014, and were \$4.3 million above the budgeted estimate of \$70.3 million.

Inheritance tax collections were \$0.2 million below the budgeted estimate.

Privilege tax collections were \$4.2 million more than the budgeted estimate of \$21.1 million

Business tax collections were \$1.0 million below the August estimate.

Tobacco tax collections for the month were under collected by \$0.1 million.

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

The budgeted revenue estimates for 2015-2016 are based on the State Funding Board’s consensus recommendation of December 16, 2014 and adopted by the first session of the 109<sup>th</sup> General Assembly in April 2015. Also incorporated in the estimates are any changes in revenue enacted during the 2015 session of the General Assembly. These estimates are available on the state’s website at <http://www.tn.gov/finance/article/fa-budget-rev>.

**Table 1**  
**Revenue Collections by Fund**  
**August**  
**2015-2016**

Fund	2015				2014 Actual	2015	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
General Fund	\$690,986,000	\$680,398,000	\$10,588,000	1.56%	\$687,853,000	\$3,133,000	0.46%
Highway Fund	61,286,000	57,157,000	4,129,000	7.22%	57,610,000	3,676,000	6.38%
Sinking Fund	34,220,000	33,993,000	227,000	0.67%	31,213,000	3,007,000	9.63%
City & County Fund	108,353,000	104,166,000	4,187,000	4.02%	89,699,000	18,654,000	20.80%
Earmarked Fund	3,583,000	3,583,000	0	0.00%	3,584,000	(1,000)	-0.03%
<b>Total</b>	<b>\$898,428,000</b>	<b>\$879,297,000</b>	<b>\$19,131,000</b>	<b>2.18%</b>	<b>\$869,959,000</b>	<b>\$28,469,000</b>	<b>3.27%</b>

**Revenue Collections by Tax**  
**August**  
**2015-2016**

Tax Source	2015				2014 Actual	2015	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
Franchise & Excise	\$11,835,000	\$38,400,000	(\$26,565,000)	-69.18%	\$34,584,000	(\$22,749,000)	-65.78%
Income	1,950,000	1,254,000	696,000	55.50%	1,384,000	566,000	40.90%
Inheritance & Estate	4,011,000	4,164,000	(153,000)	-3.67%	9,111,000	(5,100,000)	-55.98%
Gasoline	56,507,000	52,904,000	3,603,000	6.81%	53,374,000	3,133,000	5.87%
Petroleum Special	5,691,000	5,504,000	187,000	3.40%	5,448,000	243,000	4.46%
Tobacco	21,542,000	21,649,000	(107,000)	-0.49%	23,118,000	(1,576,000)	-6.82%
Beer	1,660,000	1,502,000	158,000	10.52%	1,606,000	54,000	3.36%
Motor Vehicle Registration	22,572,000	20,568,000	2,004,000	9.74%	20,987,000	1,585,000	7.55%
Motor Vehicle Title	1,273,000	1,645,000	(372,000)	-22.61%	1,069,000	204,000	19.08%
Mixed Drink	7,616,000	6,794,000	822,000	12.10%	6,554,000	1,062,000	16.20%
Business	2,815,000	3,802,000	(987,000)	-25.96%	3,844,000	(1,029,000)	-26.77%
Privilege	25,230,000	21,062,000	4,168,000	19.79%	23,170,000	2,060,000	8.89%
Gross Receipts	8,300,000	12,965,000	(4,665,000)	-35.98%	12,854,000	(4,554,000)	-35.43%
TVA - In Lieu of Tax Payments	28,623,000	28,623,000	0	0.00%	27,076,000	1,547,000	5.71%
Alcoholic Beverage	4,455,000	4,213,000	242,000	5.74%	4,165,000	290,000	6.96%
Sales and Use	681,742,000	642,076,000	39,666,000	6.18%	629,734,000	52,008,000	8.26%
Motor Vehicle Fuel	12,446,000	11,891,000	555,000	4.67%	11,628,000	818,000	7.03%
Severance	140,000	250,000	(110,000)	-44.00%	223,000	(83,000)	-37.22%
Coin-operated Amusement	20,000	31,000	(11,000)	-35.48%	30,000	(10,000)	-33.33%
Unauthorized Substance	0	0	0	NA	0	0	NA
<b>Total</b>	<b>\$898,428,000</b>	<b>\$879,297,000</b>	<b>\$19,131,000</b>	<b>2.18%</b>	<b>\$869,959,000</b>	<b>\$28,469,000</b>	<b>3.27%</b>