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

MARK A. EMKES
COMMISSIONER

FOR IMMEDIATE RELEASE
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JANUARY REVENUES

NASHVILLE – Tennessee tax collections continued an overall upward trend in January, even though sales tax collections were worse than the previous year. January sales tax collections represent retail activity that occurred during December. Finance and Administration Commissioner Mark Emkes today announced that overall January revenues were $1.1 billion, which is $15.4 million more than the state budgeted. It's the sixth consecutive month of overall positive growth this fiscal year, with corporate tax collections, once again, contributing heavily to the upward trend.

"This marks the first month this year that we've recorded negative growth in sales tax collections," Emkes said. "We believe it's the result of an aggressive November holiday retail marketing strategy, and two additional days of after 'Black Friday' shopping, compared to November of 2011.

"Total collections in January seem to indicate that Tennessee continues to slowly recover from the recession, which is the national trend as well. It means we must continue to closely monitor spending and revenues, working with the General Assembly to end the fiscal year with a balanced budget."

On an accrual basis, January is the sixth month in the 2012-2013 fiscal year.

The general fund was over collected by $10.1 million and the four other funds were over collected by $5.3 million.

Sales tax collections were $15.1 million less than the estimate for January. The January growth rate was negative 0.30%. For six months revenues are under collected by $33.4 million. The year-to-date growth rate for six months was positive 1.94%.

Franchise and excise taxes combined were $22.1 million above the budgeted estimate of $172.1 million. For six months revenues are over collected by $113.5 million.

Gasoline and motor fuel collections for January increased by 0.18% and were $2.5 million above the budgeted estimate of $70.2 million. For six months revenues are under collected by $9.3 million.

Tobacco tax collections were $1.8 million below the budgeted estimate of $20.1 million, and for six months they are $8.5 million under the budgeted estimate.

Inheritance and estate taxes were over collected by $2.7 million for the month. Year to date collections for six months are $7.1 million more than the budgeted estimate.

Privilege tax collections were $2.8 million more than the January estimate, and on a year to date basis, August through January, collections are $13.6 million above the estimate.

All other taxes were over collected by a net of $2.2 million.

Year-to-date collections for six months were $89.0 million more than the budgeted estimate. The general fund was over collected by $94.2 million and the four other funds were under collected by $5.2 million.

The budgeted revenue estimates for 2012-2013 are based on the State Funding Board's consensus recommendation of December 19th, 2011 and adopted by the second session of the 107th General Assembly in April 2012. They are available on the state's website at http://www.tn.gov/finance/bud/budget.html.

The State Funding Board met on December 14, 2012 to hear updated revenue projections from the state's various economists. The board met again on December 19th and adopted revised revenue ranges for 2012-2013. The revised ranges assume an over collection from the July 2012 budgeted estimate in the amount of $203.0 million to $287.3 million in total taxes and in the amount of $224.2 million to $305.9 million in general fund taxes for the current fiscal year.

Table 1
Revenue Collections by Fund
January
2012-2013

	2013				2012	2013	
Fund	**Actual**	**Budgeted**	**B/(W)**	**Percent**	**Actual**	**B/(W)**	**Percent**
General Fund	$901,443,000	$891,339,000	$10,104,000	1.13%	$884,114,000	$17,329,000	1.96%
Highway Fund	60,766,000	56,239,000	4,527,000	8.05%	62,255,000	(1,489,000)	-2.39%
Sinking Fund	34,356,000	34,464,000	(108,000)	-0.31%	33,655,000	701,000	2.08%
City & County Fund	74,438,000	73,576,000	862,000	1.17%	74,123,000	315,000	0.42%
Earmarked Fund	2,900,000	2,900,000	0	0.00%	2,175,000	725,000	33.33%
Total	**$1,073,903,000**	**$1,058,518,000**	**$15,385,000**	**1.45%**	**$1,056,322,000**	**$17,581,000**	**1.66%**

Revenue Collections by Tax
January
2012-2013

	2013				2012	2013	
Tax Source	**Actual**	**Budgeted**	**B/(W)**	**Percent**	**Actual**	**B/(W)**	**Percent**
Franchise & Excise	$172,149,000	$150,000,000	$22,149,000	14.77%	$157,327,000	$14,822,000	9.42%
Income	5,837,000	3,532,000	2,305,000	65.26%	2,147,000	3,690,000	171.87%
Inheritance & Estate	8,523,000	5,786,000	2,737,000	47.30%	8,281,000	242,000	2.92%
Gasoline	53,284,000	49,223,000	4,061,000	8.25%	52,862,000	422,000	0.80%
Petroleum Special	5,279,000	5,184,000	95,000	1.83%	5,282,000	(3,000)	-0.06%
Tobacco	18,317,000	20,121,000	(1,804,000)	-8.97%	19,202,000	(885,000)	-4.61%
Beer	1,507,000	1,423,000	84,000	5.90%	1,222,000	285,000	23.32%
Motor Vehicle Registration	20,674,000	19,077,000	1,597,000	8.37%	19,486,000	1,188,000	6.10%
Motor Vehicle Title	941,000	873,000	68,000	7.79%	983,000	(42,000)	-4.27%
Mixed Drink	6,319,000	5,710,000	609,000	10.67%	5,823,000	496,000	8.52%
Business	2,324,000	2,324,000	-	0.00%	2,201,000	123,000	5.59%
Privilege	23,021,000	20,268,000	2,753,000	13.58%	21,819,000	1,202,000	5.51%
Gross Receipts	(69,000)	103,000	(172,000)	-166.99%	52,000	(121,000)	-232.69%
TVA - In Lieu of Tax Payments	27,297,000	29,385,000	(2,088,000)	-7.11%	28,662,000	(1,365,000)	-4.76%
Alcoholic Beverage	5,939,000	6,315,000	(376,000)	-5.95%	6,039,000	(100,000)	-1.66%
Sales and Use	708,092,000	723,200,000	(15,108,000)	-2.09%	710,228,000	(2,136,000)	-0.30%
Motor Vehicle Fuel	14,221,000	15,828,000	(1,607,000)	-10.15%	14,511,000	(290,000)	-2.00%
Severance	218,000	153,000	65,000	42.48%	180,000	38,000	21.11%
Coin-operated Amusement	26,000	13,000	13,000	100.00%	16,000	10,000	NA
Unauthorized Substance	4,000	0	4,000	NA	(1,000)	5,000	NA
Total	**$1,073,903,000**	**$1,058,518,000**	**$15,385,000**	**1.45%**	**$1,056,322,000**	**$17,581,000**	**1.66%**

Table 2
Revenue Collections by Fund
Year-to-Date
August - January
2012-2013

	2012-2013				2011-2012	2012-2013	
Fund	**Actual**	**Budgeted**	**B/(W)**	**Percent**	**Actual**	**B/(W)**	**Percent**
General Fund	$4,594,983,000	$4,500,737,000	$94,246,000	2.09%	$4,448,245,000	$146,738,000	3.30%
Highway Fund	334,020,000	337,228,000	(3,208,000)	-0.95%	336,982,000	(2,962,000)	-0.88%
Sinking Fund	201,099,000	201,398,000	(299,000)	-0.15%	196,409,000	4,690,000	2.39%
City & County Fund	406,499,000	408,262,000	(1,763,000)	-0.43%	404,246,000	2,253,000	0.56%
Earmarked Fund	17,400,000	17,401,000	(1,000)	-0.01%	13,049,000	4,351,000	33.34%
Total	**$5,554,001,000**	**$5,465,026,000**	**$88,975,000**	**1.63%**	**$5,398,931,000**	**$155,070,000**	**2.87%**

Revenue Collections by Tax
Year-to-Date
August - January
2012-2013

	2012-2013				2011-2012	2012-2013	
Tax Source	**Actual**	**Budgeted**	**B/(W)**	**Percent**	**Actual**	**B/(W)**	**Percent**
Franchise & Excise	$851,420,000	$737,900,000	$113,520,000	15.38%	$777,113,000	$74,307,000	9.56%
Income	19,176,000	13,226,000	5,950,000	44.99%	9,536,000	9,640,000	101.09%
Inheritance & Estate	48,091,000	40,968,000	7,123,000	17.39%	55,198,000	(7,107,000)	-12.88%
Gasoline	309,326,000	312,024,000	(2,698,000)	-0.86%	312,172,000	(2,846,000)	-0.91%
Petroleum Special	31,665,000	32,627,000	(962,000)	-2.95%	32,143,000	(478,000)	-1.49%
Tobacco	135,360,000	143,830,000	(8,470,000)	-5.89%	138,030,000	(2,670,000)	-1.93%
Beer	8,961,000	8,886,000	75,000	0.84%	8,512,000	449,000	5.27%
Motor Vehicle Registration	113,451,000	113,704,000	(253,000)	-0.22%	111,635,000	1,816,000	1.63%
Motor Vehicle Title	5,391,000	5,563,000	(172,000)	-3.09%	5,601,000	(210,000)	-3.75%
Mixed Drink	33,884,000	31,160,000	2,724,000	8.74%	31,761,000	2,123,000	6.68%
Business	44,512,000	42,763,000	1,749,000	4.09%	40,617,000	3,895,000	9.59%
Privilege	117,411,000	103,850,000	13,561,000	13.06%	102,345,000	15,066,000	14.72%
Gross Receipts	11,040,000	13,829,000	(2,789,000)	-20.17%	15,812,000	(4,772,000)	-30.18%
TVA - In Lieu of Tax Payments	173,600,000	175,588,000	(1,988,000)	-1.13%	173,008,000	592,000	0.34%
Alcoholic Beverage	27,251,000	26,655,000	596,000	2.24%	26,533,000	718,000	2.71%
Sales and Use	3,543,622,000	3,577,000,000	(33,378,000)	-0.93%	3,476,258,000	67,364,000	1.94%
Motor Vehicle Fuel	78,583,000	84,194,000	(5,611,000)	-6.66%	81,261,000	(2,678,000)	-3.30%
Severance	1,169,000	1,182,000	(13,000)	-1.10%	1,338,000	(169,000)	-12.63%
Coin-operated Amusement	84,000	77,000	7,000	9.09%	77,000	7,000	9.09%
Unauthorized Substance	4,000	0	4,000	NA	(19,000)	23,000	NA
Total	**$5,554,001,000**	**$5,465,026,000**	**$88,975,000**	**1.63%**	**$5,398,931,000**	**$155,070,000**	**2.87%**