

Legislative Budget Office of the Legislative Service Commission

LBO BUDGET FOOTNOTES INFOGRAPHIC

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- ◆ GRF taxes had another solid month in May, exceeding the monthly estimate by \$65.7 million (3.1%) and increasing the year-to-date (YTD) positive variance to \$616.9 million (3.0%). Receipts were above YTD estimates for all taxes except for the kilowatt-hour excise tax, which was \$5.1 million (1.5%) below estimate.
- ◆ The sales and use tax was above the monthly and YTD estimates by \$47.0 million (5.2%) and \$224.7 million (2.4%), respectively.
- ◆ The personal income tax was also above estimates in both May and YTD by \$21.8 million (3.3%) and \$298.4 million (3.8%), respectively.
- ◆ Although posting a small negative variance of \$1.2 million in May, the commercial activity tax, the third largest GRF tax, was \$39.5 million (2.5%) above the YTD estimate at the end of May.
- ◆ The public utility (\$18.1 million, 15.1%) and foreign insurance (\$17.2 million, 6.0%) were two other taxes with significant positive YTD variances.
- ◆ YTD GRF uses were \$885.0 million (2.8%) below estimate due primarily to Medicaid. Two other expenditure categories with significant negative YTD variances were Health and Human Services (\$51.2 million) and Property Tax Reimbursements (\$45.8 million); these variances were due mainly to timing.
- ◆ GRF Medicaid was below the YTD estimate by \$793.5 million (5.4%), which also led to a negative YTD variance of \$657.1 million (6.9%) in federal grants that are deposited into the GRF. Non-GRF Medicaid was \$842.3 million (7.3%) below the YTD estimate. Including both the GRF and non-GRF, all funds Medicaid expenditures were below the YTD estimate by \$1.64 billion (6.3%). Lower than expected caseload has been a major contributing factor to Medicaid's growing negative variances throughout the fiscal year.

GRF & Medicaid Variances – Actual vs. Estimate

Tax revenue

\$65.7 million
3.1% ↑

Program expenditures

-\$110.1 million
-25.4% ↓

GRF Medicaid

-\$63.9 million
-4.1% ↓

Tax revenue

\$616.9 million
3.0% ↑

Program expenditures

-\$888.5 million
-2.8% ↓

GRF Medicaid

-\$793.5 million
-5.4% ↓

Federal grants

-\$92.1 million
-8.9% ↓

Month of May

Non-GRF Medicaid

-\$237.8 million
-23.6% ↓

Federal grants

-\$657.1 million
-6.9% ↓

YTD through May

Non-GRF Medicaid

-\$842.3 million
-7.3% ↓

Total GRF sources

-\$42.4 million
-1.4% ↓

Total GRF uses

-\$191.2 million
-6.3% ↓

All funds Medicaid

-\$301.7 million
-11.8% ↓

Total GRF sources

-\$23.9 million
-0.1% ↓

Total GRF uses

-\$885.0 million
-2.8% ↓

All funds Medicaid

-\$1,635.9 million
-6.3% ↓