Legislative Budget Office of the Legislative Service Commission

LBO BUDGET FOOTNOTES INFOGRAPHIC

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Volume: Fiscal Year 2027 Issue: September 2026

- FY 2027 started with GRF sources coming in above and GRF uses coming in below OBM estimates.
- The personal income tax (PIT) was the GRF tax with the largest positive variance, exceeding its year-to-date (YTD) estimate by $55.0 million (3.2%), followed by the sales and use tax (SUT) with a positive YTD variance of $7.3 million (0.3%).
- These positive variances were partially offset by a negative variance in the commercial activity tax (CAT) of $31.9 million (5.3%).
- Total GRF tax revenue exceeded the YTD estimate by $29.3 million (0.6%).
- State nontax GRF revenue also came in above the YTD estimate ($46.7 million, 524.1%), but federal grant revenue was under the YTD estimate by $56.1 million (1.6%).
- Total GRF sources were above the YTD estimate by $25.3 million (0.3%).
- GRF program expenditures were under the YTD estimate by $280.1 million (2.8%), largely due to timing. Transfers out were also below estimate ($39.3 million, 2.1%), resulting in a negative YTD variance in total GRF uses of $319.3 million (2.7%).
- The negative YTD variance in GRF program expenditures includes a negative YTD variance in GRF Medicaid of $127.8 million (2.3%). Non-GRF Medicaid YTD spending was also below estimate ($56.9 million, 2.9%) resulting in a negative YTD variance in all funds Medicaid spending of $184.7 million (2.4%).

GRF & Medicaid Variances – Actual vs. Estimate

Month of August

Tax Revenue	**Federal Grants**	**Total GRF Sources**
$29.3 million 1.1% ↑	-$56.1 million -3.7% ↓	$25.3 million 0.6% ↑
Program Expenditures		**Total GRF Uses**
-$149.7 million -3.2% ↓		-$188.7 million -4.0% ↓
GRF Medicaid	**Non-GRF Medicaid**	**All Funds Medicaid**
-$12.3 million -0.5% ↓	-$12.9 million -0.9% ↓	-$25.2 million -0.6% ↓

FY 2027 YTD

Tax revenue	**Federal grants**	**Total GRF Sources**
$29.3 million 0.6% ↑	-$56.1 million -1.6% ↓	$25.3 million 0.3% ↑
Program Expenditures		**Total GRF Uses**
-$280.0 million -2.8% ↓		-$319.3 million -2.7% ↓
GRF Medicaid	**Non-GRF Medicaid**	**All Funds Medicaid**
-$127.8 million -2.3% ↓	-$56.9 million -2.9% ↓	-$184.7 million -2.4% ↓