



WEST VIRGINIA DEPARTMENT OF REVENUE

Governor Earl Ray Tomblin's Monthly General Revenue Collections Report for July 2011

The July 2011 General Revenue Collections report highlights state revenue collections made between July 1, 2011 and July 29, 2011 the final business day of the month, for the West Virginia General Revenue Fund. The General Revenue Fund is comprised of various sources of revenue which is used to provide vast government services for the citizens of West Virginia. Prior to the start of each fiscal year the West Virginia State Tax Department estimates how much revenue will be collected each month of that fiscal year. This report compares actual collections with such estimates, and with collections made during the same time period for the year prior. In addition, the current year-to-date collections are evaluated by revenue source. All tables are expressed in millions.

July 2011 Overall General Revenue Collections:

West Virginia collected \$292,518,513 in General Revenue in July, which exceeded the July estimate by nearly \$6.1 million. These numbers do not include the \$60 million cash flow loan from the Revenue Reserve Shortfall Reserve Fund A. July collections were 13.9% lower due to revenue timing alterations, particularly the timing of Excess Lottery Fund transfers. Adjusted collections were actually 7.3% ahead of last year.

July 2011 Actual Collections by Revenue Source vs. Estimate:

Personal Income Tax collections in July 2011 were \$122.2 million, \$2 million above estimate. Consumer Sales and Use Tax revenue totaled \$108.7 million and was more than \$3 million above estimate. Corporate Net Income/Business Franchise Tax collections of more than \$9 million were nearly \$4.1 million above estimate. Business and Occupation Tax collections of \$9.0 million surpassed expectations by \$4.8 million due to an earlier than expected receipt of taxes due on July 31st. A continuing trend of lower tobacco consumption contributed to a \$1.5 million monthly shortfall in Tobacco Excise Tax revenue.

July 2011 Revenue Expressed in Millions

Tax Component	Estimate	Actual
Personal Income Tax	\$120.2	\$122.2
Sales and Use Tax	\$105.6	\$108.7
Corp. Net Income Tax	\$5.0	\$9.1
Severance Tax	\$8.0	\$7.6
Insurance Tax	\$25.0	\$22.4
Tobacco Products Tax	\$10.5	\$9.0
Business and Occupation Tax	\$4.8	\$9.0



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July 2011 Actual Collections by Revenue Source vs. July 2010 Receipts:

Personal Income Tax collections were 9.0% above prior year receipts. Income withholding tax collections rose 9.1% in July due to higher wages in the energy sector. Consumer Sales and Use Tax collections were 6.3% above prior year receipts for the month of July. Corporate Net Income/Business Franchise Tax collections were 63% ahead of prior year receipts. This surplus was attributable to a combination of gains in corporate profits, gains in balance sheet net equity and lower than usual refund payments. In particular, net profits in West Virginia's energy sector and durable goods manufacturing sector have both benefited from increased foreign exports over the past year. Due to higher coal prices and increased coal exports, General Revenue Fund Severance Tax collections were 37.3% above prior year receipts.

Revenue Expressed in Millions

Tax Component	2010	2011
Personal Income Tax	\$112.2	\$122.2
Sales and Use Tax	\$102.2	\$108.7
Corp. Net Income Tax	\$5.6	\$9.1
Severance Tax	\$5.5	\$7.6
Insurance Tax	\$23.7	\$22.4
Tobacco Products Tax	\$9.8	\$9.0
Business and Occupation Tax	\$6.5	\$9.0

Year-to-Date July Year Actual Collections by Revenue Source:

July 2011 is the first month of the 2012 fiscal year. Therefore, the fiscal year-to-date actual collections are the same as the monthly actual collections.

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