



WEST VIRGINIA DEPARTMENT OF REVENUE

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

The October 2011 General Revenue Collections report highlights state revenue collections made between October 1, 2011, and October 31, 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.

October 2011 Overall General Revenue Collections:

October General Revenue Fund collections totaled more than \$336.8 million, nearly \$25.6 million above estimate and 18.2 percent ahead of prior year receipts. Cumulative collections of \$1.399 billion were \$69.3 million above estimate. Year-to-date collections were an impressive 6.5 percent above last year's collections. The monthly and cumulative surplus is attributed to taxes collected from the energy sector. The last day of the month falling on a Monday this year versus Sunday last year also helped the surge in numbers.

October 2011 Actual Collections by Revenue Source vs. Estimate:

Personal Income Tax collections of \$123.7 million exceeded estimate by \$5 million. Severance Tax collections incurred the largest gains with monthly collections of \$45.3 million, surpassing estimate by \$13.6 million. Corporate Net Income/Business Franchise Tax collections were more than \$2.4 million above estimate with receipts reaching nearly \$7 million. Consumer Sales and Use Tax receipts totaled \$103.8 million and exceeded estimate by \$5.1 million. Business and Occupation Tax collections of \$9.4 million were \$3.3 million above estimate. October Tobacco Products Tax collections fell short of estimate by roughly \$0.6 million due to competition from lower taxed products.

October 2011 Revenue Expressed in Millions

Tax Component	Estimate	Actual
Personal Income Tax	\$118.7	\$123.7
Sales and Use Tax	\$98.6	\$103.8
Corp. Net Income Tax	\$4.5	\$7.0
Severance Tax	\$31.7	\$45.3
Insurance Tax	\$26.7	\$25.5
Tobacco Products Tax	\$9.4	\$8.8
Business and Occupation Tax	\$6.1	\$9.4



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

October 2011 Personal Income Tax collections exceeded the general fund estimate by 14.0 percent due to a 16.5 percent increase in monthly Withholding Tax receipts. Due partially to revenue timing differences, monthly Severance Tax collection exceeded last year's revenues by 150 percent. Consumer Sales and Use Tax receipts were more than 5 percent above prior year collections. Corporate Net Income/Business Franchise Tax collections also contributed to both the monthly and cumulative surplus even though October revenues were 50 percent below prior year receipts.

Revenue Expressed in Millions

Tax Component	2010	2011
Personal Income Tax	\$108.6	\$123.7
Sales and Use Tax	\$98.7	\$103.8
Corp. Net Income Tax	\$13.9	\$7.0
Severance Tax	\$18.1	\$45.3
Insurance Tax	\$25.6	\$25.5
Tobacco Products Tax	\$8.1	\$8.8
Business and Occupation Tax	\$6.2	\$9.4

2012 Fiscal Year-to-Date Actual Collections by Revenue Source vs. Estimate:

Cumulative Personal Income Tax collections for the general revenue fund of \$542.7 million were \$7.6 million above estimate and 8.8 percent above prior year receipts. Corporate Net Income/Business Franchise Tax collections were below prior year receipts by 1.5 percent, but \$30.7 million above estimate. The corporate collection numbers are still impressive given a 17 percent reduction in the Franchise Tax rate at the beginning of the calendar year following a similar rate reduction in the prior year and an allowance of 100 percent bonus depreciation on new investments. General Fund Severance Tax collections totaling \$163.6 million were \$28.9 million above estimate and 43.8 percent ahead of last year's receipts. Consumer Sales and Use Tax collections of \$407.8 million were more than \$8 million above estimate and 4.4 percent ahead of last year's receipts.

2012 YTD Revenue Expressed in Millions

Tax Component	Estimate	Actual
Personal Income Tax	\$535.1	\$542.7
Sales and Use Tax	\$399.8	\$407.8
Corp. Net Income Tax	\$50.0	\$80.8
Severance Tax	\$134.7	\$163.6
Insurance Tax	\$52.6	\$53.1
Tobacco Products Tax	\$39.1	\$36.6
Business and Occupation Tax	\$33.0	\$35.6