


DATE: February 11, 2019

TO: Governor Tim Walz
Lt. Governor Peggy Flanagan

FROM: Myron Frans, Commissioner 

SUBJECT: January Revenue Review

Net general fund revenues totaled \$2.278 billion in January, \$272 million (10.7 percent) less than forecast. Net receipts from the individual and corporate income taxes were below the forecast, net sales receipts matched the forecast, and other tax receipts were higher than expected. For fiscal year 2019, year to date receipts are now \$12.805 billion, \$374 million (2.8 percent) less than forecast.

Monthly Receipts for January 2019

| (\$ in millions) | November 2018 | | |
|-----------------------------------|----------------|----------------|----------------|
| | Forecast | Actual | \$ Difference |
| Individual Income Tax | \$1,727 | \$1,447 | \$(280) |
| General Sales Tax | 551 | 551 | 0 |
| Corporate Franchise Tax | 40 | 34 | (7) |
| Other Revenues | 231 | 245 | 15 |
| Total Revenues¹ | \$2,549 | \$2,278 | \$(272) |

1. Totals may not add due to rounding.

All results are preliminary and subject to revision. Monthly revenue variances should be interpreted with great caution. Wide swings in variances may be caused by variations in the rate at which receipts are received and processed and differences in the rate at which refunds are issued. Other revenues often include unallocated accounts receivable which will be added to receipts for the appropriate tax when identified. A more detailed report covering the January, February, and March receipts will be issued as part of Minnesota Management and Budget's *April Revenue and Economic Update*.

cc: Senator Paul Gazelka, Majority Leader
 Senator Tom Bakk, Minority Leader
 Representative Melissa Hortman Speaker of the House
 Representative Ryan Winkler, Majority Leader
 Representative Kurt Daudt, Minority Leader