

DATE: September 10, 2013

TO: Governor Mark Dayton

FROM: Jim Schowalter, Commissioner 

SUBJECT: August Revenue Review

Net general fund revenues totaled \$1.295 billion in August, \$26 million (2.0 percent) less than forecast. For fiscal year 2014, receipts are now \$46 million (2.0 percent) below forecast.

**MONTHLY RECEIPTS FOR AUGUST, 2013**  
(\$ MILLIONS)

|                       | Forecast     | Actual       | Variance     |
|-----------------------|--------------|--------------|--------------|
| Individual income tax | 643.9        | 640.9        | -3.0         |
| Sales tax             | 457.6        | 488.2        | 30.6         |
| Corporate income tax  | 42.5         | 27.4         | -15.1        |
| Other revenue         | <u>176.7</u> | <u>138.5</u> | <u>-38.2</u> |
| Total                 | 1,320.7      | 1,294.9      | -25.8        |

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 receivables which will be added to receipts for the appropriate tax when identified.

August revenue shown here is lower than normally would be reported, because downtime for the state's accounting system during equipment relocation over Labor Day weekend led to a single day's revenue being posted to the system in early September instead of in August. This amount will be included as September revenue in the October *Revenue and Economic Update*. A more complete report covering the July, August and September receipts will be issued as part of Minnesota Management and Budget's October *Revenue and Economic Update*. That report will also update fiscal 2013 revenues to reflect the official closing of the fiscal year.

cc: Yvonne Prettner-Solon, Lt. Governor  
 Senator Tom Bakk, Majority Leader  
 Senator David Hann, Minority Leader  
 Rep. Paul Thissen, Speaker of the House  
 Rep. Kurt Daudt, Minority Leader