

State of Nebraska



July 11, 2014

Patrick J. O'Donnell
Clerk of the Legislature
Room 2018, State Capitol
Lincoln, NE 68509

Dear Mr. O'Donnell:

As required by R.R.S., 2009, 77-4601, we are transmitting to you our certification of General Fund net receipts for each month of the fiscal year beginning July 1, 2014. The attached table titled "Monthly Consensus Estimates," schedules monthly receipt estimates derived from the annual net receipt estimate of the Nebraska Economic Forecasting Advisory Board produced February 28, 2014, adjusted for estimated revenue impacts from legislation enacted during the 103rd Legislature, Second Session.

Please accept this letter and attachments as the required certification of total annual General Fund net receipts and for each month of the fiscal year beginning July 1, 2014.

Sincerely,

Kim Conroy
Tax Commissioner

Sincerely,

Michael Calvert
Legislative Fiscal Analyst

Attachment

07112000.sav

Nebraska Department of Revenue and Legislative Fiscal Office

Monthly Consensus Estimate of General Fund Receipts Nebraska Economic Advisory Board February 28, 2014 and 2014 Regular Session Legislation Passed

Fiscal Year 2014-2015
(Amounts in Thousands of Dollars)
(Detail may not add to total due to rounding)

Gross Receipts:	July	August	September	October	November	December	January	February	March	April	May	June	Total
Sales & Use	180,873	176,998	175,764	174,401	175,279	171,604	208,894	159,958	160,833	177,438	171,962	179,144	2,113,147
Ind Income	86,798	216,329	229,930	103,280	211,782	194,966	187,043	267,292	228,098	393,104	238,473	224,293	2,581,387
Corp Income	12,915	7,950	44,074	17,138	6,170	49,209	11,957	11,656	56,653	31,576	10,590	46,407	306,293
Misc Taxes	17,896	13,365	32,380	7,095	11,064	11,500	11,179	8,512	25,051	31,239	11,569	32,611	213,461
Total Gross	298,482	414,641	482,149	301,914	404,294	427,278	419,073	447,419	470,635	633,357	432,593	482,454	5,214,289
Refunds													
City STX	31,259	32,714	31,702	29,852	33,529	30,042	28,082	36,767	28,545	28,265	31,535	31,629	373,920
Sales & Use	7,198	12,195	9,046	6,862	13,304	13,066	8,033	5,772	4,639	3,905	12,694	13,912	110,624
LMV Transfer	899	907	910	876	895	918	915	974	950	939	905	954	11,042
Hwy Improvement	6,149	6,130	6,146	6,070	6,021	5,817	6,938	6,512	5,536	6,239	6,048	5,958	73,565
C&S Turnback	0	562	0	0	616	0	0	618	0	0	5,779	0	7,575
Ind Income Tax	8,985	6,837	4,444	9,730	6,936	4,871	2,633	133,484	85,947	78,472	21,406	9,938	373,684
Corp Income Tax	2,066	3,840	2,057	4,202	8,366	4,556	4,011	3,686	3,287	3,244	2,101	1,877	43,293
Misc Taxes	15	4	8	8	4	4	7	5	6	7	6	13	86
Total refund	56,571	63,189	54,313	57,600	69,669	59,275	50,620	187,817	128,910	121,072	80,474	64,280	993,789
Net Receipts													
Sales & Use	135,367	124,490	127,960	130,742	120,915	121,761	164,925	109,316	121,164	138,090	115,001	126,691	1,536,422
Ind Income	77,813	209,492	225,486	93,550	204,846	190,095	184,409	133,808	142,150	314,632	217,067	214,355	2,207,703
Corp Income	10,849	4,110	42,017	12,936	-2,196	44,652	7,945	7,970	53,366	28,332	8,488	44,530	263,000
Misc Taxes	17,882	13,361	32,372	7,086	11,060	11,496	11,172	8,508	25,045	31,232	11,563	32,598	213,375
Total Net	241,912	351,452	427,835	244,313	334,625	368,003	368,452	259,602	341,725	512,286	352,119	418,174	4,220,500

Adjustments to Feb 2014 Forecast	Type	NEFAB FY2013-14	NEFAB FY2014-15	LFO Prelim FY2015-16	LFO Prelim FY2016-17
Feb 2014 NEFAB Forecast					
Sales and Use Tax		1,510,000,000	1,560,000,000	1,607,000,000	1,692,000,000
Individual Income Tax		2,115,000,000	2,216,000,000	2,343,000,000	2,476,000,000
Corporate Income Tax		265,000,000	263,000,000	278,000,000	296,000,000
Miscellaneous receipts		213,000,000	199,000,000	176,000,000	164,000,000
Total - Feb 2014 NEFAB Forecast		4,103,000,000	4,238,000,000	4,404,000,000	4,628,000,000
2014 Session Legislation					
Sales and Use Tax		(1,097,000)	(16,002,563)	(15,966,606)	(16,315,103)
Individual Income Tax		0	(8,297,000)	(28,087,500)	(42,340,000)
Corporate Income Tax		0	0	(2,501,500)	(4,209,000)
Miscellaneous receipts		(1,378,000)	6,800,000	(132,000)	(139,000)
Total - 2014 Session Legislation		(2,475,000)	(17,499,563)	(46,687,606)	(63,003,103)
Recode Convention & Sports Arena Throwback *					
Sales and Use Tax		0	(7,575,000)	(8,685,000)	(9,119,000)
Individual Income Tax		0	0	0	0
Corporate Income Tax		0	0	0	0
Miscellaneous receipts		0	7,575,000	8,685,000	9,119,000
Total - Recode Throwback from Misc to Sales Tax		0	0	0	0
Adjusted February 2014 NEFAB					
Sales and Use Tax		1,508,903,000	1,536,422,437	1,582,348,394	1,666,565,897
Individual Income Tax		2,115,000,000	2,207,703,000	2,314,912,500	2,433,660,000
Corporate Income Tax		265,000,000	263,000,000	275,498,500	291,791,000
Miscellaneous receipts		211,622,000	213,375,000	184,553,000	172,980,000
Adjusted NEFAB Forecast		4,100,525,000	4,220,500,437	4,357,312,394	4,564,996,897

2014 Session Bills

LB 96 Sales tax exempt, repair parts, ag machinery	Sales	0	(6,759,000)	(9,280,000)	(9,514,000)
LB 191 Nebr Job Creation & Mainstreet Revitalization	Ind	0	0	(2,501,500)	(4,209,000)
LB 191 Nebr Job Creation & Mainstreet Revitalization	Corp	0	0	(2,501,500)	(4,209,000)
LB 402 Change, rural community-based (C-BED) projects	Sales	0	(1,060,000)	(20,000)	0
LB 814 Sales tax on watercraft / ATV to Game & Parks	Sales	0	(3,006,563)	(3,540,606)	(3,540,103)
LB 867 Sales tax exemptions, sports arena throwback *	Sales	(454,000)	(4,137,000)	(3,008,000)	(3,135,000)
LB 867 Sales tax exemptions, sports arena throwback *	Misc	(1,378,000)	0	(132,000)	(139,000)
LB 907 Supervised release, reentry probation officers, etc...	--	0	Transfer-Out	0	0
LB 987 Index income tax brackets, SS exemption	Ind	0	(8,347,000)	(25,586,000)	(38,131,000)
LB 1016 Purchase state aircraft, Cash Reserve transfer	Misc	CRF Transfer	0	0	0
LB 1067 Change refunds, NE Advantage termination date	Sales	(643,000)	(1,040,000)	(118,000)	(126,000)
LB 1114 Change termination date, econ develop programs	Ind	0	50,000	0	future impact
LB 1114 Change termination date, econ develop programs	--	0	Transfer-Out	0	0
Cash Fund Transfers-In (see above)	Misc	0	6,800,000	0	0
Total - 2014 Revenue Bills		(2,475,000)	(17,499,563)	(46,687,606)	(63,003,103)

* On May 21, 2014 a meeting was held with NDR and DAS Accounting as to how to account for the convention center and sports arena throwback. A couple years ago it was decided that instead of simply an "accounting adjustment" factored into the Financial Status at the July TRR meeting, we would show it as a negative miscellaneous receipt. The February 2014 NEFAB forecasts had this included as a negative misc receipt. At this May meeting we decided to change coding of this to a sales tax "refund" and treat it similar to the LB84 money to Roads. We'll do this starting in FY14-15. Since the FY14-15 NEFAB forecast had this as a negative misc receipt, this adjustment is made for purposes of certifying the FY15 revenue forecast. This also means that the FY14-15 impact of LB867 on the sports arena throwback will be shown under sales tax. The FY13-14 impact will still be shown under Misc as the coding change doesn't start until FY15.