



STATE OF GEORGIA

OFFICE OF THE GOVERNOR

Nathan Deal
GOVERNOR

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Deal: July revenues numbers up 6.7 percent

Gov. Nathan Deal today announced that Georgia's net tax collections for the month of July totaled \$1.41 billion for an increase of \$88.5 million, or 6.7 percent, compared to the month-ended July 2012. Gross tax revenue deposits for the month totaled \$1.85 billion, an increase of \$70.5 million or 4 percent compared to last fiscal year.

The following changes within the various tax categories led to the overall net revenue increase in July:

Individual Income Tax: Individual Income Tax collections for July totaled \$758.25 million, up from \$698 million in July 2012, for an increase of \$60.25 million or 8.6 percent.

The following notable components within Individual Income Tax account for the net increase:

- Individual Withholding payments were up nearly \$55.5 million or 7.8 percent
- Individual Income Tax refunds issued (net of voided checks) were down \$ 1.75 million or -4.2 percent
- All other Individual categories including Return & Assessment payments were up a combined \$3 million

Sales and Use Tax: Gross Sales Tax collections declined \$43.25 million or -5 percent compared to last year, while net Sales & Use Tax collections for July 2013 dropped \$30.25 million or -6.6 percent, down from \$460.25 million in July 2012 to a total of \$430 million in July FY 2014. Lastly, the monthly Sales Tax distribution to local governments totaled \$378.75 million, which was a decrease of \$17.5 million or -4.4 percent compared to last year.

Corporate Income Tax: Corporate Income Tax collections for July 2013 decreased \$4 million or -21.8 percent compared to last year when Corporate tax revenues totaled nearly \$18.0 million in July 2012.

The following notable components within Corporate Income Tax make up the decrease:

- Corporate Tax refunds issued (net of voided checks) were down - \$3 million or -23.6 percent
- Corporate Estimated payments for July 2013 decreased \$ 6.5 million or -30.4 percent
- All other Corporate Tax categories combined for a decrease of nearly \$ 0.5 million compared to FY 13

Motor Vehicle Tag & Title Fees: Motor Vehicle Fee collections for July 2013 totaled \$83.5 million, which was \$62.25 million higher than the previous year. The large year-over-year increase is the result of new tax legislation, House Bill 266, that became effective as of March 1. The **new law** established a Title ad Valorem Tax to replace Automobile Sales Tax, which was traditionally assessed on the purchase of a car. As a result, gross Sales Tax collections have been reduced while Motor Vehicle fees have increased an average of \$50.75 million per month since the filing of March returns began in mid-April of FY 2013.

GEORGIA DEPARTMENT OF REVENUE
Comparative Summary of Net Revenue Collections
(unaudited - 000's)

	<u>For the Month Ended</u>		<u>\$ Change</u>	<u>% Change</u>
	<u>July 2013</u> <u>(FY 2014)</u>	<u>July 2012</u> <u>(FY 2013)</u>		
Tax Revenues:				
Income Tax - Individual:	\$ 758,365	\$ 698,069	\$ 60,296	8.6%
Sales and Use Tax - General:				
Sales and Use Tax - Gross (Footnote 2)	\$ 817,096	\$ 860,344	\$ (43,248)	-5.0%
Local Sales Tax Distribution (Footnote 1)	\$ (378,684)	\$ (396,064)	\$ 17,380	4.4%
Sales Tax Adjustments/Refunds	\$ (8,325)	\$ (3,969)	\$ (4,356)	-109.8%
Net Sales and Use Tax - General	\$ 430,087	\$ 460,311	\$ (30,225)	-6.6%
Motor Fuel Taxes:				
Prepaid Motor Fuel Tax	\$ 48,706	\$ 43,800	\$ 4,906	11.2%
Motor Fuel Excise Tax	\$ 39,917	\$ 36,284	\$ 3,633	10.0%
Total Motor Fuel Taxes	\$ 88,623	\$ 80,085	\$ 8,539	10.7%
Income Tax - Corporate	\$ 13,997	\$ 17,906	\$ (3,910)	-21.8%
Tobacco & Cigar Taxes	\$ 17,756	\$ 8,202	\$ 9,554	116.5%
Alcoholic Beverage Taxes	\$ 15,297	\$ 16,444	\$ (1,147)	-7.0%
Estate Tax	\$ -	\$ -	\$ -	
Property Tax	\$ 1,131	\$ 2,455	\$ (1,323)	-53.9%
Motor Vehicle - Tag, Title & Fees (Footnote 2)	\$ 83,534	\$ 21,356	\$ 62,178	291.1%
Total Tax Revenues	\$ 1,408,791	\$ 1,304,828	\$ 103,963	8.0%
Other Revenues:				
Other Fees & Taxes (Footnote 3)	\$ 1,570	\$ 17,083	\$ (15,513)	-90.8%
Total Taxes and Other Revenues	\$ 1,410,362	\$ 1,321,912	\$ 88,450	6.7%

<u>GENERAL FUND</u>	<u>Year-to-Date</u>		<u>\$ Change</u>	<u>% Change</u>
	<u>FY 2014</u>	<u>FY 2013</u>		
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Footnotes:

- The Local Distribution has been adjusted with an end-of-month accrual to reflect Sales Tax payment activity after the actual distribution 3 days before month-end.
- Effective March 1, 2013, legislation (H.B. 386) went into effect to establish a new Title ad Valorem Tax in lieu of Automobile Sales Tax collected at the point of sale and replacing the annual ad valorem "birthday" tax paid on the assessed value of vehicles purchased before January 1, 2012. Due to an issue concerning the timing of collecting the new TAVT from the counties, gross Sales Tax appears to be grossly under-stated and Motor Vehicle fees over-stated relative to collections in FY 2012.
- "Other Fees & Taxes" includes payments that have been deposited in the bank, but for which returns may not yet have been processed. The undistributed amounts are then re-classified (as returns are processed) to the proper and respective revenue account. "Other Fees" also includes Unclaimed Property collections.