



STATE OF GEORGIA

OFFICE OF THE GOVERNOR

Nathan Deal
GOVERNOR

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Deal: October revenues up 5.9 percent

Gov. Nathan Deal announced today that Georgia's net tax collections for the month of October totaled \$1.46 billion, an increase of approximately \$81.75 million or 5.9 percent compared to the month-ended October 2012. Year-to-date, net tax revenue collections totaled \$5.94 billion for an increase of nearly \$329.25 million or 5.9 percent compared to the same point last year.

Changes within the following major tax categories explain the net tax revenue increase in October:

Individual Income Tax: Individual Income Tax collections for October totaled \$767.75 million — up from \$757 million in October 2012, for an increase of \$10.75 million, or 1.4 percent.

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

- Individual Withholding payments were up \$6.25 million, or 0.8 percent
- Individual Income Tax refunds issued (net of voided checks) were up \$13.25 million, or 13.3 percent
- Individual Return payments were up \$18.5 million or 29.9 percent, over last year
- All other Individual categories including Assessment payments were down a combined \$0.75 million

Sales and Use Tax: Gross Sales Tax collections declined \$25.5 million or -3.1 percent, compared to last year*. Sales & Use Tax collections for October decreased \$21.75 million or -5 percent — down from \$439.25 million in October 2012 to a total of \$417.5 million in FY 2014. Lastly, the adjusted Sales Tax distribution to local governments totaled nearly \$372.75 million, which was a decrease of \$7.75 million compared to FY 2013.

Corporate Income Tax: Corporate Income Tax collections for October 2013 increased roughly \$34.5 million, or 862.1 percent, compared to last year when Corporate Tax revenues and refunds netted to \$4 million.

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

- Corporate Tax refunds issued (net of voided checks) were down \$27.5 million, or -81.5 percent
- Corporate Estimated payments for October increased \$7.75 million, or 51.4 percent
- All other Corporate Tax categories including Return payments combined for a decrease of \$0.75 million

***Motor Vehicle Tag & Title Fees:** Motor Vehicle Fee collections for October 2013 totaled nearly \$88.0 million, which was \$59.25 million higher than the previous year. The large year-over-year increase is the result of new tax legislation (H.B. 266), which went into effect on March 1, 2013. The new law established a Title ad Valorem Tax to replace the 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 by an average of \$56.5 million per month since the filing of March returns began in April of FY 2013.

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

	For the Month Ended			
	October 2013 (FY 2014)	October 2012 (FY 2013)	\$ Change	% Change
Tax Revenues:				
Income Tax - Individual:	\$ 767,765	\$ 756,946	\$ 10,819	1.4%
Sales and Use Tax - General:				
Sales and Use Tax - Gross (Footnote 2)	\$ 801,272	\$ 826,841	\$ (25,569)	-3.1%
Local Sales Tax Distribution (Footnote 1)	\$ (372,647)	\$ (380,439)	\$ 7,792	2.0%
Sales Tax Adjustments/Refunds	\$ (11,190)	\$ (7,152)	\$ (4,038)	-56.5%
Net Sales and Use Tax - General	\$ 417,435	\$ 439,250	\$ (21,815)	-5.0%
Motor Fuel Taxes:				
Prepaid Motor Fuel Tax	\$ 47,697	\$ 42,576	\$ 5,121	12.0%
Motor Fuel Excise Tax	\$ 36,665	\$ 34,580	\$ 2,086	6.0%
Total Motor Fuel Taxes	\$ 84,362	\$ 77,156	\$ 7,206	9.3%
Income Tax - Corporate	\$ 30,593	\$ (4,014)	\$ 34,608	862.1%
Tobacco & Cigar Taxes	\$ 17,091	\$ 20,825	\$ (3,733)	-17.9%
Alcoholic Beverage Taxes	\$ 14,427	\$ 16,561	\$ (2,134)	-12.9%
Estate Tax	\$ -	\$ -	\$ -	
Property Tax	\$ 7,346	\$ 5,098	\$ 2,248	44.1%
Motor Vehicle - Tag, Title & Fees (Footnote 2)	\$ 87,910	\$ 28,618	\$ 59,292	207.2%
Total Tax Revenues	\$ 1,426,931	\$ 1,340,440	\$ 86,491	6.5%
Other Revenues:				
Other Fees & Taxes (Footnote 3)	\$ 39,398	\$ 44,063	\$ (4,665)	-10.6%
Total Taxes and Other Revenues	\$ 1,466,329	\$ 1,384,502	\$ 81,827	5.9%

<u>GENERAL FUND</u>	Year-to-Date			
	FY 2014	FY 2013	\$ Change	% Change
Tax Revenues:				
Income Tax - Individual	\$ 3,111,244	\$ 2,991,114	\$ 120,130	4.0%
Sales and Use Tax - General:				
Sales and Use Tax - Gross (Footnote 2)	\$ 3,227,126	\$ 3,381,958	\$ (154,832)	-4.6%
Local Sales Tax Distribution (Footnote 1)	\$ (1,506,299)	\$ (1,550,865)	\$ 44,565	2.9%
Sales Tax Adjustments/Refunds	\$ (43,983)	\$ (25,109)	\$ (18,874)	-75.2%
Net Sales and Use Tax - General	\$ 1,676,844	\$ 1,805,984	\$ (129,140)	-7.2%
Motor Fuel Taxes:				
Prepaid Motor Fuel Tax	\$ 195,117	\$ 179,542	\$ 15,575	8.7%
Motor Fuel Excise Tax	\$ 151,665	\$ 141,048	\$ 10,617	7.5%
Total Motor Fuel Taxes	\$ 346,782	\$ 320,590	\$ 26,192	8.2%
Income Tax - Corporate	\$ 239,638	\$ 176,225	\$ 63,413	36.0%
Tobacco & Cigar Taxes	\$ 74,026	\$ 65,775	\$ 8,251	12.5%
Alcoholic Beverage Taxes	\$ 59,308	\$ 58,161	\$ 1,147	2.0%
Estate Tax	\$ -	\$ -	\$ -	
Property Tax	\$ 10,059	\$ 9,411	\$ 647	6.9%
Motor Vehicle - Tag, Title & Fees (Footnote 2)	\$ 356,814	\$ 101,659	\$ 255,155	251.0%
Total Tax Revenues	\$ 5,874,714	\$ 5,528,920	\$ 345,795	6.3%
Other Revenues:				
Other Fees & Taxes (Footnote 3)	\$ 69,234	\$ 85,850	\$ (16,617)	-19.4%
Total Taxes and Other Revenues	\$ 5,943,948	\$ 5,614,770	\$ 329,178	5.9%

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. 266) 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 the corresponding shifting of tax revenues from Sales Tax to Motor Vehicle (TAVT), gross Sales Tax collections are under-stated and Motor Vehicle fees over-stated relative to collections in FY 2013.
- "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.