



STATE OF GEORGIA

*OFFICE OF THE GOVERNOR*

**Nathan Deal**  
**GOVERNOR**

For Immediate Release  
June 9, 2014

Contact: Office of Communications  
(404) 651-7774

## **Deal: May revenues up 3.1 percent**

Gov. Nathan Deal announced today that Georgia's net tax collections for the month of May totaled \$1.39 billion for an increase of nearly \$42.25 million, or 3.1 percent, compared to the month-ended May 2013. Year-to-date, net tax revenue collections totaled \$16.1 billion for an increase of nearly \$697 million, or 4.5 percent, compared to the same point last year when net tax revenues totaled \$15.4 billion through the end of May 2013.

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

**Individual Income Tax:** Individual Income Tax collections in May totaled just over \$675 million, up from roughly \$654.5 million in April 2013, for an increase of \$20.5 million or 3.1 percent.

The following notable components within Individual Income Tax combine to make up the net increase:

- Individual Income Tax Return payments in May were up \$5.5 million or 17 percent
- Income Tax refunds issued, which totaled \$126.25 million, were down \$34.25 million or -21.4 percent
- Individual Income Tax Withholding for the month was down \$11.5 million or -1.5 percent
- All other Individual Tax categories including Estimated payments and Assessments were down \$7.75 million

**Sales and Use Tax:** Gross Sales Tax collections increased nearly \$36 million, or 4.5 percent, compared to last May, the second month in which the Title ad Valorem Tax displaced Automobile Sales Tax into Motor Vehicle Fees (see **\*Tax Reform note below**). Net Sales Tax collections increased almost \$10.5 million, or 2.5 percent, compared to last year despite large negative year-over-year changes in both the adjusted Local Distribution, which totaled roughly \$389.5 million, and net Refunds issued, which increased \$12.75 million over the previous fiscal year.

**Corporate Income Tax:** Corporate Income Tax collections in May decreased approximately \$19.25 million, or -72.2 percent, compared to FY 2013 when net Corporate Tax revenues totaled \$26.75 million.

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

- Corporate Tax refunds issued (net of voided checks) were up \$16.25 million or 1,275 percent
- Corporate Estimated payments were down \$5 million or -28.8 percent
- All other Corporate Tax categories, including S-Corp and Return payments, increased \$2 million

**Motor Vehicle Tag & Title Fees:** Fee collections totaled roughly \$107.25 million, which was an increase of \$21.25 million compared to last May, when TAVT collections totaled just \$55 million versus \$81 million in May of this year.

**\*Tax Reform Impacts\*:** HB 386 and HB 266 had significant impacts on Georgia's tax structure that influenced current month and year-to-date revenue collections across multiple tax collection categories. The increase in Motor Vehicle Tag & Title Fees is the result of the March 1, 2013 implementation of a new Title ad Valorem Tax (TAVT). Sales Tax collections have been impacted by the elimination of the auto sales tax, reduction in the sales tax on energy used in manufacturing, implementation of the Georgia Agricultural Tax Exemption program, and reinstatement of the sales tax holiday. Individual Income Tax has been impacted by the marriage penalty reduction effective Jan. 1, 2013.

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

	For the Month Ended			
	May 2014 (FY 2014)	May 2013 (FY 2013)	\$ Change	% Change
<b>Tax Revenues:</b>				
Income Tax - Individual:	\$ 675,151	\$ 654,588	\$ 20,563	3.1%
<b>Sales and Use Tax - General:</b>				
Sales and Use Tax - Gross (Footnote 2)	\$ 831,698	\$ 795,765	\$ 35,932	4.5%
Local Sales Tax Distribution (Footnote 1)	\$ (389,580)	\$ (376,818)	\$ (12,762)	-3.4%
Sales Tax Adjustments/Refunds	\$ (13,317)	\$ (561)	\$ (12,756)	-2274%
Net Sales and Use Tax - General	\$ 428,801	\$ 418,386	\$ 10,415	2.5%
<b>Motor Fuel Taxes:</b>				
Prepaid Motor Fuel Tax	\$ 52,742	\$ 51,397	\$ 1,345	2.6%
Motor Fuel Excise Tax	\$ 42,315	\$ 40,703	\$ 1,613	4.0%
Total Motor Fuel Taxes	\$ 95,058	\$ 92,100	\$ 2,958	3.2%
Income Tax - Corporate	\$ 7,431	\$ 26,748	\$ (19,317)	-72.2%
Tobacco & Cigar Taxes	\$ 17,873	\$ 19,632	\$ (1,759)	-9.0%
Alcoholic Beverage Taxes	\$ 15,952	\$ 14,582	\$ 1,370	9.4%
Estate Tax	\$ -	\$ -	\$ -	
Property Tax	\$ 805	\$ 1,003	\$ (198)	-19.7%
Motor Vehicle - Tag, Title & Fees (Footnote 2)	\$ 107,335	\$ 86,001	\$ 21,335	24.8%
<b>Total Tax Revenues</b>	<b>\$ 1,348,405</b>	<b>\$ 1,313,040</b>	<b>\$ 35,365</b>	<b>2.7%</b>
<b>Other Revenues:</b>				
Other Fees & Taxes (Footnote 3)	\$ 42,004	\$ 35,099	\$ 6,905	19.7%
<b>Total Taxes and Other Revenues</b>	<b>\$ 1,390,410</b>	<b>\$ 1,348,139</b>	<b>\$ 42,270</b>	<b>3.1%</b>

	Year-to-Date			
	GENERAL FUND FY 2014	FY 2013	\$ Change	% Change
<b>Tax Revenues:</b>				
Income Tax - Individual	\$ 8,080,876	\$ 7,962,335	\$ 118,540	1.5%
<b>Sales and Use Tax - General:</b>				
Sales and Use Tax - Gross (Footnote 2)	\$ 9,006,692	\$ 9,253,765	\$ (247,073)	-2.7%
Local Sales Tax Distribution (Footnote 1)	\$ (4,208,103)	\$ (4,262,194)	\$ 54,091	1.3%
Sales Tax Adjustments/Refunds	\$ (76,944)	\$ (82,026)	\$ 5,082	6.2%
Net Sales and Use Tax - General	\$ 4,721,645	\$ 4,909,546	\$ (187,901)	-3.8%
<b>Motor Fuel Taxes:</b>				
Prepaid Motor Fuel Tax	\$ 520,380	\$ 501,817	\$ 18,563	3.7%
Motor Fuel Excise Tax	\$ 409,228	\$ 393,261	\$ 15,968	4.1%
Total Motor Fuel Taxes	\$ 929,608	\$ 895,077	\$ 34,531	3.9%
Income Tax - Corporate	\$ 743,254	\$ 640,454	\$ 102,800	16.1%
Tobacco & Cigar Taxes	\$ 196,968	\$ 192,478	\$ 4,489	2.3%
Alcoholic Beverage Taxes	\$ 161,852	\$ 158,497	\$ 3,355	2.1%
Estate Tax	\$ -	\$ (15,352)	\$ 15,352	-100.0%
Property Tax	\$ 38,015	\$ 52,408	\$ (14,393)	-27.5%
Motor Vehicle - Tag, Title & Fees (Footnote 2)	\$ 987,264	\$ 366,336	\$ 620,928	169.5%
<b>Total Tax Revenues</b>	<b>\$ 15,859,480</b>	<b>\$ 15,161,779</b>	<b>\$ 697,701</b>	<b>4.6%</b>
<b>Other Revenues:</b>				
Other Fees & Taxes (Footnote 3)	\$ 262,096	\$ 262,808	\$ (712)	-0.3%
<b>Total Taxes and Other Revenues</b>	<b>\$ 16,121,576</b>	<b>\$ 15,424,587</b>	<b>\$ 696,989</b>	<b>4.5%</b>

**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 lower and Motor Vehicle fees much higher 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.