

# **REPORT OF THE MAINE STATE REVENUE FORECASTING COMMITTEE**

**March 2018**



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# Report of the Maine State Revenue Forecasting Committee March 2018 Forecast

## TABLE OF CONTENTS

<b>I. INTRODUCTION.....</b>	<b>1</b>
<b>II. ECONOMIC FORECAST .....</b>	<b>1</b>
<b>III. SUMMARY OF REVENUE FORECAST .....</b>	<b>2</b>
<b>General Fund Summary.....</b>	<b>2</b>
<b>Highway Fund Summary .....</b>	<b>3</b>
<b>Fund for a Healthy Maine Summary .....</b>	<b>4</b>
<b>Medicaid/MaineCare Dedicated Revenue Taxes Summary .....</b>	<b>4</b>
<b>IV. CONCLUSION .....</b>	<b>4</b>

## APPENDICES

- A. General Fund Summary Table**
- B. Highway Fund Summary Table**
- C. Fund for a Healthy Maine Summary Table**
- D. Medicaid/MaineCare Dedicated Revenue Taxes Summary Table**
- E. Consensus Economic Forecasting Commission Report**
- F. Maine Revenue Services Recommendations and other Background Materials**
- G. Other Background Materials**

## **Introduction**

The Revenue Forecasting Committee (RFC) met on February 27, 2018 to review and update the current revenue forecast to comply with its “spring” even-numbered year statutory reporting date of March 1<sup>st</sup>. The RFC revised its revenue projections through the fiscal year ending June 30, 2021 for the General Fund, Highway Fund, Fund for a Healthy Maine and Medicaid/MaineCare Dedicated Revenue Taxes.

## **Economic Forecast**

This update of the revenue forecast included a review of the economic forecast statutorily due by February 1<sup>st</sup>. The economic forecast was developed by the Consensus Economic Forecasting Commission (CEFC) at its meeting on January 26, 2018. At this meeting the CEFC also designated two alternative scenarios to meet the new statutory requirement to provide the State Economist, the State Budget Officer, and the Associate Commissioner for Tax Policy with at least two alternative economic recession scenarios of varying levels of severity.

Both the national and state economies appear to have had a good year in 2017. There are limited new data points available since the CEFC last met in October 2017, but additional data on the performance of the economy last year indicates that GDP and personal income both grew. However, oil and gasoline prices have been trending upward recently as well.

The Commission made modest changes to the existing forecast for employment and more substantial revisions to the forecast for personal income, while leaving forecasts for inflation and corporate profits largely untouched. Many of the revisions to personal income components were based on anticipated results from the Tax Cuts and Jobs Act (TCJA). While there has been more positive data on in-migration recently, the Commission remains concerned about the demographic situation in Maine and the resulting impacts on workforce availability.

The forecast for wage and salary employment growth was left unchanged for 2017, 2020, and 2021 and revised upward for 2018 and 2019 based on data showing stronger than expected recent in-migration and employment growth. The new forecast reaches 627,100 in 2019 and remains at that level for 2020-2023. CPI was revised slightly downward for 2017, from 2.4 percent to 2.1 percent, with the release of actual 2017 data from the U.S. Bureau of Labor Statistics, while the remaining years through 2021 were left unchanged and both 2022 and 2023 were forecast at 2.2 percent. Total personal income was revised upward by 0.4 percentage points in 2017 based on information from Maine Revenue Services and Maine Department of Labor regarding wage growth through the year. The forecasts for 2018, 2019, and 2020 were revised upward by 1.3, 0.8, and 0.1 percentage points, respectively, largely due to influences of the TCJA. 2021 was revised downward by 0.1 percentage point. Both 2022 and 2023 were forecast at 3.1 percent. Wage and salary income growth for 2017 was revised upward by 1.0 percentage points due to preliminary data from Maine Revenue Services and Maine Department of Labor. The forecasts for 2018 and 2019 were revised upward by 1.4 and 0.2 percentage points, respectively, due to the reasons outlined above. The forecast for 2020 was left unchanged and the forecast for 2021 was revised downward by 0.2 percentage points. Both 2022 and 2023 were forecast at 3.0 percent.

A copy of the February 2018 report of the CEFC and other economic information providing the basis for this revenue forecast is included in Appendix E.

## Summary of Revenue Forecast

The economic variables in the CEFC forecast play an important role in the revenue forecast. Maine Revenue Services' Office of Tax Policy (MRS/OTP) tax models use the CEFC economic variables to help project revenue from the major taxes. Data related to non-tax revenue lines were provided by a number of different state agencies and reviewed by staff in the Office of Fiscal and Program Review and the Bureau of the Budget to come up with consensus recommendations. The RFC reviewed MRS/OTP and other staff recommendations at its meeting on February 27<sup>th</sup> and agreed to those recommendations. The following tables and narratives highlight the final changes to each of the major funds and revenue sources accepted by the RFC as part of its March 2018 update to the revenue forecast. More detail on each of the funds and revenue sources is provided in the various appendices.

### General Fund Summary

	FY17 Actual	FY18	FY19	FY20	FY21
Current Forecast	\$3,454,903,862	\$3,466,747,924	\$3,599,558,610	\$3,616,121,897	\$3,746,978,887
Annual % Growth	2.6%	0.3%	3.8%	0.5%	3.6%
Net Increase (Decrease)	\$0	\$38,872,505	\$89,607,394	\$79,195,598	\$70,513,527
Revised Forecast	\$3,454,903,862	\$3,505,620,429	\$3,689,166,004	\$3,695,317,495	\$3,817,492,414
Annual % Growth	2.6%	1.5%	5.2%	0.2%	3.3%

General Fund revenue estimates were revised upward by \$38.9 million for FY18 and by \$89.6 million for FY19 (upward by \$128.5 million for the 2018-2019 biennium). The revised forecast increases the overall rate of growth for General Fund revenue for FY18 from 0.3% to 1.5% and for FY19 from 3.8% to 5.2%. The estimates for the 2020-2021 biennium were revised upward by \$149.7 million. It is important to note FY20 reflects a smaller overall growth rate of 0.2%, largely as a result of Municipal Revenue Sharing returning to the 5% level under current law from the 2% level in place for FY16 through FY19. The growth rate for FY21 is projected to be 3.3%.

The sales and use tax line is \$4.8 million over budget through the first six months of FY18. Applying the relevant economic variables from the new CEFC forecast resulted in the sales and use tax model forecasting additional revenue for the FY18-FY21 budget period. The net impact of these adjustments results in an increase in sales and use tax revenue of \$4.5 million in FY18, \$13.0 million in FY19, \$17.0 million in FY20, and \$13.5 million in FY21. The forecast of sales and use tax continues to assume that automobile unit sales will be flat to slightly declining over the forecast period, but the average price of new auto sales will increase by approximately 3 percent a year. The new sales tax forecast assumes moderate growth of 4 percent a year between FY19 and FY21.

The RFC has increased its forecast of individual income tax receipts by \$31.3 million in FY18, by \$77.2 million in FY19, and by \$121.5 million in the 2020-2021 biennium. The bulk of the forecast changes are the result of the more optimistic economic forecast from the CEFC. Approximately \$50 million of the annual increase in fiscal years 2019-21 is because of the significant increase in projected wage and salary growth in calendar years 2018 and 2019. FY19 also includes one-time revenue from additional capital gains and dividend income associated with the repatriation of earnings incentivized by the federal tax reform act.

The individual income tax forecast continues to be complicated by the enactment and subsequent repeal of the 3 percent surtax, and the enactment of the federal TCJA last December. The surtax was in place for over 6 months of tax year 2017. It's still unclear how much in additional withholding and estimated

payments associated with the surtax was collected during the period it was in effect. When the committee met in November the hope was the final estimated payment for 2017 would provide information that could help inform the committee on the surtax’s impact on FY17 and FY18 receipts. With passage of the TCJA, taxpayers had a strong incentive to accelerate tax year 2017 state tax payments into December to avoid the state and local tax deduction limitation that became effective on January 1, 2018. MRS, like most income tax states, saw a dramatic increase in estimated payments during the last week of December and the first week of January; a 102 percent increase over the same period a year ago. The Office of Tax Policy estimates that between \$18 million and \$32 million of revenue was likely shifted from April to the December/January time period. Accounting for this taxpayer behavior explains why the individual income tax surplus of \$58 million through January is expected to narrow to \$31.3 million at fiscal year’s end.

Other notable adjustments to General Fund revenue lines include:

- **Business Equipment Tax Exemption (“BETE”) program.** The forecast for revenue transferred for FY 18 was decreased (positive impact on the General Fund) by \$1 million to reflect actual program experience for the current year.
- **Transfer from Lottery Commission.** The forecast for revenue from the transfer from the Lottery Commission was increased by 4.1 million for FY18 and by \$2.1 million per year for FY19 through FY21 based on increased lottery sales and profits.
- **Other Taxes and Fees - Liquor Taxes and Fees.** The forecast was updated to include \$2.9 million in each year of the forecast period from liquor premium taxes on spirits. This revenue source had been inadvertently omitted from previous forecasts.
- **Other Taxes and Fees - Finance Industry Fees.** The forecast for revenue from securities fees was increased by \$1.0 million for each year of the forecast period based on historical and current year performance.
- **Other Taxes and Fees - Milk Handling Fee/Transfer to Maine Milk Pool.** The forecast for revenue from the milk handling fee was adjusted upward by \$0.7 million for FY18 and by \$2.0 million per year for FY19 through FY21. The forecast for transfers to the milk pool was adjusted upward (negative impact on General Fund) by \$3.5 million for FY18, by \$4.7 million for FY19 and by \$3.5 million per year for FY20 and FY21. These increased transfers are forecast based on the latest estimates of milk prices, specifically overproduction in international and domestic markets putting downward pressure on prices.
- **Other Revenue. Unclaimed Property Transfer.** The forecast for transfers from the Unclaimed Property program was adjusted downward (negative impact on General Fund) by \$1.3 million for each year of the forecast period as a result of increased payouts from the program.

### Highway Fund Summary

	FY17 Actual	FY18	FY19	FY20	FY21
Current Forecast	\$334,318,123	\$327,129,488	\$333,428,035	\$337,994,682	\$339,998,805
Annual % Growth	2.1%	-2.2%	1.9%	1.4%	0.6%
Net Increase (Decrease)	\$0	\$1,550,673	\$397,988	\$403,590	\$405,129
Revised Forecast	\$334,318,123	\$328,680,161	\$333,826,023	\$338,398,272	\$340,403,934
Annual % Growth	2.1%	-1.7%	1.6%	1.4%	0.6%

**Highway Fund** revenue estimates were revised upward by \$1.6 million for FY18 and by \$0.4 million for FY19 (upward by \$1.9 million over the 2018-2019 biennium). The estimates for the 2020-2021 biennium were revised upward by \$0.8 million. The forecast for long-term trailer registration fee revenue was increased by \$1.0 million for FY18, while the forecast for motor vehicle title fee revenue was increased by \$0.3 million for each year of the forecast period.

## Fund for a Healthy Maine Summary

	FY17 Actual	FY18	FY19	FY20	FY21
Current Forecast	\$55,228,128	\$50,645,993	\$50,158,504	\$50,154,238	\$50,198,781
Annual % Growth	-1.1%	-8.3%	-1.0%	0.0%	0.1%
Net Increase (Decrease)	\$0	(\$135,724)	(\$258,215)	(\$261,074)	(\$263,693)
Revised Forecast	\$55,228,128	\$50,510,269	\$49,900,289	\$49,893,164	\$49,935,088
Annual % Growth	-1.1%	-8.5%	-1.2%	0.0%	0.1%

**Fund for a Healthy Maine** revenue estimates were revised downward by \$0.4 million for the 2018-2019 biennium and by \$0.5 million for the 2020-2021 biennium. These changes largely reflect changes in estimates for the casino revenue credited to the Fund. After the positive changes made in the December forecast of Tobacco Settlement Payments, largely the result of updated national estimates, the committee felt no additional changes were appropriate until it could review this year's annual April payment.

## Medicaid/MaineCare Dedicated Revenue Taxes Summary

	FY17 Actual	FY18	FY19	FY20	FY21
Current Forecast	\$176,841,205	\$188,855,172	\$186,974,016	\$186,974,016	\$186,974,016
Annual % Growth	1.3%	6.8%	-1.0%	0.0%	0.0%
Net Increase (Decrease)	\$0	(\$4,368,553)	\$584,220	\$584,220	\$584,220
Revised Forecast	\$176,841,205	\$184,486,619	\$187,558,236	\$187,558,236	\$187,558,236
Annual % Growth	1.3%	4.3%	1.7%	0.0%	0.0%

**Medicaid/MaineCare Dedicated** revenue estimates were revised downward by \$4.4 million for FY18 and upward by \$0.6 million for FY19 (downward by \$3.8 million for the 2018-2019 biennium). The estimates for the 2020-2021 biennium were revised upward by \$1.2 million. Of the FY18 total reduction of \$4.4 million, \$2.5 million resulted from a one-time reduction in nursing facility tax collections and \$1.9 million from a one-time reduction in service provider tax collections.

## Conclusion

Actual tax receipts through late February, indications of an accelerating economy spurred by stimulus from the federal tax reform act, and a more optimistic economic forecast from CEFC have provided the RFC with enough confidence to increase the General Fund revenue forecast for the 2018-2019 biennium by \$128.5 million. The committee believes it has struck the right balance between recognizing the strength in revenue growth over the course of FY18 and concern that some of this revenue has been shifted from the April income tax filing season to earlier in the fiscal year because of taxpayer behavior in response to the TCJA.

While the annual adjustments to this forecast are certainly more than recent forecasts, it is important to remember that with the exception of FY19, the annual increases represent only 1 to 2 percent of General Fund revenues. Also, the annual growth in General Fund revenue is projected to remain relatively tepid. The new forecast calls for 1.5% revenue growth in FY18, 5.2% growth in FY19, 0.2% growth in FY20 and 3.3% growth in FY21. Adjusting for one-time revenue in FY19 from additional capital gains and dividend income associated with repatriated earnings by multinational corporations, and the return of revenue sharing to 5 percent of income and sales taxes in FY20, would result in revenue growth in those two years being a modest 3 to 4 percent. Revenue growth in this range is certainly achievable given the February CEFC forecast for the national and Maine economies.



## Appendix A

# General Fund Summary Table

# GENERAL FUND REVENUE

## REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2018 FORECAST

Source	FY13 Actual	FY14 Actual	% Chg.	FY15 Actual	% Chg.	FY16 Actual	% Chg.	FY17 Actual	% Chg.	FY17 Budget	FY17 Variance	% Var
Sales and Use Tax	986,747,637	1,106,158,236	12.1%	1,195,031,298	8.0%	1,274,144,957	6.6%	1,336,944,791	4.9%	1,332,011,722	4,933,069	0.4%
Service Provider Tax	50,139,878	50,173,388	0.1%	48,554,451	-3.2%	44,916,959	-7.5%	61,211,051	36.3%	59,149,448	2,061,603	3.5%
Individual Income Tax	1,521,862,756	1,406,117,705	-7.6%	1,521,778,409	8.2%	1,542,687,615	1.4%	1,523,852,981	-1.2%	1,514,348,976	9,504,005	0.6%
Corporate Income Tax	171,987,073	182,928,181	6.4%	168,965,820	-7.6%	137,492,442	-18.6%	175,239,114	27.5%	164,093,471	11,145,643	6.8%
Cigarette and Tobacco Tax	137,951,824	136,159,833	-1.3%	136,913,357	0.6%	141,464,095	3.3%	144,243,207	2.0%	139,179,000	5,064,207	3.6%
Insurance Companies Tax	79,609,419	83,203,879	4.5%	81,459,794	-2.1%	81,250,784	-0.3%	76,553,592	-5.8%	76,700,000	(146,408)	-0.2%
Estate Tax	79,083,058	23,961,911	-69.7%	31,196,286	30.2%	27,198,153	-12.8%	11,717,686	-56.9%	16,378,323	(4,660,637)	-28.5%
Other Taxes and Fees *	153,796,137	130,140,462	-15.4%	139,437,659	7.1%	143,422,744	2.9%	148,183,240	3.3%	141,032,892	7,150,348	5.1%
Fines, Forfeits and Penalties	23,748,503	23,473,506	-1.2%	22,608,527	-3.7%	20,610,571	-8.8%	19,589,175	-5.0%	19,375,448	213,727	1.1%
Income from Investments	148,434	301,144	102.9%	602,838	100.2%	1,483,723	146.1%	3,592,268	142.1%	3,128,076	464,192	14.8%
Transfer from Lottery Commission	52,908,602	51,845,477	-2.0%	54,002,444	4.2%	56,972,851	5.5%	58,219,690	2.2%	54,900,000	3,319,690	6.0%
Transfers to Tax Relief Programs *	(111,674,333)	(65,357,986)	41.5%	(59,532,694)	8.9%	(64,744,050)	-8.8%	(63,961,530)	1.2%	(64,448,340)	486,810	0.8%
Transfers to Municipal Rev. Sharing	(95,974,153)	(66,063,110)	31.2%	(63,600,996)	3.7%	(67,355,586)	-5.9%	(65,228,793)	3.2%	(65,208,251)	(20,542)	0.0%
Transfers to Education Fund	0	0	0.0%	0	N/A	0	N/A	0	N/A	0	0	N/A
Other Revenue *	44,049,007	50,454,306	14.5%	51,909,354	2.9%	26,645,874	-48.7%	24,747,389	-7.1%	22,828,191	1,919,198	8.4%
<b>Total - General Fund Revenue</b>	<b>3,094,383,842</b>	<b>3,113,496,933</b>	<b>0.6%</b>	<b>3,329,326,547</b>	<b>6.9%</b>	<b>3,366,191,131</b>	<b>1.1%</b>	<b>3,454,903,862</b>	<b>2.6%</b>	<b>3,413,468,956</b>	<b>41,434,906</b>	<b>1.2%</b>

\* Additional detail provided on pages 4, 5 and 6



## GENERAL FUND REVENUE

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2018 FORECAST

Source	FY18 Budget	% Chg.	Recom. Chg.	FY18 Revised	% Chg.	FY19 Budget	% Chg.	Recom. Chg.	FY19 Revised	% Chg.
Sales and Use Tax	1,405,048,328	5.1%	4,500,000	1,409,548,328	5.4%	1,453,032,563	3.4%	13,000,000	1,466,032,563	4.0%
Service Provider Tax	62,224,469	1.7%	0	62,224,469	1.7%	62,475,124	0.4%	0	62,475,124	0.4%
Individual Income Tax	1,523,504,704	0.0%	31,300,000	1,554,804,704	2.0%	1,585,905,151	4.1%	77,150,000	1,663,055,151	7.0%
Corporate Income Tax	171,924,242	-1.9%	0	171,924,242	-1.9%	183,559,196	6.8%	0	183,559,196	6.8%
Cigarette and Tobacco Tax	129,032,000	-10.5%	0	129,032,000	-10.5%	134,099,350	3.9%	0	134,099,350	3.9%
Insurance Companies Tax	74,150,000	-3.1%	0	74,150,000	-3.1%	74,150,000	0.0%	0	74,150,000	0.0%
Estate Tax	12,416,710	6.0%	0	12,416,710	6.0%	12,640,409	1.8%	0	12,640,409	1.8%
Other Taxes and Fees *	135,581,313	-8.5%	4,227,325	139,808,638	-5.7%	134,023,413	-1.1%	5,968,729	139,992,142	0.1%
Fines, Forfeits and Penalties	19,317,146	-1.4%	(963,135)	18,354,011	-6.3%	19,318,146	0.0%	(1,113,135)	18,205,011	-0.8%
Income from Investments	4,549,680	26.7%	879,266	5,428,946	51.1%	4,908,683	7.9%	922,436	5,831,119	7.4%
Transfer from Lottery Commission	54,900,000	-5.7%	4,100,000	59,000,000	1.3%	54,900,000	0.0%	2,100,000	57,000,000	-3.4%
Transfers to Tax Relief Programs *	(64,768,101)	-1.3%	1,000,000	(63,768,101)	0.3%	(66,388,623)	-2.5%	0	(66,388,623)	-4.1%
Transfers to Municipal Rev. Sharing	(68,585,604)	-5.1%	(658,970)	(69,244,574)	-6.2%	(69,484,644)	-1.3%	(1,716,855)	(71,201,499)	-2.8%
Transfers to Education Fund	0	N/A	0	0	N/A	0	N/A	0	0	N/A
Other Revenue *	7,453,037	-69.9%	(5,511,981)	1,941,056	-92.2%	16,419,842	120.3%	(6,703,781)	9,716,061	400.6%
<b>Total - General Fund Revenue</b>	<b>3,466,747,924</b>	<b>0.3%</b>	<b>38,872,505</b>	<b>3,505,620,429</b>	<b>1.5%</b>	<b>3,599,558,610</b>	<b>3.8%</b>	<b>89,607,394</b>	<b>3,689,166,004</b>	<b>5.2%</b>
<b>Change in Biennial Totals</b>								<b>128,479,899</b>		

\* Additional detail provided on pages 4, 5 and 6

## GENERAL FUND REVENUE

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2018 FORECAST

Source	FY20 Budget	% Chg.	Recom. Chg.	FY20 Revised	% Chg.	FY21 Budget	% Chg.	Recom. Chg.	FY21 Revised	% Chg.
Sales and Use Tax	1,507,583,690	3.8%	17,000,000	1,524,583,690	4.0%	1,571,673,290	4.3%	13,500,000	1,585,173,290	4.0%
Service Provider Tax	62,800,000	0.5%	0	62,800,000	0.5%	63,150,000	0.6%	0	63,150,000	0.6%
Individual Income Tax	1,649,842,500	4.0%	63,500,000	1,713,342,500	3.0%	1,723,047,250	4.4%	58,000,000	1,781,047,250	4.0%
Corporate Income Tax	191,350,000	4.2%	0	191,350,000	4.2%	200,300,000	4.7%	0	200,300,000	4.7%
Cigarette and Tobacco Tax	131,503,450	-1.9%	0	131,503,450	-1.9%	129,014,375	-1.9%	0	129,014,375	-1.9%
Insurance Companies Tax	74,950,000	1.1%	0	74,950,000	1.1%	80,450,000	7.3%	0	80,450,000	7.3%
Estate Tax	12,850,000	1.7%	0	12,850,000	1.7%	13,300,000	3.5%	0	13,300,000	3.5%
Other Taxes and Fees *	127,194,903	-5.1%	5,964,748	133,159,651	-4.9%	127,132,920	0.0%	5,960,729	133,093,649	0.0%
Fines, Forfeits and Penalties	19,317,146	0.0%	(1,113,135)	18,204,011	0.0%	19,318,146	0.0%	(1,113,135)	18,205,011	0.0%
Income from Investments	5,526,178	12.6%	1,067,614	6,593,792	13.1%	5,981,632	8.2%	1,146,791	7,128,423	8.1%
Transfer from Lottery Commission	54,900,000	0.0%	2,100,000	57,000,000	0.0%	54,900,000	0.0%	2,100,000	57,000,000	0.0%
Transfers to Tax Relief Programs *	(69,500,000)	-4.7%	0	(69,500,000)	-4.7%	(73,000,000)	-5.0%	0	(73,000,000)	-5.0%
Transfers to Municipal Rev. Sharing	(165,949,946)	-138.8%	(3,852,063)	(169,802,009)	-138.5%	(181,299,687)	-9.2%	(3,609,300)	(184,908,987)	-8.9%
Transfers to Education Fund	0	N/A	0	0	N/A	0	N/A	0	0	N/A
Other Revenue *	13,753,976	-16.2%	(5,471,566)	8,282,410	-14.8%	13,010,961	-5.4%	(5,471,558)	7,539,403	-9.0%
<b>Total - General Fund Revenue</b>	<b>3,616,121,897</b>	<b>0.5%</b>	<b>79,195,598</b>	<b>3,695,317,495</b>	<b>0.2%</b>	<b>3,746,978,887</b>	<b>3.6%</b>	<b>70,513,527</b>	<b>3,817,492,414</b>	<b>3.3%</b>
<b>Change in Biennial Totals</b>								<b>149,709,125</b>		

\* Additional detail provided on pages 4, 5 and 6

# GENERAL FUND REVENUE

## REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2018 FORECAST

Source	FY13 Actual	FY14 Actual	% Chg.	FY15 Actual	% Chg.	FY16 Actual	% Chg.	FY17 Actual	% Chg.	FY17 Budget	FY17 Variance	% Var
<b>Detail of Other Taxes and Fees:</b>												
- Property Tax - Unorganized Territory	13,333,294	12,448,487	-6.6%	12,452,432	0.0%	12,778,868	2.6%	13,578,696	6.3%	14,513,169	(934,473)	-6.4%
- Real Estate Transfer Tax	11,667,284	10,695,215	-8.3%	13,836,648	29.4%	15,394,715	11.3%	17,059,116	10.8%	17,144,043	(84,927)	-0.5%
- Liquor Taxes and Fees	21,145,992	21,515,749	1.7%	22,224,965	3.3%	22,352,169	0.6%	23,249,843	4.0%	21,415,688	1,834,155	8.6%
- Corporation Fees & Licenses	8,933,147	9,294,995	4.1%	9,790,511	5.3%	10,052,935	2.7%	10,540,087	4.8%	9,538,649	1,001,438	10.5%
- Telecommunications Excise Tax	10,076,113	6,842,823	-32.1%	7,591,072	10.9%	6,403,740	-15.6%	6,248,478	-2.4%	6,250,000	(1,522)	0.0%
- Finance Industry Fees	25,070,880	27,199,530	8.5%	28,816,550	5.9%	29,463,631	2.2%	30,019,796	1.9%	26,900,870	3,118,926	11.6%
- Milk Handling Fee	2,381,329	1,098,671	-53.9%	2,206,701	100.9%	5,132,699	132.6%	4,613,496	-10.1%	4,806,382	(192,886)	-4.0%
- Casino and Racino Revenue	14,429,212	8,671,537	-39.9%	8,642,121	-0.3%	8,753,125	1.3%	8,624,011	-1.5%	8,424,243	199,768	2.4%
- Boat, ATV and Snowmobile Fees	4,444,055	4,304,791	-3.1%	4,569,660	6.2%	4,291,061	-6.1%	4,712,468	9.8%	4,523,561	188,907	4.2%
- Hunting and Fishing License Fees	16,078,543	15,987,534	-0.6%	16,490,686	3.1%	16,432,790	-0.4%	16,268,782	-1.0%	15,878,217	390,565	2.5%
- Other Miscellaneous Taxes and Fees	26,236,287	12,081,131	-54.0%	12,816,312	6.1%	12,367,010	-3.5%	13,268,468	7.3%	11,638,070	1,630,398	14.0%
Subtotal - Other Taxes and Fees	153,796,137	130,140,462	-15.4%	139,437,659	7.1%	143,422,744	2.9%	148,183,240	3.3%	141,032,892	7,150,348	5.1%
<b>Detail of Other Revenue:</b>												
- Liquor Sales and Operations	8,731,159	10,012,142	14.7%	13,550,394	35.3%	9,682,240	-28.5%	9,860,579	1.8%	9,845,500	15,079	0.2%
- Targeted Case Management (HHS)	2,397,591	2,004,558	-16.4%	2,532,874	26.4%	2,246,910	-11.3%	1,820,831	-19.0%	1,800,000	20,831	1.2%
- State Cost Allocation Program	15,599,487	18,857,275	20.9%	22,477,739	19.2%	18,161,858	-19.2%	19,459,021	7.1%	18,296,832	1,162,189	6.4%
- Unclaimed Property Transfer	10,801,929	10,504,312	-2.8%	9,615,011	-8.5%	9,660,866	0.5%	5,767,234	-40.3%	5,767,234	0	0.0%
- Tourism Transfer	(9,932,319)	(10,381,884)	-4.5%	(11,624,127)	-12.0%	(13,112,062)	-12.8%	(14,590,665)	-11.3%	(14,601,204)	10,539	0.1%
- Transfer to Maine Milk Pool	(4,580,908)	0	100.0%	(3,931,815)	N/A	(17,025,855)	-333.0%	(15,233,744)	10.5%	(15,308,547)	74,803	0.5%
- Transfer to STAR Transportation Fund	(6,137,811)	(6,069,901)	1.1%	(7,066,534)	-16.4%	(7,308,989)	-3.4%	(7,908,006)	-8.2%	(7,900,000)	(8,006)	-0.1%
- Other Miscellaneous Revenue	27,169,880	25,527,805	-6.0%	26,355,813	3.2%	24,340,906	-7.6%	25,572,140	5.1%	24,928,376	643,764	2.6%
Subtotal - Other Revenue	44,049,007	50,454,306	14.5%	51,909,354	2.9%	26,645,874	-48.7%	24,747,389	-7.1%	22,828,191	1,919,198	8.4%
<b>Detail of Transfers to Tax Relief Programs:</b>												
- Maine Resident Property Tax Program	(41,841,767)	(743,282)	98.2%	14,964	102.0%	82,425	450.8%	(60,303)	-173.2%	0	(60,303)	N/A
- BETR - Business Equip. Tax Reimb.	(48,854,458)	(40,374,677)	17.4%	(33,378,597)	17.3%	(35,078,530)	-5.1%	(31,511,125)	10.2%	(30,500,000)	(1,011,125)	-3.3%
- BETE - Municipal Bus. Equip. Tax Reimb.	(20,978,108)	(24,240,027)	-15.5%	(26,169,061)	-8.0%	(29,747,945)	-13.7%	(32,390,102)	-8.9%	(33,948,340)	1,558,238	4.6%
Subtotal - Tax Relief Transfers	(111,674,333)	(65,357,986)	41.5%	(59,532,694)	8.9%	(64,744,050)	-8.8%	(63,961,530)	1.2%	(64,448,340)	486,810	0.8%
IF&W Total Revenue **	21,623,304	21,430,499	-0.9%	22,125,659	3.2%	21,685,246	-2.0%	22,015,827	1.5%	21,499,761	516,066	2.4%

\*\* IF&W Revenue is a component of the Other Revenue line but is not included in the Detail of Other Revenue because it includes Other Revenue classified above.

# GENERAL FUND REVENUE

## REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2018 FORECAST

Source	FY18 Budget	% Chg.	Recom. Chg.	FY18 Revised	% Chg.	FY19 Budget	% Chg.	Recom. Chg.	FY19 Revised	% Chg.
<b>Detail of Other Taxes and Fees:</b>										
- Property Tax - Unorganized Territory	14,312,702	5.4%	(500,000)	13,812,702	1.7%	14,694,831	2.7%	0	14,694,831	6.4%
- Real Estate Transfer Tax	14,951,635	-12.4%	0	14,951,635	-12.4%	14,427,433	-3.5%	0	14,427,433	-3.5%
- Liquor Taxes and Fees	19,086,688	-17.9%	2,869,000	21,955,688	-5.6%	19,086,688	0.0%	2,869,000	21,955,688	0.0%
- Corporation Fees & Licenses	9,538,649	-9.5%	300,000	9,838,649	-6.7%	9,538,649	0.0%	300,000	9,838,649	0.0%
- Telecommunications Excise Tax	6,250,000	0.0%	0	6,250,000	0.0%	6,250,000	0.0%	0	6,250,000	0.0%
- Finance Industry Fees	26,891,990	-10.4%	1,000,000	27,891,990	-7.1%	26,891,990	0.0%	1,000,000	27,891,990	0.0%
- Milk Handling Fee	4,408,442	-4.4%	660,710	5,069,152	9.9%	2,917,252	-33.8%	2,000,403	4,917,655	-3.0%
- Casino and Racino Revenue	8,535,038	-1.0%	(296,131)	8,238,907	-4.5%	8,614,487	0.9%	(397,838)	8,216,649	-0.3%
- Boat, ATV and Snowmobile Fees	4,523,561	-4.0%	0	4,523,561	-4.0%	4,523,561	0.0%	0	4,523,561	0.0%
- Hunting and Fishing License Fees	15,878,217	-2.4%	142,164	16,020,381	-1.5%	15,878,217	0.0%	142,164	16,020,381	0.0%
- Other Miscellaneous Taxes and Fees	11,204,391	-15.6%	51,582	11,255,973	-15.2%	11,200,305	0.0%	55,000	11,255,305	0.0%
Subtotal - Other Taxes and Fees	135,581,313	-8.5%	4,227,325	139,808,638	-5.7%	134,023,413	-1.1%	5,968,729	139,992,142	0.1%
<b>Detail of Other Revenue:</b>										
- Liquor Sales and Operations	28,500	-99.7%	0	28,500	-99.7%	28,500	0.0%	0	28,500	0.0%
- Targeted Case Management (HHS)	1,750,000	-3.9%	(550,000)	1,200,000	-34.1%	1,750,000	0.0%	(550,000)	1,200,000	0.0%
- State Cost Allocation Program	17,807,410	-8.5%	0	17,807,410	-8.5%	18,296,832	2.7%	0	18,296,832	2.7%
- Unclaimed Property Transfer	7,500,000	30.0%	(1,300,000)	6,200,000	7.5%	7,500,000	0.0%	(1,300,000)	6,200,000	0.0%
- Tourism Transfer	(16,076,775)	-10.2%	0	(16,076,775)	-10.2%	(16,949,058)	-5.4%	0	(16,949,058)	-5.4%
- Transfer to Maine Milk Pool	(13,346,310)	12.4%	(3,499,227)	(16,845,537)	-10.6%	(11,120,581)	16.7%	(4,736,617)	(15,857,198)	5.9%
- Transfer to STAR Transportation Fund	(8,900,000)	-12.5%	0	(8,900,000)	-12.5%	(8,500,000)	4.5%	0	(8,500,000)	4.5%
- Other Miscellaneous Revenue	18,690,212	-26.9%	(162,754)	18,527,458	-27.5%	25,414,149	36.0%	(117,164)	25,296,985	36.5%
Subtotal - Other Revenue	7,453,037	-69.9%	(5,511,981)	1,941,056	-92.2%	16,419,842	120.3%	(6,703,781)	9,716,061	400.6%
<b>Detail of Transfers to Tax Relief Programs:</b>										
- Maine Resident Property Tax Program	0	100.0%	0	0	100.0%	0	N/A	0	0	N/A
- BETR - Business Equip. Tax Reimb.	(26,800,000)	15.0%	0	(26,800,000)	15.0%	(23,420,000)	12.6%	0	(23,420,000)	12.6%
- BETE - Municipal Bus. Equip. Tax Reimb.	(37,968,101)	-17.2%	1,000,000	(36,968,101)	-14.1%	(42,968,623)	-13.2%	0	(42,968,623)	-16.2%
Subtotal - Tax Relief Transfers	(64,768,101)	-1.3%	1,000,000	(63,768,101)	0.3%	(66,388,623)	-2.5%	0	(66,388,623)	-4.1%
IF&W Total Revenue **	21,497,968	-2.4%	0	21,497,968	-2.4%	21,503,676	0.0%	0	21,503,676	0.0%

\*\* IF&W Revenue is a component of the Other Revenue line but is not included in the Detail of Other Revenue because it includes Other Revenue classified above.

# GENERAL FUND REVENUE

## REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2018 FORECAST

Source	FY20 Budget	% Chg.	Recom. Chg.	FY20 Revised	% Chg.	FY21 Budget	% Chg.	Recom. Chg.	FY21 Revised	% Chg.
<b>Detail of Other Taxes and Fees:</b>										
- Property Tax - Unorganized Territory	14,613,169	-0.6%	0	14,613,169	-0.6%	14,713,169	0.7%	0	14,713,169	0.7%
- Real Estate Transfer Tax	10,350,000	-28.3%	0	10,350,000	-28.3%	10,100,000	-2.4%	0	10,100,000	-2.4%
- Liquor Taxes and Fees	17,246,981	-9.6%	2,869,000	20,115,981	-8.4%	17,246,981	0.0%	2,869,000	20,115,981	0.0%
- Corporation Fees & Licenses	9,538,649	0.0%	300,000	9,838,649	0.0%	9,538,649	0.0%	300,000	9,838,649	0.0%
- Telecommunications Excise Tax	6,250,000	0.0%	0	6,250,000	0.0%	6,250,000	0.0%	0	6,250,000	0.0%
- Finance Industry Fees	26,891,990	0.0%	1,000,000	27,891,990	0.0%	26,891,990	0.0%	1,000,000	27,891,990	0.0%
- Milk Handling Fee	2,000,400	-31.4%	2,000,400	4,000,800	-18.6%	2,000,400	0.0%	2,000,400	4,000,800	0.0%
- Casino and Racino Revenue	8,701,631	1.0%	(401,816)	8,299,815	1.0%	8,789,648	1.0%	(405,835)	8,383,813	1.0%
- Boat, ATV and Snowmobile Fees	4,523,561	0.0%	0	4,523,561	0.0%	4,523,561	0.0%	0	4,523,561	0.0%
- Hunting and Fishing License Fees	15,878,217	0.0%	142,164	16,020,381	0.0%	15,878,217	0.0%	142,164	16,020,381	0.0%
- Other Miscellaneous Taxes and Fees	11,200,305	0.0%	55,000	11,255,305	0.0%	11,200,305	0.0%	55,000	11,255,305	0.0%
Subtotal - Other Taxes and Fees	127,194,903	-5.1%	5,964,748	133,159,651	-4.9%	127,132,920	0.0%	5,960,729	133,093,649	0.0%
<b>Detail of Other Revenue:</b>										
- Liquor Sales and Operations	28,500	0.0%	0	28,500	0.0%	28,500	0.0%	0	28,500	0.0%
- Targeted Case Management (HHS)	1,750,000	0.0%	(550,000)	1,200,000	0.0%	1,750,000	0.0%	(550,000)	1,200,000	0.0%
- State Cost Allocation Program	18,296,832	0.0%	0	18,296,832	0.0%	18,296,832	0.0%	0	18,296,832	0.0%
- Unclaimed Property Transfer	7,500,000	0.0%	(1,300,000)	6,200,000	0.0%	7,500,000	0.0%	(1,300,000)	6,200,000	0.0%
- Tourism Transfer	(16,910,500)	0.2%	0	(16,910,500)	0.2%	(17,415,000)	-3.0%	0	(17,415,000)	-3.0%
- Transfer to Maine Milk Pool	(10,067,882)	9.5%	(3,504,402)	(13,572,284)	14.4%	(10,064,497)	0.0%	(3,504,394)	(13,568,891)	0.0%
- Transfer to STAR Transportation Fund	(8,750,000)	-2.9%	0	(8,750,000)	-2.9%	(9,000,000)	-2.9%	0	(9,000,000)	-2.9%
- Other Miscellaneous Revenue	21,907,026	-13.8%	(117,164)	21,789,862	-13.9%	21,915,126	0.0%	(117,164)	21,797,962	0.0%
Subtotal - Other Revenue	13,753,976	-16.2%	(5,471,566)	8,282,410	-14.8%	13,010,961	-5.4%	(5,471,558)	7,539,403	-9.0%
<b>Detail of Transfers to Tax Relief Programs:</b>										
- Maine Resident Property Tax Program	0	N/A	0	0	N/A	0	N/A	0	0	N/A
- BETR - Business Equip. Tax Reimb.	(22,500,000)	3.9%	0	(22,500,000)	3.9%	(21,000,000)	6.7%	0	(21,000,000)	6.7%
- BETE - Municipal Bus. Equip. Tax Reimb.	(47,000,000)	-9.4%	0	(47,000,000)	-9.4%	(52,000,000)	-10.6%	0	(52,000,000)	-10.6%
Subtotal - Tax Relief Transfers	(69,500,000)	-4.7%	0	(69,500,000)	-4.7%	(73,000,000)	-5.0%	0	(73,000,000)	-5.0%
IF&W Total Revenue **	21,503,676	0.0%	0	21,503,676	0.0%	21,503,676	0.0%	0	21,503,676	0.0%

\*\* IF&W Revenue is a component of the Other Revenue line but is not included in the Detail of Other Revenue because it includes Other Revenue classified above.



## Appendix B

# Highway Fund Summary Table

**HIGHWAY FUND REVENUE**  
**REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2018 FORECAST**

Source	FY13 Actual	FY14 Actual	% Chg.	FY15 Actual	% Chg.	FY16 Actual	% Var.	FY17 Actual	% Chg.	FY17 Budget	FY17 Budget	% Var.
Fuel Taxes												
- Gasoline Tax	192,107,854	\$194,291,295	1.1%	\$196,393,071	1.1%	198,030,576	0.8%	201,581,952	1.8%	200,201,200	1,380,752	0.7%
- Special Fuel and Road Use Taxes	44,654,907	\$45,696,730	2.3%	\$46,608,086	2.0%	46,070,971	-1.2%	50,364,054	9.3%	47,086,700	3,277,354	7.0%
- Transcap Transfers - Fuel Taxes	(17,414,097)	(\$17,634,644)	-1.3%	(\$17,873,296)	-1.4%	(17,967,176)	-0.5%	(18,589,483)	-3.5%	(18,171,111)	(418,372)	-2.3%
- Other Fund Gasoline Tax Distributions	(4,808,835)	(\$4,858,642)	-1.0%	(\$4,910,656)	-1.1%	(4,961,004)	-1.0%	(5,065,081)	-2.1%	(5,006,432)	(58,649)	-1.2%
Subtotal - Fuel Taxes	214,539,829	\$217,494,739	1.4%	\$220,217,205	1.3%	221,173,367	0.4%	228,291,442	3.2%	224,110,357	4,181,085	1.9%
Motor Vehicle Registration and Fees												
- Motor Vehicle Registration Fees	65,602,936	\$65,762,247	0.2%	\$67,581,522	2.8%	68,540,478	1.4%	68,345,517	-0.3%	67,095,787	1,249,730	1.9%
- License Plate Fees	3,526,534	\$3,519,781	-0.2%	\$3,614,320	2.7%	3,674,537	1.7%	3,709,500	1.0%	3,458,710	250,790	7.3%
- Long-term Trailer Registration Fees	9,801,658	\$9,924,915	1.3%	\$11,592,185	16.8%	11,571,388	-0.2%	11,768,669	1.7%	10,884,523	884,146	8.1%
- Title Fees	19,182,454	\$13,230,526	-31.0%	\$13,158,253	-0.5%	13,964,505	6.1%	14,298,502	2.4%	13,366,264	932,238	7.0%
- Motor Vehicle Operator License Fees	8,540,242	\$7,872,663	-7.8%	\$7,417,137	-5.8%	8,703,579	17.3%	8,956,575	2.9%	8,899,545	57,030	0.6%
- Transcap Transfers - Motor Vehicle Fees	(17,320,622)	(\$15,494,140)	10.5%	(\$15,658,915)	-1.1%	(15,956,815)	-1.9%	(16,101,245)	-0.9%	(15,570,414)	(530,831)	-3.4%
Subtotal - Motor Vehicle Reg. & Fees	89,333,202	\$84,815,991	-5.1%	\$87,704,502	3.4%	90,497,672	3.2%	90,977,518	0.5%	88,134,415	2,843,103	3.2%
Motor Vehicle Inspection Fees	3,495,704	\$3,109,288	-11.1%	\$3,295,017	6.0%	3,515,288	6.7%	3,410,700	-3.0%	2,982,500	428,200	14.4%
Other Highway Fund Taxes and Fees	1,309,810	\$1,307,919	-0.1%	\$1,314,494	0.5%	1,660,665	26.3%	1,378,535	-17.0%	1,280,229	98,306	7.7%
Fines, Forfeits and Penalties	1,030,267	\$976,084	-5.3%	\$854,813	-12.4%	791,496	-7.4%	719,555	-9.1%	739,039	(19,484)	-2.6%
Income from Investments	105,414	\$80,299	-23.8%	\$159,116	98.2%	255,421	60.5%	348,432	36.4%	364,114	(15,682)	-4.3%
Other Highway Fund Revenues	9,011,474	\$9,292,645	3.1%	\$9,949,439	7.1%	9,553,791	-4.0%	9,191,942	-3.8%	9,680,335	(488,393)	-5.0%
<b>Total - Highway Fund Revenue</b>	<b>318,825,700</b>	<b>\$317,076,964</b>	<b>-0.5%</b>	<b>\$323,494,586</b>	<b>2.0%</b>	<b>327,447,700</b>	<b>1.2%</b>	<b>334,318,123</b>	<b>2.1%</b>	<b>327,290,989</b>	<b>7,027,134</b>	<b>2.1%</b>

**HIGHWAY FUND REVENUE**  
**REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2018 FORECAST**

Source	FY18 Budget	% Chg.	Recom.		FY18 Revised	% Chg.	FY19 Budget	% Chg.	Recom. Chg.	FY 19 Revised	% Chg.
			Chg.								
Fuel Taxes											
- Gasoline Tax	201,172,900	-0.2%	0		201,172,900	-0.2%	205,399,700	2.1%	0	205,399,700	2.1%
- Special Fuel and Road Use Taxes	46,206,300	-8.3%	0		46,206,300	-8.3%	48,309,400	4.6%	0	48,309,400	4.6%
- Transcap Transfers - Fuel Taxes	(18,176,136)	2.2%	0		(18,176,136)	2.2%	(18,642,950)	-2.6%	0	(18,642,950)	-2.6%
- Other Fund Gasoline Tax Distributions	(5,030,731)	0.7%	0		(5,030,731)	0.7%	(5,136,430)	-2.1%	0	(5,136,430)	-2.1%
Subtotal - Fuel Taxes	224,172,333	-1.8%	0		224,172,333	-1.8%	229,929,720	2.6%	0	229,929,720	2.6%
Motor Vehicle Registration and Fees											
- Motor Vehicle Registration Fees	67,095,787	-1.8%	80,000		67,175,787	-1.7%	67,095,787	0.0%	80,000	67,175,787	0.0%
- License Plate Fees	3,458,710	-6.8%	0		3,458,710	-6.8%	3,458,710	0.0%	0	3,458,710	0.0%
- Long-term Trailer Registration Fees	9,884,523	-16.0%	1,000,000		10,884,523	-7.5%	9,884,523	0.0%	0	9,884,523	-9.2%
- Title Fees	13,366,264	-6.5%	330,000		13,696,264	-4.2%	13,366,264	0.0%	330,000	13,696,264	0.0%
- Motor Vehicle Operator License Fees	8,886,689	-0.8%	(50,000)		8,836,689	-1.3%	9,634,811	8.4%	0	9,634,811	9.0%
- Transcap Transfers - Motor Vehicle Fees	(15,570,414)	3.3%	(30,000)		(15,600,414)	3.1%	(15,570,414)	0.0%	(30,000)	(15,600,414)	0.0%
Subtotal - Motor Vehicle Reg. & Fees	87,121,559	-4.2%	1,330,000		88,451,559	-2.8%	87,869,681	0.9%	380,000	88,249,681	-0.2%
Motor Vehicle Inspection Fees	3,202,500	-6.1%	0		3,202,500	-6.1%	3,202,500	0.0%	0	3,202,500	0.0%
Other Highway Fund Taxes and Fees	1,293,729	-6.2%	0		1,293,729	-6.2%	1,280,229	-1.0%	0	1,280,229	-1.0%
Fines, Forfeits and Penalties	739,039	2.7%	0		739,039	2.7%	739,039	0.0%	0	739,039	0.0%
Income from Investments	98,168	-71.8%	120,673		218,841	-37.2%	243,766	148.3%	17,988	261,754	19.6%
Other Highway Fund Revenues	10,502,160	14.3%	100,000		10,602,160	15.3%	10,163,100	-3.2%	0	10,163,100	-4.1%
<b>Total - Highway Fund Revenue</b>	<b>327,129,488</b>	<b>-2.2%</b>	<b>1,550,673</b>		<b>328,680,161</b>	<b>-1.7%</b>	<b>333,428,035</b>	<b>1.9%</b>	<b>397,988</b>	<b>333,826,023</b>	<b>1.6%</b>
<b>Change in Biennial Totals</b>									<b>1,948,661</b>		



**HIGHWAY FUND REVENUE**  
**REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2018 FORECAST**

Source	FY 20 Budget	% Chg.	Recom. Chg.	FY 20 Revised	% Chg.	FY 21 Budget	% Chg.	Recom. Chg.	FY 21 Revised	% Chg.
Fuel Taxes										
- Gasoline Tax	207,450,000	1.0%	0	207,450,000	1.0%	209,600,000	1.0%	0	209,600,000	1.0%
- Special Fuel and Road Use Taxes	48,800,000	1.0%	0	48,800,000	1.0%	49,400,000	1.2%	0	49,400,000	1.2%
- Transcap Transfers - Fuel Taxes	(18,829,672)	-1.0%	0	(18,829,672)	-1.0%	(19,031,890)	-1.1%	0	(19,031,890)	-1.1%
- Other Fund Gasoline Tax Distributions	(5,187,702)	-1.0%	0	(5,187,702)	-1.0%	(5,241,467)	-1.0%	0	(5,241,467)	-1.0%
Subtotal - Fuel Taxes	232,232,626	1.0%	0	232,232,626	1.0%	234,726,643	1.1%	0	234,726,643	1.1%
Motor Vehicle Registration and Fees										
- Motor Vehicle Registration Fees	67,506,406	0.6%	80,000	67,586,406	0.6%	67,506,406	0.0%	80,000	67,586,406	0.0%
- License Plate Fees	3,458,710	0.0%	0	3,458,710	0.0%	3,458,710	0.0%	0	3,458,710	0.0%
- Long-term Trailer Registration Fees	9,884,523	0.0%	0	9,884,523	0.0%	9,884,523	0.0%	0	9,884,523	0.0%
- Title Fees	13,366,264	0.0%	330,000	13,696,264	0.0%	13,366,264	0.0%	330,000	13,696,264	0.0%
- Motor Vehicle Operator License Fees	11,257,276	16.8%	0	11,257,276	16.8%	10,757,829	-4.4%	0	10,757,829	-4.4%
- Transcap Transfers - Motor Vehicle Fees	(15,570,414)	0.0%	(30,000)	(15,600,414)	0.0%	(15,570,414)	0.0%	(30,000)	(15,600,414)	0.0%
Subtotal - Motor Vehicle Reg. & Fees	89,902,765	2.3%	380,000	90,282,765	2.3%	89,403,318	-0.6%	380,000	89,783,318	-0.6%
Motor Vehicle Inspection Fees	3,202,500	0.0%	0	3,202,500	0.0%	3,202,500	0.0%	0	3,202,500	0.0%
Other Highway Fund Taxes and Fees	1,368,729	6.9%	0	1,368,729	6.9%	1,355,229	-1.0%	0	1,355,229	-1.0%
Fines, Forfeits and Penalties	739,039	0.0%	0	739,039	0.0%	739,039	0.0%	0	739,039	0.0%
Income from Investments	279,713	14.7%	23,590	303,303	15.9%	302,766	8.2%	25,129	327,895	8.1%
Other Highway Fund Revenues	10,269,310	1.0%	0	10,269,310	1.0%	10,269,310	0.0%	0	10,269,310	0.0%
<b>Total - Highway Fund Revenue</b>	<b>337,994,682</b>	<b>1.4%</b>	<b>403,590</b>	<b>338,398,272</b>	<b>1.4%</b>	<b>339,998,805</b>	<b>0.6%</b>	<b>405,129</b>	<b>340,403,934</b>	<b>0.6%</b>
<b>Change in Biennial Totals</b>								<b>808,719</b>		



## Appendix C

# Fund for a Healthy Maine Summary Table

## FUND FOR A HEALTHY MAINE (FHM) REVENUE (TOBACCO SETTLEMENT PAYMENTS)

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2018 FORECAST

Source	FY13 Actual	FY14 Actual	% Chg.	FY15 Actual	% Chg.	FY16 Actual	% Chg.	FY17 Actual	% Chg.	FY17 Budget	FY 17 Variance	% Var.
Tobacco Settlement Payments:												
- Base Payments	42,276,735	47,833,255	13.1%	40,779,184	-14.7%	42,935,641	5.3%	42,587,291	-0.8%	42,421,552	165,740	0.4%
- Strategic Contribution Payments	8,709,923	8,559,647	-1.7%	8,696,498	1.6%	8,853,954	1.8%	8,794,086	-0.7%	8,759,861	34,224	0.4%
Subtotal TSPs	50,986,658	56,392,902	0	49,475,682	-12.3%	51,789,595	4.7%	51,381,377	-0.8%	51,181,413	199,964	0.4%
Casino Revenue *	0	4,158,208	N/A	4,107,614	-1.2%	4,042,819	-1.6%	3,797,297	-6.1%	3,846,488	(49,191)	-1.3%
Income from Investments	5,657	7,823	38.3%	8,956	14.5%	27,056	202.1%	49,454	82.8%	22,800	26,654	53.9%
<b>Total - FHM Revenue</b>	<b>50,992,315</b>	<b>60,558,934</b>	<b>18.8%</b>	<b>53,592,252</b>	<b>-11.5%</b>	<b>55,859,469</b>	<b>4.2%</b>	<b>55,228,128</b>	<b>-1.1%</b>	<b>55,050,701</b>	<b>177,427</b>	<b>0.3%</b>

\* Casino Revenue reflects that portion of the State's share of proceeds from slot machines at the Hollywood Casino in Bangor designated for the Fund for a Healthy Maine. For fiscal years 2009-10, 2010-11, and 2011-12, PL 2009, c. 462, Pt. H. capped the proceeds transferred to the Fund for a Healthy Maine at \$4.5 million per year, with the balance transferred to the General Fund. PL 2011 c. 380, Part II extended the \$4.5 million cap through 2012-13. PL 2011 c. 477 re-directed \$2 million of the 2012-13 transfer to the General Fund and PL 2011, c. 657 re-directed the remaining \$2.5 million of the 2012-13 transfer to the General Fund.

## FUND FOR A HEALTHY MAINE (FHM) REVENUE (TOBACCO SETTLEMENT PAYMENTS)

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2018 FORECAST

Source	FY18 Budget	% Chg.	Recom. Chg.	FY18 Revised	% Chg.	FY19 Budget	% Chg.	Recom. Chg.	FY19 Revised	% Chg.
Tobacco Settlement Payments:										
- Base Payments	46,658,590	9.6%	0	46,658,590	9.6%	46,122,186	-1.1%	0	46,122,186	-1.1%
- Strategic Contribution Payments **	0	-100.0%	0	0	-100.0%	0	N/A	0	0	N/A
Subtotal TSPs	46,658,590	-9.2%	0	46,658,590	-9.2%	46,122,186	-1.1%	0	46,122,186	-1.1%
Casino Revenue *	3,934,172	3.6%	(136,535)	3,797,637	0.0%	3,989,438	1.40%	(259,330)	3,730,108	-1.8%
Income from Investments	53,230	7.6%	811	54,041	9.3%	46,880	-11.9%	1,115	47,995	-11.2%
<b>Total - FHM Revenue</b>	<b>50,645,993</b>	<b>-8.3%</b>	<b>(135,724)</b>	<b>50,510,269</b>	<b>-8.5%</b>	<b>50,158,504</b>	<b>-1.0%</b>	<b>(258,215)</b>	<b>49,900,289</b>	<b>-1.2%</b>
<b>Change in Biennial Totals</b>								<b>(393,939)</b>		

\* Casino Revenue reflects that portion of the State's share of proceeds from slot machines at the Hollywood Casino in Bangor designated for the Fund for a Healthy Maine.

\*\* Beginning in FY 18, the ten-year strategic contribution payment ended with the funding nationally for this purpose returned to the regular distribution pool.

## FUND FOR A HEALTHY MAINE (FHM) REVENUE (TOBACCO SETTLEMENT PAYMENTS)

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2018 FORECAST

Source	FY20 Budget	% Chg.	Recom. Chg.	FY20 Revised	% Chg.	FY21 Budget	% Chg.	Recom. Chg.	FY21 Revised	% Chg.
Tobacco Settlement Payments:										
- Base Payments	46,073,338	-0.1%	0	46,073,338	-0.1%	46,073,338	0.0%	0	46,073,338	0.0%
- Strategic Contribution Payments	0	N/A	0	0	N/A	0	N/A	0	0	N/A
** Subtotal TSPs	46,073,338	-0.1%	0	46,073,338	-0.1%	46,073,338	0.0%	0	46,073,338	0.0%
Casino Revenue *	4,029,333	1.0%	(261,924)	3,767,409	1.0%	4,069,626	1.0%	(264,543)	3,805,083	1.0%
Income from Investments	51,567	10.0%	850	52,417	9.2%	55,817	8.2%	850	56,667	8.1%
<b>Total - FHM Revenue</b>	<b>50,154,238</b>	<b>0.0%</b>	<b>(261,074)</b>	<b>49,893,164</b>	<b>0.0%</b>	<b>50,198,781</b>	<b>0.1%</b>	<b>(263,693)</b>	<b>49,935,088</b>	<b>0.1%</b>
<b>Change in Biennial Totals</b>								<b>(524,767)</b>		

\* Casino Revenue reflects that portion of the State's share of proceeds from slot machines at the Hollywood Casino in Bangor designated for the Fund for a Healthy Maine.

\*\* Beginning in FY 18, the ten-year strategic contribution payment ended with the funding nationally for this purpose returned to the regular distribution pool.



## **Appendix D**

# **Medicaid/MaineCare Dedicated Revenue Taxes Summary Table**

**MEDICAID/MAINECARE DEDICATED REVENUE TAXES**  
**REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2018 FORECAST**

Source	FY13 Actual	FY14 Actual	% Chg.	FY15 Actuals	% Chg.	FY 16 Actual	% Chg.	FY 17 Actual	% Chg.	FY 17 Budget	FY 17 Variance	% Var.
Nursing Facility Tax*	35,370,670	34,168,165	-3.4%	35,323,010	3.4%	37,105,990	5.0%	36,162,788	-2.5%	36,000,000	162,788	0.5%
Residential Treatment Facility (ICFs/MR) Tax*	1,929,457	1,878,734	-2.6%	1,660,080	-11.6%	2,005,640	20.8%	1,939,129	-3.3%	1,891,000	48,129	2.5%
Hospital Tax **	80,942,050	97,208,195	20.1%	97,379,317	0.2%	95,334,196	-2.1%	95,028,525	-0.3%	95,334,630	(306,105)	-0.3%
Service Provider Tax - Private Non-Medical Institutions (PNMIs)***	34,998,876	35,354,849	1.0%	36,711,725	3.8%	40,128,998	9.3%	43,710,762	8.9%	43,767,713	(56,951)	-0.1%
<b>Total - Health Care Provider Taxes</b>	<b>153,241,054</b>	<b>168,609,944</b>	<b>10.0%</b>	<b>171,074,132</b>	<b>1.5%</b>	<b>174,574,824</b>	<b>2.0%</b>	<b>176,841,205</b>	<b>1.3%</b>	<b>176,993,343</b>	<b>(152,138)</b>	<b>1.3%</b>

\*\* The hospital tax base year was modified in PL 2007, c. 545, to hospital fiscal years ending during calendar year 2006 beginning in FY 09; again in PL 2009, c. 571 to hospital fiscal years ending during calendar year 2008 beginning in FY 11; again in PL 2013, c. 368 to hospital fiscal years ending during calendar year 2012 beginning in FY 14 and again in PL 2017, c.284 to hospital fiscal years ending during calendar year 2014 beginning in FY 18.

\*\*\* The Service Provider Tax rates were increased in PL 2015, c. 267, Part TTTT from 5.0% to 6.0% beginning in FY16, on 01/01/2016.

**MEDICAID/MAINECARE DEDICATED REVENUE TAXES**  
**REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2018 FORECAST**

Source	FY18 Budget	% Chg.	Recom. Chg.	FY18 Revised	% Chg.	FY19 Budget	% Chg.	Recom. Chg.	FY19 Revised	% Chg.
Nursing Facility Tax*	36,300,000	0.4%	(2,500,000)	33,800,000	-6.5%	36,300,000	0.0%	0	36,300,000	7.4%
Residential Treatment Facility (ICFs/MR) Tax*	1,962,000	1.2%	65,000	2,027,000	4.5%	1,962,000	0.0%	65,000	2,027,000	0.0%
Hospital Tax **	103,044,619	8.4%	0	103,044,619	8.4%	103,044,619	0.0%	0	103,044,619	0.0%
Service Provider Tax - Private Non-Medical Institutions (PNMIs)***	47,548,553	8.8%	(1,933,553)	45,615,000	4.4%	45,667,397	-4.0%	519,220	46,186,617	1.3%
<b>Total - Health Care Provider Taxes</b>	<b>188,855,172</b>	<b>6.8%</b>	<b>(4,368,553)</b>	<b>184,486,619</b>	<b>4.3%</b>	<b>186,974,016</b>	<b>-1.0%</b>	<b>584,220</b>	<b>187,558,236</b>	<b>1.7%</b>
<b>Change in Biennial Totals</b>								<b>(3,784,333)</b>		

\*\* The hospital tax base year was modified in PL 2007, c. 545, to hospital fiscal years ending during calendar year 2006 beginning in FY 09; again in PL 2009, c. 571 to hospital fiscal years ending during calendar year 2008 beginning in FY 11; again in PL 2013, c. 368 to hospital fiscal years ending during calendar year 2012 beginning in FY 14 and again in PL 2017, c.284 to hospital fiscal years ending during calendar year 2014 beginning in FY 18.

\*\*\* The Service Provider Tax rates were increased in PL 2015, c. 267, Part TTTT from 5.0% to 6.0% beginning in FY16, on 01/01/2016.



**MEDICAID/MAINECARE DEDICATED REVENUE TAXES**  
**REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2018 FORECAST**

Source	FY20 Budget	% Chg.	Recom. Chg.	FY20 Revised	% Chg.	FY21 Budget	% Chg.	Recom. Chg.	FY21 Revised	% Chg.
Nursing Facility Tax*	36,300,000	0.0%	0	36,300,000	0.0%	36,300,000	0.0%	0	36,300,000	0.0%
Residential Treatment Facility (ICFs/MR) Tax*	1,962,000	0.0%	65,000	2,027,000	0.0%	1,962,000	0.0%	65,000	2,027,000	0.0%
Hospital Tax **	103,044,619	0.0%	0	103,044,619	0.0%	103,044,619	0.0%	0	103,044,619	0.0%
Service Provider Tax - Private Non-Medical Institutions (PNMIs)***	45,667,397	0.0%	519,220	46,186,617	0.0%	45,667,397	0.0%	519,220	46,186,617	0.0%
<b>Total - Health Care Provider Taxes</b>	<b>186,974,016</b>	<b>0.0%</b>	<b>584,220</b>	<b>187,558,236</b>	<b>0.0%</b>	<b>186,974,016</b>	<b>0.0%</b>	<b>584,220</b>	<b>187,558,236</b>	<b>0.0%</b>
<b>Change in Biennial Totals</b>								<b>1,168,440</b>		

\*\* The hospital tax base year was modified in PL 2007, c. 545, to hospital fiscal years ending during calendar year 2006 beginning in FY 09; again in PL 2009, c. 571 to hospital fiscal years ending during calendar year 2008 beginning in FY 11; again in PL 2013, c. 368 to hospital fiscal years ending during calendar year 2012 beginning in FY 14 and again in PL 2017, c.284 to hospital fiscal years ending during calendar year 2014 beginning in FY 18.

\*\*\* The Service Provider Tax rates were increased in PL 2015, c. 267, Part TTTT from 5.0% to 6.0% beginning in FY16, on 01/01/2016.



## **Appendix E**

# **Consensus Economic Forecasting Commission Report**

**February 1, 2018**

**Report of the  
CONSENSUS ECONOMIC FORECASTING COMMISSION  
February 1, 2018**

**Commissioners**

John C. Atkinson

Dr. Sheena S. Bunnell  
*Professor of Business Economics  
University of Maine Farmington*

Andrew N. Marden  
*Buyer/Merchandiser  
Marden's*

Eric N. Stinneford, Chair  
*Vice President – Controller and Treasurer  
Central Maine Power Company*

## Summary

The Maine Consensus Economic Forecasting Commission (CEFC) convened on January 26, 2018, to review and revise the forecast through 2021 and to additionally forecast through 2023. Two additional recession scenarios of varying severity were identified to meet the Commission's new statutory requirement. This report provides a summary of the Commission's findings.

Both the national and state economies appear to have had a good year in 2017. There are limited new data points available since the CEFC last met in October 2017, but additional data on the performance of the economy last year indicates that GDP and personal income both grew. However, oil and gasoline prices have been trending upward recently as well.

The Commission made modest changes to the existing forecast for employment and more substantial revisions to the forecast for personal income, while leaving forecasts for inflation and corporate profits largely untouched. Many of the revisions to personal income components were based on anticipated results from the Tax Cuts and Jobs Act. While there has been more positive data on in-migration recently, the Commission remains concerned about the demographic situation in Maine and the resulting impacts on workforce availability.

The forecast for wage and salary employment growth was left unchanged for 2017, 2020, and 2021 and revised upward for 2018 and 2019 based on data showing stronger than expected recent in-migration and employment growth. The new forecast reaches 627,100 in 2019 and remains at that level for 2020-2023. CPI was revised slightly downward for 2017, from 2.4 percent to 2.1 percent, with the release of actual 2017 data from the U.S. Bureau of Labor Statistics, while the remaining years through 2021 were left unchanged and both 2022 and 2023 were forecast at 2.2 percent. Total personal income was revised upward by 0.4 percentage points in 2017 based on information from Maine Revenue Services and Maine Department of Labor regarding wage growth through the year. The forecasts for 2018, 2019, and 2020 were revised upward by 1.3, 0.8, and 0.1 percentage points, respectively, largely due to influences of the Tax Cuts and Jobs Act. 2021 was revised downward by 0.1 percentage point. Both 2022 and 2023 were forecast at 3.1 percent. Wage and salary income growth for 2017 was revised upward by 1.0 percentage points due to preliminary data from Maine Revenue Services and Maine Department of Labor. The forecasts for 2018 and 2019 were revised upward by 1.4 and 0.2 percentage points, respectively, due to the reasons outlined above. The forecast for 2020 was left unchanged and the forecast for 2021 was revised downward by 0.2 percentage points. Both 2022 and 2023 were forecast at 3.0 percent.

The table below provides the forecast's major indicators.

Calendar Years	2016	2017	2018	2019	2020	2021	2022	2023
<b>Wage &amp; Salary Employment (Annual Percentage Change)</b>								
CEFC Forecast 11/2017	1.1	0.8	0.2	0.0	0.0	0.0		
CEFC Forecast 02/2018	1.1	0.8	0.4	0.4	0.0	0.0	0.0	0.0
<b>Personal Income (Annual Percentage Change)</b>								
CEFC Forecast 11/2017	3.0	3.0	3.1	3.5	3.8	3.8		
CEFC Forecast 02/2018	3.0	3.4	4.4	4.3	3.9	3.7	3.1	3.1
<b>Wage and Salary Income (Annual Percentage Change)</b>								
CEFC Forecast 11/2017	3.2	3.0	2.9	3.7	3.7	3.7		
CEFC Forecast 02/2018	3.2	4.0	4.3	3.9	3.7	3.5	3.0	3.0
<b>CPI (Annual Percentage Change)</b>								
CEFC Forecast 11/2017	1.3	2.4	2.5	2.3	2.5	2.4		
CEFC Forecast 02/2018	1.3	2.1	2.5	2.3	2.5	2.4	2.2	2.2

In deliberations leading to consensus, the CEFC considered information presented by several state agencies, including the Maine Department of Labor, Maine Revenue Services, and by the Maine State Economist at the Department of Administrative and Financial Services (DAFS). The following sections summarize these reports.

### Maine State Economist (Department of Administrative and Financial Services)

Maine’s real GDP grew 0.5% in the second quarter of 2017. Personal income in Maine grew 2.0% from the first three quarters of 2016 to the first three quarters of 2017, while wage and salary income, which is the largest component of total personal income, grew 1.8% over the same period. The debt-to-income level for Maine businesses and households continued to rise to new levels in the third quarter of 2017. The Consumer Price Index was up 2.1% in December 2017 from a year ago, boosted by recent increases in energy prices.

Nationwide, consumer sentiment has remained relatively stable in recent months. The December 2017 level was down 2.3% from a year ago and down 2.6% from November 2017. Small business optimism has also been fairly stable in recent months, down 2.4% from the previous month in December 2017 and down 0.9% year over year.

The price of crude oil has continued increasing recently with prices in the fourth quarter of 2017 up 17%. As a result, heating oil prices and gasoline prices have been higher as well. Heating oil is around \$2.96 per gallon while gasoline is currently averaging \$2.67 per gallon.

Existing single-family home sales in Maine were up 11.5% in November 2017 compared to the same month last year and housing permits for the December 2016 – November 2017 year were 9.4% higher than the previous 12-month period. The median home price in the Portland-South Portland Metropolitan Statistical Area (which encompasses all of York, Cumberland, and Sagadahoc counties) increased 6.0% year-over-year in the third quarter of 2017. Mortgage delinquency rates in Maine have been declining but remain higher than the national rate. The foreclosure rate in Maine was 0.38% in the third quarter of 2017.

Full background materials are available at:  
<http://www.maine.gov/economist/state/forecast.html>

## **Maine Department of Labor**

Labor market conditions in Maine are very tight. December's 3.0% unemployment rate estimate was historically low, at or below 4.0% for the 27<sup>th</sup> consecutive month, the second longest such stretch on record. All six measures of labor underutilization for Maine reached series lows in 2017. Labor market tightness appears to be the reason the rate of job growth has slowed over the last two years.

Total wages paid (not inflation adjusted) were up 3.8% in the first three quarters of 2017 compared to the same period a year earlier. If the fourth quarter rise is similar to previous years, the total may reach \$26.7 billion for the year. Adjusted for inflation, the average wage per job continues to rise at the fastest rate in nearly two decades.

The minimum wage increased to \$10 per hour on January 1. The number of workers earning less than \$10 per hour has declined sharply since 2013. In 2016 there were an average of 59,000 workers who earned less than \$10 per hour in their primary job. Data for 2017 is not yet available. We estimate there were 52,000 workers who earned less than \$10 per hour who received an increase in their hourly rate of pay at the beginning of the year.

The natural change in the population (births minus deaths) remains negative, a trend we expect to continue for some time. There will be record numbers of retirements over the next 15 years – the point at which more people will retire than enter the workforce is getting closer. More positively, net-migration to the state has been on the upswing, likely driven by higher wages and stepped-up efforts by companies and business associations to recruit working-age people to the state.

The Center for Workforce Research is currently developing a 10 year workforce forecast for the period from 2016 to 2026. The job growth outlook depends on changes in the rate of labor force participation and in net-migration among those age cohorts that are most attached to the labor market. We expect rising labor force participation in nearly all age groups, but declining total participation rates as a rising share of the population reaches retirement. There are a number of plausible scenarios on participation and migration. In the ones that seem most plausible, employment rises modestly over the next few years, followed by a period of little change.

The presentation is available at

[www.maine.gov/labor/cwri/publications/pdf/CEFC%20January%202018.pdf](http://www.maine.gov/labor/cwri/publications/pdf/CEFC%20January%202018.pdf).

## **Maine Revenue Services - Office of Tax Policy**

December General Fund revenues were over budget by \$26.9 million or 10.7 percent. For the first half of fiscal year 2018, General Fund revenues are \$39.6 million over budget (+2.3 percent). Compared to the same six-month period of last fiscal year, fiscal year 2018 General Fund revenues are up by 3.2 percent (+\$55.7 million).

November taxable sales (December revenue) increased 8.3 percent over last year. For the month, sales and use and service provider taxes, combined, were \$4.9 million over budget. It appears that the robust taxable sales growth in November was aided by sales related to the wind storm at the end of October. Building supply sales increased by 12.4 percent, year-over-year, and lodging sales increased by 24 percent. Lodging sales were up across many parts of the state, and there is no other explanation for November sales growth of that magnitude. Many automobiles were severely damaged in the storm and may have helped push sales up by 7.2 percent. Areas traditionally associated with holiday shopping,

such as general merchandise and other retail sales, were up 14.4 and 4.8 percent, respectively. Restaurant sales also were solid in November, increasing by 7.1 percent compared to a year ago. Overall year-over-year consumer sales growth of 8.8 percent in November, even after adjusting for the effects of the wind storm, was strong and indicative of a good start to the holiday shopping season.

Individual income tax revenues were over budget in December by \$21.4 million. Estimated payments were the major source of the monthly positive variance, over budget by \$16.6 million; a 50 percent increase over last December's payments. The final estimated payment is not due until January 15, 2018, but many taxpayers pre-pay their state estimated payment in December to get the itemized deduction on their federal tax return. The limitation on the state and local tax (SALT) deduction included in the federal Tax Cuts and Jobs Act resulted in many taxpayers expecting to be subject to that limitation deciding to shift payments into December. Estimated payments postmarked by December 31, 2017, and received during the first week of January were up over 200 percent compared to the same period a year ago. It is unclear how much of these payments are based on stronger than projected 2017 taxable income versus a timing in payments that will reduce budgeted final payments in April. Withholding payments accounted for most of the remaining monthly surplus, coming in \$4 million over budget.

### **Macroeconomic Assumptions**

Two different baseline economic forecasts were examined at the meeting: the Moody's Analytics baseline scenario for January 2018 and the IHS Economics baseline scenario for January 2018. Additionally, DAFS provided an alternative scenario based on demographic assumptions that limit employment growth. Each forecast was based on a different set of national macroeconomic assumptions. The DAFS scenario was based on the Moody's Analytics baseline scenario with industry sector employment growth adjustments by the State Economist. These three forecasts were then compared to the CEFC's November 2017 forecast. The key assumptions made by the CEFC are below.

- Maine population growth is likely to limit employment growth in the coming years, particularly as the baby boom generation continues to move into retirement age. The employment forecast adopted by the CEFC assumes that Maine has seen stronger in-migration recently and this will continue for at least the next few years. Additionally, tightening in the labor market will put upward pressure on wages.
- The federal Tax Cuts and Jobs Act will result in increased growth in personal income and corporate profits in 2018 and 2019 before tapering off.

### **Consensus Forecast**

IHS now has employment peaking in 2020 before beginning a slight decline. Maine has seen robust employment growth in 2017, although not as strong as 2016, and will likely see some growth for the next couple of years before demographic forces create too much of an opposing headwind.

Employment growth rates were left unchanged for 2017, 2020, and 2021, while 2019 and 2020 were revised upward slightly. Employment reaches a peak level of 627,100 in 2019 and stays at that level throughout the rest of the forecast period.

Revisions to wage and salary income growth were driven by two primary factors: preliminary reports from Maine Revenue Services and Maine Department of Labor showing 2017 year to date wage growth

that has been much stronger than the figures reported by the Bureau of Economic Analysis as well as effects from the Tax Cuts and Jobs Act. Wage and salary income growth for 2017, 2018, and 2019 were revised upward by 1.0, 1.4, and 0.2 percentage points, respectively. The forecast for 2020 was left unchanged while the forecast for 2021 was revised downward by 0.2 percentage points. Both 2022 and 2023 were forecast at 3.0 percent growth.

The forecast for supplements to wages and salaries was revised upward by 0.9 percentage points in 2018, while all other years were left unchanged. 2022 was forecast at 2.9 percent and 2023 was forecast at 3.1 percent growth. The growth rate for nonfarm proprietors' income was revised upward by 0.8 percentage points in 2018 and downward by 0.3 percentage points in 2021, while the remaining years were left unchanged. 2022 and 2023 were both forecast at 2.5 percent growth. The forecast for dividends, interest, and rent was left unchanged for 2017 with all remaining years revised upward: 2018 by 2.5 percentage points, 2019 by 2.7 percentage points, 2020 by 1.0 percentage points, and 2021 by 0.2 percentage points. 2022 was forecast at 2.3 percent growth and 2023 was forecast at 2.2 percent. The forecast for personal current transfer receipts was left unchanged for all years. 2022 and 2023 were both forecast at 4.5 percent growth.

The overall result for total personal income was a 0.4 percentage point revision upward for 2017, a 1.3 percentage point revision upward for 2018, a 0.8 percentage point revision upward for 2019, a 0.1 percentage point revision upward for 2020, and a 0.1 percentage point revision downward for 2021. Both 2022 and 2023 were forecast at 3.1 percent growth.

The U.S. Bureau of Labor Statistics released 2017 growth in the Consumer Price Index resulting in a downward revision of 0.3 percentage points in that year. The CEFC left the remaining years unchanged from the previous forecast and forecast both 2022 and 2023 at 2.2 percent.

The forecast for corporate profits was left unchanged for all years, as the previous forecast already reflected the possibility of corporate tax cuts that were subsequently passed in the Tax Cuts and Jobs Act and there is too little additional information available at this time to warrant changes in the forecast. 2022 was forecast at 3.7 percent growth and 2023 was forecast at 2.7 percent growth.

Overall, the primary source of concern for the CEFC continues to be Maine's demographic situation, with an aging population and limited population growth, although there has been a recent increase in immigration. There were significant increases to many lines of the forecast in 2018 and 2019 following the passage of the Tax Cuts and Jobs Act.

The following page provides the full forecast.



**Maine Consensus Economic Forecasting Commission**

February 2018 Forecast

	History	Forecast						
	2016	2017	2018	2019	2020	2021	2022	2023
CPI-U* (Annual Change)	1.3%	2.1%	2.5%	2.3%	2.5%	2.4%	2.2%	2.2%
CPI for Energy Prices** (Annual Change)	-6.4%	8.1%	6.1%	2.3%	2.1%	2.6%	2.6%	2.6%
CPI for New Vehicles** (Annual Change)	0.1%	-0.3%	-0.6%	0.0%	-0.3%	0.2%	0.3%	0.1%
New Vehicle Registrations** (Annual Change)	1.7%	-1.4%	-7.0%	-2.3%	-1.4%	-1.8%	-1.8%	0.0%
Personal Savings Rate**	4.9%	3.5%	4.3%	5.3%	5.5%	5.8%	5.9%	5.8%
Maine Unemployment Rate**	3.9%	3.4%	3.3%	3.2%	3.3%	3.5%	3.7%	3.8%
3-Month Treasury Bill Rate**	0.32%	0.93%	1.69%	2.28%	2.78%	3.10%	3.10%	2.98%
10-Year Treasury Note Rate**	1.84%	2.33%	3.01%	3.54%	3.72%	3.72%	3.69%	3.67%
Before-Tax Corporate Profits* (Annual Change)	0.0%	4.5%	6.0%	4.8%	3.2%	3.5%	3.7%	2.7%
Maine Wage & Salary Employment* (thousands)	617.2	622.1	624.6	627.1	627.1	627.1	627.1	627.1
Natural Resources	2.3	2.4	2.4	2.4	2.4	2.5	2.5	2.5
Construction	27.4	28.7	28.3	28.4	28.8	29.1	29.3	29.5
Manufacturing	50.7	50.5	51.0	51.1	51.2	51.2	51.1	51.1
Trade/Trans./Public Utils.	120.6	121.2	121.2	121.6	120.9	120.4	119.3	118.1
Information	7.7	7.5	7.4	7.4	7.4	7.4	7.4	7.4
Financial Activities	31.0	30.6	30.6	30.7	30.6	30.4	30.2	30.1
Prof. & Business Services	65.5	65.6	67.6	68.1	68.5	69.2	70.4	71.7
Education & Health Services	125.2	127.9	129.0	129.7	129.4	129.6	129.7	129.8
Leisure & Hospitality Services	65.3	66.2	66.2	66.4	66.2	66.3	66.2	66.1
Other Services	21.7	21.3	21.2	21.3	21.0	20.8	20.5	20.3
Government	99.9	100.3	99.6	100.0	100.8	100.2	100.4	100.5
Maine Wage & Salary Employment* (Annual Change)	1.1%	0.8%	0.4%	0.4%	0.0%	0.0%	0.0%	0.0%
Natural Resources	-5.9%	6.0%	1.1%	0.5%	0.2%	1.0%	1.1%	0.4%
Construction	3.0%	4.9%	-1.6%	0.6%	1.3%	1.2%	0.7%	0.6%
Manufacturing	0.1%	-0.4%	0.9%	0.2%	0.2%	0.0%	-0.1%	0.0%
Trade/Trans./Public Utils.	0.7%	0.6%	0.0%	0.3%	-0.6%	-0.4%	-0.9%	-1.0%
Information	1.2%	-3.5%	-1.2%	0.2%	-0.1%	0.6%	0.3%	0.0%
Financial Activities	0.9%	-1.2%	0.1%	0.2%	-0.4%	-0.4%	-0.7%	-0.5%
Prof. & Business Services	1.1%	0.1%	3.2%	0.7%	0.5%	1.0%	1.8%	1.8%
Education & Health Services	1.6%	2.2%	0.9%	0.5%	-0.2%	0.2%	0.1%	0.1%
Leisure & Hospitality Services	1.8%	1.4%	0.0%	0.3%	-0.3%	0.2%	-0.2%	-0.2%
Other Services	1.7%	-2.0%	-0.2%	0.3%	-1.5%	-1.0%	-1.1%	-1.3%
Government	0.4%	0.3%	-0.6%	0.4%	0.8%	-0.6%	0.2%	0.1%
	2016	2017	2018	2019	2020	2021	2022	2023
Personal Income* (\$ million)	58,655	60,639	63,300	66,011	68,616	71,153	73,377	75,670
Wages & Salaries*	27,705	28,813	30,052	31,224	32,379	33,513	34,518	35,554
Supplements to Wages & Salaries*	6,939	7,214	7,503	7,820	8,139	8,400	8,645	8,911
Nonfarm Proprietors' Income*	4,341	4,493	4,785	4,993	5,153	5,308	5,440	5,576
Farm Proprietors' Income**	-14	-15	12	54	73	70	68	69
Dividends, Interest, & Rent*	10,264	10,511	11,036	11,588	11,959	12,318	12,601	12,878
Dividends	2,899	2,882	2,947	3,082	3,160	3,215	3,274	3,309
Interest	4,719	4,866	5,168	5,412	5,704	6,060	6,351	6,622
Rent	2,646	2,765	2,925	3,092	3,097	3,044	2,977	2,949
Personal Current Transfer Receipts*	13,130	13,458	13,848	14,402	15,137	15,909	16,624	17,373
Less: Contributions for Social Ins.**	4,625	4,770	4,911	5,090	5,284	5,465	5,661	5,874
Adjustment for Residence**	915	936	974	1,019	1,059	1,102	1,141	1,183
Personal Income* (Annual Change)	3.0%	3.4%	4.4%	4.3%	3.9%	3.7%	3.1%	3.1%
Wages & Salaries*	3.2%	4.0%	4.3%	3.9%	3.7%	3.5%	3.0%	3.0%
Supplements to Wages & Salaries*	3.4%	4.0%	4.0%	4.2%	4.1%	3.2%	2.9%	3.1%
Nonfarm Proprietors' Income*	7.7%	3.5%	6.5%	4.4%	3.2%	3.0%	2.5%	2.5%
Farm Proprietors' Income**	***	***	***	365.8%	35.0%	-4.5%	-2.8%	2.0%
Dividends, Interest, & Rent*	1.6%	2.4%	5.0%	5.0%	3.2%	3.0%	2.3%	2.2%
Dividends	-5.4%	-0.6%	2.3%	4.6%	2.5%	1.7%	1.8%	1.1%
Interest	3.5%	3.1%	6.2%	4.7%	5.4%	6.2%	4.8%	4.3%
Rent	6.8%	4.5%	5.8%	5.7%	0.2%	-1.7%	-2.2%	-0.9%
Personal Current Transfer Receipts*	2.3%	2.5%	2.9%	4.0%	5.1%	5.1%	4.5%	4.5%
Less: Contributions for Social Ins.**	2.8%	3.1%	2.9%	3.6%	3.8%	3.4%	3.6%	3.8%
Adjustment for Residence**	1.0%	2.2%	4.1%	4.6%	4.0%	4.0%	3.6%	3.7%

\*CEFC Forecast

\*\*From IHS Economics (Jan. 2018), DAFS Low Emp Scenario and Moody's Analytics Baseline (Jan. 2018)

Remaining lines derived from CEFC forecast by CEFC staff and reviewed by CEFC

\*\*\*Farm Proprietors' income was negative in 2015 - 2017

## Alternative Economic Scenarios

### Statute and Background: 5 M.R.S.A. §1710-A

*4. Alternative economic scenarios. No later than February 1st of each even-numbered year the commission shall provide to the State Budget Officer, the State Economist and the Associate Commissioner for Tax Policy at least 2 additional economic forecasts that assume potential economic recession scenarios of varying levels of severity. These additional forecasts must include economic assumptions for the current fiscal biennium and the next 2 fiscal biennia. In each report the commission shall fully describe the methodology employed in reaching its recommendations.*

The Governor's biennial budget included a proposal that was subsequently enacted in Public Laws of Maine 2017, chapter 284, requiring the CEFC to provide the State Economist, the State Budget Officer, and the Associate Commissioner for Tax Policy with at least two alternative economic recession scenarios of varying levels of severity. The alternative scenarios are required to be included in the CEFC's report due February 1<sup>st</sup> of each even-numbered year and also must include assumptions for calendar years that encompass the current and next two biennia. By October 1<sup>st</sup> of each even-numbered year the CEFC and RFC will jointly issue a report to the Governor, the Legislative Council and the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs that utilizes the alternative economic scenarios recommended by the CEFC. The report will include analyses and findings that detail the stress impact such economic recession scenarios would have on the current General Fund revenue projections of sales and income tax revenues. In addition, the report must include an analysis of the sufficiency of the current level of the Budget Stabilization Fund and an estimate of the reserves in the Budget Stabilization Fund necessary to offset the declines in revenue as a result of potential economic recession scenarios.

### Methodology

The Commission spent some time discussing how best to identify the alternative scenarios for use in the "stress test" report described in statute. The Commissioners decided to designate two alternative scenarios provided by Moody's Analytics in January 2018 as the moderate and severe recession scenarios. While the scenarios describe a particular set of specific events surrounding the recessions, the Commission does not ascribe to these specifics, instead selecting the scenarios based on the numbers and growth rates that seemed reasonable as generic "moderate" and "severe" recessions. These scenarios should provide plausible economic inputs for an analysis of the General Fund revenue projections in both a moderate and severe downturn. Brief descriptions of the economic conditions follow; forecast details will be included in the October 1, 2018, stress test report.

### Moderate recession scenario

The moderate recession scenario selected by the Commission is the "S7" Next-Cycle Recession scenario. On a macroeconomic level, this recession lasts a full year, which is comparable to the postwar average of recessions. The national unemployment rate peaks at 8 percent and real gross domestic product declines around 2 percent. Inflation rises to 4 percent. Employment in Maine declines around 2.5 percent. Wage and salary income in Maine declines around 2 percent, while total personal income continues to grow but at a slower pace.

### Severe recession scenario

The severe recession scenario selected by the Commission is the "S4" Protracted Slump scenario. On a macroeconomic level, this deep recession lasts over a year and a half. The national unemployment rate peaks near 10 percent and real gross domestic product declines around 4.5 percent. Inflation is negative in the first year of this recession. Employment in Maine declines around 5.5 percent. Wage and salary income in Maine declines around 6 percent and total personal income declines around 2.5 percent.



## **APPENDIX F**

# **Maine Revenue Services** **Recommendations and Background** **Materials**

### **Table of Contents**

Summary Maine Revenue Services Recommendations .....	F-1
Revenue Update Through January 2018.....	F-2
Sales and Use Tax and Service Provider Tax .....	F-8
Individual Income Tax .....	F-26
Corporate Income Tax .....	F-39

**Maine Revenue Services' - Office of Tax Policy - Recommendations to the Revenue Forecasting Committee**

	<u>FY2018</u>	<u>FY2019</u>	<u>Biennium</u>	<u>FY2020</u>	<u>FY2021</u>	<u>Biennium</u>
<b>Sales &amp; Use Tax</b>	\$4,500,000	\$13,000,000	\$17,500,000	\$17,000,000	\$13,500,000	\$30,500,000
<b>Individual Income Tax</b>	\$31,300,000	\$77,150,000	\$108,450,000	\$63,500,000	\$58,000,000	\$121,500,000
<b>BETE</b>	\$1,000,000	\$0	\$1,000,000	\$0	\$0	\$0
<b>Total Adjustments to Current Forecast</b>	\$36,800,000	\$90,150,000	\$126,950,000	\$80,500,000	\$71,500,000	\$152,000,000
General Fund	\$36,084,000	\$88,347,000	\$124,431,000	\$76,475,000	\$67,925,000	\$144,400,000
Local Government Fund	\$716,000	\$1,803,000	\$2,519,000	\$4,025,000	\$3,575,000	\$7,600,000
Tourism Marketing Fund	\$0	\$0	\$0	\$0	\$0	\$0

**STATE OF MAINE**

Undedicated Revenues - General Fund  
For the Seventh Month Ended January 31, 2018  
For the Fiscal Year Ending June 30, 2018  
Comparison to Budget

**PRELIMINARY AND TENTATIVE**  
FOR VERIFICATION PURPOSES & INTERNAL USE ONLY

**EXHIBIT I**

	Month			Year to Date			Total Budgeted Fiscal Year Ending 6-30-2018		
	Actual	Budget	Variance Over/(Under)	Percent Over/(Under)	Actual	Budget		Variance Over/(Under)	Percent Over/(Under)
Sales and Use Tax	129,247,450	130,112,969	(865,519)	(0.7%)	902,539,532	898,191,261	4,348,271	0.5%	1,405,048,328
Service Provider Tax	4,917,656	5,466,010	(548,354)	(10.0%)	35,219,089	35,888,866	(669,777)	(1.9%)	62,224,469
Individual Income Tax	207,536,279	170,900,000	36,636,279	21.4%	1,006,793,634	948,750,000	58,043,634	6.1%	1,523,504,704
Corporate Income Tax	7,399,135	5,500,000	1,899,135	34.5%	81,272,132	79,335,000	1,937,132	2.4%	171,924,242
Cigarette and Tobacco Tax	12,967,711	10,615,227	2,352,484	22.2%	75,635,922	74,956,949	678,973	0.9%	129,032,000
Insurance Companies Tax	136,198	51,059	85,139	166.7%	12,591,639	15,387,516	(2,795,877)	(18.2%)	74,150,000
Estate Tax	666,327	1,025,000	(358,673)	(35.0%)	9,069,719	7,271,000	1,798,719	24.7%	12,416,710
Fines, Forfeits & Penalties	1,268,453	1,385,843	(117,390)	(8.5%)	9,903,416	10,708,561	(805,145)	(7.5%)	19,317,146
Income from Investments	538,021	390,871	147,150	37.6%	2,860,771	2,614,362	246,409	9.4%	4,549,680
Transfer from Lottery Commission	4,448,287	4,143,413	304,874	7.4%	37,462,830	32,111,450	5,351,380	16.7%	54,900,000
Transfers for Tax Relief Programs	(9,754,834)	(12,000,000)	2,245,166	18.7%	(50,582,234)	(58,300,000)	7,717,766	13.2%	(64,768,101)
Transfer to Municipal Revenue Sharing	(5,813,521)	(5,287,799)	(525,722)	(9.9%)	(40,107,211)	(39,134,190)	(973,021)	(2.5%)	(68,585,604)
Other Taxes and Fees	12,132,071	10,845,829	1,286,242	11.9%	79,787,115	76,342,916	3,444,199	4.5%	135,581,313
Other Revenues	1,942,625	2,229,270	(286,645)	(12.9%)	(9,915,677)	(13,403,778)	3,488,101	26.0%	7,453,037
<b>Total Collected</b>	<b>367,631,858</b>	<b>325,377,692</b>	<b>42,254,166</b>	<b>13.0%</b>	<b>2,152,530,678</b>	<b>2,070,719,913</b>	<b>81,810,765</b>	<b>4.0%</b>	<b>3,466,747,924</b>

NOTES: (1) Included in the above is \$5,813,521 for the month and \$40,107,211 year to date, that was set aside for Revenue Sharing with cities and towns.

(2) Figures reflect estimates of the Maine State Revenue Forecasting Committee approved in December 2017.

(3) This report has been prepared from preliminary month end figures and is subject to change.

**STATE OF MAINE**

Undedicated Revenues - General Fund

For the Seventh Month Ended January 31, 2018 and 2017

For the Fiscal Years Ending June 30, 2018 and 2017

Comparison to Prior Year

**PRELIMINARY AND TENTATIVE**

FOR VERIFICATION PURPOSES & INTERNAL USE ONLY

EXHIBIT II

	Month			Year to Date				
	Current Year	Prior Year	Variance Over/(Under)	Percent Over/(Under)	Current Year	Prior Year	Variance Over/(Under)	Percent Over/(Under)
Sales and Use Tax	129,247,450	124,455,171	4,792,279	3.9%	902,539,532	857,635,256	44,904,276	5.2%
Service Provider Tax	4,917,656	5,149,087	(231,431)	(4.5%)	35,219,089	35,763,852	(544,763)	(1.5%)
Individual Income Tax	207,536,279	180,766,372	26,769,907	14.8%	1,006,793,634	937,925,799	68,867,835	7.3%
Corporate Income Tax	7,399,135	6,435,027	964,108	15.0%	81,272,132	84,442,006	(3,169,873)	(3.8%)
Cigarette and Tobacco Tax	12,967,711	12,951,510	16,201	0.1%	75,635,922	84,335,081	(8,699,160)	(10.3%)
Insurance Companies Tax	136,198	72,519	63,679	87.8%	12,591,639	15,721,043	(3,129,404)	(19.9%)
Estate Tax	666,327	265,025	401,302	151.4%	9,069,719	10,418,336	(1,348,617)	(12.9%)
Fines, Forfeits & Penalties	1,268,453	1,412,294	(143,840)	(10.2%)	9,903,416	10,235,752	(332,335)	(3.2%)
Income from Investments	538,021	296,411	241,610	81.5%	2,860,771	1,572,153	1,288,618	82.0%
Transfer from Lottery Commission	4,448,287	3,656,986	791,301	21.6%	37,462,830	33,347,140	4,115,691	12.3%
Transfers for Tax Relief Programs	(9,754,834)	(20,008,904)	10,254,071	51.2%	(50,582,234)	(56,130,150)	5,547,915	9.9%
Transfer to Municipal Revenue Sharing	(5,813,521)	(5,580,172)	(233,349)	(4.2%)	(40,107,211)	(37,835,947)	(2,271,264)	(6.0%)
Other Taxes and Fees	12,132,071	11,366,894	765,177	6.7%	79,787,115	82,389,212	(2,602,097)	(3.2%)
Other Revenues	1,942,625	2,468,579	(525,954)	(21.3%)	(9,915,677)	(6,871,394)	(3,044,283)	(44.3%)
<b>Total Collected</b>	<b>367,631,858</b>	<b>323,706,797</b>	<b>43,925,061</b>	<b>13.6%</b>	<b>2,152,530,678</b>	<b>2,052,948,139</b>	<b>99,582,539</b>	<b>4.9%</b>

NOTE: This report has been prepared from preliminary month end figures and is subject to change

**STATE OF MAINE**

Undedicated Revenues - General Fund  
 For the Seventh Month Ended January 31, 2018  
 For the Fiscal Year Ending June 30, 2018  
 Comparison to Budget

**PRELIMINARY AND TENTATIVE**  
 FOR VERIFICATION PURPOSES & INTERNAL USE ONLY

**EXHIBIT III**

	Month				Year to Date				Total Budgeted Fiscal Year Ending 6-30-2018
	Actual	Budget	Variance Over/(Under)	Percent Over/(Under)	Actual	Budget	Variance Over/(Under)	Percent Over/(Under)	
<b>Detail of Other Taxes &amp; Fees</b>									
0100s All Others	1,487,884	1,264,392	223,492	17.7%	22,476,253	22,370,201	106,052	0.5%	32,214,337
0300s Aeronautical Gas Tax	22,884	22,369	515	2.3%	170,939	167,749	3,190	1.9%	268,562
0400s Alcohol Excise Tax	1,350,641	1,518,649	(168,008)	(11.1%)	11,931,369	10,007,804	1,923,565	19.2%	15,732,850
0700s Corporation Taxes	373,224	349,790	23,434	6.7%	2,181,246	1,788,615	392,631	22.0%	9,538,649
0800s Public Utilities	-	-	-	-	3,256	-	3,256	-	6,250,000
1000s Banking Taxes	2,911,585	2,736,000	175,585	6.4%	16,262,085	15,911,998	350,087	2.2%	26,891,990
1100s Alcoholic Beverages	1,128,792	421,491	707,301	167.8%	3,804,105	3,137,785	666,320	21.2%	5,053,838
1200s Amusements Tax	-	-	-	-	-	-	-	-	110,000
1300s Harness Racing Pari-mutuel	555,379	658,395	(103,016)	(15.6%)	4,826,376	5,088,504	(262,128)	(5.2%)	8,535,038
1400s Business Taxes	913,026	1,015,829	(102,803)	(10.1%)	4,637,685	5,015,276	(377,591)	(7.5%)	10,288,436
1500s Motor Vehicle Licenses	541,815	611,125	(69,310)	(11.3%)	2,463,355	2,617,569	(154,214)	(5.9%)	4,311,202
1700s Inland Fisheries & Wildlife	2,811,097	2,213,227	597,870	27.0%	10,750,118	9,911,048	839,070	8.5%	15,878,217
1900s Other Licenses	35,743	34,562	1,181	3.4%	280,330	326,367	(46,037)	(14.1%)	508,194
<b>Total Other Taxes &amp; Fees</b>	<b>12,132,071</b>	<b>10,845,829</b>	<b>1,286,242</b>	<b>11.9%</b>	<b>79,787,115</b>	<b>76,342,916</b>	<b>3,444,199</b>	<b>4.5%</b>	<b>135,581,313</b>
<b>Detail of Other Revenues</b>									
2200s Federal Revenues	19,755	27,917	(8,162)	(29.2%)	163,563	195,417	(31,854)	(16.3%)	335,000
2300s County Revenues	-	-	-	-	-	-	-	-	-
2400s Revenues from Cities and Towns	-	23,166	(23,166)	(100.0%)	82,048	162,162	(80,114)	(49.4%)	277,996
2500s Revenues from Private Sources	150,857	122,925	27,932	22.7%	834,562	1,070,514	(235,952)	(22.0%)	1,527,000
2600s Current Service Charges	1,374,525	1,588,860	(214,335)	(13.5%)	14,698,075	13,746,191	951,884	6.9%	24,046,146
2700s Transfers from Other Funds	376,682	458,602	(81,921)	(17.9%)	(25,833,696)	(28,639,115)	2,805,419	9.8%	(18,866,705)
2800s Sales of Property & Equipment	20,807	7,800	13,007	166.8%	139,771	61,053	78,718	128.9%	133,600
<b>Total Other Revenues</b>	<b>1,942,625</b>	<b>2,229,270</b>	<b>(286,645)</b>	<b>(12.9%)</b>	<b>(9,915,677)</b>	<b>(13,403,778)</b>	<b>3,488,101</b>	<b>26.0%</b>	<b>7,453,037</b>

NOTE: This report has been prepared from preliminary month end figures and is subject to change

**STATE OF MAINE**

Undedicated Revenues - General Fund  
For the Seventh Month Ended January 31, 2018 and 2017  
For the Fiscal Years Ending June 30, 2018 and 2017  
Comparison to Prior Year

**PRELIMINARY AND TENTATIVE**  
FOR VERIFICATION PURPOSES & INTERNAL USE ONLY

**EXHIBIT IV**

	Month			Year to Date				
	Current Year	Prior Year	Variance Over/(Under)	Percent Over/(Under)	Current Year	Prior Year	Variance Over/(Under)	Percent Over/(Under)
<u>Detail of Other Taxes &amp; Fees</u>								
0100s All Others	1,487,884	1,307,936	179,948	13.8%	22,476,253	23,279,719	(803,466)	(3.5%)
0300s Aeronautical Gas Tax	22,884	22,684	200	0.9%	170,939	169,093	1,845	1.1%
0400s Alcohol Excise Tax	1,350,641	1,334,140	16,501	1.2%	11,931,369	11,663,373	267,996	2.3%
0700s Corporation Taxes	373,224	387,494	(14,270)	(3.7%)	2,181,246	1,980,322	200,924	10.1%
0800s Public Utilities	-	-	-	-	3,256	43,081	(39,825)	(92.4%)
1000s Banking Taxes	2,911,585	2,001,630	909,955	45.5%	16,262,085	15,792,880	469,205	3.0%
1100s Alcoholic Beverages	1,128,792	878,735	250,057	28.5%	3,804,105	4,157,300	(353,195)	(8.5%)
1200s Amusements Tax	-	-	-	-	-	-	-	-
1300s Harness Racing Pari-mutuel	555,379	591,976	(36,597)	(6.2%)	4,826,376	4,997,597	(171,221)	(3.4%)
1400s Business Taxes	913,026	1,240,753	(327,726)	(26.4%)	4,637,685	6,668,393	(2,030,708)	(30.5%)
1500s Motor Vehicle Licenses	541,815	473,872	67,943	14.3%	2,463,355	2,461,386	1,969	0.1%
1700s Inland Fisheries & Wildlife	2,811,097	3,093,857	(282,760)	(9.1%)	10,750,118	10,902,145	(152,026)	(1.4%)
1900s Other Licenses	35,743	33,819	1,925	5.7%	280,330	273,923	6,407	2.3%
<b>Total Other Taxes &amp; Fees</b>	<b>12,132,071</b>	<b>11,366,894</b>	<b>765,177</b>	<b>6.7%</b>	<b>79,787,115</b>	<b>82,389,212</b>	<b>(2,602,097)</b>	<b>(3.2%)</b>
<u>Detail of Other Revenues</u>								
2200s Federal Revenues	19,755	8,753	11,002	125.7%	163,563	134,556	29,007	21.6%
2300s County Revenues	-	-	-	-	-	-	-	-
2400s Revenues from Cities and Towns	-	-	-	-	82,048	62,073	19,975	32.2%
2500s Revenues from Private Sources	150,857	189,868	(39,011)	(20.5%)	834,562	807,261	27,301	3.4%
2600s Current Service Charges	1,374,525	2,193,406	(818,881)	(37.3%)	14,698,075	16,229,832	(1,531,757)	(9.4%)
2700s Transfers from Other Funds	376,682	75,079	301,602	401.7%	(25,833,696)	(24,340,389)	(1,493,307)	(6.1%)
2800s Sales of Property & Equipment	20,807	1,473	19,334	1312.5%	139,771	235,274	(95,503)	(40.6%)
<b>Total Other Revenues</b>	<b>1,942,625</b>	<b>2,468,579</b>	<b>(525,954)</b>	<b>(21.3%)</b>	<b>(9,915,677)</b>	<b>(6,871,394)</b>	<b>(3,044,283)</b>	<b>(44.3%)</b>

NOTE: This report has been prepared from preliminary month end figures and is subject to change



PRELIMINARY AND TENTATIVE  
FOR VERIFICATION PURPOSES & INTERNAL USE ONLY

STATE OF MAINE  
Undedicated Revenues - Highway Fund  
For the Seventh Month Ended January 31, 2018  
For the Fiscal Year Ending June 30, 2018  
Comparison to Budget

	Month			Year to Date			Total Budgeted Fiscal Year Ending 6-30-2018		
	Actual	Budget	Variance Over/(Under)	Percent Over/(Under)	Actual	Budget		Variance Over/(Under)	Percent Over/(Under)
Fuel Taxes	18,964,696	18,030,563	934,133	5.2%	137,278,370	135,924,019	1,354,351	1.0%	224,172,333
Motor Vehicle Registration & Fees	8,289,926	7,097,330	1,192,596	16.8%	50,475,925	47,313,145	3,162,780	6.7%	87,121,559
Motor Vehicle Inspection Fees	218,336	352,451	(134,116)	(38.1%)	2,165,561	1,890,067	275,494	14.6%	3,202,500
Miscellaneous Taxes & Fees	90,493	82,041	8,452	10.3%	836,076	748,769	87,307	11.7%	1,293,729
Fines, Forfeits & Penalties	49,072	47,592	1,480	3.1%	461,504	454,810	6,694	1.5%	739,039
Earnings on Investments	8,800	7,100	1,700	23.9%	159,596	221,825	(62,229)	(28.1%)	98,168
All Other	550,056	488,737	61,319	12.5%	7,881,810	7,764,072	117,738	1.5%	10,502,160
<b>Total Collected</b>	<b>28,171,378</b>	<b>26,105,814</b>	<b>2,065,564</b>	<b>7.9%</b>	<b>199,258,842</b>	<b>194,316,707</b>	<b>4,942,135</b>	<b>2.5%</b>	<b>327,129,488</b>

NOTE: This report has been prepared from preliminary month end figures and is subject to change.

PRELIMINARY AND TENTATIVE  
FOR VERIFICATION PURPOSES & INTERNAL USE ONLY

STATE OF MAINE  
Undedicated Revenues - Highway Fund  
For the Seventh Month Ended January 31, 2018 and 2017  
For the Fiscal Year Ending June 30, 2018 and 2017  
Comparison to Prior Year

	Month			Year to Date				
	Current Year	Prior Year	Variance Over/(Under)	Percent Over/(Under)	Current Year	Prior Year	Variance Over/(Under)	Percent Over/(Under)
Fuel Taxes	18,964,696	18,734,770	229,926	1.2%	137,278,370	138,605,312	(1,326,942)	(1.0%)
Motor Vehicle Registration & Fees	8,289,926	7,375,969	913,957	12.4%	50,475,925	49,614,634	861,292	1.7%
Motor Vehicle Inspection Fees	218,336	343,235	(124,899)	(36.4%)	2,165,561	2,210,608	(45,047)	(2.0%)
Miscellaneous Taxes & Fees	90,493	78,800	11,693	14.8%	836,076	807,291	28,784	3.6%
Fines, Forfeits & Penalties	49,072	54,729	(5,657)	(10.3%)	461,504	466,012	(4,509)	(1.0%)
Earnings on Investments	8,800	19,150	(10,350)	(54.0%)	159,596	183,673	(24,077)	(13.1%)
All Other	550,056	432,174	117,882	27.3%	7,881,810	6,388,263	1,493,548	23.4%
<b>Total Collected</b>	<b>28,171,378</b>	<b>27,038,827</b>	<b>1,132,551</b>	<b>4.2%</b>	<b>199,258,842</b>	<b>198,275,793</b>	<b>983,049</b>	<b>0.5%</b>

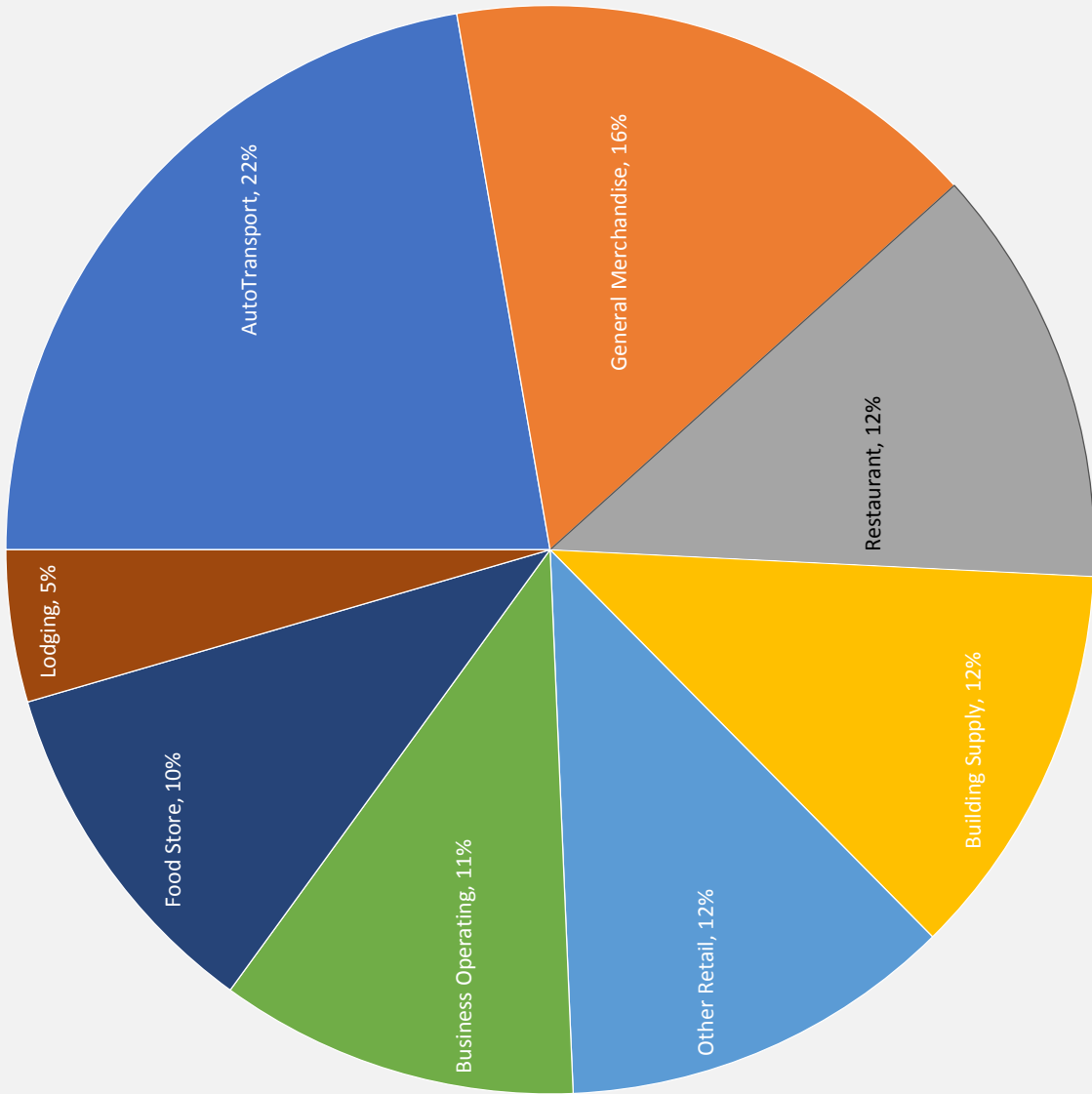
NOTE: This report has been prepared from preliminary month end figures and is subject to change.

# **Sales and Use Tax**

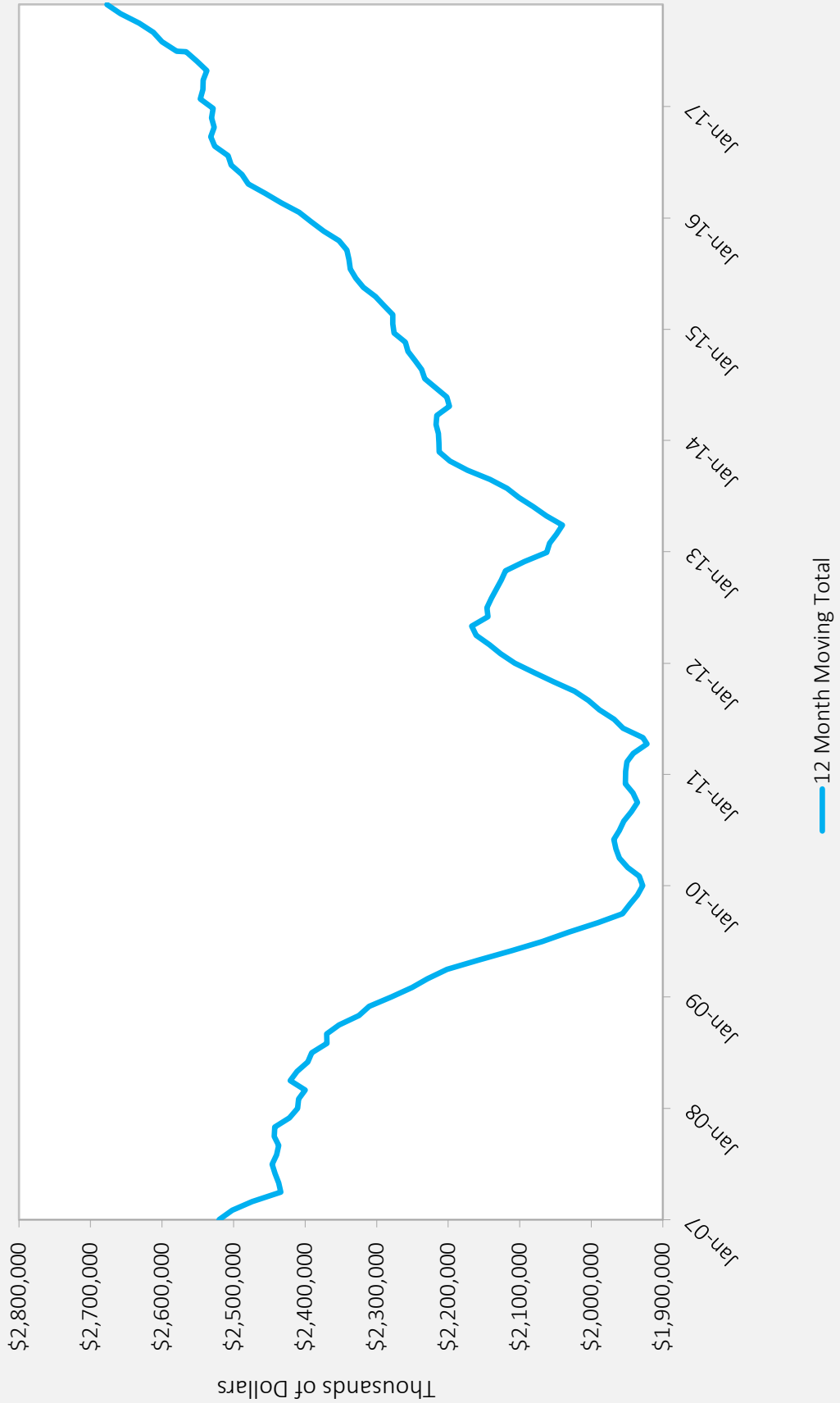
Maine Revenue Services  
Taxable Sales by Sector  
In Thousands of Dollars

	December '17	% Ch.	December '16	% Ch.	December '15	Average Last 3 Mos. Vs. Last Yr. % Change	Moving Total Last 12 Mos. Vs. Prior % Change	YTD Growth CY'17 vs. '16 Thru. December % Change
Building Supply	\$226,907.9	9.0%	\$208,080.3	-1.0%	\$210,263.7	9.9%	5.9%	5.9%
Food Store	\$206,733.1	3.9%	\$198,970.2	22.5%	\$162,454.0	4.1%	3.3%	3.3%
General Merchandise	\$445,599.5	8.7%	\$409,967.9	3.7%	\$395,260.9	9.9%	6.6%	6.6%
Other Retail	\$315,083.4	-5.8%	\$334,616.0	8.7%	\$307,889.7	-1.4%	2.1%	2.1%
Auto/Transportation	\$386,343.3	-2.6%	\$396,826.6	6.3%	\$373,198.0	3.0%	3.7%	3.7%
Restaurant	\$205,323.1	3.5%	\$198,362.9	3.1%	\$192,412.8	5.1%	3.5%	3.5%
Lodging	\$34,641.3	-6.9%	\$37,193.4	10.5%	\$33,654.7	6.3%	6.3%	6.3%
Consumer Sales	\$1,820,631.5	2.1%	\$1,784,017.3	6.5%	\$1,675,133.8	5.1%	4.3%	4.3%
Business Operating	\$265,010.0	-0.1%	\$265,201.7	-0.7%	\$267,031.4	3.2%	2.5%	2.5%
Total	\$2,085,641.5	1.8%	\$2,049,219.0	5.5%	\$1,942,165.2	4.9%	4.1%	4.1%
Utilities	\$124,535.0	-9.3%	\$137,370.9	7.9%	\$127,372.1			
Total plus Utilities	\$2,210,176.5	1.1%	\$2,186,589.9	5.7%	\$2,069,537.3			

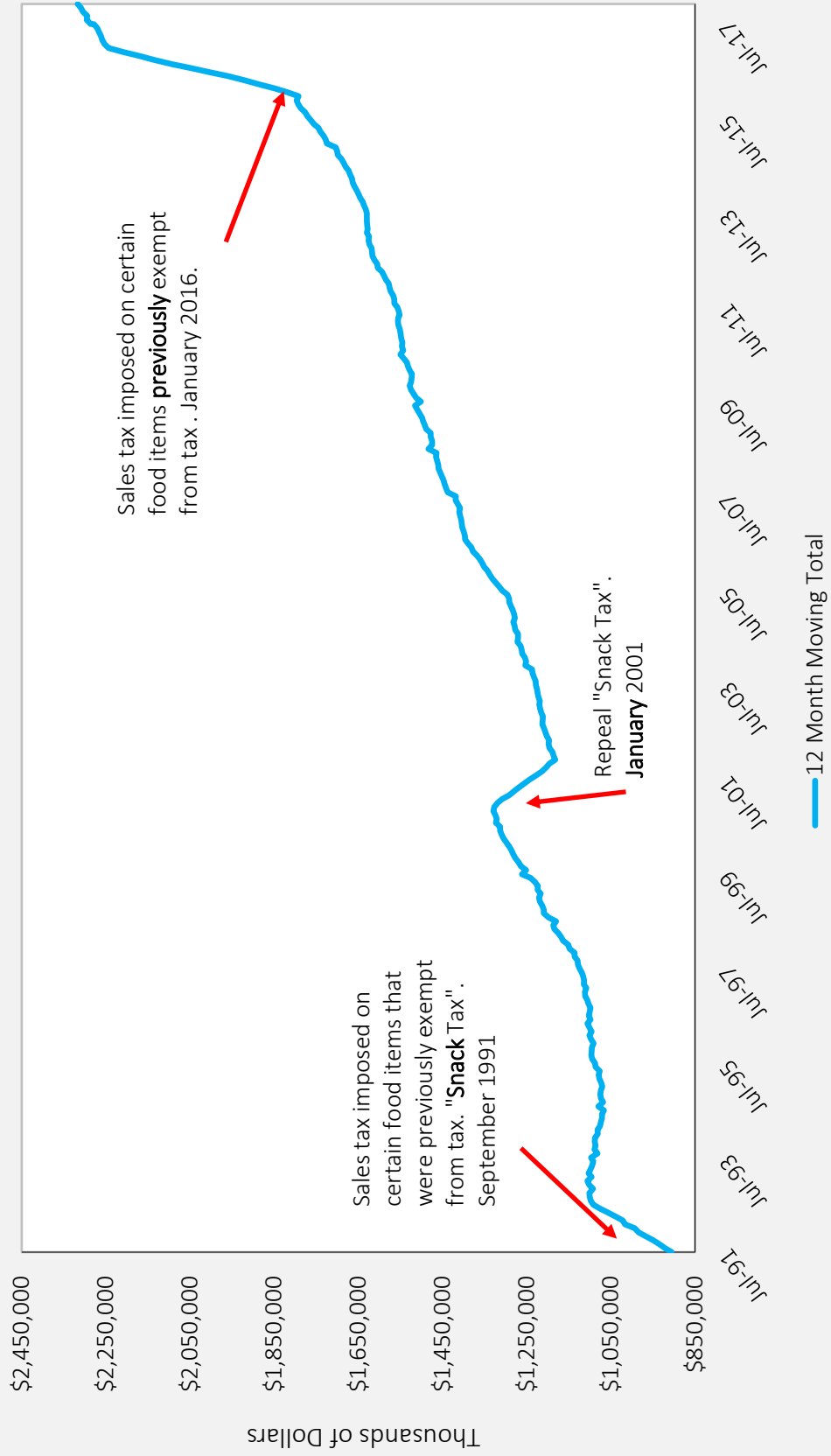
### FY 2017 Taxable Sales by Sector



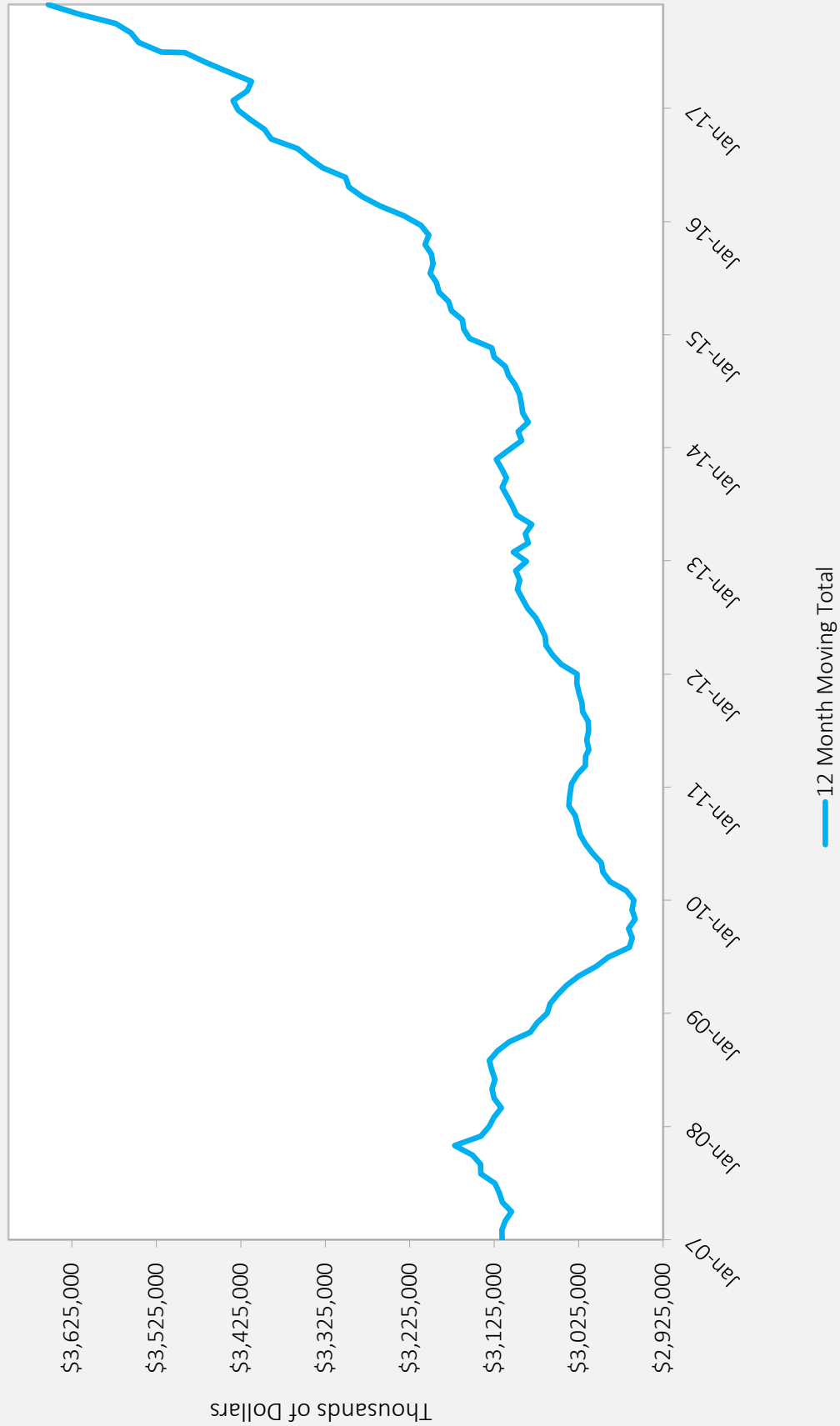
# Building Supply Taxable Sales January 2007 to Date



# Food Store Taxable Sales July 1991 to Date

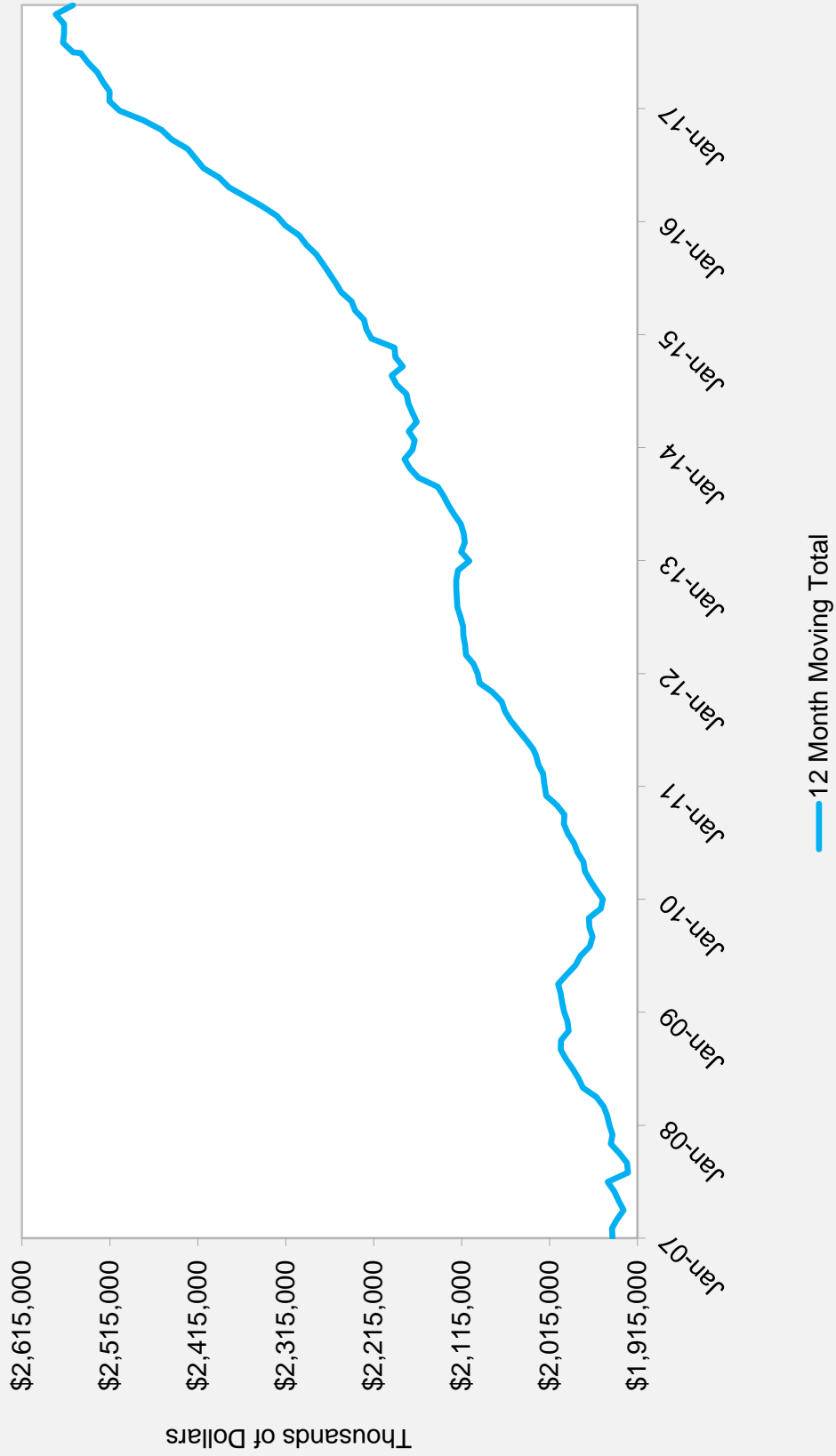


## General Merchandise Taxable Sales January 2007 to Date

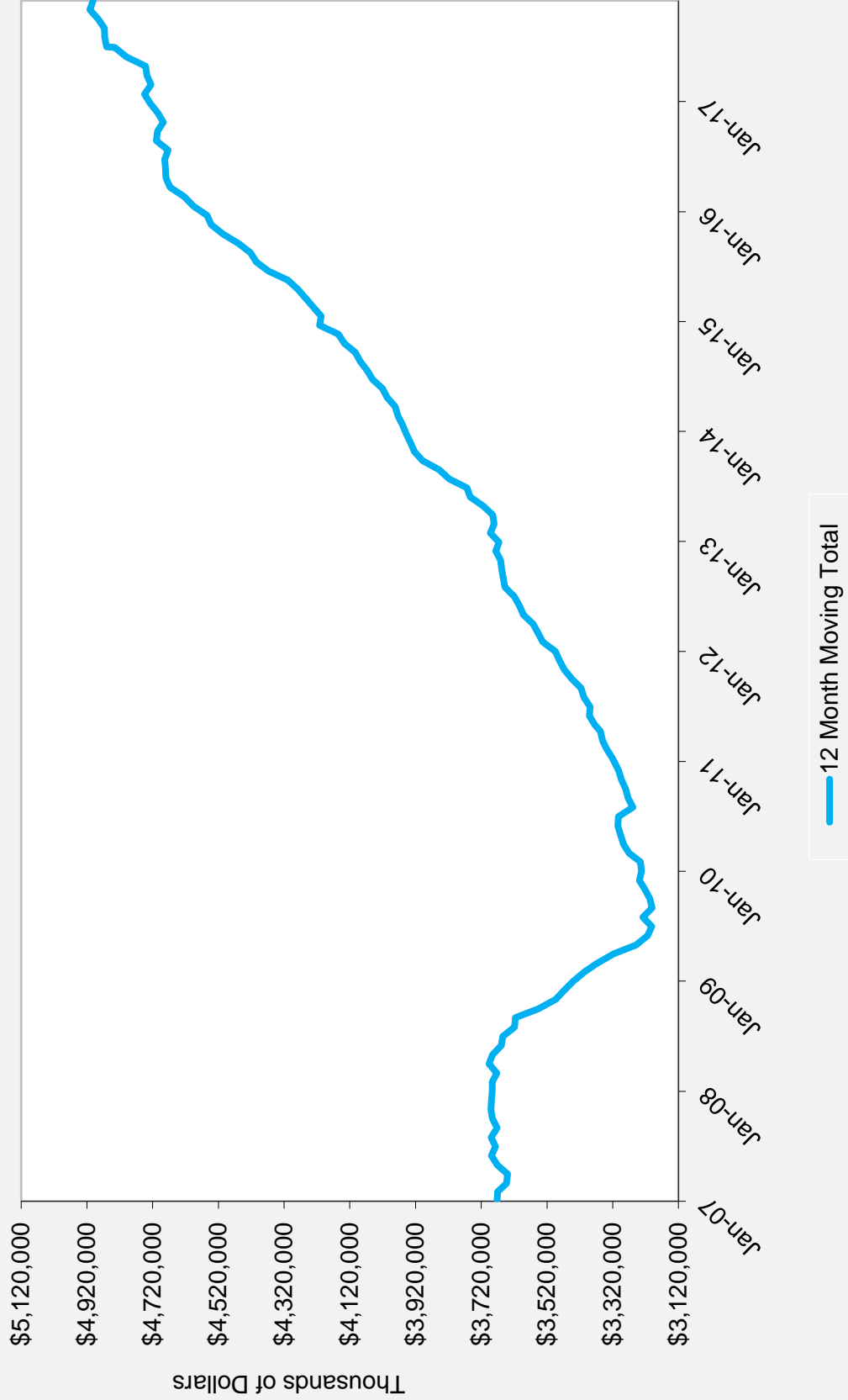




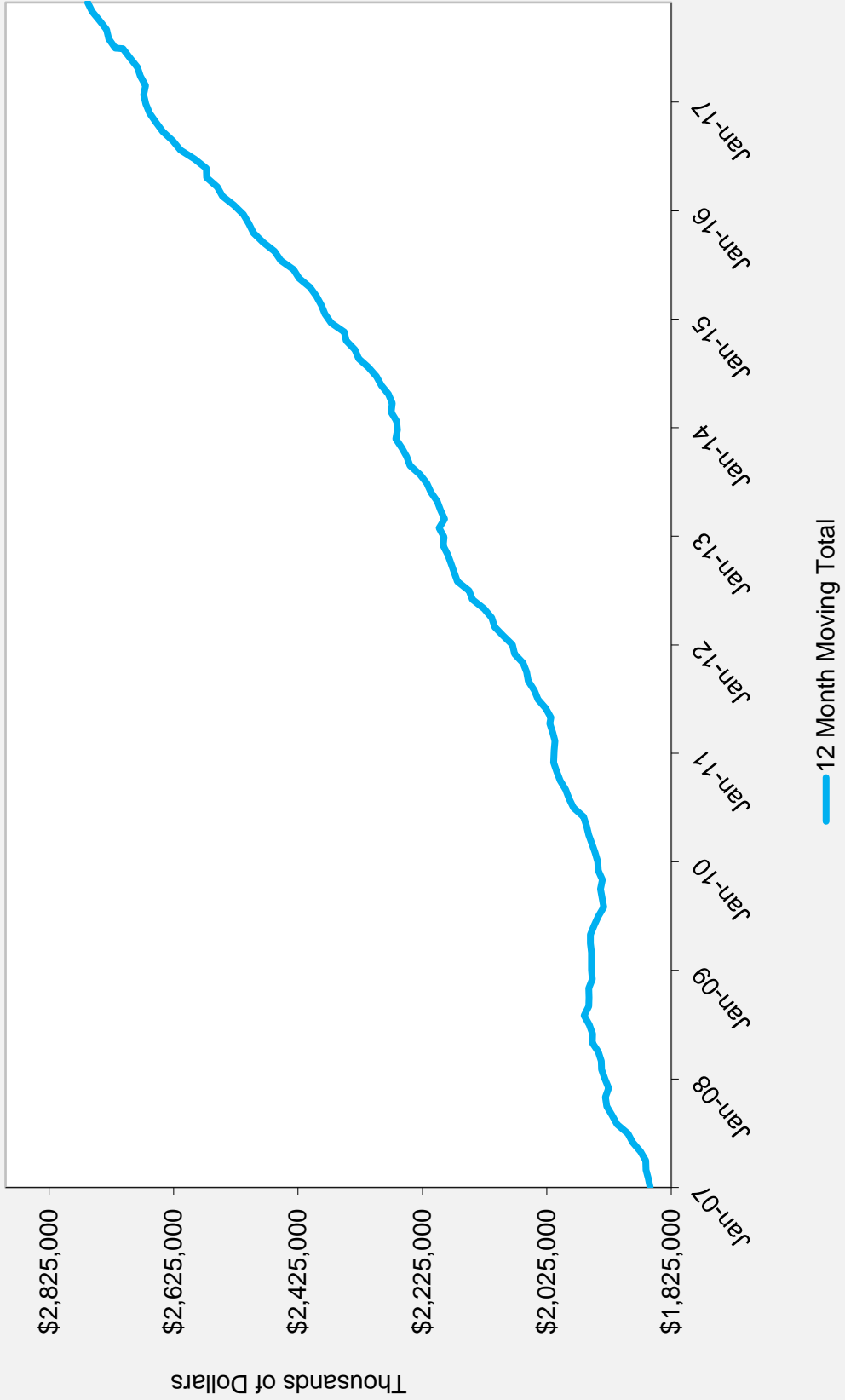
## Other Retail Taxable Sales January 2007 to Date



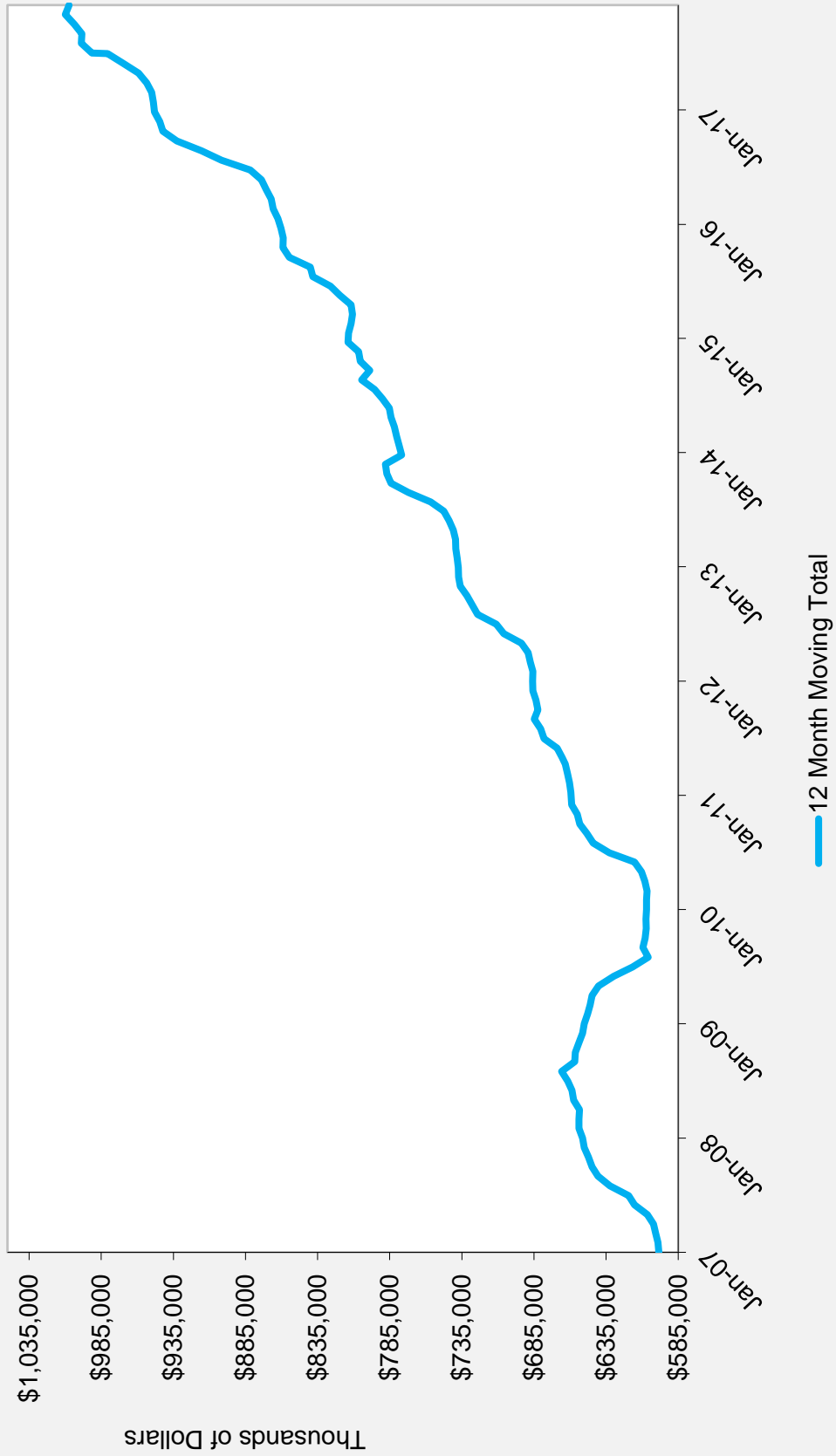
## Auto/Transportation Taxable Sales January 2007 to Date



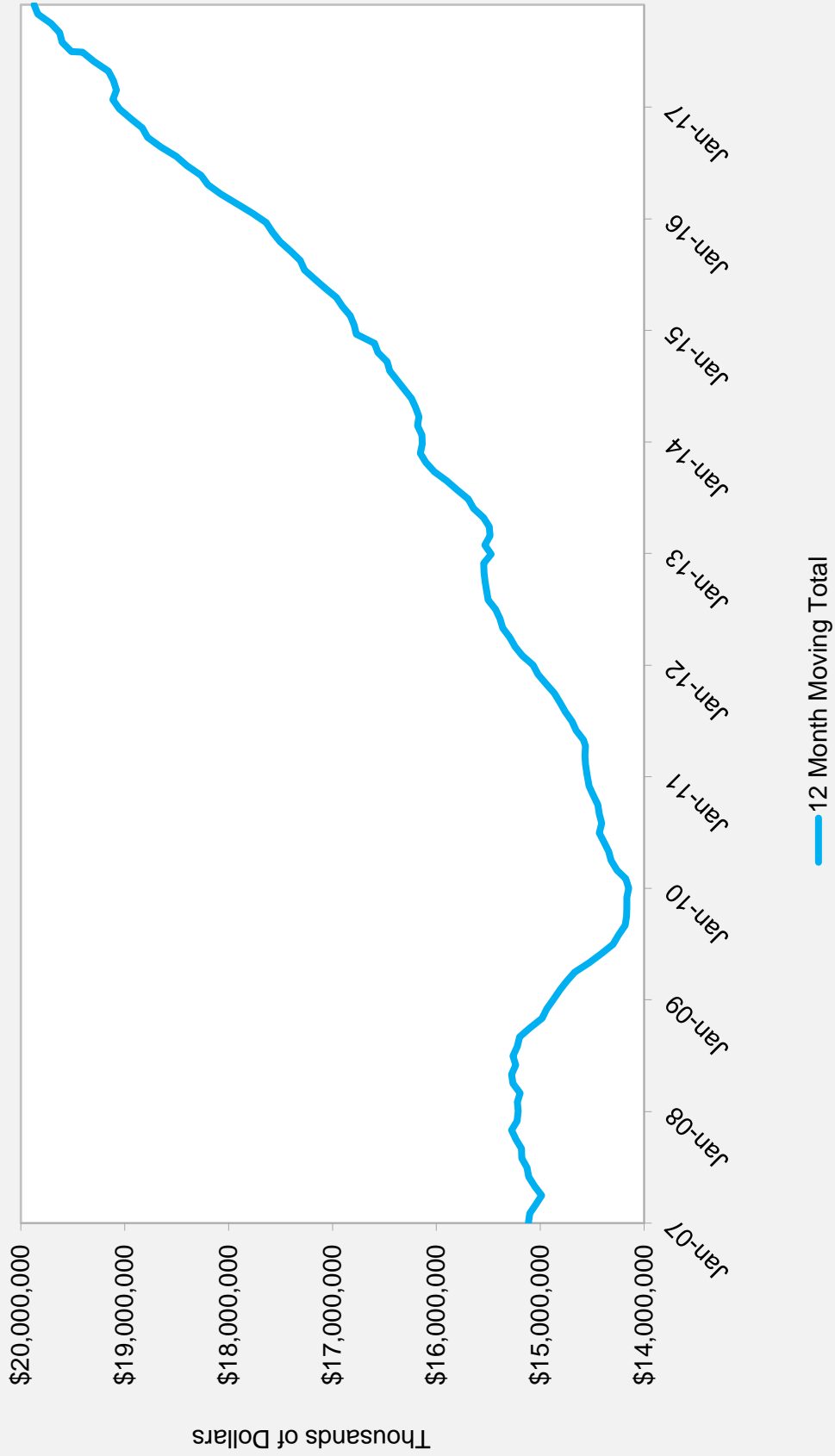
## Restaurant Taxable Sales January 2007 to Date



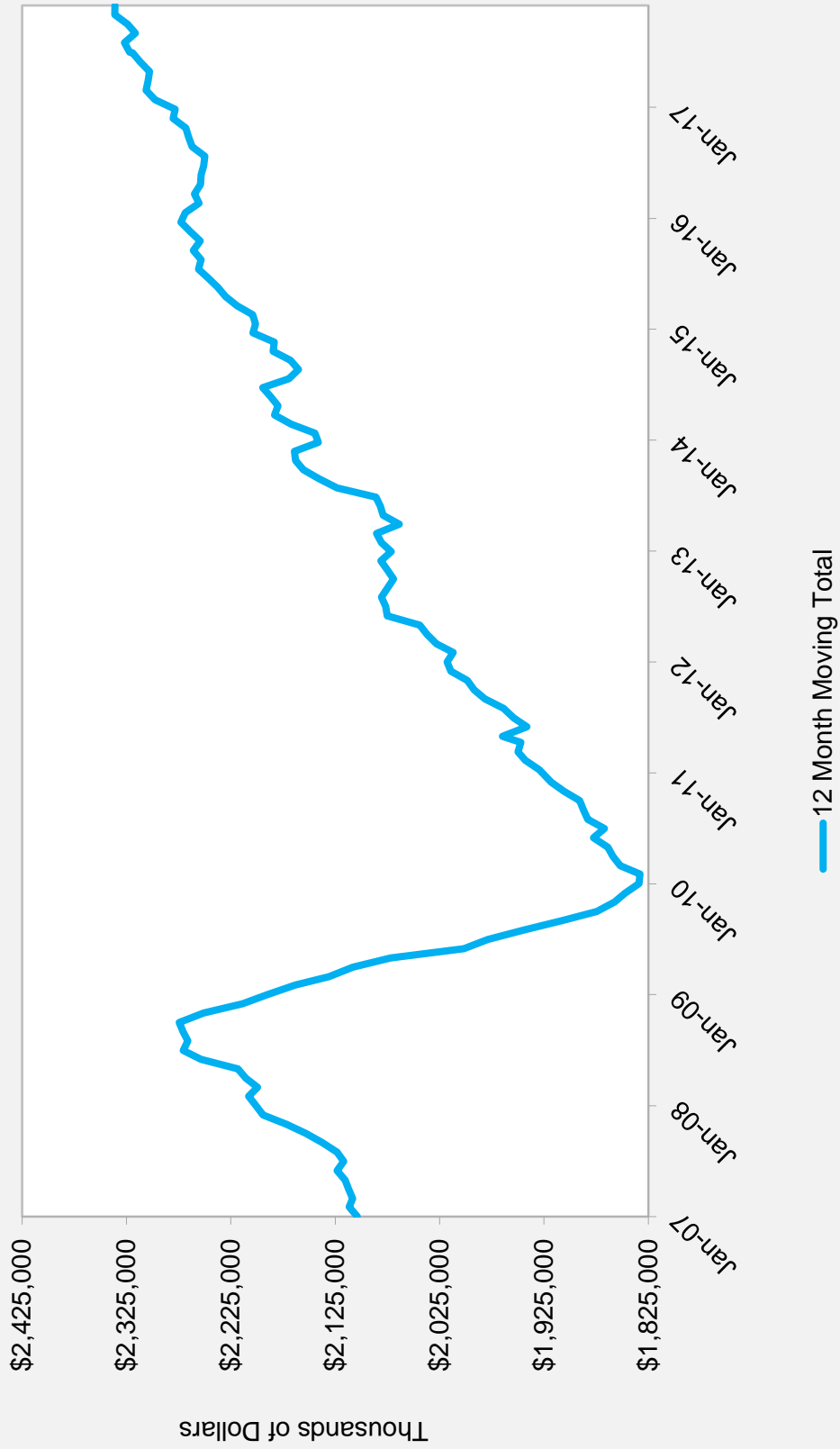
# Lodging Taxable Sales January 2007 to Date



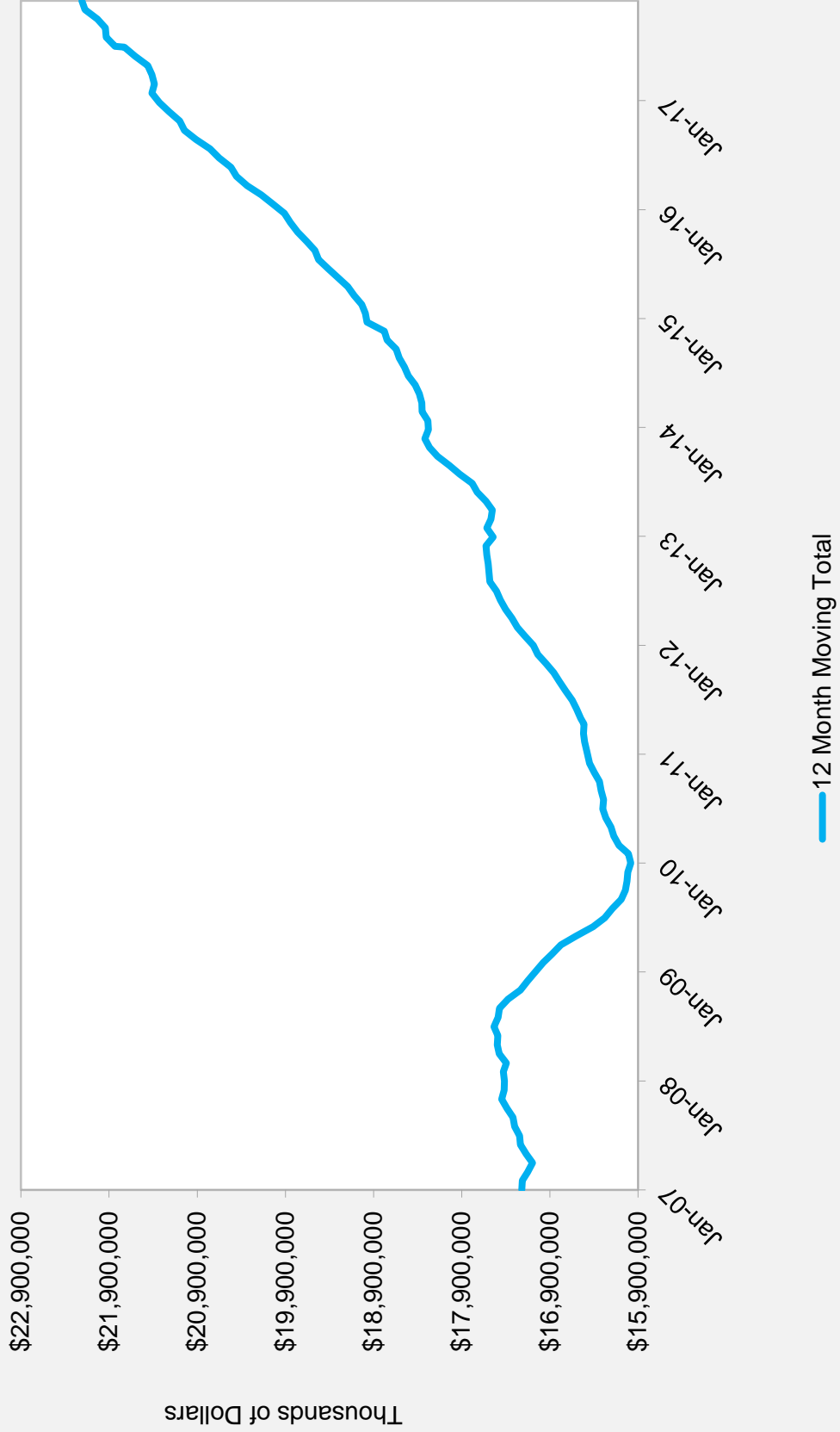
## Total Consumer Taxable Sales January 2007 to Date



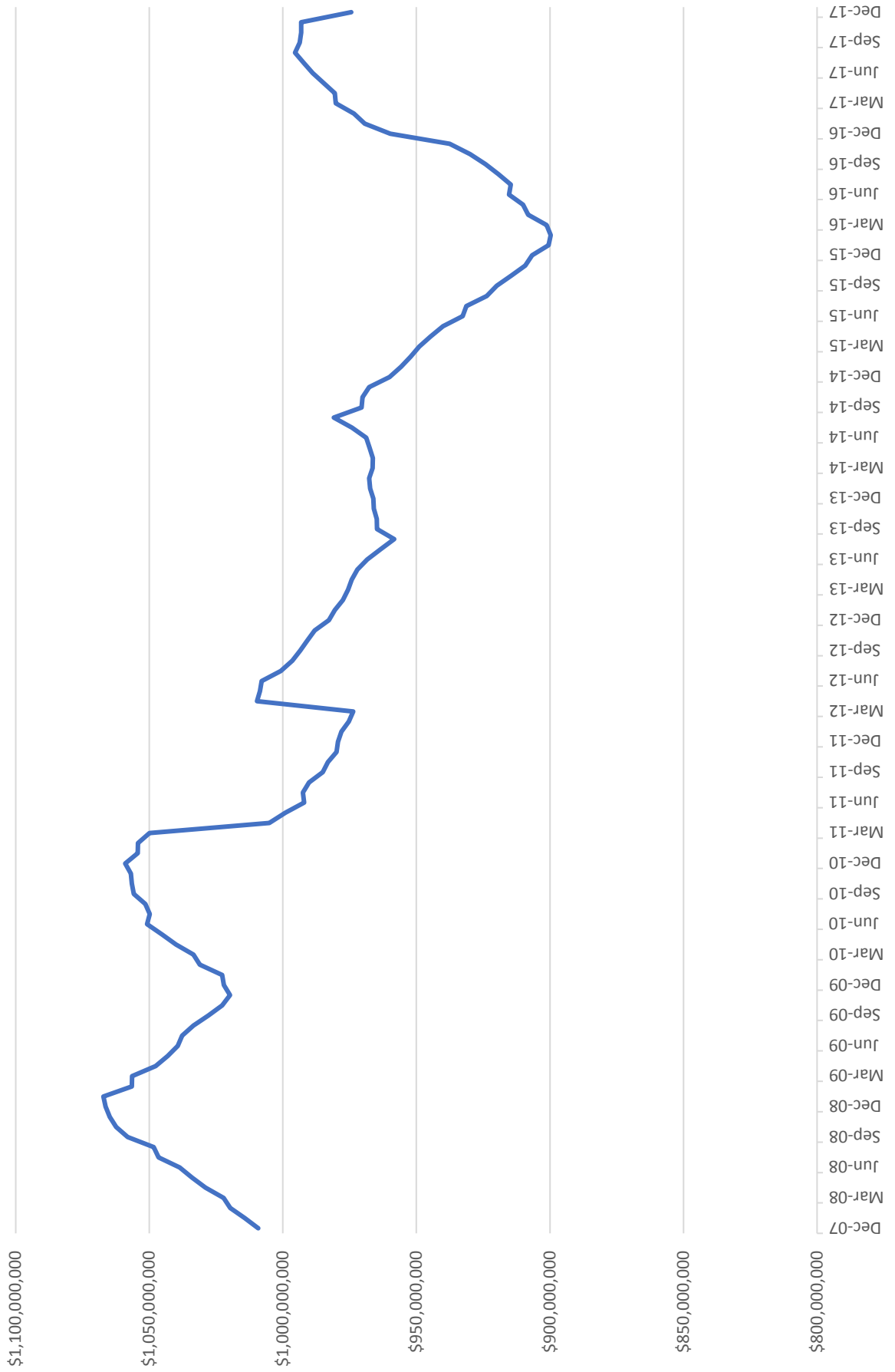
## Business Operating Taxable Sales January 2007 to Date



# Total Taxable Sales January 2007 to Date

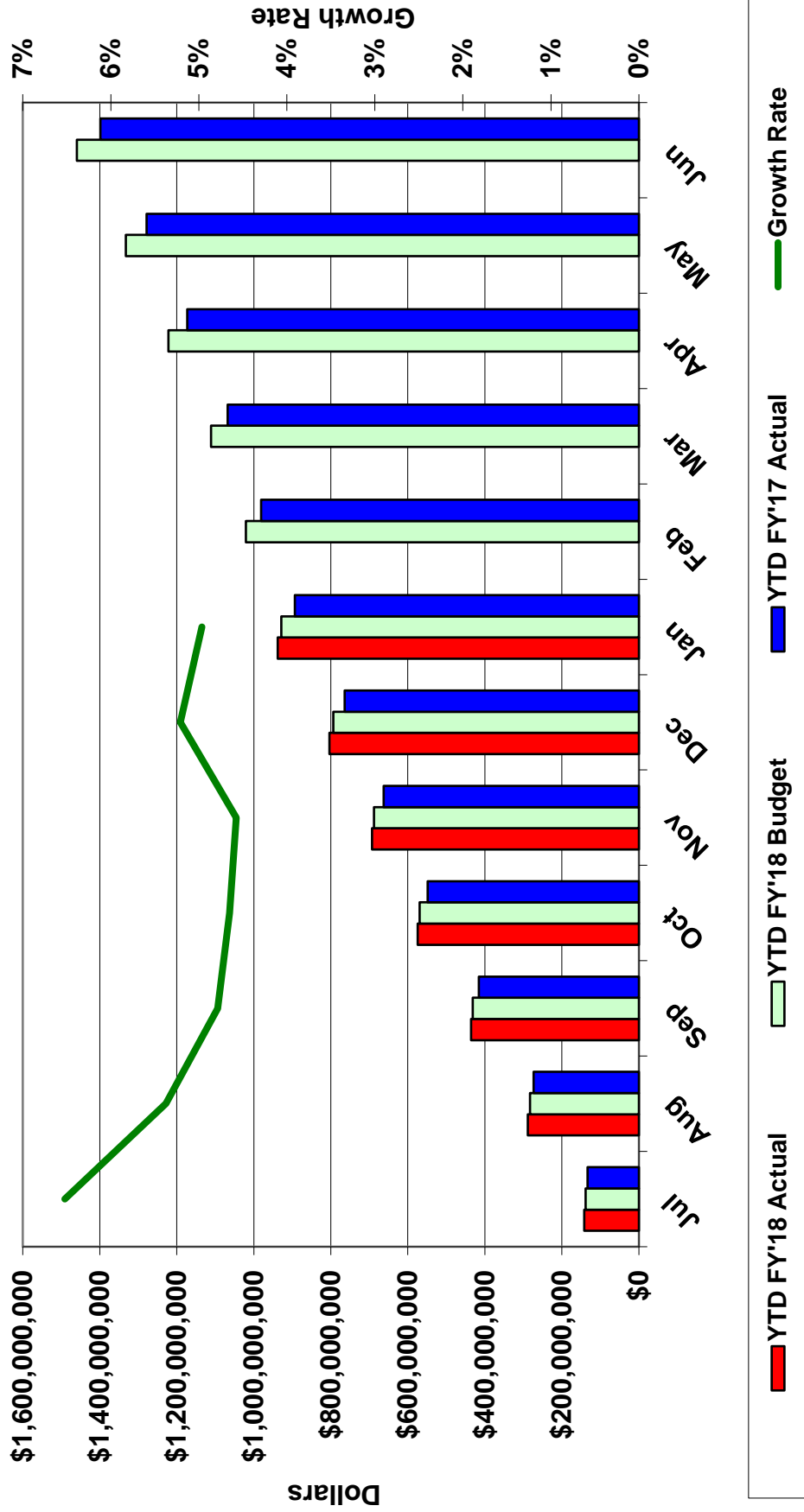


## Service Provider Tax Sales 12 Month Moving Total





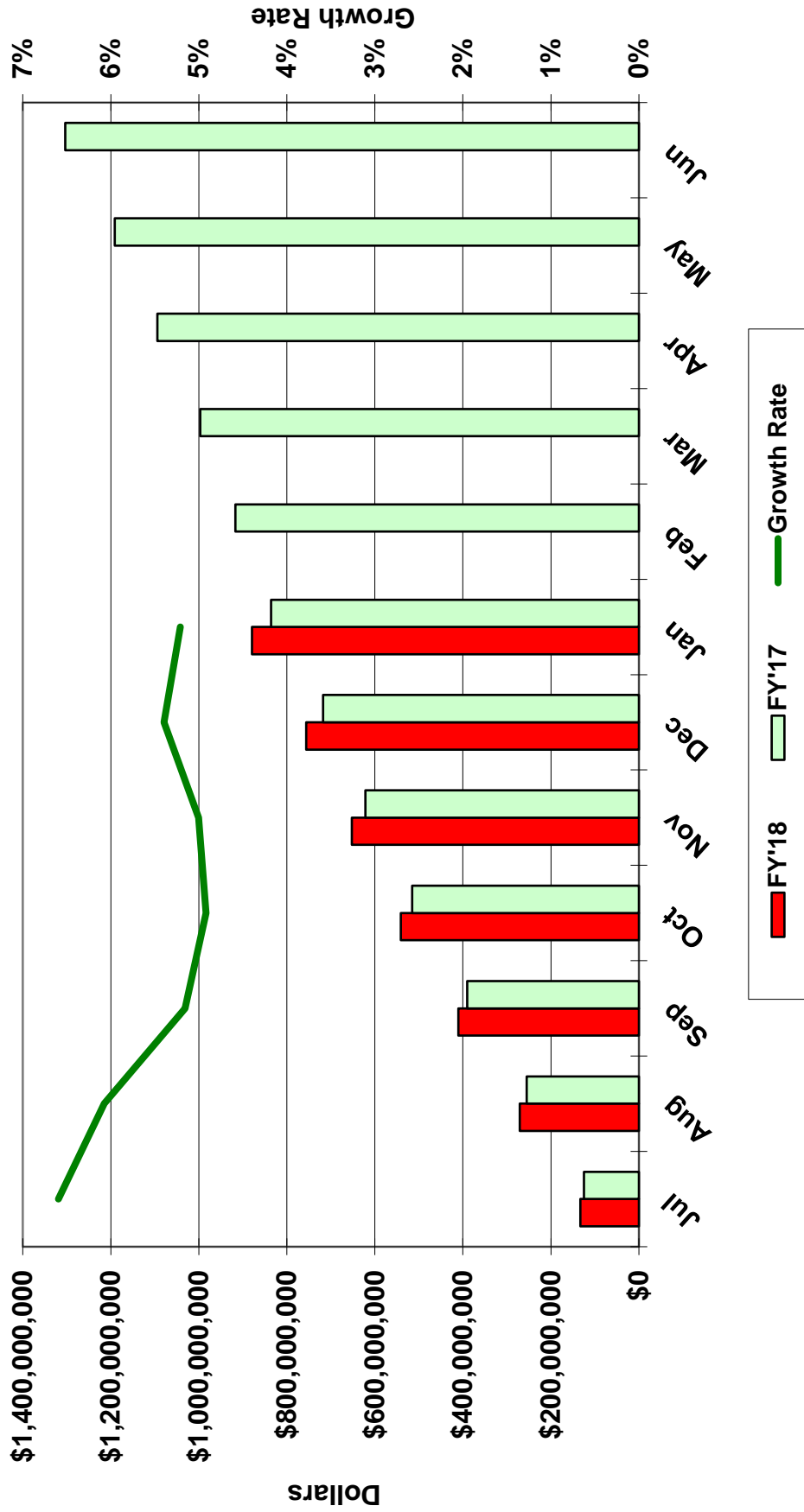
# Sales & Service Provider Tax Revenue FY'18 Actual, Budget & FY'17 Actual



Maine Revenue Services  
Sales & Use Tax and General Fund Service Provider Tax Revenue

Month	FY'18 Actual	FY'18 Budget	FY'17 Actual	FY'16 Actual	FY'18 Actual vs. Budget	FY'18 Budget vs. FY'17 Actual	FY'18 Actual vs. FY'17 Actual	FY'17 Actual vs. FY'16 Actual
Jul	\$141,795,523	\$138,546,802	\$133,113,895	\$124,890,893	2.3%	4.1%	6.5%	6.6%
Aug	\$146,472,772	\$144,402,220	\$140,453,000	\$128,822,371	1.4%	2.8%	4.3%	9.0%
Sep	\$147,679,560	\$148,327,622	\$142,469,882	\$130,239,500	-0.4%	4.1%	3.7%	9.4%
Oct	\$138,298,460	\$138,215,636	\$132,698,734	\$120,489,988	0.1%	4.2%	4.2%	10.1%
Nov	\$118,545,829	\$118,541,621	\$113,751,749	\$107,749,446	0.0%	4.2%	4.2%	5.6%
Dec	\$110,801,368	\$105,627,332	\$101,307,590	\$95,832,573	4.9%	4.3%	9.4%	5.7%
Jan	\$134,165,106	\$135,089,532	\$129,604,258	\$122,332,572	-0.7%	4.2%	3.5%	5.9%
Feb		\$91,479,993	\$87,640,189	\$83,316,864		4.4%		5.2%
Mar		\$91,197,407	\$86,794,616	\$87,055,295		5.1%		-0.3%
Apr		\$110,436,477	\$105,222,991	\$102,681,172		5.0%		2.5%
May		\$110,463,157	\$105,109,456	\$100,065,584		5.1%		5.0%
Jun		\$127,244,999	\$119,989,483	\$115,585,658		6.0%		3.8%
<b>Total</b>	<b>\$937,758,617</b>	<b>\$1,459,572,797</b>	<b>\$1,398,155,842</b>	<b>\$1,319,061,916</b>		<b>4.4%</b>		<b>6.0%</b>
<b>YTD Jan</b>	<b>\$937,758,617</b>	<b>\$928,750,764</b>	<b>\$893,399,108</b>	<b>\$830,357,343</b>	<b>1.0%</b>	<b>4.0%</b>	<b>5.0%</b>	<b>7.6%</b>

# Sales Tax Cash Receipts Year-to-Date FY'18 & FY'17

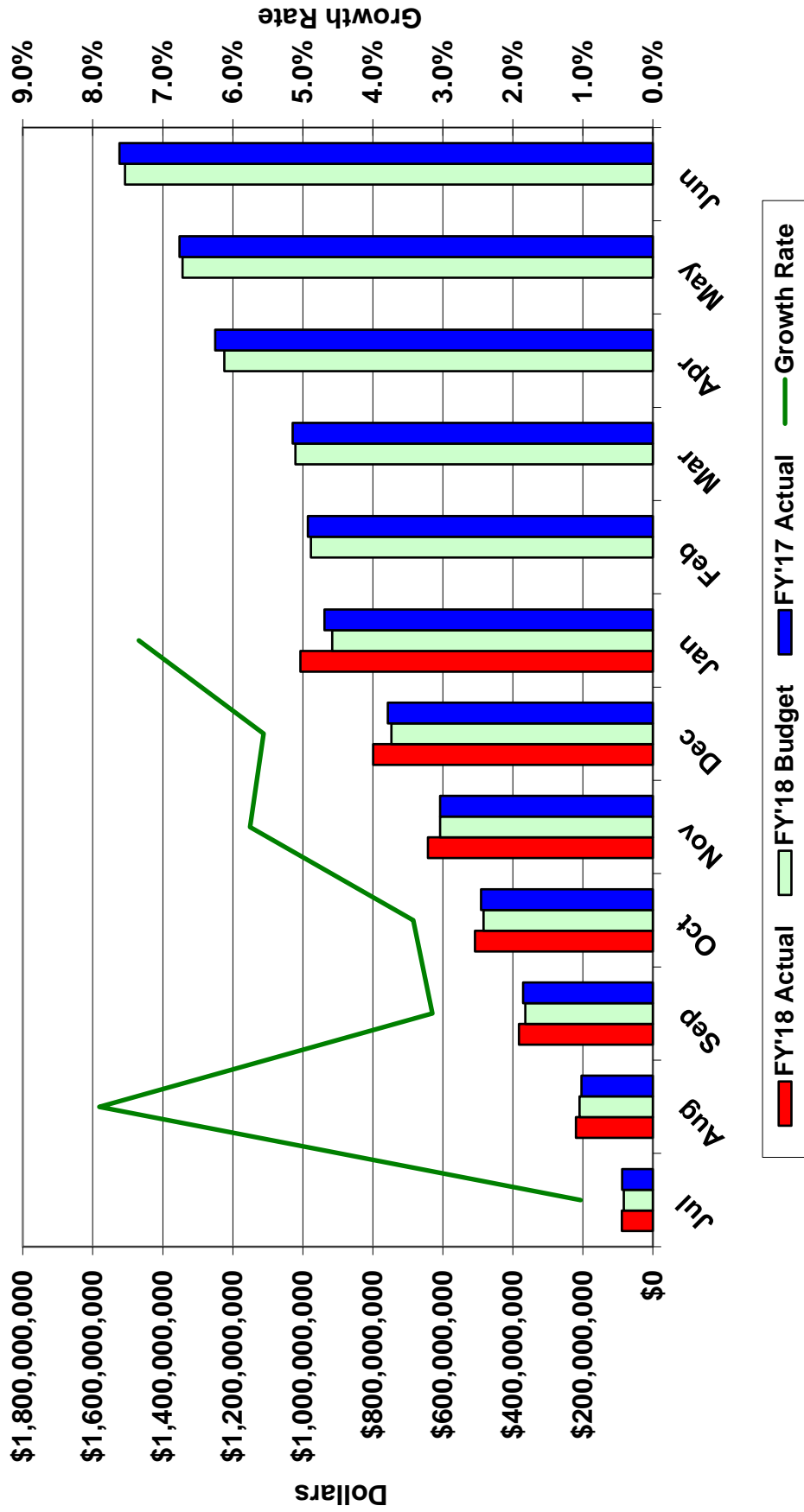


**Maine Revenue Services  
Sales Tax Cash Receipts**

	FY'18	FY'17	YTD FY'18	YTD FY'17	Growth Rate	YTD Growth Rate
Jul	\$132,888,250	\$124,666,524	\$132,888,250	\$124,666,524	6.6%	6.6%
Aug	\$137,695,416	\$130,425,736	\$270,583,666	\$255,092,260	5.6%	6.1%
Sep	\$139,477,270	\$134,862,528	\$410,060,936	\$389,954,788	3.4%	5.2%
Oct	\$130,652,359	\$125,412,991	\$540,713,295	\$515,367,779	4.2%	4.9%
Nov	\$111,778,657	\$106,047,464	\$652,491,953	\$621,415,243	5.4%	5.0%
Dec	\$103,643,777	\$96,022,888	\$756,135,730	\$717,438,130	7.9%	5.4%
Jan	\$123,086,450	\$118,253,241	\$879,222,179	\$835,691,372	4.1%	5.2%
Feb		\$81,475,522		\$917,166,894		
Mar		\$79,704,067		\$996,870,961		
Apr		\$97,560,663		\$1,094,431,623		
May		\$96,726,163		\$1,191,157,787		
Jun		\$112,104,597		\$1,303,262,384		

# Individual Income Tax

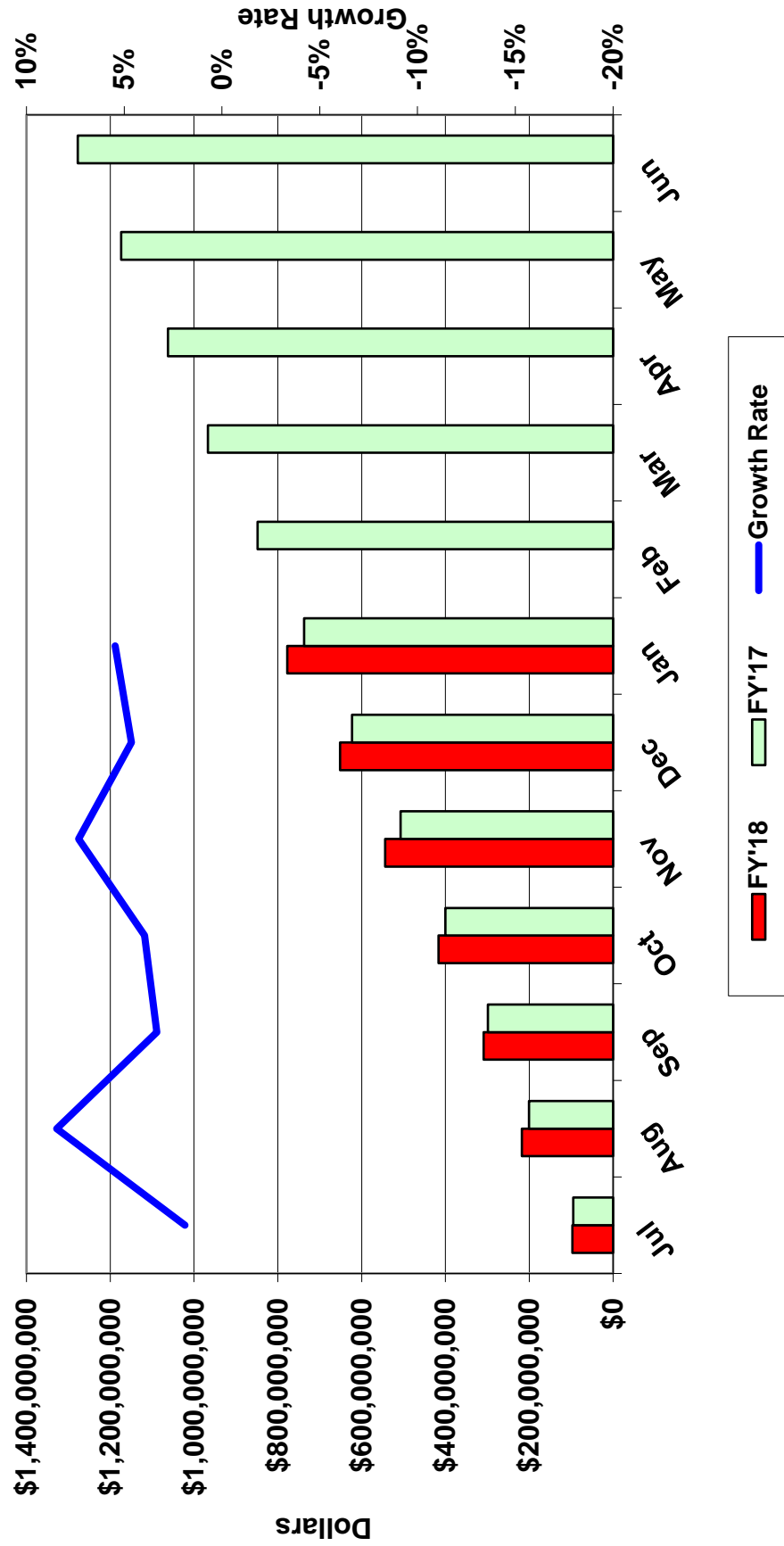
# YTD Individual Income Tax Revenue FY'18 Actual, Budget & FY'17 Actual



Maine Revenue Services  
Individual Income Tax Revenue

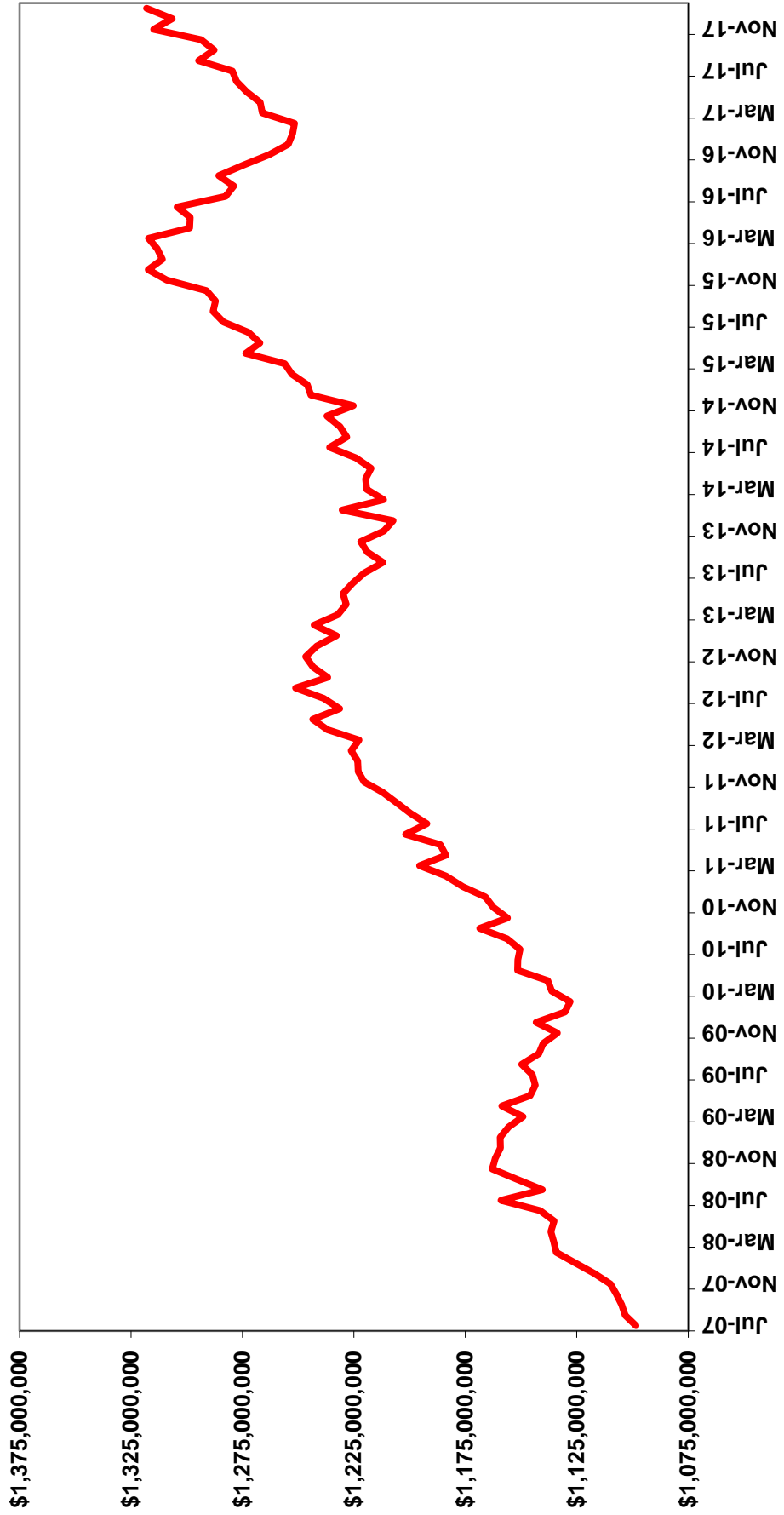
	FY'18 Actual	FY'18 Budget	FY'17 Actual	FY'16 Actual	FY'18 Actual vs. Budget	FY'18 Budget vs. FY'17 Actual	FY'18 Actual vs. FY'17 Actual	FY'17 Actual vs. FY'16 Actual
Jul	\$88,342,839	\$83,100,000	\$87,440,668	\$102,575,979	6.3%	-5.0%	1.0%	-14.8%
Aug	\$131,327,383	\$126,350,000	\$116,134,751	\$117,952,058	3.9%	8.8%	13.1%	-1.5%
Sep	\$162,950,637	\$154,500,000	\$167,361,208	\$165,158,875	5.5%	-7.7%	-2.6%	1.3%
Oct	\$125,196,584	\$119,400,000	\$120,087,257	\$121,014,542	4.9%	-0.6%	4.3%	-0.8%
Nov	\$135,081,851	\$124,750,000	\$116,887,960	\$122,897,691	8.3%	6.7%	15.6%	-4.9%
Dec	\$156,358,064	\$139,000,000	\$149,247,583	\$161,259,112	12.5%	-6.9%	4.8%	-7.4%
Jan	\$207,536,279	\$168,500,000	\$180,766,372	\$181,800,628	23.2%	-6.8%	14.8%	-0.6%
Feb		\$61,100,000	\$47,817,603	\$34,055,962		27.8%		40.4%
Mar		\$44,500,000	\$42,984,008	\$56,651,465		3.5%		-24.1%
Apr		\$203,100,000	\$221,336,063	\$235,314,700		-8.2%		-5.9%
May		\$119,000,000	\$101,955,446	\$101,592,207		16.7%		0.4%
Jun		\$164,746,494	\$171,834,062	\$142,414,395		-4.1%		20.7%
<b>Total</b>	<b>\$1,006,793,636</b>	<b>\$1,508,046,494</b>	<b>\$1,523,852,981</b>	<b>\$1,542,687,614</b>		<b>-1.0%</b>		<b>-1.2%</b>
<b>YTD Jan</b>	<b>\$1,006,793,636</b>	<b>\$915,600,000</b>	<b>\$937,925,799</b>	<b>\$972,658,885</b>	<b>10.0%</b>	<b>-2.4%</b>	<b>7.3%</b>	<b>-3.6%</b>

# 1040 Withholding Year-to-Date FY'18 & FY'17

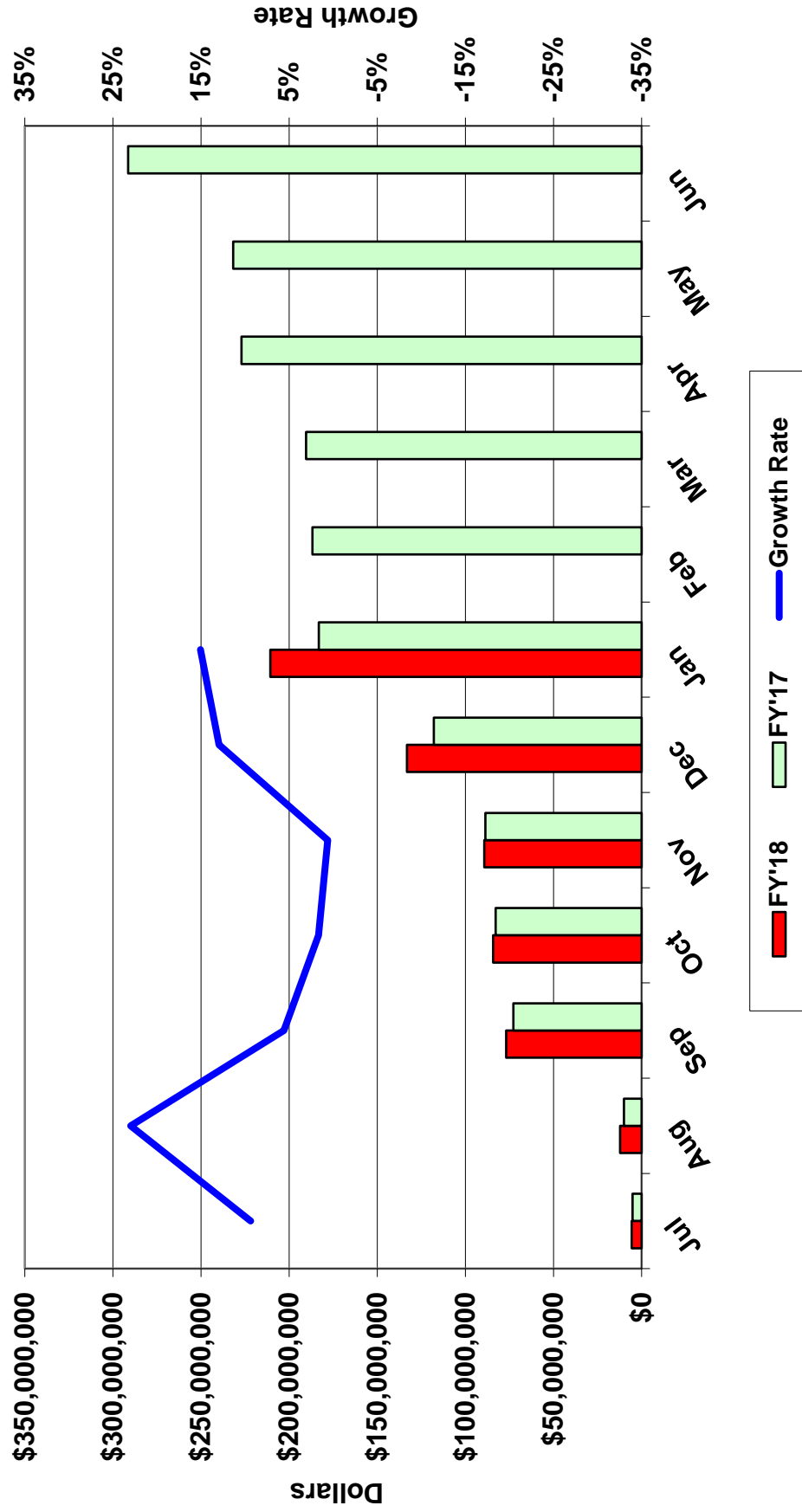




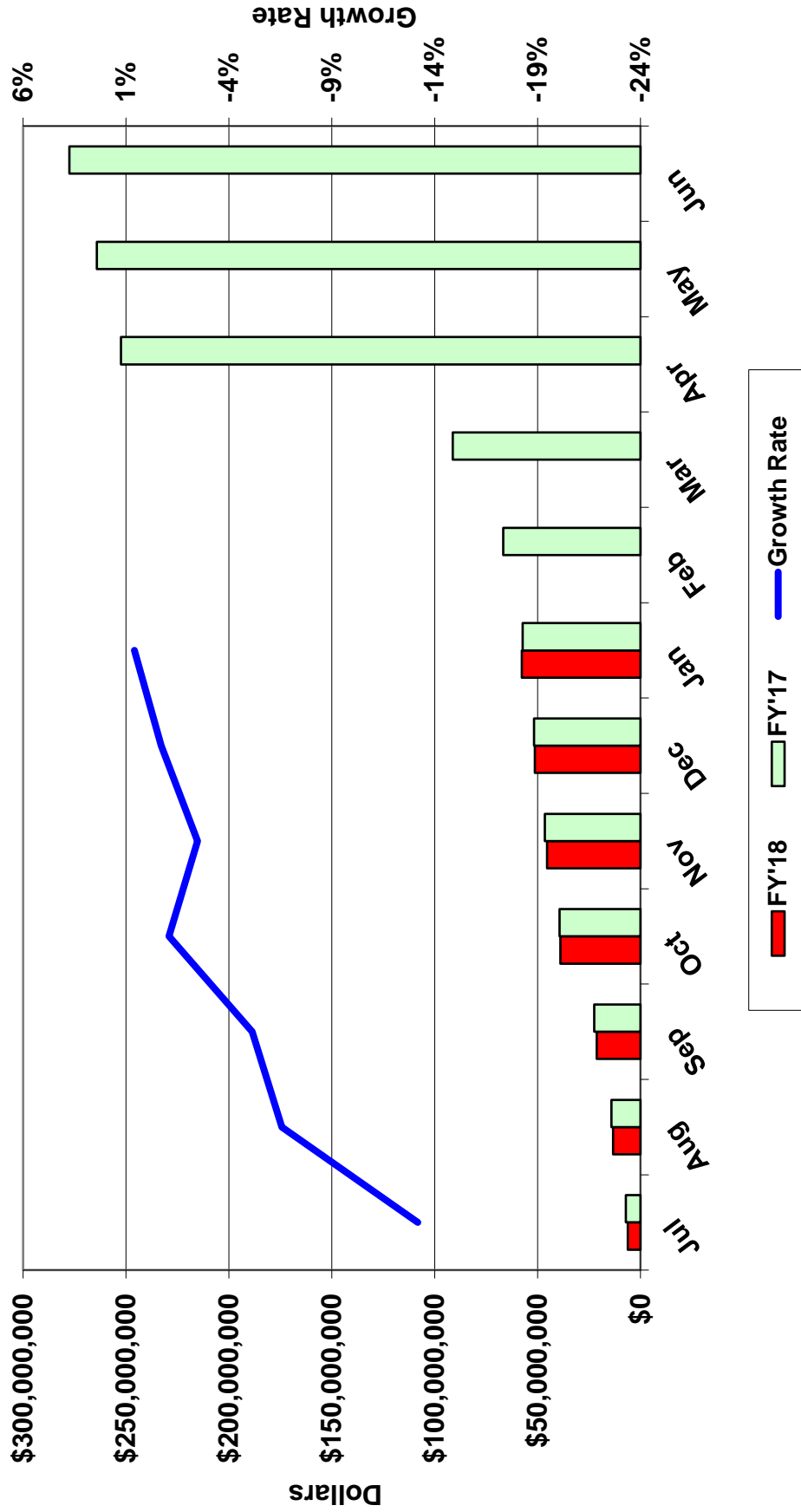
# Withholding Tax Revenue 12 Month Moving Total



# 1040 Estimated Payments Year-to-Date FY'18 & FY'17

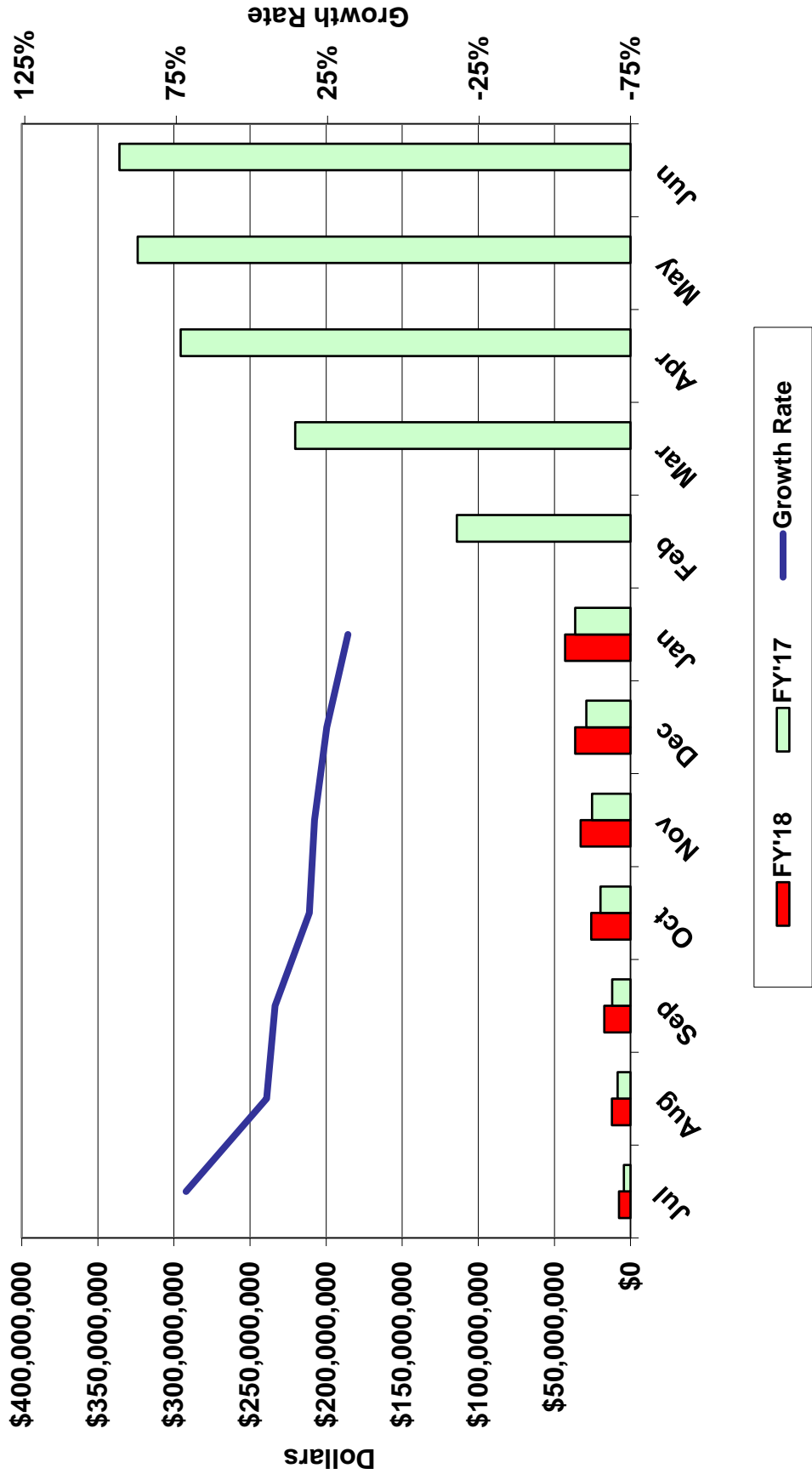


# 1040 Final Payments Year-to-Date FY'18 & FY'17





# Individual Income Tax Refunds Year-to-Date FY'18 & FY'17



**Maine Revenue Services  
Individual Income Tax Refunds**

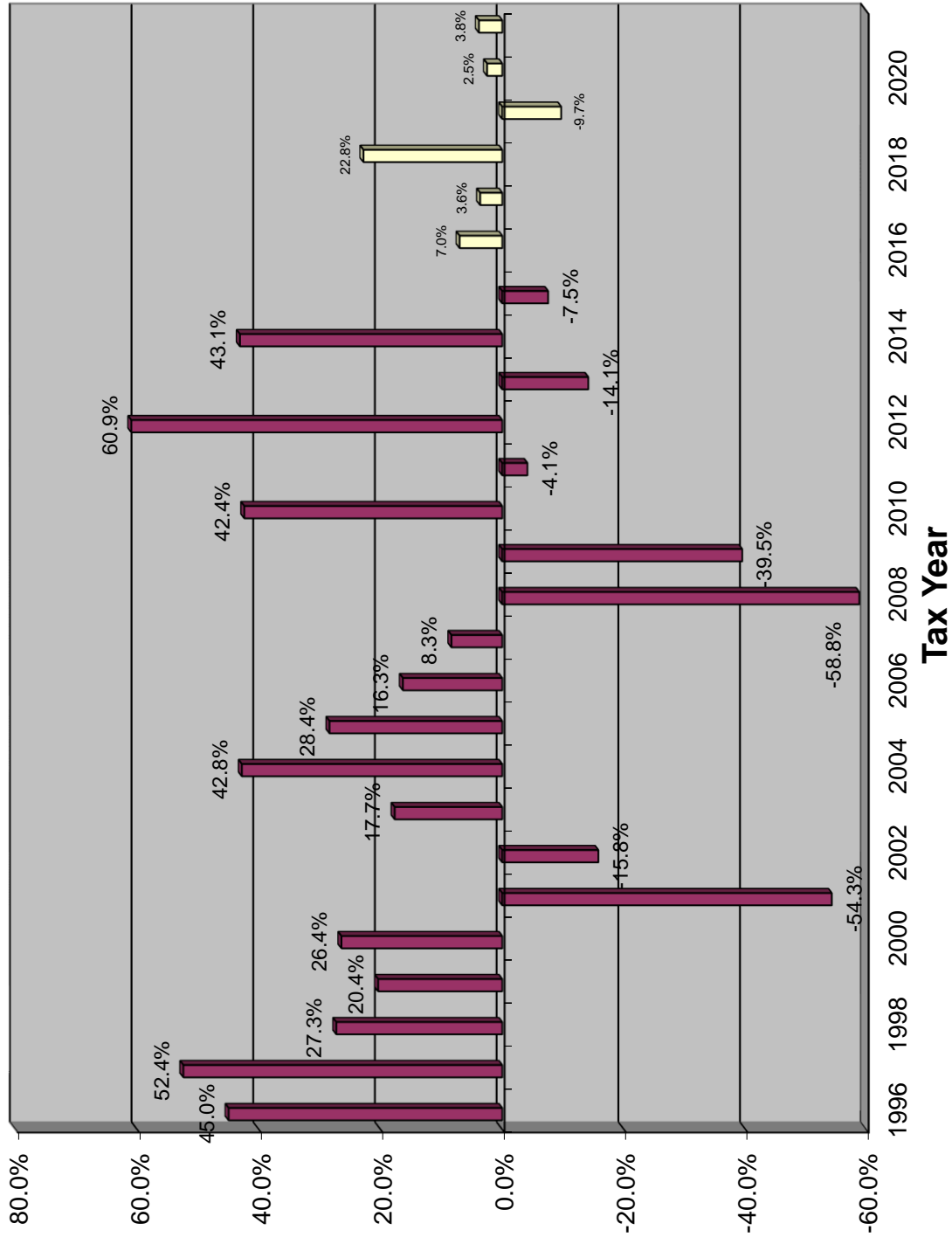
	Year-To-Date				Growth Rate
	Month	FY'17	FY'18	FY'17	
Jul	\$7,606,826	\$4,428,988	\$7,606,826	\$4,428,988	72%
Aug	\$4,579,317	\$3,964,890	\$12,186,142	\$8,393,878	45%
Sep	\$5,017,410	\$3,692,460	\$17,203,553	\$12,086,338	42%
Oct	\$8,570,763	\$7,584,089	\$25,774,316	\$19,670,427	31%
Nov	\$6,983,056	\$5,649,290	\$32,757,371	\$25,319,717	29%
Dec	\$3,573,049	\$3,687,240	\$36,330,420	\$29,006,957	25%
Jan	\$6,573,432	\$7,260,961	\$42,903,852	\$36,267,918	18%
Feb		\$77,912,019		\$114,179,937	
Mar		\$106,093,666		\$220,273,603	
Apr		\$75,372,398		\$295,646,001	
May		\$28,192,096		\$323,838,097	
Jun		\$12,028,423		\$335,866,520	

### Maine Resident - Net Capital Gains

<u>Tax Year</u>	<u>Capital Gains Realizations (\$ Millions)</u>	<u>Capital Gains Realizations Annual % Change</u>	<u>Capital Gains Tax Liability (\$ Millions)</u>	<u>Capital Gains Tax Liability Annual % Change</u>
1995	\$551.7		\$38.3	
1996	\$799.7	45.0%	\$57.3	49.6%
1997	\$1,218.7	52.4%	\$104.5	82.4%
1998	\$1,551.0	27.3%	\$120.0	14.8%
1999	\$1,867.2	20.4%	\$141.7	18.1%
2000	\$2,360.4	26.4%	\$179.6	26.7%
2001	\$1,079.3	-54.3%	\$74.1	-58.7%
2002	\$908.8	-15.8%	\$59.1	-20.3%
2003	\$1,069.4	17.7%	\$69.4	17.4%
2004	\$1,526.9	42.8%	\$104.9	51.2%
2005	\$1,960.3	28.4%	\$137.0	30.6%
2006	\$2,280.1	16.3%	\$162.5	18.6%
2007	\$2,470.4	8.3%	\$177.9	9.5%
2008	\$1,017.0	-58.8%	\$70.7	-60.3%
2009	\$615.7	-39.5%	\$45.6	-35.6%
2010	\$876.7	42.4%	\$58.6	28.6%
2011	\$840.4	-4.1%	\$55.4	-5.5%
2012	\$1,352.6	60.9%	\$96.5	74.4%
2013	\$1,161.4	-14.1%	\$77.0	-20.2%
2014	\$1,662.0	43.1%	\$111.0	44.2%
2015	\$1,536.7	-7.5%	\$99.2	-10.6%
2016*	\$1,644.2	7.0%	\$102.5	3.3%
2017*	\$1,703.9	3.6%	\$103.1	0.7%
2018*	\$2,092.3	22.8%	\$129.8	25.8%
2019*	\$1,889.9	-9.7%	\$115.4	-11.1%
2020*	\$1,936.9	2.5%	\$118.1	2.3%
2021*	\$2,011.0	3.8%	\$122.4	3.7%

\* Represents Projections.

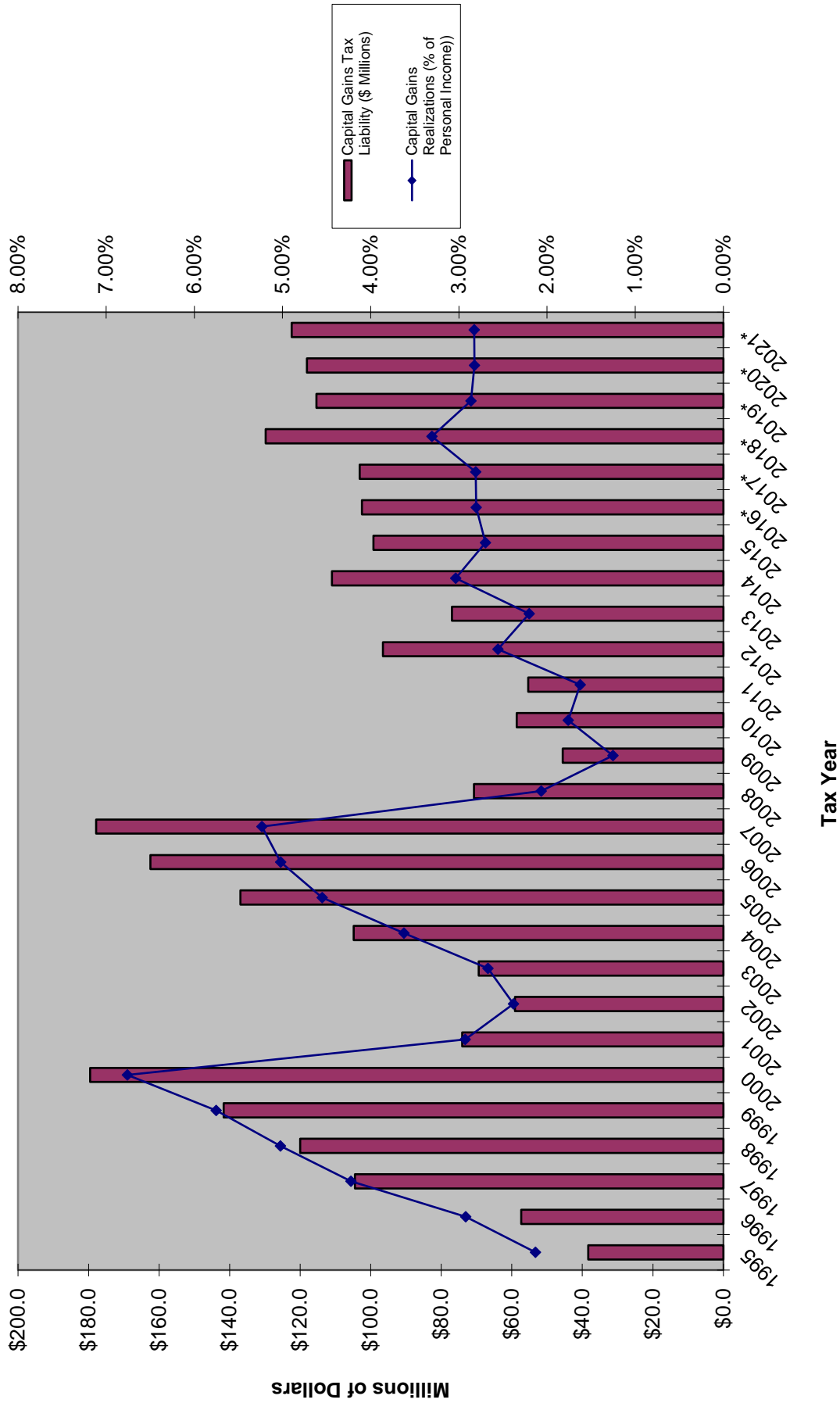
### Percentage Change in Capital Gains Realizations by Maine Residents



■ Actual □ November 17 Forecast

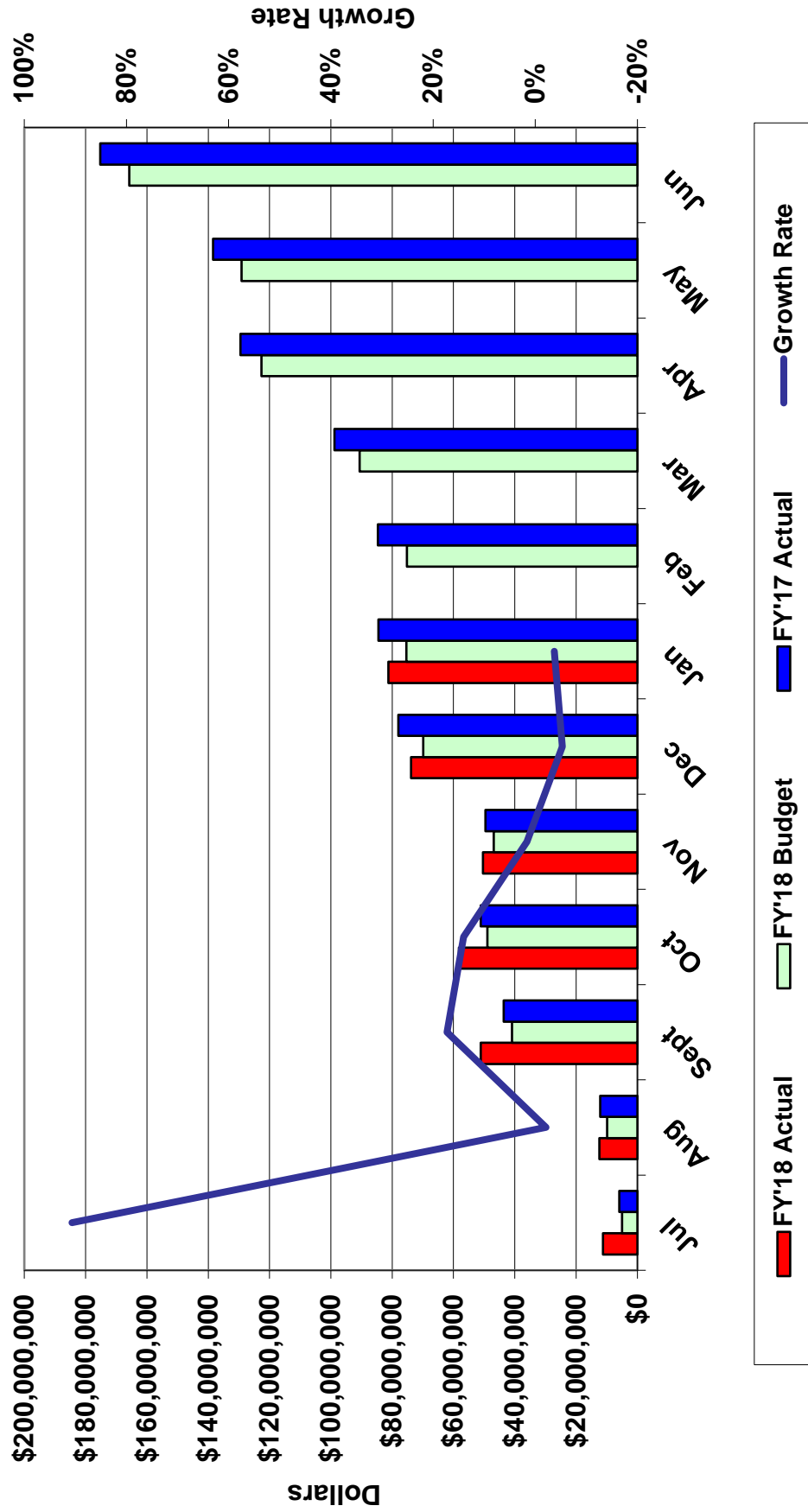


# Taxes from Net Capital Gains and Net Capital Gains as Percent of Personal Income



# Corporate Income Tax

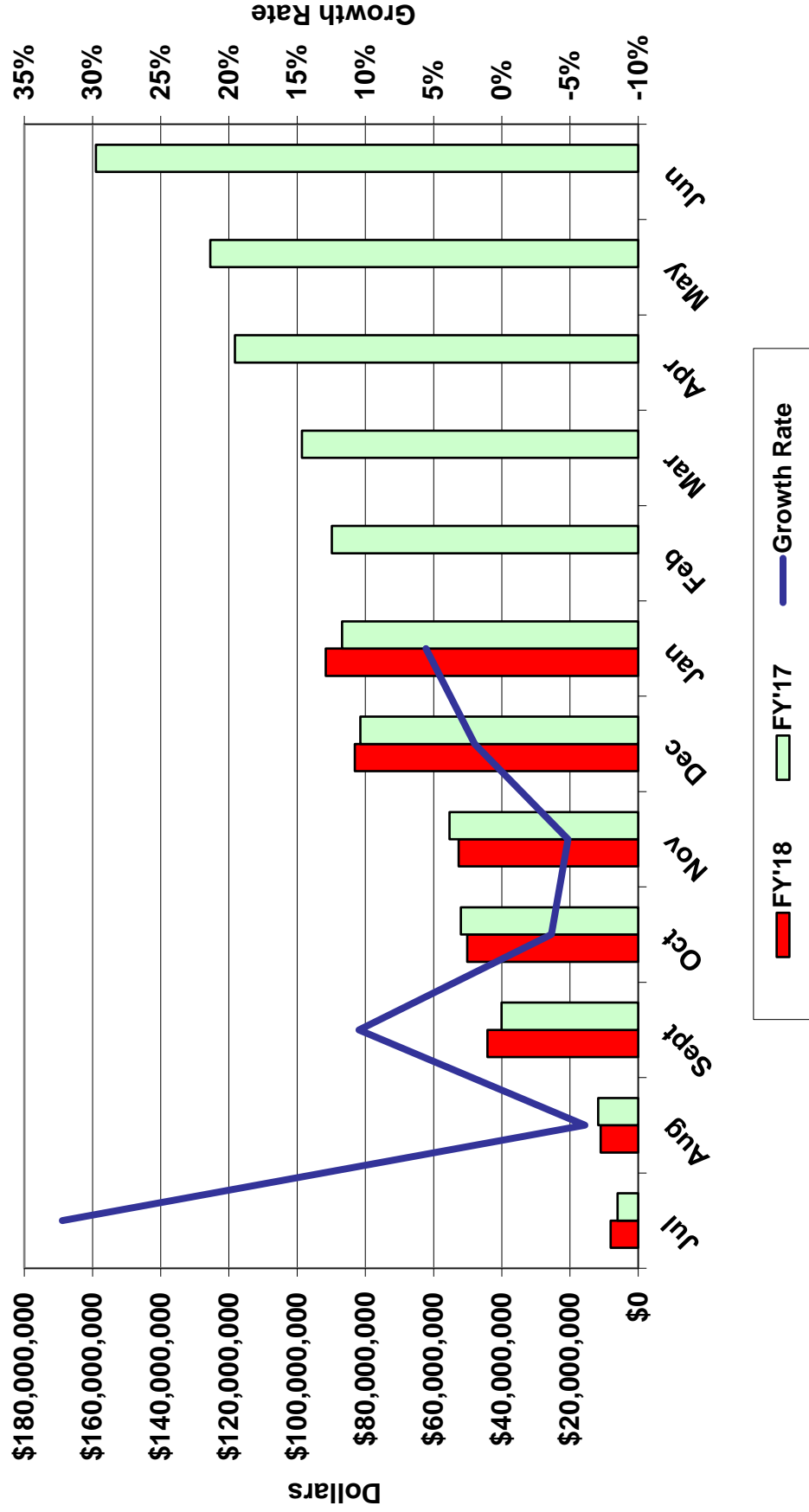
# YTD Corporate Income Tax Revenue FY'18 Actual, Budget & FY'17 Actual



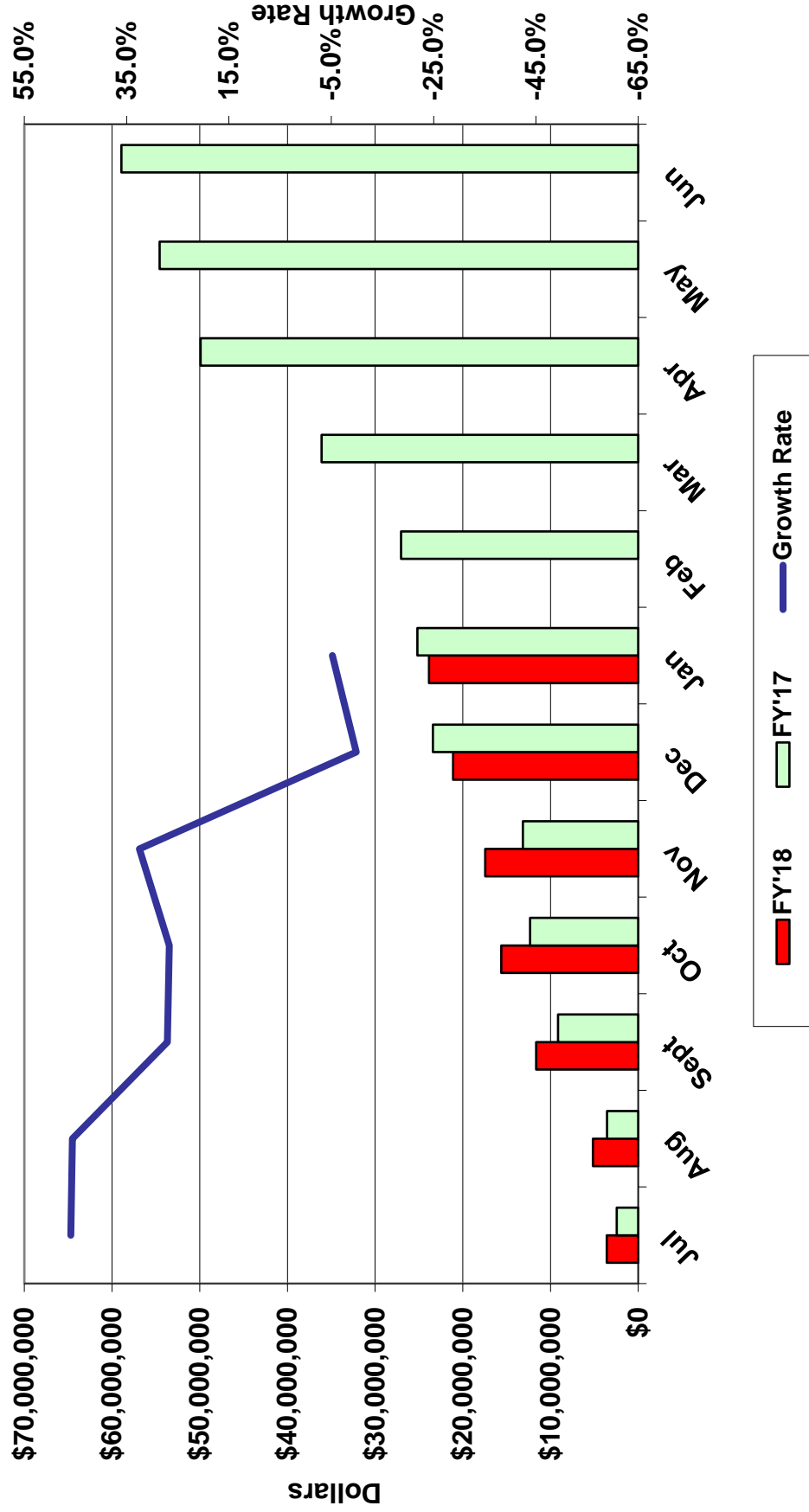
Maine Revenue Services  
Corporate Income Tax Revenue

	FY'18 Actual	FY'18 Budget	FY'17 Actual	FY'16 Actual	FY'18 Actual vs. Budget	FY'18 Budget vs. FY'17 Actual	FY'18 Actual vs. FY'17 Actual	FY'17 Actual vs. FY'16 Actual
Jul	\$11,253,486	\$5,000,000	\$5,902,153	(\$9,270,079)	125.1%	-15.3%	90.7%	-163.7%
Aug	\$1,182,361	\$4,900,000	\$6,278,846	\$1,693,241	75.9%	22.0%	81.2%	270.8%
Sept	\$38,708,805	\$31,000,000	\$31,440,376	\$31,848,456	24.9%	-1.4%	23.1%	-1.3%
Oct	\$7,132,419	\$8,000,000	\$7,484,497	\$3,958,361	-10.8%	6.9%	-4.7%	89.1%
Nov	-\$7,920,691	(\$2,000,000)	(\$1,552,326)	(\$6,930,359)	296.0%	28.8%	410.2%	-77.6%
Dec	\$23,516,618	\$23,000,000	\$28,453,433	\$21,723,278	2.2%	-19.2%	-17.4%	31.0%
Jan	\$7,399,135	\$5,500,000	\$6,435,027	\$8,602,087	34.5%	-14.5%	15.0%	-25.2%
Feb		(\$250,000)	\$245,956	(\$377,767)		-201.6%		-165.1%
Mar		\$15,500,000	\$14,176,561	\$24,818,097		9.3%		-42.9%
Apr		\$32,000,000	\$30,667,158	\$25,501,991		4.3%		20.3%
May		\$6,500,000	\$8,886,639	\$1,089,119		-26.9%		715.9%
Jun		\$36,574,242	\$36,820,794	\$34,836,018		-0.7%		5.7%
Total	\$81,272,133	\$165,724,242	\$175,239,114	\$137,492,443		-5.4%		27.5%
YTD Jan	\$81,272,133	\$75,400,000	\$84,442,006	\$51,624,985	7.8%	-10.7%	-3.8%	63.6%

# Corporate Estimated Payments Year-to-Date FY'18 & FY'17



# Corporate Final Payments Year-to-Date FY'18 & FY'17



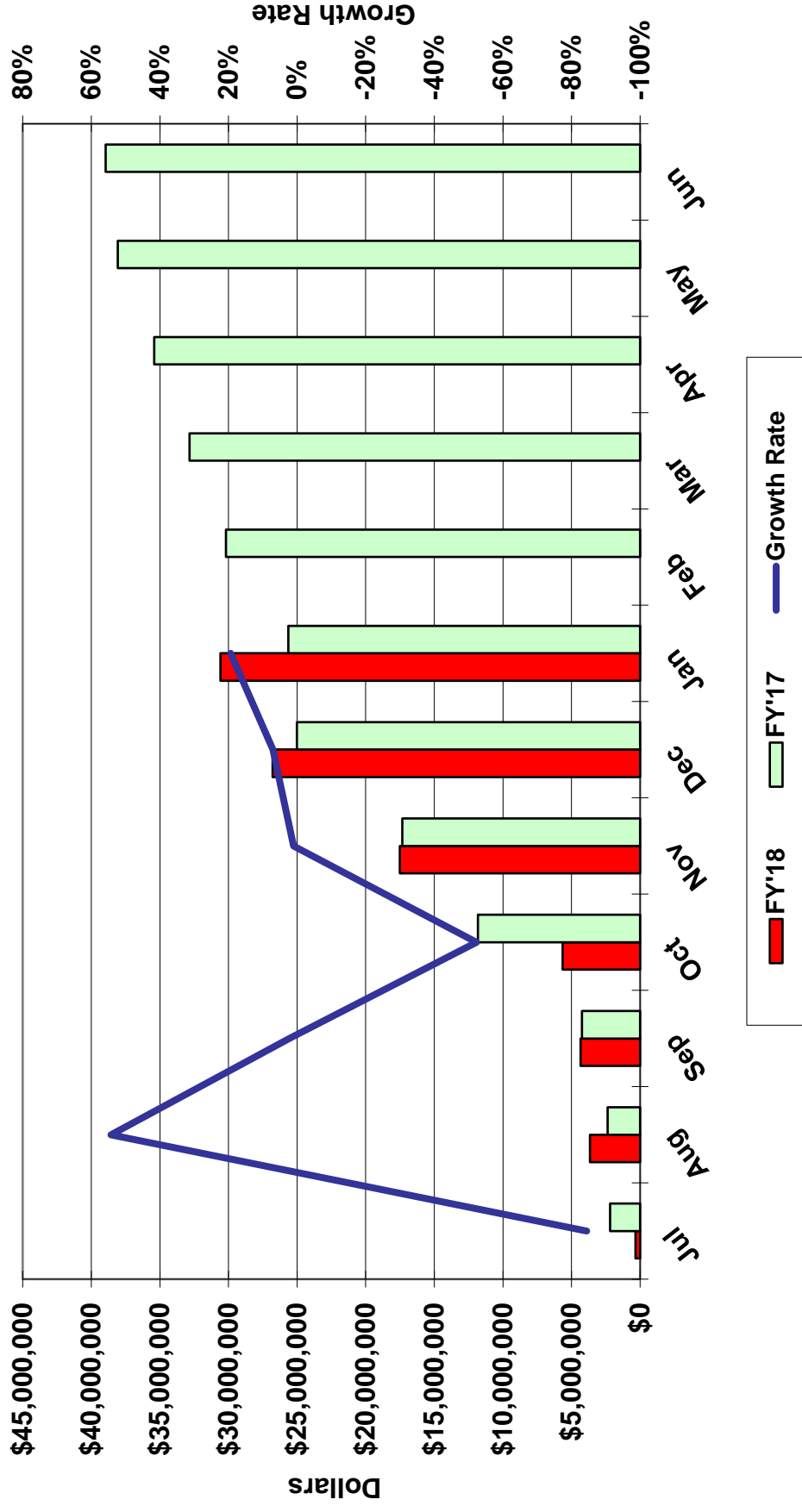
**Maine Revenue Services**  
**Corporate Income Tax Estimated Payments**

Month	Year-To-Date		Growth Rate
	FY'18	FY'17	
Jul	\$8,053,031	\$6,090,826	32.2%
Aug	\$2,941,904	\$5,617,464	-47.6%
Sept	\$33,228,624	\$28,324,880	17.3%
Oct	\$5,876,595	\$11,959,255	-50.9%
Nov	\$2,516,122	\$3,308,711	-24.0%
Dec	\$30,483,496	\$26,179,455	16.4%
Jan	\$8,545,219	\$5,336,234	60.1%
Feb		\$3,056,687	
Mar		\$8,697,282	
Apr		\$19,652,068	
May		\$7,275,278	
Jun		\$33,485,665	

**Corporate Income Tax Final Payments and Back Taxes**

Month	Year-To-Date		Growth Rate
	FY'18	FY'17	
Jul	\$3,577,586	\$2,451,862	45.9%
Aug	\$1,594,039	\$1,099,630	45.0%
Sept	\$6,450,477	\$5,595,628	15.3%
Oct	\$4,002,860	\$3,188,754	25.5%
Nov	\$1,822,382	\$828,918	119.9%
Dec	\$3,663,144	\$10,260,791	-64.3%
Jan	\$2,746,265	\$1,748,434	57.1%
Feb		\$1,874,889	
Mar		\$9,046,169	
Apr		\$13,816,363	
May		\$4,647,425	
Jun		\$4,379,448	

# Corporate Income Tax Refunds Year-to-Date FY'18 & FY'17





**Maine Revenue Services  
Corporate Income Tax Refunds**

	Month		Year-to-Date		Growth Rate
	FY'18	FY'17	FY'18	FY'17	
Jul	\$340,785	\$2,187,776	\$340,785	\$2,187,776	-84%
Aug	\$3,318,198	\$183,789	\$3,658,983	\$2,371,565	54%
Sep	\$673,837	\$1,863,191	\$4,332,820	\$4,234,756	2%
Oct	\$1,304,189	\$7,595,099	\$5,637,010	\$11,829,855	-52%
Nov	\$11,878,062	\$5,503,874	\$17,515,072	\$17,333,729	1%
Dec	\$9,277,719	\$7,685,193	\$26,792,791	\$25,018,922	7%
Jan	\$3,800,296	\$613,955	\$30,593,087	\$25,632,877	19%
Feb		\$4,553,165		\$30,186,042	
Mar		\$2,646,814		\$32,832,856	
Apr		\$2,572,860		\$35,405,717	
May		\$2,657,220		\$38,062,937	
Jun		\$882,076		\$38,945,012	



## **APPENDIX G**

### **Other Background Materials**

#### **Table of Contents**

Hollywood Casino Bangor.....	G-1
Oxford Casino.....	G-2
Milk Handling Fee and Transfers to Maine Milk Pool.....	G-3
Revenue Sharing Transfers.....	G-5
Medicaid/MaineCare Dedicated Revenue Detail.....	G-6

**Revenue Forecasting Committee - March 2018 - Hollywood Casino Bangor**

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
<b>GENERAL FUND REVENUE</b>							
Current Forecast - General Fund Revenue	\$6,752,297	\$6,747,541	\$6,591,172	\$6,532,755	\$6,603,593	\$6,670,628	\$6,738,335
Incremental Effect of March 2018 Forecast				(\$300,341)	(\$402,091)	(\$406,111)	(\$410,173)
March 2018 Forecast - Revised General Fund Revenue	\$6,752,297	\$6,747,541	\$6,591,172	\$6,232,414	\$6,201,502	\$6,264,517	\$6,328,162
<b>FUND FOR A HEALTHY MAINE REVENUE</b>							
Current Forecast - Fund for a Healthy Maine Revenue	\$4,107,614	\$4,042,819	\$3,797,297	\$3,934,172	\$3,989,438	\$4,029,333	\$4,069,626
Incremental Effect of March 2018 Forecast				(\$136,535)	(\$259,330)	(\$261,924)	(\$264,543)
March 2018 Forecast - Fund for a Healthy Maine Revenue	\$4,107,614	\$4,042,819	\$3,797,297	\$3,797,637	\$3,730,108	\$3,767,409	\$3,805,083
<b>Detail of Current Revenue Forecast - Distribution of Total Income</b>							
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Gross Slot Income (Coin/Voucher In)	\$444,273,976	\$442,439,319	\$424,866,793	\$402,648,357	\$401,471,475	\$405,486,189	\$409,541,051
Player's Share (Payback Value)	\$398,755,097	\$397,586,740	\$382,622,680	\$360,645,503	\$360,155,676	\$363,757,233	\$367,394,805
3% Distribution to City of Bangor (.03%*(A-B))	\$1,365,566	\$1,345,577	\$1,267,323	\$1,260,086	\$1,239,474	\$1,251,869	\$1,264,387
General Fund - Administration (1% of Gross Slot Income)	\$4,442,740	\$4,424,393	\$4,248,668	\$4,026,484	\$4,014,715	\$4,054,862	\$4,095,411
Net Slot Machine Income (=A-B-C)	\$41,076,139	\$40,428,186	\$37,995,446	\$37,976,369	\$37,301,083	\$37,674,094	\$38,050,835
Licenses' Share of Net Slot Machine Income	\$25,056,445	\$24,661,193	\$23,177,222	\$23,165,585	\$22,753,661	\$22,981,197	\$23,211,009
Licenses' Share of Net Slot after 3% Distribution to Bangor	\$23,690,879	\$23,315,616	\$21,909,899	\$21,905,499	\$21,514,187	\$21,729,328	\$21,946,622
Net Table Game Income	\$8,516,800	\$8,955,774	\$9,283,346	\$8,743,054	\$8,830,485	\$8,918,790	\$9,007,977
Licenses' Share of Net Table Game Income	\$7,154,112	\$7,522,850	\$7,798,011	\$7,344,165	\$7,417,607	\$7,491,783	\$7,566,701
<b>Distribution of State Share of Net Slot Machine Income</b>							
General Fund (other)	\$1,232,284	\$1,212,846	\$1,139,863	\$1,139,291	\$1,119,032	\$1,130,223	\$1,141,525
General Fund (After 48 months - November 2009)	\$410,761	\$404,282	\$379,954	\$379,764	\$373,011	\$376,741	\$380,508
Fund for a Healthy Maine (FHM)	\$4,107,614	\$4,042,819	\$3,799,545	\$3,797,637	\$3,730,108	\$3,767,409	\$3,805,083
FHM over caps to Gen Fund (\$4.5M in FY11 and FY12, \$0 in FY13)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
University of Maine Scholarship Fund (2% until 9/1/13)	\$790,190	\$776,221	\$729,513	\$729,146	\$716,181	\$723,343	\$730,576
Maine Maritime Academy Scholarship Program (beginning 9/1/13)	\$31,333	\$32,343	\$30,396	\$30,381	\$29,841	\$30,139	\$30,441
Maine Community College System - Scholarship Funds	\$410,761	\$404,282	\$379,954	\$379,764	\$373,011	\$376,741	\$380,508
Resident Municipalities	\$410,761	\$404,282	\$379,954	\$379,764	\$373,011	\$376,741	\$380,508
Supplement Harness Racing Purses	\$4,107,614	\$4,042,819	\$3,799,545	\$3,797,637	\$3,730,108	\$3,767,409	\$3,805,083
Sire Stakes Fund	\$1,232,284	\$1,212,846	\$1,139,863	\$1,139,291	\$1,119,032	\$1,130,223	\$1,141,525
Fund to Encourage Racing at Maine's Commercial Tracks	\$1,643,046	\$1,617,127	\$1,519,818	\$1,519,055	\$1,492,043	\$1,506,964	\$1,522,033
Fund to Stabilize Off-Track Betting (48 months - until Oct 2009)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fund to Stabilize Off-Track Betting (after 48 months - Nov 2009)	\$410,761	\$404,282	\$379,954	\$379,764	\$373,011	\$376,741	\$380,508
Agricultural Fair Support Fund	\$1,232,284	\$1,212,846	\$1,139,863	\$1,139,291	\$1,119,032	\$1,130,223	\$1,141,525
GF Transfer to Gambling Addiction Prevention and Treatment Fund	(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)
Gambling Addiction Prevention and Treatment Fund	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
<b>Distribution of State Share of Net Table Game Income</b>							
General Fund	\$766,512	\$806,020	\$835,501	\$786,875	\$794,744	\$802,691	\$810,718
Gambling Control Board	\$255,504	\$278,500	\$268,673	\$268,673	\$264,915	\$267,564	\$270,239
Municipality	\$170,336	\$179,115	\$185,667	\$174,861	\$176,610	\$178,376	\$180,160
Coordinated Veterans Assistance Fund	\$170,336	\$179,115	\$185,667	\$174,861	\$176,610	\$178,376	\$180,160
<b>Revenue Summary</b>							
<b>General Fund</b>							
General Fund Administration (1% of gross slot income)	\$4,442,740	\$4,424,393	\$4,248,668	\$4,026,484	\$4,014,715	\$4,054,862	\$4,095,411
General Fund (Other)	\$2,309,557	\$2,323,148	\$2,255,318	\$2,205,930	\$2,186,787	\$2,209,655	\$2,232,751
Licensing revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal - General Fund	\$6,752,297	\$6,747,541	\$6,503,986	\$6,232,414	\$6,201,502	\$6,264,517	\$6,328,162
Fund for a Healthy Maine	\$4,107,614	\$4,042,819	\$3,799,545	\$3,797,637	\$3,730,108	\$3,767,409	\$3,805,083
Other Special Revenue Funds							
Harness Racing Commission	\$8,625,989	\$8,489,920	\$7,979,043	\$7,975,038	\$7,833,226	\$7,911,560	\$7,990,674
HRC - Subtotal	\$8,625,989	\$8,489,920	\$7,979,043	\$7,975,038	\$7,833,226	\$7,911,560	\$7,990,674
PUS - host municipalities	\$25,000	\$25,000	\$25,000	\$25,000	\$24,998	\$24,999	\$24,998
University of Maine Scholarship Fund	\$790,190	\$776,221	\$729,513	\$729,146	\$716,181	\$723,343	\$730,576
Maine Maritime Academy Scholarship Program	\$31,333	\$32,343	\$30,396	\$30,381	\$29,841	\$30,139	\$30,441
Maine Community College System Scholarships	\$410,761	\$404,282	\$379,954	\$379,764	\$373,011	\$376,741	\$380,508
Resident Municipalities	\$581,097	\$583,397	\$565,621	\$554,625	\$549,621	\$555,117	\$560,668
Gambling Addiction Prevention and Treatment Fund	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Gambling Control Board	\$805,204	\$818,373	\$828,200	\$811,992	\$814,615	\$817,265	\$819,941
Coordinated Veterans Assistance Fund	\$170,336	\$179,115	\$185,667	\$174,861	\$176,610	\$178,376	\$180,160
Subtotal - Other Special Revenue Funds	\$11,539,910	\$11,408,651	\$10,823,394	\$10,780,807	\$10,618,105	\$10,717,540	\$10,817,966

## Revenue Forecasting Committee - March 2018 - Oxford Casino

GENERAL FUND REVENUE		2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Current Forecast - General Fund Revenue		\$1,737,476	\$1,789,825	\$1,905,585	\$2,032,839	\$2,002,283	\$2,010,894	\$2,031,003	\$2,051,313
Incremental Effect of March 2018 Forecast					\$4,210	\$4,210	\$4,253	\$4,295	\$4,338
March 2018 Forecast - Revised General Fund Revenue		\$1,737,476	\$1,789,825	\$1,905,585	\$2,032,839	\$2,006,493	\$2,015,147	\$2,035,298	\$2,055,651
<b>Detail of Current Revenue Forecast - Distribution of Total Income</b>									
		2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Total Net Slot Machine Income		\$57,915,853	\$59,660,826	\$63,519,488	\$66,669,248	\$66,883,109	\$67,171,555	\$67,843,270	\$68,521,703
Total Net Table Game Income		\$13,427,297	\$14,284,713	\$15,060,657	\$16,566,344	\$17,738,380	\$17,839,400	\$18,017,794	\$18,197,972
<b>Licenses' Share of Total Net Slot Machine Income</b>	<b>54.0%</b>	<b>\$31,274,560</b>	<b>\$32,216,846</b>	<b>\$34,300,524</b>	<b>\$36,001,394</b>	<b>\$36,116,879</b>	<b>\$36,272,640</b>	<b>\$36,635,366</b>	<b>\$37,001,720</b>
<b>Licenses' Share of Total Net Table Game Income</b>	<b>84.0%</b>	<b>\$11,278,929</b>	<b>\$11,999,159</b>	<b>\$12,650,952</b>	<b>\$13,915,729</b>	<b>\$14,900,239</b>	<b>\$14,985,096</b>	<b>\$15,134,947</b>	<b>\$15,286,297</b>
<b>Total Licenses' Share of Net Income</b>		<b>\$42,553,489</b>	<b>\$44,216,005</b>	<b>\$46,951,476</b>	<b>\$49,917,123</b>	<b>\$51,017,118</b>	<b>\$51,257,736</b>	<b>\$51,770,313</b>	<b>\$52,288,017</b>
<b>Distribution of State Share of Net Slot Machine Income</b>									
K-12 Essential Programs and Services		\$14,478,963	\$14,915,206	\$15,879,872	\$16,667,312	\$16,720,777	\$16,792,889	\$16,960,818	\$17,130,426
Maine's Penobscot and Passamaquoddy Indian Tribes		\$2,316,634	\$2,386,433	\$2,540,780	\$2,666,670	\$2,675,324	\$2,686,862	\$2,713,731	\$2,740,868
General Fund - Administration		\$1,737,476	\$1,789,825	\$1,905,585	\$2,000,077	\$2,006,493	\$2,015,147	\$2,035,298	\$2,055,651
University of Maine System Scholarship Fund (4% until 9/1/13)		\$2,229,760	\$2,295,414	\$2,432,796	\$2,553,432	\$2,561,623	\$2,572,671	\$2,598,397	\$2,624,381
Maine Maritime Academy Scholarship Program (Beginning 9/1/13)		\$86,874	\$91,019	\$107,983	\$113,338	\$113,701	\$114,192	\$115,334	\$116,487
Agricultural Fair Support Fund		\$579,159	\$596,608	\$635,195	\$666,692	\$668,831	\$671,716	\$678,433	\$685,217
Municipality in which casino is located		\$1,158,317	\$1,193,217	\$1,270,390	\$1,333,385	\$1,337,662	\$1,343,431	\$1,356,865	\$1,370,434
Maine Community College System Scholarship Programs		\$1,737,476	\$1,789,825	\$1,905,585	\$2,000,077	\$2,006,493	\$2,015,147	\$2,035,298	\$2,055,651
Fund to Supplement Harness Racing Purses		\$579,159	\$596,608	\$635,195	\$666,692	\$668,831	\$671,716	\$678,433	\$685,217
Sire Stakes Fund		\$579,159	\$596,608	\$635,195	\$666,692	\$668,831	\$671,716	\$678,433	\$685,217
County in which casino is located		\$579,159	\$596,608	\$635,195	\$666,692	\$668,831	\$671,716	\$678,433	\$685,217
Maine Dairy Farm Stabilization Fund (1% until 7/1/13)		\$289,579	\$298,304	\$317,597	\$333,346	\$334,416	\$335,858	\$339,216	\$342,609
Dairy Improvement Fund (Beginning 7/1/13)		\$289,579	\$298,304	\$317,597	\$333,346	\$334,416	\$335,858	\$339,216	\$342,609
<b>Distribution of State Share of Net Table Game Income</b>	<b>16.0%</b>	<b>\$1,342,730</b>	<b>\$1,428,471</b>	<b>\$1,506,066</b>	<b>\$1,656,634</b>	<b>\$1,773,838</b>	<b>\$1,783,940</b>	<b>\$1,801,779</b>	<b>\$1,819,797</b>
K-12 Essential Programs and Services		\$402,819	\$428,541	\$451,820	\$496,990	\$532,151	\$535,182	\$540,534	\$545,939
Gambling Control Board		\$268,546	\$285,694	\$301,213	\$331,327	\$354,768	\$356,788	\$360,356	\$363,959
Municipality in which casino is located		\$134,273	\$142,847	\$150,607	\$165,663	\$177,384	\$178,394	\$180,178	\$181,980
County in which casino is located		\$134,273	\$142,847	\$150,607	\$165,663	\$177,384	\$178,394	\$180,178	\$181,980
<b>Revenue Summary</b>									
<b>General Fund</b>		<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
General Fund Administration		\$1,737,476	\$1,789,825	\$1,905,585	\$2,000,077	\$2,006,493	\$2,015,147	\$2,035,298	\$2,055,651
License Fees		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Subtotal - General Fund</b>		<b>\$1,737,476</b>	<b>\$1,789,825</b>	<b>\$1,905,585</b>	<b>\$2,000,077</b>	<b>\$2,006,493</b>	<b>\$2,015,147</b>	<b>\$2,035,298</b>	<b>\$2,055,651</b>
<b>Other Special Revenue Funds</b>									
Gambling Control Board		\$3,201,144	\$626,866	\$650,145	\$695,315	\$730,476	\$733,507	\$663,060	\$6,208,466
K-12 Essential Programs and Services		\$15,821,693	\$16,343,677	\$17,385,938	\$18,323,946	\$18,494,615	\$18,576,829	\$18,762,597	\$18,950,223
Maine's Penobscot and Passamaquoddy Indian Tribes		\$2,316,634	\$2,386,433	\$2,540,780	\$2,666,770	\$2,675,324	\$2,686,862	\$2,713,731	\$2,740,868
University of Maine System Scholarship Fund		\$2,229,760	\$2,295,414	\$2,432,796	\$2,553,432	\$2,561,623	\$2,572,671	\$2,598,397	\$2,624,381
Maine Maritime Academy Scholarship Program		\$86,874	\$91,019	\$107,983	\$113,338	\$113,701	\$114,192	\$115,334	\$116,487
Agricultural Fair Support Fund		\$579,159	\$596,608	\$635,195	\$666,692	\$668,831	\$671,716	\$678,433	\$685,217
Municipality in which casino is located		\$1,426,863	\$1,478,911	\$1,571,603	\$1,664,712	\$1,692,430	\$1,700,219	\$1,717,221	\$1,734,393
Maine Community College System Scholarship Programs		\$1,737,476	\$1,789,825	\$1,905,585	\$2,000,077	\$2,006,493	\$2,015,147	\$2,035,298	\$2,055,651
Fund to Supplement Harness Racing Purses		\$579,159	\$596,608	\$635,195	\$666,692	\$668,831	\$671,716	\$678,433	\$685,217
Sire Stakes Fund		\$579,159	\$596,608	\$635,195	\$666,692	\$668,831	\$671,716	\$678,433	\$685,217
County in which casino is located		\$713,432	\$739,455	\$785,802	\$832,355	\$846,215	\$850,110	\$858,611	\$867,197
Maine Dairy Farm Stabilization Fund		\$289,579	\$298,304	\$317,597	\$333,346	\$334,416	\$335,858	\$339,216	\$342,609
Dairy Improvement Fund		\$289,579	\$298,304	\$317,597	\$333,346	\$334,416	\$335,858	\$339,216	\$342,609
<b>Subtotal - Other Special Revenue Funds</b>		<b>\$29,850,511</b>	<b>\$28,138,032</b>	<b>\$29,921,411</b>	<b>\$31,516,713</b>	<b>\$31,796,203</b>	<b>\$31,936,403</b>	<b>\$32,177,983</b>	<b>\$38,038,539</b>

**MILK HANDLING FEE INCOME**

Month	FY18	FY18	FY19	FY19
	Basic Price	Revenue	Basic Price	Revenue
June	\$18.56	\$389,865	\$17.35	\$666,801
July	\$19.84	\$250,905	\$17.69	\$583,451
August	\$19.97	\$281,961	\$18.15	\$500,101
Sept.	\$19.96	\$236,572	\$18.59	\$416,751
Oct.	\$19.69	\$232,391	\$18.92	\$416,751
Nov.	\$19.66	\$261,003	\$19.12	\$333,400
Dec.	\$20.13	\$165,801	\$19.09	\$333,400
Jan.	\$18.69	\$416,751	\$19.00	\$333,400
Feb.	\$17.50	\$583,451	\$19.00	\$333,400
March	\$16.63	\$750,151	\$19.00	\$333,400
April	\$16.69	\$750,151	\$19.00	\$333,400
May	\$16.85	\$750,151	\$19.00	\$333,400
		<b>\$5,069,152</b>		<b>\$4,917,655</b>

**\$9,986,807**

**MILK TIER PROGRAM PAYMENTS**

FY18	Month	Federal	Federal	Average	Average	Total	Support
		Blend/CWT	MILC/CWT	Premium	Support/CWT		
Jun-17	\$17.53	\$0.00	\$0.31	\$3.11	53,502,324	\$1,662,707	
Jul-17	\$18.01	\$0.00	\$0.32	\$2.27	54,603,175	\$1,239,978	
Aug-17	\$18.33	\$0.00	\$0.33	\$1.68	53,424,526	\$896,718	
Sep-17	\$17.89	\$0.00	\$0.34	\$1.81	49,981,655	\$902,269	
Oct-17	\$17.44	\$0.00	\$0.33	\$1.87	51,585,355	\$962,267	
Nov-17	\$17.24	\$0.00	\$0.35	\$1.89	49,742,171	\$942,196	
Dec-17	\$16.71	\$0.00	\$0.35	\$2.23	51,283,254	\$1,142,397	
Jan-18	\$15.77	\$0.00	\$0.34	\$3.13	53,116,798	\$1,664,782	
Feb-18	\$14.93	\$0.00	\$0.34	\$3.96	47,746,674	\$1,891,486	
Mar-18	\$14.83	\$0.00	\$0.34	\$3.98	53,230,730	\$2,118,110	
Apr-18	\$15.00	\$0.00	\$0.34	\$3.69	52,726,736	\$1,945,832	
May-18	\$15.40	\$0.00	\$0.34	\$3.25	55,792,192	\$1,811,211	
					<b>FY18 Exp</b>	\$ 17,179,953	
						.5% of net slot income from Oxford Casino	\$ 334,416
					<b>Net GF Exp</b>	<b>\$ 16,845,537</b>	

FY19	Month	Federal	Federal	Average	Average	Total	Support
		Blend/CWT	MILC/CWT	Premium	Support/CWT		
Jun-18	\$15.71	\$0.00	\$0.34	\$4.94	53,592,488	\$2,648,548	
Jul-18	\$15.96	\$0.00	\$0.34	\$4.38	53,396,807	\$2,336,511	
Aug-18	\$16.40	\$0.00	\$0.34	\$3.56	52,829,925	\$1,881,462	
Sep-18	\$16.76	\$0.00	\$0.34	\$2.84	49,981,655	\$1,421,893	
Oct-18	\$16.98	\$0.00	\$0.34	\$2.36	51,585,355	\$1,216,330	
Nov-18	\$17.06	\$0.00	\$0.34	\$1.98	49,742,171	\$985,221	
Dec-18	\$16.96	\$0.00	\$0.34	\$1.98	51,283,254	\$1,014,512	
Jan-19	\$17.00	\$0.00	\$0.34	\$1.90	53,116,798	\$1,011,445	
Feb-19	\$17.00	\$0.00	\$0.34	\$1.88	47,746,674	\$898,370	
Mar-19	\$17.00	\$0.00	\$0.34	\$1.81	53,230,730	\$962,334	
Apr-19	\$17.00	\$0.00	\$0.34	\$1.70	52,726,736	\$894,152	
May-19	\$17.00	\$0.00	\$0.34	\$1.65	55,792,192	\$922,278	
					<b>FY19 Exp</b>	<b>\$ 16,193,056</b>	
						.5% of net slot income from Oxford Casino	\$ 335,858
					<b>Net GF Exp</b>	<b>\$ 15,857,198</b>	

**Total for FY18 & 19** **\$32,702,735**

**MILK HANDLING FEE INCOME**

Month	FY20	FY20	FY21	FY21
	Basic Price	Revenue	Basic Price	Revenue
June	\$19.00	\$333,400	\$19.00	\$333,400
July	\$19.00	\$333,400	\$19.00	\$333,400
August	\$19.00	\$333,400	\$19.00	\$333,400
Sept.	\$19.00	\$333,400	\$19.00	\$333,400
Oct.	\$19.00	\$333,400	\$19.00	\$333,400
Nov.	\$19.00	\$333,400	\$19.00	\$333,400
Dec.	\$19.00	\$333,400	\$19.09	\$333,400
Jan.	\$19.00	\$333,400	\$19.00	\$333,400
Feb.	\$19.00	\$333,400	\$19.00	\$333,400
March	\$19.00	\$333,400	\$19.00	\$333,400
April	\$19.00	\$333,400	\$19.00	\$333,400
May	\$19.00	\$333,400	\$19.00	\$333,400
		<b>\$4,000,800</b>		<b>\$4,000,800</b>

**\$8,001,600**

**MILK TIER PROGRAM PAYMENTS**

FY20	Month	Federal	Federal	Average	Average	Total	Support
		Blend/CWT	MILC/CWT	Premium	Support/CWT	Pounds	Payment
Jun-19	\$17.00	\$0.00	\$0.34	\$3.60	53,592,488	\$1,929,648	
Jul-19	\$17.00	\$0.00	\$0.34	\$3.27	53,396,807	\$1,746,796	
Aug-19	\$17.00	\$0.00	\$0.34	\$2.91	52,829,925	\$1,539,545	
Sep-19	\$17.00	\$0.00	\$0.34	\$2.56	49,981,655	\$1,281,944	
Oct-19	\$17.00	\$0.00	\$0.34	\$2.25	51,585,355	\$1,159,586	
Nov-19	\$17.00	\$0.00	\$0.34	\$2.00	49,742,171	\$995,132	
Dec-19	\$17.00	\$0.00	\$0.34	\$1.32	51,283,254	\$675,268	
Jan-20	\$17.00	\$0.00	\$0.34	\$1.86	53,116,798	\$990,199	
Feb-20	\$17.00	\$0.00	\$0.34	\$1.84	47,746,674	\$879,180	
Mar-20	\$17.00	\$0.00	\$0.34	\$1.77	53,230,730	\$941,029	
Apr-20	\$17.00	\$0.00	\$0.34	\$1.66	52,726,736	\$873,118	
May-20	\$17.00	\$0.00	\$0.34	\$1.61	55,792,192	\$900,055	
					<b>FY20 Exp</b>	<b>\$ 13,911,500</b>	
					.5% of net slot income from Oxford Casino	<b>\$ 339,216</b>	
					<b>Net GF Exp</b>	<b>\$ 13,572,284</b>	

FY21	Month	Federal	Federal	Average	Average	Total	Support
		Blend/CWT	MILC/CWT	Premium	Support/CWT	Pounds	Payment
Jun-20	\$17.00	\$0.00	\$0.34	\$3.60	53,592,488	\$1,929,648	
Jul-20	\$17.00	\$0.00	\$0.34	\$3.27	53,396,807	\$1,746,796	
Aug-20	\$17.00	\$0.00	\$0.34	\$2.91	52,829,925	\$1,539,545	
Sep-20	\$17.00	\$0.00	\$0.34	\$2.56	49,981,655	\$1,281,944	
Oct-20	\$17.00	\$0.00	\$0.34	\$2.25	51,585,355	\$1,159,586	
Nov-20	\$17.00	\$0.00	\$0.34	\$2.00	49,742,171	\$995,132	
Dec-20	\$17.00	\$0.00	\$0.34	\$1.32	51,283,254	\$675,268	
Jan-21	\$17.00	\$0.00	\$0.34	\$1.86	53,116,798	\$990,199	
Feb-21	\$17.00	\$0.00	\$0.34	\$1.84	47,746,674	\$879,180	
Mar-21	\$17.00	\$0.00	\$0.34	\$1.77	53,230,730	\$941,029	
Apr-21	\$17.00	\$0.00	\$0.34	\$1.66	52,726,736	\$873,118	
May-21	\$17.00	\$0.00	\$0.34	\$1.61	55,792,192	\$900,055	
					<b>FY20 Exp</b>	<b>\$ 13,911,500</b>	
					.5% of net slot income from Oxford Casino	<b>\$ 342,609</b>	
					<b>Net GF Exp</b>	<b>\$ 13,568,891</b>	

**Total for FY20 & 21** **\$27,141,174**

**NOTE: Basic Price is the Class I Price and is higher than the Uniform Federal Blend Price**

**Tier target prices: \$21.00, \$20.36, \$18.01, \$17.83**

Bob Wellington's forecast ends in Dec. 2018, prices after this are a estimation on my part.

Actual receipts and payments to date

Prepared by Tim Drake 2-7-18

Maine Dept. of Agriculture, Conservation & Forestry Maine Milk Commission

# Transfers of Municipal Revenue Sharing

## Current Law through December 2017 Revenue Forecast, FY 17 Closing and 128th 1st Regular and 1st Special Session Actions

	FY15 Act.	FY16 Act.	FY17 Act.	FY18	FY19	FY20	FY21
2702 INDIVIDUAL INCOME TAX TRANSFER	(\$75,557,302)	(\$31,846,027)	(\$29,888,666)	(\$31,255,203)	(\$31,616,656)	(\$78,364,829)	(\$85,854,832)
2703 CORPORATE INCOME TAX TRANSFER	(\$8,625,157)	(\$2,774,909)	(\$3,465,087)	(\$3,466,936)	(\$3,623,710)	(\$8,364,579)	(\$9,923,705)
2704 SALES TAX TRANS/REV SHARING TRANSFER	(\$58,884,373)	(\$27,662,601)	(\$26,778,653)	(\$28,582,325)	(\$28,995,139)	(\$72,217,321)	(\$78,364,916)
2738 SERVICE PROVIDER TAX TRANSFER	(\$2,483,555)	(\$1,072,048)	(\$1,096,388)	(\$1,281,140)	(\$1,249,139)	(\$3,003,217)	(\$3,156,234)
<b>LGF Total 2% of Prior Months Sales and Income Tax Collections</b>	<b>(\$145,550,388)</b>	<b>(\$63,355,586)</b>	<b>(\$61,228,793)</b>	<b>(\$64,585,604)</b>	<b>(\$65,484,644)</b>	<b>(\$161,949,946)</b>	<b>(\$177,299,687)</b>
<b>5% Beginning FY20</b>							
2727 FIXED TRANSFER FROM LOCAL GOVERNMENT FUND	\$85,949,391	\$0	\$0	\$0	\$0	\$0	\$0
2744 FIXED TRANSFER TO DISPRO TAX BURDEN FUND	(\$4,000,000)	(\$4,000,000)	(\$4,000,000)	(\$4,000,000)	(\$4,000,000)	(\$4,000,000)	(\$4,000,000)
<b>Net General Fund Transfers for Revenue Sharing</b>	<b>(\$63,600,997)</b>	<b>(\$67,355,586)</b>	<b>(\$65,228,793)</b>	<b>(\$68,585,604)</b>	<b>(\$69,484,644)</b>	<b>(\$165,949,946)</b>	<b>(\$181,299,687)</b>

Disproportionate Tax Burden Fund (Revenue Sharing II) % Share	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Disproportionate Tax Burden Fund (Revenue Sharing II) \$ Share	\$15,920,199	\$16,671,117	\$16,245,759	\$16,917,121	\$17,096,929	\$36,389,989	\$39,459,937
Local Government Fund (LGF) - Revenue Sharing I Share	\$47,680,797	\$50,684,469	\$48,983,035	\$51,668,483	\$52,387,715	\$129,559,957	\$141,839,750

### With March 2018 Revisions

	FY15 Act.	FY16 Act.	FY17 Act.	FY18	FY19	FY20	FY21
2702 INDIVIDUAL INCOME TAX TRANSFER	(\$75,557,302)	(\$31,846,027)	(\$29,888,666)	(\$31,830,317)	(\$33,085,115)	(\$81,407,168)	(\$88,777,186)
2703 CORPORATE INCOME TAX TRANSFER	(\$8,625,157)	(\$2,774,909)	(\$3,465,087)	(\$3,466,936)	(\$3,623,710)	(\$8,364,579)	(\$9,923,705)
2704 SALES TAX TRANS/REV SHARING TRANSFER	(\$58,884,373)	(\$27,662,601)	(\$26,778,653)	(\$28,666,181)	(\$29,243,535)	(\$73,027,045)	(\$79,051,862)
2738 SERVICE PROVIDER TAX TRANSFER	(\$2,483,555)	(\$1,072,048)	(\$1,096,388)	(\$1,281,140)	(\$1,249,139)	(\$3,003,217)	(\$3,156,234)
<b>LGF Total 2% of Prior Months Sales and Income Tax Collections</b>	<b>(\$145,550,388)</b>	<b>(\$63,355,586)</b>	<b>(\$61,228,793)</b>	<b>(\$65,244,574)</b>	<b>(\$67,201,499)</b>	<b>(\$165,802,009)</b>	<b>(\$180,908,987)</b>
2727 FIXED TRANSFER FROM LOCAL GOVERNMENT FUND	\$85,949,391	\$0	\$0	\$0	\$0	\$0	\$0
2744 FIXED TRANSFER TO DISPRO TAX BURDEN FUND	(\$4,000,000)	(\$4,000,000)	(\$4,000,000)	(\$4,000,000)	(\$4,000,000)	(\$4,000,000)	(\$4,000,000)
<b>Net General Fund Transfers for Revenue Sharing</b>	<b>(\$63,600,997)</b>	<b>(\$67,355,586)</b>	<b>(\$65,228,793)</b>	<b>(\$69,244,574)</b>	<b>(\$71,201,499)</b>	<b>(\$169,802,009)</b>	<b>(\$184,908,987)</b>

Disproportionate Tax Burden Fund (Revenue Sharing II) % Share	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Disproportionate Tax Burden Fund (Revenue Sharing II) \$ Share	\$15,920,199	\$16,671,117	\$16,245,759	\$17,048,915	\$17,440,300	\$37,160,402	\$40,181,797
Local Government Fund (LGF) - Revenue Sharing I Share	\$47,680,797	\$50,684,469	\$48,983,035	\$52,195,659	\$53,761,199	\$132,641,607	\$144,727,190

### Incremental Changes by Components - General Fund Revenue

2702 INDIVIDUAL INCOME TAX TRANSFER	\$0	\$0	\$0	(\$575,114)	(\$1,468,459)	(\$3,042,339)	(\$2,922,354)
2703 CORPORATE INCOME TAX TRANSFER	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2704 SALES TAX TRANS/REV SHARING TRANSFER	\$0	\$0	\$0	(\$83,856)	(\$248,396)	(\$809,724)	(\$686,946)
2738 SERVICE PROVIDER TAX TRANSFER	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	(\$658,970)	(\$1,716,855)	(\$3,852,063)	(\$3,609,300)

Medicaid/MaineCare Dedicated Revenue Taxes Detail

New Approp	REV SHORT TITLE	REV SRC	FY 2013		FY 2014		FY 2015		FY 2016		FY 2017	
			Actuals	% Chg.	Actuals	% Chg.	Actuals	% Chg.	Actuals	% Chg.	Actuals	% Chg.
01410A014802	NURSING FACILITIES-NF TAX	0670	35,370,670	-3.4%	34,168,165	35,323,010	37,105,990	36,162,788	5.0%			-2.5%
01410AZ19753	RES TRMIT FACILITIES TAX	0671	1,782,000	-3.4%	1,721,189	1,521,223	1,839,851	1,777,492	20.9%			-3.4%
01410AZ21057	RES TRMIT FACILITIES TAX	0671	55,193	9.0%	60,176	53,053	62,293	58,705	17.4%			-5.8%
01410AZ21254	FACILITIES TAX	0671	92,264	5.5%	97,369	85,804	103,697	102,932	20.9%			-0.7%
	Subtotal RTF Tax		<b>1,929,457</b>	<b>-2.8%</b>	<b>1,878,734</b>	<b>1,660,060</b>	<b>2,005,640</b>	<b>1,939,129</b>	<b>20.8%</b>			<b>-3.3%</b>
01410A014704	MEDICAL CARE-HOSPITAL TAX	1913	80,942,050	20.1%	97,208,195	97,379,317	95,334,196	95,028,525	-2.1%			-0.3%
01410AZ21050	MED MATCH MR-PNMI TAX	0675	529,857	-3.1%	513,553	573,271	645,638	730,857	12.6%			13.2%
01410AZ21052	MED MATCH MR-SERV PROV TAX	0675	15,541,922	3.3%	16,061,346	16,616,492	18,669,961	20,436,200	12.4%			9.5%
01410AZ20144	MH SERV COMM-MED-PNMI TAX	0675	2,169,768	-3.1%	2,103,005	2,347,551	2,646,277	2,972,538	12.7%			12.3%
01410AZ20140	MH COMMUNITY-SUPPORT TAX	0675	3,685,297	6.5%	3,924,540	4,107,525	4,040,727	2,926,850	-1.6%			-27.6%
01410AZ20241	MEDICARD SEED-PNMI TAX	0675	568,697	-3.1%	551,198	615,294	693,808	785,368	12.8%			13.2%
01410A014701	MEDICAL CARE-SERVICES	0675	12,503,335	-2.4%	12,201,206	12,451,591	13,432,587	15,858,949	7.9%			18.1%
	Subtotal Service Provider (PNMI) Tax		<b>34,998,876</b>	<b>1.0%</b>	<b>35,354,849</b>	<b>36,711,725</b>	<b>40,128,998</b>	<b>43,710,762</b>	<b>9.3%</b>			<b>8.9%</b>
			153,241,054	10.0%	168,609,944	171,074,132	174,574,824	176,841,205	2.0%			1.3%
	Nursing Home Tax		35,370,670	-3.4%	34,168,165	35,323,010	37,105,990	36,162,788	5.0%			-2.5%
	RTF's Tax		1,929,457	-2.8%	1,878,734	1,660,060	2,005,640	1,939,129	20.8%			-3.3%
	Hospital Tax		80,942,050	20.1%	97,208,195	97,379,317	95,334,196	95,028,525	-2.1%			-0.3%
	Service Provider (PNMI) Tax		34,998,876	1.0%	35,354,849	36,711,725	40,128,998	43,710,762	9.3%			8.9%
			153,241,054	10.0%	168,609,944	171,074,132	174,574,824	176,841,205	2.0%			1.3%





Medicaid/MaineCare Dedicated Revenue Taxes Detail

New Approp	REV SRC	REV SHORT TITLE	FY 2020		FY 2020		FY 2020		FY 2020		FY 2020		FY 2021		FY 2021		FY 2021		2020-2021	
			Rev. Est. May 2017	Leg. Chg. Dec 2017	Req. Chg. Dec 2017	Rev. Est. Dec 2017	Req. Chg. Mar 2018	Rev. Est. Mar 2018	% Chg.	Rev. Est. May 2017	Leg. Chg. Dec 2017	Req. Chg. Dec 2017	Rev. Est. Dec 2017	Req. Chg. Mar 2018	Rev. Est. Mar 2018	% Chg.	Rev. Est. Dec 2017	Req. Chg. Mar 2018	Rev. Est. Mar 2018	% Chg.
01410A014802	0670	NURSING FACILITIES-NF TAX	36,000,000	-	300,000	36,300,000	0.0%	36,000,000	-	-	36,000,000	-	36,300,000	0.0%	36,300,000	-	36,300,000	0.0%		
01410AZ19753	0671	FACILITIES TAX	1,734,000	-	66,000	1,800,000	0.0%	1,734,000	-	-	1,800,000	65,000	1,865,000	0.0%	1,865,000	65,000	1,865,000	0.0%		
01410AZ21057	0671	FACILITIES TAX	57,000	-	-	57,000	0.0%	57,000	-	-	57,000	-	57,000	0.0%	57,000	-	57,000	0.0%		
01410AZ21254	0671	FACILITIES TAX	100,000	-	5,000	105,000	0.0%	100,000	-	-	105,000	-	105,000	0.0%	105,000	-	105,000	0.0%		
		Subtotal RTF Tax	1,891,000	-	71,000	1,962,000	0.0%	1,891,000	-	-	1,962,000	\$65,000	\$65,000	0.0%	1,962,000	\$65,000	2,027,000	0.0%	2,027,000	0.0%
01410A014704	1913	MEDICAL CARE-HOSPITAL TAX	95,334,630	7,541,145	168,844	103,044,619	0.0%	95,334,630	7,541,145	168,844	103,044,619	-	103,044,619	0.0%	103,044,619	-	103,044,619	0.0%		
01410AZ21050	0675	MED MATCH MR-PNMI TAX	730,000	-	20,000	750,000	0.0%	730,000	-	-	750,000	-	750,000	0.0%	750,000	-	750,000	0.0%		
01410AZ21052	0675	MED MATCH MR-SERV PROV TAX	20,650,000	1,581,617	-	22,231,617	0.0%	20,650,000	1,581,617	-	22,231,617	-	22,231,617	0.0%	22,231,617	-	22,231,617	0.0%		
01410AZ20144	0675	MH COMMUNITY MED-PNMI TAX	2,970,000	-	30,000	3,000,000	0.0%	2,970,000	-	-	3,000,000	30,000	3,030,000	0.0%	3,030,000	30,000	3,030,000	0.0%		
01410AZ20140	0675	SUPPORT TAX	3,162,268	-	(176,488)	2,985,780	0.0%	3,162,268	-	(176,488)	2,985,780	299,220	2,985,780	0.0%	2,985,780	299,220	3,285,000	0.0%		
01410AZ20241	0675	MEDICAID SEED-PNMI TAX	785,000	-	15,000	800,000	0.0%	785,000	-	-	800,000	-	800,000	0.0%	800,000	-	800,000	0.0%		
01410A014701	0675	MEDICAL CARE SERVICES	15,470,445	-	429,555	15,900,000	0.0%	15,470,445	-	-	15,900,000	190,000	16,090,000	0.0%	16,090,000	190,000	16,090,000	0.0%		
		Subtotal Service Provider (PNMI) Tax	43,767,713	1,581,617	318,067	45,667,397	0.0%	43,767,713	1,581,617	318,067	45,667,397	\$519,220	\$519,220	0.0%	45,667,397	\$519,220	46,186,617	0.0%	46,186,617	0.0%
			176,993,343	9,122,762	857,911	186,974,016	0.0%	176,993,343	9,122,762	857,911	186,974,016	\$584,220	\$584,220	0.0%	186,974,016	\$584,220	187,558,236	0.0%	187,558,236	0.0%
		Nursing Home Tax	36,000,000	-	300,000	36,300,000	0.0%	36,000,000	-	-	36,300,000	\$0	36,300,000	0.0%	36,300,000	\$0	36,300,000	0.0%		
		RTF's Tax	1,891,000	-	71,000	1,962,000	0.0%	1,891,000	-	-	1,962,000	\$65,000	2,027,000	0.0%	2,027,000	\$65,000	2,027,000	0.0%		
		Hospital Tax	95,334,630	7,541,145	168,844	103,044,619	0.0%	95,334,630	7,541,145	168,844	103,044,619	\$0	103,044,619	0.0%	103,044,619	\$0	103,044,619	0.0%		
		Service Provider (PNMI) Tax	43,767,713	1,581,617	318,067	45,667,397	0.0%	43,767,713	1,581,617	318,067	45,667,397	\$519,220	46,186,617	0.0%	46,186,617	\$519,220	46,186,617	0.0%		
			176,993,343	9,122,762	857,911	186,974,016	0.0%	176,993,343	9,122,762	857,911	186,974,016	\$584,220	187,558,236	0.0%	187,558,236	\$584,220	187,558,236	0.0%		