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July 2018 Economic Review and Revenue Forecast Update

Prepared for the
State of Vermont
Emergency Board and
Legislative Joint Fiscal Office

July 27, 2018

Economic Review and Revenue Forecast Update

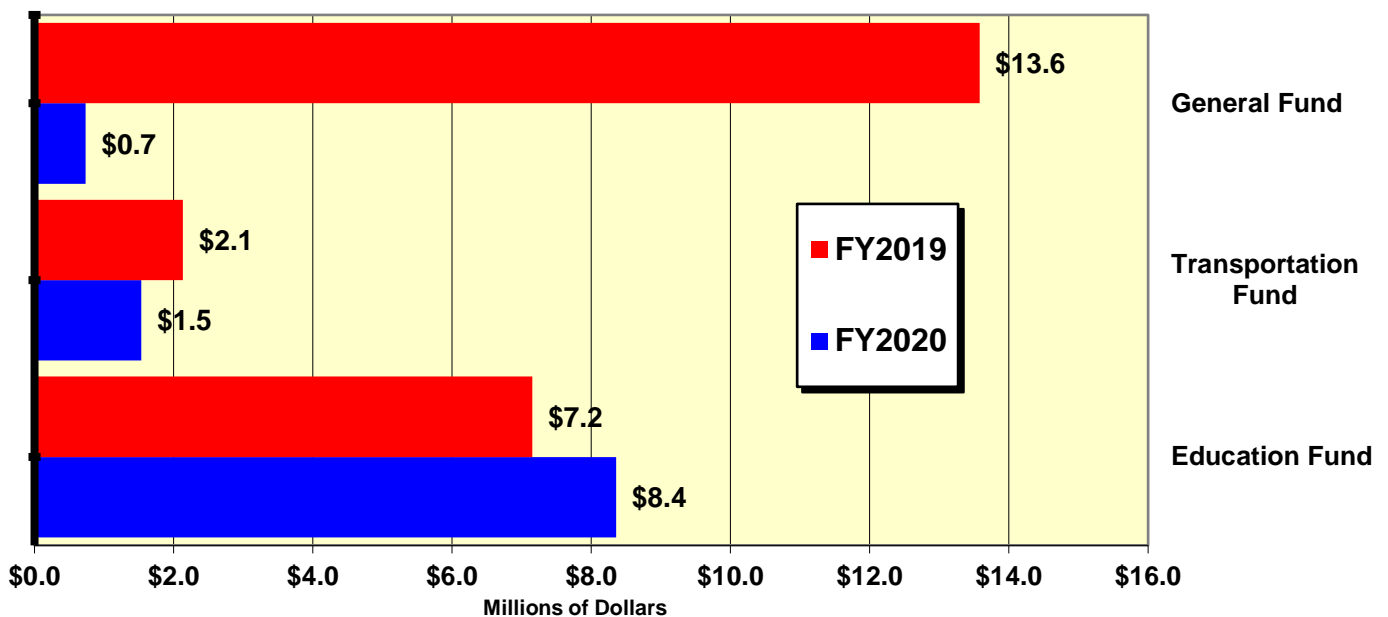
July 2018

Overview

Benefiting from a rare confluence of a relatively small number of large revenue events, FY2018 State revenues exceeded expectations in all three major funds. From Federal tax changes that gave rise to Vermont tax revenue from corporate profits parked in foreign jurisdictions, to exceptionally large capital gains liabilities, fewer than 30 revenue events in the past 6 months accounted for most of the \$65 million General Fund FY18 windfall. Although many of these events are “one-time” in nature, the massive Federal stimulus from unfunded tax cuts and unprecedented deficit spending will give the economy a near-term boost that is likely to create a more pronounced business cycle over the next five years, with higher revenues expected in FY19 and FY20 and the potential for a steeper recessionary period at some time thereafter.

Due to the many changes in external conditions, including the recent Supreme Court decision allowing state taxation of internet sales and other legislated Federal and State tax changes, revenue comparisons with prior January forecasts are complicated. Revenue changes relative to legislative expectations at the end of the session are summarized in the table on the following page, prepared by JFO. The standard comparison with the prior January forecast is displayed in the below chart, adjusted for new fund allocations mandated in H.911. No matter how measured, however, this forecast represents a significant upgrade to FY19 and FY20 revenues.

Recommended Net Revenue Changes from January 2018 Forecast
Pre-H.911 Revenue Allocation Basis - For Comparative Purposes Only



JFO BUDGET SUMMARY

Budget Impact of July 2018 Revenue Forecast for FY19 and FY20
Compared to As Passed Budget Revenue with Tax Changes and EF/GF Fund Source Restructure

General Fund				Education Fund			
	Jan '18 + changes	July '18 restructured	Budgetary Forecast Change ³		Jan '18 + changes	July '18 restructured	Budgetary Forecast Change ⁴
FY 2019				FY 2019			
Official Forecast	1,568.2	1,270.7		Official Forecast	207.8	526.0	
Less Funding Restructure w/EF				Plus Funding Restructure w/GF			
Sales and Use	(256.6)			Sales and Use	256.6		
25% Meals and Rooms	(44.6)			25% Meals & Room	44.6		
Less PI Income Tax Changes	(29.2)						
Available in Forecast ¹	1,237.8	1,270.7	32.9	Available in Forecast ¹	509.0	526.0	17.0
PTT Redirect ²	15.27	15.07	-0.2				
Net Change Including PTT	1,253.0	1,285.8	32.7				
	Jan '18 + changes	July '18 restructured	Budgetary Forecast Change ³		Jan '18 + changes	July '18 restructured	Budgetary Forecast Change ⁴
FY 2020				FY 2020			
Official Forecast	1,610.9	1,291.0		Official Forecast	212.6	541.5	
Less Funding Restructure w/EF				Plus Funding Restructure w/GF			
Sales and Use	(262.1)			Sales and Use	262.1		
25% Meals and Rooms	(46.0)			25% Meals and Rooms	46.0		
Less PI Income Tax Changes	(29.8)						
Available in Forecast ¹	1,273.0	1,291.0	18.0	Available in Forecast ¹	520.7	541.5	20.8

Notes

1 - Jan'18 Official Forecast plus changes is needed to have an 'Apples to Apples' revenue change from the as passed budget perspective

2 - Total Property Transfer Tax Estimate changed by -\$300k, this impacts the 2/3 portion redirected to GF outside of the PTT formula

3 - The GF change is smaller in FY20 than in FY19 indicating the significant portion of the FY19 GF upgrade is one time in nature.

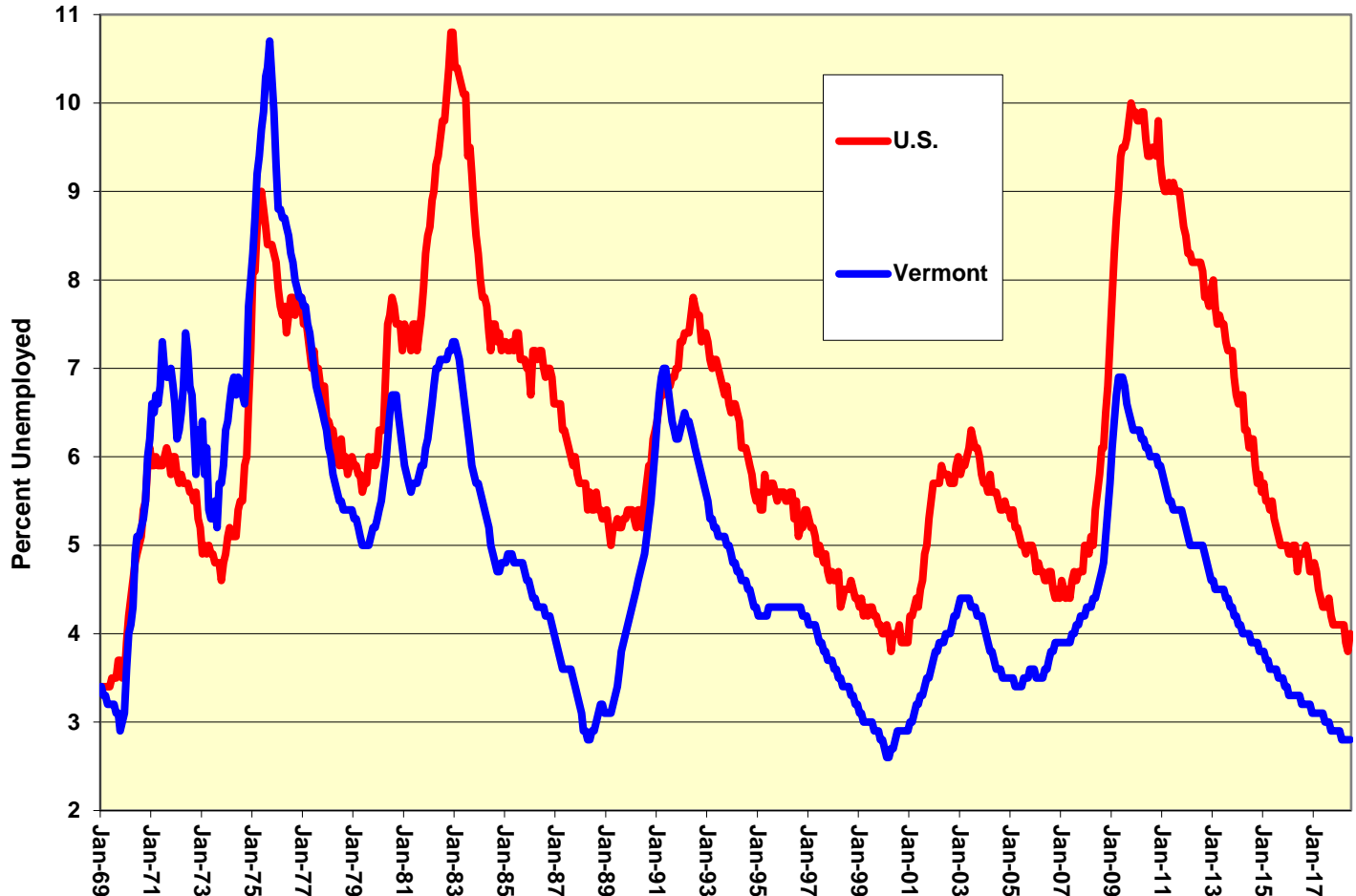
4 - The EF change is greater in FY20 than in FY19 indicating the EF upgrade is ongoing in nature .

July 2018 Economic and Revenue Forecast Commentary

- The combination of economic stimulus from a ballooning \$1 trillion federal budget deficit in FY19 and an economy already approaching its maximum potential will create accelerating near-term growth, more inflation and the likelihood of a more pronounced boom/bust business cycle sometime in the next several years. After 109 months, the current expansion is the second longest in U.S. history and if sustained through July of 2019, as expected, will be the longest ever.
- Real GDP is expected to have expanded by as much as 4%-5% in the second quarter of 2018 and job growth is continuing to top 200,000 per month – nearly double the labor force growth, pushing the unemployment rate in both Vermont and the U.S. into near record-low territory.

Vermont and U.S. Unemployment Rates Approach Historic Lows

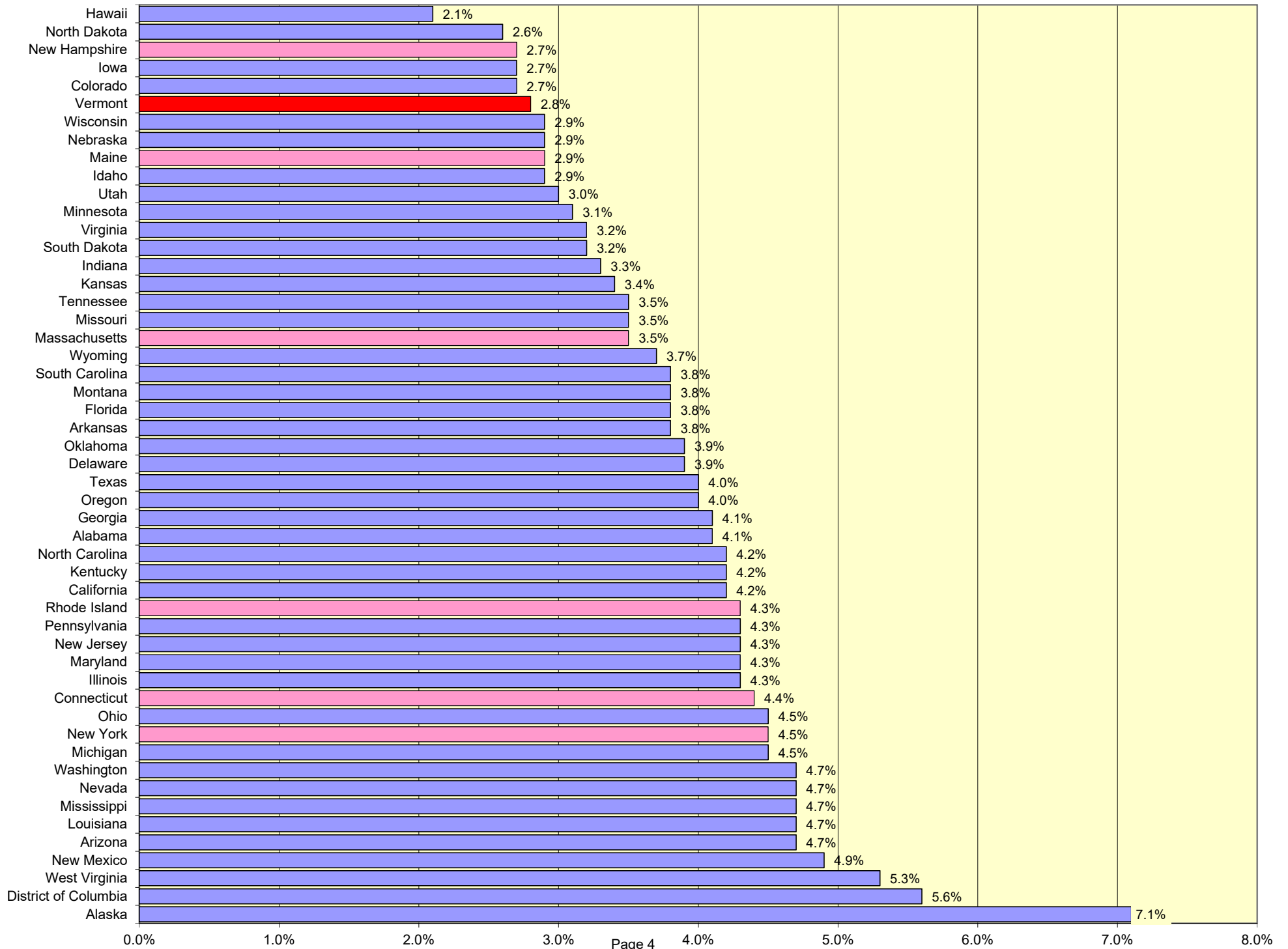
(Seasonally adjusted data, Source: Bureau of Labor Statistics, U.S. Department of Labor)



- The U.S. unemployment rate hit 3.8% in May, equaling a nearly 50 year low, while Vermont's rate has been steady at 2.8% for the past five months, a rate only bested in 5 months (in early 2000) over the past 50 years. Vermont's unemployment rate continues to be among the lowest in the nation, currently ranked 6th, per the chart on the following page.

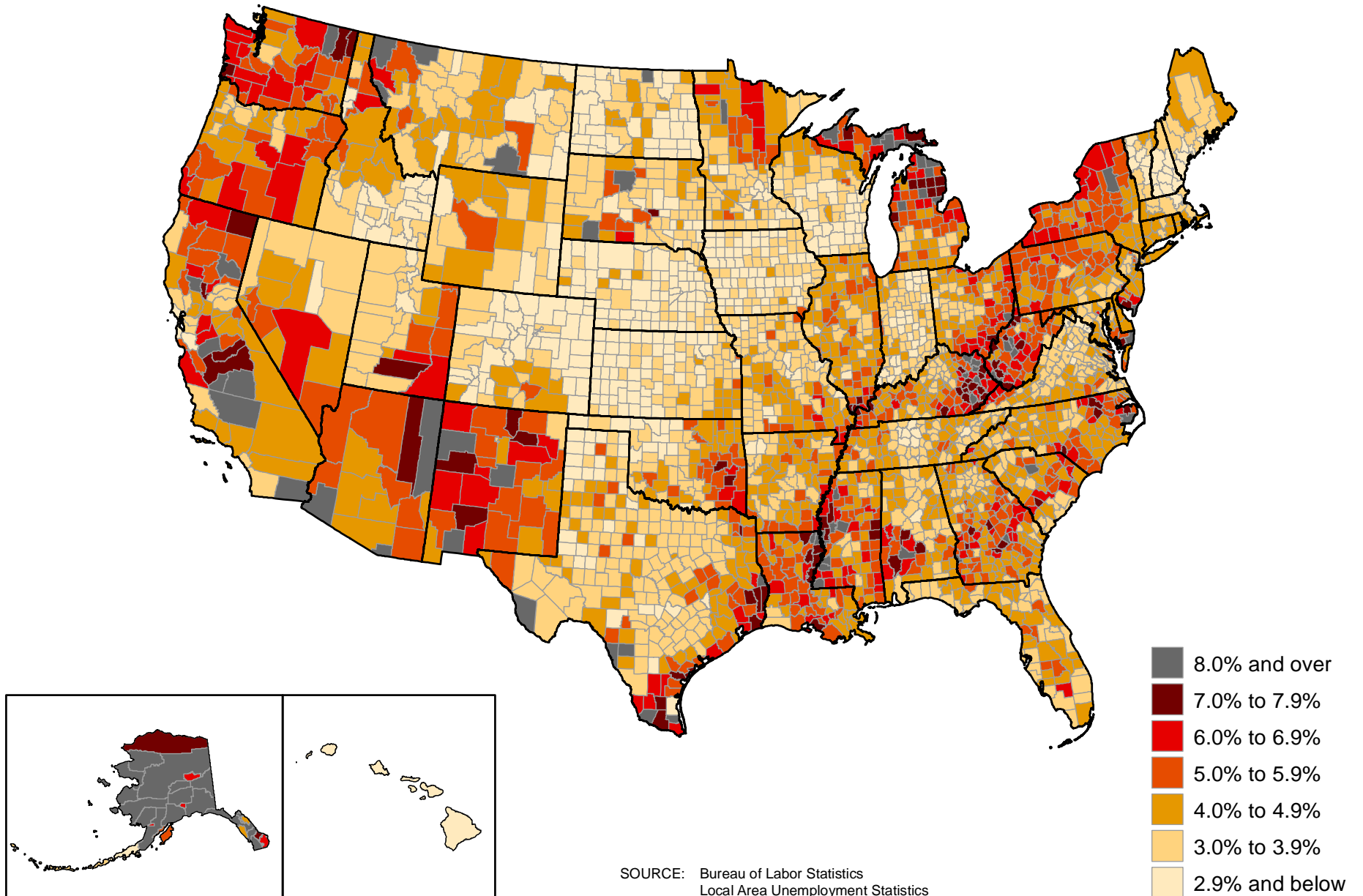
Unemployment Rate by State - June 2018

Seasonally Adjusted Data, Source: U.S. Bureau of Labor Statistics



Unemployment rates by county, June 2017-May 2018 averages

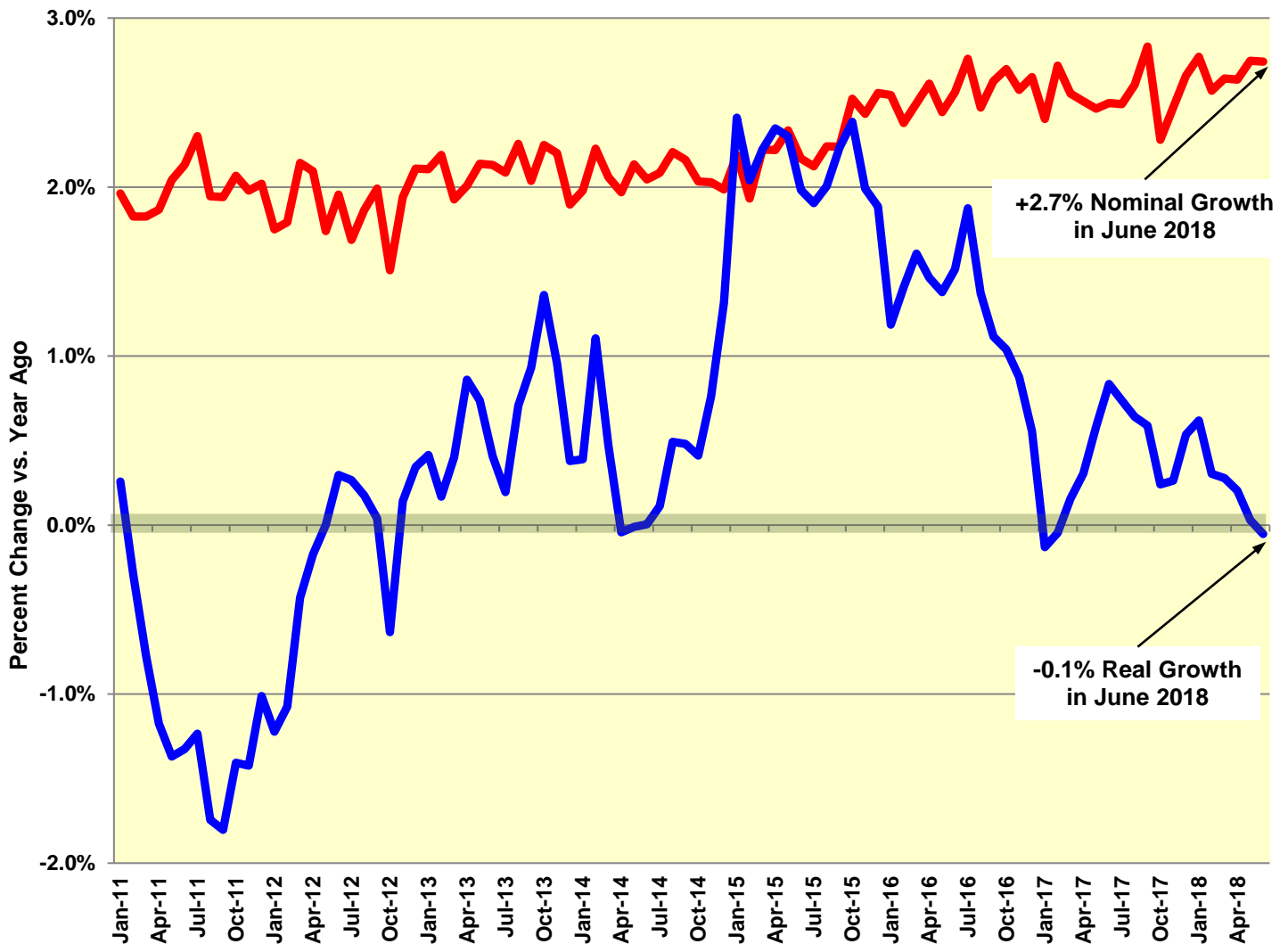
(U.S. rate = 4.1 percent)



- Despite the record low unemployment rates, ever more frequent complaints by employers of worker shortages, and more widespread labor unrest and job actions, nominal wages have only risen grudgingly to date. As depicted in the below chart, nominal wages are now approaching 3% year-over-year growth, but are doing so just as inflation has also accelerated. The result is real wage growth that has actually been slowing, and in the latest month, June of 2018, turned slightly negative. The distributional problems that have plagued the economy over the past 35 years are clearly not receding in the current expansion, even as a cyclical peak approaches. While wage pressures will mount in the coming year, whether nominal wage raises can keep pace with rising inflation is less certain.

Nominal Wages Creep Up as Labor Markets Tighten But Rising Inflation Destroys Real Wage Growth

Percent Change vs. Year Ago - Average Hourly Earnings, Nominal (Red) vs. Real (Blue)
All U.S. Private Employees, Source: U.S. Bureau of Labor Statistics

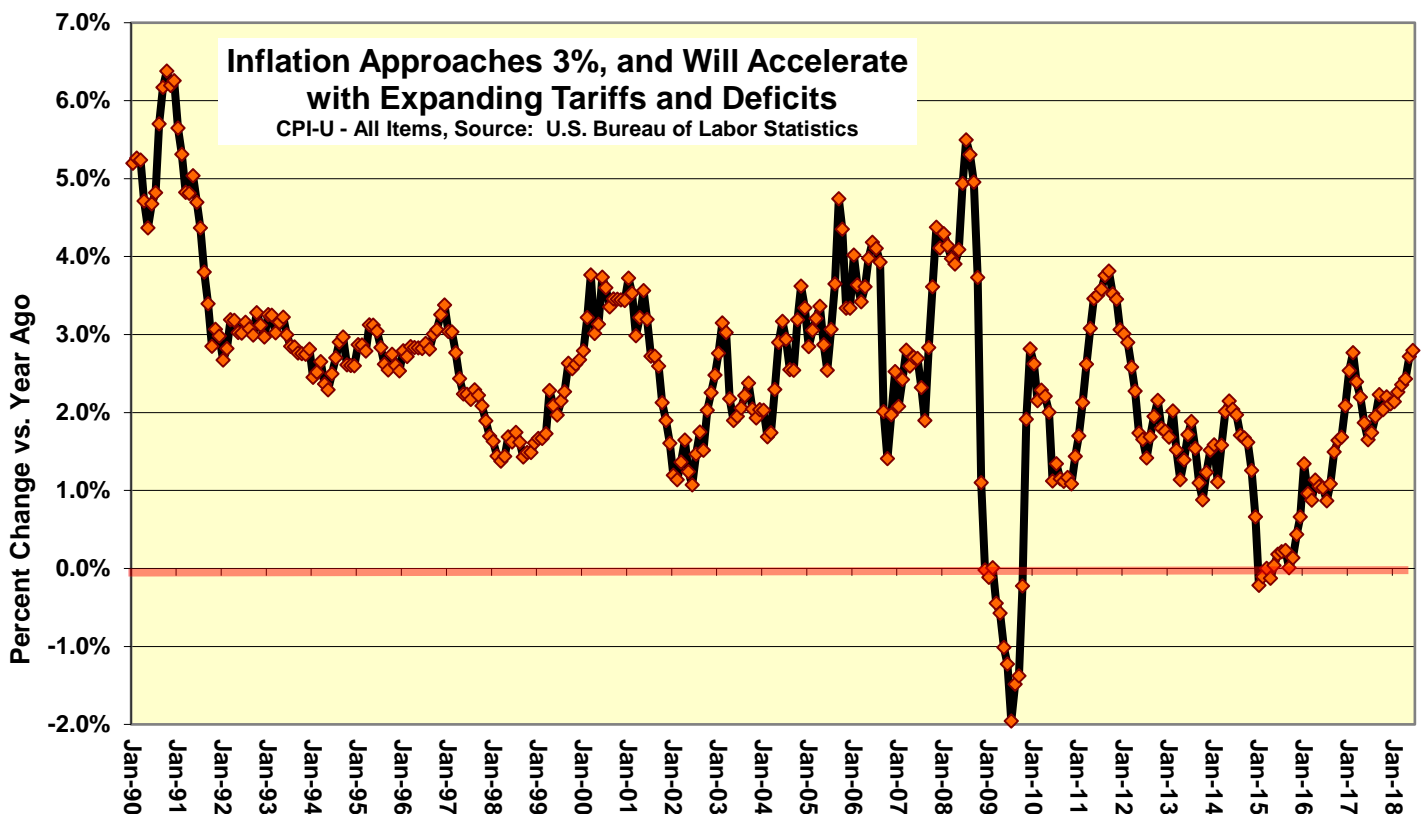


- Inflation is likely to accelerate in the coming years, due to higher domestic prices from proposed and recently enacted tariffs on an ever-widening range

of goods, and the economy's response to additional demand while close to full productive capacity. While it is still too early to assess the full economic effects of the tariffs and counter-tariffs initiated by the U.S. and its trading partners to date, fewer U.S. jobs and more inflation are likely outcomes.



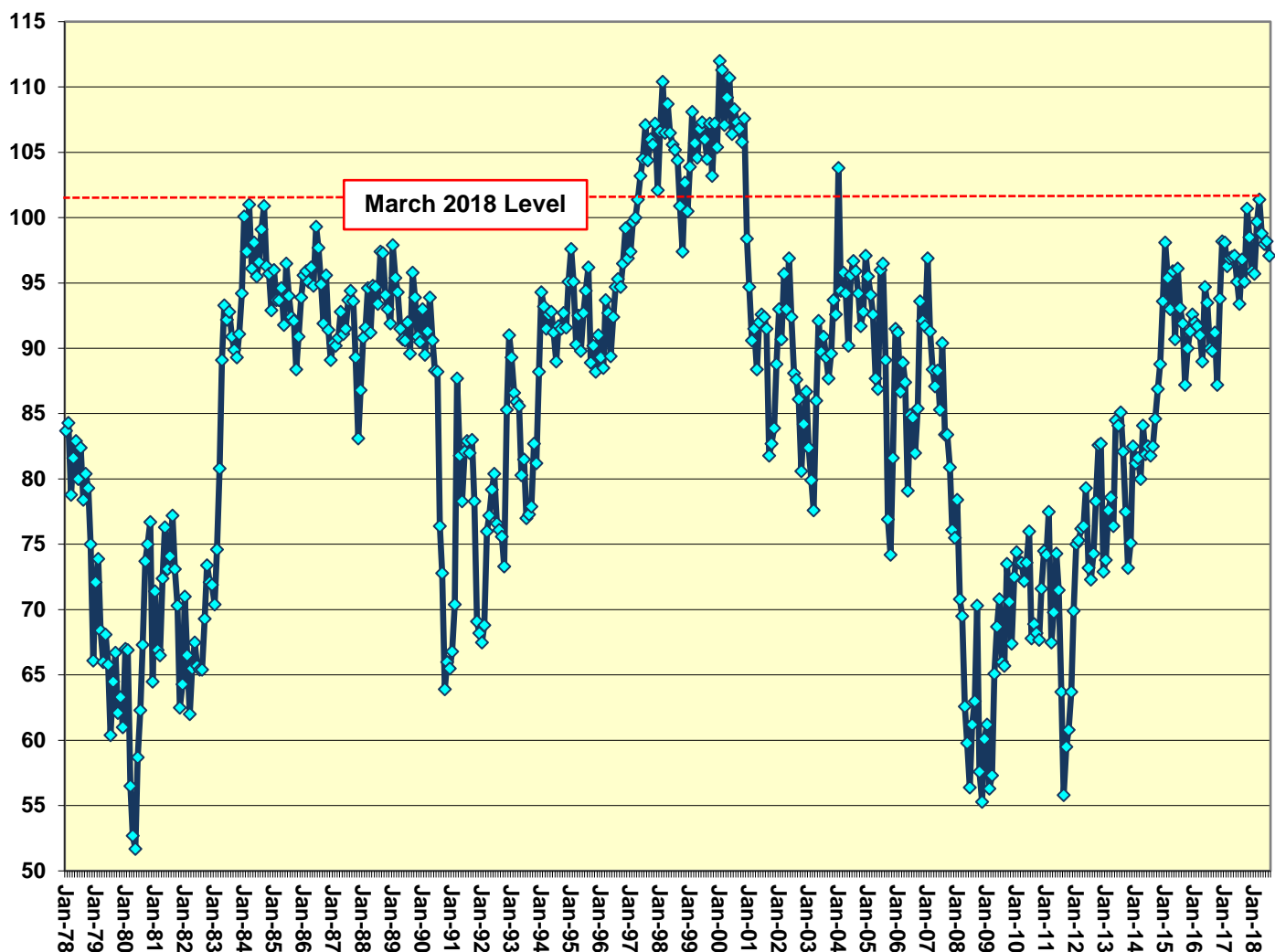
- As a key metric affecting monetary policy, rising inflation could also act as a trigger for more aggressive Federal Reserve rate hikes and ultimately play a critical role in determining the duration of this expansion.



- Initial claims for unemployment insurance in Vermont remained at their lowest level in nearly 30 years through June of this year, indicating continued tight local labor market conditions in the near-future.
- Both consumer and business sentiment are climbing to levels not seen in decades – underpinning continued strong domestic consumption and investment. The primary concern limiting this euphoria is concern about the effects of tariffs, which were cited in a decline over the last four months in the University of Michigan Survey of Consumer Sentiment (see below chart).

Consumer Sentiment is Upbeat, But Trade Concerns Weigh on Optimism

(University of Michigan Survey, Index of Consumer Sentiment)

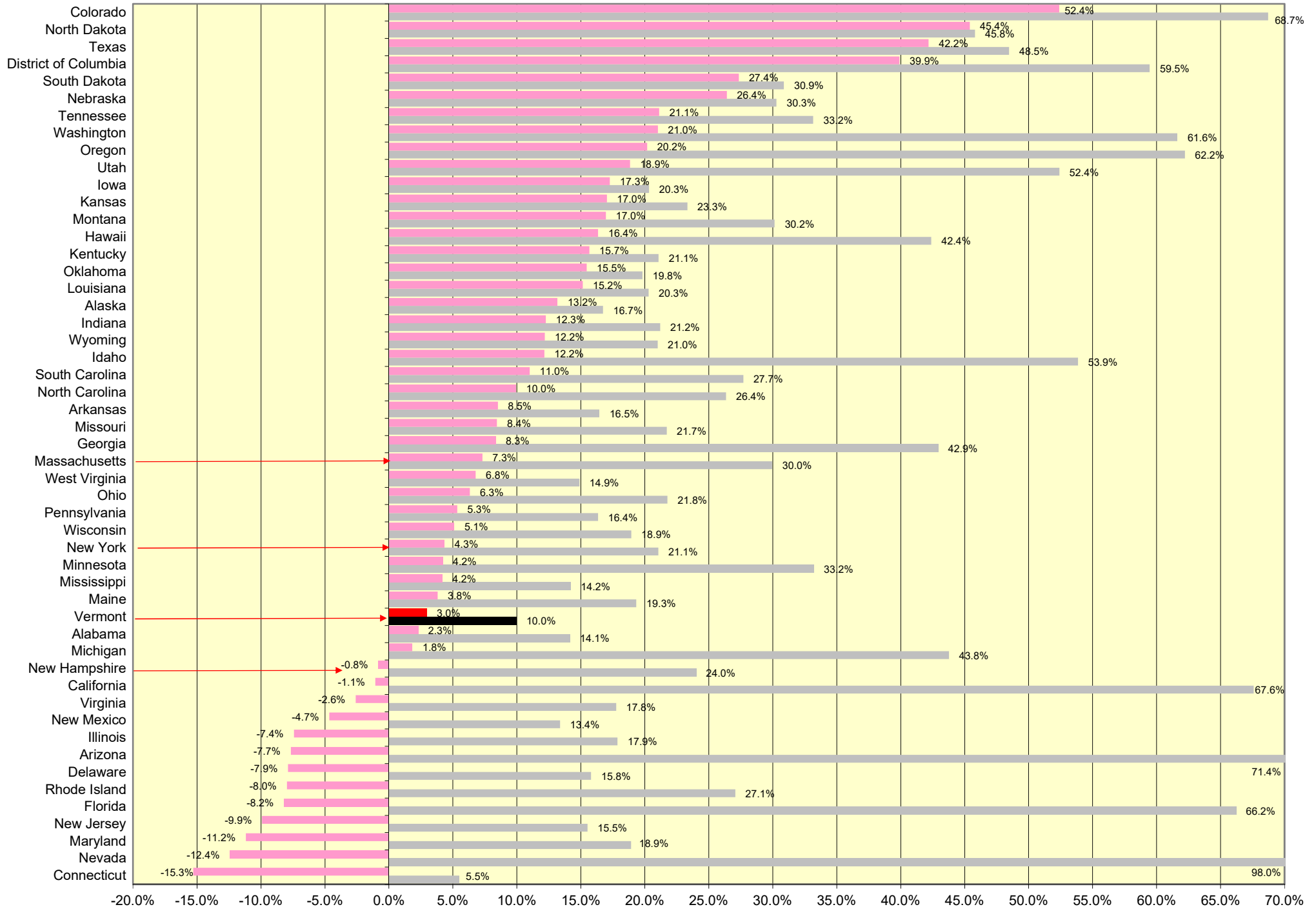


- Real estate markets continue to improve throughout the country as housing prices increased in virtually every state for the 16th consecutive quarter. As of the first quarter of 2018 (the most recent available), 38 states equaled or exceeded their pre-recession peak levels, including Vermont (see chart on following page).

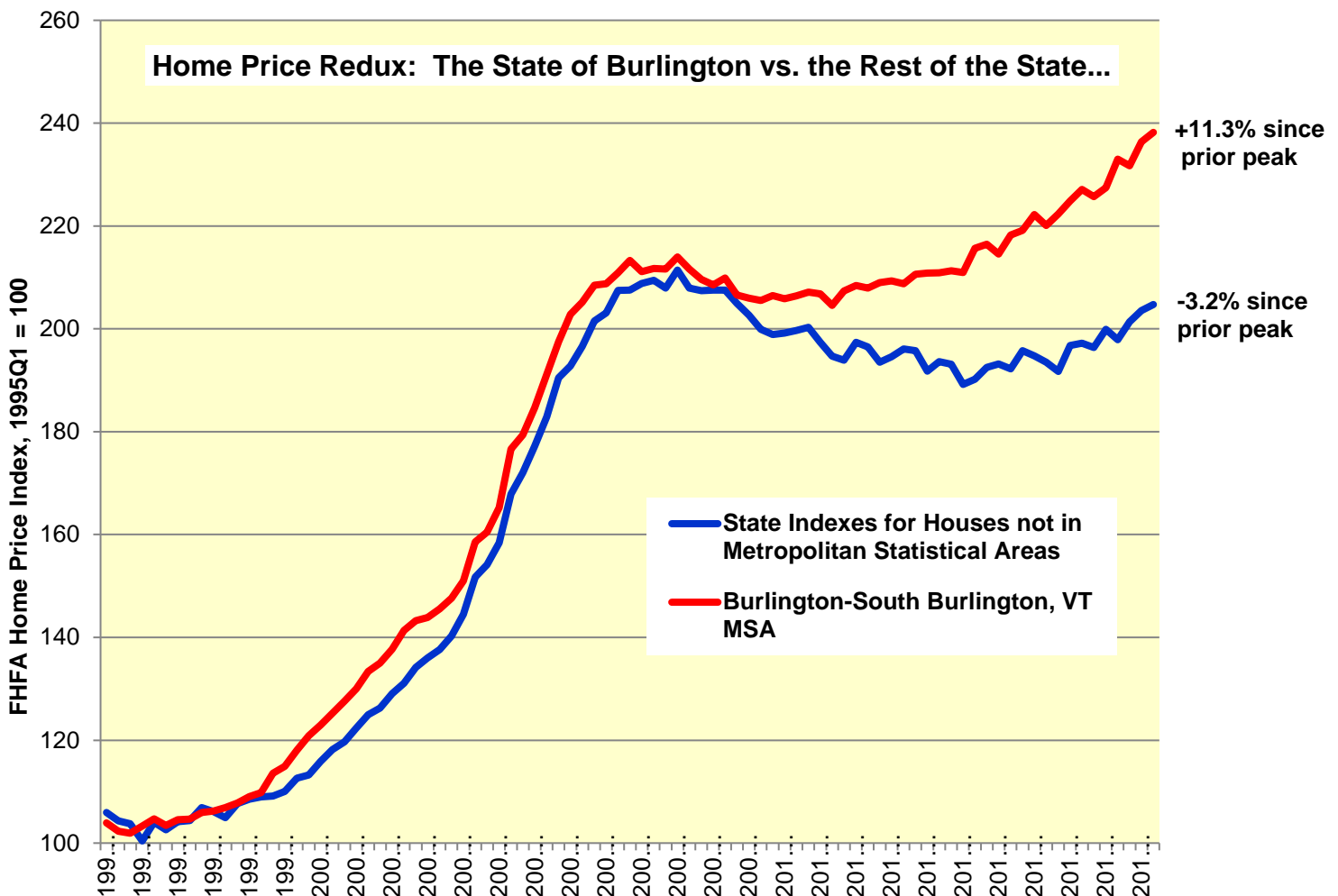
Real Estate Update: Housing Values Relative to Last Peak (pink) and Trough (grey)

Percent Change, 2018Q1 vs. Peak Price by State Reached Between 2005Q3 and 2009Q2 - Pink and 2018Q1 vs. Trough Price Reached Between 2009Q3 and 2018Q1 - Grey

Source: FHFA House Price Index



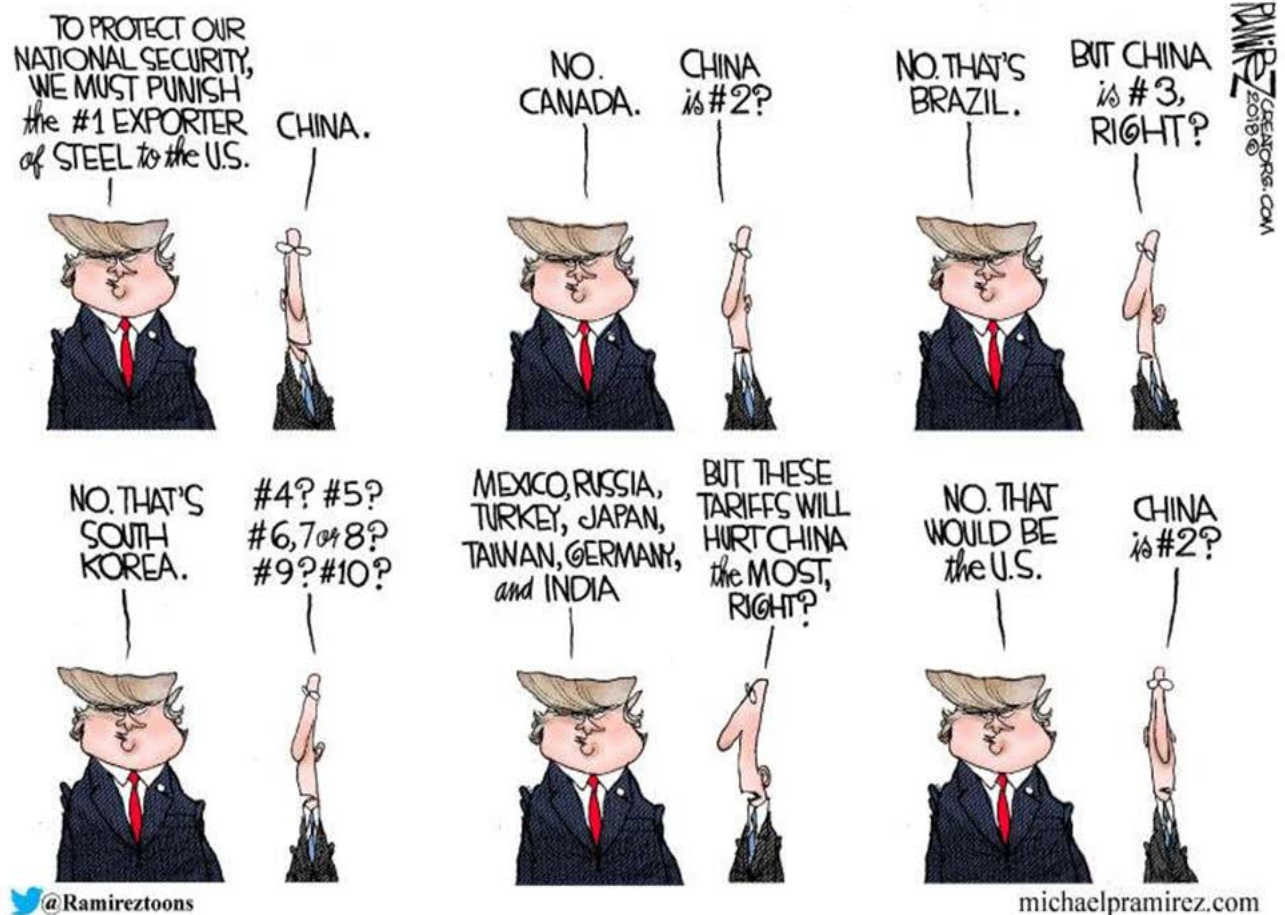
- In New England, the only states not to have reached pre-recession home price levels are New Hampshire (-0.8%), Rhode Island (-8.0%) and, now worst in the nation, Connecticut, which is still 15.3% below its previous peak level, reached in the first quarter of 2007.
- The strongest real estate markets among neighboring states are in Massachusetts (+7.3% above prior peak levels), New York (+4.3%) and Maine (+3.8%). Vermont home prices are currently 3.0% above their prior peak in the first quarter of 2008. However, as illustrated in the below chart, prices in the Burlington Metro Area are up 11.3%, while prices in the balance of the State are still 3.2% below their last cyclical high.



- Colorado has displaced North Dakota (now second) as the hottest real estate market in the country, with Texas and the District of Columbia all posting growth of 40% or more relative to their prior peak levels. The wide divergence in state real estate markets, as well as the regional divergence at the sub-state level within Vermont (and other states), illustrates a key aspect of the real estate industry: it is highly localized, despite credit conditions that can be national or even global. For this reason, if there were to be an economic downturn in the near future, home prices could drop precipitously in

some locales, while others would experience no negative price effects whatsoever. The price declines during the last recession were the first time on record that 50 out of 51 states all experienced simultaneous home price declines. Only North Dakota, with its booming energy sector and state bank, avoided price declines during the Great Recession.

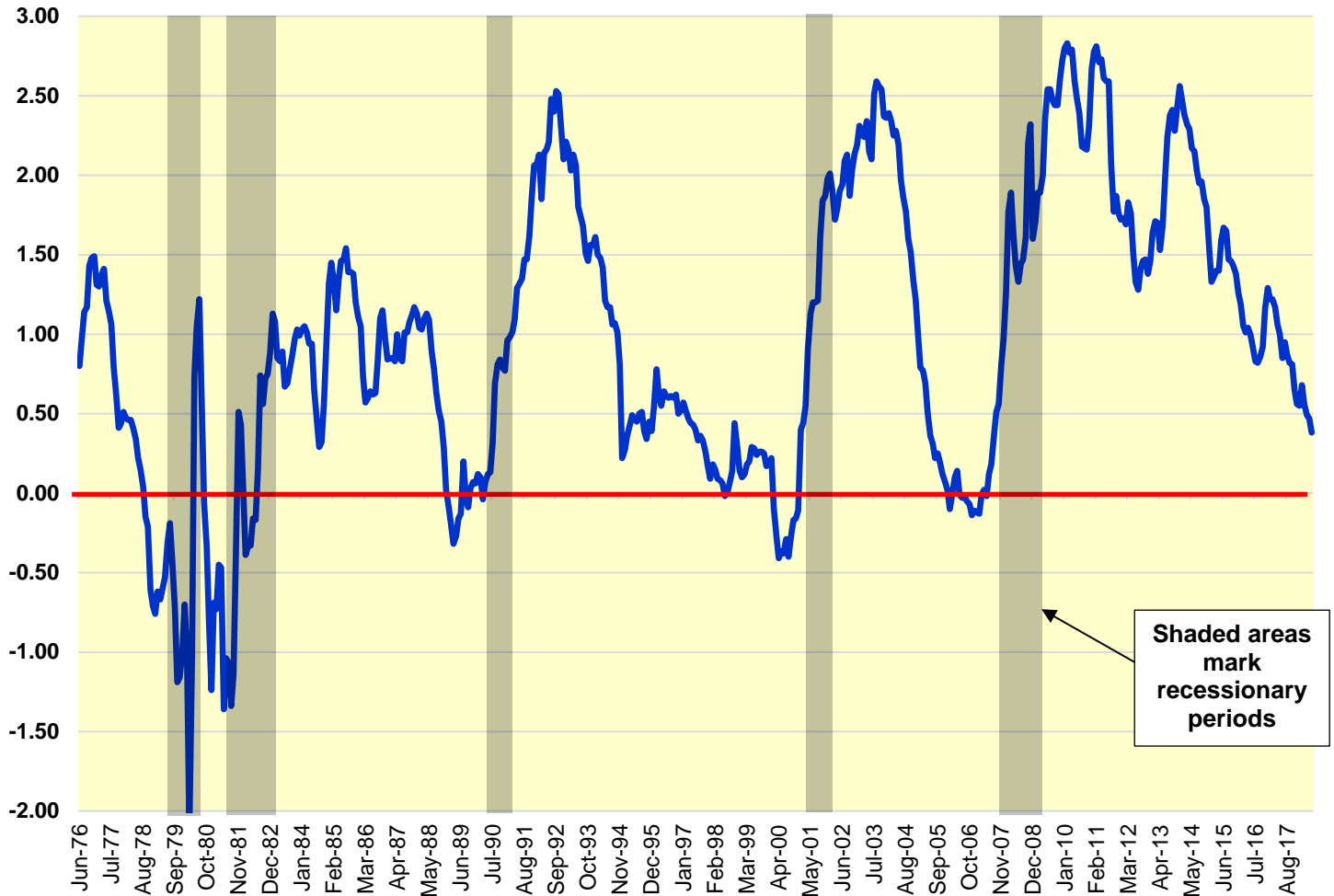
- The biggest threat to the near-term continuation of economic growth is an escalation of the budding trade wars with China, Canada, Mexico and the European Union. While there are many legitimate trade issues to be negotiated, tit-for-tat tariffs against both allied and other nations is an ill-conceived tool for effecting the desired changes. Recent studies by analysts of all political persuasions show substantial potential economic and job losses that could ensue.



- As this economic expansion ages, there are other risks that could also bring it to an end. Although there do not appear to be imbalances in the economy now that would precipitate a near term economic decline (within the 2 year statutory forecast horizon), if the current acceleration in growth continues, such imbalances are likely to develop. Because of this, the consensus macroeconomic forecast that forms the basis of the longer term (non-statutory) revenue forecasts detailed in Appendix A, now calls for a pronounced slowing of growth, though not a recession, in FY2021 and FY2022.

Dangerous Curves: Is Recession on the Horizon?

Yield Curve (10 Year Treasury Yield Minus 2 Year Treasury Yield) is a Leading Indicator



- One of the patterns that precedes many recessions is a shift in relative Treasury bond prices known as an inverted “yield curve.” As shown in the chart above, the yield curve, which is the difference between longer term (10 year) and shorter term (2 year) Treasury yields, is usually above zero and therefore upward sloping (the longer the maturity date on the bond, the higher the yield). About a year in advance of every recent recession, however, this relationship has inverted, with short-term rates exceeding long term rates. This usually happens when the Fed raises interest rates in order to dampen mounting inflationary pressures as the economy approaches a business cycle peak. By raising interest rates, the Fed signals expectations of lower growth and lower inflation. This causes investors to purchase more long term bonds, stabilizing or reducing yields and setting the stage for an inversion if the Fed continues raising rates. As shown on the above chart, the yield curve is closer to zero than it has been at any time since just prior to the last recession. If it were to continue in its present direction, it could invert in about a year, portending a possible recession sometime in FY21.

State Revenues

- Fiscal year 2018 was an exceptionally strong year for total State revenues, with the General Fund ending the year \$65M ahead of target (about 4%), on the strength of the volatile Corporate, Estate and Personal Income categories, which benefitted from a small number of large “one-time” revenue events. Accordingly, General Fund revenues in FY19 and FY20 will strengthen as the current cycle peaks, but also be more vulnerable to decline after that. Transportation Fund revenues closed the fiscal year \$1.4M above targets, a 0.5% variance, and the E-Fund was up nearly \$5M, about 2.5% above expectations.
- Corporate tax revenues ended FY18 about \$17M above targets – almost all of which is thought to be associated with repatriation of foreign income as a result of the TCJA (see details associated with this large and uncertain potential revenue flow on the following page). Corporate income receipts are expected to remain relatively robust throughout the forecast horizon, as even partial repatriation payments are expected to generate near-term strength and lower Federal tax rates increase longer term taxable profits. Although highly vulnerable to general recession and pronounced individual firm volatility, the distribution of State Corporate revenues is currently less concentrated than in previous years and should provide a more dependable base of not less than about \$60-\$70M, with unpredictable individual revenue events adding to – or subtracting from - this in any given year.
- Sales & Use tax revenues continued to benefit in the second half of FY2018 from strong voluntarily paid e-commerce receipts, closing the year about 1.7% above targets (\$6.6M in revenue on a “Source” basis). This revenue category, which had been allocated between the General (64%) and Education (36%) Funds in FY2018, will henceforth be allocated in its entirety to the Education Fund.
- The boost from e-commerce Sales & Use receipts to date will be augmented in FY19 and beyond by the recent Supreme Court decision in the so-called Wayfair case (Wayfair v. South Dakota) which opened the door to state e-commerce sales taxation by overturning a 25 year old decision, Quill v. North Dakota. As a result of this, Vermont will now be collecting tax on sales from any e-commerce vendor with \$100,000 in Vermont sales or 200 Vermont customers. While it is expected to take months and perhaps years to fully realize potential revenues from this change, it will add \$4-\$5M in FY19 to the existing e-commerce revenue the State has been collecting and provide an important source of growth that could ultimately represent as much as \$15-\$20M per year to a revenue category that had been lagging due to tax base erosion.
- Sales & Use revenues will also gain in the near-term from accelerating economic growth, upbeat consumer sentiment and related retail spending. The only headwind this category will face in the immediate future will be the

A Potential Wild Card in the Forecast: Corporate Revenues from Repatriation

One of the most important provisions in the 2017 Federal Tax Cut and Jobs Act (TCJA) also introduces considerable complexity and uncertainty in terms of revenue impacts: repatriation of potentially \$3 trillion or more in accumulated U.S. corporate offshore earnings. These profits, sheltered from U.S. taxation in a wide array of global tax havens, have allowed corporations to avoid U.S. and related state income taxes for many years. The Tax Act fundamentally changes the rules of international taxation and provides for repatriation of this accumulated income at a fraction of the prior tax rate (35%), at either 15.5% (for cash) or 8% (for more illiquid holdings), over an eight year period.

It is currently the opinion of both the Vermont Tax Department and Legislative Council that this repatriated income is also subject to state income taxation. Although currently impossible to verify with complete certainty, we estimate that approximately \$15 million in FY2018 State Corporate receipts and more than \$1 million in FY19 to date have been received in connection with repatriated earnings.

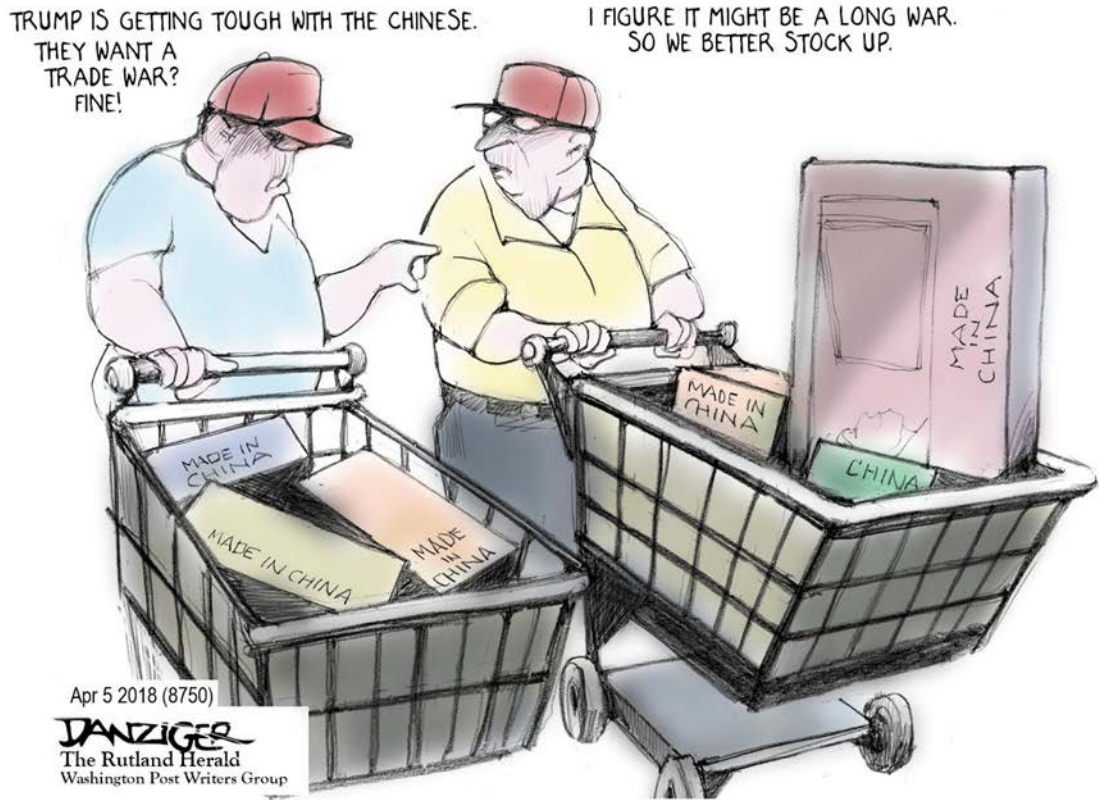
In conjunction with the Tax Department, we have developed a list of 322 corporations with large potential repatriation liabilities based on publicly available information, who collectively have an estimated \$2.7 trillion in offshore earnings. We have applied the relevant Vermont apportionment factors to each affected company from Tax filings and estimated potential state Corporate receipts at both the 8% and 15.5% tax rates. Based on this, the State could ultimately receive \$100-\$200 million, however, the timing and exact liability is still highly uncertain at this time. Some even contest the ability of states to tax this income – and the same legal and accounting firms that set up these and other tax avoidance mechanisms are hard at work to minimize tax payments under the new law. Thus, final receipt of these amounts could be subject to lengthy legal proceedings and even clawback from firms who have already paid.

In recognition of this, we have only included \$15-\$20 million in expected FY2019 Corporate revenues from repatriation and smaller amounts (\$1 to \$5 million per year) thereafter. The Tax Department is planning on publishing guidance to Corporate taxpayers on this issue within the next few months, and eventually, forms to specifically identify tax payments connected to repatriated earnings. With this information, and federal tax returns, we will be in a better position to identify payments linked to this liability and establish a more accurate sense of both potential liabilities and tax payment timing.

The Wall Street Journal currently estimates that only about 10% of all corporate repatriation has been effected to date, due to the eight year Federal payment window. At the State level, however, Vermont considers the entire liability to be due with tax year 2017 payments.

We will be tracking this closely in FY2019 and beyond, since it could contribute to enormous revenue variances - up or down - in selected revenue forecast periods.

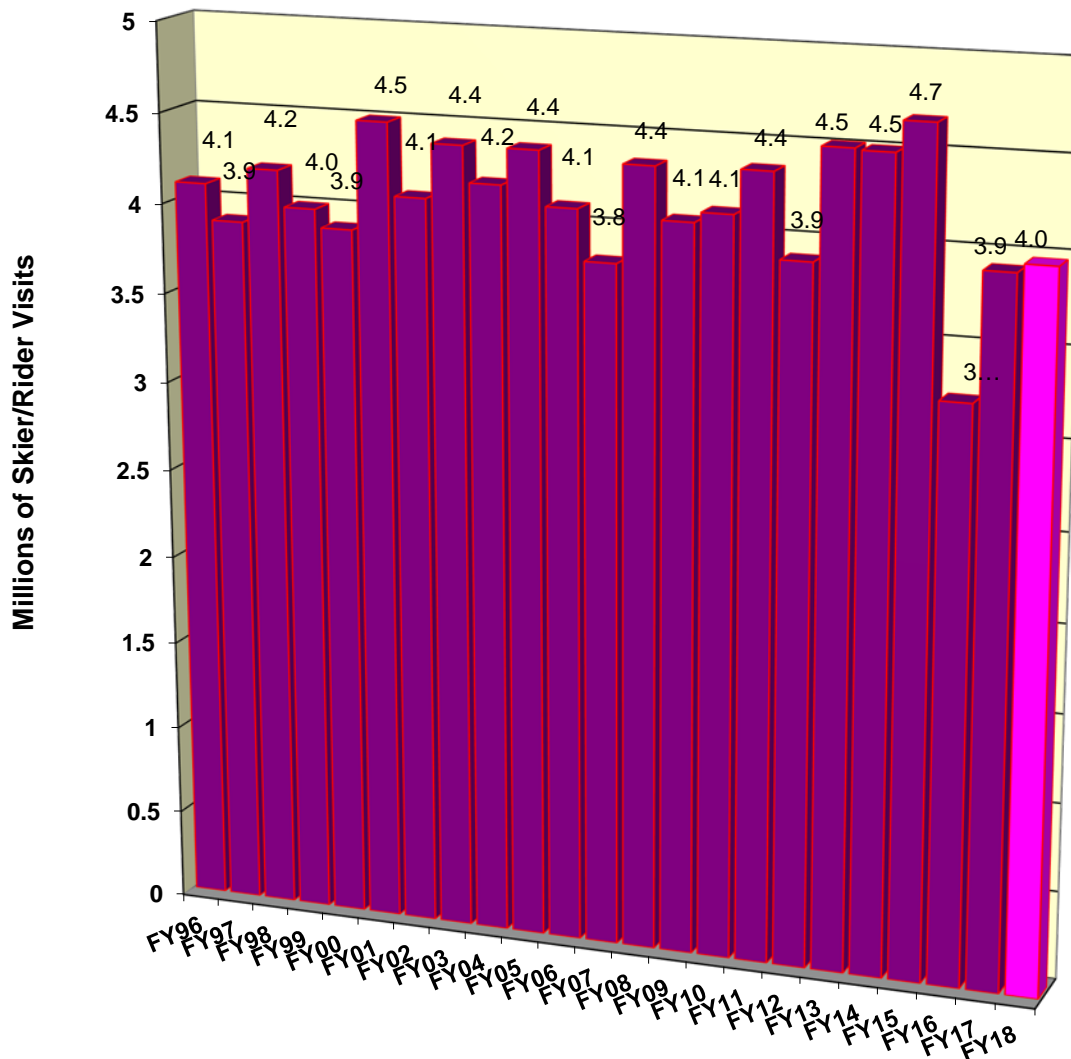




- Personal Income revenues experienced exceptional capital gains-related revenue in FY18, leading to a \$38M (4.8%) variance against targets. Although an increase in capital gains revenues was expected following the depressed levels of tax year 2016 (which were affected by uncertainty regarding likely GOP tax changes at the time), the 2017 gains exceeded these expectations. Although this same spike is unlikely to be repeated in the next two years, the general improvement in the economy and continued strong equity market gains will support about \$15-\$20M per year more in FY19 and FY20 PIT revenue than previously projected.
- Meals & Rooms tax receipts finished FY18 about 0.5% (\$0.8M) above January forecasts. With the inclusion of Airbnb and other on-line vendor receipts, Meals & Rooms revenue is expected to continue to exhibit above-trend growth of about 4% in FY19 and FY20, subject, of course, to the vagaries of winter weather. Skier visitation in FY18 (at 3.97M skier days) was slightly above last year's total (1.2%) but 4% below the prior 11 year average. Vermont's share of New England skier visits remained substantial, at 33.7%, and even its share of the U.S. in FY18 was above trend, at 7.5%. Recent ski area acquisitions in Vermont by large western resort operators may be able to expand upon these shares in future years through combined area promotions.

Skier Visitation in FY18 Holds Steady, But Below Average

(Source: Vermont Ski Areas Association)



- Cigarette tax revenues lagged targets in FY18, as booming e-cigarette demand displaced traditional cigarette sales and enticed many young users into the vicissitudes and lifetime expenditures associated with nicotine addiction. Historical Vermont cigarette sales volume declines of about 3% per year during periods of relatively stable prices (years without significant tax increases or aggressive industry price hikes) have more than doubled, with an FY18 decline of 8.5%. The recent explosion in vaping is largely attributed to the marketing success of Juul Labs, which now controls almost half of the e-cigarette market, and experienced year-over-year sales growth of nearly 800 percent in 2017 and comparable YTD 2018 growth. Its flagship product, a small, discreet vape pen with higher nicotine levels than its competitors, has been particularly successful with teenagers. A recent study by Dartmouth College's Norris Cotton Cancer Center said vaping has led more people to start a real smoking habit, rather than avoid tobacco or quit in favor of e-cigarettes,¹ but there may be a lag between the surge in teen vaping and

¹ Using 2014 census data, published literature and surveys on e-cigarette usage, the Center estimated that about 2,070 cigarette-smoking adults in America quit in 2015 with the help of e-

eventual cigarette demand. Until then, State cigarette revenues will be slightly lower than prior forecasts.

- Source Property Transfer Tax revenues closed FY18 about 1.3% below targets, but will continue to be among the fastest growing revenue sources in FY19 and FY20, as real estate markets continue to recover and investment flows begin to extend more rural areas and second homes. As real estate price gains accelerate, Property Transfer revenues could grow by 6%-10% per year in each of the next two years.
- The Telephone Property tax continues to decline and is now expected to be less than half its FY14 level in FY19, due to aggressive depreciation being taken by some of the largest payers and statutory ambiguity regarding such depreciation and the applicability of the tax to wireless and VoIP providers. Without statutory clarification, this revenue source will likely continue to decline, generating at least \$5 million less than FY14 levels for the foreseeable future.
- Transportation Fund revenues finished FY18 extremely close to targets (+0.5%), as slightly higher Motor Vehicle Purchase and Use revenues offset weakness in Fee revenues. Improved external economic conditions will support continued strength in MVP&U revenues in both FY19 and FY20, while higher fuel prices will negatively affect per gallon taxes and positively affect taxes based on price. The net effect of all this will be slightly higher expected revenues in both FY19 (+\$2.1M) and FY20 (+\$1.5M).
- The U.S. and Vermont macroeconomic forecasts upon which the revenue forecasts in this Update are based are summarized in Tables A and B at the end of this report, and represent a consensus JFO and Administration forecast developed using internal JFO and Administration State economic models with input from Moody's Analytics June 2018 projections and other major forecasting entities, including the Federal Reserve, EIA, CBO, IMF, The Conference Board and other private forecasting firms.
- Due to the reduced availability of forecasts from the New England Economic Partnership (NEEP), State consensus macroeconomic forecasts were developed using a State on-line modeling capability provided by Moody's Analytics. This forecasting capability allows timely, customized state forecasts with modeling capabilities similar to the prior NEEP capability.
- The standard revenue tables at the end of this report have been changed due to major revenue source reallocations mandated by H.911, enacted in the 2018 legislative session. This change directs 100% of the Sales and Use tax

cigarettes, however, at the same time, an additional 168,000 adolescents and young adults who had never smoked cigarettes began smoking and eventually became daily cigarette smokers after first using e-cigarettes. Last month, in the New Yorker magazine, the former chair of the American Academy of Pediatrics Tobacco Consortium, Dr. Jonathan Winickoff, described Juul as "bioterrorism" and declared that Juul already represents "a massive public-health disaster."

and 25% of the Meals and Rooms tax to the Education Fund, in addition to existing allocations of 100% of the Lottery and one-third of the Motor Vehicle Purchase and Use tax . Accordingly, new current law Available Fund totals are still labelled as Tables 1-3 (General, Transportation and Education Funds, respectively), however, for purposes of comparison, in addition to Tables 1A (General) and 2A (Transportation), which show “source” revenues (from which all allocations are derived), this report includes Tables 1B (General Fund) and 3B (Education), which maintain prior Fund allocation consistent with the prior January 2018 forecast.

- Five-year revenue projections are included in Appendix A, following Tables A and B at the end of this report. Although these are not required by statute, they have been requested by both the JFO and Administration for several years for longer term planning purposes. During the 2015 legislative session, there was considerable misinformation and confusion regarding the role these longer term projections played in the recent (though not new) discussions of structural budget deficits. As a result of this, these tables are now published on a regular basis, so as to provide clarity with respect to longer term revenue potential and expectations. As illustrated in these tables, and consistent with virtually all past projections, longer term revenue growth from the mix and structure of the taxes in the three funds analyzed herein is unlikely to keep pace with recent levels of expenditure growth, at current law tax rates.
- Forecast versus actual revenue variance data for the most recent twelve years are illustrated in the chart on the following page. The below table summarizes the same data since FY2001. As would be expected, January projections are generally more accurate than July – though not always. Since fiscal year 2001, there have been 36 regular Consensus forecasts (January and July for each year) for each of the three major funds (General Fund, Transportation Fund and Education Fund) for a total of 108 observations. Over this eighteen year period, there have been 54 variances that were low (under-forecast actuals) and 54 variances that were high (over-forecast actuals). The average absolute value of the variance for these 18 years was about 1.9% for total revenues across all three major funds, with the lowest variance (1.4%) in the Education Fund, due to its reliance on relatively stable consumption taxes, and the highest variance (2.5%) in the General Fund, due to its reliance on more volatile revenue sources such as Personal Income, Corporate and Estate taxes – as exemplified in FY2018.

**AVERAGE ABSOLUTE VALUE OF FORECAST VS. ACTUAL VARIANCE
(FY2001 to FY2018)**

Fund	Forecast Period		
	January	July	All Periods
Education Fund	1.0%	1.9%	1.4%
Transportation Fund	1.1%	1.8%	1.5%
General Fund	2.0%	3.1%	2.5%
Total	1.4%	2.3%	1.9%

Vermont Consensus Revenue Forecasting Record

(Forecast Percent Variance from Actual, FY2007 to FY2018 - Source: Joint Fiscal Office)

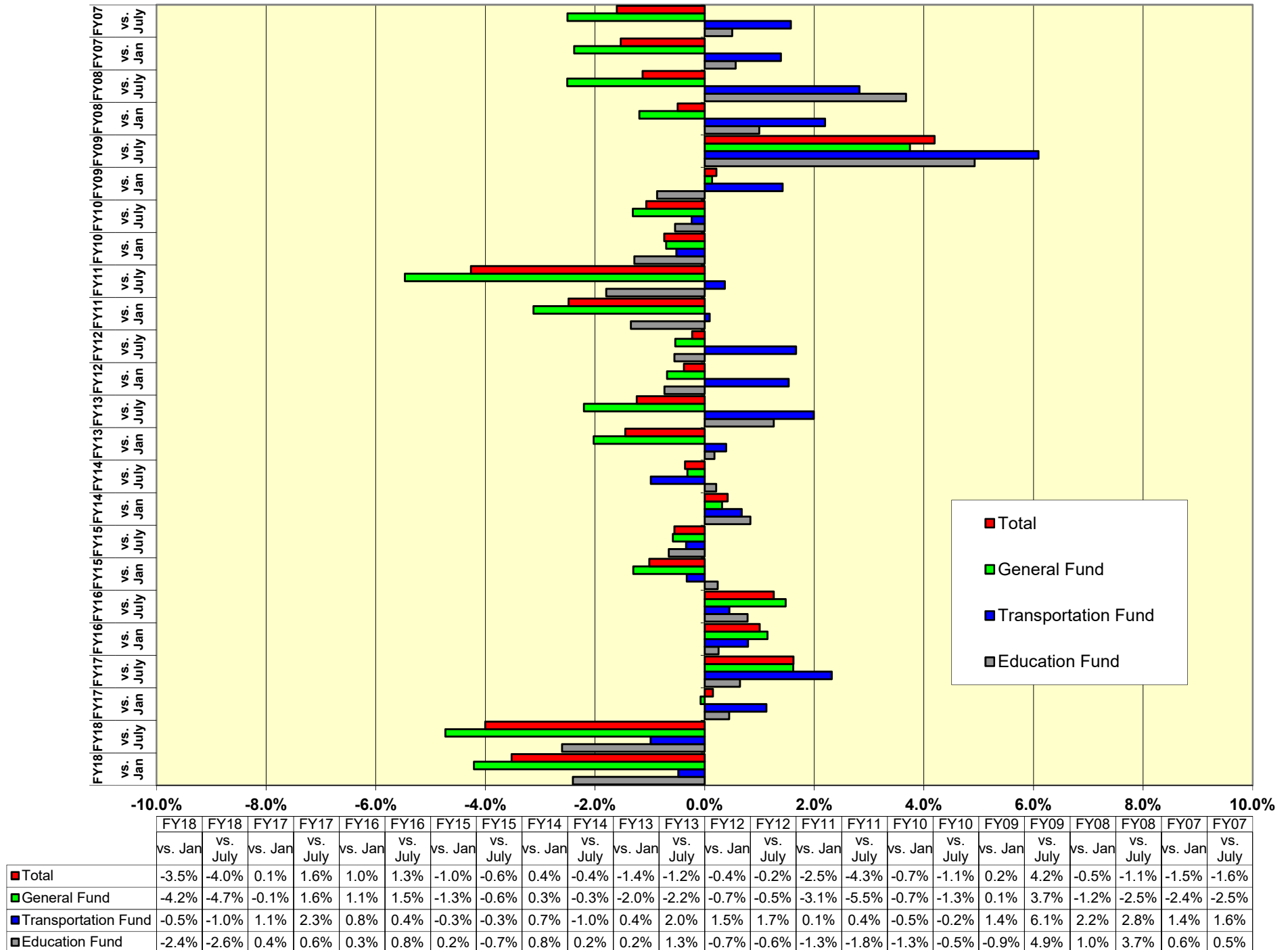


TABLE A
Comparison of Recent Consensus U.S. Macroeconomic Forecasts
December 2016 through June 2018, Selected Variables, Calendar Year Basis

	2012	2013	2014	2015	2016	2017	2018	2019	2020
Real GDP Growth									
December-16	2.2	1.7	2.4	2.6	1.7	2.9	3.1	2.2	1.4
June-17	2.2	1.7	2.4	2.6	1.6	2.3	2.6	2.2	1.3
December-17	2.2	1.7	2.6	2.9	1.5	2.3	2.8	2.5	1.1
June-18	2.2	1.7	2.6	2.9	1.5	2.3	3.0	2.6	0.9
S&P 500 Growth (Annual Avg.)									
December-16	8.7	19.1	17.5	6.8	1.5	5.4	-1.6	-2.0	5.5
June-17	8.7	19.1	17.5	6.8	1.5	5.4	-0.7	-4.5	5.5
December-17	8.7	19.1	17.5	6.8	1.5	17.0	7.1	-8.4	3.5
June-18	8.7	19.1	17.5	6.8	1.5	17.0	9.5	-9.7	2.3
Employment Growth (Non-Ag)									
December-16	1.7	1.6	1.9	2.1	1.7	1.6	1.6	1.3	0.5
June-17	1.7	1.6	1.9	2.1	1.8	1.5	1.3	1.2	0.5
December-17	1.7	1.6	1.9	2.1	1.8	1.5	1.6	1.1	0.1
June-18	1.7	1.6	1.9	2.1	1.8	1.6	1.6	1.4	0.2
Unemployment Rate									
December-16	8.1	7.4	6.2	5.3	4.9	4.7	4.5	4.4	4.7
June-17	8.1	7.4	6.2	5.3	4.9	4.4	4.1	3.9	4.2
December-17	8.1	7.4	6.2	5.3	4.9	4.3	3.8	3.7	4.5
June-18	8.1	7.4	6.2	5.3	4.9	4.4	3.8	3.3	4.0
West Texas Int. Crude Oil \$/Bbl									
December-16	94	98	93	49	43	57	63	70	70
June-17	94	98	93	49	43	51	55	60	68
December-17	94	98	93	49	43	51	54	60	66
June-18	94	98	93	49	43	51	65	62	70
Prime Rate									
December-16	3.25	3.25	3.25	3.26	3.51	4.10	5.00	6.50	6.80
June-17	3.25	3.25	3.25	3.26	3.51	4.08	4.80	5.70	6.20
December-17	3.25	3.25	3.25	3.26	3.51	4.09	5.52	7.03	7.32
June-18	3.25	3.25	3.25	3.26	3.51	4.10	4.97	6.56	6.81
Consumer Price Index Growth									
December-16	2.1	1.5	1.6	0.1	1.2	2.6	2.8	3.1	2.6
June-17	2.1	1.5	1.6	0.1	1.3	2.1	2.3	2.7	2.6
December-17	2.1	1.5	1.6	0.1	1.3	2.1	2.5	2.9	2.8
June-18	2.1	1.5	1.6	0.1	1.3	2.1	2.7	2.5	2.4
Average Home Price Growth									
December-16	-0.2	4.0	5.4	5.5	5.6	5.9	6.3	6.1	5.6
June-17	-0.2	4.0	5.3	5.4	5.7	5.2	5.4	4.8	3.4
December-17	-0.2	3.9	5.2	5.3	5.7	6.2	6.4	5.8	5.1
June-18	-0.3	3.9	5.2	5.3	5.6	6.3	6.5	6.8	5.6

TABLE B
Comparison of Consensus Administration and JFO Vermont State Forecasts
December 2015 through June 2018, Selected Variables, Calendar Year Basis

	2012	2013	2014	2015	2016	2017	2018	2019	2020
Real GSP Growth									
December-15	0.4	-0.3	0.6	2.2	2.8	2.4	2.0	1.6	1.2
June-16	0.6	-0.9	0.3	-0.1	1.9	2.3	1.7	1.2	1.1
December-16	0.0	-0.4	1.5	0.2	1.8	2.4	2.0	1.5	1.0
June-17	-0.2	-0.2	0.3	0.9	0.8	1.1	1.3	0.8	0.3
December-17	-0.2	-0.2	0.5	0.9	0.7	0.9	1.4	0.8	0.1
June-18	-0.2	-0.2	0.5	0.7	1.5	1.1	1.9	1.6	0.3
Population Growth									
December-15	-0.1	0.1	-0.1	-0.1	0.2	0.2	0.3	0.3	0.3
June-16	-0.0	0.1	-0.1	-0.1	0.1	0.2	0.3	0.3	0.2
December-16	-0.1	0.1	-0.0	-0.1	-0.2	0.2	0.2	0.2	0.1
June-17	-0.1	0.1	-0.0	-0.1	-0.2	0.1	0.1	0.2	0.2
December-17	-0.1	0.1	-0.1	-0.2	-0.2	0.1	-0.0	0.1	0.1
June-18	-0.1	0.1	-0.1	-0.2	-0.2	0.1	0.0	0.1	0.1
Employment Growth									
December-15	1.3	0.8	1.0	1.6	1.7	1.8	1.6	1.0	0.6
June-16	1.3	0.7	0.9	0.9	1.6	1.7	1.5	1.1	0.7
December-16	1.3	0.7	0.9	0.9	1.6	1.7	1.5	1.2	0.6
June-17	1.2	0.7	1.0	0.8	0.3	0.9	1.0	0.8	0.3
December-17	1.2	0.7	1.0	0.8	0.3	0.9	1.2	0.7	0.1
June-18	1.2	0.7	1.0	0.8	0.3	0.3	0.5	0.9	0.1
Unemployment Rate									
December-15	4.9	4.4	4.1	3.7	3.4	3.3	3.2	3.3	3.4
June-16	4.9	4.4	4.0	3.7	3.3	3.2	3.1	3.2	3.4
December-16	4.9	4.4	4.0	3.7	3.2	3.1	3.0	3.0	3.4
June-17	4.9	4.4	3.9	3.6	3.3	3.1	3.0	3.0	3.3
December-17	4.9	4.4	3.9	3.6	3.3	3.0	2.8	2.9	3.3
June-18	4.9	4.4	4.0	3.6	3.2	3.0	2.7	2.6	3.2
Personal Income Growth									
December-15	3.6	1.4	3.5	4.5	5.1	4.6	4.6	3.7	2.8
June-16	3.6	1.4	3.5	3.0	3.3	4.1	4.2	3.4	2.8
December-16	3.3	1.7	3.3	2.9	3.0	3.4	3.7	3.4	2.8
June-17	3.3	1.7	3.3	2.9	3.3	2.4	2.1	2.7	2.0
December-17	3.3	1.7	3.3	3.6	2.0	2.4	2.0	2.5	1.9
June-18	3.3	1.7	3.3	3.6	2.0	2.1	3.4	3.4	2.8
Home Price Growth (JFO)									
December-15	0.4	0.1	0.7	2.5	2.9	3.4	4.1	4.8	5.9
June-16	0.4	0.1	0.6	2.2	2.3	3.0	3.8	4.4	5.0
December-16	0.4	0.1	0.5	1.9	1.4	2.4	3.1	3.7	4.1
June-17	0.3	0.1	0.3	2.0	1.4	2.6	3.1	3.7	4.1
December-17	0.3	0.1	0.2	2.0	1.6	2.1	3.2	3.8	4.5
June-18	0.3	0.0	0.2	2.0	1.5	2.7	3.4	4.2	5.1

Methodological Notes and Other Comments

- This analysis has benefited significantly from the input and support of Tax Department and Joint Fiscal Office personnel, as well as Deb Brighton of Ad Hoc Associates. In the Joint Fiscal Office, Graham Campbell, Theresa Utton-Jermaine, Stephanie Barrett, Dan Dickerson, Catherine Benham, Neil Schickner, Chloe Wexler, Joyce Manchester and Mark Perrault have contributed to numerous policy and revenue impact analyses and coordinated JFO forecast production and related legislative committee support functions. They have also painstakingly organized and updated large tax and other databases in support of JFO revenue forecasting activities. In the Tax Department, Sharon Asay, Mary Cox, Jake Feldman, Andrew Stein and Doug Farnham provided important analytic contributions to many tax and revenue forecasts, including recent federal tax law change analyses and statistical and related background information associated with the detailed tax databases they maintain. Our thanks to all of the above for their many contributions to this analysis.
- The analysis in support of JFO economic and revenue projections are based on statistical and econometric models, and professional analytic judgment. All models are based on 40 years of data for each of the 25 General Fund categories (three aggregates), 37 years of data for most of the Transportation Fund categories (one aggregate), and 18 to 40 years for each of the Education Fund categories. The analyses employed includes seasonal adjustment using U.S. Census Bureau X-12, X-13-ARIMA-SEATS and TRAMO-SEATS methods, various moving average techniques (such as Henderson Curves, etc.), Box-Jenkins ARIMA type models, pressure curve analysis, comparable-pattern analysis of monthly, quarterly and half year trends for current year estimation, and behavioral econometric forecasting models.
- Because the State does not currently fund an internal State or U.S. macro-economic model, this analysis relies primarily on semi-annual macroeconomic models from Moody's Analytics with consensus model adjustments made by JFO and Administration economists using a customized Moody's on-line Vermont model prepared during the month preceding the revenue forecast. Dynamic and other input/output-based models for the State of Vermont, including those from Regional Economic Models, Inc. (REMI), Regional Dynamics, Inc. (REDYN), and IMPLAN are also maintained and managed by the JFO and KRA for use in selected economic impact and simulation analyses used herein.
- The Consensus JFO and Administration forecasts are developed following discussion, analysis and synthesis of independent revenue projections, econometric models and source data produced by Administration and Joint Fiscal Office economic advisors.

TABLE 1A - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
SOURCE GENERAL FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - July 2018

SOURCE G-FUND

revenues are prior to all E-Fund allocations
and other out-transfers; used for
analytic and comparative purposes only

	FY 2014	%	FY 2015	%	FY 2016	%	FY 2017	%	FY 2018	%	FY 2019	%	FY2020	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Preliminary)	Change	(Forecast)	Change	(Forecast)	Change
REVENUE SOURCE														
Personal Income	\$671.1	1.6%	\$705.9	5.2%	\$747.0	5.8%	\$756.5	1.3%	\$832.0	10.0%	\$835.1	0.4%	\$854.9	2.4%
Sales & Use*	\$353.6	2.0%	\$364.6	3.1%	\$370.7	1.7%	\$376.7	1.6%	\$397.8	5.6%	\$415.6	4.5%	\$428.1	3.0%
Corporate	\$94.8	-0.1%	\$121.9	28.5%	\$117.0	-4.0%	\$95.8	-18.1%	\$96.4	0.6%	\$102.3	6.2%	\$93.2	-8.9%
Meals and Rooms	\$142.7	5.9%	\$150.8	5.7%	\$154.2	2.2%	\$165.3	7.3%	\$173.2	4.8%	\$180.3	4.1%	\$186.6	3.5%
Cigarette and Tobacco**	\$71.9	-3.3%	\$76.8	6.7%	\$80.7	5.2%	\$76.7	-5.0%	\$71.1	-7.3%	\$68.5	-3.6%	\$66.2	-3.4%
Liquor	\$17.7	4.0%	\$18.2	2.9%	\$18.3	0.8%	\$19.1	4.4%	\$19.8	3.6%	\$20.4	2.9%	\$21.0	2.9%
Insurance	\$57.1	3.7%	\$55.3	-3.1%	\$56.2	1.7%	\$57.0	1.3%	\$57.5	1.0%	\$58.1	1.0%	\$58.5	0.7%
Telephone	\$9.1	-2.9%	\$7.7	-14.9%	\$3.2	-59.2%	\$5.7	80.6%	\$4.7	-16.8%	\$4.1	-13.7%	\$3.6	-12.2%
Beverage	\$6.4	3.6%	\$6.7	4.2%	\$6.7	0.6%	\$6.9	2.9%	\$7.1	2.5%	\$7.3	2.9%	\$7.5	2.8%
Electric***	\$13.1	46.9%	\$9.4	-28.2%	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Estate	\$35.5	131.0%	\$9.9	-72.2%	\$12.5	26.5%	\$16.7	33.3%	\$22.9	37.6%	\$19.9	-13.2%	\$21.1	6.0%
Property	\$30.9	8.5%	\$33.6	8.6%	\$35.7	6.2%	\$38.7	8.4%	\$40.9	5.6%	\$44.1	7.9%	\$47.1	6.8%
Bank	\$11.0	2.7%	\$10.7	-2.0%	\$10.7	-0.6%	\$13.2	24.0%	\$13.1	-1.3%	\$12.4	-5.2%	\$12.6	1.6%
Other Tax	\$1.9	9.6%	\$2.0	4.5%	\$1.8	-9.0%	\$2.2	18.0%	\$1.8	-15.2%	\$2.0	8.6%	\$2.2	10.0%
Total Tax Revenue	\$1517.0	3.6%	\$1573.5	3.7%	\$1614.8	2.6%	\$1630.4	1.0%	\$1738.3	6.6%	\$1770.0	1.8%	\$1802.5	1.8%
Business Licenses	\$1.1	-61.4%	\$1.1	0.2%	\$1.1	-1.6%	\$1.2	16.8%	\$1.2	-2.9%	\$1.2	0.9%	\$1.3	2.5%
Fees	\$20.6	-3.4%	\$22.1	7.0%	\$23.0	4.2%	\$48.5	110.8%	\$47.1	-2.9%	\$47.8	1.6%	\$48.5	1.5%
Services	\$1.3	-47.3%	\$1.5	12.5%	\$2.8	86.6%	\$3.0	7.9%	\$2.9	-4.2%	\$2.95	2.3%	\$3.00	1.7%
Fines	\$3.6	-24.2%	\$3.5	-3.1%	\$3.7	5.5%	\$4.4	21.0%	\$3.5	-19.8%	\$3.6	1.5%	\$3.7	2.8%
Interest	\$0.2	-59.2%	\$0.3	40.4%	\$0.7	130.6%	\$1.5	111.5%	\$2.8	80.1%	\$3.4	22.0%	\$4.1	19.1%
Special Assessments	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Lottery	\$22.6	-1.6%	\$22.8	0.8%	\$26.4	16.1%	\$25.5	-3.3%	\$27.1	6.4%	\$26.3	-3.1%	\$26.6	1.1%
All Other****	\$1.3	-24.0%	\$1.0	-20.4%	\$1.3	25.9%	\$2.9	128.5%	\$2.4	-18.8%	\$2.1	-11.1%	\$2.2	4.8%
Total Other Revenue	\$50.7	-10.4%	\$52.2	3.0%	\$58.9	12.9%	\$87.1	47.9%	\$87.0	-0.1%	\$87.4	0.4%	\$89.3	2.2%
TOTAL GENERAL FUND	\$1567.6	3.1%	\$1625.7	3.7%	\$1673.7	2.9%	\$1717.5	2.6%	\$1825.3	6.3%	\$1857.4	1.8%	\$1891.8	1.9%

* Includes Telecommunications Tax; includes \$3.76M transfer in FY08 to the T-Fund for prior years Jet Fuel tax processing error.

** Includes Cigarette, Tobacco Products and Floor Stock tax revenues.

*** Reflects closure of Vermont Yankee in December of 2014, taxed per Act 143 of 2012 effective in FY13; Stated Electric Energy Tax revenues exclude appropriations to the Clean Energy Development Fund and Education Fund.

**** Excludes \$5 million Vermont Yankee settlement agreement transitional payment in FY2015.

*****Includes \$2.3 million in one-time payments in FY2017 by tax software vendors for errors related to Personal Income tax deduction changes effective in tax year 2015.

TABLE 1B - STATE OF VERMONT (PRE-H.911 REVENUE ALLOCATION - FOR COMPARATIVE PURPOSES ONLY)
LEGISLATIVE JOINT FISCAL OFFICE
AVAILABLE GENERAL FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - July 2018

CURRENT LAW BASIS

including all Education Fund

allocations and other out-transfers

	FY 2014	%	FY 2015	%	FY 2016	%	FY 2017	%	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%
	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Preliminary)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
REVENUE SOURCE																
Personal Income	\$671.1	1.6%	\$705.9	5.2%	\$747.0	5.8%	\$756.5	1.3%	\$832.0	10.0%	\$835.1	0.4%	\$854.9	2.4%	\$862.7	0.9%
Sales and Use*	\$229.9	-0.6%	\$237.0	3.1%	\$241.0	1.7%	\$244.9	1.6%	\$258.6	5.6%	\$266.0	2.9%	\$274.0	3.0%	\$278.3	1.6%
Corporate	\$94.8	-0.1%	\$121.9	28.5%	\$117.0	-4.0%	\$95.8	-18.1%	\$96.4	0.6%	\$102.3	6.2%	\$93.2	-8.9%	\$85.5	-8.3%
Meals and Rooms	\$142.7	5.9%	\$150.8	5.7%	\$154.2	2.2%	\$165.3	7.3%	\$173.2	4.8%	\$180.3	4.1%	\$186.6	3.5%	\$191.4	2.6%
Cigarette and Tobacco	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Liquor	\$17.7	4.0%	\$18.2	2.9%	\$18.3	0.8%	\$19.1	4.4%	\$19.8	3.6%	\$20.4	2.9%	\$21.0	2.9%	\$21.4	1.9%
Insurance	\$57.1	3.7%	\$55.3	-3.1%	\$56.2	1.7%	\$57.0	1.3%	\$57.5	1.0%	\$58.1	1.0%	\$58.5	0.7%	\$59.0	0.9%
Telephone	\$9.1	-2.9%	\$7.7	-14.9%	\$3.2	-59.2%	\$5.7	80.6%	\$4.7	-16.8%	\$4.1	-13.7%	\$3.6	-12.2%	\$3.2	-11.1%
Beverage	\$6.4	3.6%	\$6.7	4.2%	\$6.7	0.6%	\$6.9	2.9%	\$7.1	2.5%	\$7.3	2.9%	\$7.5	2.8%	\$7.6	1.5%
Electric**	\$13.1	46.9%	\$9.4	-28.2%	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Estate***	\$35.5	131.0%	\$9.9	-72.2%	\$12.5	26.5%	\$16.7	33.3%	\$22.9	37.6%	\$19.9	-13.2%	\$21.1	6.0%	\$21.9	3.8%
Property	\$10.0	9.3%	\$10.9	8.7%	\$11.5	6.0%	\$12.6	9.0%	\$12.4	-1.5%	\$13.5	8.8%	\$14.4	7.2%	\$15.1	4.5%
Bank	\$11.0	2.7%	\$10.7	-2.0%	\$10.7	-0.6%	\$13.2	24.0%	\$13.1	-1.3%	\$12.4	-5.2%	\$12.6	1.6%	\$12.8	1.6%
Other Tax	\$1.9	9.6%	\$2.0	4.5%	\$1.8	-9.0%	\$2.2	18.0%	\$1.8	-15.2%	\$2.0	8.6%	\$2.2	10.0%	\$2.4	9.1%
Total Tax Revenue	\$1300.3	3.6%	\$1346.4	3.5%	\$1380.1	2.5%	\$1395.7	1.1%	\$1499.5	7.4%	\$1521.3	1.5%	\$1549.6	1.9%	\$1561.2	0.8%
Business Licenses	\$1.1	-61.4%	\$1.1	0.2%	\$1.1	-1.6%	\$1.2	16.8%	\$1.2	-2.9%	\$1.2	0.9%	\$1.3	2.5%	\$1.3	2.4%
Fees	\$20.6	-3.4%	\$22.1	7.0%	\$23.0	4.2%	\$48.5	110.8%	\$47.1	-2.9%	\$47.8	1.6%	\$48.5	1.5%	\$49.1	1.2%
Services	\$1.3	-47.3%	\$1.5	12.5%	\$2.8	86.6%	\$3.0	7.9%	\$2.9	-4.2%	\$3.0	2.3%	\$3.0	1.7%	\$3.0	1.0%
Fines	\$3.6	-24.2%	\$3.5	-3.1%	\$3.7	5.5%	\$4.4	21.0%	\$3.5	-19.8%	\$3.6	1.5%	\$3.7	2.8%	\$3.8	2.7%
Interest	\$0.2	-66.6%	\$0.2	51.9%	\$0.6	136.1%	\$1.2	108.2%	\$2.3	96.1%	\$2.8	21.9%	\$3.4	21.4%	\$3.6	5.9%
All Other****	\$1.3	-24.0%	\$1.0	-20.4%	\$1.3	25.9%	\$2.9	128.5%	\$2.4	-18.8%	\$2.1	-11.1%	\$2.2	4.8%	\$2.3	4.5%
Total Other Revenue	\$28.0	-16.4%	\$29.4	4.7%	\$32.3	10.1%	\$61.2	89.3%	\$59.4	-3.0%	\$60.5	1.9%	\$62.1	2.6%	\$63.1	1.7%
TOTAL GENERAL FUND	\$1328.4	3.1%	\$1375.8	3.6%	\$1412.4	2.7%	\$1457.0	3.2%	\$1558.9	7.0%	\$1581.8	1.5%	\$1611.6	1.9%	\$1624.3	0.8%

* Includes \$2.5M transfer to the T-Fund in FY08 for prior years Jet Fuel tax processing errors; Transfer to the Education Fund increases from 33.3% to 35.0% effective in FY14 and 35.0% to 36.0% effective in FY19.

** Reflects closure of Vermont Yankee in December of 2014, taxed per Act 143 of 2012 effective in FY13;

Stated Electric Energy Tax revenues exclude appropriations to the Clean Energy Development Fund and Education Fund.

*** Excludes transfer to the Higher Education Trust Fund of \$2.4M in FY05, \$5.2M in FY06 and \$11.0M in FY11.

**** Excludes \$5 million Vermont Yankee settlement agreement transitional payment in FY2015.

*****Includes \$2.3 million in one-time payments in FY2017 by tax software vendors for errors related to Personal Income tax deduction changes effective in tax year 2015.

TABLE 1 - STATE OF VERMONT (POST- H.911 REVENUE ALLOCATIONS)
LEGISLATIVE JOINT FISCAL OFFICE
AVAILABLE GENERAL FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - July 2018

CURRENT LAW BASIS

including all Education Fund

	FY 2014	%	FY 2015	%	FY 2016	%	FY 2017	%	FY 2018	%	FY 2019	%	FY2020	%
<i>allocations and other out-transfers</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Preliminary)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
REVENUE SOURCE														
Personal Income	\$671.1	1.6%	\$705.9	5.2%	\$747.0	5.8%	\$756.5	1.3%	\$832.0	10.0%	\$835.1	0.4%	\$854.9	2.4%
Sales and Use*	\$229.9	-0.6%	\$237.0	3.1%	\$241.0	1.7%	\$244.9	1.6%	\$258.6	5.6%	\$0.0	NM	\$0.0	NM
Corporate	\$94.8	-0.1%	\$121.9	28.5%	\$117.0	-4.0%	\$95.8	-18.1%	\$96.4	0.6%	\$102.3	6.2%	\$93.2	-8.9%
Meals and Rooms	\$142.7	5.9%	\$150.8	5.7%	\$154.2	2.2%	\$165.3	7.3%	\$173.2	4.8%	\$135.2	-21.9%	\$140.0	3.5%
Cigarette and Tobacco	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Liquor	\$17.7	4.0%	\$18.2	2.9%	\$18.3	0.8%	\$19.1	4.4%	\$19.8	3.6%	\$20.4	2.9%	\$21.0	2.9%
Insurance	\$57.1	3.7%	\$55.3	-3.1%	\$56.2	1.7%	\$57.0	1.3%	\$57.5	1.0%	\$58.1	1.0%	\$58.5	0.7%
Telephone	\$9.1	-2.9%	\$7.7	-14.9%	\$3.2	-59.2%	\$5.7	80.6%	\$4.7	-16.8%	\$4.1	-13.7%	\$3.6	-12.2%
Beverage	\$6.4	3.6%	\$6.7	4.2%	\$6.7	0.6%	\$6.9	2.9%	\$7.1	2.5%	\$7.3	2.9%	\$7.5	2.8%
Electric**	\$13.1	46.9%	\$9.4	-28.2%	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Estate***	\$35.5	131.0%	\$9.9	-72.2%	\$12.5	26.5%	\$16.7	33.3%	\$22.9	37.6%	\$19.9	-13.2%	\$21.1	6.0%
Property	\$10.0	9.3%	\$10.9	8.7%	\$11.5	6.0%	\$12.6	9.0%	\$12.4	-1.5%	\$13.5	8.8%	\$14.4	7.2%
Bank	\$11.0	2.7%	\$10.7	-2.0%	\$10.7	-0.6%	\$13.2	24.0%	\$13.1	-1.3%	\$12.4	-5.2%	\$12.6	1.6%
Other Tax	\$1.9	9.6%	\$2.0	4.5%	\$1.8	-9.0%	\$2.2	18.0%	\$1.8	-15.2%	\$2.0	8.6%	\$2.2	10.0%
Total Tax Revenue	\$1300.3	3.6%	\$1346.4	3.5%	\$1380.1	2.5%	\$1395.7	1.1%	\$1499.5	7.4%	\$1210.2	-19.3%	\$1228.9	1.5%
Business Licenses	\$1.1	-61.4%	\$1.1	0.2%	\$1.1	-1.6%	\$1.2	16.8%	\$1.2	-2.9%	\$1.2	0.9%	\$1.3	2.5%
Fees	\$20.6	-3.4%	\$22.1	7.0%	\$23.0	4.2%	\$48.5	110.8%	\$47.1	-2.9%	\$47.8	1.6%	\$48.5	1.5%
Services	\$1.3	-47.3%	\$1.5	12.5%	\$2.8	86.6%	\$3.0	7.9%	\$2.9	-4.2%	\$3.0	2.3%	\$3.0	1.7%
Fines	\$3.6	-24.2%	\$3.5	-3.1%	\$3.7	5.5%	\$4.4	21.0%	\$3.5	-19.8%	\$3.6	1.5%	\$3.7	2.8%
Interest	\$0.2	-66.6%	\$0.2	51.9%	\$0.6	136.1%	\$1.2	108.2%	\$2.3	96.1%	\$2.8	21.9%	\$3.4	21.4%
All Other****	\$1.3	-24.0%	\$1.0	-20.4%	\$1.3	25.9%	\$2.9	128.5%	\$2.4	-18.8%	\$2.1	-11.1%	\$2.2	4.8%
Total Other Revenue	\$28.0	-16.4%	\$29.4	4.7%	\$32.3	10.1%	\$61.2	89.3%	\$59.4	-3.0%	\$60.5	1.9%	\$62.1	2.6%
TOTAL GENERAL FUND	\$1328.4	3.1%	\$1375.8	3.6%	\$1412.4	2.7%	\$1457.0	3.2%	\$1558.9	7.0%	\$1270.7	-18.5%	\$1291.0	1.6%

* Includes \$2.5M transfer to the T-Fund in FY08 for prior years Jet Fuel tax processing errors; Transfer to the Education Fund increases from 33.3% to 35.0% effective in FY14 and 35.0% to 36.0% effective in FY19.

** Reflects closure of Vermont Yankee in December of 2014, taxed per Act 143 of 2012 effective in FY13;

Stated Electric Energy Tax revenues exclude appropriations to the Clean Energy Development Fund and Education Fund.

*** Excludes transfer to the Higher Education Trust Fund of \$2.4M in FY05, \$5.2M in FY06 and \$11.0M in FY11.

**** Excludes \$5 million Vermont Yankee settlement agreement transitional payment in FY2015.

*****Includes \$2.3 million in one-time payments in FY2017 by tax software vendors for errors related to Personal Income tax deduction changes effective in tax year 2015.

**TABLE 2A - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
SOURCE TRANSPORTATION FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - July 2018**

SOURCE T-FUND

revenues are prior to all E-Fund allocations

and other out-transfers; used for
analytic and comparative purposes only

	FY 2014		FY 2015		FY 2016		FY 2017		FY 2018		FY 2019		FY2020	
	(Actual)	% Change	(Actual)	% Change	(Actual)	% Change	(Actual)	% Change	(Preliminary)	% Change	(Forecast)	% Change	(Forecast)	% Change
REVENUE SOURCE														
Gasoline	\$76.5	27.6%	\$77.6	1.5%	\$78.0	0.5%	\$78.2	0.3%	\$78.2	0.0%	\$78.1	-0.1%	\$77.9	-0.3%
Diesel****	\$17.2	9.7%	\$19.1	11.5%	\$18.3	-4.4%	\$18.2	-0.5%	\$18.9	3.6%	\$19.0	0.7%	\$19.1	0.5%
Purchase and Use*	\$91.8	9.9%	\$97.3	5.9%	\$100.1	2.9%	\$103.2	3.1%	\$109.4	6.0%	\$115.3	5.4%	\$118.7	2.9%
Motor Vehicle Fees	\$79.0	1.5%	\$80.1	1.4%	\$82.0	2.3%	\$86.2	5.2%	\$86.0	-0.3%	\$86.3	0.4%	\$87.6	1.5%
Other Revenue**	\$19.5	2.3%	\$19.7	0.8%	\$19.6	-0.5%	\$19.9	1.8%	\$23.0	15.3%	\$22.9	-0.3%	\$23.3	1.7%
TOTAL TRANS. FUND	\$284.0	10.9%	\$293.8	3.5%	\$298.0	1.4%	\$305.8	2.6%	\$315.4	3.1%	\$321.6	2.0%	\$326.6	1.6%

**TABLE 2 - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
AVAILABLE TRANSPORTATION FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - July 2018**

CURRENT LAW BASIS

including all Education Fund

allocations and other out-transfers

	FY 2014		FY 2015		FY 2016		FY 2017		FY 2018		FY 2019		FY2020	
	(Actual)	% Change	(Actual)	% Change	(Actual)	% Change	(Actual)	% Change	(Preliminary)	% Change	(Forecast)	% Change	(Forecast)	% Change
REVENUE SOURCE														
Gasoline	\$76.5	27.6%	\$77.6	1.5%	\$78.0	0.5%	\$78.2	0.3%	\$78.2	0.0%	\$78.1	-0.1%	\$77.9	-0.3%
Diesel****	\$17.2	9.7%	\$19.1	11.5%	\$18.3	-4.4%	\$18.2	-0.5%	\$18.9	3.6%	\$19.0	0.7%	\$19.1	0.5%
Purchase and Use*	\$61.2	9.9%	\$64.8	5.9%	\$66.8	2.9%	\$68.8	3.1%	\$73.0	6.0%	\$76.9	5.4%	\$79.1	2.9%
Motor Vehicle Fees	\$79.0	1.5%	\$80.1	1.4%	\$82.0	2.3%	\$86.2	5.2%	\$86.0	-0.3%	\$86.3	0.4%	\$87.6	1.5%
Other Revenue**	\$19.5	2.3%	\$19.7	0.8%	\$19.6	-0.5%	\$19.9	1.8%	\$23.0	15.3%	\$22.9	-0.3%	\$23.3	1.7%
TOTAL TRANS. FUND	\$253.4	11.0%	\$261.4	3.2%	\$264.6	1.2%	\$271.4	2.6%	\$279.0	2.8%	\$283.2	1.5%	\$287.0	1.4%

OTHER

TIB Gasoline	\$19.2	-9.5%	\$18.2	-5.2%	\$13.0	-28.4%	\$12.6	-3.3%	\$12.9	2.2%	\$15.0	16.6%	\$15.3	1.9%
TIB Diesel and Other***	\$1.8	4.0%	\$2.1	11.4%	\$1.9	-6.1%	\$1.7	-11.3%	\$2.0	16.1%	\$2.0	2.8%	\$2.1	0.5%
Total TIB****	\$21.0	-8.4%	\$20.2	-3.8%	\$15.0	-26.1%	\$14.5	-2.9%	\$14.9	2.4%	\$17.1	14.8%	\$17.4	1.8%

* As of FY04, includes Motor Vehicle Rental tax revenue.

** Beginning in FY07, includes Stabilization Reserve interest; FY08 data includes \$3.76M transfer from G-Fund for prior Jet Fuel tax processing errors and inclusion of this tax in subsequent years.

*** Includes TIB Fund interest income (which has never exceeded \$35,000 per year).

**** Includes FY17 adjustment of \$215,000 from reported TIB Diesel revenue to Diesel revenue due to a data entry error

TABLE 3B - STATE OF VERMONT (PRE-H.911 REVENUE ALLOCATION - FOR COMPARATIVE PURPOSES ONLY)
LEGISLATIVE JOINT FISCAL OFFICE
AVAILABLE EDUCATION FUND* REVENUE FORECAST UPDATE
(Partial Education Fund Total - Includes Source General and Transportation Fund Allocations Only)
Consensus JFO and Administration Forecast - July 2018

CURRENT LAW BASIS

Source General and Transportation

Fund taxes allocated to or associated

with the Education Fund only

	FY 2014	%	FY 2015	%	FY 2016	%	FY 2017	%	FY 2018	%	FY 2019	%	FY2020	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Preliminary)	Change	(Forecast)	Change	(Forecast)	Change
GENERAL FUND														
Sales & Use**	\$123.8	7.1%	127.6	3.1%	\$129.8	1.7%	\$131.8	1.6%	\$139.2	5.6%	\$149.6	7.5%	\$154.1	3.0%
Interest	\$0.1	-17.2%	0.1	3.6%	\$0.2	135.7%	\$0.4	122.7%	\$0.5	30.3%	\$0.6	22.5%	\$0.65	8.3%
Lottery	\$22.6	-1.6%	22.8	0.8%	\$26.4	16.1%	\$25.5	-3.3%	\$27.1	6.4%	\$26.3	-3.1%	\$26.6	1.1%
TRANSPORTATION FUND														
Purchase and Use***	\$30.6	9.9%	32.4	5.9%	\$33.4	2.9%	\$34.4	3.1%	\$36.5	6.0%	\$38.4	5.4%	\$39.6	2.9%
TOTAL EDUCATION FUND	\$177.0	6.3%	182.9	3.3%	\$189.7	3.7%	\$192.2	1.3%	\$203.3	5.8%	\$214.9	5.7%	\$220.9	2.8%

* Includes only General and Transportation Fund taxes allocated to the Education Fund.

This Table excludes all Education Fund property taxes, which are updated in October/November of each year and are the largest Education Fund tax sources.

** Includes Telecommunications Tax; Includes \$1.25M transfer to T-Fund in FY08 for prior Jet Fuel Tax processing errors; Transfer percentage from the General Fund increases from 33.3% to 35.0% effective in FY14 and to 36.0% in F1

*** Includes Motor Vehicle Rental revenues, restated

TABLE 3 - STATE OF VERMONT (POST- H.911 REVENUE ALLOCATIONS)
LEGISLATIVE JOINT FISCAL OFFICE
AVAILABLE EDUCATION FUND* REVENUE FORECAST UPDATE
(Partial Education Fund Total - Includes Source General and Transportation Fund Allocations Only)
Consensus JFO and Administration Forecast - July 2018

CURRENT LAW BASIS

Source General and Transportation

Fund taxes allocated to or associated
with the Education Fund only

	FY 2014	%	FY 2015	%	FY 2016	%	FY 2017	%	FY 2018	%	FY 2019	%	FY2020	%
	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Preliminary)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
GENERAL FUND														
Meals and Rooms	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$45.1	NM	\$46.7	3.5%
Sales & Use**	\$123.8	7.1%	127.6	3.1%	\$129.8	1.7%	\$131.8	1.6%	\$139.2	5.6%	\$415.6	198.5%	\$428.1	3.0%
Interest	\$0.1	-17.2%	0.1	3.6%	\$0.2	135.7%	\$0.4	122.7%	\$0.5	30.3%	\$0.6	22.5%	\$0.65	8.3%
Lottery	\$22.6	-1.6%	22.8	0.8%	\$26.4	16.1%	\$25.5	-3.3%	\$27.1	6.4%	\$26.3	-3.1%	\$26.6	1.1%
TRANSPORTATION FUND														
Purchase and Use***	\$30.6	9.9%	32.4	5.9%	\$33.4	2.9%	\$34.4	3.1%	\$36.5	6.0%	\$38.4	5.4%	\$39.6	2.9%
TOTAL EDUCATION FUND	\$177.0	6.3%	182.9	3.3%	\$189.7	3.7%	\$192.2	1.3%	\$203.3	5.8%	\$526.0	158.7%	\$541.5	3.0%

* Includes only General and Transportation Fund taxes allocated to the Education Fund.

This Table excludes all Education Fund property taxes, which are updated in October/November of each year and are the largest Education Fund tax sources.

** Includes Telecommunications Tax; Includes \$1.25M transfer to T-Fund in FY08 for prior Jet Fuel Tax processing errors; Transfer percentage from the General Fund increases from 33.3% to 35.0% effective in FY14 and to 36.0% in FY15

*** Includes Motor Vehicle Rental revenues, restated

Appendix A

Five Year Revenue Forecast Tables

July 2018

**TABLE 1A - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
SOURCE GENERAL FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - July 2018**

SOURCE G-FUND																				
revenues are prior to all E-Fund allocations and other out-transfers; used for analytic and comparative purposes only																				
	FY 2014	%	FY 2015	%	FY 2016	%	FY 2017	%	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Preliminary)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
REVENUE SOURCE																				
Personal Income	\$671.1	1.6%	\$705.9	5.2%	\$747.0	5.8%	\$756.5	1.3%	\$832.0	10.0%	\$835.1	0.4%	\$854.9	2.4%	\$862.7	0.9%	\$881.6	2.2%	\$908.6	3.1%
Sales & Use*	\$353.6	2.0%	\$364.6	3.1%	\$370.7	1.7%	\$376.7	1.6%	\$397.8	5.6%	\$415.6	4.5%	\$428.1	3.0%	\$434.8	1.6%	\$444.4	2.2%	\$457.7	3.0%
Corporate	\$94.8	-0.1%	\$121.9	28.5%	\$117.0	-4.0%	\$95.8	-18.1%	\$96.4	0.6%	\$102.3	6.2%	\$93.2	-8.9%	\$85.5	-8.3%	\$88.7	3.7%	\$98.3	10.8%
Meals and Rooms	\$142.7	5.9%	\$150.8	5.7%	\$154.2	2.2%	\$165.3	7.3%	\$173.2	4.8%	\$180.3	4.1%	\$186.6	3.5%	\$191.4	2.6%	\$197.0	2.9%	\$203.6	3.4%
Cigarette and Tobacco**	\$71.9	-3.3%	\$76.8	6.7%	\$80.7	5.2%	\$76.7	-5.0%	\$71.1	-7.3%	\$68.5	-3.6%	\$66.2	-3.4%	\$64.0	-3.3%	\$62.0	-3.1%	\$60.2	-3.0%
Liquor	\$17.7	4.0%	\$18.2	2.9%	\$18.3	0.8%	\$19.1	4.4%	\$19.8	3.6%	\$20.4	2.9%	\$21.0	2.9%	\$21.4	1.9%	\$21.9	2.3%	\$22.5	2.7%
Insurance	\$57.1	3.7%	\$55.3	-3.1%	\$56.2	1.7%	\$57.0	1.3%	\$57.5	1.0%	\$58.1	1.0%	\$58.5	0.7%	\$59.0	0.9%	\$59.6	1.0%	\$60.3	1.2%
Telephone	\$9.1	-2.9%	\$7.7	-14.9%	\$3.2	-59.2%	\$5.7	80.6%	\$4.7	-16.8%	\$4.1	-13.7%	\$3.6	-12.2%	\$3.2	-11.1%	\$3.0	-6.3%	\$2.8	-6.7%
Beverage	\$6.4	3.6%	\$6.7	4.2%	\$6.7	0.6%	\$6.9	2.9%	\$7.1	2.5%	\$7.3	2.9%	\$7.5	2.8%	\$7.6	1.5%	\$7.7	2.0%	\$8.0	3.0%
Electric***	\$13.1	46.9%	\$9.4	-28.2%	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Estate	\$35.5	131.0%	\$9.9	-72.2%	\$12.5	26.5%	\$16.7	33.3%	\$22.9	37.6%	\$19.9	-13.2%	\$21.1	6.0%	\$21.9	3.8%	\$22.7	3.7%	\$23.5	3.5%
Property	\$30.9	8.5%	\$33.6	8.6%	\$35.7	6.2%	\$38.7	8.4%	\$40.9	5.6%	\$44.1	7.9%	\$47.1	6.8%	\$49.1	4.2%	\$50.7	3.3%	\$52.3	3.2%
Bank	\$11.0	2.7%	\$10.7	-2.0%	\$10.7	-0.6%	\$13.2	24.0%	\$13.1	-1.3%	\$12.4	-5.2%	\$12.6	1.6%	\$12.8	1.6%	\$12.9	0.8%	\$13.0	0.8%
Other Tax	\$1.9	9.6%	\$2.0	4.5%	\$1.8	-9.0%	\$2.2	18.0%	\$1.8	-15.2%	\$2.0	8.6%	\$2.2	10.0%	\$2.4	9.1%	\$2.6	8.3%	\$2.7	3.8%
Total Tax Revenue	\$1517.0	3.6%	\$1573.5	3.7%	\$1614.8	2.6%	\$1630.4	1.0%	\$1738.3	6.6%	\$1770.0	1.8%	\$1802.5	1.8%	\$1815.8	0.7%	\$1854.8	2.1%	\$1913.5	3.2%
Business Licenses	\$1.1	-61.4%	\$1.1	0.2%	\$1.1	-1.6%	\$1.2	16.8%	\$1.2	-2.9%	\$1.2	0.9%	\$1.3	2.5%	\$1.3	2.4%	\$1.3	2.3%	\$1.3	2.3%
Fees	\$20.6	-3.4%	\$22.1	7.0%	\$23.0	4.2%	\$48.5	110.8%	\$47.1	-2.9%	\$47.8	1.6%	\$48.5	1.5%	\$49.1	1.2%	\$50.1	2.0%	\$51.5	2.8%
Services	\$1.3	-47.3%	\$1.5	12.5%	\$2.8	86.6%	\$3.0	7.9%	\$2.9	-4.2%	\$2.95	2.3%	\$3.00	1.7%	\$3.03	1.0%	\$3.06	1.0%	\$3.10	1.3%
Fines	\$3.6	-24.2%	\$3.5	-3.1%	\$3.7	5.5%	\$4.4	21.0%	\$3.5	-19.8%	\$3.6	1.5%	\$3.7	2.8%	\$3.8	2.7%	\$3.9	2.6%	\$4.0	2.6%
Interest	\$0.2	-59.2%	\$0.3	40.4%	\$0.7	130.6%	\$1.5	111.5%	\$2.8	80.1%	\$3.4	22.0%	\$4.1	19.1%	\$4.3	6.2%	\$4.4	2.9%	\$4.6	2.8%
Special Assessments	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Lottery	\$22.6	-1.6%	\$22.8	0.8%	\$26.4	16.1%	\$25.5	-3.3%	\$27.1	6.4%	\$26.3	-3.1%	\$26.6	1.1%	\$26.8	0.8%	\$27.0	0.7%	\$27.4	1.5%
All Other****	\$1.3	-24.0%	\$1.0	-20.4%	\$1.3	25.9%	\$2.9	128.5%	\$2.4	-18.8%	\$2.1	-11.1%	\$2.2	4.8%	\$2.3	4.5%	\$2.4	4.3%	\$2.5	4.2%
Total Other Revenue	\$50.7	-10.4%	\$52.2	3.0%	\$58.9	12.9%	\$87.1	47.9%	\$87.0	-0.1%	\$87.4	0.4%	\$89.3	2.2%	\$90.6	1.5%	\$92.2	1.7%	\$94.4	2.4%
TOTAL GENERAL FUND	\$1567.6	3.1%	\$1625.7	3.7%	\$1673.7	2.9%	\$1717.5	2.6%	\$1825.3	6.3%	\$1857.4	1.8%	\$1891.8	1.9%	\$1906.4	0.8%	\$1947.0	2.1%	\$2007.9	3.1%

* Includes Telecommunications Tax; includes \$3.76M transfer in FY08 to the T-Fund for prior years Jet Fuel tax processing error.

** Includes Cigarette, Tobacco Products and Floor Stock tax revenues.

*** Reflects closure of Vermont Yankee in December of 2014, taxed per Act 143 of 2012 effective in FY13; Stated Electric Energy Tax revenues exclude appropriations to the Clean Energy Development Fund and Education Fund.

**** Excludes \$5 million Vermont Yankee settlement agreement transitional payment in FY2015.

*****Includes \$2.3 million in one-time payments in FY2017 by tax software vendors for errors related to Personal Income tax deduction changes effective in tax year 2015.

TABLE 1B - STATE OF VERMONT (PRE-H.911 REVENUE ALLOCATION - FOR COMPARATIVE PURPOSES ONLY)
LEGISLATIVE JOINT FISCAL OFFICE
AVAILABLE GENERAL FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - July 2018

CURRENT LAW BASIS

including all Education Fund

allocations and other out-transfers

	FY 2014	%	FY 2015	%	FY 2016	%	FY 2017	%	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%
	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Preliminary)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
REVENUE SOURCE																				
Personal Income	\$671.1	1.6%	\$705.9	5.2%	\$747.0	5.8%	\$756.5	1.3%	\$832.0	10.0%	\$835.1	0.4%	\$854.9	2.4%	\$862.7	0.9%	\$881.6	2.2%	\$908.6	3.1%
Sales and Use*	\$229.9	-0.6%	\$237.0	3.1%	\$241.0	1.7%	\$244.9	1.6%	\$258.6	5.6%	\$266.0	2.9%	\$274.0	3.0%	\$278.3	1.6%	\$284.4	2.2%	\$293.0	3.0%
Corporate	\$94.8	-0.1%	\$121.9	28.5%	\$117.0	-4.0%	\$95.8	-18.1%	\$96.4	0.6%	\$102.3	6.2%	\$93.2	-8.9%	\$85.5	-8.3%	\$88.7	3.7%	\$98.3	10.8%
Meals and Rooms	\$142.7	5.9%	\$150.8	5.7%	\$154.2	2.2%	\$165.3	7.3%	\$173.2	4.8%	\$180.3	4.1%	\$186.6	3.5%	\$191.4	2.6%	\$197.0	2.9%	\$203.6	3.4%
Cigarette and Tobacco	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Liquor	\$17.7	4.0%	\$18.2	2.9%	\$18.3	0.8%	\$19.1	4.4%	\$19.8	3.6%	\$20.4	2.9%	\$21.0	2.9%	\$21.4	1.9%	\$21.9	2.3%	\$22.5	2.7%
Insurance	\$57.1	3.7%	\$55.3	-3.1%	\$56.2	1.7%	\$57.0	1.3%	\$57.5	1.0%	\$58.1	1.0%	\$58.5	0.7%	\$59.0	0.9%	\$59.6	1.0%	\$60.3	1.2%
Telephone	\$9.1	-2.9%	\$7.7	-14.9%	\$3.2	-59.2%	\$5.7	80.6%	\$4.7	-16.8%	\$4.1	-13.7%	\$3.6	-12.2%	\$3.2	-11.1%	\$3.0	-6.3%	\$2.8	-6.7%
Beverage	\$6.4	3.6%	\$6.7	4.2%	\$6.7	0.6%	\$6.9	2.9%	\$7.1	2.5%	\$7.3	2.9%	\$7.5	2.8%	\$7.6	1.5%	\$7.7	2.0%	\$8.0	3.0%
Electric**	\$13.1	46.9%	\$9.4	-28.2%	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Estate***	\$35.5	131.0%	\$9.9	-72.2%	\$12.5	26.5%	\$16.7	33.3%	\$22.9	37.6%	\$19.9	-13.2%	\$21.1	6.0%	\$21.9	3.8%	\$22.7	3.7%	\$23.5	3.5%
Property	\$10.0	9.3%	\$10.9	8.7%	\$11.5	6.0%	\$12.6	9.0%	\$12.4	-1.5%	\$13.5	8.8%	\$14.4	7.2%	\$15.1	4.5%	\$15.6	3.4%	\$16.1	3.3%
Bank	\$11.0	2.7%	\$10.7	-2.0%	\$10.7	-0.6%	\$13.2	24.0%	\$13.1	-1.3%	\$12.4	-5.2%	\$12.6	1.6%	\$12.8	1.6%	\$12.9	0.8%	\$13.0	0.8%
Other Tax	\$1.9	9.6%	\$2.0	4.5%	\$1.8	-9.0%	\$2.2	18.0%	\$1.8	-15.2%	\$2.0	8.6%	\$2.2	10.0%	\$2.4	9.1%	\$2.6	8.3%	\$2.7	3.8%
Total Tax Revenue	\$1300.3	3.6%	\$1346.4	3.5%	\$1380.1	2.5%	\$1395.7	1.1%	\$1499.5	7.4%	\$1521.3	1.5%	\$1549.6	1.9%	\$1561.2	0.8%	\$1597.7	2.3%	\$1652.3	3.4%
Business Licenses	\$1.1	-61.4%	\$1.1	0.2%	\$1.1	-1.6%	\$1.2	16.8%	\$1.2	-2.9%	\$1.2	0.9%	\$1.3	2.5%	\$1.3	2.4%	\$1.3	2.3%	\$1.3	2.3%
Fees	\$20.6	-3.4%	\$22.1	7.0%	\$23.0	4.2%	\$48.5	110.8%	\$47.1	-2.9%	\$47.8	1.6%	\$48.5	1.5%	\$49.1	1.2%	\$50.1	2.0%	\$51.5	2.8%
Services	\$1.3	-47.3%	\$1.5	12.5%	\$2.8	86.6%	\$3.0	7.9%	\$2.9	-4.2%	\$3.0	2.3%	\$3.0	1.7%	\$3.0	1.0%	\$3.1	1.0%	\$3.1	1.3%
Fines	\$3.6	-24.2%	\$3.5	-3.1%	\$3.7	5.5%	\$4.4	21.0%	\$3.5	-19.8%	\$3.6	1.5%	\$3.7	2.8%	\$3.8	2.7%	\$3.9	2.6%	\$4.0	2.6%
Interest	\$0.2	-66.6%	\$0.2	51.9%	\$0.6	136.1%	\$1.2	108.2%	\$2.3	96.1%	\$2.8	21.9%	\$3.4	21.4%	\$3.6	5.9%	\$3.7	2.8%	\$3.8	2.7%
All Other****	\$1.3	-24.0%	\$1.0	-20.4%	\$1.3	25.9%	\$2.9	128.5%	\$2.4	-18.8%	\$2.1	-11.1%	\$2.2	4.8%	\$2.3	4.5%	\$2.4	4.3%	\$2.5	4.2%
Total Other Revenue	\$28.0	-16.4%	\$29.4	4.7%	\$32.3	10.1%	\$61.2	89.3%	\$59.4	-3.0%	\$60.5	1.9%	\$62.1	2.6%	\$63.1	1.7%	\$64.5	2.2%	\$66.2	2.7%
TOTAL GENERAL FUND	\$1328.4	3.1%	\$1375.8	3.6%	\$1412.4	2.7%	\$1457.0	3.2%	\$1558.9	7.0%	\$1581.8	1.5%	\$1611.6	1.9%	\$1624.3	0.8%	\$1662.2	2.3%	\$1718.6	3.4%

* Includes \$2.5M transfer to the T-Fund in FY08 for prior years Jet Fuel tax processing errors; Transfer to the Education Fund increases from 33.3% to 35.0% effective in FY14 and 35.0% to 36.0% effective in FY19.

** Reflects closure of Vermont Yankee in December of 2014, taxed per Act 143 of 2012 effective in FY13;

Stated Electric Energy Tax revenues exclude appropriations to the Clean Energy Development Fund and Education Fund.

*** Excludes transfer to the Higher Education Trust Fund of \$2.4M in FY05, \$5.2M in FY06 and \$11.0M in FY11.

**** Excludes \$5 million Vermont Yankee settlement agreement transitional payment in FY2015.

*****Includes \$2.3 million in one-time payments in FY2017 by tax software vendors for errors related to Personal Income tax deduction changes effective in tax year 2015.

TABLE 1 - STATE OF VERMONT (POST- H.911 REVENUE ALLOCATIONS)
LEGISLATIVE JOINT FISCAL OFFICE
AVAILABLE GENERAL FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - July 2018

CURRENT LAW BASIS

including all Education Fund

allocations and other out-transfers

	FY 2014	%	FY 2015	%	FY 2016	%	FY 2017	%	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%
	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Preliminary)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
REVENUE SOURCE																				
Personal Income	\$671.1	1.6%	\$705.9	5.2%	\$747.0	5.8%	\$756.5	1.3%	\$832.0	10.0%	\$835.1	0.4%	\$854.9	2.4%	\$862.7	0.9%	\$881.6	2.2%	\$908.6	3.1%
Sales and Use*	\$229.9	-0.6%	\$237.0	3.1%	\$241.0	1.7%	\$244.9	1.6%	\$258.6	5.6%	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Corporate	\$94.8	-0.1%	\$121.9	28.5%	\$117.0	-4.0%	\$95.8	-18.1%	\$96.4	0.6%	\$102.3	6.2%	\$93.2	-8.9%	\$85.5	-8.3%	\$88.7	3.7%	\$98.3	10.8%
Meals and Rooms	\$142.7	5.9%	\$150.8	5.7%	\$154.2	2.2%	\$165.3	7.3%	\$173.2	4.8%	\$135.2	-21.9%	\$140.0	3.5%	\$143.6	2.6%	\$147.8	2.9%	\$152.7	3.4%
Cigarette and Tobacco	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Liquor	\$17.7	4.0%	\$18.2	2.9%	\$18.3	0.8%	\$19.1	4.4%	\$19.8	3.6%	\$20.4	2.9%	\$21.0	2.9%	\$21.4	1.9%	\$21.9	2.3%	\$22.5	2.7%
Insurance	\$57.1	3.7%	\$55.3	-3.1%	\$56.2	1.7%	\$57.0	1.3%	\$57.5	1.0%	\$58.1	1.0%	\$58.5	0.7%	\$59.0	0.9%	\$59.6	1.0%	\$60.3	1.2%
Telephone	\$9.1	-2.9%	\$7.7	-14.9%	\$3.2	-59.2%	\$5.7	80.6%	\$4.7	-16.8%	\$4.1	-13.7%	\$3.6	-12.2%	\$3.2	-11.1%	\$3.0	-6.3%	\$2.8	-6.7%
Beverage	\$6.4	3.6%	\$6.7	4.2%	\$6.7	0.6%	\$6.9	2.9%	\$7.1	2.5%	\$7.3	2.9%	\$7.5	2.8%	\$7.6	1.5%	\$7.7	2.0%	\$8.0	3.0%
Electric**	\$13.1	46.9%	\$9.4	-28.2%	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Estate***	\$35.5	131.0%	\$9.9	-72.2%	\$12.5	26.5%	\$16.7	33.3%	\$22.9	37.6%	\$19.9	-13.2%	\$21.1	6.0%	\$21.9	3.8%	\$22.7	3.7%	\$23.5	3.5%
Property	\$10.0	9.3%	\$10.9	8.7%	\$11.5	6.0%	\$12.6	9.0%	\$12.4	-1.5%	\$13.5	8.8%	\$14.4	7.2%	\$15.1	4.5%	\$15.6	3.4%	\$16.1	3.3%
Bank	\$11.0	2.7%	\$10.7	-2.0%	\$10.7	-0.6%	\$13.2	24.0%	\$13.1	-1.3%	\$12.4	-5.2%	\$12.6	1.6%	\$12.8	1.6%	\$12.9	0.8%	\$13.0	0.8%
Other Tax	\$1.9	9.6%	\$2.0	4.5%	\$1.8	-9.0%	\$2.2	18.0%	\$1.8	-15.2%	\$2.0	8.6%	\$2.2	10.0%	\$2.4	9.1%	\$2.6	8.3%	\$2.7	3.8%
Total Tax Revenue	\$1300.3	3.6%	\$1346.4	3.5%	\$1380.1	2.5%	\$1395.7	1.1%	\$1499.5	7.4%	\$1210.2	-19.3%	\$1228.9	1.5%	\$1235.1	0.5%	\$1264.1	2.3%	\$1308.5	3.5%
Business Licenses	\$1.1	-61.4%	\$1.1	0.2%	\$1.1	-1.6%	\$1.2	16.8%	\$1.2	-2.9%	\$1.2	0.9%	\$1.3	2.5%	\$1.3	2.4%	\$1.3	2.3%	\$1.3	2.3%
Fees	\$20.6	-3.4%	\$22.1	7.0%	\$23.0	4.2%	\$48.5	110.8%	\$47.1	-2.9%	\$47.8	1.6%	\$48.5	1.5%	\$49.1	1.2%	\$50.1	2.0%	\$51.5	2.8%
Services	\$1.3	-47.3%	\$1.5	12.5%	\$2.8	86.6%	\$3.0	7.9%	\$2.9	-4.2%	\$3.0	2.3%	\$3.0	1.7%	\$3.0	1.0%	\$3.1	1.0%	\$3.1	1.3%
Fines	\$3.6	-24.2%	\$3.5	-3.1%	\$3.7	5.5%	\$4.4	21.0%	\$3.5	-19.8%	\$3.6	1.5%	\$3.7	2.8%	\$3.8	2.7%	\$3.9	2.6%	\$4.0	2.6%
Interest	\$0.2	-66.6%	\$0.2	51.9%	\$0.6	136.1%	\$1.2	108.2%	\$2.3	96.1%	\$2.8	21.9%	\$3.4	21.4%	\$3.6	5.9%	\$3.7	2.8%	\$3.8	2.7%
All Other****	\$1.3	-24.0%	\$1.0	-20.4%	\$1.3	25.9%	\$2.9	128.5%	\$2.4	-18.8%	\$2.1	-11.1%	\$2.2	4.8%	\$2.3	4.5%	\$2.4	4.3%	\$2.5	4.2%
Total Other Revenue	\$28.0	-16.4%	\$29.4	4.7%	\$32.3	10.1%	\$61.2	89.3%	\$59.4	-3.0%	\$60.5	1.9%	\$62.1	2.6%	\$63.1	1.7%	\$64.5	2.2%	\$66.2	2.7%
TOTAL GENERAL FUND	\$1328.4	3.1%	\$1375.8	3.6%	\$1412.4	2.7%	\$1457.0	3.2%	\$1558.9	7.0%	\$1270.7	-18.5%	\$1291.0	1.6%	\$1298.2	0.6%	\$1328.5	2.3%	\$1374.7	3.5%

* Includes \$2.5M transfer to the T-Fund in FY08 for prior years Jet Fuel tax processing errors; Transfer to the Education Fund increases from 33.3% to 35.0% effective in FY14 and 35.0% to 36.0% effective in FY19.

** Reflects closure of Vermont Yankee in December of 2014, taxed per Act 143 of 2012 effective in FY13;

Stated Electric Energy Tax revenues exclude appropriations to the Clean Energy Development Fund and Education Fund.

*** Excludes transfer to the Higher Education Trust Fund of \$2.4M in FY05, \$5.2M in FY06 and \$11.0M in FY11.

**** Excludes \$5 million Vermont Yankee settlement agreement transitional payment in FY2015.

*****Includes \$2.3 million in one-time payments in FY2017 by tax software vendors for errors related to Personal Income tax deduction changes effective in tax year 2015.

TABLE 2A - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
SOURCE TRANSPORTATION FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - July 2018

SOURCE T-FUND

revenues are prior to all E-Fund allocations
and other out-transfers; used for
analytic and comparative purposes only

	FY 2014	%	FY 2015	%	FY 2016	%	FY 2017	%	FY 2018	%	FY 2019	%	FY 2020	%	FY 2021	%	FY 2022	%	FY 2023	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Preliminary)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
REVENUE SOURCE																				
Gasoline	\$76.5	27.6%	\$77.6	1.5%	\$78.0	0.5%	\$78.2	0.3%	\$78.2	0.0%	\$78.1	-0.1%	\$77.9	-0.3%	\$77.5	-0.5%	\$77.1	-0.5%	\$76.5	-0.8%
Diesel****	\$17.2	9.7%	\$19.1	11.5%	\$18.3	-4.4%	\$18.2	-0.5%	\$18.9	3.6%	\$19.0	0.7%	\$19.1	0.5%	\$19.145	0.2%	\$19.164	0.1%	\$19.2	0.2%
Purchase and Use*	\$91.8	9.9%	\$97.3	5.9%	\$100.1	2.9%	\$103.2	3.1%	\$109.4	6.0%	\$115.3	5.4%	\$118.7	2.9%	\$119.0	0.3%	\$119.2	0.2%	\$121.2	1.7%
Motor Vehicle Fees	\$79.0	1.5%	\$80.1	1.4%	\$82.0	2.3%	\$86.2	5.2%	\$86.0	-0.3%	\$86.3	0.4%	\$87.6	1.5%	\$87.9	0.3%	\$89.1	1.4%	\$89.4	0.3%
Other Revenue**	\$19.5	2.3%	\$19.7	0.8%	\$19.6	-0.5%	\$19.9	1.8%	\$23.0	15.3%	\$22.9	-0.3%	\$23.3	1.7%	\$23.5	0.9%	\$23.8	1.3%	\$24.2	1.7%
TOTAL TRANS. FUND	\$284.0	10.9%	\$293.8	3.5%	\$298.0	1.4%	\$305.8	2.6%	\$315.4	3.1%	\$321.6	2.0%	\$326.6	1.6%	\$327.0	0.1%	\$328.4	0.4%	\$330.5	0.7%

TABLE 2 - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
AVAILABLE TRANSPORTATION FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - July 2018

CURRENT LAW BASIS

including all Education Fund
allocations and other out-transfers

	FY 2014	%	FY 2015	%	FY 2016	%	FY 2017	%	FY 2018	%	FY 2019	%	FY 2020	%	FY 2021	%	FY 2022	%	FY 2023	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Preliminary)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
REVENUE SOURCE																				
Gasoline	\$76.5	27.6%	\$77.6	1.5%	\$78.0	0.5%	\$78.2	0.3%	\$78.2	0.0%	\$78.1	-0.1%	\$77.9	-0.3%	\$77.5	-0.5%	\$77.1	-0.5%	\$76.5	-0.8%
Diesel****	\$17.2	9.7%	\$19.1	11.5%	\$18.3	-4.4%	\$18.2	-0.5%	\$18.9	3.6%	\$19.0	0.7%	\$19.1	0.5%	\$19.1	0.2%	\$19.2	0.1%	\$19.2	0.2%
Purchase and Use*	\$61.2	9.9%	\$64.8	5.9%	\$66.8	2.9%	\$68.8	3.1%	\$73.0	6.0%	\$76.9	5.4%	\$79.1	2.9%	\$79.3	0.3%	\$79.5	0.2%	\$80.8	1.7%
Motor Vehicle Fees	\$79.0	1.5%	\$80.1	1.4%	\$82.0	2.3%	\$86.2	5.2%	\$86.0	-0.3%	\$86.3	0.4%	\$87.6	1.5%	\$87.9	0.3%	\$89.1	1.4%	\$89.4	0.3%
Other Revenue**	\$19.5	2.3%	\$19.7	0.8%	\$19.6	-0.5%	\$19.9	1.8%	\$23.0	15.3%	\$22.9	-0.3%	\$23.3	1.7%	\$23.5	0.9%	\$23.8	1.3%	\$24.2	1.7%
TOTAL TRANS. FUND	\$253.4	11.0%	\$261.4	3.2%	\$264.6	1.2%	\$271.4	2.6%	\$279.0	2.8%	\$283.2	1.5%	\$287.0	1.4%	\$287.4	0.1%	\$288.6	0.4%	\$290.1	0.5%

OTHER

TIB Gasoline	\$19.2	-9.5%	\$18.2	-5.2%	\$13.0	-28.4%	\$12.6	-3.3%	\$12.9	2.2%	\$15.0	16.6%	\$15.3	1.9%	\$16.6	8.6%	\$18.0	8.4%	\$18.9	4.7%
TIB Diesel and Other***	\$1.8	4.0%	\$2.1	11.4%	\$1.9	-6.1%	\$1.7	-11.3%	\$2.0	16.1%	\$2.0	2.8%	\$2.1	0.5%	\$2.1	0.0%	\$2.1	0.0%	\$2.1	0.5%
Total TIB****	\$21.0	-8.4%	\$20.2	-3.8%	\$15.0	-26.1%	\$14.5	-2.9%	\$14.9	2.4%	\$17.1	14.8%	\$17.4	1.8%	\$18.7	7.6%	\$20.1	7.4%	\$20.9	4.3%

* As of FY04, includes Motor Vehicle Rental tax revenue.

** Beginning in FY07, includes Stabilization Reserve interest; FY08 data includes \$3.76M transfer from G-Fund for prior Jet Fuel tax processing errors and inclusion of this tax in subsequent years.

*** Includes TIB Fund interest income (which has never exceeded \$35,000 per year).

**** Includes FY17 adjustment of \$215,000 from reported TIB Diesel revenue to Diesel revenue due to a data entry error

TABLE 3B - STATE OF VERMONT (PRE-H.911 REVENUE ALLOCATION - FOR COMPARATIVE PURPOSES ONLY)
LEGISLATIVE JOINT FISCAL OFFICE
AVAILABLE EDUCATION FUND* REVENUE FORECAST UPDATE
(Partial Education Fund Total - Includes Source General and Transportation Fund Allocations Only)
Consensus JFO and Administration Forecast - July 2018

CURRENT LAW BASIS

Source General and Transportation

Fund taxes allocated to or associated
with the Education Fund only

	FY 2014	%	FY 2015	%	FY 2016	%	FY 2017	%	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Preliminary)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
GENERAL FUND																				
Sales & Use**	\$123.8	7.1%	127.6	3.1%	\$129.8	1.7%	\$131.8	1.6%	\$139.2	5.6%	\$149.6	7.5%	\$154.1	3.0%	\$156.5	1.6%	\$160.0	2.2%	\$164.8	3.0%
Interest	\$0.1	-17.2%	0.1	3.6%	\$0.2	135.7%	\$0.4	122.7%	\$0.5	30.3%	\$0.6	22.5%	\$0.65	8.3%	\$0.7	7.7%	\$0.73	3.6%	\$0.75	3.4%
Lottery	\$22.6	-1.6%	22.8	0.8%	\$26.4	16.1%	\$25.5	-3.3%	\$27.1	6.4%	\$26.3	-3.1%	\$26.6	1.1%	\$26.8	0.8%	\$27.0	0.7%	\$27.4	1.5%
TRANSPORTATION FUND																				
Purchase and Use***	\$30.6	9.9%	32.4	5.9%	\$33.4	2.9%	\$34.4	3.1%	\$36.5	6.0%	\$38.4	5.4%	\$39.6	2.9%	\$39.7	0.3%	\$39.7	0.2%	\$40.4	1.7%
TOTAL EDUCATION FUND	\$177.0	6.3%	182.9	3.3%	\$189.7	3.7%	\$192.2	1.3%	\$203.3	5.8%	\$214.9	5.7%	\$220.9	2.8%	\$223.7	1.3%	\$227.4	1.7%	\$233.3	2.6%

* Includes only General and Transportation Fund taxes allocated to the Education Fund.

This Table excludes all Education Fund property taxes, which are updated in October/November of each year and are the largest Education Fund tax sources.

** Includes Telecommunications Tax; Includes \$1.25M transfer to T-Fund in FY08 for prior Jet Fuel Tax processing errors; Transfer percentage from the General Fund increases from 33.3% to 35.0% effective in FY14 and to 36.0% in F19.

*** Includes Motor Vehicle Rental revenues, restated

TABLE 3 - STATE OF VERMONT (POST- H.911 REVENUE ALLOCATIONS)
LEGISLATIVE JOINT FISCAL OFFICE
AVAILABLE EDUCATION FUND* REVENUE FORECAST UPDATE
(Partial Education Fund Total - Includes Source General and Transportation Fund Allocations Only)
Consensus JFO and Administration Forecast - July 2018

CURRENT LAW BASIS

Source General and Transportation

Fund taxes allocated to or associated
with the Education Fund only

	FY 2014	%	FY 2015	%	FY 2016	%	FY 2017	%	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Preliminary)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
GENERAL FUND																				
Meals and Rooms	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$45.1	NM	\$46.7	3.5%	\$47.9	2.6%	\$49.3	2.9%	\$50.9	3.4%
Sales & Use**	\$123.8	7.1%	127.6	3.1%	\$129.8	1.7%	\$131.8	1.6%	\$139.2	5.6%	\$415.6	198.5%	\$428.1	3.0%	\$434.8	1.6%	\$444.4	2.2%	\$457.7	3.0%
Interest	\$0.1	-17.2%	0.1	3.6%	\$0.2	135.7%	\$0.4	122.7%	\$0.5	30.3%	\$0.6	22.5%	\$0.65	8.3%	\$0.7	7.7%	\$0.73	3.6%	\$0.75	3.4%
Lottery	\$22.6	-1.6%	22.8	0.8%	\$26.4	16.1%	\$25.5	-3.3%	\$27.1	6.4%	\$26.3	-3.1%	\$26.6	1.1%	\$26.8	0.8%	\$27.0	0.7%	\$27.4	1.5%
TRANSPORTATION FUND																				
Purchase and Use***	\$30.6	9.9%	32.4	5.9%	\$33.4	2.9%	\$34.4	3.1%	\$36.5	6.0%	\$38.4	5.4%	\$39.6	2.9%	\$39.7	0.3%	\$39.7	0.2%	\$40.4	1.7%
TOTAL EDUCATION FUND	\$177.0	6.3%	182.9	3.3%	\$189.7	3.7%	\$192.2	1.3%	\$203.3	5.8%	\$526.0	158.7%	\$541.5	3.0%	\$549.8	1.5%	\$561.1	2.0%	\$577.2	2.9%

* Includes only General and Transportation Fund taxes allocated to the Education Fund.

This Table excludes all Education Fund property taxes, which are updated in October/November of each year and are the largest Education Fund tax sources.

** Includes Telecommunications Tax; Includes \$1.25M transfer to T-Fund in FY08 for prior Jet Fuel Tax processing errors; Transfer percentage from the General Fund increases from 33.3% to 35.0% effective in FY14 and to 36.0% in F19.

*** Includes Motor Vehicle Rental revenues, restated