

Kavet, Rockler & Associates, LLC  
*Economic and Public Policy Consulting*

985 Grandview Road  
Williamstown, Vermont 05679-9003 U.S.A.  
Telephone: 802-433-1360  
Facsimile: 866-433-1360  
Cellular: 802-433-1111  
E-Mail: [tek@kavet.net](mailto:tek@kavet.net)  
Website: [www.kavetrockler.com](http://www.kavetrockler.com)

---

# January 2021 Economic Review and Revenue Forecast Update

---

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

January 19, 2021

---

# Economic Review and Revenue Forecast Update

## January 2021

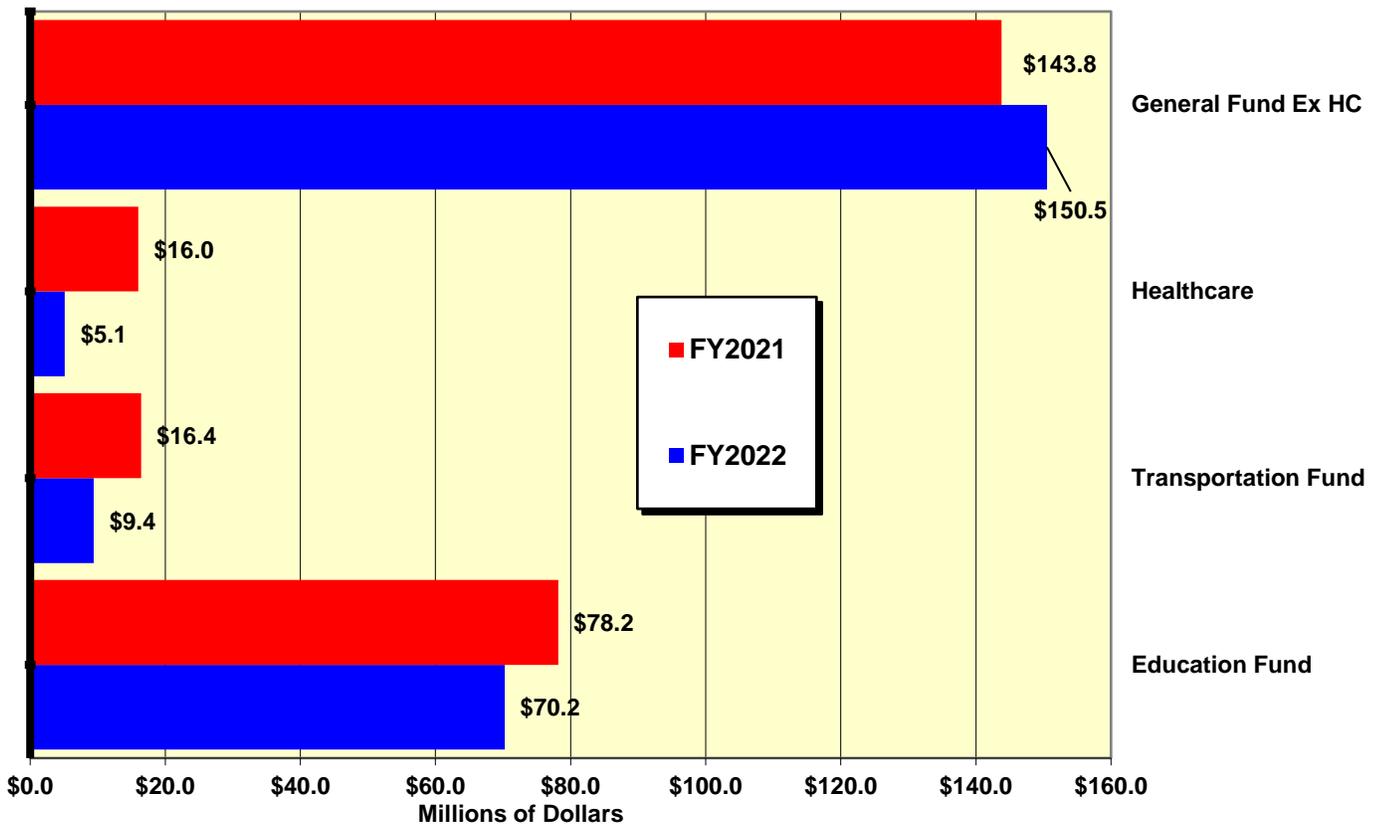
---

### Overview

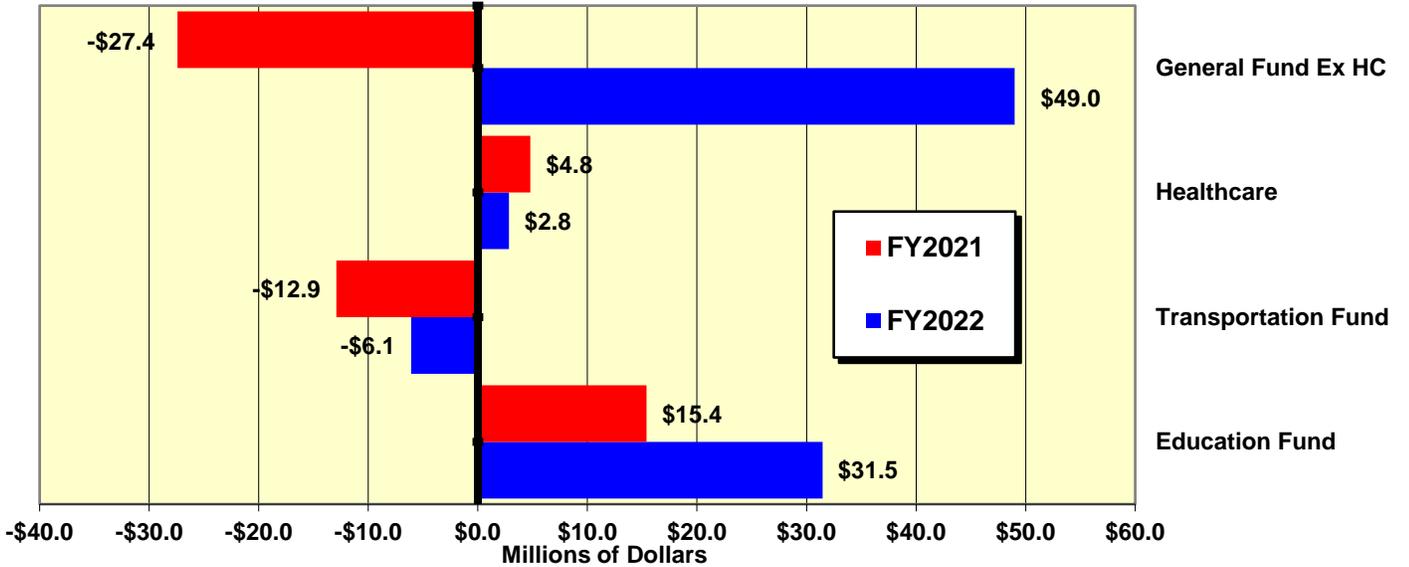
*The Vermont and U.S. economies continue to be driven by two dominant phenomena: **the epidemiological path of the pandemic** and **the colossal federal fiscal and monetary policy responses** to it. Both are without precedent in the past century, leaving little historical basis for current projections. As a result, the forecasts herein remain highly uncertain, pending further developments associated with each of these causal factors, and are best understood as order of magnitude estimates.*

*Revenue data from the first half of FY21, however, appear to indicate that if federal deficit spending is sufficiently massive, it can offset almost any recessionary event – including a pandemic. With nearly \$7 billion in federal transfer payments to Vermont already in progress and as much as \$3 billion more likely to come, economic “winners” are now more than offsetting “losers” and tax revenue expectations for both FY21 and FY22 have been radically upgraded from prior August projections. In fact, per the chart on the following page, total revenues in all funds are now expected to be only \$20M below pre-pandemic FY21 estimates and \$77M above FY22 estimates.*

**Recommended Net Revenue Changes from August 2020 Forecasts**



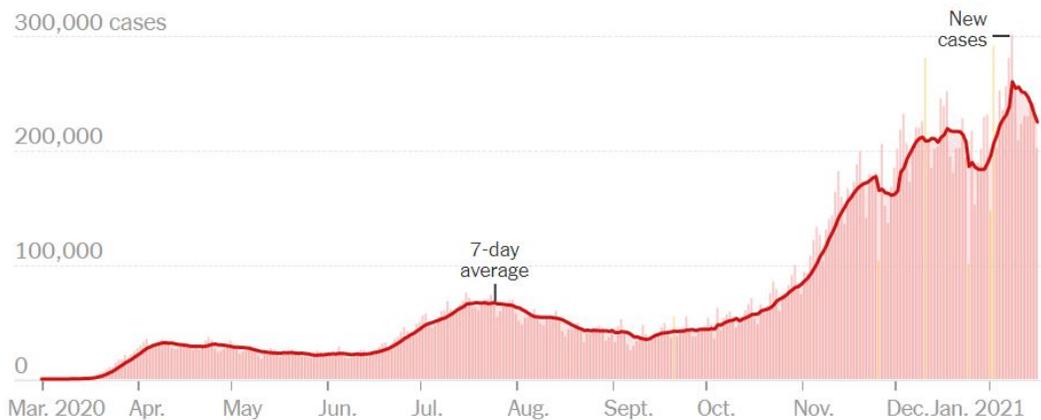
### Differences Between January 2021 and January 2020 Forecasts by Fund



### Epidemiological Issues

With the rapid development of several highly-effective vaccines, there is now a distinct light at the end of the pandemic tunnel. Unfortunately, there is still considerable darkness between where we are now and the light – and continued uncertainty about both the speed and ultimate human and economic costs of getting there.

U.S. COVID-19 Case Count as of January 17, 2021 (Source: NYTimes)



	TOTAL REPORTED	ON JAN. 16	14-DAY CHANGE
<b>Cases</b>	23.8 million+	201,732	+9% →
<b>Deaths</b>	395,882	3,353	+27% →
<b>Hospitalized</b>		126,139	+5% →

■ Day with reporting anomaly. Hospitalization data from the Covid Tracking Project; 14-day change trends use 7-day averages.

As shown in the chart on page 2, the pandemic is still spreading at a record pace in the U.S. and, per the below, in Vermont. While hospitalization and death *rates* have declined since the first wave, the absolute numbers have increased and are now taxing many regional healthcare systems.

**Vermont COVID-19 Case Count as of January 17, 2021** (Source: NYTimes)



As shown in the map on the following page, Vermont has outperformed virtually every other state in controlling the disease to date, with the lowest number of cases per 100,000 people since January 2020, at 1,589, and the second lowest number of deaths per 100,000 people, at 26 (only bettered by Hawaii, at 22). New cases are rising rapidly, however, in both Vermont and the region, and are expected to double within the next month. While this surge is not expected to result in ICU bed or hospitalization capacity problems, it leaves little room for any further worsening. Weekly epidemiological forecasts are provided by the Vermont Department of Financial Regulation at: <https://dfr.vermont.gov/about-us/covid-19/modeling>.

The vaccine roll-out in Vermont has also gone more smoothly and rapidly than other states, with 5.204 doses administered per 100 people as of January 15, the sixth highest rate in the nation (after WV, AK, SD, ND and DC). This is expected to accelerate with possible levels of herd immunity, if all goes well, by late fall of this year.

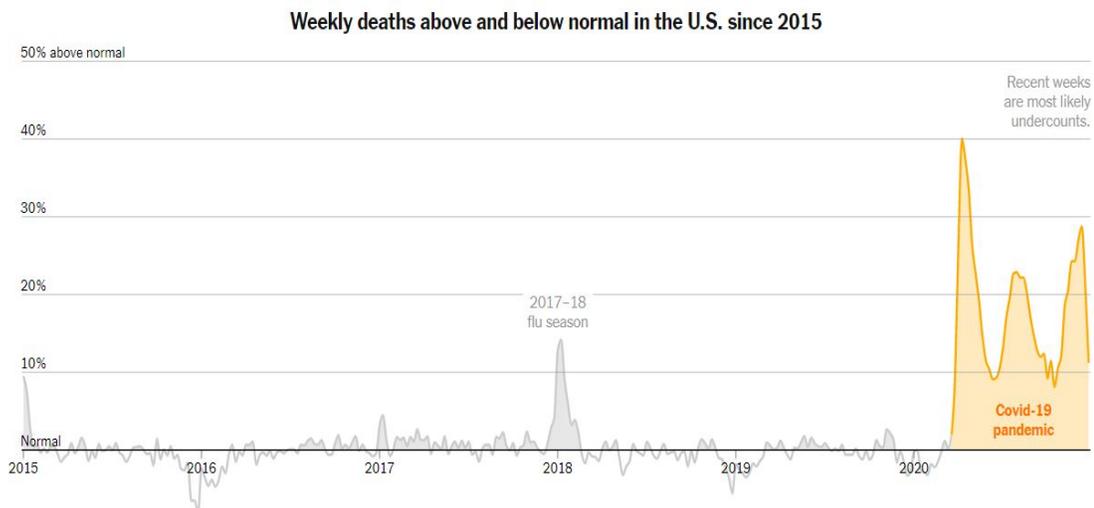
Among the issues that may still affect the course of the pandemic:

- How expansive and costly will the current surge in infections ultimately be?
- Will the more transmissible B.1.1.7 viral mutation now present in the U.S. accelerate infections, hospitalizations and deaths?



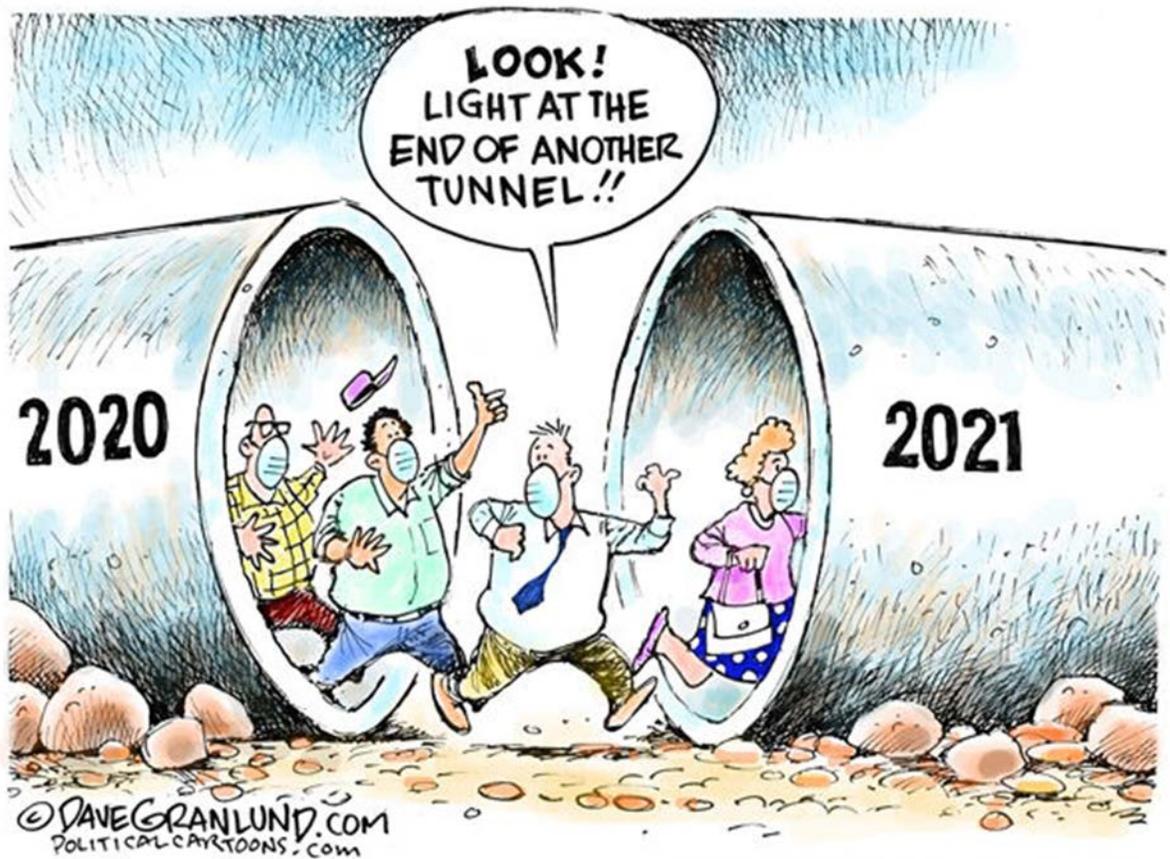
- Will there be further viral mutations that occur before herd immunity is achieved that are more deadly and/or transmissible?
- Will any of these be resistant to the currently available vaccines?
- Over what period of time will the current vaccines offer protection from the SARS-CoV-2 virus?
- Will vaccine supply chains be able to meet U.S. vaccination production and distribution targets this year?
- How long will it take for Vermont and the region to vaccinate a sufficient number of people for herd immunity to exist?
- Will the vaccine uptake rate be sufficient to achieve this?
- Are there untested longer-term side effects from the vaccinations that have yet to be revealed?
- Will there be widespread community acceptance of mitigation measures, such as mask wearing, social distancing, contact tracing and quarantining, in the near-term in both the State and region?

Although some statistics on COVID-related deaths have been questioned in the flood of misinformation surrounding the pandemic, the below toll of “excess deaths” is unmistakable. 2020 has been a year of significantly higher U.S. deaths, including numbers attributable to COVID-19 that are likely higher than the confirmed estimates, as well as elevated deaths from hospital capacity problems, hospital avoidance and drug deaths, while deaths from traffic fatalities and other infectious diseases have been lower.



According to a NYTimes analysis of CDC data, between March 15 and December 16, U.S. mortality was about 18% higher than normal. In Vermont, over the same period, it was about 11% above normal.

Even with the imminent widespread availability of a vaccine, it will take much of 2021 before some sectors of the economy return to something more closely resembling “normal.” In the meantime, we will continue to track the State and nation’s epidemiological progress as a key determinant of the economy and the State’s fiscal prospects.



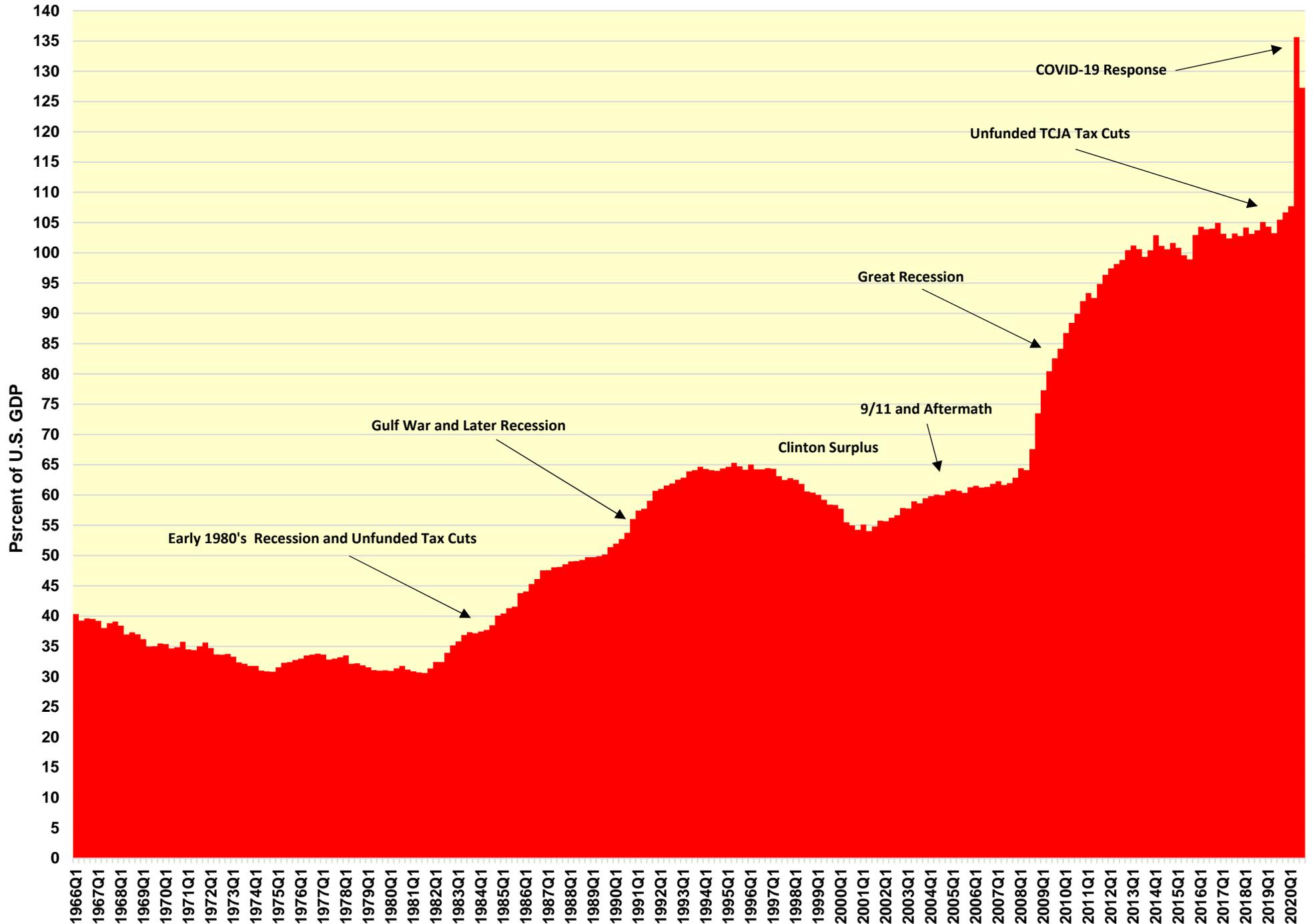
## Federal Fiscal and Monetary Policy Issues

Never in U.S. history has the federal government borrowed, loaned and spent so much in so short a period of time. During the past ten months, more than \$5 trillion in federal legislative, administrative and monetary support measures were committed or disbursed to counteract the health and economic impacts of the pandemic. An additional \$6.4 trillion has been authorized but not yet committed or disbursed, of which about \$4.8 trillion is controlled by the Federal Reserve for loan programs, asset purchases and liquidity measures. At the end of 2020, the Coronavirus Response and Relief Act added another \$920 billion to the tab and the incoming Administration is proposing immediate further spending of \$1.9 trillion. This direct financial support, along with reductions in the federal funds rate and reserve requirements (both to near 0%), represents the largest coordinated U.S. economic stimulus ever enacted.

Vermont has been awarded a disproportionate share of many of these measures, receiving among the highest per capita benefits of any state. Among relief programs that can be measured at the state level, Vermont received almost \$5 billion in federal aid prior to the recent Response and Relief Act, from which it will likely garner another \$2 billion, and could receive several billion more from the pending Biden proposal.

# Awash in Red Ink - Deficit Spending Drives Debt as a Percent of GDP to Record Levels

(Total Public Debt as a Percent of GDP, Seasonally Adjusted Quarterly Data, Source: U.S. Treasury)



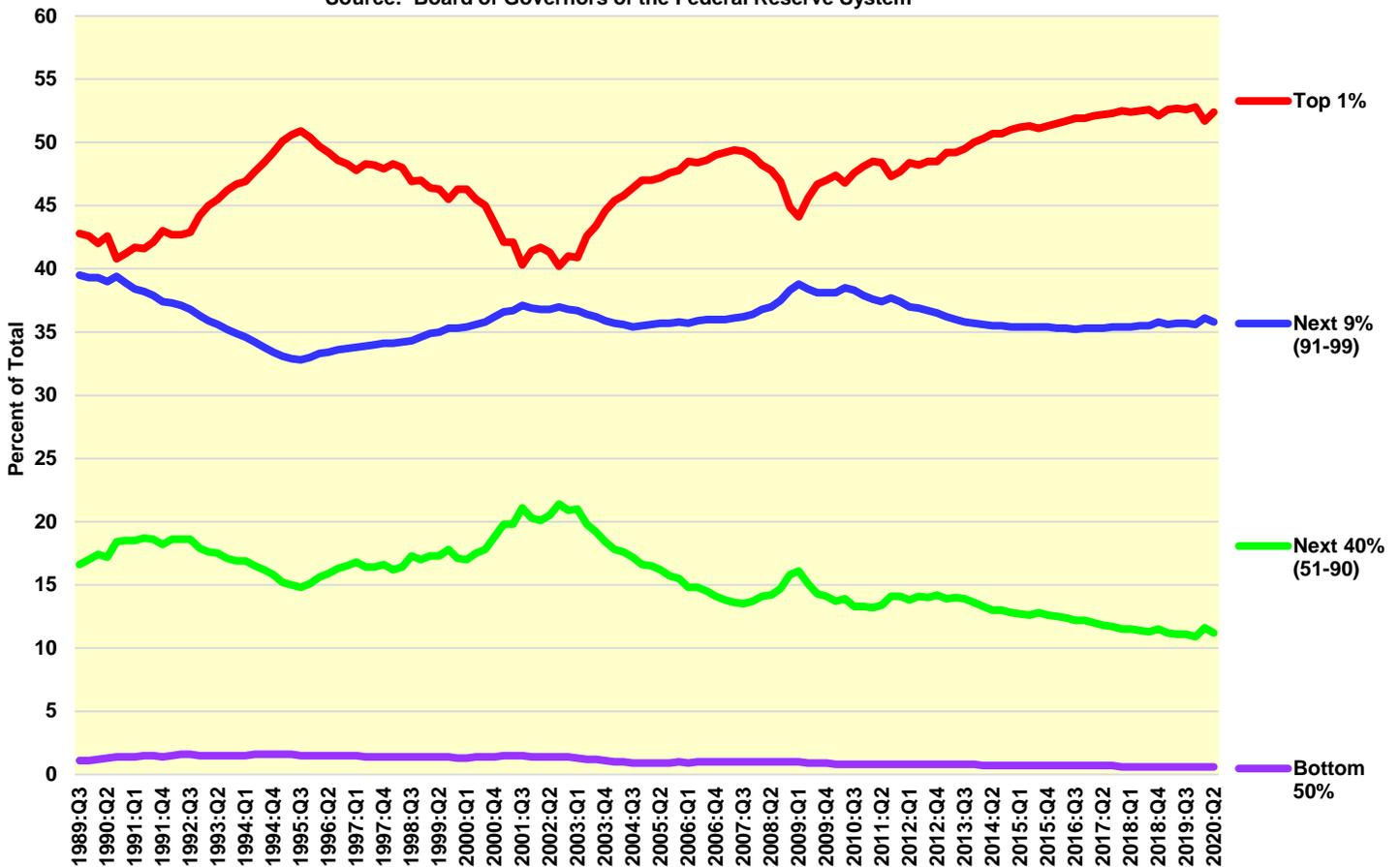


Approved and in-progress federal support in 2020 represents more than 20% of the entire annual output of the Vermont economy and about three times as much as all accommodation, food service, arts, entertainment and recreation business output combined. If further measures are passed as proposed, federal support could amount to more than 30% of the entire State economy in a 12 to 18 month period. This avalanche of money, along with the same in surrounding states, is a large part of what is now propelling Vermont tax revenues, as it circulates throughout the economy with multiplier effects.

Unfortunately, much of the federal assistance has been poorly targeted and developed using distribution mechanisms entirely unsuited to the crisis. Payroll Protection Program (PPP) funds, for example, were of no value to some of the hardest hit businesses, and with a very low bar for qualification, were give-aways to many profitable firms with little or no pandemic-related losses. Despite a slightly higher bar for the recently enacted extension of this program, it continues to allow firms to qualify who may have been more profitable in 2020 than in 2019. More than half of all federal pandemic-related relief went to businesses, and Federal Reserve actions have helped vault the stock market to record valuations, 88% of which is owned by the wealthiest 10% of the population (see chart on next page). About 20% of all relief assistance went to workers and families. Among these, focused supplemental and extended unemployment benefits were well-targeted, however, they did not need to exceed prior pay levels, nor were the popular direct cash payments to households meaningfully targeted in any way.

## Shares of Corporate Equities and Mutual Funds Owned by Percentiles of Household Wealth

Source: Board of Governors of the Federal Reserve System



The costs associated with this unprecedented spending will echo through the federal budget for many years, driving up the federal deficit as a percent of GDP (see chart on preceding page) to record levels in the years to come, adding significant interest expense and generating higher levels of inflation as the economy returns to something closer to “normal.”

The new political balance of power in Washington will probably allow for even further deficit spending, both for pandemic-related offsets, infrastructure and other needs. The few deficit hawks in the Republican party have little credibility after passage of the \$2 trillion debt-financed corporate tax cuts enacted in 2017 and the pandemic spending in 2020, and Democrats have ambitious and expensive programs they will be pushing over the next two years. This will create an economy that is likely to grow well-above trend as soon as the pandemic recedes – if not before.

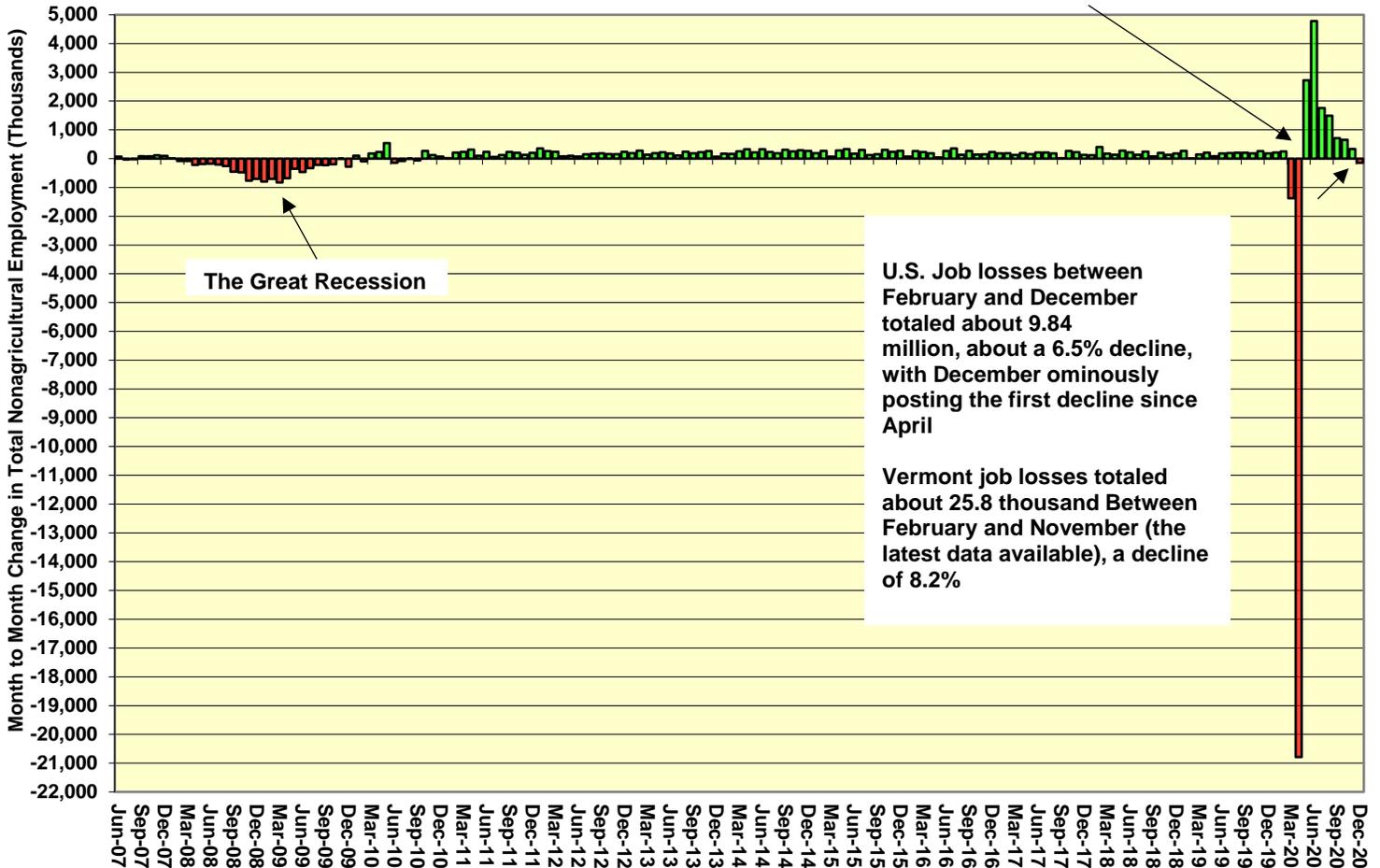
### Economic Forecast Commentary

- Per the chart on the next page, U.S. employment has yet to recover much more than about half of the 20 million jobs initially lost during the pandemic. Of concern, the worsening caseload counts appear to be slowing employment

growth, with December employment posting the first month to month loss since April.

### Minus 20 Million, Plus 10 Million, Still 10 Million Jobs Below Pre-Pandemic Levels

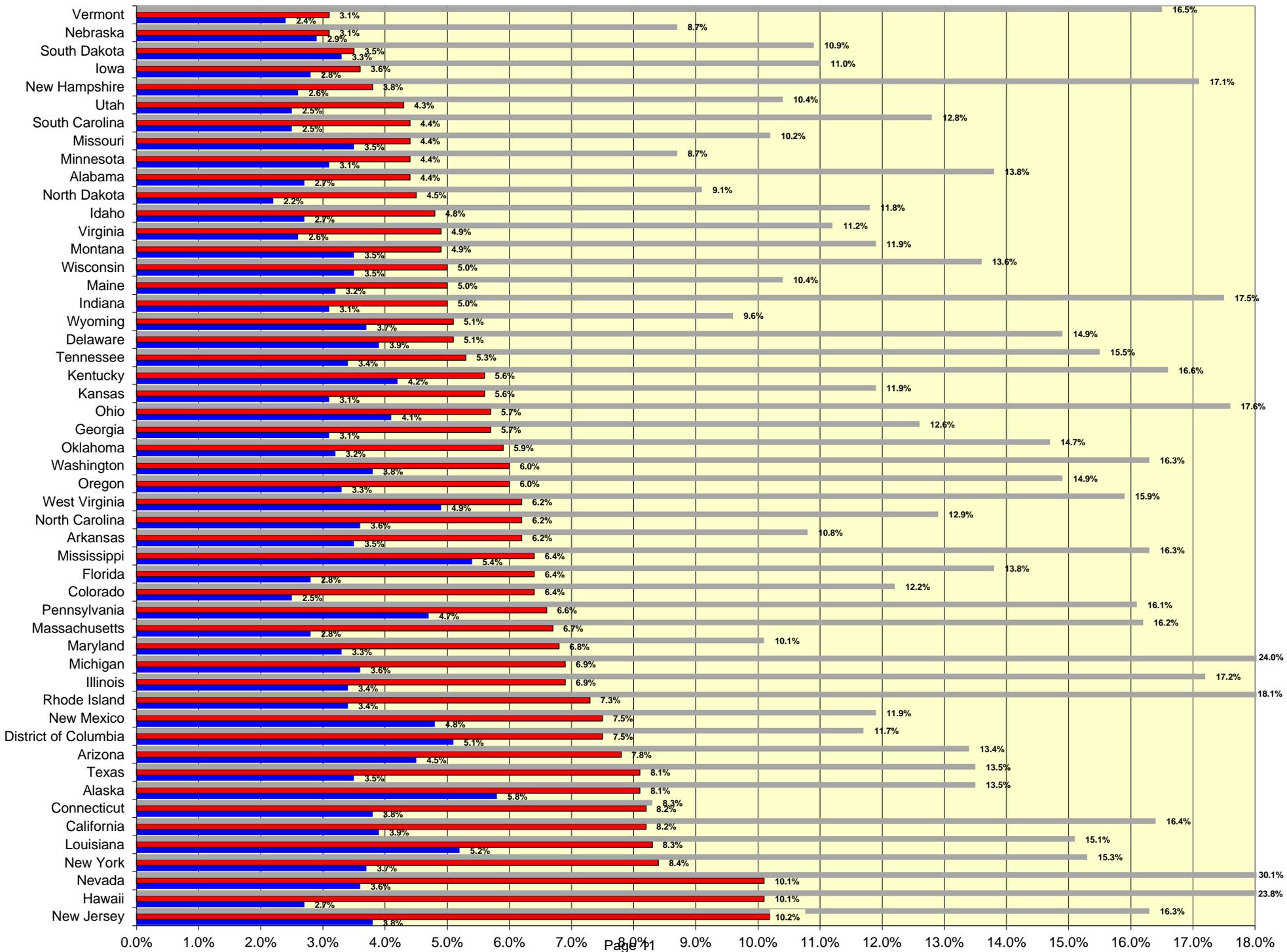
Monthly Change in Total U.S. Payroll Employment, Seasonally-Adjusted, Source: U.S. Bureau of Labor Statistics



- Although unemployment rates have dropped throughout the nation (see charts on next two pages), much of the decline is due to pandemic-related measurement issues resulting in steep declines in the labor force. Vermont's reported labor force has declined by about the same number of employed workers, rendering the official U3 unemployment rate at 3.1% in November, the best in the nation, and close to its pre-pandemic 2.4% rate in February of 2020. As some parents stay at home to care for and teach their children and older and other health-compromised workers shun employment out of COVID concerns, there are many ex-workers who are no longer counted as part of the labor force or unemployed.
- The pandemic has created wide swaths of "winners" and "losers" in its wake. Consumer spending patterns through the third quarter of 2020 compared to the same period in 2019 reveal some of the sectors most and least affected. The charts on pages 13 and 14 have been previously presented to the legislature, but may be useful in committee discussions associated with this update.

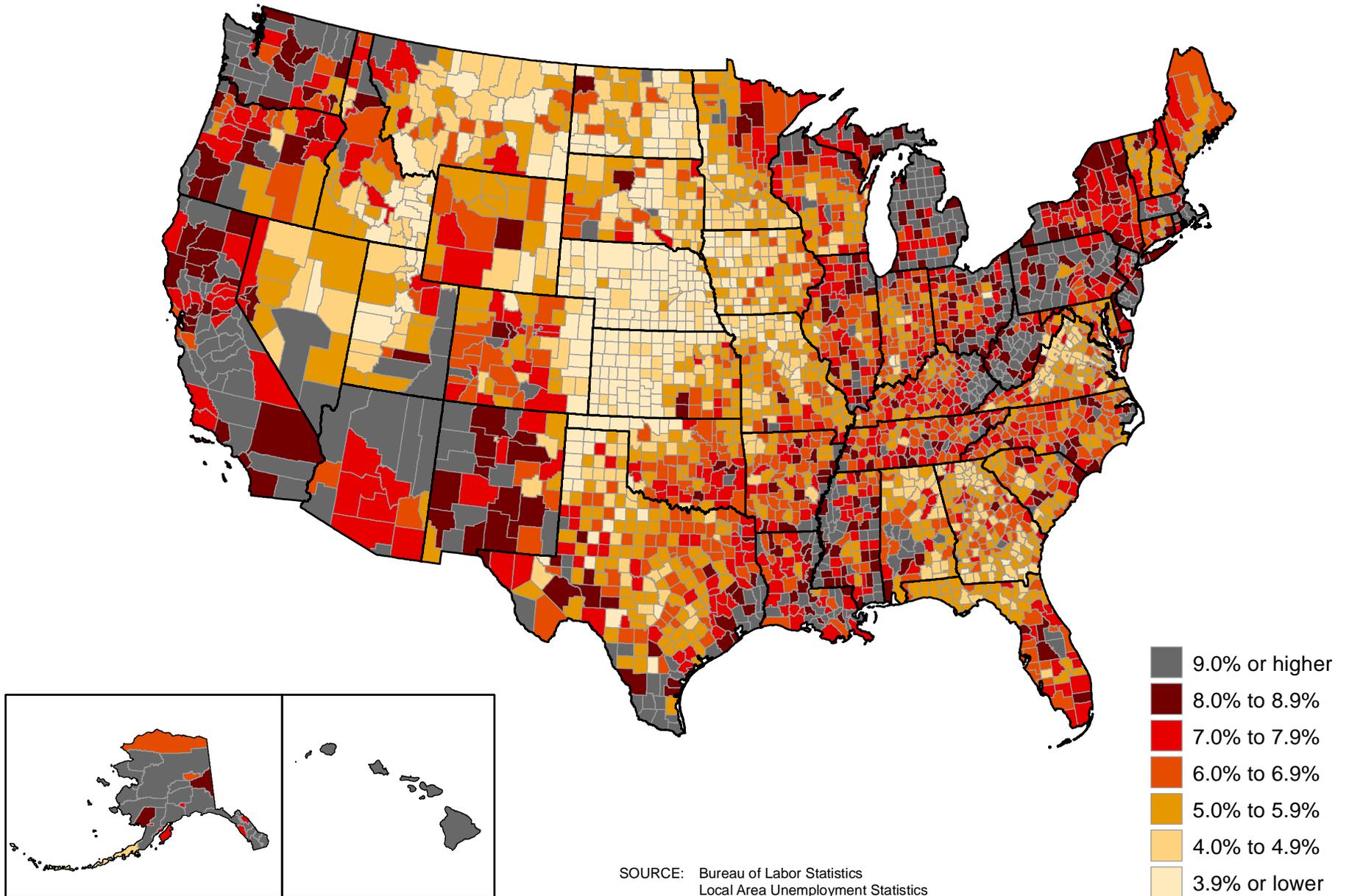
# Unemployment Rate by State - February (blue), April (grey) and November (red) 2020

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

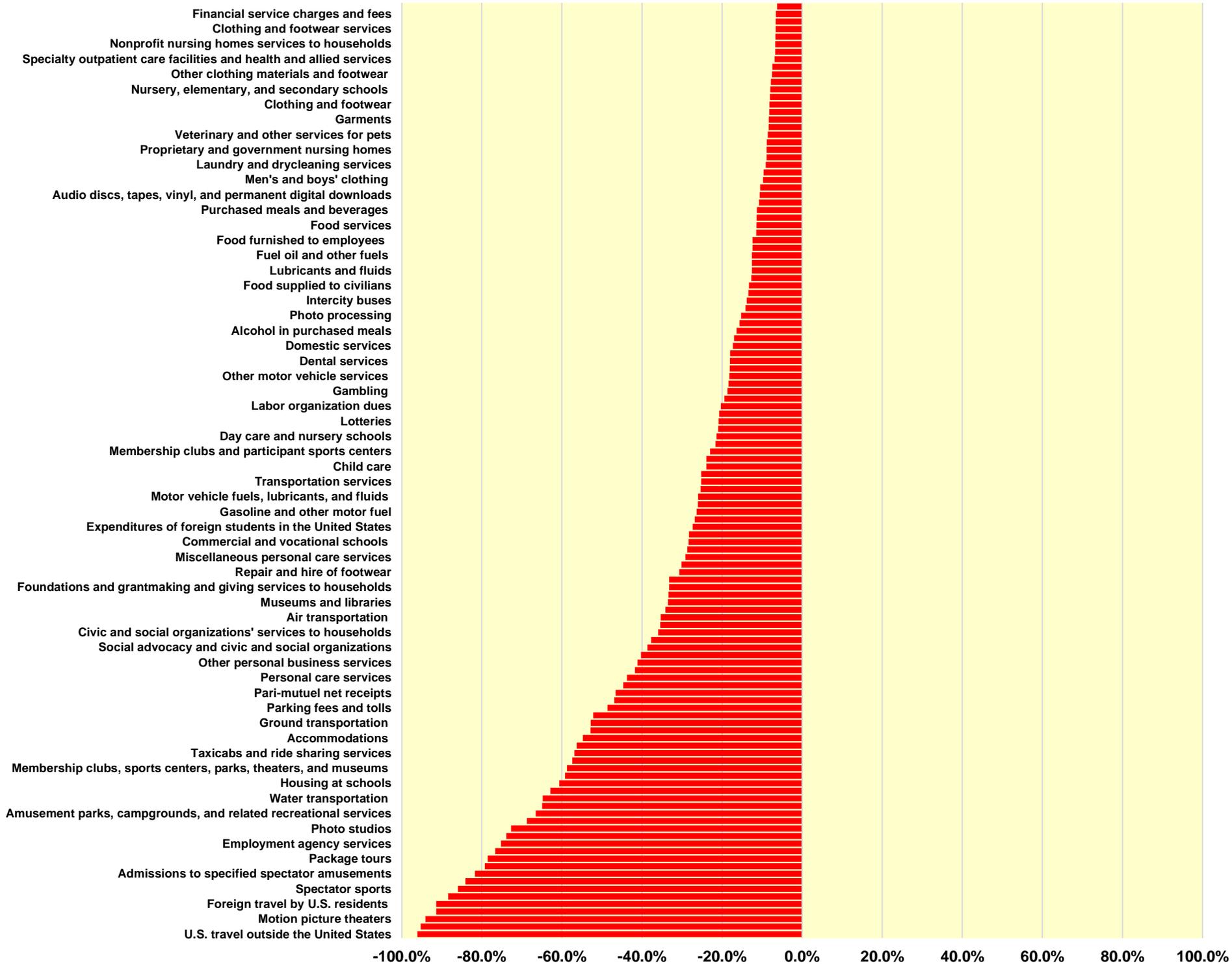


# Unemployment rates by county, December 2019–November 2020 averages

(U.S. rate = 7.8 percent)



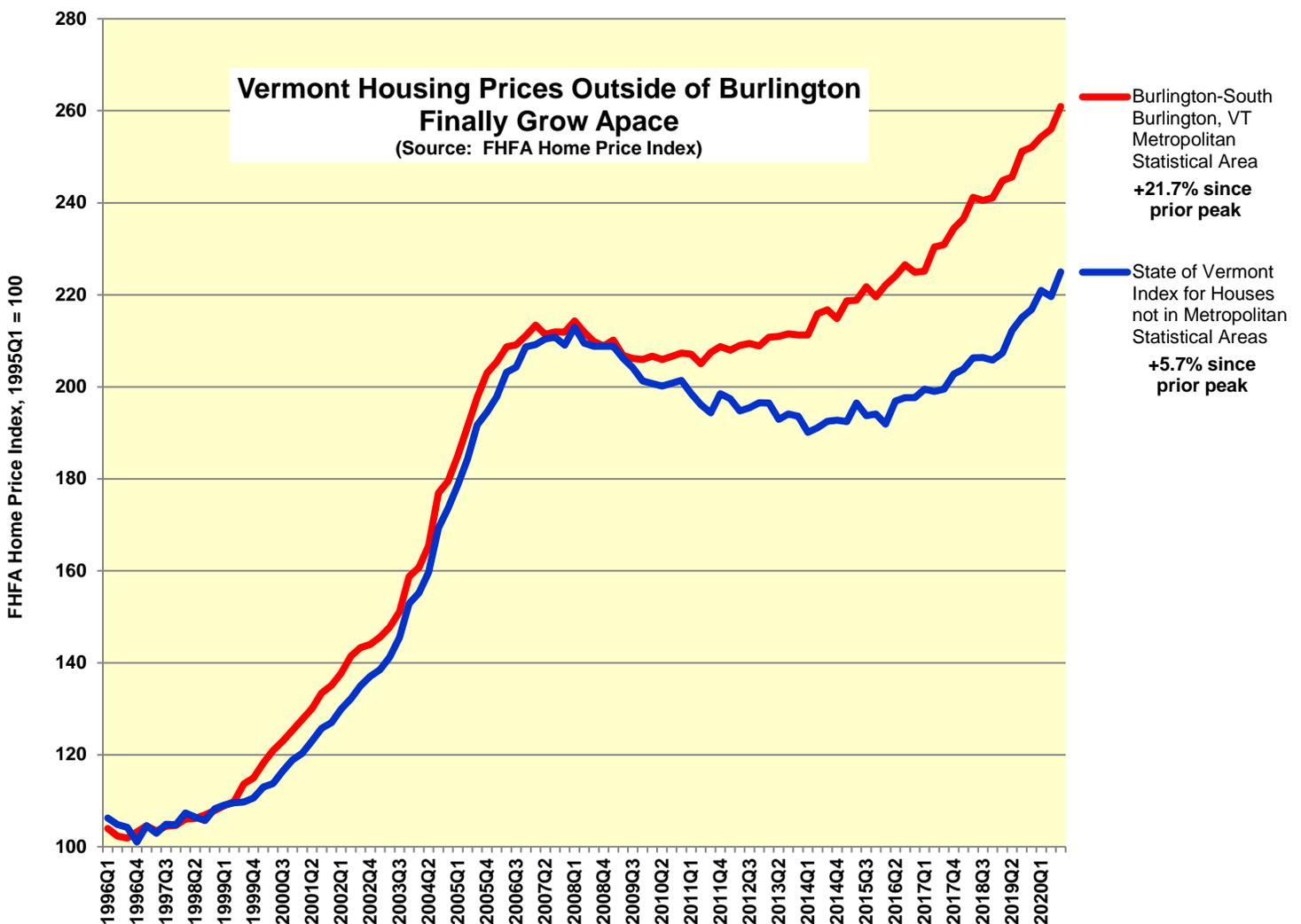
### Some of the Pandemic Losers: Change in Personal Consumption Expenditures 2020Q3 vs. 2019Q3



### Some of the Pandemic Winners: Change in Personal Consumption Expenditures 2020Q3 vs. 2019Q3



- Non-urban residential real estate markets have been among the biggest winners during the pandemic and although this is not yet fully apparent in the third quarter 2020 FHFA price data in the chart on page 16, Vermont and other “pandemic refuge” locations will likely see accelerated price appreciation in the coming quarters. The vast federal funding will also likely reprice a wide range of assets, and residential real estate prices, which were expected to rise quickly without the pandemic, could develop into a market bubble if investors retreat at some time in the next two years from equity markets in favor of “underpriced” real estate.
- Pandemic-related price acceleration in Vermont could especially benefit non-urban areas, which, per the below chart, had just started to grow at rates at or above those in the Burlington metro area.

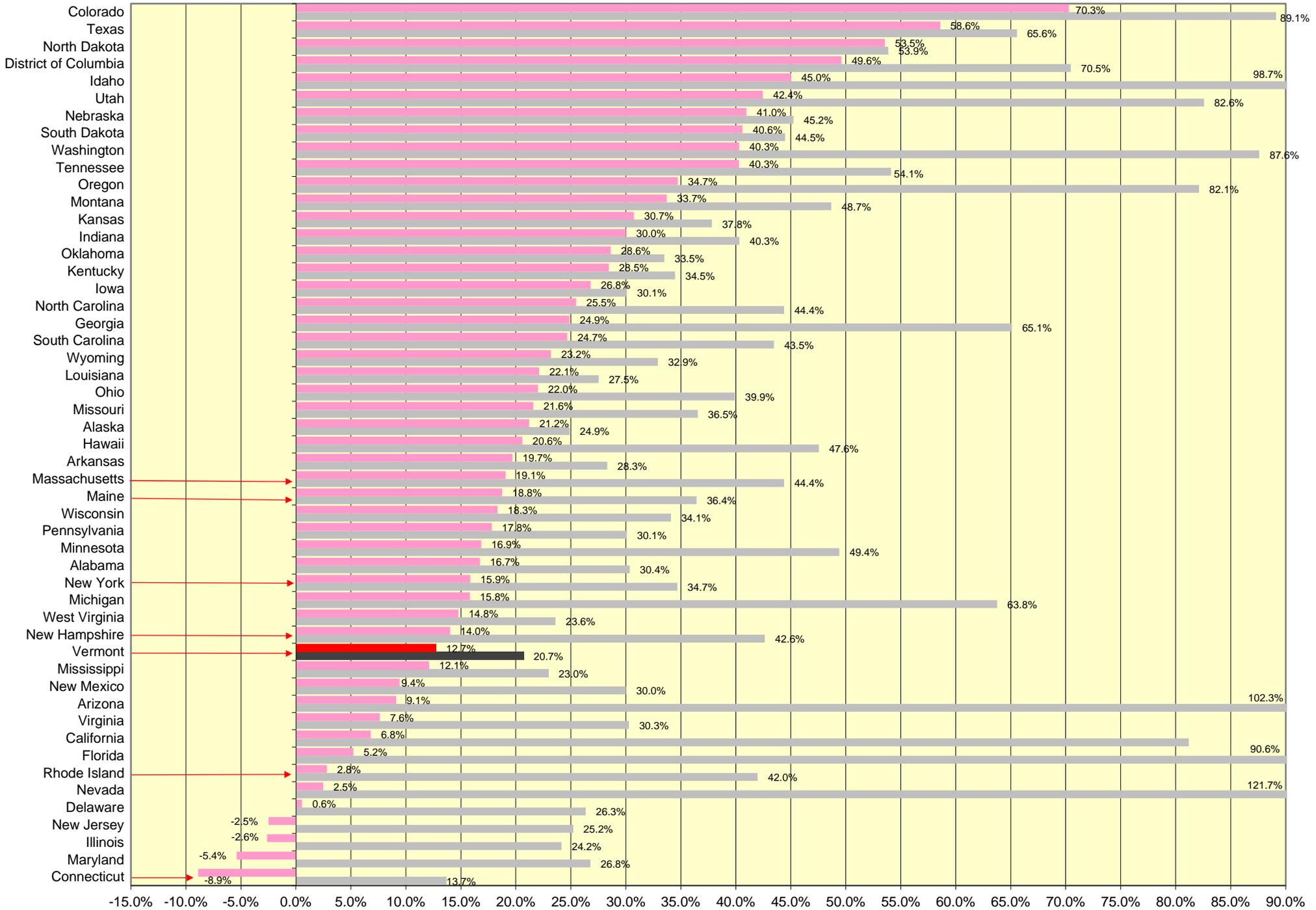


- The personal savings rate spiked to all-time record levels after the initial federal relief funds began to flow and may tick up again with additional direct household payments. It reflects the fact that much of the funding is poorly targeted, but also creates an enormous capacity for future spending that will

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

Percent Change, 2020Q3 vs. Peak Price Reached Between 2005Q3 and 2009Q3 - Pink and 2020Q3 vs. Trough Price Reached Between 2009Q3 and 2014Q1 - Grey

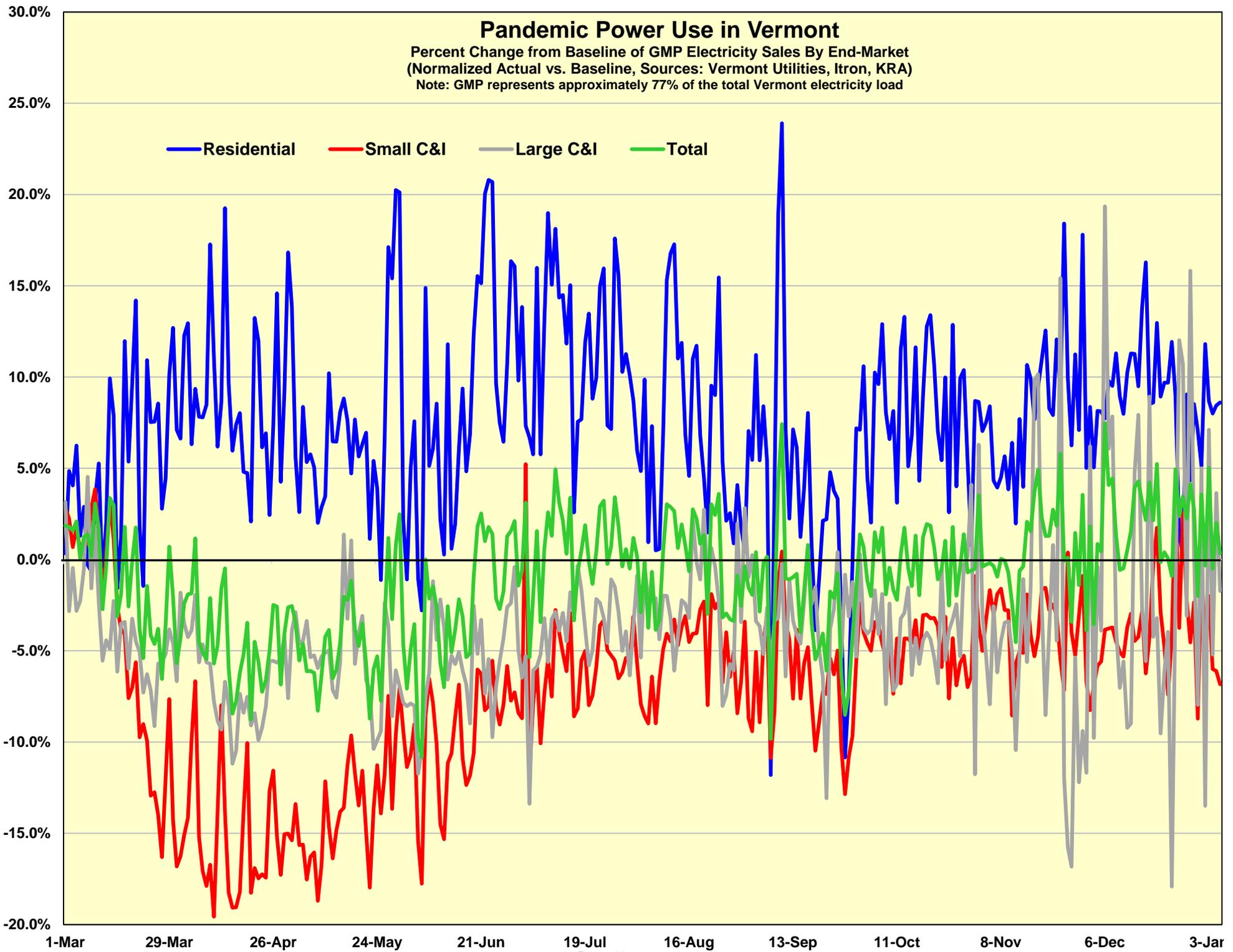
Source: FHFA All Transactions Home Price Index NSA



# Pandemic Power Use in Vermont

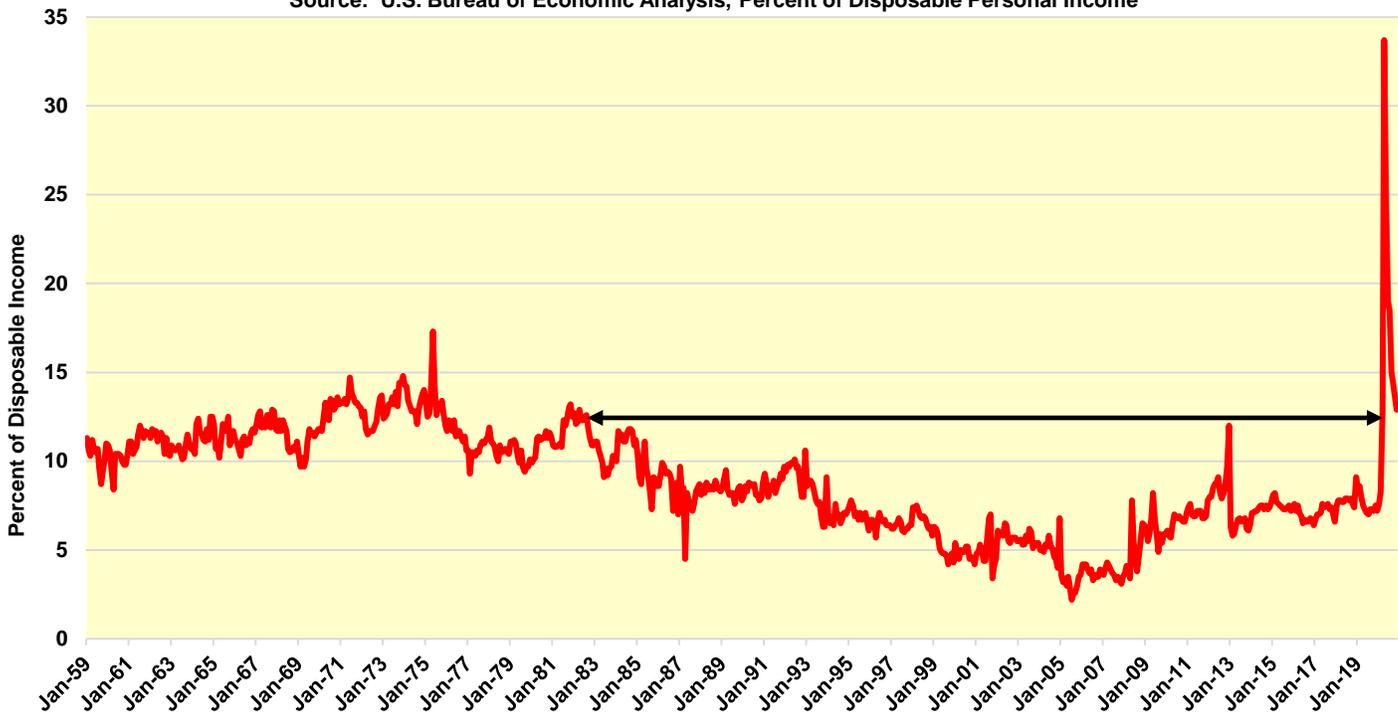
Percent Change from Baseline of GMP Electricity Sales By End-Market  
(Normalized Actual vs. Baseline, Sources: Vermont Utilities, Itron, KRA)

Note: GMP represents approximately 77% of the total Vermont electricity load



extend the stimulus effects well beyond the initial disbursement of the appropriated funding.

**The U.S. Personal Savings Rate Remains at a 40 Year High**  
Source: U.S. Bureau of Economic Analysis, Percent of Disposable Personal Income



- Electricity markets in Vermont reveal the behavioral changes that have both benefitted health outcomes in the State and hurt businesses. The chart on page 17 shows persistently elevated residential demand relative to normal, while small commercial and industrial demand has been significantly depressed and large commercial and industrial users below normal levels, but not as negatively affected as smaller customers.

### State Revenue Commentary

- State Revenues throughout the first half of FY21 consistently surpassed targets in almost all major revenue categories. Despite the confusion around allocating deferred payments between FY20 and FY21 of income and some consumption taxes, there was a steady accumulation of above-target revenues logged in each of the first six months of the fiscal year. The largest of these occurred in the personal and corporate income taxes, general sales and motor vehicle purchase taxes, and estate tax receipts. Together they led to above target revenues of more than \$100M in the General Fund, more than \$10M in the Transportation Fund and more than \$40M in the Education Fund. This broad-based strength points to the extraordinary effects of the offsetting federal government expenditures, despite the loss of 25 thousand jobs and the concomitant business activity associated with their former employers. The massive federal intervention has created flows of income and spending that permeate every aspect of the Vermont economy and give rise to taxable

events that will bring revenues close to pre-pandemic estimates for FY21 and above them for FY22 and FY23.

- Revenue comparisons with both the August 2020 and January 2020 forecasts are outlined in the below two tables:

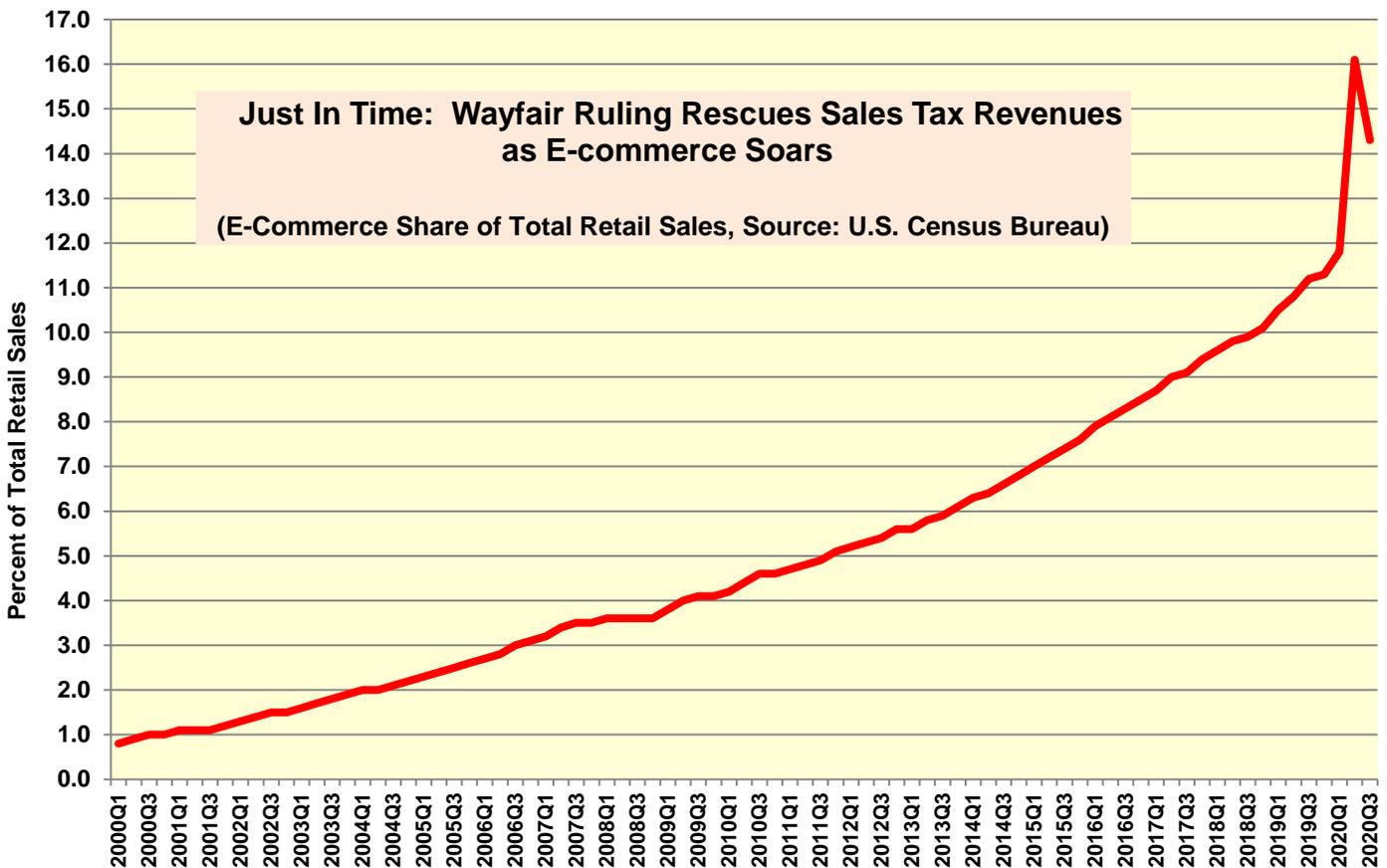
<b>January 2021 vs. August 2020</b>			
	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>
<b>Education Fund</b>	<b>\$78.2</b>	<b>\$70.2</b>	<b>\$32.6</b>
<b>Transportation Fund</b>	<b>\$16.4</b>	<b>\$9.4</b>	<b>\$3.1</b>
<b>General Fund</b>	<b>\$159.8</b>	<b>\$155.7</b>	<b>\$85.9</b>
<b>(Healthcare Only)</b>	<b>\$16.0</b>	<b>\$5.1</b>	<b>-\$3.2</b>
<b>(General Fund Ex HC)</b>	<b>\$143.8</b>	<b>\$150.5</b>	<b>\$89.1</b>
<b>Total Current Law</b>	<b>\$254.3</b>	<b>\$235.3</b>	<b>\$121.5</b>

<b>January 2021 vs January 2020</b>			
	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>
<b>Education Fund</b>	<b>\$15.4</b>	<b>\$31.5</b>	<b>\$18.0</b>
<b>Transportation Fund</b>	<b>-\$12.9</b>	<b>-\$6.1</b>	<b>-\$4.3</b>
<b>General Fund</b>	<b>-\$22.6</b>	<b>\$51.8</b>	<b>\$49.9</b>
<b>(Healthcare Only)</b>	<b>\$4.8</b>	<b>\$2.8</b>	<b>\$0.7</b>
<b>(General Fund Ex HC)</b>	<b>-\$27.4</b>	<b>\$49.0</b>	<b>\$49.2</b>
<b>Total Current Law</b>	<b>-\$20.1</b>	<b>\$77.2</b>	<b>\$63.5</b>

- While there are a few discreet large taxable events that boosted FY21 revenues, even after accounting for these, there was broad-based strength in each of the above-target revenue sources that is likely to persist as long as the federal dollars continue to flow and/or the pandemic recedes.
- Much of the already allocated federal funding has yet to be spent and will support State tax revenues as it flows in the second half of FY21. Additional funding recently approved and pending will only add to the length and intensity of the stimulus now present. Because much of the funding released to date has been saved or invested, the capacity for future spending is also elevated. We are currently developing more detailed regional economic model scenarios to better understand the potential impacts of these flows on the State economy and revenues.
- There is still considerable revenue risk from income tax refunding as individuals and corporations file final returns in the second half of FY21. The tax and accounting treatment of some of the vast stimulus funding circulating could give rise to surprising refunds as well as liabilities. For example, unemployment payments are taxable and many recipients may be underwithheld, despite the huge withholding tax payments made by the Department of Labor since March of 2020. Conversely, PPP payments are

not taxable and may be used for deductible expenses, so could result in business refunding. There are myriad complexities in how tax liabilities may be affected in the filing season ahead that are impossible to fully quantify with the limited information now available. Even with large refunding expected this year, personal income tax receipts are expected to reach record levels in the period from FY21 to FY23 and account for much of the above target revenue over this period. Income tax filings from remote workers in 2020 could also provide a boost to FY21 April receipts.

- The large increases in personal income from the federal stimulus and the recent inclusion of e-commerce in the Vermont tax base has had enormous beneficial impacts. As e-commerce sales have soared, total sales and use tax revenues in FY21 are now expected to exceed August projections by more than \$70M and pre-pandemic forecasts by more than \$30M. In FY22 and FY23, sales and use revenue should continue to exceed pre-pandemic projections by about \$40M and \$20M, respectively.

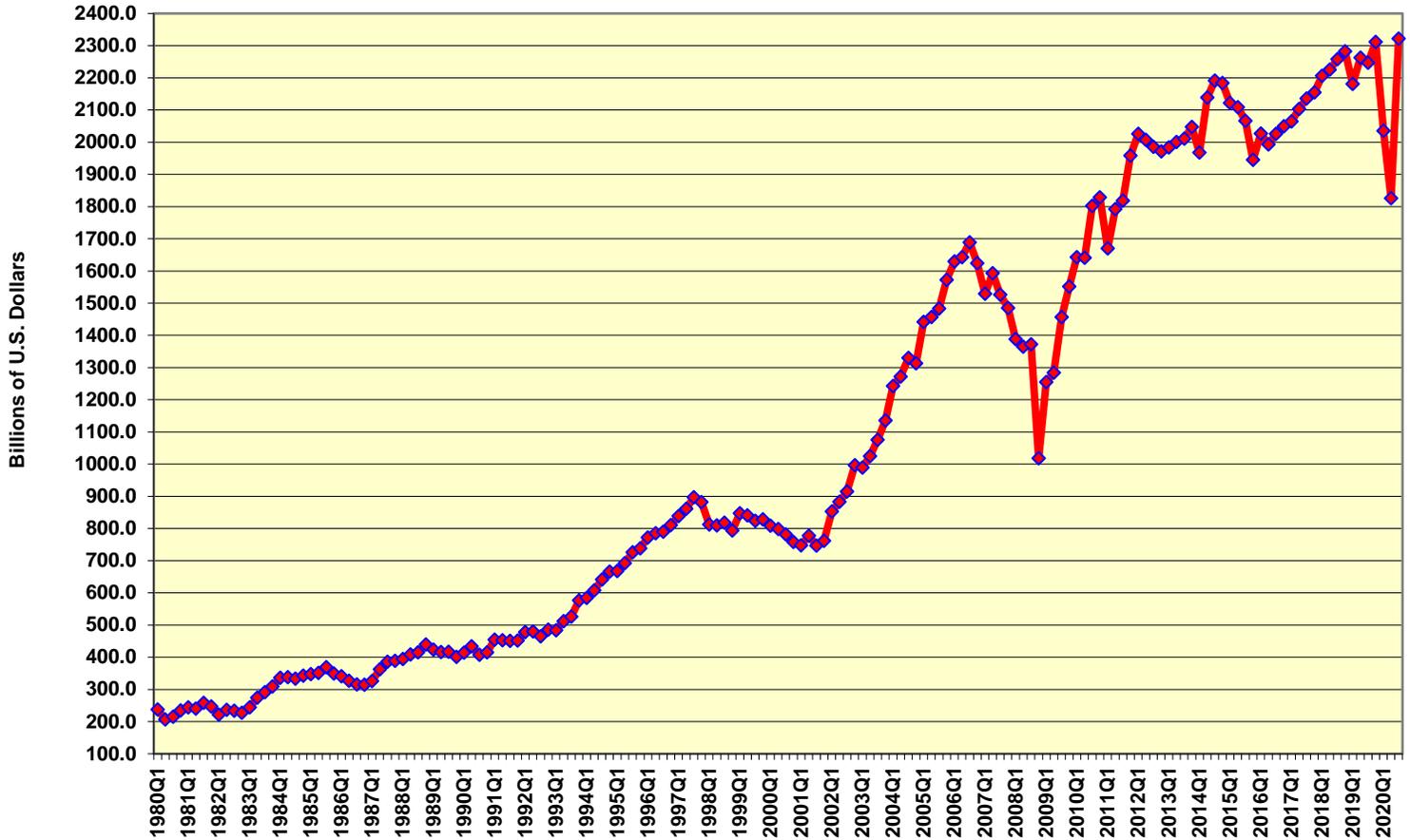


- Corporate tax revenues have been extraordinarily resilient, with companies that can be classified as pandemic “winners” making substantial estimated payments and outweighing those that are suffering. Total U.S corporate profits have fully recovered from the pandemic, reaching record levels in the third quarter of 2020. Low interest rates and aggressive Fed support have buoyed corporate balance sheets and demand from federal deficit spending has helped sales. The importance of the State unitary tax in broadening the

corporate tax base has never been more evident. Corporate tax revenues were about \$18M above target through December and will likely maintain a similar pace through the balance of the year. Payments from TCJA repatriation has virtually dried up, as more firms are challenging the legal basis for state liabilities and outstanding billings are contested. Even without further income from this source, however, corporate revenues will rise in FY22 (mostly due to technical internal fund transfer reasons) and maintain revenues above \$120M in FY23 as well.

### Corporate Profits Only Miss Two Beats and Return to Record Highs in 2020Q3

(U.S. corporate profits with inventory valuation and capital consumption adjustment; Source: US BEA)



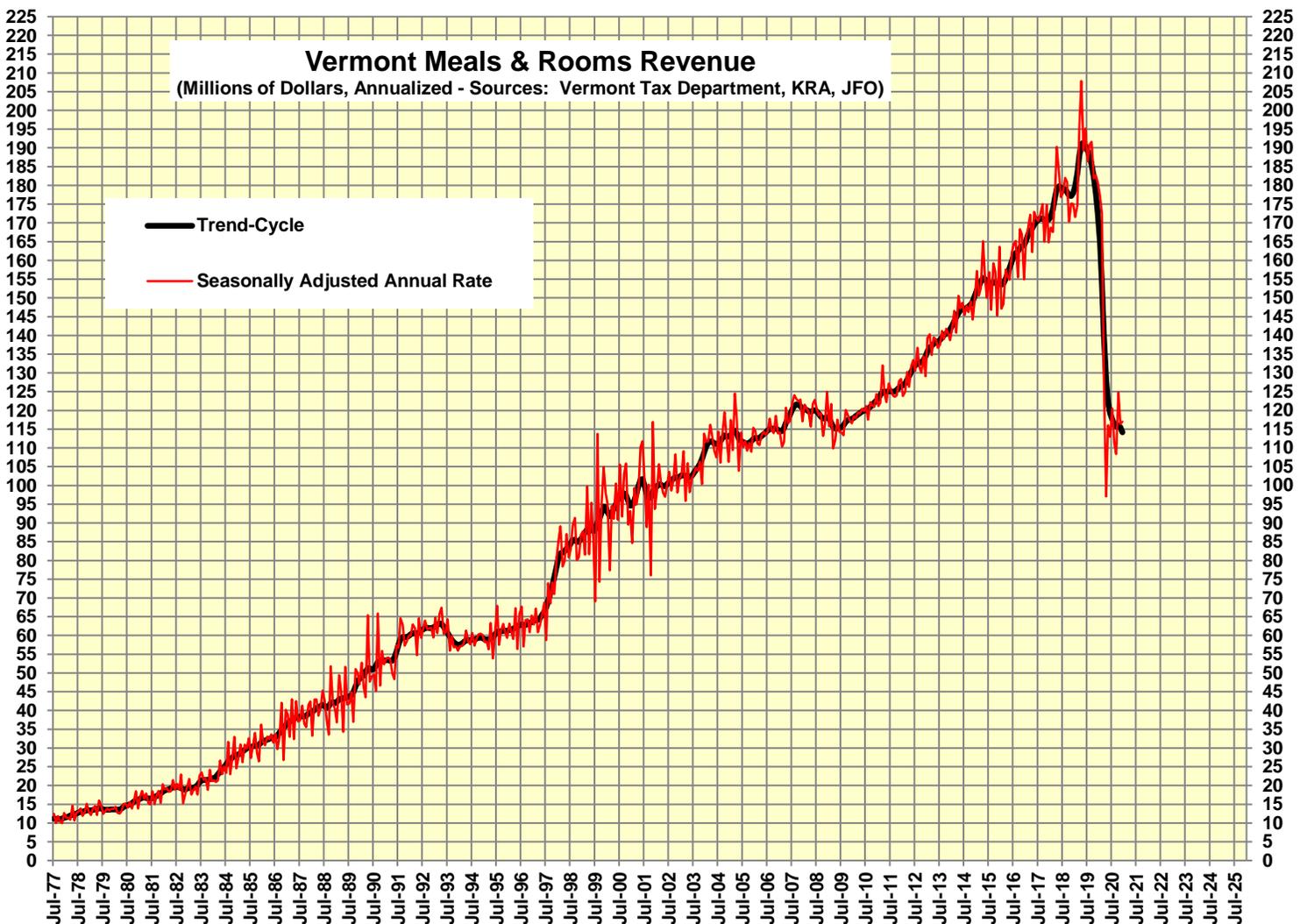
- Property transfer tax revenues offer some of the best evidence that effective pandemic control can result in meaningful economic dividends. As people from more urban areas experiencing higher COVID caseloads and deaths sought refuge, Vermont benefitted by consistently having among the best health outcomes in the nation. These “COVID refugees” bought properties at a blistering pace, accelerating an already expanding real estate market. As a result, property transfer tax revenues in the first six months of FY21 were 40% above expectations. As illustrated in the table on the following page showing calendar year 2020 PTT revenues vs. 2019, there has been a distinct concentration of high-end property sales in resort and ski towns. Sales growth in the top 17 towns accounted for about half of the total PTT revenue growth in calendar 2020 and the top 43 towns accounted for 75%. In the 12 months ending in December, there were fewer property transactions

**Property Transfer Tax Revenues: Calendar Year 2020 vs. 2019**

<b>Rank</b>	<b>Town</b>	<b>Change in PTT Revenue</b>	<b>Percent Change</b>	<b>Cumulative Percent of Total Growth</b>
1	Burlington	\$ 859,553	33%	5.6%
2	Warren	\$ 725,266	111%	10.3%
3	Stowe	\$ 679,079	37%	14.7%
4	Dover	\$ 536,580	97%	18.1%
5	Hartford	\$ 534,944	52%	21.6%
6	Woodstock	\$ 526,870	69%	25.0%
7	Wilmington	\$ 513,316	140%	28.3%
8	Winhall	\$ 501,188	108%	31.6%
9	Stratton	\$ 500,100	101%	34.8%
10	Manchester	\$ 438,922	61%	37.7%
11	Dorset	\$ 340,787	73%	39.9%
12	Pomfret	\$ 314,296	398%	41.9%
13	Berlin	\$ 310,443	236%	43.9%
14	Essex Jct.	\$ 305,167	47%	45.9%
15	Bennington	\$ 247,439	56%	47.5%
16	Norwich	\$ 242,644	69%	49.1%
17	Barnard	\$ 224,889	162%	50.5%
18	Essex Town	\$ 214,000	21%	51.9%
19	St. Johnsbury	\$ 200,240	113%	53.2%
20	West Windsor	\$ 198,774	137%	54.5%
21	South Burlington	\$ 183,443	7%	55.7%
22	St. Albans Town	\$ 174,679	34%	56.8%
23	Barnet	\$ 167,236	304%	57.9%
24	South Hero	\$ 164,848	80%	59.0%
25	Bridgewater	\$ 163,485	383%	60.0%
26	Chester	\$ 163,040	62%	61.1%
27	Londonderry	\$ 154,123	64%	62.1%
28	Williston	\$ 153,820	11%	63.1%
29	St. Albans City	\$ 153,769	41%	64.1%
30	North Hero	\$ 147,309	104%	65.0%
31	Brattleboro	\$ 138,203	32%	65.9%
32	Montpelier	\$ 135,650	28%	66.8%
33	Pawlet	\$ 133,225	411%	67.6%
34	Poultney	\$ 128,024	95%	68.5%
35	Peru	\$ 126,987	100%	69.3%
36	Weston	\$ 123,163	110%	70.1%
37	Shelburne	\$ 116,313	11%	70.8%
38	Jay	\$ 116,194	139%	71.6%
39	Springfield	\$ 114,387	36%	72.3%
40	Mount Holly	\$ 105,214	103%	73.0%
41	Sharon	\$ 103,047	152%	73.7%
42	Middlebury	\$ 101,586	21%	74.3%
43	Jamaica	\$ 101,069	68%	75.0%

than in calendar 2019, but the taxable value of the properties sold was up 33%. Although it is still too soon to know for certain, the pandemic and the State's capable response to it could do more to affect net population immigration than any of the recent policy "incentives" meant to do the same.

- Meals and rooms revenues have taken the biggest hit from the pandemic, dropping a seismic 40% from pre-pandemic levels. Although rooms revenues have been especially stressed, the on-line rental segment of this market has been even stronger than pre-pandemic levels, with anecdotal evidence of more long-term rentals. Year-to-date FY21 meals and rooms revenues were, unfortunately, very close to August estimates and, as shown in the below chart, have not moved up much on a seasonally adjusted basis since the pandemic started.



- Taxable sales of cigarettes, tobacco products and vaping have surged during the pandemic (as have liquor sales, which no longer benefit the Available General Fund), with socially distant time at home and plentiful disposable income combining to worsen long-term health outcomes of those partaking. Vaping has been particularly strong, bringing in nearly as much income in the

first six months of FY21 as it did in its initial 11 months of taxation in FY20. Together, these three tax sources will add more than \$8M to the Healthcare portion of the General Fund in FY21, with much of this persisting into future years due to the addictive nature of these products.



- Transportation Fund revenues were close to targets in the first half of FY21, except for the motor vehicle purchase and use tax, which along with related vehicle fees, were up 22% and 6%, respectively. New car sales, like many other personal luxury goods, have benefitted from the large personal income gains derived from federal stimulus funds. Such sales are likely to continue to be strong in both FY21 and FY22, before slowing thereafter. Although this will bring total T-Fund revenues up significantly from August estimates, they will still fall short of earlier pre-pandemic estimates made in January of 2020 throughout the forecast horizon.
- The U.S. and Vermont macroeconomic forecasts upon which the revenue forecasts in this update are based are summarized in Tables A and B on the following two pages, and represent a consensus JFO and Administration State economic forecast developed using internal JFO and Administration State economic models with input from Moody's Analytics December 2020 projections and other major forecasting entities, including the Federal Reserve, EIA, CBO, IMF, The Conference Board and other private forecasting firms with whom we interact.

**TABLE A**  
**Comparison of Recent Consensus U.S. Macroeconomic Forecasts**  
**June 2018 through December 2019, Selected Variables, Calendar Year Basis**

	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Real GDP Growth</b>									
June-19	2.9	1.6	2.4	2.9	2.3	1.8	1.9	2.2	
December-19	2.9	1.6	2.4	2.9	2.3	1.8	1.9	2.5	2.1
July-20	2.9	1.6	2.4	2.9	2.3	-5.9	3.2	5.2	2.7
December-20	3.1	1.7	2.3	3.0	2.2	-3.5	4.1	4.7	3.2
<b>S&amp;P 500 Growth (Annual Avg.)</b>									
June-19	6.8	1.5	17.0	12.1	6.4	-7.6	4.4	6.3	
December-19	6.8	1.5	17.0	12.1	6.1	-2.0	1.8	6.3	
July-20	6.8	1.5	17.0	12.1	6.1	-3.0	-2.9	12.4	4.9
December-20	6.8	1.5	17.0	12.1	6.1	9.7	12.8	1.7	-3.9
<b>Employment Growth (Non-Ag)</b>									
June-19	2.1	1.8	1.6	1.7	1.6	0.9	-0.1	0.5	
December-19	2.1	1.8	1.6	1.7	1.6	1.0	0.2	0.8	0.6
July-20	2.1	1.8	1.6	1.6	1.4	-5.9	0.5	3.5	3.2
December-20	2.1	1.8	1.6	1.6	1.4	-5.8	1.2	2.5	2.4
<b>Unemployment Rate</b>									
June-19	5.3	4.9	4.4	3.9	3.6	3.7	4.1	4.3	
December-19	5.3	4.9	4.4	3.9	3.7	3.8	4.1	4.3	4.4
July-20	5.3	4.9	4.3	3.9	3.7	9.2	8.1	6.6	4.9
December-20	5.3	4.9	4.3	3.9	3.7	8.1	6.9	6.0	4.6
<b>West Texas Int. Crude Oil \$/Bbl</b>									
June-19	49	43	51	65	59	63	63	62	
December-19	49	43	51	65	57	57	59	59	60
July-20	49	43	51	65	57	37	45	54	60
December-20	49	43	51	65	57	38	45	54	60
<b>Prime Rate</b>									
June-19	3.26	3.51	4.10	4.90	5.55	5.58	5.78	6.09	
December-19	3.26	3.51	4.10	4.90	5.27	4.60	4.70	5.53	6.05
July-20	3.26	3.51	4.10	4.90	5.29	3.50	3.25	3.25	3.63
December-20	3.26	3.51	4.10	4.90	5.29	3.54	3.25	3.25	3.33
<b>Consumer Price Index Growth</b>									
June-19	0.1	1.3	2.1	2.4	1.9	2.1	2.3	2.3	
December-19	0.1	1.3	2.1	2.4	1.9	2.2	2.4	2.4	2.4
July-20	0.1	1.3	2.1	2.4	1.8	0.4	1.6	2.3	2.4
December-20	0.1	1.3	2.1	2.4	1.8	1.2	2.0	2.6	2.7
<b>Average Home Price Growth</b>									
June-19	5.2	5.5	6.1	6.6	4.8	4.0	3.1	3.2	
December-19	5.2	5.5	6.0	6.5	4.9	4.4	4.1	3.9	3.7
July-20	5.2	5.4	5.9	6.2	5.1	3.5	1.8	3.1	5.2
December-20	5.2	5.3	5.8	5.8	4.8	4.7	4.5	4.8	5.1

**TABLE B**  
**Comparison of Consensus Administration and JFO Vermont State Forecasts**  
**June 2017 through December 2019, Selected Variables, Calendar Year Basis**

	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Real GSP Growth</b>									
June-18	0.7	1.5	1.1	1.9	1.6	0.3	2.1	2.4	
December-18	0.7	1.5	1.1	2.2	1.9	0.6	1.9	2.2	
June-19	1.1	1.6	1.3	1.2	1.1	1.4	1.8	2.1	
December-19	1.3	1.6	0.1	1.2	2.6	1.7	1.8	2.4	2.2
July-20	1.3	1.6	0.1	1.2	2.5	-5.1	2.9	4.8	4.0
December-20	1.3	1.1	0.4	0.9	0.8	-6.2	3.4	4.9	3.4
<b>Population Growth</b>									
June-18	-0.2	-0.2	0.1	0.0	0.1	0.1	0.1	0.2	
December-18	0.0	-0.2	0.1	0.3	0.1	0.2	0.2	0.2	
June-19	0.0	-0.3	0.1	0.3	0.1	0.2	0.2	0.2	
December-19	0.0	-0.3	0.1	0.0	-0.1	0.1	0.1	0.1	0.1
July-20	0.0	-0.3	0.1	0.0	-0.1	0.1	0.2	0.2	0.1
December-20	0.0	-0.2	0.1	-0.1	-0.1	-0.1	0.1	0.1	0.1
<b>Employment Growth</b>									
June-18	0.8	0.3	0.3	0.5	0.9	0.1	0.0	0.8	
December-18	0.8	0.3	0.3	-0.1	0.4	0.2	-0.2	0.5	
June-19	0.8	0.3	0.6	0.1	0.8	0.6	-0.2	0.5	
December-19	0.8	0.3	0.6	0.1	0.8	0.5	0.1	0.6	0.5
July-20	0.9	0.3	0.6	0.2	0.1	-8.0	1.3	3.2	2.6
December-20	0.9	0.3	0.6	0.2	0.1	-9.3	2.0	2.7	2.4
<b>Unemployment Rate</b>									
June-18	3.6	3.2	3.0	2.7	2.6	3.2	3.8	3.9	
December-18	3.6	3.2	3.0	2.8	2.7	3.2	3.6	3.9	
June-19	3.6	3.2	3.0	2.7	2.4	2.6	3.3	3.6	
December-19	3.6	3.2	3.0	2.7	2.2	2.5	3.2	3.4	3.6
July-20	3.6	3.2	2.9	2.6	2.4	7.9	6.1	4.9	3.9
December-20	3.6	3.2	2.9	2.6	2.4	6.1	3.4	3.3	3.1
<b>Personal Income Growth</b>									
June-18	3.6	2.0	2.1	3.4	3.4	2.8	2.9	3.4	
December-18	3.5	2.3	3.2	3.0	2.8	2.6	2.5	3.0	
June-19	3.5	2.3	3.2	3.1	2.5	3.0	2.2	3.1	
December-19	3.7	2.2	2.5	4.5	4.9	3.1	2.5	3.2	3.0
July-20	3.7	2.2	2.5	4.5	4.2	4.0	-1.1	4.3	4.9
December-20	3.3	1.8	2.6	3.5	3.2	8.6	2.3	4.1	5.2
<b>Home Price Growth (JFO)</b>									
June-18	2.0	1.5	2.7	3.4	4.2	5.1	5.4	5.2	
December-18	1.9	1.6	2.6	4.5	5.3	6.2	6.1	5.4	
June-19	1.9	1.5	2.6	3.4	4.1	5.6	5.3	4.9	
December-19	1.8	1.7	2.5	3.6	3.8	4.2	4.6	4.8	4.5
July-20	1.8	1.6	2.4	3.5	4.1	4.9	5.2	6.0	5.8
December-20	1.8	1.5	2.2	3.3	3.7	4.9	5.9	6.2	5.7

## Methodological Notes and Other Comments

- This analysis has benefited significantly from the input and support of Tax Department and Joint Fiscal Office personnel. In the Joint Fiscal Office, Graham Campbell, Theresa Utton-Jerman, Steve Klein, Stephanie Barrett, Dan Dickerson, Catherine Benham, Chloe Wexler, Joyce Manchester, Mark Perrault and Sorsha Anderson 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, Jake Feldman, Erin Hicks-Tibbles, Kevin Angell, Jennifer McCall, Claudia Brousseau 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 oversee. Breanna Parker, KRA Research Economist, also performed extensive analyses of pandemic-related impacts, including electricity price metrics, survey-based work with the Vermont Retail and Grocers Association, and EViews modeling. 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 43 years of data for each of the 25 General Fund categories (three aggregates), 40 years of data for most of the Transportation Fund categories (one aggregate), and 21 to 43 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 economists.

**TABLE 1A - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
SOURCE GENERAL FUND REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2021**

**SOURCE G-FUND**

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

	<b>FY 2017</b>	<b>%</b>	<b>FY 2018</b>	<b>%</b>	<b>FY 2019</b>	<b>%</b>	<b>FY2020</b>	<b>%</b>	<b>FY2021</b>	<b>%</b>	<b>FY2022</b>	<b>%</b>	<b>FY2023</b>	<b>%</b>
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
<b>REVENUE SOURCE</b>														
Personal Income	\$756.5	1.3%	\$832.0	10.0%	\$875.4	5.2%	\$925.8	5.8%	\$945.4	2.1%	\$961.7	1.7%	\$973.3	1.2%
Sales & Use <sup>1</sup>	\$376.7	1.6%	\$397.8	5.6%	\$412.5	3.7%	\$432.5	4.8%	\$488.4	12.9%	\$507.9	4.0%	\$502.4	-1.1%
Corporate	\$95.8	-18.1%	\$96.4	0.6%	\$134.2	39.3%	\$147.9	10.2%	\$82.4	-44.3%	\$120.6	46.4%	\$127.7	5.9%
Meals and Rooms	\$165.3	7.3%	\$173.2	4.8%	\$182.1	5.1%	\$163.6	-10.1%	\$126.4	-22.7%	\$166.4	31.6%	\$194.0	16.6%
Liquor	\$19.1	4.4%	\$19.8	3.6%	\$21.4	8.1%	\$21.6	0.8%	\$24.8	14.8%	\$26.9	8.5%	\$27.8	3.3%
Insurance	\$57.0	1.3%	\$57.5	1.0%	\$56.9	-1.2%	\$58.0	2.1%	\$59.2	2.0%	\$59.8	1.0%	\$60.2	0.7%
Telephone	\$5.7	80.6%	\$4.7	-16.8%	\$4.3	-8.8%	\$3.2	-26.4%	\$1.6	-49.8%	\$1.4	-12.5%	\$1.2	-14.3%
Beverage	\$6.9	2.9%	\$7.1	2.5%	\$7.6	6.9%	\$7.2	-5.3%	\$7.4	3.4%	\$7.6	2.7%	\$7.9	3.9%
Electric <sup>2</sup>	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Estate	\$16.7	33.3%	\$22.9	37.6%	\$12.6	-44.9%	\$15.2	20.1%	\$32.3	112.9%	\$26.7	-17.3%	\$28.3	6.0%
Property	\$38.7	8.4%	\$40.9	5.6%	\$41.1	0.6%	\$42.3	2.9%	\$58.4	38.1%	\$62.3	6.7%	\$59.0	-5.3%
Bank	\$13.2	24.0%	\$13.1	-1.3%	\$12.5	-4.6%	\$12.1	-3.0%	\$12.6	4.1%	\$12.8	1.6%	\$12.7	-0.8%
Other Tax	\$2.2	18.0%	\$1.8	-15.2%	\$2.4	32.9%	\$0.4	-84.7%	\$0.4	-6.7%	\$0.3	-2.9%	\$0.4	5.9%
<b>Total Tax Revenue</b>	<b>\$1553.7</b>	<b>1.3%</b>	<b>\$1667.2</b>	<b>7.3%</b>	<b>\$1763.0</b>	<b>5.7%</b>	<b>\$1829.7</b>	<b>3.8%</b>	<b>\$1839.3</b>	<b>0.5%</b>	<b>\$1954.4</b>	<b>6.3%</b>	<b>\$1994.9</b>	<b>2.1%</b>
Business Licenses	\$1.2	16.8%	\$1.2	-2.9%	\$1.2	-1.0%	\$1.1	-4.5%	\$1.2	5.0%	\$1.3	8.3%	\$1.4	7.7%
Fees	\$48.5	110.8%	\$47.1	-2.9%	\$47.0	-0.2%	\$44.7	-4.7%	\$42.4	-5.2%	\$43.6	2.8%	\$44.8	2.8%
Services	\$3.0	7.9%	\$2.9	-4.2%	\$3.4	16.4%	\$2.4	-27.1%	\$2.4	-1.9%	\$2.3	-4.2%	\$2.4	4.3%
Fines	\$4.4	21.0%	\$3.5	-19.8%	\$3.3	-5.6%	\$4.8	44.3%	\$3.1	-35.8%	\$3.3	6.5%	\$3.5	6.1%
Interest	\$1.5	111.5%	\$2.8	80.1%	\$5.0	79.1%	\$4.1	-18.0%	\$1.8	-56.0%	\$1.7	-6.7%	\$2.2	32.1%
Special Assessments	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Lottery	\$25.5	-3.3%	\$27.1	6.4%	\$29.5	8.6%	\$26.8	-9.0%	\$29.3	9.2%	\$30.9	5.5%	\$31.8	2.9%
All Other <sup>3</sup>	\$2.9	128.5%	\$2.4	-18.8%	\$4.6	92.7%	\$0.7	-83.6%	\$0.9	13.7%	\$1.0	17.6%	\$1.1	10.0%
<b>Total Other Revenue</b>	<b>\$87.1</b>	<b>47.9%</b>	<b>\$87.0</b>	<b>-0.1%</b>	<b>\$93.9</b>	<b>7.9%</b>	<b>\$84.8</b>	<b>-9.7%</b>	<b>\$81.1</b>	<b>-4.4%</b>	<b>\$84.1</b>	<b>3.7%</b>	<b>\$87.2</b>	<b>3.7%</b>
<b>Healthcare Revenue<sup>4</sup></b>	<b>\$276.6</b>	<b>2.8%</b>	<b>\$275.6</b>	<b>-0.4%</b>	<b>\$276.3</b>	<b>0.2%</b>	<b>\$284.7</b>	<b>3.0%</b>	<b>\$284.3</b>	<b>-0.1%</b>	<b>\$285.3</b>	<b>0.3%</b>	<b>\$286.0</b>	<b>0.2%</b>
<b>TOTAL GENERAL FUND</b>	<b>\$1917.4</b>	<b>3.0%</b>	<b>\$2029.8</b>	<b>5.9%</b>	<b>\$2133.2</b>	<b>5.1%</b>	<b>\$2199.2</b>	<b>3.1%</b>	<b>\$2204.6</b>	<b>0.2%</b>	<b>\$2323.8</b>	<b>5.4%</b>	<b>\$2368.0</b>	<b>1.9%</b>

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

2) 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 E-Fund.

3) 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.

4) Healthcare Related Taxes - Act 6 of 2019 (BAA) moved selected revenue sources from the State Health Care Resources Fund to the General Fund, effective in FY20. With the exception of the cigarette, tobacco products and vaping tax, which has historically been part of the General Fund forecast, the forecasts for the other Healthcare related taxes are provided by the a healthcare consensus forecasting group, which includes JFO, F&M and AHS staff. See Tables 1B and 1C for details.

**TABLE 1 - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
AVAILABLE GENERAL FUND REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2021**

**CURRENT LAW BASIS**

*including all Education Fund  
allocations and other out-transfers*

	<b>FY 2017</b>	<b>%</b>	<b>FY 2018</b>	<b>%</b>	<b>FY 2019</b>	<b>%</b>	<b>FY2020</b>	<b>%</b>	<b>FY2021</b>	<b>%</b>	<b>FY2022</b>	<b>%</b>	<b>FY2023</b>	<b>%</b>
	<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>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
<b>REVENUE SOURCE</b>														
Personal Income	\$756.5	1.3%	\$832.0	10.0%	\$875.4	5.2%	\$925.8	5.8%	\$945.4	2.1%	\$961.7	1.7%	\$973.3	1.2%
Sales and Use <sup>1</sup>	\$244.9	1.6%	\$258.6	5.6%	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Corporate	\$95.8	-18.1%	\$96.4	0.6%	\$134.2	39.3%	\$147.9	10.2%	\$82.4	-44.3%	\$120.6	46.4%	\$127.7	5.9%
Meals and Rooms	\$165.3	7.3%	\$173.2	4.8%	\$136.5	-21.2%	\$116.1	-15.0%	\$87.2	-24.9%	\$114.8	31.6%	\$133.9	16.6%
Liquor <sup>6</sup>	\$19.1	4.4%	\$19.8	3.6%	\$21.4	8.1%	\$4.1	-80.7%	\$4.2	1.4%	\$4.3	2.4%	\$4.4	2.3%
Insurance	\$57.0	1.3%	\$57.5	1.0%	\$56.9	-1.2%	\$58.0	2.1%	\$59.2	2.0%	\$59.8	1.0%	\$60.2	0.7%
Telephone	\$5.7	80.6%	\$4.7	-16.8%	\$4.3	-8.8%	\$3.2	-26.4%	\$1.6	-49.8%	\$1.4	-12.5%	\$1.2	-14.3%
Beverage	\$6.9	2.9%	\$7.1	2.5%	\$7.6	6.9%	\$7.2	-5.3%	\$7.4	3.4%	\$7.6	2.7%	\$7.9	3.9%
Electric <sup>2</sup>	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Estate <sup>3</sup>	\$16.7	33.3%	\$22.9	37.6%	\$12.6	-44.9%	\$15.2	20.1%	\$23.4	54.1%	\$26.7	14.2%	\$28.3	6.0%
Property	\$12.6	9.0%	\$12.4	-1.5%	\$12.5	0.9%	\$12.9	3.0%	\$18.1	40.6%	\$19.3	7.0%	\$18.3	-5.5%
Bank	\$13.2	24.0%	\$13.1	-1.3%	\$12.5	-4.6%	\$12.1	-3.0%	\$12.6	4.1%	\$12.8	1.6%	\$12.7	-0.8%
Other Tax	\$2.2	18.0%	\$1.8	-15.2%	\$2.4	32.9%	\$0.4	-84.7%	\$0.4	-6.7%	\$0.3	-2.9%	\$0.4	5.9%
<b>Total Tax Revenue</b>	<b>\$1395.7</b>	<b>1.1%</b>	<b>\$1499.5</b>	<b>7.4%</b>	<b>\$1276.4</b>	<b>-14.9%</b>	<b>\$1302.9</b>	<b>2.1%</b>	<b>\$1241.8</b>	<b>-4.7%</b>	<b>\$1329.4</b>	<b>7.1%</b>	<b>\$1368.2</b>	<b>2.9%</b>
Business Licenses	\$1.2	16.8%	\$1.2	-2.9%	\$1.2	-1.0%	\$1.1	-4.5%	\$1.2	5.0%	\$1.3	8.3%	\$1.4	7.7%
Fees	\$48.5	110.8%	\$47.1	-2.9%	\$47.0	-0.2%	\$44.7	-4.7%	\$42.4	-5.2%	\$43.6	2.8%	\$44.8	2.8%
Services	\$3.0	7.9%	\$2.9	-4.2%	\$3.4	16.4%	\$2.4	-27.1%	\$2.4	-1.9%	\$2.3	-4.2%	\$2.4	4.3%
Fines	\$4.4	21.0%	\$3.5	-19.8%	\$3.3	-5.6%	\$4.8	44.3%	\$3.1	-35.8%	\$3.3	6.5%	\$3.5	6.1%
Interest	\$1.2	108.2%	\$2.3	96.1%	\$4.3	87.8%	\$3.3	-24.5%	\$1.5	-53.9%	\$1.4	-6.7%	\$1.9	35.7%
Special Assessments	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
All Other <sup>4</sup>	\$2.9	128.5%	\$2.4	-18.8%	\$4.6	92.7%	\$0.7	-83.6%	\$0.9	13.7%	\$1.0	17.6%	\$1.1	10.0%
<b>Total Other Revenue</b>	<b>\$61.2</b>	<b>89.3%</b>	<b>\$59.4</b>	<b>-3.0%</b>	<b>\$63.7</b>	<b>7.4%</b>	<b>\$57.2</b>	<b>-10.3%</b>	<b>\$51.5</b>	<b>-10.0%</b>	<b>\$52.9</b>	<b>2.8%</b>	<b>\$55.1</b>	<b>4.2%</b>
<b>Healthcare Revenue<sup>5</sup></b>	<b>\$0.0</b>		<b>\$0.0</b>		<b>\$272.3</b>	<b>NM</b>	<b>\$280.9</b>	<b>3.1%</b>	<b>\$280.4</b>	<b>-0.2%</b>	<b>\$281.3</b>	<b>0.3%</b>	<b>\$281.9</b>	<b>0.2%</b>
<b>TOTAL GENERAL FUND</b>	<b>\$1457.0</b>	<b>3.2%</b>	<b>\$1558.9</b>	<b>7.0%</b>	<b>\$1612.5</b>	<b>3.4%</b>	<b>\$1640.9</b>	<b>1.8%</b>	<b>\$1573.7</b>	<b>-4.1%</b>	<b>\$1663.6</b>	<b>5.7%</b>	<b>\$1705.2</b>	<b>2.5%</b>

1) 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.

2) 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.

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

4) 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.

5) Healthcare Related Taxes - Act 6 of 2019 (BAA) moved selected revenue sources from the State Health Care Resources Fund to the General Fund, effective in FY20. With the exception of the cigarette, tobacco

**TABLE 1B - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
SOURCE HEALTHCARE REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2021**

**SOURCE HEALTHCARE <sup>1</sup>**

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

	FY 2017	%	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
<b>REVENUE SOURCE</b>														
Cigarette, Tobacco, E-Cig	\$76.7	-5.0%	\$71.1	-7.3%	\$68.4	-3.7%	\$71.4	4.3%	\$78.6	10.1%	\$76.6	-2.5%	\$73.8	-3.7%
Claims Assessment	\$17.7	2.9%	\$19.8	12.1%	\$19.6	-1.3%	\$20.7	5.7%	\$19.7	-4.7%	\$19.8	0.5%	\$20.2	2.0%
Employer Assessment	\$19.2	7.1%	\$19.8	3.6%	\$19.8	-0.5%	\$20.2	2.4%	\$17.9	-11.4%	\$17.9	0.0%	\$17.9	0.0%
Hospital Provider Tax	\$137.3	4.2%	\$143.5	4.5%	\$146.3	2.0%	\$150.2	2.6%	\$146.0	-2.8%	\$148.7	1.9%	\$151.7	2.0%
Nursing Home Provide Tax	\$15.0	-4.3%	\$14.8	-1.0%	\$14.8	-0.3%	\$14.7	-0.6%	\$14.6	-0.6%	\$14.6	0.0%	\$14.7	0.1%
Home Health Provider Tax	\$5.5	21.8%	\$4.7	-14.0%	\$4.8	2.2%	\$5.6	16.3%	\$5.8	4.2%	\$5.8	0.0%	\$5.9	1.5%
All other HC revenues	\$5.3	263.8%	\$1.8	-65.5%	\$2.6	41.7%	\$1.9	-26.5%	\$1.7	-11.2%	\$1.8	5.9%	\$1.8	0.0%
<b>TOTAL HEALTHCARE</b>	<b>\$276.6</b>	<b>2.8%</b>	<b>\$275.6</b>	<b>-0.4%</b>	<b>\$276.3</b>	<b>0.2%</b>	<b>\$284.7</b>	<b>3.0%</b>	<b>\$284.3</b>	<b>-0.1%</b>	<b>\$285.3</b>	<b>0.3%</b>	<b>\$286.0</b>	<b>0.2%</b>

**TABLE 1C - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
AVAILABLE HEALTHCARE REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2021**

**CURRENT LAW BASIS**

including all Education Fund  
allocations and other out-transfers

	FY 2017	%	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
<b>REVENUE SOURCE</b>														
Cigarette, Tobacco, E-Cig	\$76.7	-5.0%	\$71.1	-7.3%	\$68.4	-3.7%	\$71.4	4.3%	\$78.6	10.1%	\$76.6	-2.5%	\$73.8	-3.7%
Claims Assessment	\$14.1	2.1%	\$15.9	13.2%	\$15.6	-1.7%	\$16.9	7.8%	\$15.8	-6.5%	\$15.8	0.5%	\$16.2	2.0%
Employer Assessment	\$19.2	7.1%	\$19.8	3.6%	\$19.8	-0.5%	\$20.2	2.4%	\$17.9	-11.4%	\$17.9	0.0%	\$17.9	0.0%
Hospital Provider Tax	\$137.3	4.2%	\$143.5	4.5%	\$146.3	2.0%	\$150.2	2.6%	\$146.0	-2.8%	\$148.7	1.9%	\$151.7	2.0%
Nursing Home Provide Tax	\$15.0	-4.3%	\$14.8	-1.0%	\$14.8	-0.3%	\$14.7	-0.6%	\$14.6	-0.6%	\$14.6	0.0%	\$14.7	0.1%
Home Health Provider Tax	\$5.5	21.8%	\$4.7	-14.0%	\$4.8	2.2%	\$5.6	16.3%	\$5.8	4.2%	\$5.8	0.0%	\$5.9	1.5%
All other HC revenues	\$5.3	263.8%	\$1.8	-65.5%	\$2.6	41.7%	\$1.9	-26.5%	\$1.7	-11.2%	\$1.8	5.9%	\$1.8	0.0%
<b>TOTAL HEALTHCARE</b>	<b>\$272.9</b>	<b>2.7%</b>	<b>\$271.7</b>	<b>-0.5%</b>	<b>\$272.3</b>	<b>0.2%</b>	<b>\$280.9</b>	<b>3.1%</b>	<b>\$280.4</b>	<b>-0.2%</b>	<b>\$281.3</b>	<b>0.3%</b>	<b>\$281.9</b>	<b>0.2%</b>

1) Healthcare Related Taxes - Act 6 of 2019 (BAA) moved selected revenue sources from the State Health Care Resources Fund to the General Fund, effective in FY20. With the exception of the cigarette, tobacco products and vaping tax, which has historically been part of the General Fund forecast, the forecasts for the other Healthcare related taxes are provided by the a healthcare consensus forecasting group, which includes JFO, F&M and AHS staff.

**TABLE 2A - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
SOURCE TRANSPORTATION FUND REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2021**

**SOURCE T-FUND**

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

	FY 2017	%	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
<b>REVENUE SOURCE</b>														
Gasoline	\$78.2	0.3%	\$78.2	0.0%	\$77.8	-0.5%	\$71.0	-8.7%	\$67.1	-5.5%	\$71.6	6.7%	\$74.8	4.5%
Diesel****	\$18.2	-0.5%	\$18.9	3.6%	\$18.6	-1.6%	\$17.9	-3.5%	\$17.7	-1.2%	\$18.6	5.1%	\$19.2	3.2%
Purchase and Use*	\$103.2	3.1%	\$109.4	6.0%	\$111.8	2.2%	\$105.4	-5.7%	\$120.4	14.2%	\$125.1	3.9%	\$126.5	1.1%
Motor Vehicle Fees	\$86.2	5.2%	\$86.0	-0.3%	\$85.4	-0.7%	\$83.6	-2.1%	\$88.4	5.7%	\$88.8	0.5%	\$88.6	-0.2%
Other Revenue**	\$19.9	1.8%	\$23.0	15.3%	\$24.6	7.0%	\$21.3	-13.5%	\$21.5	1.2%	\$22.7	5.6%	\$23.6	4.0%
<b>TOTAL TRANS. FUND</b>	<b>\$305.8</b>	<b>2.6%</b>	<b>\$315.4</b>	<b>3.1%</b>	<b>\$318.2</b>	<b>0.9%</b>	<b>\$299.2</b>	<b>-6.0%</b>	<b>\$315.1</b>	<b>5.3%</b>	<b>\$326.8</b>	<b>3.7%</b>	<b>\$332.7</b>	<b>1.8%</b>

**TABLE 2 - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
AVAILABLE TRANSPORTATION FUND REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2021**

**CURRENT LAW BASIS**

including all Education Fund  
allocations and other out-transfers

	FY 2017	%	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
<b>REVENUE SOURCE</b>														
Gasoline	\$78.2	0.3%	\$78.2	0.0%	\$77.8	-0.5%	\$71.0	-8.7%	\$67.1	-5.5%	\$71.6	6.7%	\$74.8	4.5%
Diesel	\$18.2	-0.5%	\$18.9	3.6%	\$18.6	-1.6%	\$17.9	-3.5%	\$17.7	-1.2%	\$18.6	5.1%	\$19.2	3.2%
Purchase and Use <sup>1</sup>	\$68.8	3.1%	\$73.0	6.0%	\$74.5	2.2%	\$70.3	-5.7%	\$80.3	14.2%	\$83.4	3.9%	\$84.3	1.1%
Motor Vehicle Fees	\$86.2	5.2%	\$86.0	-0.3%	\$85.4	-0.7%	\$83.6	-2.1%	\$88.4	5.7%	\$88.8	0.5%	\$88.6	-0.2%
Other Revenue <sup>2</sup>	\$19.9	1.8%	\$23.0	15.3%	\$24.6	7.0%	\$21.3	-13.5%	\$21.5	1.2%	\$22.7	5.6%	\$23.6	4.0%
<b>TOTAL TRANS. FUND</b>	<b>\$271.4</b>	<b>2.6%</b>	<b>\$279.0</b>	<b>2.8%</b>	<b>\$280.9</b>	<b>0.7%</b>	<b>\$264.1</b>	<b>-6.0%</b>	<b>\$275.0</b>	<b>4.1%</b>	<b>\$285.1</b>	<b>3.7%</b>	<b>\$290.5</b>	<b>1.9%</b>
<b>OTHER (TIB<sup>3</sup>)</b>														
TIB Gasoline	\$12.6	-3.3%	\$12.9	2.2%	\$14.6	13.1%	\$12.7	-12.8%	\$10.7	-15.7%	\$11.9	11.2%	\$12.7	6.7%
TIB Diesel and Other <sup>4</sup>	\$1.7	-11.3%	\$2.0	16.1%	\$2.1	3.7%	\$2.0	-2.5%	\$1.9	-5.2%	\$2.02	6.3%	\$2.08	3.0%
<b>TOTAL OTHER (TIB)</b>	<b>\$14.5</b>	<b>-2.9%</b>	<b>\$14.9</b>	<b>2.4%</b>	<b>\$16.6</b>	<b>11.9%</b>	<b>\$14.7</b>	<b>-11.6%</b>	<b>\$12.6</b>	<b>-14.3%</b>	<b>\$13.9</b>	<b>10.5%</b>	<b>\$14.8</b>	<b>6.2%</b>

1) As of FY04, includes Motor Vehicle Rental tax revenue.

2) 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.

3) Transportation Infrastructure Bond revenues

4) Includes TIB Fund interest income (which has never exceeded \$85,000 per year); Includes FY17 adjustment of \$215,000 from reported TIB Diesel revenue to Diesel revenue due to a data entry error

**TABLE 3 - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
AVAILABLE EDUCATION FUND<sup>1</sup> REVENUE FORECAST UPDATE  
(Partial Education Fund Total - Includes Source General and Transportation Fund Allocations Only)  
Consensus JFO and Administration Forecast - January 2021**

**CURRENT LAW BASIS**

Source General and Transportation  
Fund taxes allocated to or associated  
with the Education Fund only

	<b>FY 2017</b>	<b>%</b>	<b>FY 2018</b>	<b>%</b>	<b>FY 2019</b>	<b>%</b>	<b>FY2020</b>	<b>%</b>	<b>FY2021</b>	<b>%</b>	<b>FY2022</b>	<b>%</b>	<b>FY2023</b>	<b>%</b>
	<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>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
<b>GENERAL FUND</b>														
Meals and Rooms	\$0.0	NM	\$0.0	NM	\$45.5	NM	\$40.9	-10.1%	\$31.6	-22.7%	\$41.6	31.6%	\$48.5	16.6%
Sales & Use <sup>2</sup>	\$131.8	1.6%	\$139.2	5.6%	\$412.5	196.3%	\$432.5	4.8%	\$488.4	12.9%	\$507.9	4.0%	\$502.4	-1.1%
Interest	\$0.4	122.7%	\$0.5	30.3%	\$0.7	38.1%	\$0.8	23.9%	\$0.3	-64.2%	\$0.28	-6.7%	\$0.32	14.3%
Lottery	\$25.5	-3.3%	\$27.1	6.4%	\$29.5	8.6%	\$26.8	-9.0%	\$29.3	9.2%	\$30.9	5.5%	\$31.8	2.9%
Purchase and Use <sup>3</sup>	\$34.4	3.1%	\$36.5	6.0%	\$37.3	2.2%	\$35.1	-5.7%	\$40.133	14.2%	\$41.7	3.9%	\$42.167	1.1%
<b>TOTAL EDUCATION FUND</b>	<b>\$192.2</b>	<b>1.3%</b>	<b>\$203.3</b>	<b>5.8%</b>	<b>\$525.4</b>	<b>158.4%</b>	<b>\$536.2</b>	<b>2.0%</b>	<b>\$589.7</b>	<b>10.0%</b>	<b>\$622.4</b>	<b>5.5%</b>	<b>\$625.2</b>	<b>0.5%</b>

1) 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.

2) 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.

3) Includes Motor Vehicle Rental revenues, restated

---

# Appendix A

---

## Five Year Revenue Forecast Tables

January 2021

**TABLE 1A - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
SOURCE GENERAL FUND REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2021**

**SOURCE G-FUND**

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

	FY 2017	%	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%	FY2024	%	FY2025	%	FY2026	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
<b>REVENUE SOURCE</b>																				
Personal Income	\$756.5	1.3%	\$832.0	10.0%	\$875.4	5.2%	\$925.8	5.8%	\$945.4	2.1%	\$961.7	1.7%	\$973.3	1.2%	\$1011.0	3.9%	\$1047.2	3.6%	\$1084.1	3.5%
Sales & Use <sup>1</sup>	\$376.7	1.6%	\$397.8	5.6%	\$412.5	3.7%	\$432.5	4.8%	\$488.4	12.9%	\$507.9	4.0%	\$502.4	-1.1%	\$513.2	2.1%	\$525.1	2.3%	\$539.3	2.7%
Corporate	\$95.8	-18.1%	\$96.4	0.6%	\$134.2	39.3%	\$147.9	10.2%	\$82.4	-44.3%	\$120.6	46.4%	\$127.7	5.9%	\$131.8	3.2%	\$137.7	4.5%	\$143.4	4.1%
Meals and Rooms	\$165.3	7.3%	\$173.2	4.8%	\$182.1	5.1%	\$163.6	-10.1%	\$126.4	-22.7%	\$166.4	31.6%	\$194.0	16.6%	\$211.1	8.8%	\$222.9	5.6%	\$230.8	3.5%
Liquor	\$19.1	4.4%	\$19.8	3.6%	\$21.4	8.1%	\$21.6	0.8%	\$24.8	14.8%	\$26.9	8.5%	\$27.8	3.3%	\$28.2	1.4%	\$28.9	2.5%	\$29.6	2.4%
Insurance	\$57.0	1.3%	\$57.5	1.0%	\$56.9	-1.2%	\$58.0	2.1%	\$59.2	2.0%	\$59.8	1.0%	\$60.2	0.7%	\$60.5	0.5%	\$60.8	0.5%	\$61.1	0.5%
Telephone	\$5.7	80.6%	\$4.7	-16.8%	\$4.3	-8.8%	\$3.2	-26.4%	\$1.6	-49.8%	\$1.4	-12.5%	\$1.2	-14.3%	\$1.0	-16.7%	\$0.8	-20.0%	\$0.6	-25.0%
Beverage	\$6.9	2.9%	\$7.1	2.5%	\$7.6	6.9%	\$7.2	-5.3%	\$7.4	3.4%	\$7.6	2.7%	\$7.9	3.9%	\$8.2	3.8%	\$8.5	3.7%	\$8.8	3.5%
Electric <sup>2</sup>	\$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
Estate	\$16.7	33.3%	\$22.9	37.6%	\$12.6	-44.9%	\$15.2	20.1%	\$32.3	112.9%	\$26.7	-17.3%	\$28.3	6.0%	\$29.4	3.9%	\$30.3	3.1%	\$31.2	3.0%
Property	\$38.7	8.4%	\$40.9	5.6%	\$41.1	0.6%	\$42.3	2.9%	\$58.4	38.1%	\$62.3	6.7%	\$59.0	-5.3%	\$52.6	-10.8%	\$48.3	-8.2%	\$51.4	6.4%
Bank	\$13.2	24.0%	\$13.1	-1.3%	\$12.5	-4.6%	\$12.1	-3.0%	\$12.6	4.1%	\$12.8	1.6%	\$12.7	-0.8%	\$12.8	0.8%	\$12.9	0.8%	\$13.0	0.8%
Other Tax	\$2.2	18.0%	\$1.8	-15.2%	\$2.4	32.9%	\$0.4	-84.7%	\$0.4	-6.7%	\$0.3	-2.9%	\$0.4	5.9%	\$0.4	5.6%	\$0.4	5.3%	\$0.4	2.5%
<b>Total Tax Revenue</b>	<b>\$1553.7</b>	<b>1.3%</b>	<b>\$1667.2</b>	<b>7.3%</b>	<b>\$1763.0</b>	<b>5.7%</b>	<b>\$1829.7</b>	<b>3.8%</b>	<b>\$1839.3</b>	<b>0.5%</b>	<b>\$1954.4</b>	<b>6.3%</b>	<b>\$1994.9</b>	<b>2.1%</b>	<b>\$2060.2</b>	<b>3.3%</b>	<b>\$2123.8</b>	<b>3.1%</b>	<b>\$2193.7</b>	<b>3.3%</b>
Business Licenses	\$1.2	16.8%	\$1.2	-2.9%	\$1.2	-1.0%	\$1.1	-4.5%	\$1.2	5.0%	\$1.3	8.3%	\$1.4	7.7%	\$1.3	-7.1%	\$1.3	-3.1%	\$1.3	3.2%
Fees	\$48.5	110.8%	\$47.1	-2.9%	\$47.0	-0.2%	\$44.7	-4.7%	\$42.4	-5.2%	\$43.6	2.8%	\$44.8	2.8%	\$45.6	1.8%	\$46.1	1.1%	\$46.6	1.1%
Services	\$3.0	7.9%	\$2.9	-4.2%	\$3.4	16.4%	\$2.4	-27.1%	\$2.4	-1.9%	\$2.3	-4.2%	\$2.4	4.3%	\$2.5	4.2%	\$2.6	4.0%	\$2.7	3.8%
Fines	\$4.4	21.0%	\$3.5	-19.8%	\$3.3	-5.6%	\$4.8	44.3%	\$3.1	-35.8%	\$3.3	6.5%	\$3.5	6.1%	\$3.7	5.7%	\$3.8	2.7%	\$3.9	2.6%
Interest	\$1.5	111.5%	\$2.8	80.1%	\$5.0	79.1%	\$4.1	-18.0%	\$1.8	-56.0%	\$1.7	-6.7%	\$2.2	32.1%	\$3.4	53.2%	\$4.6	35.6%	\$5.5	19.3%
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	\$25.5	-3.3%	\$27.1	6.4%	\$29.5	8.6%	\$26.8	-9.0%	\$29.3	9.2%	\$30.9	5.5%	\$31.8	2.9%	\$32.6	2.5%	\$33.4	2.5%	\$34.2	2.4%
All Other <sup>3</sup>	\$2.9	128.5%	\$2.4	-18.8%	\$4.6	92.7%	\$0.7	-83.6%	\$0.9	13.7%	\$1.0	17.6%	\$1.1	10.0%	\$1.2	4.5%	\$1.2	4.3%	\$1.3	4.2%
<b>Total Other Revenue</b>	<b>\$87.1</b>	<b>47.9%</b>	<b>\$87.0</b>	<b>-0.1%</b>	<b>\$93.9</b>	<b>7.9%</b>	<b>\$84.8</b>	<b>-9.7%</b>	<b>\$81.1</b>	<b>-4.4%</b>	<b>\$84.1</b>	<b>3.7%</b>	<b>\$87.2</b>	<b>3.7%</b>	<b>\$90.3</b>	<b>3.5%</b>	<b>\$93.0</b>	<b>3.0%</b>	<b>\$95.5</b>	<b>2.7%</b>
<b>Healthcare Revenue<sup>4</sup></b>	<b>\$276.6</b>	<b>2.8%</b>	<b>\$275.6</b>	<b>-0.4%</b>	<b>\$276.3</b>	<b>0.2%</b>	<b>\$284.7</b>	<b>3.0%</b>	<b>\$284.3</b>	<b>-0.1%</b>	<b>\$285.3</b>	<b>0.3%</b>	<b>\$286.0</b>	<b>0.2%</b>	<b>\$286.3</b>	<b>0.1%</b>	<b>\$287.0</b>	<b>0.3%</b>	<b>\$287.6</b>	<b>0.2%</b>
<b>TOTAL GENERAL FUND</b>	<b>\$1917.4</b>	<b>3.0%</b>	<b>\$2029.8</b>	<b>5.9%</b>	<b>\$2133.2</b>	<b>5.1%</b>	<b>\$2199.2</b>	<b>3.1%</b>	<b>\$2204.6</b>	<b>0.2%</b>	<b>\$2323.8</b>	<b>5.4%</b>	<b>\$2368.0</b>	<b>1.9%</b>	<b>\$2436.7</b>	<b>2.9%</b>	<b>\$2503.8</b>	<b>2.8%</b>	<b>\$2576.8</b>	<b>2.9%</b>

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

2) 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 E-Fund.

3) 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.

4) Healthcare Related Taxes - Act 6 of 2019 (BAA) moved selected revenue sources from the State Health Care Resources Fund to the General Fund, effective in FY20. With the exception of the cigarette, tobacco products and vaping tax, which has historically been part of the General Fund forecast, the forecasts for the other Healthcare related taxes are provided by the a healthcare consensus forecasting group, which includes JFO, F&M and AHS staff. See Tables 1B and 1C for details.

**TABLE 1 - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
AVAILABLE GENERAL FUND REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2021**

**CURRENT LAW BASIS**

*including all Education Fund allocations and other out-transfers*

	<b>FY 2017</b>	<b>%</b>	<b>FY 2018</b>	<b>%</b>	<b>FY 2019</b>	<b>%</b>	<b>FY2020</b>	<b>%</b>	<b>FY2021</b>	<b>%</b>	<b>FY2022</b>	<b>%</b>	<b>FY2023</b>	<b>%</b>	<b>FY2024</b>	<b>%</b>	<b>FY2025</b>	<b>%</b>	<b>FY2026</b>	<b>%</b>	
	<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>(Forecast)</i>	<i>Change</i>											
<b>REVENUE SOURCE</b>																					
Personal Income	\$756.5	1.3%	\$832.0	10.0%	\$875.4	5.2%	\$925.8	5.8%	\$945.4	2.1%	\$961.7	1.7%	\$973.3	1.2%	\$1011.0	3.9%	\$1047.2	3.6%	\$1084.1	3.5%	
Sales and Use <sup>1</sup>	\$244.9	1.6%	\$258.6	5.6%	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	
Corporate	\$95.8	-18.1%	\$96.4	0.6%	\$134.2	39.3%	\$147.9	10.2%	\$82.4	-44.3%	\$120.6	46.4%	\$127.7	5.9%	\$131.8	3.2%	\$137.7	4.5%	\$143.4	4.1%	
Meals and Rooms	\$165.3	7.3%	\$173.2	4.8%	\$136.5	-21.2%	\$116.1	-15.0%	\$87.2	-24.9%	\$114.8	31.6%	\$133.9	16.6%	\$145.7	8.8%	\$153.8	5.6%	\$159.3	3.5%	
Liquor <sup>2</sup>	\$19.1	4.4%	\$19.8	3.6%	\$21.4	8.1%	\$4.1	-80.7%	\$4.2	1.4%	\$4.3	2.4%	\$4.4	2.3%	\$4.5	2.3%	\$4.6	2.2%	\$4.7	2.2%	
Insurance	\$57.0	1.3%	\$57.5	1.0%	\$56.9	-1.2%	\$58.0	2.1%	\$59.2	2.0%	\$59.8	1.0%	\$60.2	0.7%	\$60.5	0.5%	\$60.8	0.5%	\$61.1	0.5%	
Telephone	\$5.7	80.6%	\$4.7	-16.8%	\$4.3	-8.8%	\$3.2	-26.4%	\$1.6	-49.8%	\$1.4	-12.5%	\$1.2	-14.3%	\$1.0	-16.7%	\$0.8	-20.0%	\$0.6	-25.0%	
Beverage	\$6.9	2.9%	\$7.1	2.5%	\$7.6	6.9%	\$7.2	-5.3%	\$7.4	3.4%	\$7.6	2.7%	\$7.9	3.9%	\$8.2	3.8%	\$8.5	3.7%	\$8.8	3.5%	
Electric <sup>2</sup>	\$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	
Estate <sup>3</sup>	\$16.7	33.3%	\$22.9	37.6%	\$12.6	-44.9%	\$15.2	20.1%	\$23.4	54.1%	\$26.7	14.2%	\$28.3	6.0%	\$29.4	3.9%	\$30.3	3.1%	\$31.2	3.0%	
Property	\$12.6	9.0%	\$12.4	-1.5%	\$12.5	0.9%	\$12.9	3.0%	\$18.1	40.6%	\$19.3	7.0%	\$18.3	-5.5%	\$16.2	-11.3%	\$14.8	-8.6%	\$15.8	6.8%	
Bank	\$13.2	24.0%	\$13.1	-1.3%	\$12.5	-4.6%	\$12.1	-3.0%	\$12.6	4.1%	\$12.8	1.6%	\$12.7	-0.8%	\$12.8	0.8%	\$12.9	0.8%	\$13.0	0.8%	
Other Tax	\$2.2	18.0%	\$1.8	-15.2%	\$2.4	32.9%	\$0.4	-84.7%	\$0.4	-6.7%	\$0.3	-2.9%	\$0.4	5.9%	\$0.4	5.6%	\$0.4	5.3%	\$0.4	2.5%	
<b>Total Tax Revenue</b>	<b>\$1395.7</b>	<b>1.1%</b>	<b>\$1499.5</b>	<b>7.4%</b>	<b>\$1276.4</b>	<b>-14.9%</b>	<b>\$1302.9</b>	<b>2.1%</b>	<b>\$1241.8</b>	<b>-4.7%</b>	<b>\$1329.4</b>	<b>7.1%</b>	<b>\$1368.2</b>	<b>2.9%</b>	<b>\$1421.4</b>	<b>3.9%</b>	<b>\$1471.8</b>	<b>3.5%</b>	<b>\$1522.4</b>	<b>3.4%</b>	
Business Licenses	\$1.2	16.8%	\$1.2	-2.9%	\$1.2	-1.0%	\$1.1	-4.5%	\$1.2	5.0%	\$1.3	8.3%	\$1.4	7.7%	\$1.3	-7.1%	\$1.3	-3.1%	\$1.3	3.2%	
Fees	\$48.5	110.8%	\$47.1	-2.9%	\$47.0	-0.2%	\$44.7	-4.7%	\$42.4	-5.2%	\$43.6	2.8%	\$44.8	2.8%	\$45.6	1.8%	\$46.1	1.1%	\$46.6	1.1%	
Services	\$3.0	7.9%	\$2.9	-4.2%	\$3.4	16.4%	\$2.4	-27.1%	\$2.4	-1.9%	\$2.3	-4.2%	\$2.4	4.3%	\$2.5	4.2%	\$2.6	4.0%	\$2.7	3.8%	
Fines	\$4.4	21.0%	\$3.5	-19.8%	\$3.3	-5.6%	\$4.8	44.3%	\$3.1	-35.8%	\$3.3	6.5%	\$3.5	6.1%	\$3.7	5.7%	\$3.8	2.7%	\$3.9	2.6%	
Interest	\$1.2	108.2%	\$2.3	96.1%	\$4.3	87.8%	\$3.3	-24.5%	\$1.5	-53.9%	\$1.4	-6.7%	\$1.9	35.7%	\$3.0	57.9%	\$4.1	36.7%	\$4.9	19.5%	
All Other <sup>4</sup>	\$2.9	128.5%	\$2.4	-18.8%	\$4.6	92.7%	\$0.7	-83.6%	\$0.9	13.7%	\$1.0	17.6%	\$1.1	10.0%	\$1.2	4.5%	\$1.2	4.3%	\$1.3	4.2%	
<b>Total Other Revenue</b>	<b>\$61.2</b>	<b>89.3%</b>	<b>\$59.4</b>	<b>-3.0%</b>	<b>\$63.7</b>	<b>7.4%</b>	<b>\$57.2</b>	<b>-10.3%</b>	<b>\$51.5</b>	<b>-10.0%</b>	<b>\$52.9</b>	<b>2.8%</b>	<b>\$55.1</b>	<b>4.2%</b>	<b>\$57.3</b>	<b>3.9%</b>	<b>\$59.1</b>	<b>3.2%</b>	<b>\$60.7</b>	<b>2.7%</b>	
Healthcare Revenue <sup>5</sup>	\$0.0		\$0.0		\$272.3	NM	\$280.9	3.1%	\$280.4	-0.2%	\$281.3	0.3%	\$281.9	0.2%	\$282.2	0.1%	\$282.8	0.2%	\$283.4	0.2%	
<b>TOTAL GENERAL FUND</b>	<b>\$1457.0</b>	<b>3.2%</b>	<b>\$1558.9</b>	<b>7.0%</b>	<b>\$1612.5</b>	<b>3.4%</b>	<b>\$1640.9</b>	<b>1.8%</b>	<b>\$1573.7</b>	<b>-4.1%</b>	<b>\$1663.6</b>	<b>5.7%</b>	<b>\$1705.2</b>	<b>2.5%</b>	<b>\$1760.8</b>	<b>3.3%</b>	<b>\$1813.7</b>	<b>3.0%</b>	<b>\$1866.4</b>	<b>2.9%</b>	

- 1) 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.
- 2) 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.
- 3) Excludes transfer to the Higher Education Trust Fund of \$2.4M in FY05, \$5.2M in FY06 and \$11.0M in FY11.
- 4) 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.
- 5) Healthcare Related Taxes - Act 6 of 2019 (BAA) moved selected revenue sources from the State Health Care Resources Fund to the General Fund, effective in FY20. With the exception of the cigarette, tobacco products and vaping tax, which has historically been part of the General Fund forecast, the forecasts for the other Healthcare related taxes are provided by the a healthcare consensus forecasting group, which includes JFO, F&M and AHS staff. See Tables 1B and 1C for details.
- 6) Series is discontinuous beginning in FY20 due to fund allocation changes associated with Act 73 of the 2019 Session.

**TABLE 1B - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
SOURCE HEALTHCARE REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2021**

**SOURCE HEALTHCARE<sup>1</sup>**

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

	<b>FY 2017</b>	<b>%</b>	<b>FY 2018</b>	<b>%</b>	<b>FY 2019</b>	<b>%</b>	<b>FY2020</b>	<b>%</b>	<b>FY2021</b>	<b>%</b>	<b>FY2022</b>	<b>%</b>	<b>FY2023</b>	<b>%</b>	<b>FY2024</b>	<b>%</b>	<b>FY2025</b>	<b>%</b>	<b>FY2026</b>	<b>%</b>
	<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>(Forecast)</i>	<i>Change</i>										
<b>REVENUE SOURCE</b>																				
Cigarette, Tobacco, E-Cig	\$76.7	-5.0%	\$71.1	-7.3%	\$68.4	-3.7%	\$71.4	4.3%	\$78.6	10.1%	\$76.6	-2.5%	\$73.8	-3.7%	\$70.6	-4.3%	\$67.7	-4.1%	\$64.7	-4.4%
Claims Assessment	\$17.7	2.9%	\$19.8	12.1%	\$19.6	-1.3%	\$20.7	5.7%	\$19.7	-4.7%	\$19.8	0.5%	\$20.2	2.0%	\$20.6	2.0%	\$21.0	2.0%	\$21.4	2.0%
Employer Assessment	\$19.2	7.1%	\$19.8	3.6%	\$19.8	-0.5%	\$20.2	2.4%	\$17.9	-11.4%	\$17.9	0.0%	\$17.9	0.0%	\$17.9	0.0%	\$17.9	0.0%	\$17.9	0.0%
Hospital Provider Tax	\$137.3	4.2%	\$143.5	4.5%	\$146.3	2.0%	\$150.2	2.6%	\$146.0	-2.8%	\$148.7	1.9%	\$151.7	2.0%	\$154.8	2.0%	\$157.8	2.0%	\$161.0	2.0%
Nursing Home Provide Tax	\$15.0	-4.3%	\$14.8	-1.0%	\$14.8	-0.3%	\$14.7	-0.6%	\$14.6	-0.6%	\$14.6	0.0%	\$14.7	0.1%	\$14.6	-0.1%	\$14.7	0.1%	\$14.6	-0.1%
Home Health Provider Tax	\$5.5	21.8%	\$4.7	-14.0%	\$4.8	2.2%	\$5.6	16.3%	\$5.8	4.2%	\$5.8	0.0%	\$5.9	1.5%	\$6.0	1.5%	\$6.1	1.5%	\$6.2	1.5%
All other HC revenues	\$5.3	263.8%	\$1.8	-65.5%	\$2.6	41.7%	\$1.9	-26.5%	\$1.7	-11.2%	\$1.8	5.9%	\$1.8	0.0%	\$1.8	0.0%	\$1.8	0.0%	\$1.8	0.0%
<b>TOTAL HEALTHCARE</b>	<b>\$276.6</b>	<b>2.8%</b>	<b>\$275.6</b>	<b>-0.4%</b>	<b>\$276.3</b>	<b>0.2%</b>	<b>\$284.7</b>	<b>3.0%</b>	<b>\$284.3</b>	<b>-0.1%</b>	<b>\$285.3</b>	<b>0.3%</b>	<b>\$286.0</b>	<b>0.2%</b>	<b>\$286.3</b>	<b>0.1%</b>	<b>\$287.0</b>	<b>0.3%</b>	<b>\$287.6</b>	<b>0.2%</b>

**TABLE 1C - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
AVAILABLE HEALTHCARE REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2021**

**CURRENT LAW BASIS**

*including all Education Fund  
allocations and other out-transfers*

	<b>FY 2017</b>	<b>%</b>	<b>FY 2018</b>	<b>%</b>	<b>FY 2019</b>	<b>%</b>	<b>FY2020</b>	<b>%</b>	<b>FY2021</b>	<b>%</b>	<b>FY2022</b>	<b>%</b>	<b>FY2023</b>	<b>%</b>	<b>FY2024</b>	<b>%</b>	<b>FY2025</b>	<b>%</b>	<b>FY2026</b>	<b>%</b>
	<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>(Forecast)</i>	<i>Change</i>										
<b>REVENUE SOURCE</b>																				
Cigarette, Tobacco, E-Cig	\$76.7	-5.0%	\$71.1	-7.3%	\$68.4	-3.7%	\$71.4	4.3%	\$78.6	10.1%	\$76.6	-2.5%	\$73.8	-3.7%	\$70.6	-4.3%	\$67.7	-4.1%	\$64.7	-4.4%
Claims Assessment	\$14.1	2.1%	\$15.9	13.2%	\$15.6	-1.7%	\$16.9	7.8%	\$15.8	-6.5%	\$15.8	0.5%	\$16.2	2.0%	\$16.5	2.0%	\$16.8	2.0%	\$17.1	2.0%
Employer Assessment	\$19.2	7.1%	\$19.8	3.6%	\$19.8	-0.5%	\$20.2	2.4%	\$17.9	-11.4%	\$17.9	0.0%	\$17.9	0.0%	\$17.9	0.0%	\$17.9	0.0%	\$17.9	0.0%
Hospital Provider Tax	\$137.3	4.2%	\$143.5	4.5%	\$146.3	2.0%	\$150.2	2.6%	\$146.0	-2.8%	\$148.7	1.9%	\$151.7	2.0%	\$154.8	2.0%	\$157.8	2.0%	\$161.0	2.0%
Nursing Home Provide Tax	\$15.0	-4.3%	\$14.8	-1.0%	\$14.8	-0.3%	\$14.7	-0.6%	\$14.6	-0.6%	\$14.6	0.0%	\$14.7	0.1%	\$14.6	-0.1%	\$14.7	0.1%	\$14.6	-0.1%
Home Health Provider Tax	\$5.5	21.8%	\$4.7	-14.0%	\$4.8	2.2%	\$5.6	16.3%	\$5.8	4.2%	\$5.8	0.0%	\$5.9	1.5%	\$6.0	1.5%	\$6.1	1.5%	\$6.2	1.5%
All other HC revenues	\$5.3	263.8%	\$1.8	-65.5%	\$2.6	41.7%	\$1.9	-26.5%	\$1.7	-11.2%	\$1.8	5.9%	\$1.8	0.0%	\$1.8	0.0%	\$1.8	0.0%	\$1.8	0.0%
<b>TOTAL HEALTHCARE</b>	<b>\$272.9</b>	<b>2.7%</b>	<b>\$271.7</b>	<b>-0.5%</b>	<b>\$272.3</b>	<b>0.2%</b>	<b>\$280.9</b>	<b>3.1%</b>	<b>\$280.4</b>	<b>-0.2%</b>	<b>\$281.3</b>	<b>0.3%</b>	<b>\$281.9</b>	<b>0.2%</b>	<b>\$282.2</b>	<b>0.1%</b>	<b>\$282.8</b>	<b>0.2%</b>	<b>\$283.4</b>	<b>0.2%</b>

1) Healthcare Related Taxes - Act 6 of 2019 (BAA) moved selected revenue sources from the State Health Care Resources Fund to the General Fund, effective in FY20. With the exception of the cigarette, tobacco products and vaping tax, which has historically been part of the General Fund forecast, the forecasts for the other Healthcare related taxes are provided by the a healthcare consensus forecasting group, which includes JFO, F&M and AHS staff.

**TABLE 2A - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
SOURCE TRANSPORTATION FUND REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2021**

**SOURCE T-FUND**

revenues are prior to all E-Fund allocations

and other out-transfers; used for

analytic and comparative purposes only

	<b>FY 2017</b>	<b>%</b>	<b>FY 2018</b>	<b>%</b>	<b>FY 2019</b>	<b>%</b>	<b>FY2020</b>	<b>%</b>	<b>FY2021</b>	<b>%</b>	<b>FY2022</b>	<b>%</b>	<b>FY2023</b>	<b>%</b>	<b>FY2024</b>	<b>%</b>	<b>FY2025</b>	<b>%</b>	<b>FY2026</b>	<b>%</b>
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
<b>REVENUE SOURCE</b>																				
Gasoline	\$78.2	0.3%	\$78.2	0.0%	\$77.8	-0.5%	\$71.0	-8.7%	\$67.1	-5.5%	\$71.6	6.7%	\$74.8	4.5%	\$75.6	1.1%	\$75.7	0.1%	\$75.2	-0.7%
Diesel****	\$18.2	-0.5%	\$18.9	3.6%	\$18.6	-1.6%	\$17.9	-3.5%	\$17.7	-1.2%	\$18.6	5.1%	\$19.2	3.2%	\$19.6	2.1%	\$19.9	1.5%	\$20.2	1.5%
Purchase and Use*	\$103.2	3.1%	\$109.4	6.0%	\$111.8	2.2%	\$105.4	-5.7%	\$120.4	14.2%	\$125.1	3.9%	\$126.5	1.1%	\$129.7	2.5%	\$133.7	3.1%	\$138.2	3.4%
Motor Vehicle Fees	\$86.2	5.2%	\$86.0	-0.3%	\$85.4	-0.7%	\$83.6	-2.1%	\$88.4	5.7%	\$88.8	0.5%	\$88.6	-0.2%	\$88.9	0.3%	\$89.4	0.6%	\$90.4	1.1%
Other Revenue**	\$19.9	1.8%	\$23.0	15.3%	\$24.6	7.0%	\$21.3	-13.5%	\$21.5	1.2%	\$22.7	5.6%	\$23.6	4.0%	\$24.5	3.8%	\$25.3	3.3%	\$26.1	3.2%
<b>TOTAL TRANS. FUND</b>	<b>\$305.8</b>	<b>2.6%</b>	<b>\$315.4</b>	<b>3.1%</b>	<b>\$318.2</b>	<b>0.9%</b>	<b>\$299.2</b>	<b>-6.0%</b>	<b>\$315.1</b>	<b>5.3%</b>	<b>\$326.8</b>	<b>3.7%</b>	<b>\$332.7</b>	<b>1.8%</b>	<b>\$338.3</b>	<b>1.7%</b>	<b>\$344.0</b>	<b>1.7%</b>	<b>\$350.1</b>	<b>1.8%</b>

**TABLE 2 - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
AVAILABLE TRANSPORTATION FUND REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2021**

**CURRENT LAW BASIS**

including all Education Fund

allocations and other out-transfers

	<b>FY 2017</b>	<b>%</b>	<b>FY 2018</b>	<b>%</b>	<b>FY 2019</b>	<b>%</b>	<b>FY2020</b>	<b>%</b>	<b>FY2021</b>	<b>%</b>	<b>FY2022</b>	<b>%</b>	<b>FY2023</b>	<b>%</b>	<b>FY2024</b>	<b>%</b>	<b>FY2025</b>	<b>%</b>	<b>FY2026</b>	<b>%</b>
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
<b>REVENUE SOURCE</b>																				
Gasoline	\$78.2	0.3%	\$78.2	0.0%	\$77.8	-0.5%	\$71.0	-8.7%	\$67.1	-5.5%	\$71.6	6.7%	\$74.8	4.5%	\$75.6	1.1%	\$75.7	0.1%	\$75.2	-0.7%
Diesel	\$18.2	-0.5%	\$18.9	3.6%	\$18.6	-1.6%	\$17.9	-3.5%	\$17.7	-1.2%	\$18.6	5.1%	\$19.2	3.2%	\$19.6	2.1%	\$19.9	1.5%	\$20.2	1.5%
Purchase and Use <sup>1</sup>	\$68.8	3.1%	\$73.0	6.0%	\$74.5	2.2%	\$70.3	-5.7%	\$80.3	14.2%	\$83.4	3.9%	\$84.3	1.1%	\$86.5	2.5%	\$89.1	3.1%	\$92.1	3.4%
Motor Vehicle Fees	\$86.2	5.2%	\$86.0	-0.3%	\$85.4	-0.7%	\$83.6	-2.1%	\$88.4	5.7%	\$88.8	0.5%	\$88.6	-0.2%	\$88.9	0.3%	\$89.4	0.6%	\$90.4	1.1%
Other Revenue <sup>2</sup>	\$19.9	1.8%	\$23.0	15.3%	\$24.6	7.0%	\$21.3	-13.5%	\$21.5	1.2%	\$22.7	5.6%	\$23.6	4.0%	\$24.5	3.8%	\$25.3	3.3%	\$26.1	3.2%
<b>TOTAL TRANS. FUND</b>	<b>\$271.4</b>	<b>2.6%</b>	<b>\$279.0</b>	<b>2.8%</b>	<b>\$280.9</b>	<b>0.7%</b>	<b>\$264.1</b>	<b>-6.0%</b>	<b>\$275.0</b>	<b>4.1%</b>	<b>\$285.1</b>	<b>3.7%</b>	<b>\$290.5</b>	<b>1.9%</b>	<b>\$295.1</b>	<b>1.6%</b>	<b>\$299.4</b>	<b>1.5%</b>	<b>\$304.0</b>	<b>1.5%</b>

**OTHER (TIB<sup>3</sup>)**

TIB Gasoline	\$12.6	-3.3%	\$12.9	2.2%	\$14.6	13.1%	\$12.7	-12.8%	\$10.7	-15.7%	\$11.9	11.2%	\$12.7	6.7%	\$14.0	10.2%	\$14.8	5.7%	\$15.4	4.1%
TIB Diesel and Other <sup>4</sup>	\$1.7	-11.3%	\$2.0	16.1%	\$2.1	3.7%	\$2.0	-2.5%	\$1.9	-5.2%	\$2.02	6.3%	\$2.08	3.0%	\$2.12	1.9%	\$2.15	1.4%	\$2.18	1.4%
<b>TOTAL OTHER (TIB)</b>	<b>\$14.5</b>	<b>-2.9%</b>	<b>\$14.9</b>	<b>2.4%</b>	<b>\$16.6</b>	<b>11.9%</b>	<b>\$14.7</b>	<b>-11.6%</b>	<b>\$12.6</b>	<b>-14.3%</b>	<b>\$13.9</b>	<b>10.5%</b>	<b>\$14.8</b>	<b>6.2%</b>	<b>\$16.1</b>	<b>9.1%</b>	<b>\$17.0</b>	<b>5.1%</b>	<b>\$17.6</b>	<b>3.7%</b>

1) As of FY04, includes Motor Vehicle Rental tax revenue.

2) 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.

3) Transportation Infrastructure Bond revenues

4) Includes TIB Fund interest income (which has never exceeded \$85,000 per year); Includes FY17 adjustment of \$215,000 from reported TIB Diesel revenue to Diesel revenue due to a data entry error

**TABLE 3 - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
AVAILABLE EDUCATION FUND<sup>1</sup> REVENUE FORECAST UPDATE  
(Partial Education Fund Total - Includes Source General and Transportation Fund Allocations Only)  
Consensus JFO and Administration Forecast - January 2021**

**CURRENT LAW BASIS**

Source General and Transportation

Fund taxes allocated to or associated  
with the Education Fund only

	<b>FY 2017</b>	<b>%</b>	<b>FY 2018</b>	<b>%</b>	<b>FY 2019</b>	<b>%</b>	<b>FY2020</b>	<b>%</b>	<b>FY2021</b>	<b>%</b>	<b>FY2022</b>	<b>%</b>	<b>FY2023</b>	<b>%</b>	<b>FY2024</b>	<b>%</b>	<b>FY2025</b>	<b>%</b>	<b>FY2026</b>	<b>%</b>
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
<b>GENERAL FUND</b>																				
Meals and Rooms	\$0.0	NM	\$0.0	NM	\$45.5	NM	\$40.9	-10.1%	\$31.6	-22.7%	\$41.6	31.6%	\$48.5	16.6%	\$52.8	8.8%	\$55.7	5.6%	\$57.7	3.5%
Sales & Use <sup>2</sup>	\$131.8	1.6%	\$139.2	5.6%	\$412.5	196.3%	\$432.5	4.8%	\$488.4	12.9%	\$507.9	4.0%	\$502.4	-1.1%	\$513.2	2.1%	\$525.1	2.3%	\$539.3	2.7%
Interest	\$0.4	122.7%	\$0.5	30.3%	\$0.7	38.1%	\$0.8	23.9%	\$0.3	-64.2%	\$0.28	-6.7%	\$0.32	14.3%	\$0.4	25.0%	\$0.51	27.5%	\$0.6	17.6%
Lottery	\$25.5	-3.3%	\$27.1	6.4%	\$29.5	8.6%	\$26.8	-9.0%	\$29.3	9.2%	\$30.9	5.5%	\$31.8	2.9%	\$32.6	2.5%	\$33.4	2.5%	\$34.2	2.4%
<b>TRANSPORTATION FUND</b>																				
Purchase and Use <sup>3</sup>	\$34.4	3.1%	\$36.5	6.0%	\$37.3	2.2%	\$35.1	-5.7%	\$40.133	14.2%	\$41.7	3.9%	\$42.167	1.1%	\$43.2	2.5%	\$44.6	3.1%	\$46.1	3.4%
<b>TOTAL EDUCATION FUND</b>	<b>\$192.2</b>	<b>1.3%</b>	<b>\$203.3</b>	<b>5.8%</b>	<b>\$525.4</b>	<b>158.4%</b>	<b>\$536.2</b>	<b>2.0%</b>	<b>\$589.7</b>	<b>10.0%</b>	<b>\$622.4</b>	<b>5.5%</b>	<b>\$625.2</b>	<b>0.5%</b>	<b>\$642.2</b>	<b>2.7%</b>	<b>\$659.3</b>	<b>2.7%</b>	<b>\$677.9</b>	<b>2.8%</b>

1) 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.

2) 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.

3) Includes Motor Vehicle Rental revenues, restated