

State of Nebraska



July 15, 2020

Patrick J. O'Donnell
Clerk of the Legislature
Room 2018, State Capitol
Lincoln, NE 68509

Dear Mr. O'Donnell:

As required by R.S.Supp., 2016, 77-4601, we are transmitting to you our certification of General Fund net receipts for each month of the fiscal year beginning July 1, 2020. The attached table titled "Monthly Consensus Estimates" schedules monthly receipt estimates derived from the annual net receipt estimate of the Nebraska Economic Forecasting Advisory Board produced February 28, 2020, adjusted for the impacts of federal tax changes in the CARES Act and the extension of the income tax filing deadline from April 15, 2020 to July 15, 2020. Due to the suspension of the 2020 Legislative Session, at this time there are no revenue impacts from legislation enacted during the 106th Legislature, Second Session.

Please accept this letter and attachments as the required certification of total annual General Fund net receipts and for each month of the fiscal year beginning July 1, 2020.

Sincerely,



Tony Fulton
Tax Commissioner

Sincerely,



Tom Bergquist
Legislative Fiscal Analyst

General Fund net receipts letter July 2020

Attachment

Nebraska Department of Revenue and Legislative Fiscal Office

Monthly Consensus Estimate of General Fund Receipts Nebraska Economic Advisory Board February 28, 2020

Fiscal Year 2020-2021
(Amounts in Thousands of Dollars)
(Detail may not add to total due to rounding)

	July	August	September	October	November	December	January	February	March	April	May	June	Total
Gross Receipts:													
Sales & Use	228,752	215,238	218,368	218,690	209,786	216,131	261,327	190,312	194,965	216,180	210,250	220,957	2,600,956
Ind Income	351,054	287,749	287,407	125,708	279,509	228,767	209,622	312,869	277,222	470,904	300,867	284,594	3,416,272
Corp Income	57,953	9,641	72,568	15,181	16,930	71,009	15,428	8,705	45,967	80,378	11,038	59,484	464,282
Misc Taxes	11,774	10,672	31,125	8,980	10,527	20,981	8,470	9,548	25,843	42,316	10,440	29,744	220,420
Total Gross	649,533	523,300	609,468	368,559	516,752	536,888	494,847	521,434	543,997	809,778	532,595	594,779	6,701,930
Refunds													
City STX	40,877	42,278	41,154	41,358	46,256	39,791	36,172	49,478	38,541	37,757	41,845	40,857	496,364
Sales & Use	10,305	10,250	11,049	14,566	17,937	15,275	9,632	17,562	19,256	10,210	13,600	11,009	160,651
MV-Highway TF	1,668	1,668	1,661	1,703	1,623	1,707	1,684	1,773	1,670	1,686	1,696	1,668	20,207
HWYFUND	7,714	7,557	7,498	7,549	7,342	7,436	8,747	8,972	6,732	7,130	7,284	7,413	91,374
C&S Turnback	0	1,071	0	0	1,093	8,314	0	1,032	0	0	850	0	12,360
Ind Income Tax	42,687	11,941	11,933	18,487	14,220	11,979	8,882	169,687	116,164	95,046	29,463	21,332	551,821
Corp Income Tax	2,959	3,126	3,651	6,297	6,300	5,349	4,475	3,615	3,335	3,330	2,838	2,422	47,697
Misc Taxes	35	35	35	35	35	35	35	35	35	35	35	35	420
Total Refund	45,681	16,173	15,619	24,819	21,648	25,677	13,392	174,369	119,534	98,411	33,186	23,789	612,298
Net Receipts													
Sales & Use	168,188	152,414	157,006	153,514	135,535	143,608	205,092	111,495	128,766	159,397	144,975	160,010	1,820,000
Ind Income	308,367	275,808	275,474	107,221	265,289	216,788	200,740	143,182	161,058	375,858	271,404	263,262	2,864,451
Corp Income	54,994	6,515	68,917	8,884	10,630	65,660	10,953	5,090	42,632	77,048	8,200	57,062	416,585
Misc Taxes	11,739	10,637	31,090	8,945	10,492	20,946	8,435	9,513	25,808	42,281	10,405	29,709	220,000
Total Net	543,288	445,374	532,487	278,564	421,946	447,002	425,220	269,280	358,264	654,584	434,984	510,043	5,321,036

General Fund Revenues - FY2020-21 Certification

	NEFAB FY2019-20	NEFAB FY2020-21	LFO Prelim FY2021-22	LFO Prelim FY2022-23
<u>Forecast - February 2020</u>				
Sales and Use Tax	1,850,000,000	1,820,000,000	1,905,000,000	1,957,000,000
Individual Income Tax	2,675,000,000	2,765,000,000	2,910,000,000	3,058,000,000
Corporate Income Tax	450,000,000	370,000,000	362,000,000	354,000,000
Miscellaneous receipts	230,000,000	220,000,000	187,000,000	179,000,000
Total General Fund Revenues - NEFAB Feb 2020	5,205,000,000	5,175,000,000	5,364,000,000	5,548,000,000
<u>Federal Tax Changes (CARES Act)</u>				
Individual Income Tax	0	(119,321,000)	(59,307,000)	(52,516,000)
Corporate Income Tax	0	(6,272,000)	(7,816,000)	(4,845,000)
Total Federal Tax Changes (Cares Act)	0	(125,593,000)	(67,123,000)	(57,361,000)
<u>Income Tax Filing Date Extension (Feb 2020 based) *</u>				
Individual Income Tax	(218,772,000)	218,772,000	0	0
Corporate Income Tax	(52,857,000)	52,857,000	0	0
Total Impact Filing Date Extension (Feb 2020 based)	(271,629,000)	271,629,000	0	0
<u>2020 Session Legislation (to date)</u>				
Sales and Use Tax	0	0	0	0
Individual Income Tax	0	0	0	0
Corporate Income Tax	0	0	0	0
Miscellaneous receipts	0	0	0	0
Total 2020 Session Legislation	0	0	0	0
<u>Total GF Revenues - July 2020 Original Certification</u>				
Sales and Use Tax	1,850,000,000	1,820,000,000	1,905,000,000	1,957,000,000
Individual Income Tax	2,456,228,000	2,864,451,000	2,850,693,000	3,005,484,000
Corporate Income Tax	397,143,000	416,585,000	354,184,000	349,155,000
Miscellaneous receipts	230,000,000	220,000,000	187,000,000	179,000,000
Total General Fund Revenues - FY20-21 Certification	4,933,371,000	5,321,036,000	5,296,877,000	5,490,639,000

* For use in the original FY20-21 revenue certification, the numbers here are estimated based on February 2020 forecast data (pre COVID-19 economic impact). A revised estimate based on actual FY19-20 receipts will be used for the July NEFAB meeting