



**STATE OF TENNESSEE  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
STATE CAPITOL  
NASHVILLE, TENNESSEE 37243-0285**

**MARK A. EMKES  
COMMISSIONER**

FOR IMMEDIATE RELEASE  
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**SEPTEMBER REVENUES**

NASHVILLE – Economic recovery continues a slow pattern upward in Tennessee. Finance and Administration Commissioner Mark Emkes reported today that overall September revenues were \$1.013 billion, which is 3.66% above September 2010 collections. It's the fourteenth consecutive month in which total collections exceeded the budgeted estimates.

“We are very pleased with the positive growth rates in September tax collections, particularly in the sales tax category, where we see the best indication of renewed consumer optimism in Tennessee,” Emkes said. “That’s the largest monthly growth we’ve seen in the last 69 months, dating back to January 2006.

“While this is good news, the uncertainty surrounding resolution of the federal budget and national economic indicators require us to continue with close scrutiny over state expenditures so that we keep the state’s budget in balance.”

On an accrual basis, September is the second month in the 2011-2012 fiscal year.

September collections were \$4.4 million more than the budgeted estimate. The general fund was over collected by \$4.5 million and the four other funds were under collected by \$0.1 million.

Sales tax collections were \$12.8 million more than the estimate for September. The September growth rate was 8.33%.

Franchise and excise taxes combined were \$16.1 million below the September budgeted estimate of \$268.9 million. The September growth rate was negative 6.21%.

Gasoline and motor fuel collections for September decreased by 6.30% and were \$3.0 million below the budgeted estimate of \$73.0 million.

Tobacco tax collections for the month were under collected by \$0.7 million, but the growth rate was positive 4.28%.

Privilege tax collections were \$1.9 million less than the budgeted estimate of \$17.3 million.

Inheritance and Estate tax collections were \$12.4 million above the budgeted estimate.

All other taxes were over collected by a net of \$0.9 million.

Year-to date collections for two months were \$23.6 million more than the budgeted estimate. The general fund was over collected by \$22.8 million and the four other funds were over collected by \$0.8 million.

The budgeted revenue estimates for 2010-2011 are based on the State Funding Board's consensus recommendation of April 7, 2010 and adopted by the second session of the 106<sup>th</sup> General Assembly in June. They are available on the state's website at <http://www.tn.gov/finance/bud/budget.html>

**REVENUE COLLECTIONS**  
**SEPTEMBER, 2011, AND 2 MONTHS YEAR-TO-DATE**

**September Collections:**

	<b>Budgeted Accrual Estimate</b>	<b>Actual</b>	<b>Difference</b>
General Fund	\$851,061,000	\$855,608,000	\$4,547,000
Highway Fund	57,190,000	55,397,000	(1,793,000)
Sinking Fund	32,484,000	32,575,000	91,000
City & County Fund	65,946,000	67,493,000	1,547,000
Earmarked Fund	2,175,000	2,175,000	0
<b>Total</b>	<b>\$1,008,856,000</b>	<b>\$1,013,248,000</b>	<b>\$4,392,000</b>

**Year-To-Date Collections:**

	<b>Budgeted Accrual Estimate</b>	<b>Actual</b>	<b>Difference</b>
General Fund	\$1,481,857,000	\$1,504,674,000	\$22,817,000
Highway Fund	113,630,000	112,209,000	(1,421,000)
Sinking Fund	65,082,000	65,247,000	165,000
City & County Fund	131,386,000	133,397,000	2,011,000
Earmarked Fund	4,350,000	4,351,000	1,000
<b>Total</b>	<b>\$1,796,305,000</b>	<b>\$1,819,878,000</b>	<b>\$23,573,000</b>

**Table 1**  
**Tennessee Department of Revenue**  
**Comparative Statement of Collected Revenues**

Class of Tax	September			
	2010	2011	Change	Percent
Franchise & Excise	\$269,503,000	\$252,761,000	(\$16,742,000)	-6.21%
Income	1,069,000	972,000	(97,000)	-9.07%
Inheritance & Estate	8,077,000	20,313,000	12,236,000	151.49%
Gasoline	57,039,000	52,985,000	(4,054,000)	-7.11%
Petroleum Special	5,754,000	5,475,000	(279,000)	-4.85%
Tobacco	23,562,000	24,570,000	1,008,000	4.28%
Beer	1,551,000	1,663,000	112,000	7.22%
Motor Vehicle Registration	18,801,000	20,629,000	1,828,000	9.72%
Motor Vehicle Title	921,000	953,000	32,000	3.47%
Mixed Drink	4,474,000	5,071,000	597,000	13.34%
Business	11,152,000	9,189,000	(1,963,000)	-17.60%
Privilege	13,703,000	15,347,000	1,644,000	12.00%
Gross Receipts	48,000	139,000	91,000	189.58%
TVA - In Lieu of Tax Payments	33,676,000	32,265,000	(1,411,000)	-4.19%
Alcoholic Beverage	3,751,000	4,162,000	411,000	10.96%
Sales and Use	512,311,000	554,974,000	42,663,000	8.33%
Motor Vehicle Fuel	11,878,000	11,503,000	(375,000)	-3.16%
Severance	161,000	288,000	127,000	78.88%
Coin-operated Amusement	42,000	7,000	(35,000)	-83.33%
Unauthorized Substance	0	(18,000)	(18,000)	NA
<b>Total</b>	<b>\$977,473,000</b>	<b>\$1,013,248,000</b>	<b>\$35,775,000</b>	<b>3.66%</b>

**Table 2**  
**Tennessee Department of Revenue**  
**Comparative Statement of Collected Revenues**

Class of Tax	August - September			
	2010-2011	2011-2012	Change	Percent
Franchise & Excise	\$281,025,000	\$286,635,000	\$5,610,000	2.00%
Income	2,603,000	2,098,000	(505,000)	-19.40%
Inheritance & Estate	15,055,000	29,819,000	14,764,000	98.07%
Gasoline	113,031,000	105,794,000	(7,237,000)	-6.40%
Petroleum Special	11,061,000	10,934,000	(127,000)	-1.15%
Tobacco	49,682,000	46,954,000	(2,728,000)	-5.49%
Beer	3,096,000	3,147,000	51,000	1.65%
Motor Vehicle Registration	38,989,000	40,226,000	1,237,000	3.17%
Motor Vehicle Title	1,882,000	2,093,000	211,000	11.21%
Mixed Drink	9,076,000	10,398,000	1,322,000	14.57%
Business	25,020,000	25,628,000	608,000	2.43%
Privilege	27,460,000	30,342,000	2,882,000	10.50%
Gross Receipts	9,237,000	15,461,000	6,224,000	67.38%
TVA - In Lieu of Tax Payments	60,174,000	58,360,000	(1,814,000)	-3.01%
Alcoholic Beverage	7,178,000	7,745,000	567,000	7.90%
Sales and Use	1,047,438,000	1,117,337,000	69,899,000	6.67%
Motor Vehicle Fuel	24,288,000	26,399,000	2,111,000	8.69%
Severance	400,000	507,000	107,000	26.75%
Coin-operated Amusement	79,000	19,000	(60,000)	-75.95%
Unauthorized Substance	(16,000)	(18,000)	(2,000)	NA
<b>Total</b>	<b>\$1,726,758,000</b>	<b>\$1,819,878,000</b>	<b>\$93,120,000</b>	<b>5.39%</b>

**Table 3**  
**August-September Revenue Overcollections/(Undercollections)**  
**Budgeted Estimate**

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Sales Tax	\$ 17,800,000	\$ 200,000	\$ 18,000,000
Income Tax	(400,000)	(100,000)	(500,000)
Inheritance Tax	13,400,000	0	13,400,000
Privilege Tax	(4,500,000)	0	(4,500,000)
Business Tax	(4,300,000)	0	(4,300,000)
TVA	2,300,000	1,800,000	4,100,000
Gross Receipts	(700,000)	0	(700,000)
Gasoline & Motor Fuel Taxes	(100,000)	(1,400,000)	(1,500,000)
Motor Vehicle Registration	200,000	(300,000)	(100,000)
Other Taxes	(2,100,000)	600,000	(1,500,000)
Tobacco	(2,700,000)	0	(2,700,000)
Beer	0	0	0
Motor Vehicle Title	100,000	0	100,000
Mixed Drink	400,000	400,000	800,000
Alcoholic Beverage	100,000	100,000	200,000
Severence	0	100,000	100,000
Coin Operated Amusement	0	0	0
Unauthorized Substance	0	0	0
<b>Sub-Total</b>	<b>\$ 21,600,000</b>	<b>\$ 800,000</b>	<b>\$ 22,400,000</b>
F & E Taxes	1,200,000	0	1,200,000
<b>Total</b>	<b>\$ 22,800,000</b>	<b>\$ 800,000</b>	<b>\$ 23,600,000</b>