



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

DAVE GOETZ
COMMISSIONER

FOR IMMEDIATE RELEASE
FRIDAY, OCTOBER 9, 2009

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September Revenues

NASHVILLE – Tennessee tax collections for September once again fell below the state’s budgeted estimate. Finance and Administration Commissioner Dave Goetz reported today that overall September revenues were \$920.9 million, which is 5.7% below a year ago. September is the second consecutive month this fiscal year in which state revenues have experienced overall negative growth

“We are very disappointed with the negative growth rates in September collections, especially in sales revenues,” Goetz said. “Going forward we must continue to closely monitor state expenditures, in order to keep the budget in balance.”

On an accrual basis, September is the second month in the 2009-2010 fiscal year.

September collections were \$41.4 million less than the budgeted estimate. The general fund was under collected by \$33.5 million and the four other funds were under collected by \$7.9 million.

Sales tax collections were \$37.8 million less than the estimate for September. The September growth rate was negative 9.4%.

Franchise and excise taxes combined were \$2.6 million above the September budgeted estimate of \$241.6 million. The September growth rate was 0.3%.

Gasoline and motor fuel collections for September decreased by 5.7%, and they were \$7.6 million below the budgeted estimate of \$72.5 million.

Tobacco tax collections for the month were over collected by \$4.8 million, and the growth rate was 4.4%.

Privilege tax collections were \$5.9 million less than the budgeted estimate of \$19.4 million.

Inheritance and Estate tax collections were \$2.4 million below the budgeted estimate.

All other taxes were over collected by a net of \$4.9 million.

Year-to date collections for two months were \$69.6 million less than the budgeted estimate. The general fund was under collected by \$64.0 million and the four other funds were under collected by \$5.6 million.

The budgeted revenue estimates for 2009-2010 are based on the State Funding Board's consensus recommendation adopted by the first session of the 106th General Assembly in May of 2009, and are available on the state's Web site at: <http://www.tn.gov/finance/bud/budget.html>.

REVENUE COLLECTIONS
SEPTEMBER, 2009, AND 2 MONTHS YEAR-TO-DATE

September Collections:

	Budgeted Accrual Estimate	Actual	Difference
General Fund	\$807,848,000	\$774,307,000	(\$33,541,000)
Highway Fund	57,168,000	52,872,000	(4,296,000)
Sinking Fund	32,407,000	32,131,000	(276,000)
City & County Fund	63,933,000	60,686,000	(3,247,000)
Earmarked Fund	891,000	892,000	1,000
Total	\$962,247,000	\$920,888,000	(\$41,359,000)

Year-To-Date Collections:

	Budgeted Accrual Estimate	Actual	Difference
General Fund	\$1,412,914,000	\$1,348,914,000	(\$64,000,000)
Highway Fund	112,227,000	109,246,000	(2,981,000)
Sinking Fund	64,862,000	64,371,000	(491,000)
City & County Fund	125,579,000	123,495,000	(2,084,000)
Earmarked Fund	1,784,000	1,784,000	0
Total	\$1,717,366,000	\$1,647,810,000	(\$69,556,000)

Table 1
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	September			
	2008	2009	Change	Percent
Franchise & Excise	\$243,529,000	\$244,209,000	\$680,000	0.28%
Income	1,863,000	1,526,000	(337,000)	-18.09%
Inheritance & Estate	6,821,000	4,655,000	(2,166,000)	-31.75%
Gasoline	51,142,000	49,562,000	(1,580,000)	-3.09%
Petroleum Special	5,294,000	5,107,000	(187,000)	-3.53%
Tobacco	27,320,000	28,528,000	1,208,000	4.42%
Beer	1,604,000	1,201,000	(403,000)	-25.12%
Motor Vehicle Registration	19,909,000	20,093,000	184,000	0.92%
Motor Vehicle Title	946,000	921,000	(25,000)	-2.64%
Mixed Drink	4,598,000	4,232,000	(366,000)	-7.96%
Business	3,084,000	3,053,000	(31,000)	-1.01%
Privilege	19,432,000	13,500,000	(5,932,000)	-30.53%
Gross Receipts	30,000	376,000	346,000	1,153.33%
TVA - In Lieu of Tax Payments	20,943,000	28,913,000	7,970,000	38.06%
Alcoholic Beverage	3,779,000	3,529,000	(250,000)	-6.62%
Sales and Use	553,627,000	501,532,000	(52,095,000)	-9.41%
Motor Vehicle Fuel	12,344,000	10,216,000	(2,128,000)	-17.24%
Severance	330,000	206,000	(124,000)	-37.58%
Coin-operated Amusement	13,000	15,000	2,000	15.38%
Unauthorized Substance	132,000	(486,000)	(618,000)	-468.18%
Total	\$976,740,000	\$920,888,000	(\$55,852,000)	-5.72%

Table 2
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	August - September			
	2008-2009	2009-2010	Change	Percent
Franchise & Excise	\$259,071,000	\$265,088,000	\$6,017,000	2.32%
Income	3,360,000	2,258,000	(1,102,000)	-32.80%
Inheritance & Estate	15,130,000	10,284,000	(4,846,000)	-32.03%
Gasoline	100,692,000	106,358,000	5,666,000	5.63%
Petroleum Special	10,537,000	10,750,000	213,000	2.02%
Tobacco	52,137,000	53,339,000	1,202,000	2.31%
Beer	3,294,000	2,997,000	(297,000)	-9.02%
Motor Vehicle Registration	38,869,000	38,669,000	(200,000)	-0.51%
Motor Vehicle Title	1,869,000	1,800,000	(69,000)	-3.69%
Mixed Drink	8,998,000	8,756,000	(242,000)	-2.69%
Business	4,953,000	4,332,000	(621,000)	-12.54%
Privilege	36,087,000	29,697,000	(6,390,000)	-17.71%
Gross Receipts	18,788,000	13,077,000	(5,711,000)	-30.40%
TVA - In Lieu of Tax Payments	42,955,000	52,928,000	9,973,000	23.22%
Alcoholic Beverage	7,170,000	7,006,000	(164,000)	-2.29%
Sales and Use	1,118,207,000	1,019,781,000	(98,426,000)	-8.80%
Motor Vehicle Fuel	24,862,000	21,235,000	(3,627,000)	-14.59%
Severance	624,000	439,000	(185,000)	-29.65%
Coin-operated Amusement	47,000	33,000	(14,000)	-29.79%
Unauthorized Substance	290,000	(1,017,000)	(1,307,000)	-450.69%
Total	\$1,747,940,000	\$1,647,810,000	(\$100,130,000)	-5.73%

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

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Sales Tax	\$ (59,700,000)	\$ (2,600,000)	\$ (62,300,000)
Income Tax	(200,000)	(200,000)	(400,000)
Inheritance Tax	(5,400,000)	0	(5,400,000)
Privilege Tax	(7,400,000)	0	(7,400,000)
Business Tax	1,800,000	0	1,800,000
TVA	2,100,000	1,600,000	3,700,000
Gross Receipts	(1,900,000)	0	(1,900,000)
Gasoline & Motor Fuel Taxes	0	(2,400,000)	(2,400,000)
Motor Vehicle Registration	(100,000)	(900,000)	(1,000,000)
Other Taxes	3,900,000	(1,100,000)	2,800,000
Tobacco	4,500,000	0	4,500,000
Beer	0	0	0
Motor Vehicle Title	(100,000)	(100,000)	(200,000)
Mixed Drink	(100,000)	0	(100,000)
Alcoholic Beverage	(200,000)	0	(200,000)
Severence	100,000	0	100,000
Coin Operated Amusement	0	0	0
Unauthorized Substance	(300,000)	(1,000,000)	(1,300,000)
Sub-Total	\$ (66,900,000)	\$ (5,600,000)	\$ (72,500,000)
F & E Taxes	2,900,000	0	2,900,000
Total	\$ (64,000,000)	\$ (5,600,000)	\$ (69,600,000)