

Consensus Revenue Forecast Update for the General Fund, Transportation Fund, and Education Fund [Partial]

Fiscal Years 2021 through 2023

January 19, 2021

Prepared for the Vermont Emergency Board

PREPARED BY:



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ECONOMIC, POLICY, AND FINANCIAL ANALYSTS

❖ **Background and Context: Discussion of the Updated Staff Recommended January 2021 Consensus Economic and Revenue Forecast Update for Fiscal Year 2021 through Fiscal Year 2026**

- The January 2021 staff recommended consensus revenue forecast includes a comprehensive update to the previous Emergency Board-approved consensus revenue forecast of August 12, 2020.
 - This forecast update comes against a backdrop of an unprecedented level of forecast uncertainty largely a function of two dominating events in the current forecast landscape, including: (1) an unprecedented, once every hundred years” pandemic¹ that has, and since late Winter continues to, inflict significant “pain and suffering” on several segments of the national and state economies, and (2) an equally astounding, extraordinary level of federal deficit spending activity² (along with extraordinary monetary policy innovations to maintain liquidity and back-stop risk) that has significantly altered the near-term national and state economic landscape. The combination of the pandemic and the extraordinary fiscal and monetary policy steps have re-shaped—at least temporarily—the way that many sources of state revenues are raised and paid into the state Treasury.
- On one side, the pandemic and the necessary initial public health measures taken to address it have adversely impacted a significant part of the Vermont economy—particularly involving those economic activities directly and indirectly tied to Vermont’s hospitality and entertainment industries.
 - As of the date of this forecast, there were still roughly 19,500 fewer employed Vermonters (versus this time last year or in January 2020), and state labor markets as of the end of November³ had an estimated 25,800 nonfarm payroll jobs left to recover from last Spring’s sharp COVID-induced downturn.
 - Overall, the pandemic-induced economic declines last calendar year resulted in the loss of an estimated 68,200 nonfarm payroll jobs across the Vermont labor market (see Table 1 below).

¹ Complete with a rising number of COVID-19 cases in many parts of the country—including states in the northeastern U.S.—and even in some counties here in Vermont.

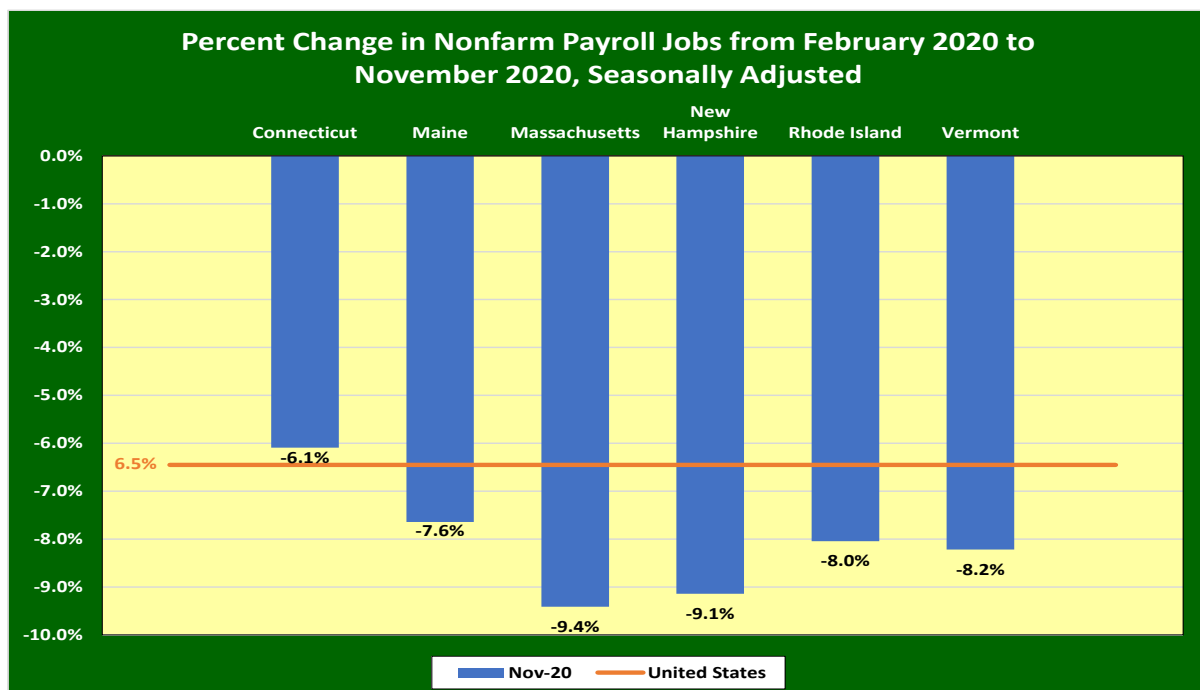
² Including the state policymakers’ decision to dispense a significant portion of those federal fiscal aid monies directly to “hard-hit” businesses in the state.

³ With November being the latest month when comparable state-by-state labor market data have been published.

Table 1: Charting the Seasonally-Adjusted Nonfarm Payroll Job Change (in 000s) by New England State, April 2020 through November 2020

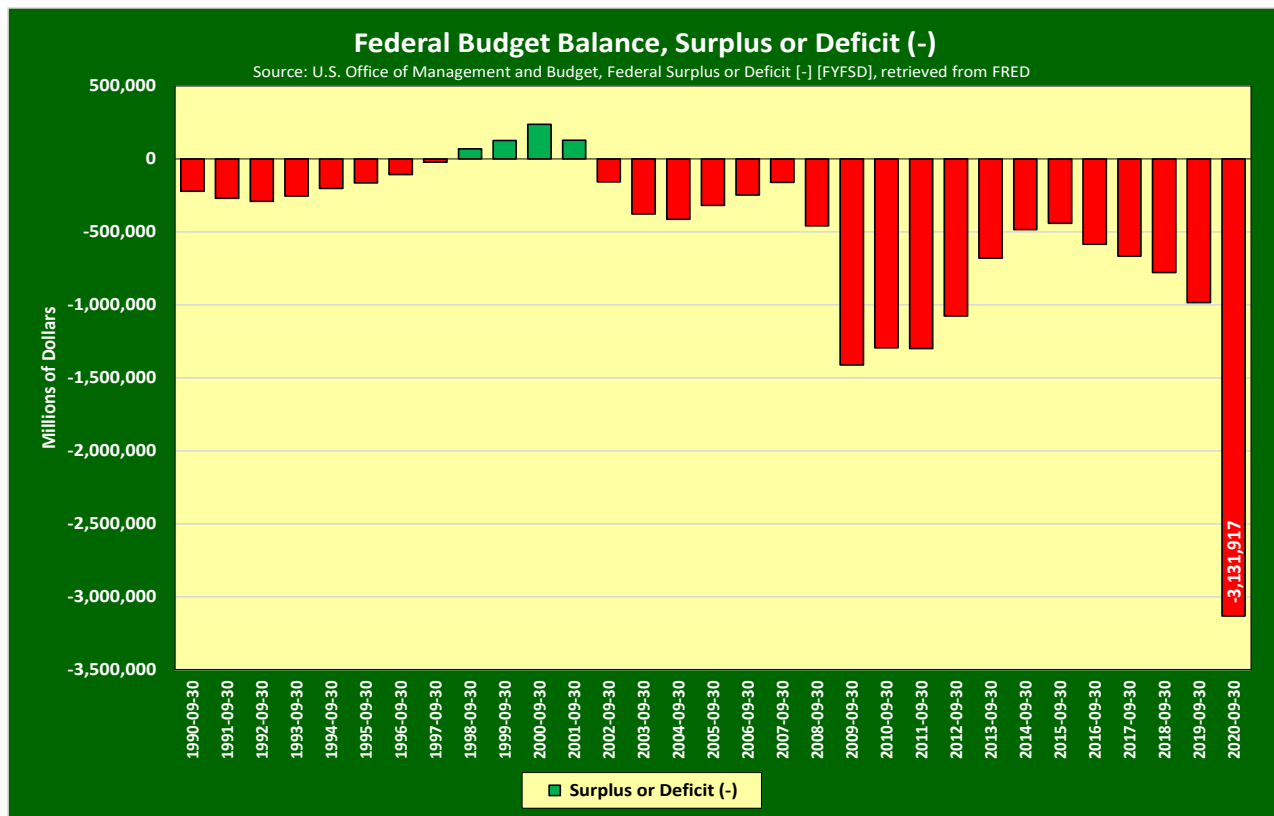
	Payroll Jobs-Recession Losses (Feb.-April)/Recovered (April-November)				%		MEMO: #
	Lost	% of Total	Recovered	% of Total	Recovered	Left-to-Go	
Connecticut	(291.3)	-17.1%	187.8	13.3%	64.5%	35.5%	(103.5)
Maine	(104.5)	-16.4%	55.8	10.5%	53.4%	46.6%	(48.7)
Massachusetts	(690.5)	-18.6%	341.1	11.3%	49.4%	50.6%	(349.4)
New Hampshire	(118.3)	-17.1%	55.2	9.7%	46.7%	53.3%	(63.1)
Rhode Island	(98.1)	-19.3%	57.2	13.9%	58.3%	41.7%	(40.9)
Vermont	(68.2)	-21.7%	42.4	17.2%	62.2%	37.8%	(25.8)
United States	(22,160.0)	-14.5%	12,326.0	9.5%	55.6%	44.4%	(9,834.0)

- While the state overall has had a significantly better job recovery performance than the U.S. average through the first seven months of economic recovery, Vermont still had a total of 37.8% of the total jobs lost left-to-recover following the sharp drop in payroll jobs experienced during the February-April labor market downturn.
- Even so, because of the relatively larger percentage of nonfarm payroll jobs lost by the Vermont economy (along with all of the other New England states) in the early stages of the pandemic, the state remained about 1.7 percentage points below the U.S. average in terms of the seasonally adjusted job changes since the pre-pandemic peak in February 2020 through the month of November 2020 (See the chart below).



- Among the New England states, only Connecticut (at a total of 35.5% left-to-recover from the payroll jobs lost during the pandemic-induced downturn), had a smaller percentage of jobs left to recover than the state of Vermont.
- On the other side, the combination of more than \$75 billion in federal pandemic fiscal relief dollars⁴ (and still counting) received in the state to-date (largely financed by federal deficit spending) and the historically low level of interest rates have combined to off-set—at least in aggregate—nearly all of the large, detrimental economic effects tied to COVID-19 pandemic and the necessary and consequential public health steps taken to address it.
 - Regarding the federal pandemic relief assistance, while household spending was initially hard-hit last Spring in the early stages of the pandemic, the federal government’s unprecedented level of household income support made the overall aggregate household income decline relatively brief in duration. In fact, for many households—for example those that were outside of the hard-hit tourism and entertainment sectors and were not directly impacted by the pandemic—the unprecedented level of federal income support has resulted in household income gains. This dynamic appears to have underpinned the extraordinary household consumption gains (and a large increase in household savings rate as well) associated with that federal fiscal support.
 - With respect to the second, an equally unprecedented level of lending policy innovations by the Fed (to maintain financial system liquidity) and the Fed’s quick and decisive reductions in short-term interest rates (which have back-stopped investor risk) have resulted in another round of asset price increases. The result has been a significant boost in state revenues during the first half of fiscal year 2021 through the Personal Income Tax, the Corporate Income Tax, and the Estate Tax—along with a rise in general consumption taxes and receipts associated with heightened real estate sales activity.

⁴ Including an additional estimated \$1.208 billion in additional federal COVID-19 relief dollars as contained in the so-called Cares Act-2 as passed during the last week of December 2020. This comes on top of \$4.1 billion in federal pandemic relief funding already received through the first Cares Act and other federally-sponsored pandemic-relief programs such as the enhanced unemployment benefits, PPP funding, and the EIDL programs (see JFO Legislative Briefing-December 3, 2020). If a third federal fiscal pandemic relief bill is passed within the next 60-90 days, it is possible that up to \$10 billion in federal pandemic relief dollars could flow to the Vermont economy—roughly one-third of Vermont’s roughly \$32.5 billion nominal-dollar Gross State Product.

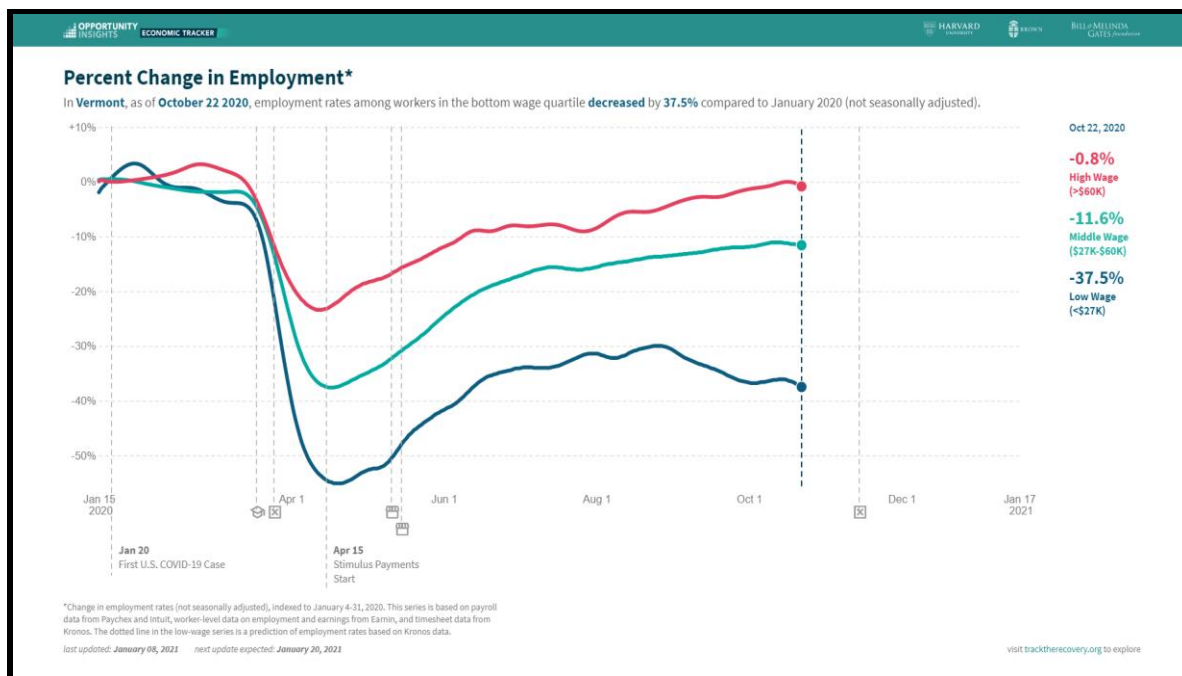


- However, this profile to recent economic activity has also resulted in a myriad of “winners and losers” in the economy (with the “winners” so far outweighing the “losers” in aggregate) and has resulted in perhaps the most bifurcated U.S. economy in recent history—at least in terms of varying fortunes of different sectors and groups within those sectors.
 - More specifically, the pandemic and the public health measures taken to combat it have resulted in some parts of the economy—and their business owners and workers—suffering mightily.
 - Other parts of the economy that have had some flexibility in their business models and operations, have been able to adapt and minimize any economic damage resulting from the pandemic. In fact, these businesses and workers in some cases have even flourished over the course of the past year as they have innovated in response to the pandemic’s many challenges.
- This is part and parcel to what has become known as the unique “K” shape of this economic recovery—in contrast to the discussion that is typically heard concerning recession-recovery scenarios.

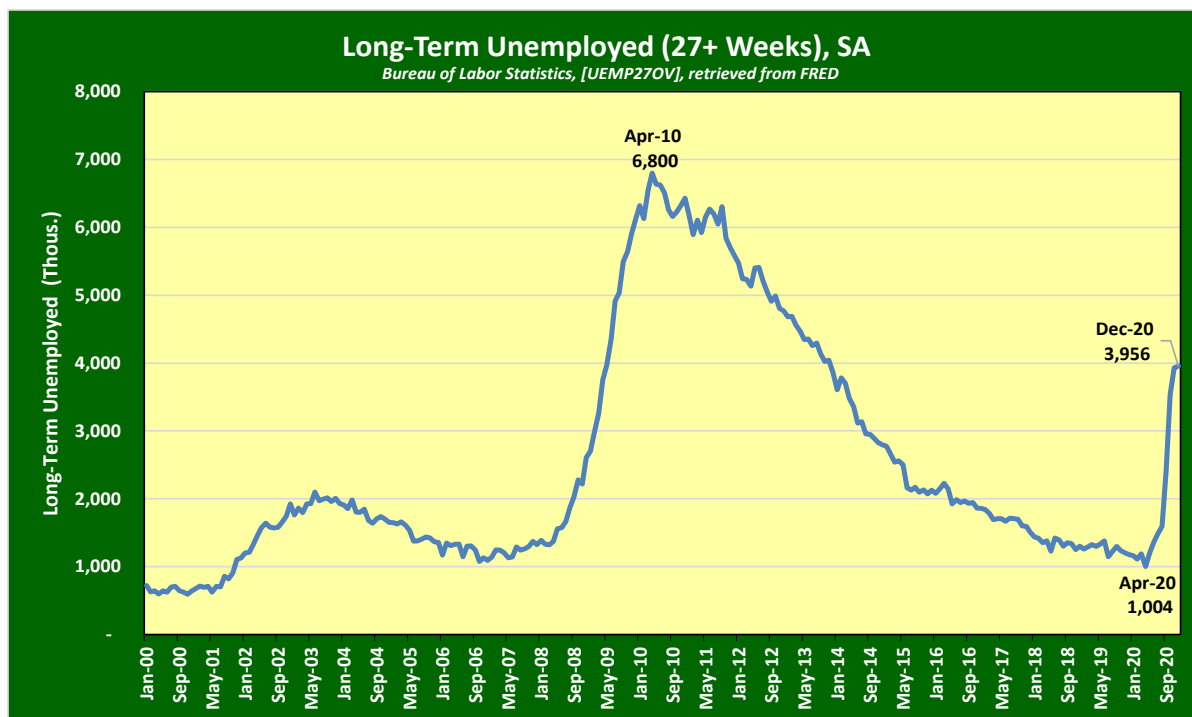
- Traditionally, recession-recovery discussions among analysts often revolve around recoveries shaped like a “V” (which refers to a sharp decline and a fast recovery), a “U” (which describes a slower decline with a rounded bottom to activity followed by a slower, but still moderately paced recovery), and/or in some cases an “L” (which typically describes a significant and broad-based downturn in the economy followed by a disappointingly slow-paced recovery).
- Although many analysts at the beginning of the recovery late last Spring tried to push a narrative of a “V-shaped” recovery, the more detailed and novel “K” analysis for this recovery has been introduced to describe the lockdown policy-induced recovery patterns since Summer.
- The K-shaped recovery refers to the above divergence in terms of those parts of the economy that are recovering-adapting—and even flourishing—in the current pandemic-dominated economic-business environment in contrast to those parts of the economy appear to still be struggling.
 - In the upper part of the “K,” businesses and sectors have been able to adapt to the pandemic by moving to remote working arrangements and adapting their business models to various applications (including e-commerce applications) because those sectors can still operate effectively with those pandemic-induced adaptations.
 - In contrast, businesses and sectors associated with the lower part of the “K” rely on customers and workers to be in close proximity to each other (e.g. it is hard to ski or patronize an attraction remotely) and many of the businesses in these sectors have far fewer options for remote work or e-commerce applications.
 - The lower “K” businesses-sectors comprise the parts of the economy that have experienced the harshest aspects of the current pandemic-induced downturn and have experienced disproportionately larger negative effects from the public-health-related measures undertaken to fight the health risks posed by the COVID-19 pandemic. These businesses-sectors also tend to be lower value-added and therefore lower paying services sectors—such as the hospitality and entertainment sectors—of the economy.

- The K-shaped recovery is illustrated by preliminary data from *tracktherecovery.org*⁵ for the U.S. economy and data through mid-October for the Vermont economy using the high wage, medium wage, and lower wage industry categories to chart the labor markets' recovery progress.
 - For the U.S., the data show that the recession nationally has almost ended for jobs in High Wage sectors (at -0.8% versus the early January 2020 pre-pandemic level)—whereas workers in Middle Wage (at -6.2% versus the early January 2020 pre-pandemic level) and the Lower Wage categories (at -24.5% versus the early January 2020 pre-pandemic level) still had a significant amount of recovery progress left-to-go—consistent with the broader economic and other data concerning the U.S. economic-labor market recovery progress to-date.
 - In the Vermont economy through mid-October (the latest month where comparable data are available), the data are similar in that the High Wage sector jobs (at -0.8% below the early January 2020, or pre-pandemic, level) have recovered to a greater degree than the Middle Wage level job opportunities (at -11.6% versus the early January 2020 pre-pandemic level) and Low Wage level job opportunities (at -37.5% versus the early January 2020 pre-pandemic level).
 - Although the data are not seasonally-adjusted (And could therefore be impacted by seasonal factors), the gaps for each category of jobs between their levels in early January 2020 (pre-pandemic) the full recovery of the Vermont economy are reported to be larger than the U.S. average based on the comparative labor market data for November as discussed above (see *tracktherecovery.org*).

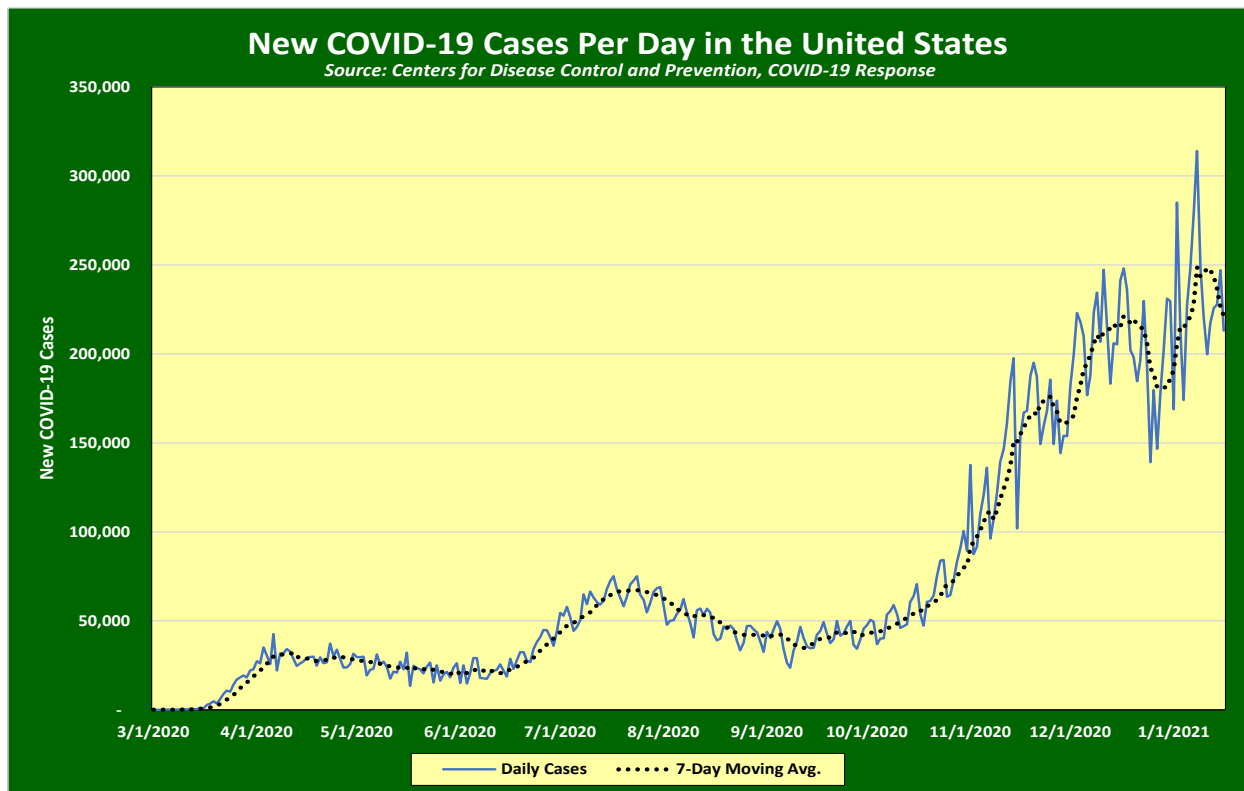
⁵ *Tracktherecovery.org* is a consortium of higher education institutions (e.g. Harvard University and Brown University) and other philanthropic organizations (such as the Bill and Melinda Gates Foundation) that have been assembled to track the impacts of the COVID-19 pandemic on people, businesses, and communities across the United States.



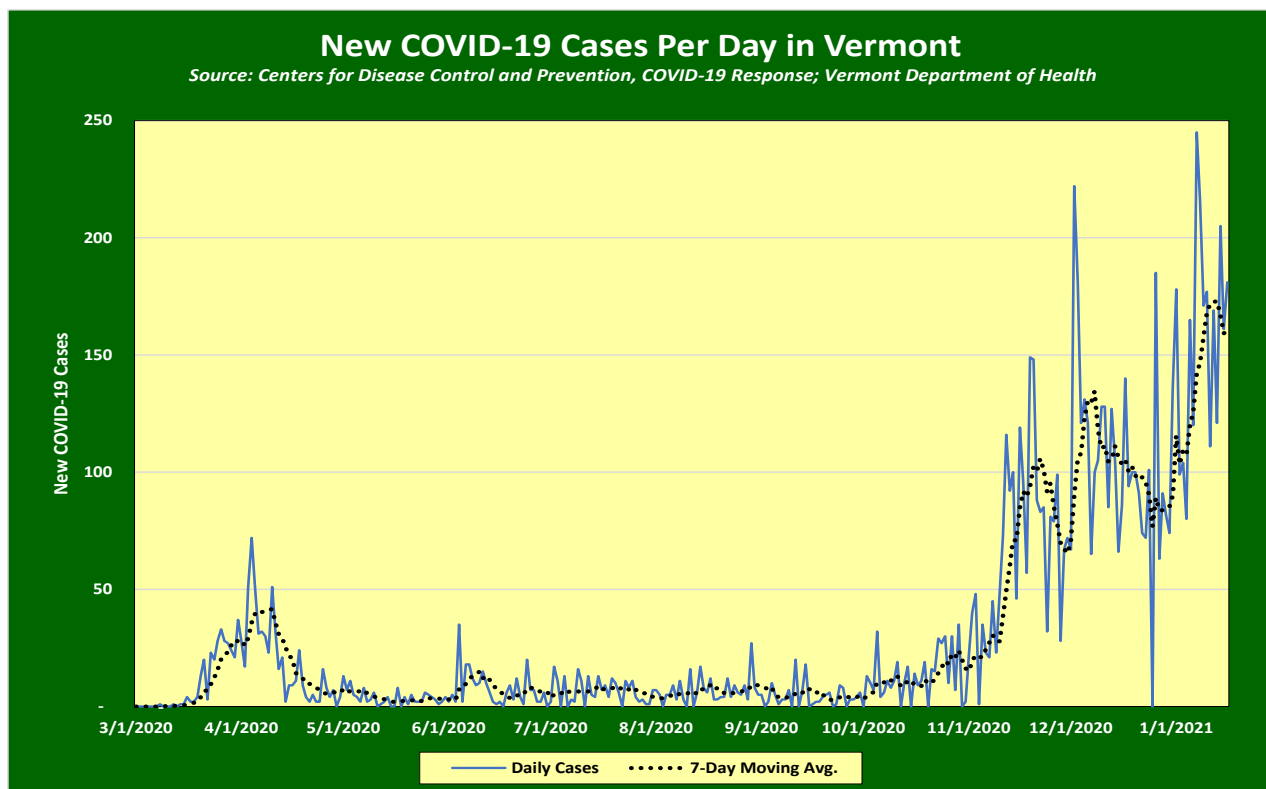
- In addition, the bifurcated U.S. economy has also resulted in an increasing percentage of lost jobs that have become long-term--and could potentially become permanent job losses due to the pandemic-induced recession. This dynamic was evidenced by the data in the early January 2021 U.S. Labor Report that noted more than almost two million workers since last April (with the month of April being the low point of the pandemic-induced recession) have joined the ranks of the “long-term unemployed”—defined as those workers without a job for at least 27 weeks—bringing the total to nearly four million workers as of December 2020.
 - This is an important statistic since the longer a worker remains unemployed, the higher the probability that a temporarily lost job will become a permanently lost job.
 - Back at the beginning of the pandemic-induced downturn, it was thought that payroll job losses would be “severe—but short-lived.” This is not turning out to be the case and the increasing number of layoffs-furloughs that have become longer-term has become a worrying statistic associated with the current, increasingly slower pace to the current economic recovery.
 - This and other dynamics at play during the current economic recovery illustrate the still elevated degree of uncertainty tied to the near-term economic and revenue performance environment.



- But perhaps nothing adds to the level of uncertainty in the current economic and revenue environment than the current, increasingly concerning epidemiological trends tied to the COVID-19 pandemic. Data assembled and reported by the Vermont Department of Financial Regulation show that new COVID cases are on the rise nationally, regionally and in many parts of Vermont, as the population experiences a degree of “COVID containment fatigue,” the cold weather forces more activity inside where social distancing is more challenging, and with the new evidence of a more highly contagious strain of the COVID-19 virus reaching U.S. shores.
 - Nationally, the 7-day average of new cases through January 13 stood at nearly a quarter million new cases per day (at a 248,209 per day).
 - Further, nearly 400,000 Americans have died of COVID-19 as of Sunday, January 17, 2021. Nationally, it took 12 weeks for the death toll to rise from 200,000 to 300,000. The death toll has since increased from 300,000 to almost 400,000 in less than five weeks.

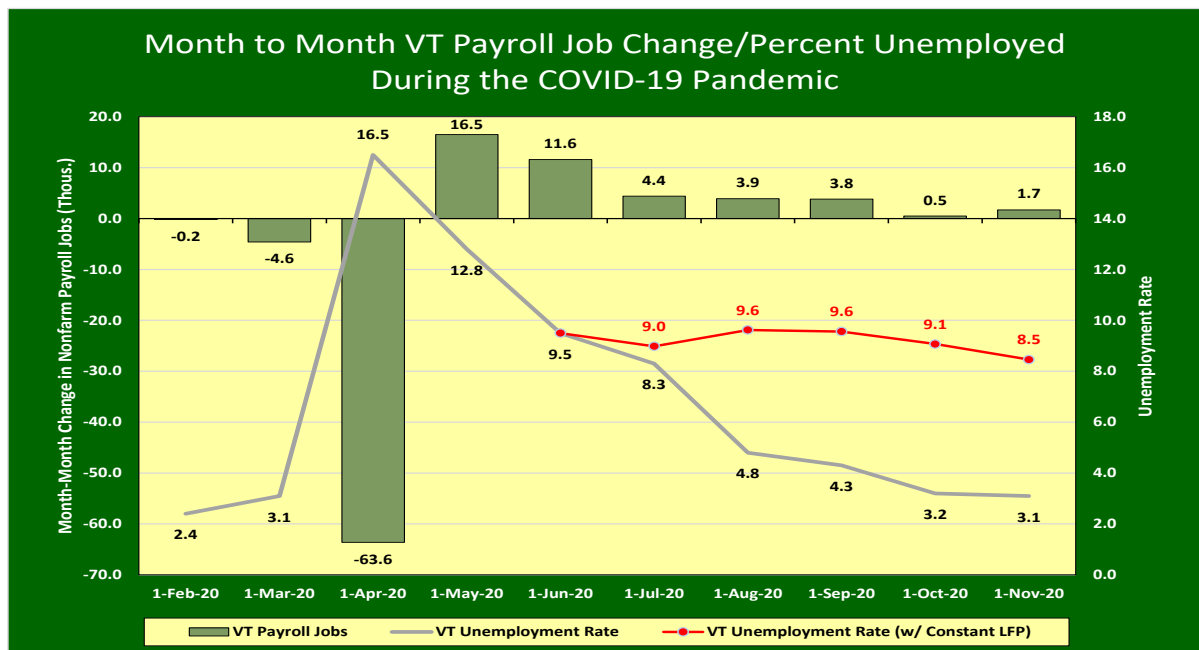
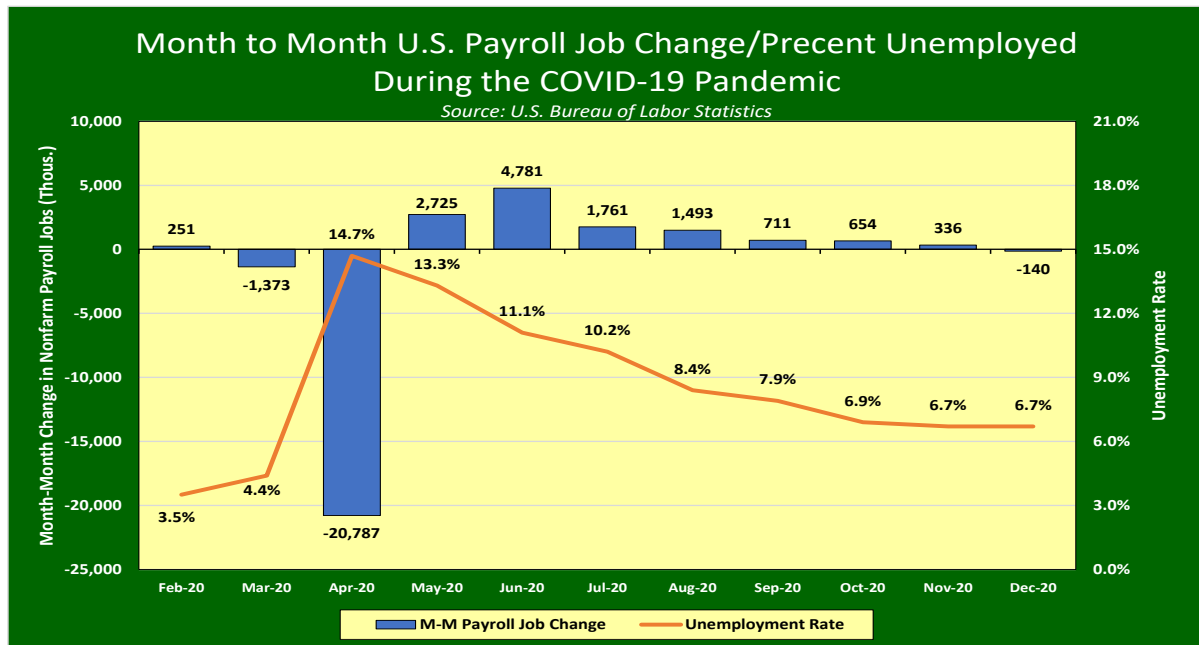


- With a 17.24% case growth rate from January 5th-January 11th regionally and with a total of 888 new COVID-19 cases in the most recent five days through January 11th, COVID-19 cases have recently ticked up significantly in the northeastern U.S. region as well.
 - Like the region, new COVID-19 cases in Vermont over the last five days (as of January 11th) were equal to the total number of COVID-19 cases in Vermont that had occurred over the entire five-month period ended October 31, 2020.
 - While Vermont's response to the COVID-19 pandemics still ranks among the nation's best state responses to-date, rising case levels all around Vermont means that many parts of the state have greater exposure to these rising cases as the population has increased its mobility as pandemic fatigue has risen.



- From the beginning of the onset of the COVID-19 pandemic, it was recognized that the various economic issues could not achieve a long-lasting resolution unless-until there was the successful resolution to the public health challenges posed by the COVID-19 pandemic.
 - Recent epidemiological trends nationally, regionally, and in some parts of the state indicate that there will be difficult epidemiological challenges over at least the near term, roughly next six or so months while the vaccine roll-out—hopefully aided by an improved overall federal response to the pandemic—helps the state systematically achieve “functional herd immunity” by a September-October 2021 time frame (according to the most recent COVID response DFR timeline).
- Given the recent evidence of a slowdown in the pace of the economic recovery for both the U.S. and Vermont economies (see the charts below), there remains a significant level of downside risk to the “staff recommended” January 2021 consensus revenue forecast for the economy and revenues.
 - However, this near-term risk is expected to be short-lived, and the recovery is expected to re-accelerate over the late Spring and Summer as the next

round of federal fiscal stimulus assistance works its way through the U.S. and Vermont economies.



- In fact, while there is indeed some downside risk to the January 2021 “staff-recommended” consensus revenue forecast update, it should also be recognized that there likewise is a significant level of upside risk as well—especially if a significant fourth federal COVID fiscal relief package is passed over the next 60-90 days.

❖ **Updated Consensus Economic Forecast for Fiscal Year 2021 through Fiscal Year 2025**

- The updated January 2021 staff recommended consensus revenue forecast includes an updated consensus economic forecast for the period and extends through calendar year 2025 as developed over late-December-early January timeframe (see below).
 - This staff recommended consensus revenue forecast update takes into account the most current information regarding the economic and fiscal fallout of the COVID-19 pandemic and resulting substantial federal fiscal and monetary policy official responses to-date.
 - The forecast also incorporates the latest actual State revenue collections data through December, including the magnitude of the so-called ‘fiscal shift’ of receipts for FY 2020 which were actually be received during July of FY 2021 (the first month of FY 2021) and recent efforts to-date to effectively deal with the COVID-19 pandemic—including Cares Act-01 and Cares Act 0-2 federal fiscal stimulus dollars.
- The Moody’s Analytics baseline forecast for December—which served as the initial basis for the consensus economic forecast update for the U.S. and Vermont economies—assumed there would be another roughly \$900 billion of additional federal stimulus spending passing before the end of December 2020—which occurred. This is likely to work its way through the economy during the first quarter of calendar year 2021—just as the pace of the U.S. and Vermont labor market recoveries were losing momentum as of the end of calendar year 2020.
 - The most recent consensus update in the near-term economic outlook for the U.S. and Vermont economies and the dynamics of the updated consensus economic forecast are presented in Tables 2 and 3 (see below)—reflecting a current timeline for the COVID pandemic-induced economic recession and subsequent recovery that has been underway since the April low point in both the U.S. and Vermont economies.
 - Data are presented for the current consensus macroeconomic forecast along with previous consensus economic forecasts used in the revenue forecast updates back to June of 2019 (for the U.S. economy) and back to June 2018 (for the Vermont economic forecast update).

**Table 2: Comparison of Recent Administration and JFO Consensus
U.S. Macroeconomic Forecasts**
June 2019 through December 2020, Selected Variables, Calendar Year Basis

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Real GDP Growth									
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
S&P 500 Growth (Annual Avg.)									
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	5.0
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
Employment Growth (Non-Ag)									
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
Unemployment Rate									
June-19	5.3	4.9	4.4	3.9	3.6	3.7	4.1	4.3	
December-19	5.3	4.9	4.3	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
West Texas Int. Crude Oil \$/Bbl									
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
Prime Rate									
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
Consumer Price Index Growth									
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
Average Home Price Growth									
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 3: Comparison of Consensus Administration and JFO Vermont
State Forecasts**
June 2018 through December 2020, Selected Variables, Calendar Year Basis

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Real GSP Growth									
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	2.0	4.8	4.0
December-20	1.3	1.1	0.4	0.9	0.8	-6.2	3.4	4.9	3.4
Population Growth									
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
Employment Growth									
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
Unemployment Rate									
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
Personal Income Growth									
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
Home Price Growth (JFO)									
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

❖ The Staff Consensus Forecast Update Recommendations for Fiscal Year 2021 through Fiscal Year 2023

- Within the above macroeconomic environment and considering recent collections trends the G-Fund, T-Fund, and E-Fund revenues over the first half of fiscal year 2021, the staff recommended consensus revenue forecast for G-Fund, T-Fund and E-Fund [Partial] revenues for the fiscal 2021 through 2023 consensus revenue forecast update has been significantly upgraded through the fiscal year 2023 period to reflect the COVID-19 pandemic, the still evolving U.S. and Vermont economic recoveries against the backdrop of the unprecedented federal fiscal (primarily through federal deficit spending) and monetary policy responses to-date during the pandemic.
- On an “apples-to-apples” basis and using the consensus “fiscal shift” revenue estimate of \$181.1 million,^{6,7} the size of the staff recommended consensus revenue forecast changes in the G-Fund total +\$159.8 million for fiscal year 2021, +\$155.7 million for fiscal year 2022, and -\$85.9 million for fiscal year 2023—including Health Care revenues as presented in Table 4 (below).
- Excluding Health Care revenues, the staff recommended consensus forecast changes in the G-Fund over the next three fiscal years total +\$143.8 million for fiscal year 2021, +\$150.5 for fiscal year 2022, and a somewhat lesser amount of +\$89.1 million for fiscal year 2023 forecast as the macroeconomic effects of the unprecedented level of federal fiscal deficit-spending likely wanes.
- For the Health Care revenues portion of the updated consensus revenue forecast, the staff recommended Health Care revenues forecast change include +\$16.0 million for fiscal year 2021, +\$5.1 million for fiscal year 2022, and a -\$3.2 million forecast downgrade for fiscal year 2023—in contrast to the significant forecast upgrades elsewhere for fiscal year 2023.

⁶ Consisting \$162.0 million in fiscal shift revenues in the Personal Income Tax (at +\$33.4 million in higher PI Estimated Payments, \$122.7 million in higher final return and extension return payments, a total of \$4.5 million in higher refunds, and a total of \$10.3 million in higher Fiduciary Tax payments—which are part of the Personal Income Tax in Vermont. For Corporate Tax receipts, the consensus estimate of fiscal shift revenues included \$19.2 million in higher Corporate Tax receipts that were received in July but shifted back to fiscal year 2020 revenues. These included a mix of Corporate Estimated Tax payments that were deemed otherwise due during the January 2020 to June 2020 time frame and final payment or extension payments made by corporate taxpayers whose fiscal year end payments would have otherwise been paid prior to June 30th, “but for” the federal (and conforming State) extension of the filing and payment due dates to July 15th.

⁷ That resulted in that revenue total to be collected in July fiscal year 2021 that would have otherwise likely have been collected during fiscal year 2020 “but for” the federally-directed (which Vermont followed-mirrored) filing and payment “due dates” being delayed to July 15th

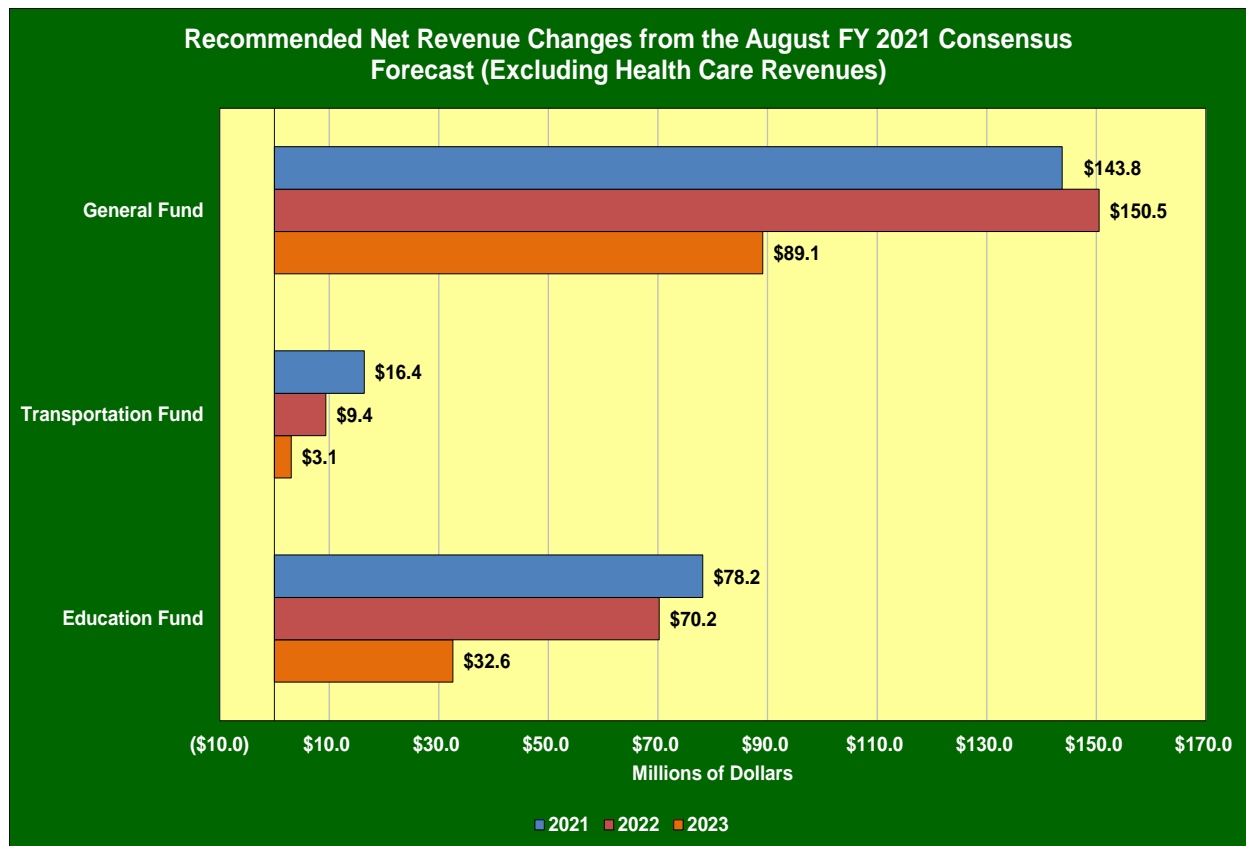
**Table 4: Staff Recommended Consensus Revenue Forecast Update—
Change from the August 2020 Consensus Forecast (FY 2021-FY 2023)
Current Law (Including Health Care Taxes-Fees)**

Differences-January 2021 Proposed Consensus Forecast versus the August 2020 Consensus Forecast (By Fund)						
Current Law	2021		2022		2023	
	Dollars	Percent	Dollars	Percent	Dollars	Percent
General Fund	\$159.8	11.3%	\$155.7	10.3%	\$85.9	5.3%
Available to the General Fund-Per Act 6 of 2019/Act 76 of 2019-Incl. Health Care Revenues						
Transportation Fund	\$16.4	6.3%	\$9.4	3.6%	\$3.1	1.1%
Available to the Transportation Fund						
Education Fund	\$78.2	15.3%	\$70.2	12.7%	\$32.6	5.5%
Partial-Including all Recent Fund Allocation Changes						
Total--"Big 3 Funds"	\$254.3	11.6%	\$235.3	10.1%	\$121.5	4.9%
MEMO #1: Health Care Revenues	\$16.0	6.1%	\$5.1	1.9%	(\$3.2)	-1.1%
MEMO #2: TIB [3]						
Gasoline	(\$0.2)	-1.8%	\$0.2	1.7%	(\$2.0)	-13.6%
Diesel	\$0.0	0.0%	\$0.0	0.5%	\$0.0	0.5%
Total TIB	(\$0.2)	-1.6%	\$0.2	1.5%	(\$2.0)	-11.9%
Notes:						
[1] Current Law (Incl. Healthcare Taxes-Fees).						
[2] Totals in the TIB may not add due to rounding.						
Prepared by: Economic & Policy Resources, Inc.						

- The staff recommended forecast for the T-Fund includes a forecast upgrade of +\$16.4 million for fiscal year 2021, a +\$9.4 million forecast increase for fiscal year 2022, and a smaller +\$3.1 million forecast upgrade for fiscal year 2023 on a current law basis.
 - The staff recommended consensus forecast also includes a small upward consensus revenue forecast adjustment for Diesel TIB revenues of less than one percent in fiscal year 2022 and 2023—with no staff recommended change of significance in fiscal year 2021.
 - The staff recommended forecast downgrades for the T-Fund’s two TIB categories totaling -\$3.2 million for fiscal year 2021, -\$2.9 million for fiscal year 2022, and -\$0.5 million for fiscal year 2023.⁸
- For the E-Fund [Partial], this updated staff recommended consensus forecast on an apples-to-apples basis calls for a staff recommended forecast upgrade of +\$78.2 million for fiscal year 2021, an upgrade of +\$70.2 million for fiscal year 2022, and a staff recommended consensus forecast upgrade of +\$32.6 million for fiscal year 2023 on a current law basis.

⁸ Please note that totals for these small T-Fund TIB revenue categories may not add due to rounding as consensus forecast recommendations are out to two decimal places for the TIB Diesel receipts category.

- The August 2020 staff recommended forecast update for all three fund aggregates is presented graphically below for the next three fiscal years by major fund—excluding Health Care revenues.
- Like Table 4 above, the bar chart below presents the changes by fund on a current law basis. However, the chart differs from Table 1 in that presents consensus G-Fund forecast changes by fiscal year excluding Health Care revenues.



- One of the most surprising aspects of the revised staff recommended consensus revenue forecast for January 2021 is the degree in which federal deficit spending has offset—albeit in aggregate—many of the negative effects of the COVID-19 pandemic and the public health measures taken to address it.
- Over the first half of fiscal year 2021, the “good news” in first half revenue receipts is that they have substantially out-performed the significantly reduced level of revenue expectations for the G-Fund, T-Fund and E-Fund as embodied in the August 2020 consensus revenue forecast as passed by the Vermont

Emergency Board (see Table 5 below) and have off-set a significant percentage of the consensus revenue forecast downgrade in each fund that forecast represented relative to the January 2020 consensus revenue forecast that was completed prior to the onset of the COVID-19 pandemic.

- In the G-Fund, actual receipts over the first half of fiscal year 2021 outperformed consensus expectations in December, the second quarter, and over the first half of fiscal year 2021 by a total +\$110.3 million.
 - That above-target performance over the first half of fiscal year 2021 represented a total of 60.5 percent of the \$182.4 million August consensus forecast downgrade versus the pre-pandemic January 2020 consensus revenue forecast.
- The same was true for first half collections in the T-Fund receipts through December, which outperformed first half consensus cash flow expectations by nearly +\$11.6 million cumulatively.
 - That first half performance came against a diminished consensus revenue forecast downgrade of \$29.3 million in the August 2020 consensus forecast as approved by the Vermont Emergency Board versus pre-pandemic, January 2020 consensus revenue forecast expectations.
- The E-Fund (up by roughly \$41.9 million cumulatively versus consensus expectations through December) came against a consensus forecast downgrade in August of 2020 of \$62.7 million.
 - Like the comparisons for the G-Fund and T-Fund above, the comparative E-Fund receipts performance came against a significantly reduced level of revenue expectations as embodied in August versus the January 2020 pre-pandemic consensus revenue forecast.
- Only first half actual receipts in the Gasoline TIB category underperformed significantly versus the COVID-pandemic reduced revenue expectations.
 - That performance reflected the very low oil price environment that the global, U.S., and Vermont economies find themselves in and a formula error in the quarterly Gasoline TIB collections process that allowed the Gasoline TIB price to fall below its statutory floor for approximately two quarters. This has since been corrected.

Table 5: Overview of Cumulative Receipts by Fund Aggregate Through December vs. The August 2020 Consensus Revenue Forecast Downgrade

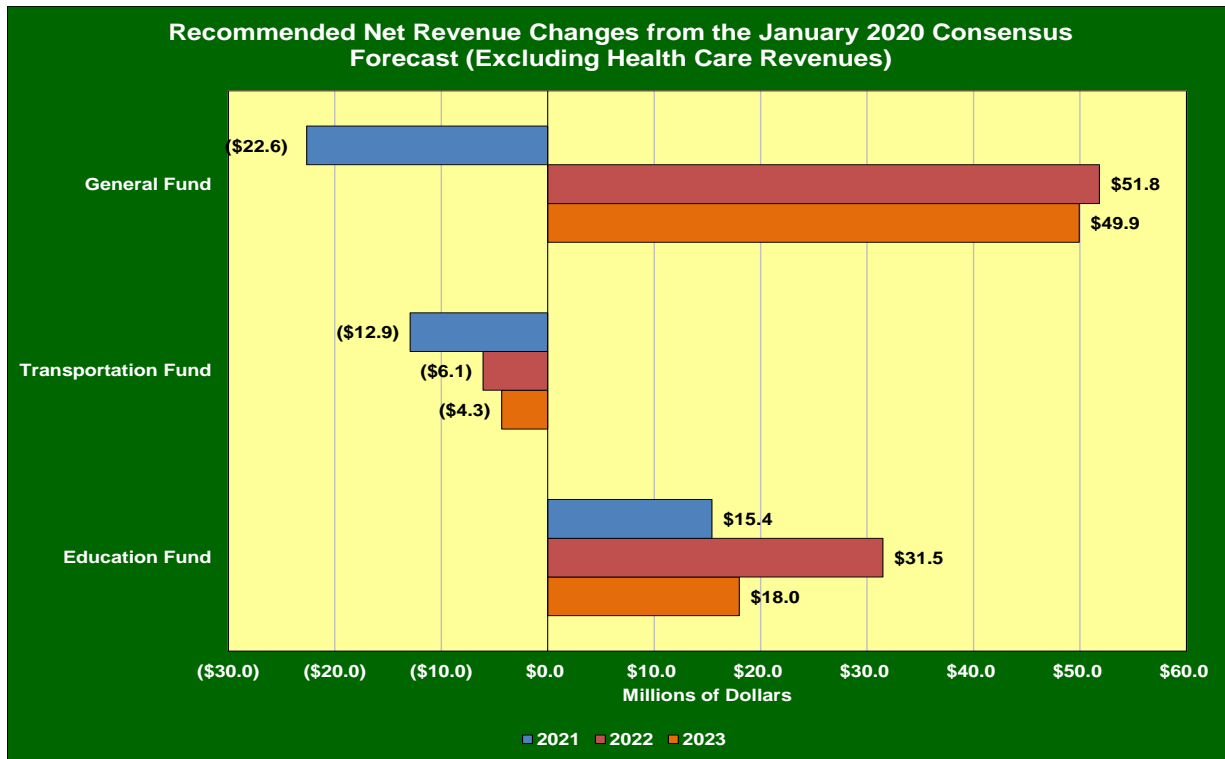
Analysis of Cumulative Receipts--vs. CUMULATIVE TARGETS Thru December 31st			
<i>FINAL Schedule 2s</i> Fund/Component (\$000s)	Dollar Difference	Aug. 2020 Consensus Forecast Downgrade	Versus Target Receipts as a % of the Aug. 2020 Downgrade
GENERAL FUND w/Health Care Revs	\$ 110,278.0	(\$182,405.9)	60.5%
EDUCATION FUND	\$ 41,853.8	(\$62,749.0)	66.7%
TRANSPORTATION FUND (Non-TIB)	\$ 11,578.5	(\$29,323.3)	39.5%
TIB	\$ (600.9)	(\$3,190.0)	-18.8%
THREE FUND TOTAL	\$ 163,109.4	\$ (277,668.2)	58.7%

- Because of the unprecedented federal fiscal and monetary policy responses to the COVID-19 pandemic, this upgraded staff recommended consensus revenue forecast projects that state revenues overall will have made substantial progress in re-acquiring their pre-pandemic levels by the end of the forecast update period in fiscal year 2023.
 - Among the major funds, although expected revenues in the T-Fund are not expected to rise to the level of their pre-pandemic levels, revenues in the E-Fund are through the consensus forecast update are expected to do so this fiscal year and expected revenues in the G-Fund are expected to re-claim their pre-pandemic levels in aggregate by the end of fiscal year 2022.
 - This is a reflection of the unprecedentedly strong federal fiscal response that involves never before experienced amounts of federal deficit spending that, by the time those expenditures reached Vermont, could total nearly one-third of the state's nominal dollar Gross State Product.
 - This appears to demonstrate that if the federal fiscal response stop-gap cash and liquidity injection is large enough, federal deficit pending can apparently off-set—at least in aggregate—even the most harsh and rapid economic downturns in the country's economic history—including the so-called "Great Depression" and Great Recession." However, the long-term sustainability of that strategy has obviously yet to be tested.

Table 6: Staff Recommended Consensus Revenue Forecast Update—Change from the January 2020 Consensus Forecast (FY 2021-FY 2023)
Current Law (Including Health Care Taxes-Fees)

Differences-January 2021 Proposed Consensus Forecast versus the January 2020 Consensus Forecast (By Fund)						
Current Law	2021		2022		2023	
	Dollars	Percent	Dollars	Percent	Dollars	Percent
General Fund Available to the General Fund-Per Act 6 of 2019/Act 76 of 2019-Incl. Health Care Revenues	(\$22.6)	-1.4%	\$51.8	3.2%	\$49.9	3.0%
Transportation Fund Available to the Transportation Fund	(\$12.9)	-4.5%	(\$6.1)	-2.1%	(\$4.3)	-1.5%
Education Fund Partial-Including all Recent Fund Allocation Changes	\$15.4	2.7%	\$31.5	5.3%	\$18.0	3.0%
Total--"Big 3 Funds"	(\$20.1)	-0.8%	\$77.2	3.1%	\$63.6	2.5%
MEMO #1: Health Care Revenues	\$4.8	1.7%	\$2.8	1.0%	\$0.7	0.2%
MEMO #2: TIB [3]						
Gasoline	(\$3.2)	-23.1%	(\$2.6)	-18.1%	(\$2.5)	-16.3%
Diesel	(\$0.2)	-8.7%	(\$0.1)	-3.8%	(\$0.0)	-2.3%
Total TIB	(\$3.4)	-21.2%	(\$2.7)	-16.3%	(\$2.5)	-14.6%
Notes: [1] Current Law (Incl. Healthcare Taxes-Fees). [2] Totals in the TIB may not add due to rounding.						
Prepared by: Economic & Policy Resources, Inc.						

- The chart below presents the above data versus the pre-pandemic January 2020 consensus revenue forecast in graphic format—again excluding State Health Care Revenues for fiscal years 2021, 2022, and 2023.



- With respect to the staff recommended consensus revenue forecast changes for January 2021 outlined above, Table 6 (below) presents the current dollar levels of the staff recommended forecast for the Emergency Board motion for the General Fund, Transportation Fund, and Education Fund [Partial] based on current law, with the General Fund dollar figure including Health Care Taxes-Fees.
 - For the G-Fund, the staff recommends a consensus forecast of \$1,573.7 million for fiscal year 2021, \$1,663.6 million for fiscal year 2022, and \$1,705.2 million for fiscal year 2023.
 - For the T-Fund, the staff recommends a forecast of \$275.0 million for fiscal year 2021, \$285.1 million for fiscal year 2022, and \$290.5 million in fiscal year 2023.
 - For the E-Fund [Partial], the staff recommends a forecast of \$589.7 million for fiscal year 2021, a forecast of \$622.4 million for fiscal year 2022, and a forecast of \$625.2 million for fiscal year 2023.
 - For the TIB funds, the staff recommends a Gas TIB forecast of \$10.7 million for fiscal year 2021, a forecast of \$11.9 million for fiscal year 2022, and a forecast of \$12.7 million for fiscal year 2023. The staff recommended forecast for Diesel TIB includes a total of \$1.9 million for fiscal year 2021, \$2.0 million for fiscal year 2022, and \$2.1 million for fiscal year 2023.

Table 6: Staff Recommended Consensus Forecast Revenue Collections by Fund

Revenue Levels by Fiscal Year--January 2021 "Staff Recommended" Consensus			
(\$ Millions)	2021	2022	2023
Available to the General Fund (Including Health Care Revenues)	\$1,573.7	\$1,663.6	\$1,705.2
Available to the Transportation Fund	\$275.0	\$285.1	\$290.5
E-Fund [Partial]	\$589.7	\$622.4	\$625.2
Total--Three Funds	\$2,438.4	\$2,571.1	\$2,620.9
 MEMO: Available Health Care Revenues	 \$280.4	 \$281.3	 \$281.9
TIB Funds:			
Gasoline TIB	\$10.7	\$11.9	\$12.7
Diesel TIB	\$1.9	\$2.0	\$2.1
Total TIB Funds	\$12.6	\$13.9	\$14.8
Prepared by: Economic & Policy Resources, Inc.			

▪ **Notes and Comments on Methods:**

- All figures presented above reflect current law revenues for the respective funds listed in the consensus forecast estimate for fiscal years 2021 through fiscal year 2022 that are part of the official Emergency Board motion. Fiscal year 2023 through 2025 staff recommended consensus forecasts are presented for fiscal planning purposes only.
- The revenue forecasting process is a collaborative process that involves ongoing involvement by the staff of the Vermont Department of Taxes, VTrans, the Legislative Joint Fiscal Office, Kavet Rockler & Associates, LLC (including Breanna Parker), and many others throughout state government and the staff of Economic & Policy Resources. Special thanks are due to several staff members of the Vermont Department of Taxes, including Sharon Asay, Mary Cox, Jake Feldman, Erin Hicks-Tibbles, Rebecca Sameroff, James Whitehouse, and Jennifer McNall for their assistance. Special thanks also is due to Lenny LeBlanc, Douglas Farnham, Kristin Clousner, Christopher Baning, Michael Smith, and Renea Bordeau (at VTrans and the Vermont Agency of Administration). The JFO staff also provided key assistance to this forecast update, including Steve Klein, Graham Campbell, Stephanie Barrett, Dan Dickenson, Catherine Benham, Chloe Wexler, Joyce Manchester, and Mark Perrault. Because this process involved the development and tracking of additional data including electricity use, staff at the Vermont Department of Public Service (Deputy Commissioner Riley Allen) and at several Vermont public utilities were also helpful in developing and reporting these data on a weekly basis since the COVID-19 pandemic began. There also were many others in both the Administration and the JFO who contributed time and energy to assembling data, providing analysis, or technical assistance that was crucial to completing these forecasts that are simply too numerous to mention here.
- The consensus forecasting process involves the discussion and agreement of two independent forecasts completed by Thomas E. Kavet of the JFO and the staff at Economic & Policy Resources. Agreement on the consensus forecast occurs after a complete discussion-vetting and reconciliation of these independent forecasts.
- The State continues to develop an internal State macroeconomic model which may eventually replace the model maintained at Moody's Analytics through the New England Economic Partnership (NEEP). The NEEP forecast for

Vermont is managed by Economic & Policy Resources, Inc., who currently supports the Vermont Agency of Administration with the Administration's part of the consensus forecasting process. Since October 2001, input and review of initial Vermont NEEP model design and output prior to its release has been provided by Tom Kavet of KRA, as the State Economist and Principal Economic Advisor to the Vermont Legislature.

Staff Recommended Consensus Forecast Update Tables

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	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
REVENUE SOURCE														
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 ¹	\$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 ²	\$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%
Total Tax Revenue	\$1553.7	1.3%	\$1667.2	7.3%	\$1763.0	5.7%	\$1829.7	3.8%	\$1839.3	0.5%	\$1954.4	6.3%	\$1994.9	2.1%
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 ³	\$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%
Total Other Revenue	\$87.1	47.9%	\$87.0	-0.1%	\$93.9	7.9%	\$84.8	-9.7%	\$81.1	-4.4%	\$84.1	3.7%	\$87.2	3.7%
Healthcare Revenue⁴	\$276.6	2.8%	\$275.6	-0.4%	\$276.3	0.2%	\$284.7	3.0%	\$284.3	-0.1%	\$285.3	0.3%	\$286.0	0.2%
TOTAL GENERAL FUND	\$1917.4	3.0%	\$2029.8	5.9%	\$2133.2	5.1%	\$2199.2	3.1%	\$2204.6	0.2%	\$2323.8	5.4%	\$2368.0	1.9%

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*

	FY 2017	%	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%
	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
REVENUE SOURCE														
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 ¹	\$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 ⁶	\$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 ²	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Estate ³	\$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%
Total Tax Revenue	\$1395.7	1.1%	\$1499.5	7.4%	\$1276.4	-14.9%	\$1302.9	2.1%	\$1241.8	-4.7%	\$1329.4	7.1%	\$1368.2	2.9%
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 ⁴	\$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%
Total Other Revenue	\$61.2	89.3%	\$59.4	-3.0%	\$63.7	7.4%	\$57.2	-10.3%	\$51.5	-10.0%	\$52.9	2.8%	\$55.1	4.2%
Healthcare Revenue⁵	\$0.0		\$0.0		\$272.3	NM	\$280.9	3.1%	\$280.4	-0.2%	\$281.3	0.3%	\$281.9	0.2%
TOTAL GENERAL FUND	\$1457.0	3.2%	\$1558.9	7.0%	\$1612.5	3.4%	\$1640.9	1.8%	\$1573.7	-4.1%	\$1663.6	5.7%	\$1705.2	2.5%

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 ¹

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
REVENUE SOURCE														
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%
TOTAL HEALTHCARE	\$276.6	2.8%	\$275.6	-0.4%	\$276.3	0.2%	\$284.7	3.0%	\$284.3	-0.1%	\$285.3	0.3%	\$286.0	0.2%

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
REVENUE SOURCE														
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%
TOTAL HEALTHCARE	\$272.9	2.7%	\$271.7	-0.5%	\$272.3	0.2%	\$280.9	3.1%	\$280.4	-0.2%	\$281.3	0.3%	\$281.9	0.2%

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
REVENUE SOURCE														
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%
TOTAL TRANS. FUND	\$305.8	2.6%	\$315.4	3.1%	\$318.2	0.9%	\$299.2	-6.0%	\$315.1	5.3%	\$326.8	3.7%	\$332.7	1.8%

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
REVENUE SOURCE														
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 ¹	\$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 ²	\$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%
TOTAL TRANS. FUND	\$271.4	2.6%	\$279.0	2.8%	\$280.9	0.7%	\$264.1	-6.0%	\$275.0	4.1%	\$285.1	3.7%	\$290.5	1.9%

OTHER (TIB³)

	FY 2017	%	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
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 ⁴	\$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%
TOTAL OTHER (TIB)	\$14.5	-2.9%	\$14.9	2.4%	\$16.6	11.9%	\$14.7	-11.6%	\$12.6	-14.3%	\$13.9	10.5%	\$14.8	6.2%

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 FUND¹ 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

	FY 2017	%	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
GENERAL FUND														
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 ²	\$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 ³	\$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%
TOTAL EDUCATION FUND	\$192.2	1.3%	\$203.3	5.8%	\$525.4	158.4%	\$536.2	2.0%	\$589.7	10.0%	\$622.4	5.5%	\$625.2	0.5%

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

Five Year Forecast Update Tables

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
REVENUE SOURCE																				
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 & Use¹	\$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%
Electric²	\$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%
Total Tax Revenue	\$1553.7	1.3%	\$1667.2	7.3%	\$1763.0	5.7%	\$1829.7	3.8%	\$1839.3	0.5%	\$1954.4	6.3%	\$1994.9	2.1%	\$2060.2	3.3%	\$2123.8	3.1%	\$2193.7	3.3%
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 Other³	\$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%
Total Other Revenue	\$87.1	47.9%	\$87.0	-0.1%	\$93.9	7.9%	\$84.8	-9.7%	\$81.1	-4.4%	\$84.1	3.7%	\$87.2	3.7%	\$90.3	3.5%	\$93.0	3.0%	\$95.5	2.7%
Healthcare Revenue ⁴	\$276.6	2.8%	\$275.6	-0.4%	\$276.3	0.2%	\$284.7	3.0%	\$284.3	-0.1%	\$285.3	0.3%	\$286.0	0.2%	\$286.3	0.1%	\$287.0	0.3%	\$287.6	0.2%
TOTAL GENERAL FUND	\$1917.4	3.0%	\$2029.8	5.9%	\$2133.2	5.1%	\$2199.2	3.1%	\$2204.6	0.2%	\$2323.8	5.4%	\$2368.0	1.9%	\$2436.7	2.9%	\$2503.8	2.8%	\$2576.8	2.9%

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*

	FY 2017	%	FY 2018	%	FY 2019	%	FY2020	%	FY2021	%	FY2022	%	FY2023	%	FY2024	%	FY2025	%	FY2026	%
	<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>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
REVENUE SOURCE																				
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 ¹	\$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 ²	\$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 ²	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Estate ³	\$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%
Total Tax Revenue	\$1395.7	1.1%	\$1499.5	7.4%	\$1276.4	-14.9%	\$1302.9	2.1%	\$1241.8	-4.7%	\$1329.4	7.1%	\$1368.2	2.9%	\$1421.4	3.9%	\$1471.8	3.5%	\$1522.4	3.4%
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 ⁴	\$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%
Total Other Revenue	\$61.2	89.3%	\$59.4	-3.0%	\$63.7	7.4%	\$57.2	-10.3%	\$51.5	-10.0%	\$52.9	2.8%	\$55.1	4.2%	\$57.3	3.9%	\$59.1	3.2%	\$60.7	2.7%
Healthcare Revenue⁵	\$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%
TOTAL GENERAL FUND	\$1457.0	3.2%	\$1558.9	7.0%	\$1612.5	3.4%	\$1640.9	1.8%	\$1573.7	-4.1%	\$1663.6	5.7%	\$1705.2	2.5%	\$1760.8	3.3%	\$1813.7	3.0%	\$1866.4	2.9%

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 HEALTHCARE¹

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	%	FY2024	%	FY2025	%	FY2026	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
REVENUE SOURCE																				
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%
TOTAL HEALTHCARE	\$276.6	2.8%	\$275.6	-0.4%	\$276.3	0.2%	\$284.7	3.0%	\$284.3	-0.1%	\$285.3	0.3%	\$286.0	0.2%	\$286.3	0.1%	\$287.0	0.3%	\$287.6	0.2%

**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	%	FY2024	%	FY2025	%	FY2026	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
REVENUE SOURCE																				
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%
TOTAL HEALTHCARE	\$272.9	2.7%	\$271.7	-0.5%	\$272.3	0.2%	\$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%

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	%	FY2024	%	FY2025	%	FY2026	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
REVENUE SOURCE																				
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%
TOTAL TRANS. FUND	\$305.8	2.6%	\$315.4	3.1%	\$318.2	0.9%	\$299.2	-6.0%	\$315.1	5.3%	\$326.8	3.7%	\$332.7	1.8%	\$338.3	1.7%	\$344.0	1.7%	\$350.1	1.8%

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	%	FY2024	%	FY2025	%	FY2026	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
REVENUE SOURCE																				
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 ¹	\$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 ²	\$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%
TOTAL TRANS. FUND	\$271.4	2.6%	\$279.0	2.8%	\$280.9	0.7%	\$264.1	-6.0%	\$275.0	4.1%	\$285.1	3.7%	\$290.5	1.9%	\$295.1	1.6%	\$299.4	1.5%	\$304.0	1.5%

OTHER (TIB³)

	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
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 ⁴	\$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%
TOTAL OTHER (TIB)	\$14.5	-2.9%	\$14.9	2.4%	\$16.6	11.9%	\$14.7	-11.6%	\$12.6	-14.3%	\$13.9	10.5%	\$14.8	6.2%	\$16.1	9.1%	\$17.0	5.1%	\$17.6	3.7%

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 FUND¹ 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

	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
GENERAL FUND																				
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 ²	\$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%
TRANSPORTATION FUND																				
Purchase and Use ³	\$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%
TOTAL EDUCATION FUND	\$192.2	1.3%	\$203.3	5.8%	\$525.4	158.4%	\$536.2	2.0%	\$589.7	10.0%	\$622.4	5.5%	\$625.2	0.5%	\$642.2	2.7%	\$659.3	2.7%	\$677.9	2.8%

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