Legislative Budget Office of the Legislative Service Commission

LBO BUDGET FOOTNOTES INFOGRAPHIC

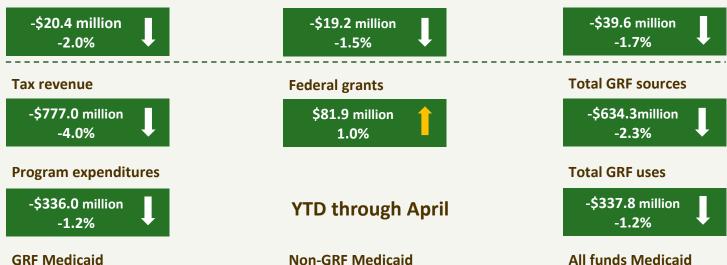
Click **here** for the full edition of Budget Footnotes

Volume: Fiscal Year 2020 Issue: May 2020

- ♦ State tax revenues took a large hit in April due to the delay in the income tax filing deadline until July 15 and the effects of the economic slowdown due to the COVID-19 pandemic. Tax revenue was \$866.5 million under estimate for the month. This threw the year-to-date (YTD) variance into negative territory for the first time this fiscal year (\$777.0 million, 4.0%, under estimate).
- ♦ The personal income tax was responsible for 87.0% of the negative YTD variance in tax revenues. This tax came in \$635.7 million below estimate in April, increasing its negative YTD variance to \$675.7 million (9.2%).
- The sales and use tax, the largest GRF tax, had a negative variance of \$236.7 million in April, more than offsetting its positive variance from the beginning of the fiscal year and resulting in a negative YTD variance of \$159.3 million (1.8%).
- ♦ YTD GRF Medicaid expenditures were \$116.4 million (0.9%) above estimate at the end of April. This positive variance was offset by a negative variance in non-GRF Medicaid expenditures of \$180.9 million (1.7%). Medicaid caseloads increased by more than 93,000 in April.
- GRF spending for all other program categories, except for Medicaid and Other Education, were under estimate YTD. Total program expenditures were \$336.0 million (1.2%) under estimate.
- On May 7, the governor signed an executive order requiring GRF budget reductions totaling \$775.0 million for FY 2020.

GRF & Medicaid Variances - Actual vs. Estimate

Tax revenue **Federal grants** Total GRF sources -\$8.4 million -\$866.5 million -\$867.5 million -35.3% -1.2% -27.2% **Total GRF uses Program expenditures** -\$135.5 million -\$135.4 million **Month of April** -5.0% -5.0% **GRF Medicaid** All funds Medicaid Non-GRF Medicaid -\$20.4 million -\$39.6 million -\$19.2 million -2.0% -1.5% -1.7%



-\$180.9 million

-\$64.5 million

\$116.4 million
