

# **Governor McAuliffe's Proposed Amendments to the 2016-2018 Budget**

## **Economic Outlook & Revenue Forecast**

*A Briefing for the Senate Finance,  
House Finance, and House Appropriations  
Committees*

*December 16, 2016*



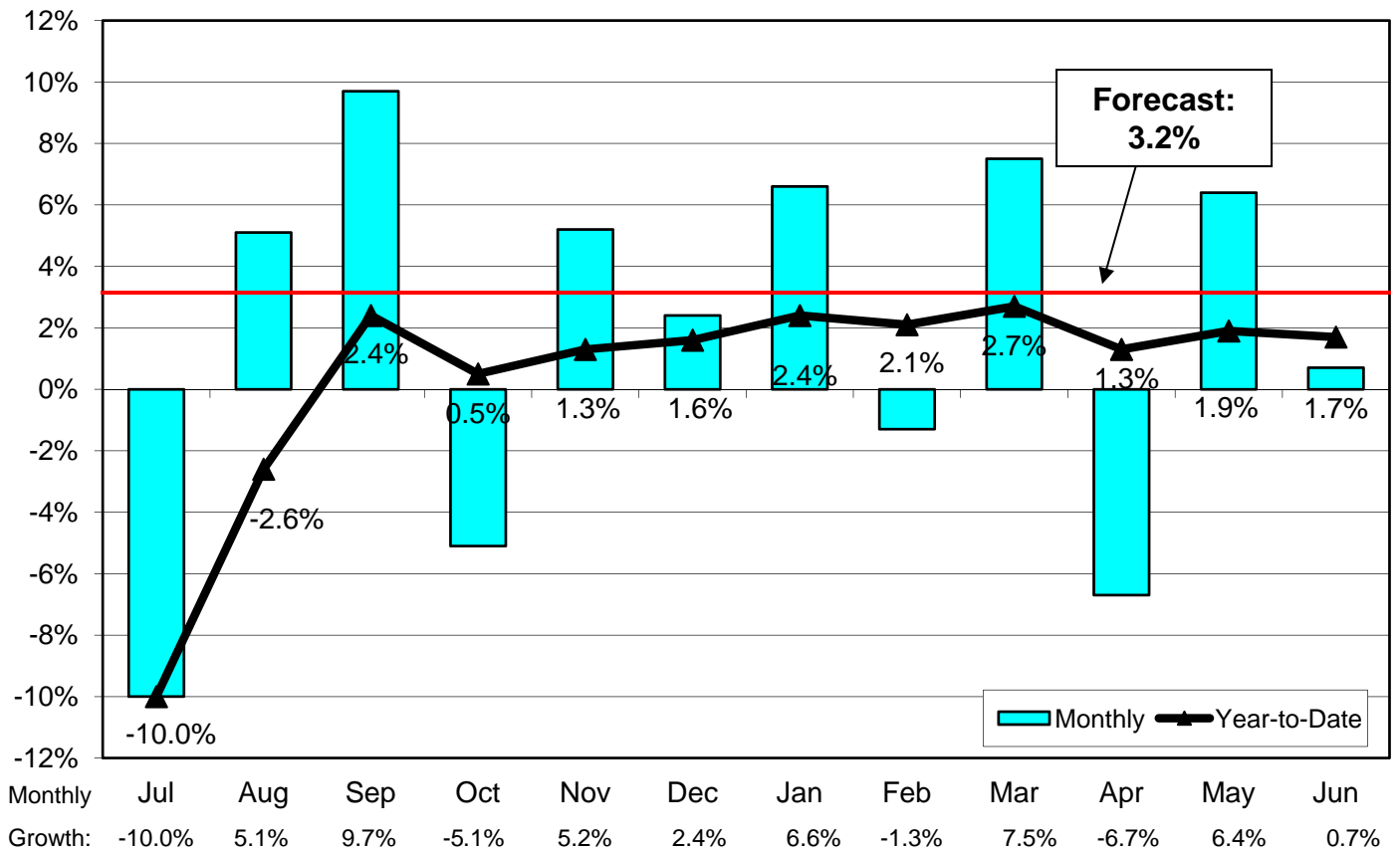
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## ***Outline...***

- Fiscal Year 2016 Year-in-Review
- August Interim Revenue Forecast
- U.S. and Virginia Economic Outlook
- December Revenue Forecast
- November Revenue Collections
- Next Steps

# ***Fiscal Year 2016 Revenues Finished \$268.9 Million (-1.5 Percent) Below Forecast...***

## **Growth in Total General Fund Revenue Collections FY16 Monthly and Year-to-Date**



- Total general fund revenue collections were short of the forecast by \$268.9 million in FY16, a forecast variance of 1.5 percent.
- Fiscal year 2016 total revenues increased 1.7 percent, behind the annual forecast of 3.2 percent growth.

# ***Fiscal Year 2016 General Fund Collections Finished \$279.3 Million (-1.5 Percent) Below Forecast...***

## **Summary of Fiscal Year 2016 Revenue Collections** (millions of dollars)

Major Sources	Forecast	Actual	Dollars	Percent	Forecast	Actual
Withholding	\$11,501.6	\$11,306.3	(\$195.3)	(1.7) %	4.1 %	2.4
Nonwithholding	3,099.0	3,070.1	(28.9)	(0.9)	1.9	0.9
Refunds	(1,777.6)	(1,820.7)	(43.1)	2.4	1.2	3.6
Net Individual	\$12,823.0	\$12,555.6	(\$267.4)	(2.1) %	4.0 %	1.8
Sales	\$3,367.7	\$3,295.9	(\$71.9)	(2.1) %	4.1 %	1.9
Corporate	722.8	764.9	42.1	5.8	(13.1)	(8.0)
Wills (Recordation)	383.0	369.1	(13.9)	(3.6)	10.6	6.6
Insurance	322.7	339.1	16.4	5.1	7.3	12.8
All Other Revenue	689.8	715.5	25.7	3.7	(0.4)	3.3
<b>Total Revenue</b>	<b>\$18,309.0</b>	<b>\$18,040.1</b>	<b>(\$268.9)</b>	<b>(1.5) %</b>	<b>3.2 %</b>	<b>1.7</b>
A.B.C. Profits	\$84.0	\$86.5	\$2.5	3.0	0.8 %	3.8
Sales Tax (0.375%)	366.7	355.5	(11.2)	(3.1)	4.1	0.9
Transfers	121.3	119.6	(1.7)	(1.4)	(38.8)	(39.7)
<b>Total Transfers</b>	<b>\$572.0</b>	<b>\$561.6</b>	<b>(\$10.4)</b>	<b>(1.8)</b>	<b>(9.8) %</b>	<b>(11.4)</b>
<b>TOTAL GENERAL FUND</b>	<b>\$18,881.0</b>	<b>\$18,601.7</b>	<b>(\$279.3)</b>	<b>(1.5)</b>	<b>2.8 %</b>	<b>1.3</b>

- Payroll withholding and sales tax accounted for 73 percent and 27 percent, respectively, of the revenue shortfall.
- All other sources balanced out.

## ***In Mid-May, the Governor Directed The Secretary Of Finance To Conduct A Reforecast Of Revenues...***

- The August 2016 interim revenue forecast is based on the updated economic outlook for Virginia as approved by the Joint Advisory Board of Economists (JABE) and the Governor's Advisory Council on Revenue Estimates (GACRE) .
  - The JABE members endorsed the standard forecast for the U.S. and Virginia, which was conservative and close to the official outlook made last year.
  - However, several GACRE members commented on the need to account for lower-paying jobs going forward.
    - Adjust for withholding model bias, which reduces each fiscal year by \$53.5 million.
- Governor McAuliffe released the interim revenue forecast on August 26, 2016, reducing revenues by \$1.2 billion for fiscal years 2017 and 2018 from the official forecast.
  - When combined with the fiscal year 2016 revenue shortfall, the total budget shortfall is \$1.5 billion.

## ***Recent National Indicators Suggest a Strengthening Economic Expansion...***

- Real GDP grew 3.2 percent in the third quarter of 2016, after growing 1.4 percent in the second quarter.
- Payroll employment grew by 178,000 jobs in November. Monthly gains have averaged 176,000 over the last three months.
- The unemployment rate fell from 4.9% to 4.6% in November as the labor force contracted.
- In Virginia employment has been growing just under 2.0 percent. Payroll employment grew 1.7 percent in October.
  - Employment increased 2.0 percent Northern Virginia, 0.6 percent in Hampton Roads and 1.9 percent in Richmond-Petersburg.
- The seasonally adjusted unemployment rate in Virginia rose slightly from 4.0 percent to 4.2 percent in October, the same rate as October of last year.
- During the week ending November 26, initial claims for unemployment rose from 251,000 to 268,000. The four-week moving average rose by 500 to 251,500.
- The Conference Board's index of leading indicators rose 0.1 percent in October. The behavior of the index is consistent with a moderate economic expansion.

## ***Recent National Indicators Suggest a Strengthening Economic Expansion (continued)...***

- Consumer confidence increased in November, as the Conference Board's index of consumer confidence rose from 100.8 to 107.1.
  - November's reading was the highest since July 2007.
- Conditions in the manufacturing sector strengthened modestly in November as the Institute of Supply Management index rose from 51.9 to 53.2.
- The CPI rose 0.4% in October from the previous month and stands 1.6 percent above October of last year.
  - Core inflation (excluding food and energy prices) rose 0.1 percent and has increased 2.1 percent from October 2015.
- The Federal Reserve announced at its November meeting that it will keep the federal funds rate target at 0.25 to 0.50 percent.

## ***The Fall 2016 Consensus Forecasting Process...***

- The Joint Advisory Board of Economists (JABE) met November 9th.
  - Members were presented an October standard and a pessimistic economic outlook to compare with the Interim economic forecast.
  - A majority of JABE members thought the standard forecast was fairly reasonable and confirmed the Interim outlook. Most members also approved a key assumption that Virginia's employment and income growth would mirror the nation.
  - Two members believed Virginia would do better in the short-term, while 3 members thought fiscal year 2018 should be slightly slower given the uncertainty with the federal government budget and sequestration.
- The Governor's Advisory Council on Revenue Estimates (GACRE) met November 28th.
  - Members evaluated JABE recommendations, revenue collections through October, and the associated revenue forecasts for the FY17-18 biennium.
  - At the GACRE meeting, all business members voted for the standard, but some expressed concern with the timing of federal government spending and its impact on Virginia revenues.
  - Most members of the General Assembly who attended expressed caution.



## ***GACRE Members Concurred with the JABE Recommended Forecast...***

- IHS Markit October U.S. standard forecast reflects economic growth similar to the May Interim forecast.
  - As a result, FY17 real GDP is expected to grow 1.7 percent, personal income is expected to grow 3.8 percent, and employment is expected to grow 1.5 percent.

### **Key Virginia Economic Indicators** May Interim and October Standard Forecasts Annual Percent Change

	Fiscal Year			
	15	16	17	18
Employment				
May Interim	1.1	2.4	1.5	1.0
Oct Standard	1.1	2.4	1.5	1.0
Personal Income				
May Interim	4.0	4.3	3.8	4.2
Oct Standard	4.8	4.1	3.9	4.2
Wages & Salaries				
May Interim	3.2	4.2	4.3	3.9
Oct Standard	3.2	4.7	4.4	3.9

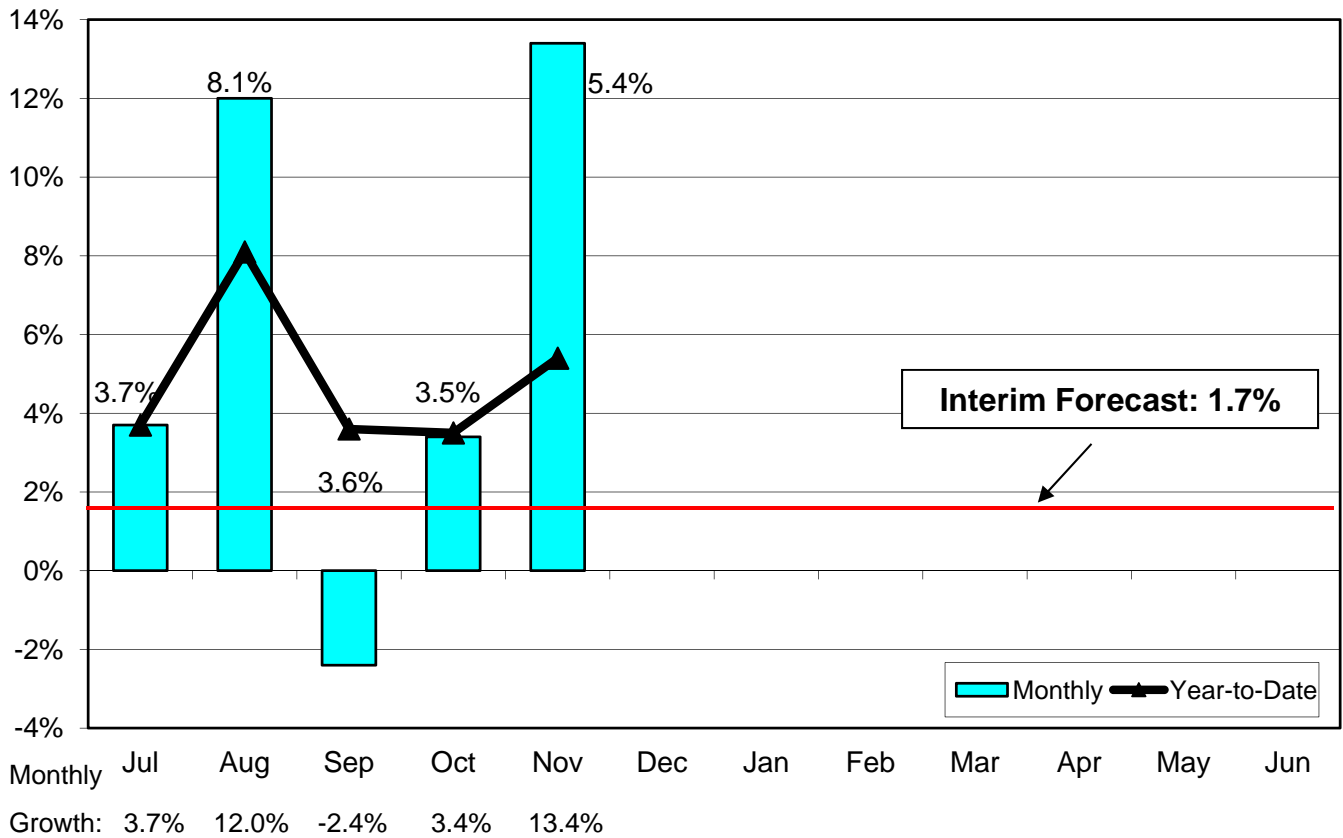
- As a result, the October 2016 Virginia Economic Outlook for FY17-18 remains a standard forecast that is consistent with the Interim May forecast and the advice of JABE and GACRE.

## ***The November GACRE Revenue Forecast...***

- The GACRE forecast including current law and policies as reflected in Chapter 780 are assumed throughout. Highlights include:
  - AST rollback is continued consistent with enacted budget assumption.
  - Nonwithholding Collar (16.13%) is applied and limited to 1% of general fund.
    - FY17 – Reduce forecast by \$260.0 then add back \$73.0 million to get net collar reduction of -\$187.0 million
    - FY18 – Reduce forecast by \$352.0 million then add back \$160 million to get net collar reduction of -\$192.0 million.
  - Fiscal years 2017 and 2018 payroll withholding model bias adjustment is reduced by 25 percent to \$76.1 million due to current strength in collections.
  - Total revenue is \$233.0 million higher than the Interim forecast over the biennium.
  - FY17 revenue growth was at 2.7 percent as compared to the 1.7 percent growth required to attain the Interim forecast.
  - FY18 revenue growth was at 2.9 percent as compared to the 3.6 percent growth required to attain the Interim forecast.

# Total General Fund Revenue Growth Continues to be Above Forecast...

**Growth in Total General Fund Revenue Collections**  
FY17 Monthly and Year-to-Date



- Total general fund revenues increased 13.4 percent in November, driven by additional payroll withholding deposit day.
  - December will have one less deposit day.
- On a year-to-date basis, total revenues increased 5.4 percent, ahead of the interim forecast of 1.7 percent growth.

## ***The December Revenue Forecast (Introduced Budget) Essentially Is the GACRE Forecast...***

- Improved revenue collections through November would suggest that the GACRE forecast is conservative and in-line with the advice of the GACRE members.
- Post-GACRE revenue adjustments were mostly technical in nature.
- Some tax policy changes are proposed by the Governor which primarily affect fiscal year 2018.

# ***The December Revenue Forecast...***

## **Revised General Fund Revenues and Transfers**

### **2016-2018 Biennium**

(millions of dollars)

	FY 2017	Percent Change	FY2018	Percent Change	Total
<b>Revenue:</b>					
Official Est. in Chapter 780, 2016 Acts of Assembly	\$ 18,902.4	4.8%	\$ 19,633.1	3.9%	\$ 38,535.5
August Revisions	<u>-564.4</u>		<u>-632.7</u>		<u>-1,197.1</u>
Interim Forecast, August 26, 2016	18,338.0	1.7%	19,000.4	3.6%	37,338.4
GACRE Revisions	<u>181.8</u>		<u>51.2</u>		<u>233.0</u>
GACRE Forecast, November 28, 2016	18,519.8	2.7%	19,051.6	2.9%	37,571.4
Subsequent Technical Adjustments:					
Compliance of Consumer Use Tax	0.0		2.0		2.0
Charge Card Rebate	1.9		1.9		3.8
Fees for offers in compromise, rulings and filing status changes	<u>0.0</u>		<u>0.1</u>		<u>0.1</u>
Subtotal	1.9		4.0		5.9
Policy Adjustments/Legislation:					
Tax Amnesty Program	0.0		58.2		58.2
Accelerated Sales Tax to \$2.5/\$4.0 million	35.1		12.8		47.9
Tighten sales tax nexus	0.0		11.1		11.1
\$5 million per return limit on Historic Rehab. Tax credit	0.0		9.9		9.9
Retain \$20,000 limit on LPTC for TY2017	0.0		6.1		6.1
Prevent double dipping of tax credits and deductions	0.0		2.0		2.0
LPTC transfer fee from 2% to 3%	0.0		1.0		1.0
Notification of payroll system breaches	0.0		0.8		0.8
VOSH Civil Penalties	0.0		0.7		0.7
Dam Safety Clawbacks	0.5		0.0		0.5
License Fees for adult services - DBHDS	0.1		0.2		0.3
Telework Tax Credit Sunset	<u>0.0</u>		<u>0.1</u>		<u>0.1</u>
Subtotal	35.7		102.9		138.6
Total Adjustments to GACRE Forecast	<u>37.6</u>		<u>106.9</u>		<u>144.5</u>
<b>Revenue Forecast in Introduced Budget</b>	18,557.4	2.9%	19,158.5	3.2%	37,715.9
<b>Transfers:</b>					
Official Est. in Chapter 780, Acts of Assembly	577.7		596.8		1,174.5
ABC Profits	13.0		11.6		24.6
Sales Tax (.375 cents) for K-12	<u>-19.7</u>		<u>-24.6</u>		<u>-44.3</u>
Settlements from OAG	0.0		19.9		19.9
October Budget Reduction Plan	16.3		0.0		16.3
VRS Repayments NGF	12.0		3.5		15.5
Other Transfers	<u>0.6</u>		<u>2.1</u>		<u>2.7</u>
Total Transfer	599.9	-6.8%	609.3	1.6%	1,209.2
<b>Total General Fund Resources</b>	<b>\$ 19,157.3</b>	<b>3.0%</b>	<b>\$ 19,767.8</b>	<b>3.2%</b>	<b>\$ 38,925.1</b>

# The December Revenue Forecast FY 2017...

## Summary of the December General Fund Revenue Forecast

Fiscal Years 2017  
(millions of dollars)

Major Sources	As a % of Total General Fund	Fiscal Year 2017			% Growth Over FY 16	
		Interim	December	Change	Interim	December
Withholding	61.1%	\$11,646.0	\$11,713.3	\$67.3	3.0 %	3.6
Nonwithholding	15.9	3,032.5	3,048.5	16.0	(1.2)	(0.7)
Refunds	(9.6)	(1,894.1)	(1,848.0)	46.1	4.0	1.5
Net Individual	67.4%	\$12,784.4	\$12,913.8	\$129.4	1.8 %	2.9 %
Sales	17.7%	\$3,382.2	\$3,385.8	\$3.6	2.6 %	2.7 %
Corporate	4.1	742.1	794.2	52.1	(3.0)	3.8
Wills (Recordation)	2.1	389.4	398.6	9.2	5.5	8.0
Insurance	1.8	343.5	344.1	0.6	1.3	1.5
All Other Revenue	3.8	696.4	720.9	24.5	(2.7)	0.7
<b>Total Revenue</b>	96.9%	<b>\$18,338.0</b>	<b>\$18,557.4</b>	<b>\$219.4</b>	<b>1.7 %</b>	<b>2.9 %</b>
A.B.C. Profits	0.5	\$84.3	\$97.3	\$13.0	(2.5) %	12.5 %
Sales Tax (0.375%)	1.9	367.2	365.4	(1.8)	3.3	2.8
Transfers	0.7	108.5	137.2	28.7	(9.3)	14.7
<b>Total Transfers</b>	3.1%	<b>\$560.0</b>	<b>\$599.9</b>	<b>\$39.9</b>	<b>(0.3) %</b>	<b>6.8 %</b>
<b>TOTAL GENERAL FUND</b>	100.0%	<b>\$18,898.0</b>	<b>\$19,157.3</b>	<b>\$259.3</b>	<b>1.6 %</b>	<b>3.0 %</b>

- Total general fund resources, including revenues and transfers, are \$259.3 million above the Interim forecast for fiscal year 2017.

# The December Revenue Forecast FY 2018...

## Summary of the December General Fund Revenue Forecast

Fiscal Years 2018  
(millions of dollars)

	Fiscal Year 2018				2016-2018 Biennium			
	Interim	December	Change	% Growth Over FY17		Interim	December	Change
				Interim	December			
Withholding	\$12,037.4	\$12,100.2	\$62.8	3.4 %	3.3 %	\$23,683.4	\$23,813.5	\$130.1
Nonwithholding	3,280.8	3,222.6	(58.2)	8.2	5.7	6,313.3	6,271.1	(42.2)
Refunds	(1,968.2)	(1,942.6)	25.6	3.9	5.1	(3,862.3)	(3,790.6)	71.7
Net Individual	\$13,350.0	\$13,380.2	\$30.2	4.4	3.6	\$26,134.4	\$26,294.0	\$159.6
Sales	\$3,481.4	\$3,445.5	(\$35.9)	2.9	1.8	\$6,863.6	\$6,831.3	(\$32.3)
Corporate	724.0	824.9	100.9	(2.4)	3.9	1,466.1	1,619.1	153.0
Wills (Recordation)	389.4	407.9	18.5	0.0	2.3	778.8	806.5	27.7
Insurance	354.5	364.8	10.3	3.2	6.0	698.0	708.9	10.9
All Other Revenue	701.1	735.2	34.1	0.7	2.0	1,397.5	1,456.1	58.6
<b>Total Revenue</b>	<b>\$19,000.4</b>	<b>\$19,158.5</b>	<b>\$158.1</b>	<b>3.6 %</b>	<b>3.2 %</b>	<b>\$37,338.4</b>	<b>\$37,715.9</b>	<b>\$377.5</b>
A.B.C. Profits	\$89.8	\$101.4	\$11.6	6.5 %	4.2 %	\$174.1	\$198.7	\$24.6
Sales Tax (0.375%)	376.8	374.0	(2.8)	2.6	2.4	744.0	739.4	(4.6)
Transfers Per Act	108.6	133.9	25.3	0.1	(2.4)	217.1	271.1	54.0
<b>Total Transfers</b>	<b>\$575.2</b>	<b>\$609.3</b>	<b>\$34.1</b>	<b>2.7 %</b>	<b>1.6 %</b>	<b>\$1,135.2</b>	<b>\$1,209.2</b>	<b>\$74.0</b>
<b>TOTAL GENERAL FUND</b>	<b>\$19,575.6</b>	<b>\$19,767.8</b>	<b>\$192.2</b>	<b>3.6 %</b>	<b>3.2 %</b>	<b>\$38,473.6</b>	<b>\$38,925.1</b>	<b>\$451.5</b>

- Total general fund resources, including revenues and transfers, are forecast to be above the Interim forecast by \$192.2 million for fiscal year 2018 and \$451.5 million for the biennium.

# ***The December Revenue Forecast FY 2017 Compared to Chapter 780...***

## **Summary of the December General Fund Revenue Forecast**

Fiscal Years 2017  
(millions of dollars)

Major Sources	As a % of Total General Fund	Fiscal Year 2017			% Growth Over FY 16	
		C. 780	December	Change	C. 780	December
Withholding	61.1%	\$11,958.6	\$11,713.3	(\$245.3)	5.8 %	3.6
Nonwithholding	15.9	3,165.6	3,048.5	(117.1)	3.1	(0.7)
Refunds	(9.6)	(1,894.1)	(1,848.0)	46.1	4.0	1.5
Net Individual	67.4%	\$13,230.1	\$12,913.8	(\$316.3)	5.4 %	2.9 %
Sales	17.7%	\$3,500.8	\$3,385.8	(\$115.0)	6.2 %	2.7 %
Corporate	4.1	765.2	794.2	29.0	0.0	3.8
Wills (Recordation)	2.1	389.4	398.6	9.2	5.5	8.0
Insurance	1.8	335.6	344.1	8.5	(1.0)	1.5
All Other Revenue	3.8	681.4	720.9	39.5	(4.8)	0.7
<b>Total Revenue</b>	<b>96.9%</b>	<b>\$18,902.4</b>	<b>\$18,557.4</b>	<b>(\$345.0)</b>	<b>4.8 %</b>	<b>2.9 %</b>
A.B.C. Profits	0.5	\$84.3	\$97.3	\$13.0	(2.5) %	12.5 %
Sales Tax (0.375%)	1.9	385.1	365.4	(19.7)	8.3	2.8
Transfers	0.7	108.3	137.2	28.9	(9.4)	14.7
<b>Total Transfers</b>	<b>3.1%</b>	<b>\$577.7</b>	<b>\$599.9</b>	<b>\$22.2</b>	<b>2.9 %</b>	<b>6.8 %</b>
<b>TOTAL GENERAL FUND</b>	<b>100.0%</b>	<b>\$19,480.1</b>	<b>\$19,157.3</b>	<b>(\$322.8)</b>	<b>4.7 %</b>	<b>3.0 %</b>

- Total general fund resources, including revenues and transfers, are \$322.8 million below Chapter 780 for fiscal year 2017.



# ***The December Revenue Forecast FY 2018 Compared to Chapter 780...***

## **Summary of the December General Fund Revenue Forecast**

Fiscal Years 2018  
(millions of dollars)

	Fiscal Year 2018				2016-2018 Biennium			
	C. 780	December	Change	% Growth Over FY17		C. 780	December	Change
				C. 780	December			
Withholding	\$12,410.2	\$12,100.2	(\$310.0)	3.8 %	3.3 %	\$24,368.8	\$23,813.5	(\$555.3)
Nonwithholding	3,393.9	3,222.6	(171.3)	7.2	5.7	6,559.5	6,271.1	(288.4)
Refunds	(1,968.2)	(1,942.6)	25.6	3.9	5.1	(3,862.3)	(3,790.6)	71.7
Net Individual	\$13,835.9	\$13,380.2	(\$455.7)	4.6	3.6	\$27,066.0	\$26,294.0	(\$772.0)
Sales	\$3,635.0	\$3,445.5	(\$189.5)	3.8	1.8	\$7,135.7	\$6,831.3	(\$304.4)
Corporate	736.4	824.9	88.5	(3.8)	3.9	1,501.6	1,619.1	117.5
Wills (Recordation)	389.4	407.9	18.5	0.0	2.3	778.8	806.5	27.7
Insurance	350.3	364.8	14.5	4.4	6.0	685.9	708.9	23.1
All Other Revenue	686.1	735.2	49.1	0.7	2.0	1,367.5	1,456.1	88.6
<b>Total Revenue</b>	<b>\$19,633.1</b>	<b>\$19,158.5</b>	<b>(\$474.5)</b>	<b>3.9 %</b>	<b>3.2 %</b>	<b>\$38,535.5</b>	<b>\$37,715.9</b>	<b>(\$819.6)</b>
A.B.C. Profits	\$89.8	\$101.4	\$11.6	6.5 %	4.2 %	\$172.7	\$198.7	\$26.0
Sales Tax (0.375%)	398.6	374.0	(24.6)	3.5	2.4	783.3	739.4	(43.9)
Transfers Per Act	108.4	133.9	25.5	0.1	(2.4)	218.5	271.1	52.6
<b>Total Transfers</b>	<b>\$596.8</b>	<b>\$609.3</b>	<b>\$12.5</b>	<b>3.3 %</b>	<b>1.6 %</b>	<b>\$1,174.5</b>	<b>\$1,209.2</b>	<b>\$34.7</b>
<b>TOTAL GENERAL FUND</b>	<b>\$20,229.9</b>	<b>\$19,767.8</b>	<b>(\$462.0)</b>	<b>3.8 %</b>	<b>3.2 %</b>	<b>\$39,710.0</b>	<b>\$38,925.1</b>	<b>(\$784.9)</b>

- Total general fund resources, including revenues and transfers, are forecast to be below Chapter 780 by \$462.0 million for fiscal year 2018 and \$784.9 million for the biennium.

# ***Fiscal Year 2017 Year-to-Date Revenue Collections Through November Are Ahead of Target...***

## **November Year-to-Date Collections and FY 2017 Forecasts** (annual percent change)

Percent Growth over Prior Year

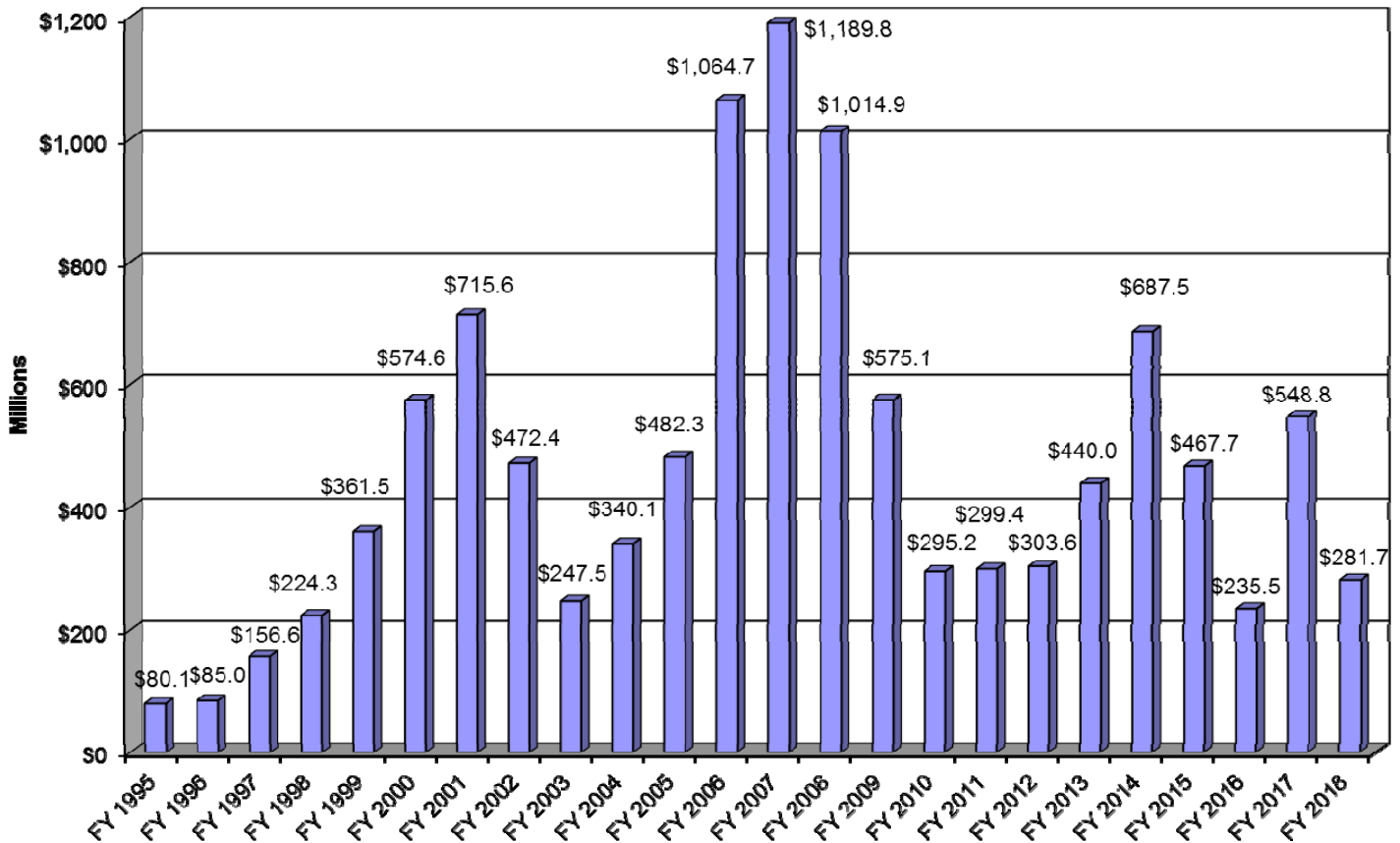
<u>Major Source</u>	<u>As a % of Total Revenues</u>	<u>YTD Actual</u>	<u>Annual Estimate</u>	<u>Variance</u>	<u>Dec-Jun Req'd to Meet Est.</u>	<u>Prior Year Dec-Jun</u>
Withholding	63.1 %	7.1 %	3.6 %	3.5 %	1.4 %	2.6 %
Nonwithholding	16.4	0.6	(0.7)	1.3	(1.0)	(0.2)
Refunds	(10.0)	(7.2)	1.5	(8.7)	2.9	3.9
Net Individual	69.6	7.0	2.9	4.1	0.3	1.5
Sales	18.2	(2.5)	2.7	(5.2)	5.8	2.6
Corporate	4.3	22.9	3.8	19.1	(0.5)	(1.1)
Wills (Recordation)	2.1	12.9	8.0	4.9	4.5	4.5
Insurance	1.9	na	1.5	na	1.5	12.8
All Other Revenue	3.9	(1.3)	0.7	(2.0)	1.8	2.5
<b>Total</b>	<b>100.0 %</b>	<b>5.4 %</b>	<b>2.9 %</b>	<b>2.5 %</b>	<b>1.4 %</b>	<b>1.9 %</b>

Sales (x AST)	(2.3) %	2.8 %	(5.1) %	6.1 %	2.7 %
Total (x AST)	5.4 %	2.9 %	2.5 %	1.5 %	1.9 %

- Total revenues grew 5.4 percent through November, ahead of the estimate of 2.9 percent.
- About 37.1 percent of the total general fund revenue estimate has been collected through the first 5 months of the fiscal year.
  - The 17-year average is 37.5 percent.

***A Mandatory Deposit of \$605.6 Million Will Be Made to the Revenue Stabilization Fund in FY2017 Which, Along With Planned Withdrawals and Projected Interest Earnings, Will Leave a Balance of Approximately \$281.7 in the Fund at the End of the 2017-1018 Biennium...***

**Revenue Stabilization Fund – June 30 Balance**  
 FY1995-2016 Actual and FY2017-2018 Forecast  
 (millions of dollars)



- A withdrawal of \$235.5 million occurred in FY2016.
- The budget plans withdrawals of \$294.7 million in fiscal year 2017 and \$272.5 million in fiscal year 2018
- Following these withdrawals, the balance of the Rainy Day Fund is estimated to be \$281.7 million on June 30, 2018.

## ***Next Steps In The Revenue Forecasting Process...***

- The mid-session review will incorporate the latest economic and revenue data.
  - IHS Markit January U.S. economic outlook.
    - Impact of any federal budget agreements.
    - Holiday retail sales.
  - Key additional revenue data will be available.
    - December 15: Due date for the fourth quarter corporate estimated income tax payment.
    - January 17: Due date for the fourth quarter individual estimated income tax payment.
    - Retail sales tax collections reflecting the main holiday shopping season.

## **APPENDIX**

This presentation and the appendix data listed below are available at the Secretary of Finance website ([www.finance.virginia.gov](http://www.finance.virginia.gov)).

U.S. Economic Indicators

Virginia Economic Indicators

General Fund Forecast, FY 2017-2024

Commonwealth Transportation Fund Forecast, FY 2017-2022

Virginia Health Care Fund Forecast, FY 2016-2022

GACRE November Standard Revenue Forecast

GACRE November Pessimistic Revenue Forecast

Growth in General Fund Revenues, FY 1961-2018

Nongeneral Fund Forecast, FY 2017-2022

November 2016 Revenue Report

**Fiscal Years 2015-2020 Interim and October Forecasts**  
U.S. Economic Forecasts - Income and Other Indicators

		<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
<u>Output, Income, and Spending (% Change)</u>							
Real GDP	Interim (May '16)	2.7	1.9	2.2	2.8	2.4	2.3
	Oct Standard	2.9	1.7	1.7	2.3	2.2	2.2
	Oct Pessimistic			1.0	(0.5)	1.8	2.8
Total Personal Income	Interim (May '16)	4.7	4.1	4.2	5.0	5.0	4.9
	Oct Standard	5.3	3.7	3.8	4.7	5.0	4.9
	Oct Pessimistic			4.0	4.0	4.6	6.0
Wages and Salaries (50%)	Interim (May '16)	5.1	4.4	4.8	5.1	4.7	4.7
	Oct Standard	5.3	4.5	4.3	5.0	5.0	4.9
	Oct Pessimistic			4.5	4.3	4.2	5.6
Average Wage	Interim (May '16)	3.0	2.3	3.0	4.0	3.9	3.8
	Oct Standard	3.1	2.5	2.8	4.1	4.0	3.8
	Oct Pessimistic			3.2	4.9	4.1	4.2
Real Consumer Spending	Interim (May '16)	3.2	2.8	2.8	2.7	2.5	2.4
	Oct Standard	3.4	2.7	2.8	2.2	2.5	2.4
	Oct Pessimistic			2.4	0.0	1.5	2.3
<u>Interest Rates (%)</u>							
3-Month Treasury Bills	Interim (May '16)	0.0	0.2	0.8	1.9	2.7	2.8
	Oct Standard	0.0	0.2	0.5	1.0	1.8	2.5
	Oct Pessimistic			0.7	0.7	0.4	0.5
30-Year Treasury Bonds	Interim (May '16)	2.9	2.8	3.1	3.3	4.0	4.1
	Oct Standard	2.9	2.8	2.5	3.0	3.5	4.0
	Oct Pessimistic			2.4	2.4	2.1	2.6
<u>Prices (% Change)</u>							
CPI	Interim (May '16)	0.7	0.6	1.6	2.5	2.6	2.6
	Oct Standard	0.7	0.7	1.9	2.5	2.5	2.6
	Oct Pessimistic			2.7	3.6	3.0	3.2
GDP Deflator	Interim (May '16)	1.3	1.1	1.7	2.2	2.2	2.2
	Oct Standard	1.4	1.1	2.0	2.3	2.1	2.1
	Oct Pessimistic			2.5	3.7	3.1	2.6

The Interim forecast is IHS Markit May 2016 U.S. standard scenario.

The Oct Standard forecast is IHS Markit October 2016 U.S. standard forecast.

The Oct Pessimistic forecast is IHS Markit October 2016 U.S. pessimistic alternative scenario.

**Fiscal Years 2015-2020 Interim and October Forecasts**  
U.S. Economic Forecasts - Employment and Labor Markets

		<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
<u>Employment and Labor Markets (% Change)</u>							
Total Nonagricultural Employment	Interim (May '16)	2.1	2.0	1.7	1.1	0.8	0.8
	Oct Standard	2.1	1.9	1.5	0.9	0.9	1.0
	Oct Pessimistic			1.2	(0.6)	0.1	1.4
Construction (4%)	Interim (May '16)	5.4	4.4	4.9	3.6	2.6	2.2
	Oct Standard	5.4	4.1	2.1	1.8	2.3	2.4
	Oct Pessimistic			1.7	(1.0)	(1.3)	2.4
Manufacturing (9%)	Interim (May '16)	1.6	0.2	0.1	0.5	0.5	0.9
	Oct Standard	1.6	0.3	(0.3)	0.5	1.3	1.6
	Oct Pessimistic			(0.2)	(1.6)	(1.2)	3.0
Trade, Transportation, and Utilities (19%)	Interim (May '16)	2.1	1.9	1.5	0.3	(0.2)	0.0
	Oct Standard	2.1	1.8	1.1	0.1	0.2	0.1
	Oct Pessimistic			1.0	(1.5)	(0.7)	(0.4)
Financial Activities (6%)	Interim (May '16)	1.6	1.9	1.1	(0.7)	(0.5)	(0.3)
	Oct Standard	1.6	1.9	1.8	(0.3)	(0.3)	(0.4)
	Oct Pessimistic			1.3	(2.1)	0.1	1.1
Professional and Business Services (14%)	Interim (May '16)	3.1	3.1	3.7	3.9	1.5	1.4
	Oct Standard	3.1	3.1	3.0	3.8	2.6	2.1
	Oct Pessimistic			1.5	(2.0)	3.7	6.5
Education and Health Services (15%)	Interim (May '16)	2.3	3.1	2.4	1.1	1.1	1.1
	Oct Standard	2.3	3.1	2.3	1.3	1.0	1.1
	Oct Pessimistic			2.3	1.7	0.4	0.1
Leisure and Hospitality (10%)	Interim (May '16)	2.9	3.0	1.9	1.1	0.6	0.7
	Oct Standard	2.9	2.9	2.2	0.9	0.7	0.8
	Oct Pessimistic			2.5	1.1	0.0	(0.5)
Government (16%)	Interim (May '16)	0.5	0.5	0.4	0.4	1.1	1.3
	Oct Standard	0.5	0.5	0.5	0.1	0.6	1.2
	Oct Pessimistic			0.4	(0.4)	(0.7)	1.3
Unemployment Rate (%)	Interim (May '16)	5.7	5.0	4.8	4.8	4.9	5.1
	Oct Standard	5.7	5.0	4.9	4.7	4.6	4.6
	Oct Pessimistic			5.0	5.8	6.1	5.7

The Interim forecast is IHS Markit May 2016 U.S. standard scenario.

The Oct Standard forecast is IHS Markit October 2016 U.S. standard forecast.

The Oct Pessimistic forecast is IHS Markit October 2016 U.S. pessimistic alternative scenario.

**Fiscal Years 2015-2020 Interim and October Forecasts**  
Virginia Economic Forecasts - Employment and Labor Markets

		<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
<u>Employment and Labor Markets (% Change)</u>							
Total Nonagricultural Employment	Interim (May '16)	1.1	2.4	1.5	1.0	0.9	0.9
	Oct Standard	1.1	2.4	1.5	1.0	0.9	0.9
	Oct Pessimistic			1.3	(0.5)	0.3	1.4
Construction and Mining (5%)	Interim (May '16)	1.7	2.1	4.6	3.5	3.8	3.2
	Oct Standard	1.7	2.1	4.6	3.5	3.8	3.2
	Oct Pessimistic			4.2	0.6	0.0	3.2
Manufacturing (6%)	Interim (May '16)	0.5	0.2	1.2	1.4	1.1	1.1
	Oct Standard	0.5	0.2	1.2	1.4	1.1	1.1
	Oct Pessimistic			1.3	(1.1)	(1.8)	2.7
Trade, Transportation, and Utilities (17%)	Interim (May '16)	1.0	2.9	1.3	0.0	0.3	0.3
	Oct Standard	1.0	2.9	1.3	0.0	0.3	0.3
	Oct Pessimistic			1.2	(1.6)	(0.5)	(0.2)
Financial Activities (5%)	Interim (May '16)	1.3	2.2	(0.4)	(1.6)	(1.4)	(0.2)
	Oct Standard	1.3	2.2	(0.4)	(1.6)	(1.4)	(0.2)
	Oct Pessimistic			(0.9)	(3.9)	(1.1)	1.9
Professional and Business Services (18%)	Interim (May '16)	1.4	3.7	3.5	2.3	1.5	1.7
	Oct Standard	1.4	3.7	3.5	2.3	1.5	1.7
	Oct Pessimistic			2.4	(2.2)	2.0	5.2
Education and Health Services (13%)	Interim (May '16)	1.7	3.5	2.0	1.3	1.6	1.4
	Oct Standard	1.7	3.5	2.0	1.3	1.6	1.4
	Oct Pessimistic			2.0	1.8	0.9	0.3
Leisure and Hospitality (10%)	Interim (May '16)	2.0	4.1	1.0	1.1	1.5	0.9
	Oct Standard	2.0	4.1	1.0	1.1	1.5	0.9
	Oct Pessimistic			1.3	1.3	0.9	(0.2)
Government (18%)	Interim (May '16)	0.2	0.2	0.5	0.5	0.1	0.1
	Oct Standard	0.2	0.2	0.5	0.5	0.1	0.1
	Oct Pessimistic			0.5	0.6	0.3	0.3
Unemployment Rate (%)	Interim (May '16)	4.9	4.7	4.3	4.0	4.0	4.0
	Oct Standard	4.9	4.7	4.3	4.0	4.0	4.0
	Oct Pessimistic			4.4	4.7	5.0	4.7

The Interim forecast is based on IHS Markit May 2016 standard forecast and as recommended by JABE members.

The Oct Standard forecast is IHS Markit October 2016 U.S. standard forecast.

The Oct Pessimistic forecast is IHS Markit October 2016 U.S. pessimistic alternative scenario.



**Fiscal Years 2015-2020 Interim and October Forecasts**  
Virginia Economic Forecasts - Income

		<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
<u>Income (% Change)</u>							
Total Personal Income	Interim (May '16)	4.0	4.3	3.8	4.2	4.9	4.8
	Oct Standard	4.8	4.1	3.9	4.2	4.9	4.8
	Oct Pessimistic			4.2	3.9	4.3	5.3
Wages and Salaries (52%)	Interim (May '16)	3.2	4.2	4.3	3.9	5.0	5.1
	Oct Standard	3.2	4.7	4.4	3.9	4.9	5.0
	Oct Pessimistic			4.6	3.5	4.6	5.5
Average Wage	Interim (May '16)	2.1	1.8	2.7	3.0	4.0	4.1
	Oct Standard	2.1	2.3	2.8	2.9	4.0	4.1
	Oct Pessimistic			3.2	4.0	4.3	4.1
Dividends, Interest, and Rent (20%)	Interim (May '16)	3.7	5.5	4.3	6.3	7.3	6.0
	Oct Standard	6.4	2.0	3.7	6.3	7.3	6.0
	Oct Pessimistic			3.7	3.1	3.8	8.2
Supplements to Wages and Salaries (12%)	Interim (May '16)	1.9	3.8	3.5	4.4	3.9	3.8
	Oct Standard	3.9	4.6	3.5	4.4	3.9	3.8
	Oct Pessimistic			4.0	6.0	4.6	3.0
Proprietor's Income (6%)	Interim (May '16)	7.3	4.6	2.1	3.7	(1.8)	(0.8)
	Oct Standard	6.1	5.7	1.3	3.9	(1.7)	(0.7)
	Oct Pessimistic			0.7	2.4	(0.1)	1.1
Net Transfer Payments (6%)	Interim (May '16)	8.1	2.9	0.9	0.3	6.6	7.8
	Oct Standard	8.6	6.9	4.4	0.5	6.4	7.5
	Oct Pessimistic			6.2	7.2	8.0	5.1

The Interim forecast is based on IHS Markit May 2016 standard forecast and as recommended by JABE members.

The Oct Standard forecast is IHS Markit October 2016 U.S. standard forecast.

The Oct Pessimistic forecast is IHS Markit October 2016 U.S. pessimistic alternative scenario.

**The Interim to December General Fund Forecast for Fiscal Year 2017**  
(Dollars in Millions)

December 16, 2016

	Fiscal Year 2017				
	Interim Forecast	December Forecast	Change	% Growth Over FY 16	
				Interim	December
<b>MAJOR TAX SOURCES</b>					
Corporate Income	\$ 742.1	\$ 794.2	\$ 52.1	(3.0) %	3.8 %
Individual Income Tax:					
Gross	14,678.5	14,761.8	83.3	2.1	2.7
Withholding	11,646.0	11,713.3	67.3	3.0	3.6
Nonwithholding	3,032.5	3,048.5	16.0	(1.2)	(0.7)
Refunds	<u>(1,894.1)</u>	<u>(1,848.0)</u>	<u>46.1</u>	<u>4.0</u>	<u>1.5</u>
Net	12,784.4	12,913.8	129.4	1.8	2.9
Insurance Company Premiums	343.5	344.1	0.6	1.3	1.5
State Sales & Use Tax	3,382.2	3,385.8	3.6	2.6	2.7
Wills, Suits, Deeds, & Contract Fees	<u>389.4</u>	<u>398.6</u>	<u>9.2</u>	<u>5.5</u>	<u>8.0</u>
Total Major Tax Sources	\$ 17,641.6	\$ 17,836.5	\$ 194.9	1.8 %	3.0 %
<b>MISCELLANEOUS TAXES AND OTHER REVENUES</b>					
Alcoholic Beverage State Tax	\$ 169.6	\$ 181.3	\$ 11.7	(3.3) %	3.4 %
Bank Franchise Tax	18.7	18.4	(0.3)	5.1	3.4
Beer & Beverage Excise Tax	41.8	42.3	0.5	(1.1)	0.1
Corporate Franchise & Charter Fees	45.6	50.0	4.4	(15.0)	(6.8)
Excess & Other Fees from Officers	(6.8)	(7.1)	(0.3)	(7.5)	(3.4)
Estate & Gifts	0.0	0.0	0.0	n/a	n/a
Institutional Revenues	7.3	6.0	(1.3)	39.0	14.2
Interest & Rents	55.2	61.8	6.6	4.9 %	17.5
Licenses & Permits	4.0	4.1	0.1	(3.1) %	(0.6)
Miscellaneous Taxes and Penalties	233.8	229.5	(4.3)	(2.7) %	(4.5)
Other Miscellaneous Revenues	28.3	36.8	8.5	(27.0) %	(5.1)
Public Service GR / Consumption Tax	<u>98.9</u>	<u>97.8</u>	<u>(1.1)</u>	<u>6.8 %</u>	<u>5.6</u>
Total Misc. Taxes and Other Revenues	\$ 696.4	\$ 720.9	\$ 24.5	(2.7) %	0.7 %
<b>TOTAL GF REVENUES</b>	<b>\$ 18,338.0</b>	<b>\$ 18,557.4</b>	<b>\$ 219.4</b>	<b>1.7 %</b>	<b>2.9 %</b>
<b>TRANSFERS</b>					
A.B.C. Profits	\$ 84.3	\$ 97.3	\$ 13.0	(2.5) %	12.5 %
Sales Tax (0.375%)	367.2	365.4	(1.8)	3.3	2.8
Transfers Per Appropriations Act	<u>108.5</u>	<u>137.2</u>	<u>28.7</u>	<u>(9.3)</u>	<u>14.7</u>
Total Transfers	\$ 560.0	\$ 599.9	\$ 39.9	(0.3) %	6.8 %
<b>TOTAL GENERAL FUND</b>	<b>\$ 18,898.0</b>	<b>\$ 19,157.3</b>	<b>\$ 259.3</b>	<b>1.6 %</b>	<b>3.0 %</b>

The December forecast is based on the October 2016 IHS Markit Standard Outlook and the corresponding Virginia state forecast developed by the Department of Taxation with recommendations from GACRE and Governor's amendments.

The Interim forecast is based on the May 2016 IHS Economics US Standard outlook and includes recommendations from GACRE. The forecast also includes a collar in individual nonwithholding to one percent of total revenues as contained in Chapter 780 and a withholding model bias adjustment.

**The Interim to December General Fund Forecast for Fiscal Year 2018**  
(Dollars in Millions)

December 16, 2016

	Fiscal Year 2018					2016-2018 Biennium		
	Interim Forecast	December Forecast	Change	% Growth Over FY 17 Interim	% Growth Over FY 17 December	Interim Forecast	December Forecast	Change
<b>MAJOR TAX SOURCES</b>								
Corporate Income	\$ 724.0	\$ 824.9	\$ 100.9	(2.4) %	3.9 %	\$ 1,466.1	\$ 1,619.1	\$ 153.0
Individual Income Tax:								
Gross	15,318.2	15,322.8	4.6	4.4	3.8	29,996.7	30,084.6	87.9
Withholding	12,037.4	12,100.2	62.8	3.4	3.3	23,683.4	23,813.5	130.1
Nonwithholding	3,280.8	3,222.6	(58.2)	8.2	5.7	6,313.3	6,271.1	(42.2)
Refunds	<u>(1,968.2)</u>	<u>(1,942.6)</u>	<u>25.6</u>	<u>3.9</u>	<u>5.1</u>	<u>(3,862.3)</u>	<u>(3,790.6)</u>	<u>71.7</u>
Net	13,350.0	13,380.2	30.2	4.4	3.6	26,134.4	26,294.0	159.6
Insurance Company Premiums	354.5	364.8	10.3	3.2	6.0	698.0	708.9	10.9
State Sales & Use Tax	3,481.4	3,445.5	(35.9)	2.9	1.8	6,863.6	6,831.3	(32.3)
Wills, Suits, Deeds, & Contract Fees	<u>389.4</u>	<u>407.9</u>	<u>18.5</u>	<u>0.0</u>	<u>2.3</u>	<u>778.8</u>	<u>806.5</u>	<u>27.7</u>
Total Major Tax Sources	\$ 18,299.3	\$ 18,423.3	\$ 124.0	3.7 %	3.3 %	\$ 35,940.9	\$ 36,259.8	\$ 318.9
<b>MISCELLANEOUS TAXES AND OTHER REVENUES</b>								
Alcoholic Beverage State Tax	\$ 173.2	\$ 187.9	\$ 14.7	2.1 %	3.6 %	\$ 342.8	\$ 369.2	\$ 26.4
Bank Franchise Tax	18.7	18.4	(0.3)	0.0	0.0	37.4	36.8	(0.6)
Beer & Beverage Excise Tax	41.8	42.3	0.5	0.0	0.0	83.6	84.6	1.0
Corporate Franchise & Charter Fees	45.6	50.0	4.4	0.0	0.0	91.2	100.0	8.8
Excess & Other Fees from Officers	(6.8)	(7.1)	(0.3)	0.0	0.0	(13.6)	(14.2)	(0.6)
Estate & Gifts	0.0	0.0	0.0	n/a	n/a	0.0	0.0	n/a
Institutional Revenues	7.3	6.0	(1.3)	0.0	0.0	14.6	12.0	(2.6)
Interest & Rents	55.2	61.8	6.6	0.0	0.0	110.4	123.6	13.2
Licenses & Permits	4.0	4.1	0.1	0.0	0.0	8.0	8.2	0.2
Miscellaneous Taxes and Penalties	234.7	237.4	2.7	0.4	3.4	468.5	466.9	(1.6)
Other Miscellaneous Revenues	28.5	36.6	8.1	0.7	(0.5)	56.8	73.4	16.6
Public Service GR / Consumption Tax	<u>98.9</u>	<u>97.8</u>	<u>(1.1)</u>	<u>0.0</u>	<u>0.0</u>	<u>197.8</u>	<u>195.6</u>	<u>(2.2)</u>
Total Misc. Taxes and Other Revenues	\$ 701.1	\$ 735.2	\$ 34.1	0.7 %	2.0 %	\$ 1,397.5	\$ 1,456.1	\$ 58.6
<b>TOTAL GF REVENUES</b>	<b>\$ 19,000.4</b>	<b>\$ 19,158.5</b>	<b>\$ 158.1</b>	<b>3.6 %</b>	<b>3.2 %</b>	<b>\$ 37,338.4</b>	<b>\$ 37,715.9</b>	<b>\$ 377.5</b>
<b>TRANSFERS</b>								
A.B.C. Profits	\$ 89.8	\$ 101.4	\$ 11.6	6.5 %	4.2 %	\$ 174.1	\$ 198.7	\$ 24.6
Sales Tax (0.375%)	376.8	374.0	(2.8)	2.6	2.4	744.0	739.4	(4.6)
Transfers Per Appropriations Act	<u>108.6</u>	<u>133.9</u>	<u>25.3</u>	<u>0.1</u>	<u>(2.4)</u>	<u>217.1</u>	<u>271.1</u>	<u>54.0</u>
Total Transfers	\$ 575.2	\$ 609.3	\$ 34.1	2.7 %	1.6 %	\$ 1,135.2	\$ 1,209.2	\$ 74.0
<b>TOTAL GENERAL FUND</b>	<b>\$ 19,575.6</b>	<b>\$ 19,767.8</b>	<b>\$ 192.2</b>	<b>3.6 %</b>	<b>3.2 %</b>	<b>\$ 38,473.6</b>	<b>\$ 38,925.1</b>	<b>\$ 451.5</b>

The December forecast is based on the October 2016 IHS Markit Standard Outlook and the corresponding Virginia state forecast developed by the Department of Taxation with recommendations from GACRE and Governor's amendments.

The Interim forecast is based on the May 2016 IHS Economics US Standard outlook and includes recommendations from GACRE. The forecast also includes a collar in individual nonwithholding to one percent of total revenues as contained in Chapter 780 and a withholding model bias adjustment.

**The December General Fund Forecast for Fiscal Years 2019-2020**  
(Dollars in Millions)

December 16, 2016

	Fiscal Year 2019		Fiscal Year 2020		2018-2020 Biennium	
	December Forecast	% Growth Over FY 18	December Forecast	% Growth Over FY 19	December Forecast	% Growth Over 16-18
<b>MAJOR TAX SOURCES</b>						
Corporate Income	\$ 812.1	(1.6) %	\$ 813.5	0.2 %	\$ 1,625.6	0.4 %
Individual Income Tax:						
Gross	16,025.9	4.6	16,796.1	4.8	32,822.0	9.1
Withholding	12,569.5	3.9	13,098.3	4.2	25,667.8	7.8
Nonwithholding	3,456.4	7.3	3,697.8	7.0	7,154.2	14.1
Refunds	<u>(2,060.3)</u>	6.1	<u>(2,171.1)</u>	5.4	<u>(4,231.4)</u>	11.6
Net	13,965.6	4.4	14,625.0	4.7	28,590.6	8.7
Insurance Company Premiums	381.8	4.7	400.9	5.0	782.7	10.4
State Sales & Use Tax	3,525.2	2.3	3,598.6	2.1	7,123.8	4.3
Wills, Suits, Deeds, & Contract Fees	<u>385.7</u>	<u>(5.4)</u>	<u>363.4</u>	<u>(5.8)</u>	<u>749.1</u>	<u>(7.1)</u>
Total Major Tax Sources	\$ 19,070.4	3.5 %	\$ 19,801.4	3.8 %	\$ 38,871.8	7.2 %
<b>MISCELLANEOUS TAXES AND OTHER REVENUES</b>						
Alcoholic Beverage State Tax	\$ 194.8	3.7 %	\$ 201.9	3.6 %	\$ 396.7	7.4 %
Bank Franchise Tax	18.4	0.0	18.4	0.0	36.8	0.0
Beer & Beverage Excise Tax	42.3	0.0	42.3	0.0	84.6	0.0
Corporate Franchise & Charter Fees	50.0	0.0	50.0	0.0	100.0	0.0
Excess & Other Fees from Officers	(7.1)	0.0	(7.1)	0.0	(14.2)	0.0
Estate & Gifts	0.0	n/a	0.0	n/a	0.0	n/a
Institutional Revenues	6.0	0.0	6.0	0.0	12.0	0.0
Interest & Rents	61.8	0.0	61.8	0.0	123.6	0.0
Licenses & Permits	4.1	0.0	4.1	0.0	8.2	0.0
Miscellaneous Taxes and Penalties	237.4	0.0	237.4	0.0	474.8	1.7
Other Miscellaneous Revenues	36.6	0.0	36.6	0.0	73.2	(0.3)
Public Service GR / Consumption Tax	<u>97.8</u>	<u>0.0</u>	<u>97.8</u>	<u>0.0</u>	<u>195.6</u>	<u>0.0</u>
Total Misc. Taxes and Other Revenues	\$ 742.1	0.9 %	\$ 749.2	1.0 %	\$ 1,491.3	2.4 %
<b>TOTAL GF REVENUES</b>	<b>\$ 19,812.5</b>	<b>3.4 %</b>	<b>\$ 20,550.6</b>	<b>3.7 %</b>	<b>\$ 40,363.1</b>	<b>7.0 %</b>
<b>TRANSFERS</b>						
A.B.C. Profits	\$ 93.6	(7.7) %	\$ 102.4	9.4 %	\$ 196.0	(1.4) %
Sales Tax (0.375%)	383.3	2.5	392.8	2.5	776.1	5.0
Transfers Per Appropriations Act	<u>110.5</u>	<u>(17.5)</u>	<u>110.5</u>	<u>0.0</u>	<u>221.0</u>	<u>(18.5)</u>
Total Transfers	\$ 587.4	(3.6) %	\$ 605.7	3.1 %	\$ 1,193.1	(1.3) %
<b>TOTAL GENERAL FUND</b>	<b>\$ 20,399.9</b>	<b>3.2 %</b>	<b>\$ 21,156.3</b>	<b>3.7 %</b>	<b>\$ 41,556.2</b>	<b>6.8 %</b>

The December forecast is based on the October 2016 IHS Markit Standard Outlook and the corresponding Virginia state forecast developed by the Department of Taxation with recommendations from GACRE and Governor's amendments.

**The December General Fund Forecast for Fiscal Years 2021-2024**  
(Dollars in Millions)

December 16, 2016

	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
<b>MAJOR TAX SOURCES</b>				
Corporate Income	\$ 841.0	\$ 862.8	\$ 883.7	\$ 905.1
Individual Income Tax:				
Gross	17,616.0	18,426.2	19,222.1	20,053.2
Withholding	13,657.2	14,231.8	14,815.0	15,422.2
Nonwithholding	3,958.8	4,194.4	4,407.0	4,631.0
Refunds	<u>(2,286.7)</u>	<u>(2,406.8)</u>	<u>(2,503.7)</u>	<u>(2,604.4)</u>
Net	15,329.3	16,019.4	16,718.4	17,448.8
Insurance Company Premiums	417.6	434.1	454.1	454.6
State Sales & Use Tax	3,675.9	3,752.9	3,831.4	3,911.5
Wills, Suits, Deeds, & Contract Fees	<u>363.4</u>	<u>363.4</u>	<u>363.4</u>	<u>363.4</u>
Total Major Tax Sources	\$ 20,627.2	\$ 21,432.6	\$ 22,251.0	\$ 23,083.3
<b>MISCELLANEOUS TAXES AND OTHER REVENUES</b>				
Alcoholic Beverage State Tax	\$ 201.9	\$ 201.9	\$ 201.9	\$ 201.9
Bank Franchise Tax	18.4	18.4	18.4	18.4
Beer & Beverage Excise Tax	42.3	42.3	42.3	42.3
Corporate Franchise & Charter Fees	50.0	50.0	50.0	50.0
Excess & Other Fees from Officers	(7.1)	(7.1)	(7.1)	(7.1)
Estate & Gifts	0.0	0.0	0.0	0.0
Institutional Revenues	6.0	6.0	6.0	6.0
Interest & Rents	61.8	61.8	61.8	61.8
Licenses & Permits	4.1	4.1	4.1	4.1
Miscellaneous Taxes and Penalties	237.4	237.4	237.4	237.4
Other Miscellaneous Revenues	36.6	36.6	36.6	36.6
Public Service GR / Consumption Tax	<u>97.8</u>	<u>97.8</u>	<u>97.8</u>	<u>97.8</u>
Total Misc. Taxes and Other Revenues	\$ 749.2	\$ 749.2	\$ 749.2	\$ 749.2
<b>TOTAL GF REVENUES</b>	<b>\$ 21,376.4</b>	<b>\$ 22,181.8</b>	<b>\$ 23,000.2</b>	<b>\$ 23,832.5</b>
<b>TRANSFERS</b>				
A.B.C. Profits	\$ 102.4	\$ 102.4	\$ 102.4	\$ 102.4
Sales Tax (0.375%)	402.9	412.8	422.9	433.2
Transfers Per Appropriations Act	<u>110.5</u>	<u>110.5</u>	<u>110.5</u>	<u>110.5</u>
Total Transfers	\$ 615.8	\$ 625.7	\$ 635.8	\$ 646.1
<b>TOTAL GENERAL FUND</b>	<b>\$ 21,992.2</b>	<b>\$ 22,807.5</b>	<b>\$ 23,636.0</b>	<b>\$ 24,478.6</b>
\$ Change From Previous Year	\$ 835.8	\$ 815.3	\$ 828.5	\$ 842.7
<b>TOTAL BIENNIUM GENERAL FUND</b>		<b>\$ 44,799.7</b>		<b>\$ 48,114.6</b>
\$ Change From Previous Biennium		\$ 3,243.4		\$ 3,315.0
% Growth From Previous Biennium		7.8		7.4 %

**The December General Fund Forecast for Fiscal Years 2021-2024**  
(Dollars in Millions)

December 16, 2016

	FY 21 % Growth Over FY 20	FY 22 % Growth Over FY 21	FY 23 % Growth Over FY 22	FY 24 % Growth Over FY 23
<b>MAJOR TAX SOURCES</b>				
Corporate Income	3.4 %	2.6 %	2.4 %	2.4 %
Individual Income Tax:				
Gross	4.9	4.6	4.3	4.3
Withholding	4.3	4.2	4.1	4.1
Nonwithholding	7.1	6.0	5.1	5.1
Refunds	<u>5.3</u>	<u>5.3</u>	<u>4.0</u>	<u>4.0</u>
Net	4.8	4.5	4.4	4.4
Insurance Company Premiums	4.2	4.0	4.6	0.1
State Sales & Use Tax	2.1	2.1	2.1	2.1
Wills, Suits, Deeds, & Contract Fees	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Major Tax Sources	4.2 %	3.9 %	3.8 %	3.7 %
<b>MISCELLANEOUS TAXES AND OTHER REVENUES</b>				
Alcoholic Beverage State Tax	0.0 %	0.0 %	0.0 %	0.0 %
Bank Franchise Tax	0.0	0.0	0.0	0.0
Beer & Beverage Excise Tax	0.0	0.0	0.0	0.0
Corporate Franchise & Charter Fees	0.0	0.0	0.0	0.0
Excess & Other Fees from Officers	0.0	0.0	0.0	0.0
Estate & Gifts				
Institutional Revenues	0.0	0.0	0.0	0.0
Interest & Rents	0.0	0.0	0.0	0.0
Licenses & Permits	0.0	0.0	0.0	0.0
Miscellaneous Taxes and Penalties	0.0	0.0	0.0	0.0
Other Miscellaneous Revenues	0.0	0.0	0.0	0.0
Public Service GR / Consumption Tax	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Misc. Taxes and Other Revenues	0.0 %	0.0 %	0.0 %	0.0 %
<b>TOTAL GF REVENUES</b>	<b>4.0 %</b>	<b>3.8 %</b>	<b>3.7 %</b>	<b>3.6 %</b>
<b>TRANSFERS</b>				
A.B.C. Profits	0.0 %	0.0 %	0.0 %	0.0 %
Sales Tax (0.375%)	2.6	2.5	2.4	2.4
Transfers Per Appropriations Act	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Transfers	1.7 %	1.6 %	1.6 %	1.6 %
<b>TOTAL GENERAL FUND</b>	<b><u>4.0 %</u></b>	<b><u>3.7 %</u></b>	<b><u>3.6 %</u></b>	<b><u>3.6 %</u></b>

**The Official and December Commonwealth Transportation Fund Forecast for Fiscal Year 2017**  
(Dollars in Millions)

December 16, 2016

	Fiscal Year 2016		Fiscal Year 2017				
	Actual	% Growth	Official Forecast	December Forecast	Change	% Growth over FY 16 Official      December	
<b>Highway Maintenance &amp; Operating Fund</b>							
Motor Fuels Tax	\$ 684.8	18.8 %	\$ 716.8	\$ 691.8	\$ (25.0)	4.7 %	1.0 %
Road Tax	2.9	(261.1)	(0.2)	3.0	3.2	(106.9)	3.4
Motor Vehicle Sales And Use Tax	691.0	8.2	696.9	705.0	8.1	0.9	2.0
Motor Vehicle License Fees	231.8	3.8	224.8	231.6	6.8	(3.0)	(0.1)
Retail Sales and Use Tax	276.8	(0.4)	293.9	286.8	(7.1)	6.2	3.6
International Registration Plan	67.7	2.6	61.7	68.1	6.4	(8.9)	0.6
Recordation Tax	14.7	5.0	0.0	0.0	0.0	n/a	n/a
Miscellaneous	18.4	0.5	17.0	17.3	0.3	(7.6)	(6.0)
<b>Total State Taxes and Fees</b>	<b>\$ 1,988.1</b>	<b>9.7 %</b>	<b>\$ 2,010.9</b>	<b>\$ 2,003.6</b>	<b>\$ (7.3)</b>	<b>1.1 %</b>	<b>0.8 %</b>
<b>Transportation Trust Fund</b>							
Motor Fuels Tax	\$ 163.5	17.9 %	\$ 170.1	\$ 164.2	\$ (5.9)	4.0 %	0.4 %
Insurance Premiums Tax (1/3)	150.3	(0.1)	156.0	163.1	7.1	3.8	8.5
Road Tax	8.0	6.7	8.1	8.1	0.0	1.3	1.3
Motor Vehicle Sales And Use Tax	227.9	5.6	230.3	233.0	2.7	1.1	2.2
Motor Vehicle License Fees	21.6	(0.9)	22.0	21.4	(0.6)	1.9	(1.2)
Retail Sales and Use Tax	723.7	0.9	756.0	736.3	(19.7)	4.5	1.7
Recordation Tax	29.5	5.4	45.4	47.2	1.8	53.9	60.1
Interest Earnings	3.7	(50.7)	12.1	3.3	(8.8)	227.0	(10.8)
Rental Tax	37.5	4.5	39.6	38.5	(1.1)	5.6	2.7
Aviation Fuels Tax	1.8	0.0	2.0	1.8	(0.2)	11.1	0.0
<b>Total State Taxes and Fees</b>	<b>\$ 1,367.5</b>	<b>3.2 %</b>	<b>\$ 1,441.6</b>	<b>\$ 1,416.9</b>	<b>\$ (24.7)</b>	<b>5.4 %</b>	<b>3.6 %</b>
<b>Total HMOF And TTF</b>							
Motor Fuels Tax	\$ 848.3	18.6 %	\$ 886.9	\$ 856.0	\$ (30.9)	4.6 %	0.9 %
Insurance Premiums Tax (1/3)	150.3	(0.1)	156.0	163.1	7.1	3.8	8.5
Road Tax	10.9	91.2	7.9	11.1	3.2	(27.5)	1.8
Motor Vehicle Sales and Use Tax	918.9	7.5	927.2	938.0	10.8	0.9	2.1
Motor Vehicle License Fees	253.4	3.4	246.8	253.0	6.1	(2.6)	(0.2)
International Registration Plan	67.7	2.6	61.7	68.1	6.4	(8.9)	0.6
Retail Sales and Use Tax	1,000.5	0.6	1,049.9	1,023.1	(26.8)	4.9	2.3
Recordation Tax (3 cents)	44.2	5.2	45.4	47.2	1.8	2.7	6.9
Interest Earnings	3.7	(50.7)	12.1	3.3	(8.8)	227.0	(10.8)
Rental Tax	37.5	4.5	39.6	38.5	(1.1)	5.6	2.7
Aviation Fuels Tax	1.8	0.0	2.0	1.8	(0.2)	11.1	0.0
Miscellaneous	18.4	0.5	17.0	17.3	0.3	(7.6)	(6.0)
<b>Total State Taxes and Fees</b>	<b>\$ 3,355.6</b>	<b>7.0 %</b>	<b>\$ 3,452.5</b>	<b>\$ 3,420.5</b>	<b>\$ (32.0)</b>	<b>2.9 %</b>	<b>1.9 %</b>
<b>Transfers per the Appropriations Act</b>							
Retail Sales Tax - AST (TTF)	0.0	n/a	0.0	0.0	0.0	n/a	n/a
<b>Total Transfers</b>	<b>\$ 0.0</b>	<b>n/a</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>n/a</b>	<b>n/a %</b>
<b>Total Transportation Fund</b>	<b>\$ 3,355.6</b>	<b>6.2</b>	<b>\$ 3,452.5</b>	<b>\$ 3,420.5</b>	<b>\$ (32.0)</b>	<b>2.9 %</b>	<b>1.9 %</b>

The Official forecast is based on the November 2015 Global Insight Standard outlook and the corresponding Virginia state forecast developed by the Department of Taxation and includes actions of the 2016 session of the General Assembly.  
The December forecast is based on the October 2016 IHS Economics US Standard outlook.

**The Official and December Commonwealth Transportation Fund Forecast for Fiscal Year 2018**  
(Dollars in Millions)

December 16, 2016

	Fiscal Year 2018				
	Official Forecast	December Forecast	Change	% Growth over FY 17	
				Official	December
<b>Highway Maintenance &amp; Operating Fund</b>					
Motor Fuels Tax	\$ 722.9	\$ 699.0	\$ (23.9)	0.9 %	1.0 %
Road Tax	(0.3)	2.7	3.0	50.0	(10.0)
Motor Vehicle Sales And Use Tax	707.1	712.1	5.0	1.5	1.0
Motor Vehicle License Fees	224.5	233.5	9.0	(0.1)	0.8
Retail Sales and Use Tax	304.2	291.7	(12.5)	3.5	1.7
International Registration Plan	62.8	64.0	1.2	1.8	(6.0)
Recordation Tax	0.0	0.0	0.0	n/a	n/a
Miscellaneous	17.0	17.3	0.3	0.0	0.0
<b>Total State Taxes and Fees (HMOF)</b>	<b>\$ 2,038.2</b>	<b>\$ 2,020.3</b>	<b>\$ (17.9)</b>	<b>1.4 %</b>	<b>0.8 %</b>
<b>Transportation Trust Fund</b>					
Motor Fuels Tax	\$ 171.7	\$ 166.0	\$ (5.7)	0.9 %	1.1 %
Insurance Premiums Tax (1/3)	162.2	169.1	6.9	4.0	3.7
Road Tax	8.1	8.0	(0.1)	0.0	(1.2)
Motor Vehicle Sales And Use Tax	233.6	235.2	1.6	1.4	0.9
Motor Vehicle License Fees	22.0	21.9	(0.1)	0.0	2.6
Retail Sales and Use Tax	784.5	753.5	(31.0)	3.8	2.3
Recordation Tax	45.4	48.4	3.0	0.0	2.4
Interest Earnings	17.9	2.3	(15.6)	47.9	(30.3)
Rental Tax	41.3	39.6	(1.7)	4.3	2.9
Aviation Fuels Tax	2.0	1.8	(0.2)	0.0	0.0
<b>Total State Taxes and Fees (TTF)</b>	<b>\$ 1,488.7</b>	<b>\$ 1,445.8</b>	<b>\$ (42.9)</b>	<b>3.3 %</b>	<b>2.0 %</b>
<b>Total HMOF And TTF</b>					
Motor Fuels Tax	\$ 894.6	\$ 865.0	\$ (29.6)	0.9 %	1.1 %
Insurance Premiums Tax (1/3)	162.2	169.1	6.9	4.0	3.7
Road Tax	7.8	10.7	2.9	(1.3)	(3.6)
Motor Vehicle Sales and Use Tax	940.7	947.3	6.6	1.5	1.0
Motor Vehicle License Fees	246.5	255.4	8.9	(0.1)	1.0
International Registration Plan	62.8	64.0	1.2	1.8	(6.0)
Retail Sales and Use Tax	1,088.7	1,045.2	(43.5)	3.7	2.2
Recordation Tax (3 cents)	45.4	48.4	3.0	0.0	2.4
Interest Earnings	17.9	2.3	(15.6)	47.9	(30.3)
Rental Tax	41.3	39.6	(1.7)	4.3	2.9
Aviation Fuels Tax	2.0	1.8	(0.2)	0.0	0.0
Miscellaneous	17.0	17.3	0.3	0.0	0.0
<b>Total State Taxes and Fees</b>	<b>\$ 3,526.9</b>	<b>\$ 3,466.1</b>	<b>\$ (60.8)</b>	<b>2.2 %</b>	<b>1.3 %</b>
<b>Transfers per the Appropriations Act</b>					
Retail Sales Tax - AST (TTF)	0.0	0.0	0.0	n/a	n/a
<b>Total Transfers</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>n/a %</b>	<b>n/a %</b>
<b>Total Transportation Fund</b>	<b>\$ 3,526.9</b>	<b>\$ 3,466.1</b>	<b>\$ (60.8)</b>	<b>2.2 %</b>	<b>1.3 %</b>

The Official forecast is based on the November 2015 Global Insight Standard outlook and the corresponding Virginia state forecast developed by the Department of Taxation and includes actions of the 2016 session of the General Assembly.  
The December forecast is based on the October 2016 IHS Economics US Standard outlook.



**The December Commonwealth Transportation Fund Forecast for Fiscal Years 2019 through 2022**  
(Dollars in Millions)

December 16, 2016

	Fiscal Years 2019 through 2022							
	FY 19	%	FY 20	%	FY 21	%	FY 22	%
	Forecast	Growth	Forecast	Growth	Forecast	Growth	Forecast	Growth
<b>Highway Maintenance &amp; Operating Fund</b>								
Motor Fuels Tax	\$ 705.9	1.0	\$ 710.6	0.7	\$ 717.8	1.0	\$ 725.6	1.1
Road Tax	2.7	0.0	2.7	0.0	2.7	0.0	2.7	0.0
Motor Vehicle Sales And Use Tax	725.5	1.9	730.7	0.7	735.6	0.7	737.6	0.3
Motor Vehicle License Fees	233.5	0.0	233.9	0.2	235.2	0.6	235.4	0.1
Retail Sales and Use Tax	297.7	2.1	304.0	2.1	310.6	2.2	317.1	2.1
International Registration Plan	65.2	1.9	65.6	0.6	65.3	(0.5)	65.6	0.5
Recordation Tax	0.0	n/a	0.0	n/a	0.0	n/a	0.0	n/a
Miscellaneous	17.3	0.0	17.3	0.0	17.3	0.0	17.3	0.0
<b>Total State Taxes and Fees (HMOF)</b>	<b>\$ 2,047.8</b>	<b>1.4</b>	<b>\$ 2,064.8</b>	<b>0.8%</b>	<b>\$ 2,084.5</b>	<b>1.0%</b>	<b>\$ 2,101.3</b>	<b>0.8%</b>
<b>Transportation Trust Fund</b>								
Motor Fuels Tax	167.6	1.0	168.7	0.7	170.5	1.1	172.4	1.1
Insurance Premiums Tax (1/3)	174.7	3.3	183.3	4.9	192.5	5.0	201.2	4.5
Road Tax	8.0	0.0	8.0	0.0	8.1	1.3	8.1	0.0
Motor Vehicle Sales And Use Tax	239.5	1.8	241.1	0.7	242.7	0.7	243.3	0.2
Motor Vehicle License Fees	22.0	0.5	22.0	0.0	22.3	1.4	22.0	(1.3)
Retail Sales and Use Tax	767.3	1.8	783.3	2.1	800.4	2.2	817.2	2.1
Recordation Tax	45.7	(5.5)	43.1	(5.8)	43.1	0.0	43.1	0.0
Interest Earnings	2.3	0.0	2.3	0.0	2.3	0.0	2.3	0.0
Rental Tax	41.2	4.0	42.9	4.1	42.9	0.0	42.9	0.0
Aviation Fuels Tax	1.9	5.6	2.0	5.3	2.0	0.0	2.0	0.0
<b>Total State Taxes and Fees (TTF)</b>	<b>\$ 1,470.2</b>	<b>1.7</b>	<b>\$ 1,496.7</b>	<b>1.8%</b>	<b>\$ 1,526.8</b>	<b>2.0%</b>	<b>\$ 1,554.5</b>	<b>1.8%</b>
<b>Total HMOF And TTF</b>								
Motor Fuels Tax	873.5	1.0	879.3	0.7	888.3	1.0	898.0	1.1
Insurance Premiums Tax (1/3)	174.7	3.3	183.3	4.9	192.5	5.0	201.2	4.5
Road Tax	10.7	0.0	10.7	0.0	10.8	0.9	10.8	0.0
Motor Vehicle Sales and Use Tax	965.0	1.9	971.8	0.7	978.3	0.7	980.9	0.3
Motor Vehicle License Fees	255.5	0.0	255.9	0.2	257.5	0.6	257.4	(0.0)
International Registration Plan	65.2	1.9	65.6	0.6	65.3	(0.5)	65.6	0.5
Retail Sales and Use Tax	1,065.0	1.9	1,087.3	2.1	1,111.0	2.2	1,134.3	2.1
Recordation Tax (3 cents)	45.7	(5.5)	43.1	(5.8)	43.1	0.0	43.1	0.0
Interest Earnings	2.3	0.0	2.3	0.0	2.3	0.0	2.3	0.0
Rental Tax	41.2	4.0	42.9	4.1	42.9	0.0	42.9	0.0
Aviation Fuels Tax	1.9	5.6	2.0	5.3	2.0	0.0	2.0	0.0
Miscellaneous	17.3	0.0	17.3	0.0	17.3	0.0	17.3	0.0
<b>Total State Taxes and Fees</b>	<b>\$ 3,518.0</b>	<b>1.5</b>	<b>\$ 3,561.5</b>	<b>1.2%</b>	<b>\$ 3,611.3</b>	<b>1.4%</b>	<b>\$ 3,655.8</b>	<b>1.2%</b>
<b>Transfers per the Appropriations Act</b>								
Retail Sales Tax - AST (TTF)	0.0	n/a	0.0	n/a	0.0	n/a	0.0	n/a
<b>Total Transfers</b>	<b>\$ -</b>	<b>n/a</b>	<b>\$ -</b>	<b>n/a</b>	<b>\$ -</b>	<b>n/a</b>	<b>\$ -</b>	<b>n/a</b>
<b>Total Transportation Fund</b>	<b>\$ 3,518.0</b>	<b>1.5</b>	<b>\$ 3,561.5</b>	<b>1.2%</b>	<b>\$ 3,611.3</b>	<b>1.4%</b>	<b>\$ 3,655.8</b>	<b>1.2%</b>

The Official forecast is based on the November 2015 Global Insight Standard outlook and the corresponding Virginia state forecast developed by the Department of Taxation and includes actions of the 2016 session of the General Assembly.

The December forecast is based on the October 2016 IHS Economics US Standard outlook.

# Virginia Health Care Fund Forecast

\$ in millions

December 16, 2016

## Actual

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Master Settlement Agreement	74.0	48.9	48.5	47.7	48.0	48.0	48.0	48.0	48.0	48.0
Tobacco Taxes:										
Total Cigarette Taxes	169.5	161.6	159.9	159.3	157.7	156.1	154.5	153.0	151.5	149.9
Other Tobacco Products	<u>18.7</u>	<u>19.1</u>	<u>19.1</u>	<u>19.5</u>	<u>19.9</u>	<u>20.4</u>	<u>20.9</u>	<u>21.4</u>	<u>22.0</u>	<u>22.5</u>
Total Tobacco Taxes	188.2	180.7	179.0	178.7	177.6	176.5	175.4	174.4	173.4	172.5
Medicaid Recoveries:										
Regular Recoveries	70.6	58.8	49.0	78.8	45.9	46.5	46.5	46.5	46.5	46.5
Pharmacy Rebates (Prior Year)	<u>100.7</u>	<u>76.3</u>	<u>70.5</u>	<u>106.1</u>	<u>84.0</u>	<u>87.2</u>	<u>87.2</u>	<u>87.2</u>	<u>87.2</u>	<u>87.2</u>
Total Recoveries	171.3	135.1	119.5	184.9	129.9	133.7	133.7	133.7	133.7	133.7
<b>TOTAL FUND</b>	<b>433.5</b>	<b>364.7</b>	<b>347.0</b>	<b>411.3</b>	<b>355.5</b>	<b>358.2</b>	<b>357.1</b>	<b>356.1</b>	<b>355.1</b>	<b>354.2</b>

**(Presented to the Governor's Advisory Council on Revenue Estimates)**  
**The Interim to November Standard General Fund Forecast for Fiscal Year 2017**  
(Dollars in Millions)

November 17, 2016

	<b>Fiscal Year 2017</b>				
	Interim Forecast	November Forecast	Change	% Growth Over FY 16 Interim	% Growth Over FY 16 November
<b>MAJOR TAX SOURCES</b>					
Corporate Income	\$ 742.1	\$ 794.2	\$ 52.1	(3.0) %	3.8 %
Individual Income Tax:					
Gross	14,678.5	14,761.8	83.3	2.1	2.7
Withholding	11,646.0	11,713.3	67.3	3.0	3.6
Nonwithholding	3,032.5	3,048.5	16.0	(1.2)	(0.7)
Refunds	<u>(1,894.1)</u>	<u>(1,848.0)</u>	<u>46.1</u>	<u>4.0</u>	<u>1.5</u>
Net	12,784.4	12,913.8	129.4	1.8	2.9
Insurance Company Premiums	343.5	344.1	0.6	1.3	1.5
State Sales & Use Tax	3,382.2	3,350.7	(31.5)	2.6	1.7
Wills, Suits, Deeds, & Contract Fees	<u>389.4</u>	<u>398.6</u>	<u>9.2</u>	<u>5.5</u>	<u>8.0</u>
Total Major Tax Sources	\$ 17,641.6	\$ 17,801.4	\$ 159.8	1.8 %	2.8 %
<b>MISCELLANEOUS TAXES AND OTHER REVENUES</b>					
Alcoholic Beverage State Tax	\$ 169.6	\$ 181.3	\$ 11.7	(3.3) %	3.4 %
Bank Franchise Tax	18.7	18.4	(0.3)	5.1	3.4
Beer & Beverage Excise Tax	41.8	42.3	0.5	(1.1)	0.1
Corporate Franchise & Charter Fees	45.6	50.0	4.4	(15.0)	(6.8)
Excess & Other Fees from Officers	(6.8)	(7.1)	(0.3)	(7.5)	(3.4)
Estate & Gifts	0.0	0.0	0.0	n/a	n/a
Institutional Revenues	7.3	6.0	(1.3)	39.0	14.2
Interest & Rents	55.2	61.8	6.6	4.9 %	17.5
Licenses & Permits	4.0	4.1	0.1	(3.1) %	(0.6)
Miscellaneous Taxes and Penalties	233.8	229.4	(4.4)	(2.7) %	(4.5)
Other Miscellaneous Revenues	28.3	34.4	6.1	(27.0) %	(11.3)
Public Service GR / Consumption Tax	<u>98.9</u>	<u>97.8</u>	<u>(1.1)</u>	<u>6.8 %</u>	<u>5.6</u>
Total Misc. Taxes and Other Revenues	\$ 696.4	\$ 718.4	\$ 22.0	(2.7) %	0.4 %
<b>TOTAL GF REVENUES</b>	<b>\$ 18,338.0</b>	<b>\$ 18,519.8</b>	<b>\$ 181.8</b>	<b>1.7 %</b>	<b>2.7 %</b>
<b>TRANSFERS</b>					
A.B.C. Profits	\$ 84.3	\$ 97.3	\$ 13.0	(2.5) %	12.5 %
Sales Tax (0.375%)	367.2	365.4	(1.8)	3.3	2.8
Transfers Per Appropriations Act	<u>108.5</u>	<u>109.2</u>	<u>0.7</u>	<u>(9.3)</u>	<u>(8.7)</u>
Total Transfers	\$ 560.0	\$ 571.9	\$ 11.9	(0.3) %	1.8 %
<b>TOTAL GENERAL FUND</b>	<b>\$ 18,898.0</b>	<b>\$ 19,091.7</b>	<b>\$ 193.7</b>	<b>1.6 %</b>	<b>2.6 %</b>

The November forecast is based on the October 2016 IHS Markit Standard Outlook and the corresponding Virginia state forecast developed by the Department of Taxation with recommendations from JABE and contains the same policy assumptions in Chapter 780.

The Interim forecast is based on the May 2016 IHS Economics US Standard outlook and includes recommendations from GACRE. The forecast also includes a collar in individual nonwithholding to one percent of total revenues as contained in Chapter 780 and a withholding model bias adjustment.

**(Presented to the Governor's Advisory Council on Revenue Estimates)**  
**The Interim to November Standard General Fund Forecast for Fiscal Year 2018**  
(Dollars in Millions)

November 17, 2016

	Fiscal Year 2018					2016-2018 Biennium		
	Interim Forecast	November Forecast	Change	% Growth Over FY 17 Interim	% Growth Over FY 17 November	Interim Forecast	November Forecast	Change
<b>MAJOR TAX SOURCES</b>								
Corporate Income	\$ 724.0	\$ 796.0	\$ 72.0	(2.4) %	0.2 %	\$ 1,466.1	\$ 1,590.2	\$ 124.1
Individual Income Tax:								
Gross	15,318.2	15,296.6	(21.6)	4.4	3.6	29,996.7	30,058.4	61.7
Withholding	12,037.4	12,093.1	55.7	3.4	3.2	23,683.4	23,806.4	123.0
Nonwithholding	3,280.8	3,203.5	(77.3)	8.2	5.1	6,313.3	6,252.0	(61.3)
Refunds	<u>(1,968.2)</u>	<u>(1,952.5)</u>	<u>15.7</u>	<u>3.9</u>	<u>5.7</u>	<u>(3,862.3)</u>	<u>(3,800.5)</u>	<u>61.8</u>
Net	13,350.0	13,344.1	(5.9)	4.4	3.3	26,134.4	26,257.9	123.5
Insurance Company Premiums	354.5	354.9	0.4	3.2	3.1	698.0	699.0	1.0
State Sales & Use Tax	3,481.4	3,416.4	(65.0)	2.9	2.0	6,863.6	6,767.1	(96.5)
Wills, Suits, Deeds, & Contract Fees	<u>389.4</u>	<u>407.9</u>	<u>18.5</u>	<u>0.0</u>	<u>2.3</u>	<u>778.8</u>	<u>806.5</u>	<u>27.7</u>
Total Major Tax Sources	\$ 18,299.3	\$ 18,319.3	\$ 20.0	3.7 %	2.9 %	\$ 35,940.9	\$ 36,120.7	\$ 179.8
<b>MISCELLANEOUS TAXES AND OTHER REVENUES</b>								
Alcoholic Beverage State Tax	\$ 173.2	\$ 187.9	\$ 14.7	2.1 %	3.6 %	\$ 342.8	\$ 369.2	\$ 26.4
Bank Franchise Tax	18.7	18.4	(0.3)	0.0	0.0	37.4	36.8	(0.6)
Beer & Beverage Excise Tax	41.8	42.3	0.5	0.0	0.0	83.6	84.6	1.0
Corporate Franchise & Charter Fees	45.6	50.0	4.4	0.0	0.0	91.2	100.0	8.8
Excess & Other Fees from Officers	(6.8)	(7.1)	(0.3)	0.0	0.0	(13.6)	(14.2)	(0.6)
Estate & Gifts	0.0	0.0	0.0	n/a	n/a	0.0	0.0	n/a
Institutional Revenues	7.3	6.0	(1.3)	0.0	0.0	14.6	12.0	(2.6)
Interest & Rents	55.2	61.8	6.6	0.0	0.0	110.4	123.6	13.2
Licenses & Permits	4.0	4.1	0.1	0.0	0.0	8.0	8.2	0.2
Miscellaneous Taxes and Penalties	234.7	236.4	1.7	0.4	3.1	468.5	465.8	(2.7)
Other Miscellaneous Revenues	28.5	34.7	6.2	0.7	0.9	56.8	69.1	12.3
Public Service GR / Consumption Tax	<u>98.9</u>	<u>97.8</u>	<u>(1.1)</u>	<u>0.0</u>	<u>0.0</u>	<u>197.8</u>	<u>195.6</u>	<u>(2.2)</u>
Total Misc. Taxes and Other Revenues	\$ 701.1	\$ 732.3	\$ 31.2	0.7 %	1.9 %	\$ 1,397.5	\$ 1,450.7	\$ 53.2
<b>TOTAL GF REVENUES</b>	<b>\$ 19,000.4</b>	<b>\$ 19,051.6</b>	<b>\$ 51.2</b>	<b>3.6 %</b>	<b>2.9 %</b>	<b>\$ 37,338.4</b>	<b>\$ 37,571.4</b>	<b>\$ 233.0</b>
<b>TRANSFERS</b>								
A.B.C. Profits	\$ 89.8	\$ 101.4	\$ 11.6	6.5 %	4.2 %	\$ 174.1	\$ 198.7	\$ 24.6
Sales Tax (0.375%)	376.8	371.6	(5.2)	2.6	1.7	744.0	737.0	(7.0)
Transfers Per Appropriations Act	<u>108.6</u>	<u>109.3</u>	<u>0.7</u>	<u>0.1</u>	<u>0.1</u>	<u>217.1</u>	<u>218.5</u>	<u>1.4</u>
Total Transfers	\$ 575.2	\$ 582.3	\$ 7.1	2.7 %	1.8 %	\$ 1,135.2	\$ 1,154.2	\$ 19.0
<b>TOTAL GENERAL FUND</b>	<b>\$ 19,575.6</b>	<b>\$ 19,633.9</b>	<b>\$ 58.3</b>	<b>3.6 %</b>	<b>2.8 %</b>	<b>\$ 38,473.6</b>	<b>\$ 38,725.6</b>	<b>\$ 252.0</b>

The November forecast is based on the October 2016 IHS Markit Standard Outlook and the corresponding Virginia state forecast developed by the Department of Taxation with recommendations from JABE and contains the same policy assumptions in Chapter 780.

The Interim forecast is based on the May 2016 IHS Economics US Standard outlook and includes recommendations from GACRE. The forecast also includes a collar in individual nonwithholding to one percent of total revenues as contained in Chapter 780 and a withholding model bias adjustment.

**(Presented to the Governor's Advisory Council on Revenue Estimates)**  
**The Interim to November Pessimistic General Fund Forecast for Fiscal Year 2017**  
(Dollars in Millions)

November 17, 2016

	<b>Fiscal Year 2017</b>				
	Interim Forecast	Nov Pess Forecast	Change	% Growth Over FY 16	
				Interim	Nov Pess
<b>MAJOR TAX SOURCES</b>					
Corporate Income	\$ 742.1	\$ 791.2	\$ 49.1	(3.0) %	3.4 %
Individual Income Tax:					
Gross	14,678.5	14,641.6	(36.9)	2.1	1.8
Withholding	11,646.0	11,663.6	17.6	3.0	3.2
Nonwithholding	3,032.5	2,978.0	(54.5)	(1.2)	(3.0)
Refunds	<u>(1,894.1)</u>	<u>(1,866.6)</u>	<u>27.5</u>	<u>4.0</u>	<u>2.5</u>
Net	12,784.4	12,775.0	(9.4)	1.8	1.7
Insurance Company Premiums	343.5	344.1	0.6	1.3	1.5
State Sales & Use Tax	3,382.2	3,289.3	(92.9)	2.6	(0.2)
Wills, Suits, Deeds, & Contract Fees	<u>389.4</u>	<u>384.8</u>	<u>(4.6)</u>	<u>5.5</u>	<u>4.3</u>
Total Major Tax Sources	\$ 17,641.6	\$ 17,584.4	\$ (57.2)	1.8 %	1.5 %
<b>MISCELLANEOUS TAXES AND OTHER REVENUES</b>					
Alcoholic Beverage State Tax	\$ 169.6	\$ 181.3	\$ 11.7	(3.3) %	3.4 %
Bank Franchise Tax	18.7	18.4	(0.3)	5.1	3.4
Beer & Beverage Excise Tax	41.8	42.3	0.5	(1.1)	0.1
Corporate Franchise & Charter Fees	45.6	50.0	4.4	(15.0)	(6.8)
Excess & Other Fees from Officers	(6.8)	(7.1)	(0.3)	(7.5)	(3.4)
Estate & Gifts	0.0	0.0	0.0	n/a	n/a
Institutional Revenues	7.3	6.0	(1.3)	39.0	14.2
Interest & Rents	55.2	61.8	6.6	4.9 %	17.5
Licenses & Permits	4.0	4.1	0.1	(3.1) %	(0.6)
Miscellaneous Taxes and Penalties	233.8	229.4	(4.4)	(2.7) %	(4.5)
Other Miscellaneous Revenues	28.3	34.4	6.1	(27.0) %	(11.3)
Public Service GR / Consumption Tax	<u>98.9</u>	<u>97.8</u>	<u>(1.1)</u>	<u>6.8 %</u>	<u>5.6</u>
Total Misc. Taxes and Other Revenues	\$ 696.4	\$ 718.4	\$ 22.0	(2.7) %	0.4 %
<b>TOTAL GF REVENUES</b>	<b>\$ 18,338.0</b>	<b>\$ 18,302.8</b>	<b>\$ (35.2)</b>	<b>1.7 %</b>	<b>1.5 %</b>
<b>TRANSFERS</b>					
A.B.C. Profits	\$ 84.3	\$ 97.3	\$ 13.0	(2.5) %	12.5 %
Sales Tax (0.375%)	367.2	365.4	(1.8)	3.3	2.8
Transfers Per Appropriations Act	<u>108.5</u>	<u>109.2</u>	<u>0.7</u>	<u>(9.3)</u>	<u>(8.7)</u>
Total Transfers	\$ 560.0	\$ 571.9	\$ 11.9	(0.3) %	1.8 %
<b>TOTAL GENERAL FUND</b>	<b>\$ 18,898.0</b>	<b>\$ 18,874.7</b>	<b>\$ (23.3)</b>	<b>1.6 %</b>	<b>1.5 %</b>

The November Pessimistic forecast is based on the October 2016 IHS Markit Pessimistic Outlook and the corresponding Virginia state forecast developed by the Department of Taxation with recommendations from JABE and contains the same policy assumptions in Chapter 780. The Interim forecast is based on the May 2016 IHS Markit US Standard outlook and includes recommendations from GACRE. The forecast also includes a collar in individual nonwithholding to one percent of total revenues as contained in Chapter 780 and a withholding model bias adjustment.

**(Presented to the Governor's Advisory Council on Revenue Estimates)**  
**The Interim to November Pessimistic General Fund Forecast for Fiscal Year 2018**  
(Dollars in Millions)

November 17, 2016

	Fiscal Year 2018					2016-2018 Biennium		
	Interim Forecast	Nov Pess Forecast	Change	% Growth Over FY 17 Interim      Nov Pess		Interim Forecast	Nov Pess Forecast	Change
<b>MAJOR TAX SOURCES</b>								
Corporate Income	\$ 724.0	\$ 688.7	\$ (35.3)	(2.4) %	(13.0) %	\$ 1,466.1	\$ 1,479.9	\$ 13.8
Individual Income Tax:								
Gross	15,318.2	14,771.7	(546.5)	4.4	0.9	29,996.7	29,413.3	(583.4)
Withholding	12,037.4	12,068.2	30.8	3.4	3.5	23,683.4	23,731.8	48.4
Nonwithholding	3,280.8	2,703.5	(577.3)	8.2	(9.2)	6,313.3	5,681.5	(631.8)
Refunds	<u>(1,968.2)</u>	<u>(2,046.1)</u>	<u>(77.9)</u>	<u>3.9</u>	<u>9.6</u>	<u>(3,862.3)</u>	<u>(3,912.7)</u>	<u>(50.4)</u>
Net	13,350.0	12,725.6	(624.4)	4.4	(0.4)	26,134.4	25,500.6	(633.8)
Insurance Company Premiums	354.5	329.9	(24.6)	3.2	(4.1)	698.0	674.0	(24.0)
State Sales & Use Tax	3,481.4	3,350.4	(131.0)	2.9	1.9	6,863.6	6,639.7	(223.9)
Wills, Suits, Deeds, & Contract Fees	<u>389.4</u>	<u>358.4</u>	<u>(31.0)</u>	<u>0.0</u>	<u>(6.9)</u>	<u>778.8</u>	<u>743.2</u>	<u>(35.6)</u>
Total Major Tax Sources	\$ 18,299.3	\$ 17,453.0	\$ (846.3)	3.7 %	(0.7) %	\$ 35,940.9	\$ 35,037.4	\$ (903.5)
<b>MISCELLANEOUS TAXES AND OTHER REVENUES</b>								
Alcoholic Beverage State Tax	\$ 173.2	\$ 187.9	\$ 14.7	2.1 %	3.6 %	\$ 342.8	\$ 369.2	\$ 26.4
Bank Franchise Tax	18.7	18.4	(0.3)	0.0	0.0	37.4	36.8	(0.6)
Beer & Beverage Excise Tax	41.8	42.3	0.5	0.0	0.0	83.6	84.6	1.0
Corporate Franchise & Charter Fees	45.6	50.0	4.4	0.0	0.0	91.2	100.0	8.8
Excess & Other Fees from Officers	(6.8)	(7.1)	(0.3)	0.0	0.0	(13.6)	(14.2)	(0.6)
Estate & Gifts	0.0	0.0	0.0	n/a	n/a	0.0	0.0	n/a
Institutional Revenues	7.3	6.0	(1.3)	0.0	0.0	14.6	12.0	(2.6)
Interest & Rents	55.2	61.8	6.6	0.0	0.0	110.4	123.6	13.2
Licenses & Permits	4.0	4.1	0.1	0.0	0.0	8.0	8.2	0.2
Miscellaneous Taxes and Penalties	234.7	236.4	1.7	0.4	3.1	468.5	465.8	(2.7)
Other Miscellaneous Revenues	28.5	34.7	6.2	0.7	0.9	56.8	69.1	12.3
Public Service GR / Consumption Tax	<u>98.9</u>	<u>97.8</u>	<u>(1.1)</u>	<u>0.0</u>	<u>0.0</u>	<u>197.8</u>	<u>195.6</u>	<u>(2.2)</u>
Total Misc. Taxes and Other Revenues	\$ 701.1	\$ 732.3	\$ 31.2	0.7 %	1.9 %	\$ 1,397.5	\$ 1,450.7	\$ 53.2
<b>TOTAL GF REVENUES</b>	<b>\$ 19,000.4</b>	<b>\$ 18,185.3</b>	<b>\$ (815.1)</b>	<b>3.6 %</b>	<b>(0.6) %</b>	<b>\$ 37,338.4</b>	<b>\$ 36,488.1</b>	<b>\$ (850.3)</b>
<b>TRANSFERS</b>								
A.B.C. Profits	\$ 89.8	\$ 101.4	\$ 11.6	6.5 %	4.2 %	\$ 174.1	\$ 198.7	\$ 24.6
Sales Tax (0.375%)	376.8	371.6	(5.2)	2.6	1.7	744.0	737.0	(7.0)
Transfers Per Appropriations Act	<u>108.6</u>	<u>109.3</u>	<u>0.7</u>	<u>0.1</u>	<u>0.1</u>	<u>217.1</u>	<u>218.5</u>	<u>1.4</u>
Total Transfers	\$ 575.2	\$ 582.3	\$ 7.1	2.7 %	1.8 %	\$ 1,135.2	\$ 1,154.2	\$ 19.0
<b>TOTAL GENERAL FUND</b>	<b>\$ 19,575.6</b>	<b>\$ 18,767.6</b>	<b>\$ (808.0)</b>	<b>3.6 %</b>	<b>(0.6) %</b>	<b>\$ 38,473.6</b>	<b>\$ 37,642.3</b>	<b>\$ (831.3)</b>

The November Pessimistic forecast is based on the October 2016 IHS Markit Pessimistic Outlook and the corresponding Virginia state forecast developed by the Department of Taxation with recommendations from JABE and contains the same policy assumptions in Chapter 780.

The Interim forecast is based on the May 2016 IHS Markit US Standard outlook and includes recommendations from GACRE. The forecast also includes a collar in individual nonwithholding to one percent of total revenues as contained in Chapter 780 and a withholding model bias adjustment.

## Growth in Total General Fund Revenues

Fiscal Year 1961 - Fiscal Year 2018

(Nominal - Actual Dollars)

<u>FY</u>	<u>Total Revenues</u>	<u>Growth</u>	<u>FY</u>	<u>Total Revenues</u>	<u>Growth</u>
61	230,998,887	-	90	5,494,884,000	0.3%
62	242,144,567	4.8%	91	5,471,879,000	-0.4%
63	286,304,265	18.2%	92	5,623,213,000	2.8%
64	298,033,919	4.1%	93	6,133,637,000	9.1%
65	323,213,412	8.4%	94	6,503,368,000	6.0%
66	365,129,776	13.0%	95	6,881,145,000	5.8%
67	414,755,644	13.6%	96	7,356,110,000	6.9%
68	533,597,744	28.7%	97	7,949,327,000	8.1%
69	706,254,374	32.4%	98	8,773,520,000	10.4%
70	743,721,322	5.3%	99	9,702,747,000	10.6%
71	807,954,651	8.6%	00	10,788,482,000	11.2%
72	922,653,686	14.2%	01	11,105,275,000	2.9%
73	1,054,469,443	14.3%	02	10,678,954,000	-3.8%
74	1,168,562,871	10.8%	03	10,867,149,000	1.8%
75	1,303,178,893	11.5%	04	11,917,867,000	9.7%
76	1,428,421,157	9.6%	05	13,687,252,000	14.8%
77	1,636,301,819	14.6%	06	14,834,298,000	8.4%
78	1,923,085,084	17.5%	07	15,565,827,000	4.9%
79	2,115,211,522	10.0%	08	15,766,951,000	1.3%
80	2,344,928,934	10.9%	09	14,315,060,000	-9.2%
81	2,579,663,941	10.0%	10	14,219,477,000	-0.7%
82	2,796,458,741	8.4%	11	15,040,200,000	5.8%
83	2,975,687,935	6.4%	12	15,846,665,000	5.4%
84	3,397,710,261	14.2%	13	16,684,600,000	5.3%
85	3,790,816,000	11.6%	14	16,411,400,000	-1.6%
86	4,131,778,000	9.0%	15	17,735,600,000	8.1%
87	4,590,434,000	11.1%	16	18,040,100,000	1.7%
88	5,054,382,000	10.1%	17*	18,557,400,000	2.9%
89	5,478,912,000	8.4%	18*	19,158,500,000	3.2%

\*December 16, 2016 Forecast (Excludes Transfers)

## Growth in Total General Fund Revenues

### Fiscal Year 1961 - Fiscal Year 2018

(Real -- Inflation-Adjusted Dollars)

<u>FY</u>	<u>Total Revenues</u>	<u>Growth</u>	<u>FY</u>	<u>Total Revenues</u>	<u>Growth</u>
61	1,305,078,458	-	90	8,376,347,561	-3.1%
62	1,360,362,736	4.2%	91	8,046,880,882	-3.9%
63	1,590,579,250	16.9%	92	8,044,653,791	0.0%
64	1,628,600,650	2.4%	93	8,578,513,287	6.6%
65	1,747,099,524	7.3%	94	8,896,536,252	3.7%
66	1,931,903,577	10.6%	95	9,224,054,960	3.7%
67	2,137,915,691	10.7%	96	9,666,373,193	4.8%
68	2,667,988,720	24.8%	97	10,257,196,129	6.1%
69	3,395,453,721	27.3%	98	11,176,458,599	9.0%
70	3,411,565,697	0.5%	99	12,204,713,208	9.2%
71	3,543,660,750	3.9%	00	13,335,577,256	9.3%
72	3,893,053,527	9.9%	01	13,395,989,144	0.5%
73	4,286,461,150	10.1%	02	12,652,789,100	-5.5%
74	4,393,093,500	2.5%	03	12,650,930,151	0.0%
75	4,447,709,532	1.2%	04	13,573,880,410	7.3%
76	4,578,272,939	2.9%	05	15,124,035,359	11.4%
77	4,958,490,361	8.3%	06	15,865,559,358	4.9%
78	5,463,309,898	10.2%	07	16,180,693,347	2.0%
79	5,581,033,040	2.2%	08	16,055,958,248	-0.8%
80	5,609,877,833	0.5%	09	14,343,747,495	-10.7%
81	5,595,800,306	-0.3%	10	14,162,825,697	-1.3%
82	5,672,330,103	1.4%	11	14,716,438,356	3.9%
83	5,755,682,660	1.5%	12	15,193,350,911	3.2%
84	6,315,446,582	9.7%	13	15,725,353,440	3.5%
85	6,805,773,788	7.8%	14	15,209,823,911	-3.3%
86	7,198,219,512	5.8%	15	16,211,700,183	6.6%
87	7,833,505,119	8.8%	16	16,296,386,631	0.5%
88	8,326,823,723	6.3%	17*	16,451,595,745	1.0%
89	8,641,817,035	3.8%	18*	16,601,819,757	0.9%

\* December 16, 2016 Forecast (Excludes Transfers)

Shaded areas indicate years in which there was a national recession.



**NONGENERAL FUND REVENUE PROJECTIONS**  
**For Fiscal Years 2017 Through 2022**  
 \$ (Millions)

	<b>Actual</b>						
	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Taxes:</b>							
Motor vehicle fuel tax	\$848.3	\$856.0	\$865.0	\$873.5	\$879.3	\$888.3	\$898.0
Unemployment compensation payroll tax	\$582.9	\$468.8	\$427.7	\$411.7	\$421.9	\$440.9	\$455.2
Special highway tax from sales tax	\$701.4	\$741.6	\$752.8	\$769.1	\$785.8	\$803.8	\$814.6
Motor vehicle sales tax and use tax	\$919.0	\$938.0	\$947.3	\$965.0	\$971.8	\$978.3	\$980.9
Other taxes	\$1,500.4	\$1,504.3	\$1,523.4	\$1,535.0	\$1,556.3	\$1,576.2	\$1,595.1
<b>Total</b>	<b>\$4,551.9</b>	<b>\$4,508.7</b>	<b>\$4,516.2</b>	<b>\$4,554.2</b>	<b>\$4,615.0</b>	<b>\$4,687.5</b>	<b>\$4,743.8</b>
<b>Rights and privileges:</b>							
Motor Vehicle Licenses	\$338.5	\$367.1	\$369.5	\$370.1	\$370.7	\$373.5	\$373.1
Other Rights & Privileges	\$708.1	\$709.7	\$717.7	\$730.7	\$735.6	\$741.2	\$724.6
<b>Total</b>	<b>\$1,046.6</b>	<b>\$1,076.9</b>	<b>\$1,087.2</b>	<b>\$1,100.8</b>	<b>\$1,106.3</b>	<b>\$1,114.7</b>	<b>\$1,097.6</b>
<b>Sales of property and commodities:</b>							
Alocoholic Beverage Sales	\$736.6	\$781.7	\$815.2	\$850.0	\$886.0	\$923.7	\$962.9
Other Sales	\$814.6	\$883.4	\$825.5	\$810.1	\$811.4	\$811.7	\$812.1
<b>Total</b>	<b>\$1,551.2</b>	<b>\$1,665.1</b>	<b>\$1,640.7</b>	<b>\$1,660.1</b>	<b>\$1,697.4</b>	<b>\$1,735.4</b>	<b>\$1,775.0</b>
<b>Assessment &amp; Receipts for Support of Special Services:</b>							
	<b>\$648.0</b>	<b>\$650.3</b>	<b>\$692.4</b>	<b>\$734.8</b>	<b>\$779.6</b>	<b>\$828.0</b>	<b>\$880.4</b>
<b>Institutional revenue:</b>							
Institutions of Higher Education <sup>2</sup>	\$2,523.4	\$5,528.9	\$5,811.2	\$6,034.2	\$6,222.2	\$6,426.9	\$6,628.5
Other Educational Institutions	\$3.7	\$4.0	\$4.0	\$3.9	\$3.9	\$3.9	\$3.9
Medical Hospitals <sup>2</sup>	\$0.0	\$1,803.5	\$1,946.6	\$1,882.8	\$1,883.2	\$1,953.6	\$2,037.9
Mental Hospitals	\$239.9	\$206.9	\$198.6	\$170.7	\$169.2	\$124.3	\$121.2
Corrections	\$59.0	\$55.4	\$55.5	\$55.3	\$55.6	\$56.1	\$56.1
Other Institutions	\$60.4	\$75.5	\$71.0	\$73.1	\$73.6	\$76.2	\$78.1
<b>Total</b>	<b>\$2,886.4</b>	<b>\$7,674.1</b>	<b>\$8,086.8</b>	<b>\$8,219.9</b>	<b>\$8,407.5</b>	<b>\$8,641.0</b>	<b>\$8,925.7</b>
<b>Interest dividends and rents:</b>							
	<b>\$120.8</b>	<b>\$178.4</b>	<b>\$190.1</b>	<b>\$201.3</b>	<b>\$210.0</b>	<b>\$215.2</b>	<b>\$225.0</b>
<b>Grants and donations:</b>							
Federal grants and contracts	\$9,219.3	\$10,511.6	\$10,592.5	\$10,781.6	\$10,811.6	\$10,872.4	\$10,945.0
Other grants & contracts	\$129.2	\$235.4	\$165.9	\$162.8	\$158.9	\$161.0	\$155.9
<b>Total</b>	<b>\$9,348.5</b>	<b>\$10,746.9</b>	<b>\$10,758.4</b>	<b>\$10,944.4</b>	<b>\$10,970.5</b>	<b>\$11,033.4</b>	<b>\$11,100.9</b>
<b>Other Revenue:</b>							
	<b>\$2,016.5</b>	<b>\$1,865.2</b>	<b>\$1,851.4</b>	<b>\$1,885.2</b>	<b>\$1,901.8</b>	<b>\$1,947.2</b>	<b>\$1,963.6</b>
<b>Total Nongeneral Fund Revenue: <sup>1</sup></b>							
	<b>\$22,169.9</b>	<b>\$28,365.7</b>	<b>\$28,823.2</b>	<b>\$29,300.6</b>	<b>\$29,688.2</b>	<b>\$30,202.2</b>	<b>\$30,712.0</b>
<b>\$ Amount change from previous year</b>		<b>\$6,195.8</b>	<b>\$457.6</b>	<b>\$477.4</b>	<b>\$387.5</b>	<b>\$514.0</b>	<b>\$509.8</b>
<b>% Change from previous year</b>		<b>27.9%</b>	<b>1.6%</b>	<b>1.7%</b>	<b>1.3%</b>	<b>1.7%</b>	<b>1.7%</b>

<sup>1</sup> Page 1 totals adjusted to reflect lottery proceeds being listed separately.

<sup>2</sup> Per the Management Agreement between the tier 3 schools and the Commonwealth as set forth in Chapters 933 and 943 of the 2006 Acts of Assembly, the type 3 schools are not required to report actual revenue collections in CARS.

FY 2017 Revised Estimate  
August 26, 2016

Commonwealth of Virginia/Department of Accounts  
Summary Report on General Fund Revenue Collections  
For the Fiscal Years 2016 and 2017  
(Dollars in Thousands)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	FY 2017 Estimate	As a % of Gen Fund Rev	FY 2017	November FY 2016	% Change	FY 2017	FY 2016	% Change	% Annual Growth Req By Est
<b>Revenue</b>									
<b>Individual Income Tax:</b>									
Withholding	\$11,646,000	63.50	\$990,380	\$833,271	18.9	\$4,718,301	\$4,407,008	7.1	3.0
Tax Dues/Estimated Payments	3,032,500	16.54	54,780	49,512	10.6	635,251	631,302	0.6	(1.2)
<b>Gross Individual Income Tax</b>	<b>\$14,678,500</b>	<b>80.04</b>	<b>\$1,045,160</b>	<b>\$882,783</b>	<b>18.4</b>	<b>\$5,353,552</b>	<b>\$5,038,310</b>	<b>6.3</b>	<b>2.1</b>
<b>Individual and Fiduciary Income (Refunds)</b>	<b>(1,894,100)</b>	<b>(10.32)</b>	<b>(33,985)</b>	<b>(43,828)</b>	<b>(22.5)</b>	<b>(233,936)</b>	<b>(252,101)</b>	<b>(7.2)</b>	<b>4.0</b>
<b>Net Individual Income Tax</b>	<b>\$12,784,400</b>	<b>69.72</b>	<b>\$1,011,175</b>	<b>\$838,955</b>	<b>20.5</b>	<b>\$5,119,616</b>	<b>\$4,786,209</b>	<b>7.0</b>	<b>1.8</b>
<b>Sales and Use Tax</b>	<b>\$3,382,200</b>	<b>18.45</b>	<b>\$268,996</b>	<b>\$296,383</b>	<b>(9.2)</b>	<b>\$1,189,745</b>	<b>\$1,220,251</b>	<b>(2.5)</b>	<b>2.6</b>
<b>Corporations Income Tax</b>	<b>742,100</b>	<b>4.05</b>	<b>(4,885)</b>	<b>(14,462)</b>	<b>66.2</b>	<b>172,440</b>	<b>140,256</b>	<b>22.9</b>	<b>(3.0)</b>
<b>Wills, Suits, Deeds, Contracts</b>	<b>389,400</b>	<b>2.12</b>	<b>30,402</b>	<b>25,368</b>	<b>19.8</b>	<b>173,005</b>	<b>153,170</b>	<b>12.9</b>	<b>5.5</b>
<b>Insurance Premiums</b>	<b>343,500</b>	<b>1.87</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>1.3</b>
<b>Interest Income (a)</b>	<b>54,900</b>	<b>0.30</b>	<b>7,754</b>	<b>6,803</b>	<b>14.0</b>	<b>29,539</b>	<b>24,698</b>	<b>19.6</b>	<b>5.3</b>
<b>Alcoholic Beverage Sales (b)</b>	<b>211,400</b>	<b>1.15</b>	<b>46,606</b>	<b>44,676</b>	<b>4.3</b>	<b>64,532</b>	<b>63,651</b>	<b>1.4</b>	<b>(2.8)</b>
<b>All Other Revenues</b>	<b>430,100</b>	<b>2.34</b>	<b>29,773</b>	<b>28,209</b>	<b>5.5</b>	<b>141,352</b>	<b>150,285</b>	<b>(5.9)</b>	<b>(3.5)</b>
<b>Total General Fund Revenues</b>	<b>\$18,338,000</b>	<b>100.00</b>	<b>\$1,389,821</b>	<b>\$1,225,932</b>	<b>13.4</b>	<b>\$6,890,229</b>	<b>\$6,538,520</b>	<b>5.4</b>	<b>1.7</b>

# Percentage is greater than or equal to 1,000%.

- (a) Interest is earned monthly in the General Fund and credited to nongeneral funds on a quarterly basis. This will occur in the months of October, January, April and June.
- (b) Includes Beer and Beverage Excise Tax and Alcoholic Beverage State Tax.

FY 2017 Revised Estimate  
August 26, 2016

Commonwealth of Virginia/Department of Accounts  
General Fund Statement of Revenue Collections and Estimates  
For the Fiscal Years 2016 and 2017

Revenue	(1) FY 2017 Estimate	(2) As a % of Total Gen Fund Rev	(3) (Dollars in Thousands)		(5) %		(7) Year-To-Date		(9) % Annual Growth Req By Est
			FY 2017	November FY 2016	Change	FY 2017	FY 2016	Change	
<b>Taxes:</b>									
Individual Income Tax - Withholding	\$11,646,000	63.50	\$990,380	\$833,271	18.9	\$4,718,301	\$4,407,008	7.1	3.0
Tax Dues/Estimated Payments	3,032,500	16.54	54,780	49,512	10.6	635,251	631,302	0.6	(1.2)
Gross Individual Income Tax	\$14,678,500	80.04	\$1,045,160	\$882,783	18.4	\$5,353,552	\$5,038,310	6.3	2.1
Individ and Fiduc Income (Refunds)	(1,894,100)	(10.32)	(33,985)	(43,828)	(22.5)	(233,936)	(252,101)	(7.2)	4.0
Net Individual Income Tax	\$12,784,400	69.72	\$1,011,175	\$838,955	20.5	\$5,119,616	\$4,786,209	7.0	1.8
Sales and Use Tax	3,382,200	18.45	268,996	296,383	(9.2)	1,189,745	1,220,251	(2.5)	2.6
Corporations Income	742,100	4.05	(4,885)	(14,462)	66.2	172,440	140,256	22.9	(3.0)
Public Service Corporations	98,900	0.54	5,874	5,737	2.4	35,342	34,298	3.0	6.8
Insurance Premiums	343,500	1.87	0	0	-	0	0	-	1.3
Alcoholic Beverage Excise	169,600	0.92	43,424	41,324	5.1	45,786	44,747	2.3	(3.3)
Beer and Beverage Excise	41,800	0.23	3,182	3,352	(5.1)	18,746	18,904	(0.8)	(1.1)
Wills, Suits, Deeds, Contracts	389,400	2.12	30,402	25,368	19.8	173,005	153,170	12.9	5.5
Inheritance, Gift, and Estate	0	0.00	0	68	(100.0)	253	68	272.1	(100.0)
Bank Franchise	18,700	0.10	15	0	-	(914)	73	#	5.1
Other Taxes	7,900	0.04	1,614	1,208	33.6	3,275	5,880	(44.3)	(44.0)
Total Taxes	\$17,978,500	98.04	\$1,359,797	\$1,197,933	13.5	\$6,757,294	\$6,403,856	5.5	1.8
<b>Rights and Privileges:</b>									
Licenses and Permits	\$4,000	0.02	\$393	\$433	(9.2)	\$1,665	\$1,714	(2.9)	(3.1)
Corp. Franchise and Charters	45,600	0.25	501	517	(3.1)	2,671	2,571	3.9	(15.0)
Fees for Misc. Privileges & Services	11,300	0.06	535	564	(5.1)	3,867	3,550	8.9	3.1
Total Rights and Privileges	\$60,900	0.33	\$1,429	\$1,514	(5.6)	\$8,203	\$7,835	4.7	(11.4)
<b>Other Revenues:</b>									
Sales of Property & Commodities	\$0	0.00	\$0	\$0	-	\$9	\$216	(95.8)	(100.0)
Assessmts & Rcpts for Support of Special Svcs	400	0.00	2	0	-	86	106	(18.9)	(1.5)
Institutional Revenue	7,300	0.04	183	952	(80.8)	1,184	5,227	(77.3)	39.0
Interest (a)	54,900	0.30	7,754	6,803	14.0	29,539	24,698	19.6	5.3
Dividends and Rent	300	0.00	41	28	46.4	315	323	(2.5)	(33.8)
Fines, Forfeitures & Fees	225,900	1.23	20,027	18,351	9.1	94,599	95,766	(1.2)	(0.1)
Other Revenue	8,600	0.05	668	267	150.2	167	1,444	(88.4)	(54.3)
Excess Fees	(6,800)	(0.04)	(683)	(585)	(16.8)	(4,000)	(3,609)	(10.8)	7.5
Private Donations, Gifts & Cont.	0	0.00	0	0	-	0	0	-	(100.0)
Cities, Counties, and Towns	8,000	0.05	603	669	(9.9)	2,833	2,658	6.6	8.8
Total Other Revenues	\$298,600	1.63	\$28,595	\$26,485	8.0	\$124,732	\$126,829	(1.7)	(1.9)
Total General Fund Revenues	\$18,338,000	100.00	\$1,389,821	\$1,225,932	13.4	\$6,890,229	\$6,538,520	5.4	1.7

# Percentage is greater than or equal to 1,000%.

(a) Interest is earned monthly in the General Fund and credited to nongeneral funds on a quarterly basis. This will occur in the months of October, January, April and June.

**Commonwealth of Virginia/Department of Lottery**  
**Summary Report on Lottery Collections**  
**For the Fiscal Years 2016 and 2017**  
(Dollars in Thousands)

	FY 2017 Estimate (a)	November		Year-To-Date		% Annual Growth Required By Estimate (c)
		FY 2017 (b)	FY 2016 (b)	FY 2017 (b)	FY 2016 (b)	
Lottery Collections						
Total Lottery Sales	\$1,957,100	\$166,993	\$148,414	\$807,504	\$763,013	5.8 (2.5)
Other Income	1,000	75	117 (35.9)	553	469	17.9 1.2
Total Income	\$1,958,100	\$167,068	\$148,531	\$808,057	\$763,482	5.8 (2.5)
Less:						
Prize Expenses	\$1,198,420	\$102,919	\$88,250	\$484,630	\$458,092	5.8 (0.8)
Retailer Commissions	110,813	9,286	8,205	45,318	43,055	5.3 (1.7)
Operating Expenses	107,636	8,390	7,446	40,294	38,691	4.1 9.1
Total Expenses	\$1,416,869	\$120,595	\$103,901	\$570,242	\$539,838	5.6 (0.2)
Net Proceeds from Operations						
Net Lottery Ticket Profits	\$541,231	\$46,473	\$44,630	\$237,815	\$223,644	6.3 1.2
Prior Year Residual Profit Transfer	20,296	0	0	53,486	4,255	# -
Available to Lottery Proceeds Fund	\$561,527	\$46,473	\$44,630	\$291,301	\$227,899	27.8 4.2

# Percentage is greater than or equal to 1,000%.

(a) FY 2017 estimate established by Chapter 780, 2016 Acts of Assembly (2017-2018 Appropriation Act). Prior Year Residual Profit Transfer of \$53,486,355 was made on August 16, 2016. The FY 2017 estimate will be revisited as part of the state revenue forecast process and will include an updated estimate of FY 2017 sales and profits, as well as the definite residual transfer from FY 2016. The figure shown here as the Prior Year Residual Profit Transfer reflects the anticipated residual transfer already included in the FY 2017 estimate reflected in Chapter 780.

(b) Amounts reported are accrual-based estimates (unaudited closing).

(c) The current year figures on this chart, including growth percentages, are not an indicator of the probable outcome for the fiscal year. Lottery revenues can have dramatic swings up and down month to month depending on the lotto jackpots, prize expense, and game related administrative expenses.

**Commonwealth of Virginia/Department of Accounts**  
**Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues**  
**Summary Statement of Selected Revenue Estimates & Collections**

For the Fiscal Years 2016 and 2017  
(Dollars in Thousands)

Revenue	FY 2017 Estimate	As a % of Total Fund	November		Year-To-Date		% Change	% Annual Growth Required By Estimate
			FY 2017	FY 2016	FY 2017	FY 2016		
Motor Fuel Taxes	\$896,800	18.82	\$67,392	\$75,103	\$307,919	\$309,223	(0.4)	4.2
Priority Transportation Fund (PTF)	163,142	3.42	8,218	9,265	138,653	133,819	3.6	8.5
Motor Vehicle Sales and Use Tax	966,800	20.29	76,459	64,820	422,846	398,839	6.0	1.1
State Sales and Use Tax	1,017,700	21.36	81,611	87,793	368,280	370,832	(0.7)	1.7
Motor Vehicle License Fees	246,800	5.18	19,108	16,707	106,240	103,843	2.3	(2.6)
International Registration Plan	61,700	1.29	4,243	3,677	20,632	21,214	(2.7)	(8.9)
Recordation Tax	45,400	0.95	3,671	3,163	21,414	18,522	15.6	2.7
Interest Earnings	12,100	0.25	60	37	1,724	840	105.2	227.1
Misc. Taxes, Fees, and Revenues	17,000	0.36	1,986	428	7,523	6,157	22.2	(7.8)
<b>Total State Taxes and Fees</b>	<b>\$3,427,442</b>	<b>71.92</b>	<b>\$262,748</b>	<b>\$260,993</b>	<b>\$1,395,231</b>	<b>\$1,363,289</b>	<b>2.3</b>	<b>2.1</b>

# Percentage is greater than or equal to 1,000%.

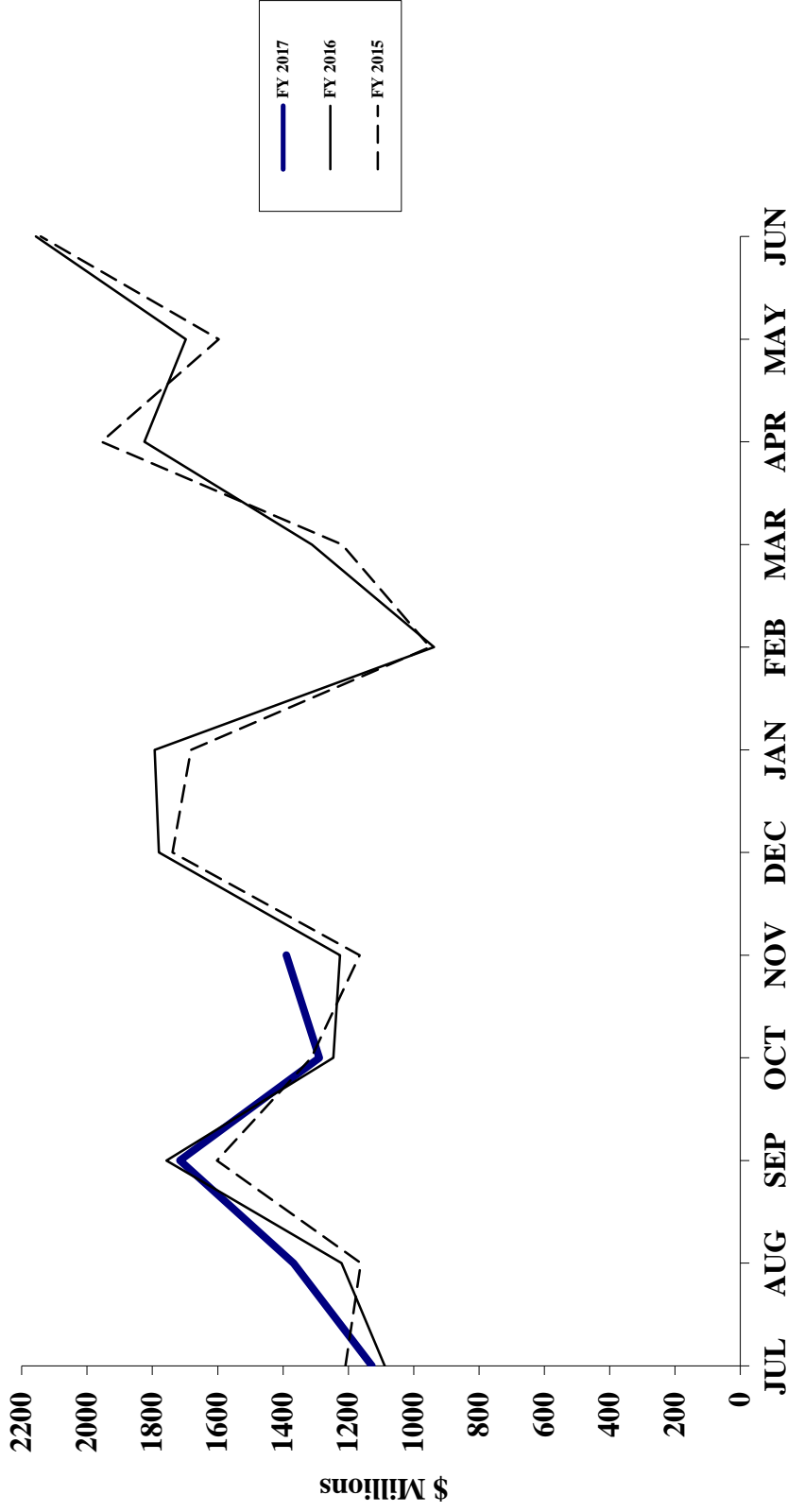
Commonwealth of Virginia/Department of Accounts  
Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues  
Statement of Revenue Estimates & Collections  
For the Fiscal Years 2016 and 2017  
(Dollars in Thousands)

Revenue	FY 2017 Estimate	As a % of Total Fund	November		Year-To-Date		% Annual Growth Required By Est	
			FY 2017	FY 2016	FY 2017	FY 2016		
					% Change	% Change		
<b>HIGHWAY MAINTENANCE AND OPERATING FUND:</b>								
Motor Fuel Taxes (Includes Road Tax)	\$716,600	15.04	\$54,255	\$61,809	(12.2)	\$249,204	\$247,875	0.5
Motor Vehicle Sales and Use Tax	696,900	14.62	55,357	45,371	22.0	303,502	283,816	6.9
State Sales and Use Tax	286,000	6.00	22,653	24,136	(6.1)	97,776	102,860	(4.9)
Motor Vehicle License Fees	224,800	4.72	17,490	15,247	14.7	97,064	94,682	2.5
International Registration Plan	61,700	1.29	4,243	3,677	15.4	20,632	21,214	(2.7)
Recordation Tax (1 cent) (a)	0	0.00	0	1,054	-	0	6,174	-
Misc. Taxes, Fees, and Revenues	17,000	0.36	1,986	428	364.0	7,523	6,157	(7.8)
<b>Total State Taxes and Fees</b>	<b>\$2,003,000</b>	<b>42.03</b>	<b>\$155,984</b>	<b>\$151,722</b>	<b>2.8</b>	<b>\$775,701</b>	<b>\$762,778</b>	<b>1.7</b>
<b>Other Revenues:</b>								
Federal Grants and Contracts	\$0	0.00	\$3,819	\$4,276	(10.7)	\$28,220	\$14,512	(100.0)
Miscellaneous Revenues	18,044	0.38	1,234	1,348	(8.5)	8,547	9,339	(32.9)
Transfer (to) / from Transportation Trust Fund	102,896	2.16	0	0	-	25,000	0	15.4
<b>Total Highway Maintenance and Operating Fund</b>	<b>\$2,123,940</b>	<b>44.57</b>	<b>\$161,037</b>	<b>\$157,346</b>	<b>2.3</b>	<b>\$837,468</b>	<b>\$786,629</b>	<b>6.5</b>
<b>TRANSPORTATION TRUST FUND:</b>								
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$180,200	3.78	\$13,137	\$13,294	(1.2)	\$58,715	\$61,348	(4.3)
PTF Insurance Premiums Tax	163,142	3.42	8,218	9,265	(11.3)	138,653	133,819	3.6
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	269,900	5.67	21,102	19,449	8.5	119,344	115,023	3.8
State Sales and Use Tax	731,700	15.36	58,958	63,657	(7.4)	270,504	267,972	0.9
Motor Vehicle License Fees	22,000	0.46	1,618	1,460	10.8	9,176	9,161	0.2
Recordation Tax (a)	45,400	0.95	3,671	2,109	-	21,414	12,348	-
Interest Earnings	12,100	0.25	60	37	62.2	1,724	840	105.2
<b>Total State Taxes and Fees</b>	<b>\$1,424,442</b>	<b>29.89</b>	<b>\$106,764</b>	<b>\$109,271</b>	<b>(2.3)</b>	<b>\$619,530</b>	<b>\$600,511</b>	<b>3.2</b>
<b>Other Revenues:</b>								
Federal Grants and Contracts	\$1,096,844	23.02	\$41,518	\$74,998	(44.6)	\$712,555	\$736,761	(3.3)
Receipts from Cities/Counties	200,869	4.21	10,938	2,828	286.8	65,592	26,387	148.6
Toll Revenues (Includes Route 28)	16,100	0.34	999	929	7.5	5,402	5,367	0.7
Miscellaneous Revenues	6,245	0.13	2,888	4,234	(31.8)	12,794	11,471	11.5
<b>Total Other Revenues</b>	<b>\$1,320,058</b>	<b>27.70</b>	<b>\$56,343</b>	<b>\$82,989</b>	<b>(32.1)</b>	<b>\$796,343</b>	<b>\$779,986</b>	<b>2.1</b>
<b>Transfer (to) / from Highway Maintenance and Operating Fund</b>	<b>(\$102,896)</b>	<b>(2.16)</b>	<b>\$0</b>	<b>\$0</b>	<b>-</b>	<b>(\$25,000)</b>	<b>\$0</b>	<b>(15.4)</b>
<b>Total Transportation Trust Fund</b>	<b>\$2,641,604</b>	<b>55.43</b>	<b>\$163,107</b>	<b>\$192,260</b>	<b>(15.2)</b>	<b>\$1,390,873</b>	<b>\$1,380,497</b>	<b>0.8</b>
<b>TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND</b>	<b>\$4,765,544</b>	<b>100.00</b>	<b>\$324,144</b>	<b>\$349,606</b>	<b>(7.3)</b>	<b>\$2,228,341</b>	<b>\$2,167,126</b>	<b>2.8</b>

# Percentage is greater than or equal to 1,000%.

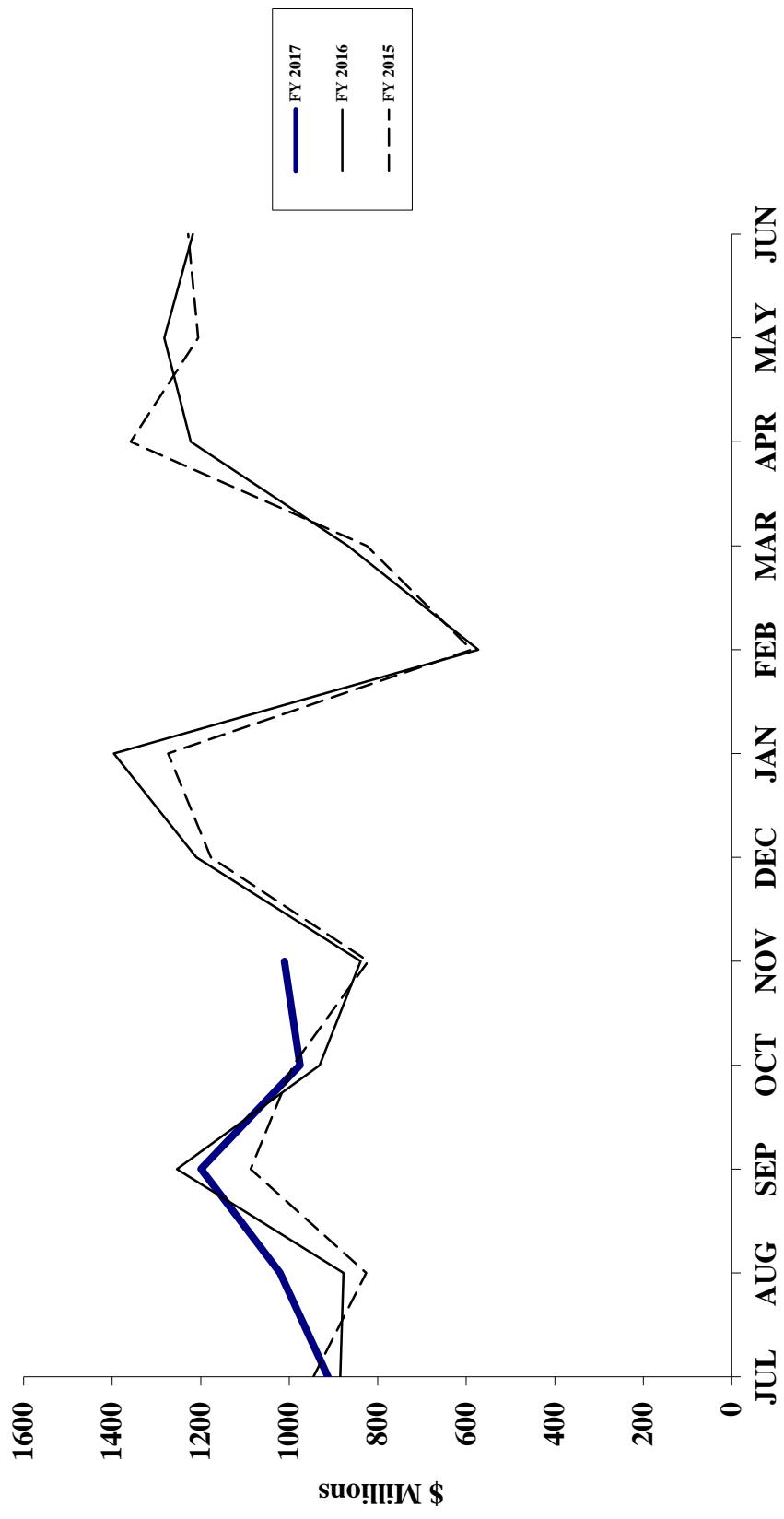
(a) Pursuant to Code of Virginia, §58.1-815.4, \$0.03 of specific recordation taxes are deposited to components of the Transportation Trust Fund effective July 1, 2016. Accordingly, the "Recordation Tax (1 cent)" line item was removed from the Highway Maintenance and Operating Fund FY 2017 Revenue Forecast. All FY 2017 Recordation Taxes are included in the Transportation Trust Fund Revenue Forecast in the "Recordation Tax" line item. Since there will be no collections for the "Recordation Tax (1 cent)" line item for the Highway Maintenance and Operating Fund during FY 2017, the Monthly and Year-To-Date % Change and % Annual Growth Required by Est. columns for the Recordation Tax lines are not provided.

# Total General Fund Revenues



**FY 2015 Actual = \$17,735.6 Million**  
**FY 2016 Actual = \$18,040.1 Million**  
**FY 2017 Estimate = \$18,338.0 Million**

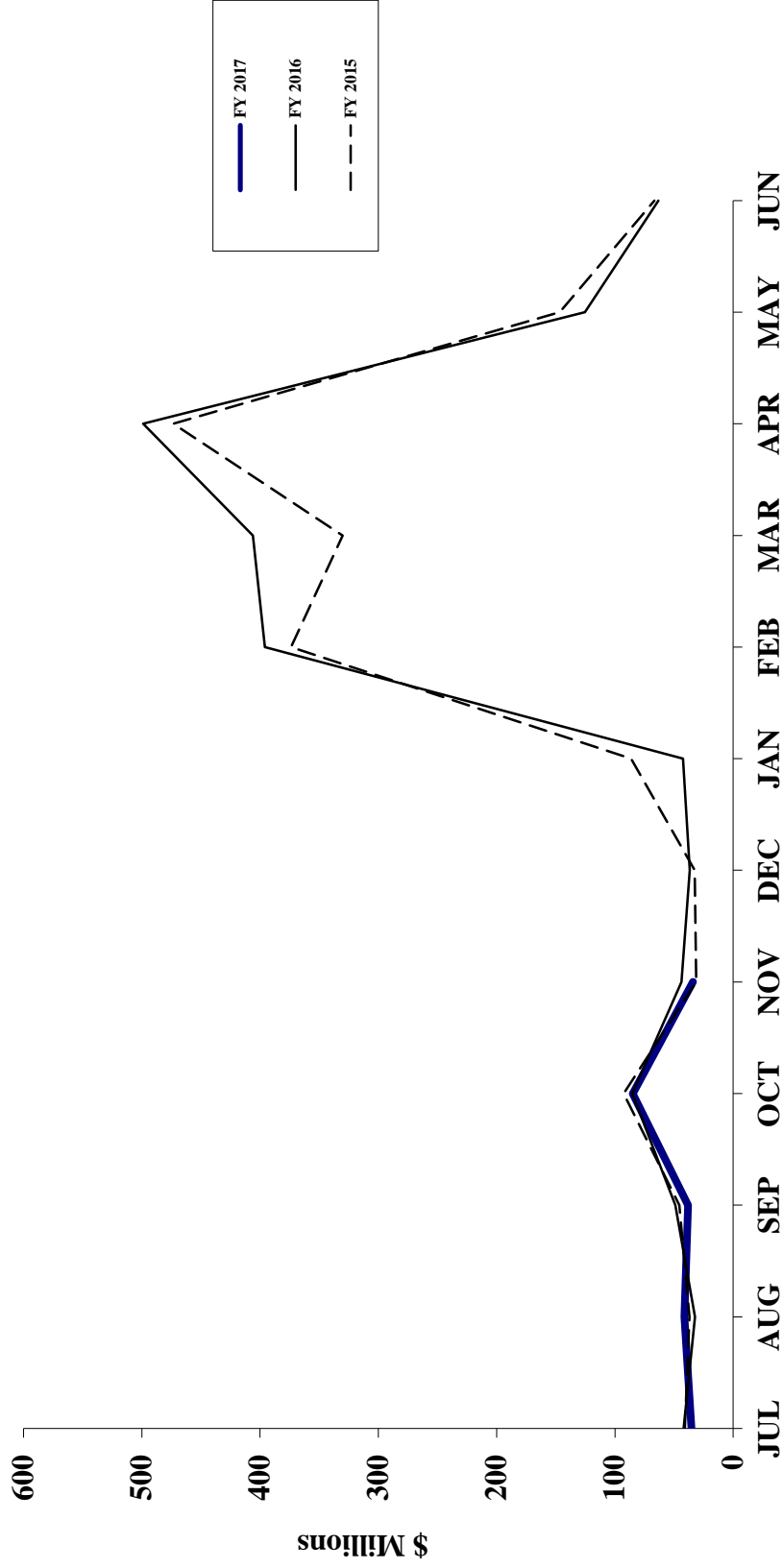
# Net Individual Income Tax



**FY 2015 Actual = \$12,328.7 Million**  
**FY 2016 Actual = \$12,555.6 Million**  
**FY 2017 Estimate = \$12,784.4 Million**



# Individual and Fiduciary Income Tax Refunds



**FY 2015 Actual = \$1,757.3 Million**  
**FY 2016 Actual = \$1,820.7 Million**  
**FY 2017 Estimate = \$1,894.1 Million**

# DEPARTMENT OF THE TREASURY

General Account Investment Portfolio  
 Monthly Average Balances and Rates  
 For the Fiscal Year 2017  
 (Dollars in Millions)

MONTH	PRIMARY LIQUIDITY		EXTERNAL MANAGEMENT EXTENDED DURATION		COMPOSITE		TREASURY 1 YR. CONSTANT MATURITY <sup>1</sup> Yield
	Avg. Balance	Yield	Avg. Balance	Annualized Total Return	Avg. Balance	Rate	
<b>July, 2016</b>	\$4,183.5	0.69%	\$1,269.5	4.46%	\$5,453.0	1.57%	0.51%
<b>August</b>	\$3,648.3	0.69%	\$1,270.9	-1.35%	\$4,919.2	0.16%	0.57%
<b>September</b>	\$4,021.4	0.74%	\$1,270.4	0.84%	\$5,291.8	0.76%	0.59%
<b>October</b>	\$4,299.8	0.82%	\$1,268.7	-4.89%	\$5,568.5	-0.48%	0.66%
<b>November</b>	\$4,149.7	0.82%	\$1,256.6	-18.78%	\$5,406.3	-3.74%	0.74%
<b>December</b>							
<b>January, 2017</b>							
<b>February</b>							
<b>March</b>							
<b>April</b>							
<b>May</b>							
<b>June</b>							
<b>Year-to-Date Average</b>	<b>\$4,060.5</b>	<b>0.75%</b>	<b>\$1,267.2</b>	<b>-3.85%</b>	<b>\$5,327.7</b>	<b>-0.34%</b>	<b>0.61%</b>

• Performance on the extended duration portion of the General Account is reported on an annualized total return basis. Total return includes unrealized gains and losses, which in the short term can make returns more volatile. Over an extended time period the fluctuations average out and total return approaches the portfolio yield.

• Unaudited.

<sup>1</sup> Federal Reserve Bank H.15 Release.

Commonwealth of Virginia/Department of Accounts  
 Report on the Revenue Stabilization Fund  
 For the Fiscal Year 2017

<u>Month</u>	<u>Beginning Balance</u>	<u>Deposits</u>	<u>Withdrawals</u>	<u>Interest Allocated (A)</u>	<u>Ending Balance</u>
July	\$235,485,176	\$0	\$0	\$0	\$235,485,176
August	\$235,485,176	\$0	\$0	\$0	\$235,485,176
September	\$235,485,176	\$0	\$0	\$0	\$235,485,176
October	\$235,485,176	\$0	\$0	\$751,231	\$236,236,407
November	\$236,236,407	\$0	\$0	\$0	\$236,236,407
December					
January					
February					
March					
April					
May					
June					

Notes: (A) Interest is earned monthly but credited to the Revenue Stabilization Fund on a quarterly basis.