STATE OF INDIANA

Mitchell E. Daniels, Jr.
Governor

STATE BUDGET AGENCY
212 State House
Indianapolis, Indiana 46204-2796
317/232-5610

Christopher A. Ruhl
Director

The monthly revenue report of April 2010 state tax collections was released today.

Results

- Total revenue collections were $1.437 billion, $14 million (1%) below total collections for the same period last year. Collections were $82 million below the amount used in the June 2009 as passed budget.
- Sales tax collections totaled $517 million for the month, $30 million above collections for the same period last year.
- Individual income tax collections totaled $578 million for the month, $18 million below collections for the same period last year.

Commentary

Revenue collections through ten months of the current state fiscal year are $949 million or 10% below the budget passed by the General Assembly. Revenue collections have been below the budget plan for nine of the ten months of the fiscal year. The as passed budget estimated 2% growth in tax revenue for FY 2010 compared to FY 2009. Actual year to date tax collections are 8% below prior year.

Total tax collections for the month of April are the lowest since FY 2004. To realize the budget forecast for the fiscal year, revenue collections for the next two months would have to exceed by 2 ½ times the May and June 2009 levels.

Sales tax collections, though higher than April 2009, are lower than FY 2008, FY 2007 and even FY 2006 levels. Year to date sales tax collections are 5% below prior year. If the -5% trend continues for the full fiscal year it will be the worst performance in state history, exceeding FY 2009's record of -4.7%. The budget as passed projected sales tax collections equal to prior year.

April individual income tax collections are the lowest in five years. Year to date income tax collections are 11% below prior year—on top of an 11% decline for FY 2009. The budget as passed projected a 1% decline in individual income tax collections for FY 2010.

Given that revenues once again underperformed the forecast used to craft the budget, even after actions taken to reduce budgeted spending, the state's reserves were drawn down further in April. Revenues for the first ten months are $9.754 billion. Spending for the first ten months, after the reductions ordered by the Governor, is approximately $10.384 billion. Therefore, reserves have been reduced by $630 million through ten months, or about one-half of the total $1.3 billion in state reserves at the beginning of this budget cycle.

"There's no arguing with these numbers. Without our actions to restrain spending, all of our reserves would be gone sometime this year and we'd be in the shape of most other states," said Governor Mitch Daniels. "Anyone attacking the reduction measures we've been forced to take is demanding a tax increase and should identify which taxes they want to go up."

May 4, 2010

End-of-Month Revenue Report
April 30, 2010
Targets per December 15, 2009, Forecast
Indiana State Budget Agency

	Comparison to Monthly Forecast				Comparison to Prior Year-to-Date			
	Forecast Revenue Y-T-D	Actual Revenue Y-T-D	Difference Amount	Difference Percent	Actual Revenue Prior Y-T-D	Actual Revenue Current Y-T-D	Change Amount	Change Percent
Major Taxes								
Sales & Use [5]	$4,906.7	$4,918.9	$12.2	0.2%	$5,185.3	$4,918.9	-$266.4	-5.1%
Individual AGI	$3,078.2	$3,158.4	$80.1	2.6%	$3,550.3	$3,158.4	-$391.9	-11.0%
Corporate - AGI, URT, USUT, FIT	$419.7	$422.1	$2.3	0.6%	$618.0	$422.1	-$196.0	-31.7%
Riverboat Wagering	$426.2	$417.9	-$8.3	-2.0%	$426.3	$417.9	-$8.4	-2.0%
Racino Wagering [7]	$94.1	$98.0	$3.9	4.1%	$41.7	$98.0	$56.2	134.7%
Subtotal Major Taxes	**$8,925.0**	**$9,015.2**	**$90.2**	**1.0%**	**$9,821.7**	**$9,015.2**	**-$806.5**	**-8.2%**
Other Revenue								
Cigarette[1]	$221.4	$215.0	-$6.4	-2.9%	$233.1	$215.0	-$18.1	-7.8%
Cigarette - Medicaid	$10.0	$9.8	-$0.2	-2.4%	$10.6	$9.8	-$0.8	-7.8%
Insurance	$140.2	$141.2	$1.0	0.7%	$146.5	$141.2	-$5.3	-3.6%
Inheritance	$149.3	$132.5	-$16.7	-11.2%	$182.0	$132.5	-$49.5	-27.2%
Alcoholic Beverages	$13.7	$13.4	-$0.3	-2.5%	$13.2	$13.4	$0.2	1.1%
Riverboat Admissions[2, 4,7]	$16.4	$15.2	-$1.2	-7.1%	$12.7	$15.2	$2.5	19.9%
Interest	$16.9	$21.1	$4.2	24.6%	$58.4	$21.1	-$37.2	-63.8%
MV, CVET & FIT Recapture[2]	$52.5	$52.5	$0.0	0.0%	$0.0	$52.5	$52.5	N/A
Miscellaneous Revenue [4,6]	$153.1	$137.7	-$15.3	-10.0%	$156.9	$137.7	-$19.2	-12.2%
Subtotal Other Revenue	**$773.5**	**$738.4**	**-$35.1**	**-4.5%**	**$813.4**	**$738.4**	**-$75.0**	**-9.2%**
Total General Fund	**$9,698.5**	**$9,753.6**	**$55.2**	**0.6%**	**$10,635.1**	**$9,753.6**	**-$881.5**	**-8.3%**

FY 2010 Report of Monthly General Fund Revenue Collections
Targets per Dec 15, 2009, Forecast
(In millions of dollars)

		July	August	September	October	November	December	January	February	March	April	May	June	Y-T-D
Sales & Use [5]	Actual	$514.2	$490.0	$484.7	$492.4	$466.2	$472.0	$572.7	$449.4	$460.3	$517.1	-	-	$4,918.9
	Target	$491.8	$481.6	$489.0	$485.5	$471.1	$474.0	$581.7	$463.1	$476.3	$492.5	$509.6	$515.7	$4,906.7
	Difference	$22.4	$8.4	($4.3)	$6.9	($4.9)	($2.0)	($9.1)	($13.7)	($16.0)	$24.6	-	-	$12.2
Individual AGI	Actual	$190.3	$313.2	$378.2	$271.5	$289.2	$300.0	$442.7	$110.2	$285.4	$577.8	-	-	$3,158.4
	Target	$262.4	$252.5	$389.3	$268.1	$260.2	$282.9	$464.1	$154.1	$231.2	$513.5	$334.0	$363.5	$3,078.2
	Difference	($72.1)	$60.7	($11.1)	$3.4	$29.0	$17.0	($21.4)	($43.8)	$54.2	$64.3	-	-	$80.1
Corporate - AGI, URT, USUT, FIT	Actual	$5.8	$1.5	$124.0	$68.2	($16.7)	$83.6	($37.3)	($18.8)	$37.3	$174.4	-	-	$422.1
	Target	$10.6	$1.2	$110.1	$30.2	$13.0	$88.8	$13.7	$3.2	$19.7	$129.4	$19.1	$108.5	$419.7
	Difference	($4.8)	$0.3	$14.0	$38.1	($29.6)	($5.1)	($51.0)	($22.0)	$17.5	$45.0	-	-	$2.3
Riverboat Wagering	Actual	$7.0	$30.6	$32.7	$42.0	$37.3	$44.3	$44.6	$52.5	$62.9	$63.9	-	-	$417.9
	Target	$4.0	$28.8	$35.0	$38.0	$38.9	$41.5	$51.0	$54.1	$69.0	$66.0	$65.6	$62.7	$426.2
	Difference	$2.9	$1.8	($2.3)	$4.1	($1.7)	$2.8	($6.3)	($1.5)	($6.1)	($2.0)	-	-	($8.3)
Racino Wagering	Actual	$10.4	$8.3	$8.3	$9.6	$7.8	$8.7	$9.2	$10.6	$13.2	$12.1	-	-	$98.0
	Target	$9.3	$7.6	$8.0	$8.9	$6.1	$8.4	$9.7	$10.6	$11.8	$13.6	$11.5	$11.5	$94.1
	Difference	$1.1	$0.6	$0.2	$0.7	$1.6	$0.3	($0.5)	$0.0	$1.4	($1.5)	-	-	$3.9
Other [1, 2, 4, 6]	Actual	$135.6	$36.0	$73.3	$91.4	$31.8	$80.1	$115.6	$33.5	$49.4	$91.6	-	-	$738.4
	Target	$113.5	$54.5	$73.5	$99.1	$40.0	$98.3	$102.2	$37.9	$52.1	$102.4	$42.9	$333.2	$773.5
	Difference	$22.1	($18.5)	($0.2)	($7.6)	($8.2)	($18.2)	$13.4	($4.3)	($2.7)	($10.8)	-	-	($35.1)
Total General Fund	**Actual**	**$863.2**	**$879.5**	**$1,101.2**	**$975.3**	**$815.6**	**$988.7**	**$1,147.5**	**$637.4**	**$908.4**	**$1,436.9**	-	-	**$9,753.6**
	Target	**$891.6**	**$826.2**	**$1,104.9**	**$929.7**	**$829.4**	**$993.9**	**$1,222.3**	**$722.9**	**$860.2**	**$1,317.3**	**$982.7**	**$1,395.1**	**$9,698.5**
	Difference	**($28.4)**	**$53.2**	**($3.7)**	**$45.5**	**($13.7)**	**($5.3)**	**($74.9)**	**($85.5)**	**$48.3**	**$119.6**	-	-	**$55.2**

Comparison of Monthly Revenues to Targets Based on the Budget Plan[3]

		July	August	September	October	November	December	January	February	March	April	May	June	Y-T-D
Total General Fund	Actual	$863.2	$879.5	$1,101.2	$975.3	$815.6	$988.7	$1,147.5	$637.4	$908.4	$1,436.9	-	-	$9,753.6
	Adj. Target	$940.7	$891.9	$1,263.4	$1,040.0	$956.9	$1,164.2	$1,273.3	$746.9	$906.4	$1,518.6	$1,064.9	$1,298.8	$10,702.1
	Difference	($77.5)	($12.4)	($162.2)	($64.7)	($141.2)	($175.5)	($125.8)	($109.5)	$2.0	($81.7)	-	-	($948.5)

FY 2010 Monthly Revenue Year-Over-Year Comparison
April 30, 2010
Indiana State Budget Agency

		July	August	September	October [5]	November	December	January	February	March	April	May	June	Y-T-D
Sales & Use [5]	FY 2009	$579.5	$549.9	$551.0	$538.1	$491.4	$488.1	$579.9	$467.2	$453.4	$486.8	$475.5	$492.4	$5,185.3
	FY 2010	$514.2	$490.0	$484.7	$492.4	$466.2	$472.0	$572.7	$449.4	$460.3	$517.1	-	-	$4,918.9
	% Change	-11.3%	-10.9%	-12.0%	-8.5%	-5.1%	-3.3%	-1.3%	-3.8%	1.5%	6.2%			-5.1%
Individual AGI	FY 2009	$293.2	$301.7	$511.7	$312.1	$328.1	$309.6	$473.7	$146.5	$278.1	$595.6	$356.7	$406.7	$3,550.3
	FY 2010	$190.3	$313.2	$378.2	$271.5	$289.2	$300.0	$442.7	$110.2	$285.4	$577.8	-	-	$3,158.4
	% Change	-35.1%	3.8%	-26.1%	-13.0%	-11.9%	-3.1%	-6.5%	-24.8%	2.6%	-3.0%			-11.0%
Corporate - AGI, URT, USUT, FIT	FY 2009	$35.5	$6.5	$186.1	$41.3	($2.7)	$157.9	($25.9)	($6.0)	$46.2	$179.2	$27.3	$193.7	$618.0
	FY 2010	$5.8	$1.5	$124.0	$68.2	($16.7)	$83.6	($37.3)	($18.8)	$37.3	$174.4	-	-	$422.1
	% Change	-83.6%	-77.4%	-33.4%	65.1%	-517.4%	-47.0%	-43.9%	-215.3%	-19.3%	-2.7%			-31.7%
Riverboat Wagering	FY 2009	$7.2	$27.9	$34.8	$41.5	$32.0	$45.2	$51.3	$51.6	$62.6	$72.3	$61.2	$57.9	$426.3
	FY 2010	$7.0	$30.6	$32.7	$42.0	$37.3	$44.3	$44.6	$52.5	$62.9	$63.9	-	-	$417.9
	% Change	-2.7%	9.6%	-6.0%	1.4%	16.5%	-2.0%	-13.0%	1.8%	0.5%	-11.6%			-2.0%
Racino Wagering [7]	FY 2009	-	-	-	-	-	-	$8.8	$9.6	$10.8	$12.4	$10.5	$10.5	$41.7
	FY 2010	$10.4	$8.3	$8.3	$9.6	$7.8	$8.7	$9.2	$10.6	$13.2	$12.1	-	-	$98.0
	% Change	N/A	N/A	N/A	N/A	N/A	N/A	3.5%	9.7%	22.2%	-3.0%			134.7%
Cigarette [1]	FY 2009	$28.2	$25.7	$26.1	$25.9	$21.3	$27.6	$22.9	$19.3	$25.0	$21.7	$20.9	$25.7	$243.7
	FY 2010	$28.0	$20.2	$23.2	$27.0	$18.9	$23.4	$21.0	$18.5	$20.8	$23.9	-	-	$224.8
	% Change	-0.8%	-21.2%	-11.3%	4.1%	-11.3%	-15.2%	-8.6%	-4.0%	-16.9%	10.1%			-7.8%
Insurance	FY 2009	$8.2	$2.8	$36.2	$3.2	$0.6	$42.0	$3.2	$7.6	$10.3	$32.4	($3.2)	$40.4	$146.5
	FY 2010	$3.8	$2.3	$40.7	$0.2	$1.6	$40.4	$4.1	$3.2	$11.5	$33.4	-	-	$141.2
	% Change	-54.4%	-19.9%	12.3%	-94.4%	192.8%	-3.8%	28.0%	-58.2%	11.6%	3.3%			-3.6%
Inheritance	FY 2009	$39.4	$2.8	($0.2)	$43.2	$0.1	$0.1	$56.8	$5.0	$0.04	$34.8	$3.5	$0.2	$182.0
	FY 2010	$37.0	$0.0	$0.1	$34.9	($0.6)	($0.2)	$32.5	($0.3)	($0.0)	$29.2	-	-	$132.5
	% Change	-6.2%	-100.0%	137.5%	-19.3%	-1331.4%	-307.9%	-42.8%	-105.1%	-170.0%	-16.1%			-27.2%
Alcoholic Beverages	FY 2009	$1.7	$1.3	$1.2	$1.5	$1.4	$1.5	$1.6	$0.9	$1.0	$1.1	$1.3	$1.6	$13.2
	FY 2010	$1.6	$1.3	$1.2	$2.1	$0.7	$1.6	$1.5	$1.0	$1.0	$1.3	-	-	$13.4
	% Change	-7.1%	1.4%	4.7%	40.9%	-49.5%	7.3%	-4.7%	8.6%	1.3%	13.2%			1.1%
Riverboat Admissions [2,4,7]	FY 2009	-	-	-	-	-	-	$7.9	-	-	$4.8	-	$0.1	$12.7
	FY 2010	$9.0	($4.4)	$0.3	$4.6	$0.1	$0.5	$4.2	$0.1	$0.3	$0.5	-	-	$15.2
	% Change	N/A	N/A	N/A	N/A	N/A	N/A	-47.0%	N/A	N/A	-88.9%			19.9%
Interest	FY 2009	$13.0	$9.6	$4.0	$8.9	$4.1	$0.1	$12.4	$1.9	$1.2	$3.1	$2.0	$1.5	$58.4
	FY 2010	$3.7	$0.8	$0.1	$1.1	$0.3	$1.8	$0.7	$4.4	$9.9	($1.5)	-	-	$21.1
	% Change	-71.6%	-91.3%	-98.7%	-87.8%	-92.3%	1110.3%	-94.7%	128.9%	713.5%	-150.5%			-63.8%
MV, CVET & FIT Recapture [2]	FY 2009	-	-	-	-	-	-	-	-	-	-	-	$13.0	-
	FY 2010	$20.7	$14.2	$2.9	$10.2	$4.4	-	-	-	-	-	-	-	$52.5
	% Change	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			N/A
Miscellaneous Revenue [4,6]	FY 2009	$25.6	$7.5	$8.5	$15.2	$6.6	$33.6	$39.1	$0.5	$13.1	$7.2	$15.0	$56.6	$156.9
	FY 2010	$31.9	$1.5	$4.9	$11.4	$6.3	$12.5	$51.8	$6.6	$6.0	$4.8	-	-	$137.7
	% Change	24.6%	-79.8%	-41.7%	-25.4%	-4.1%	-62.6%	32.5%	1118.2%	-54.4%	-33.5%			-12.2%
General Fund Total	**FY 2009**	**$1,031.5**	**$935.8**	**$1,359.4**	**$1,031.0**	**$882.7**	**$1,105.7**	**$1,231.7**	**$704.2**	**$901.7**	**$1,451.4**	**$970.8**	**$1,300.2**	**$10,635.1**
	FY 2010	**$863.2**	**$879.5**	**$1,101.2**	**$975.3**	**$815.6**	**$988.7**	**$1,147.5**	**$637.4**	**$908.4**	**$1,436.9**	-	-	**$9,753.6**
	% Change	**-16.3%**	**-6.0%**	**-19.0%**	**-5.4%**	**-7.6%**	**-10.6%**	**-6.8%**	**-9.5%**	**0.8%**	**-1.0%**			**-8.3%**

End-of-Month Revenue Report
Notes to the Report
April 30, 2010

1. HEA 1001-2009 redirected cigarette tax revenues from the Retiree Health Account and the Health Benefit and Wellness Tax Credit Account within the state General Fund to the Retiree Health Benefit Trust Fund and the Cigarette Tax Account within the General Fund. Prior year revenues and forecasted revenues for the Cigarette Tax Account have been adjusted to reflect the new distribution and to provide a comparison to the prior year. Actual cigarette tax revenue deposited in accounts within state General Fund in FY 2009 was $319.5 M. The prior forecast for FY 2010 and FY2011 was $311.0 M and $302.3 M respectively.

As of April 2010
(in millions)

Total Cigarette Tax Revenue Deposited in the State General Fund and Dedicated Funds		**$ 395.6**
Transfer to Healthy Indiana Plan per HEA 1678 - 2007 and HEA 1001-2009 (ss)		
Check Up Plan Trust Fund	$ 107.2	
Retiree Health Benefit Trust Fund	$ 22.9	
Medicaid Provider Reimbursements	$ 9.8	
Total Transfers to Healthy Indiana Plan Funds	**$ 139.9**	

2. Riverboat Admissions and MV, CVET & FIT Recapture were listed separately in prior monthly reports. They are now included in Other Revenue.

3. The targets for the budget plan are based on the May 27, 2009, revenue forecast adjusted for the impact of legislative actions taken by the General Assembly in 2009.

4. In July, $5.3M was erroneously credited to miscellaneous revenue and $4.8M was erroneously credited to riverboat admissions. The August revenues reflected in this report have been adjusted to remove those amounts from General Fund revenues.

5. The Bureau of Motor Vehicles deposited incorrect amounts resulting in overstatements of sales tax revenues totaling $3,944,489 in July, $3,556,873 in August, $1,441,360 in September. Those deposits have been corrected and the sales tax revenues for those months have been restated in this report to accurately reflect the sales tax revenues to the General Fund.

6. In October, transfers from state hospitals of revenue received and reported in prior years totaling $21,812,498 was erroneously reported as new revenue. October revenues have been restated in this report to exclude those transfers.

7. Racino wagering tax and riverboat admissions tax revenues attributable to revenue measures contained in HEA 1001-2008 and HEA 1835-2007 were deposited in the General Fund starting January 2009.

Throughout the report, totals may not add due to rounding.