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 March 2010 state tax collections was released today.

Results

- Total revenue collections were $908 million, $7 million above total collections for the same period last year. Collections were $2 million above the budget forecast and $48 million above the December 2009 revenue forecast.

- Sales tax collections totaled $460 million for the month, $7 million above collections for the same period last year.

- Individual income tax collections totaled $285 million for the month, $7 million above collections for the same period last year.

Commentary

For the first time in seventeen months, monthly revenue collections exceeded prior year. However, year to date collections remain $867 million below the May 2009 revenue forecast, which was the basis for the FY 2010 budget, and $64 million below the December 2009 forecast. Through three quarters of the state fiscal year, revenue collections are 9% ($867 million) below prior year collections. The state entered the fiscal year with $1.3 billion in reserves.

Sales tax receipts exceeded prior year collections for the month of March, ending a streak of sixteen consecutive months where current month receipts were less than the same period from the prior year. Sales tax collections for the third quarter (January-March) were 1% below prior year, the strongest performance in the last five quarters. Year to date sales tax collections are 6% below prior year.

Through nine months, individual income tax collections are 13% below prior year and corporate income tax collections are 44% below prior year.

March collections include approximately $10 million in interest revenue from common school fund loans. This revenue was erroneously recorded in a non-general fund revenue account in January and last July. March's report corrects this error and includes these revenues in the general fund.

As outlined in a recent letter from FSSA Secretary Anne Murphy, the federal health care legislation will harm the state budget immediately by some $25 million as the federal government confiscates pharmacy rebates previously captured by the state. When this impact is counted, March represents another net negative month compared to budget plan. But at least the trend of revenues consistently missing budget plan and prior year amounts has been interrupted for one month.

April 5, 2010

End-of-Month Revenue Report
March 31, 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]	$4,414.2	$4,401.8	-$12.4	-0.3%	$4,698.5	$4,401.8	-$296.7	-6.3%
Individual AGI	$2,564.7	$2,580.6	$15.9	0.6%	$2,954.7	$2,580.6	-$374.1	-12.7%
Corporate - AGI, URT, USUT, FIT	$290.3	$247.7	-$42.7	-14.7%	$438.9	$247.7	-$191.2	-43.6%
Riverboat Wagering	$360.3	$354.0	-$6.3	-1.7%	$354.0	$354.0	$0.0	0.0%
Racino Wagering [7]	$80.5	$85.9	$5.4	6.7%	$29.3	$85.9	$56.6	193.2%
Subtotal Major Taxes	**$7,710.1**	**$7,669.9**	**-$40.1**	**-0.5%**	**$8,475.4**	**$7,669.9**	**-$805.5**	**-9.5%**
Other Revenue								
Cigarette [1]	$200.3	$192.2	-$8.1	-4.0%	$212.4	$192.2	-$20.2	-9.5%
Cigarette - Medicaid	$9.0	$8.7	-$0.3	-3.6%	$9.6	$8.7	-$0.9	-9.6%
Insurance	$109.4	$107.7	-$1.7	-1.5%	$114.1	$107.7	-$6.4	-5.6%
Inheritance	$118.8	$103.3	-$15.5	-13.1%	$147.2	$103.3	-$43.9	-29.8%
Alcoholic Beverages	$12.5	$12.1	-$0.4	-3.0%	$12.1	$12.1	$0.0	0.0%
Riverboat Admissions [2, 4,7]	$12.2	$14.7	$2.5	20.5%	$7.9	$14.7	$6.8	86.0%
Interest	$15.3	$22.7	$7.4	48.5%	$55.3	$22.7	-$32.6	-59.0%
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]	$141.2	$132.9	-$8.2	-5.8%	$149.7	$132.9	-$16.8	-11.2%
Subtotal Other Revenue	**$671.1**	**$646.8**	**-$24.3**	**-3.6%**	**$708.3**	**$646.8**	**-$61.5**	**-8.7%**
Total General Fund	**$8,381.1**	**$8,316.7**	**-$64.4**	**-0.8%**	**$9,183.7**	**$8,316.7**	**-$867.0**	**-9.4%**

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

		July	August	September	October [6]	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	-	-	-	$4,401.8
	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	$4,414.2
	Difference	$22.4	$8.4	($4.3)	$6.9	($4.9)	($2.0)	($9.1)	($13.7)	($16.0)	-	-	-	($12.4)
Individual AGI	Actual	$190.3	$313.2	$378.2	$271.5	$289.2	$300.0	$442.7	$110.2	$285.4	-	-	-	$2,580.6
	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	$2,564.7
	Difference	($72.1)	$60.7	($11.1)	$3.4	$29.0	$17.0	($21.4)	($43.8)	$54.2	-	-	-	$15.9
Corporate - AGI, URT, USUT, FIT	Actual	$5.8	$1.5	$124.0	$68.2	($16.7)	$83.6	($37.3)	($18.8)	$37.3	-	-	-	$247.7
	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	$290.3
	Difference	($4.8)	$0.3	$14.0	$38.1	($29.6)	($5.1)	($51.0)	($22.0)	$17.5	-	-	-	($42.7)
Riverboat Wagering	Actual	$7.0	$30.6	$32.7	$42.0	$37.3	$44.3	$44.6	$52.5	$62.9	-	-	-	$354.0
	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	$360.3
	Difference	$2.9	$1.8	($2.3)	$4.1	($1.7)	$2.8	($6.3)	($1.5)	($6.1)	-	-	-	($6.3)
Racino Wagering	Actual	$10.4	$8.3	$8.3	$9.6	$7.8	$8.7	$9.2	$10.6	$13.2	-	-	-	$85.9
	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	$80.5
	Difference	$1.1	$0.6	$0.2	$0.7	$1.6	$0.3	($0.5)	$0.0	$1.4	-	-	-	$5.4
Other [1,2,4,6]	Actual	$135.6	$36.0	$73.3	$91.4	$31.8	$80.1	$115.6	$33.5	$49.4	-	-	-	$646.8
	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	$671.1
	Difference	$22.1	($18.5)	($0.2)	($7.6)	($8.2)	($18.2)	$13.4	($4.3)	($2.7)	-	-	-	($24.3)
Total General Fund	**Actual**	**$863.2**	**$879.5**	**$1,101.2**	**$975.3**	**$815.6**	**$988.7**	**$1,147.5**	**$637.4**	**$908.4**	**-**	**-**	**-**	**$8,316.7**
	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**	**$8,381.1**
	Difference	**($28.4)**	**$53.2**	**($3.7)**	**$45.5**	**($13.7)**	**($5.3)**	**($74.9)**	**($85.5)**	**$48.3**	**-**	**-**	**-**	**($64.4)**

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	-	-	-	$8,316.7
	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	$9,183.5
	Difference	($77.5)	($12.4)	($162.2)	($64.7)	($141.2)	($175.5)	($125.8)	($109.5)	$2.0	-	-	-	($866.8)

FY 2010 Monthly Revenue Year-Over-Year Comparison
March 31, 2010
Indiana State Budget Agency

		July	August	September	October [6]	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	$4,698.5
	FY 2010	$514.2	$490.0	$484.7	$492.4	$466.2	$472.0	$572.7	$449.4	$460.3	-	-	-	$4,401.8
	% Change	-11.3%	-10.9%	-12.0%	-8.5%	-5.1%	-3.3%	-1.3%	-3.8%	1.5%				-6.3%
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	$2,954.7
	FY 2010	$190.3	$313.2	$378.2	$271.5	$289.2	$300.0	$442.7	$110.2	$285.4	-	-	-	$2,580.6
	% Change	-35.1%	3.8%	-26.1%	-13.0%	-11.9%	-3.1%	-6.5%	-24.8%	2.6%				-12.7%
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	$438.9
	FY 2010	$5.8	$1.5	$124.0	$68.2	($16.7)	$83.6	($37.3)	($18.8)	$37.3	-	-	-	$247.7
	% Change	-83.6%	-77.4%	-33.4%	65.1%	-517.4%	-47.0%	-43.9%	-215.3%	-19.3%				-43.6%
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	$354.0
	FY 2010	$7.0	$30.6	$32.7	$42.0	$37.3	$44.3	$44.6	$52.5	$62.9	-	-	-	$354.0
	% Change	-2.7%	9.6%	-6.0%	1.4%	16.5%	-2.0%	-13.0%	1.8%	0.5%				0.0%
Racino Wagering [7]	FY 2009	-	-	-	-	-	-	$8.8	$9.6	$10.8	$12.4	$10.5	$10.5	$29.3
	FY 2010	$10.4	$8.3	$8.3	$9.6	$7.8	$8.7	$9.2	$10.6	$13.2	-	-	-	$85.9
	% Change	N/A	N/A	N/A	N/A	N/A	N/A	3.5%	9.7%	22.2%				193.2%
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	$222.0
	FY 2010	$28.0	$20.2	$23.2	$27.0	$18.9	$23.4	$21.0	$18.5	$20.8	-	-	-	$200.9
	% Change	-0.8%	-21.2%	-11.3%	4.1%	-11.3%	-15.2%	-8.6%	-4.0%	-16.9%				-9.5%
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	$114.1
	FY 2010	$3.8	$2.3	$40.7	$0.2	$1.6	$40.4	$4.1	$3.2	$11.5	-	-	-	$107.7
	% Change	-54.4%	-19.9%	12.3%	-94.4%	192.8%	-3.8%	28.0%	-58.2%	11.6%				-5.6%
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	$147.2
	FY 2010	$37.0	$0.0	$0.1	$34.9	($0.6)	($0.2)	$32.5	($0.3)	($0.0)	-	-	-	$103.3
	% Change	-6.2%	-100.0%	137.5%	-19.3%	-1331.4%	-307.9%	-42.8%	-105.1%	-170.0%				-29.8%
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	$12.1
	FY 2010	$1.6	$1.3	$1.2	$2.1	$0.7	$1.6	$1.5	$1.0	$1.0	-	-	-	$12.1
	% Change	-7.1%	1.4%	4.7%	40.9%	-49.5%	7.3%	-4.7%	8.6%	1.3%				0.0%
Riverboat Admissions [2, 4, 7]	FY 2009	-	-	-	-	-	-	$7.9	-	-	$4.8	-	$0.1	$7.9
	FY 2010	$9.0	($4.4)	$0.3	$4.6	$0.1	$0.5	$4.2	$0.1	$0.3	-	-	-	$14.7
	% Change	N/A	N/A	N/A	N/A	N/A	N/A	-47.0%	N/A	N/A				86.0%
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	$55.3
	FY 2010	$3.7	$0.8	$0.1	$1.1	$0.3	$1.8	$0.7	$4.4	$9.9	-	-	-	$22.7
	% Change	-71.6%	-91.3%	-98.7%	-87.8%	-92.3%	1110.3%	-94.7%	128.9%	713.5%				-59.0%
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
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	$149.7
	FY 2010	$31.9	$1.5	$4.9	$11.4	$6.3	$12.5	$51.8	$6.6	$6.0	-	-	-	$132.9
	% Change	24.6%	-79.8%	-41.7%	-25.4%	-4.1%	-62.6%	32.5%	1118.2%	-54.4%				-11.2%
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**	**$9,183.7**
	FY 2010	**$863.2**	**$879.5**	**$1,101.2**	**$975.3**	**$815.6**	**$988.7**	**$1,147.5**	**$637.4**	**$908.4**	**-**	**-**	**-**	**$8,316.7**
	% Change	**-16.3%**	**-6.0%**	**-19.0%**	**-5.4%**	**-7.6%**	**-10.6%**	**-6.8%**	**-9.5%**	**0.8%**				**-9.4%**

End-of-Month Revenue Report
Notes to the Report
March 31, 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 March 2010
(in millions)

Total Cigarette Tax Revenue Deposited in the State General Fund and Dedicated Funds		**$ 342.1**
Transfer to Healthy Indiana Plan per HEA 1678 - 2007 and HEA 1001-2009 (ss)		
Check Up Plan Trust Fund	$ 95.8	
Retiree Health Benefit Trust Fund	$ 20.4	
Medicaid Provider Reimbursements	$ 8.8	
Total Transfers to Healthy Indiana Plan Funds	**$ 125.0**	

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.