



## WEST VIRGINIA DEPARTMENT OF REVENUE

### Governor Earl Ray Tomblin's Monthly General Revenue Collections Report for November 2010

The November 2010 General Revenue Collections report highlights state revenue collections made between November 1, 2010 through the last business day in the month, November 30, 2010, for the West Virginia General Revenue Fund. The General Revenue Fund is comprised of various sources of revenue which is used to provide vast government services for the citizens of West Virginia. Prior to the start of each fiscal year the West Virginia Tax Department estimates how much revenue will be collected each month of that fiscal year. This report compares actual collections with such estimates, and with collections made during the same time period for the year prior. In addition, the current year-to-date collections are evaluated by revenue source. All tables are expressed in millions.

#### November 2010 Overall General Revenue Collections:

November 2010 General Revenue Fund collections of \$278.1 million were \$26 million above estimate, and 0.3 percent above prior year receipts. Cumulative collections of more than \$1.59 billion were \$121.6 million above the estimate and 10.7 percent ahead of prior year collections.

#### November 2010 Actual Collections by Revenue Source vs. Estimate:

Personal Income Tax collections of \$106.8 million exceeded estimate in November by \$11.7 million. The Personal Income Tax was the top performing tax for the month. Withholding tax collections from wage and salary income rose by 5%. In addition, Personal Income Tax refunds, from taxpayers who were previously granted an extension to file, fell from \$9.2 million last year to just \$2.5 million this year. Due to lower than anticipated monthly refund payments, Corporation Net Income/Business Franchise Tax collections of \$1.6 million were nearly \$1.4 million above estimate. Severance Tax collections of nearly \$47.7 million exceeded estimate by \$7.9 million. November saw the rebound in consumer spending continue. Consumer Sales and Use Tax collections of nearly \$95.2 million were \$5.1 million above estimate for the month. Tobacco Tax collections of \$8.9 million are 0.1 percent below estimate. Due to a revenue carryover of some tax due on October 25<sup>th</sup> from late October to November, Insurance Premium Tax collections exceeded the monthly estimate by nearly \$0.8 million.

#### November 2010 Revenue Expressed in Millions

Tax Component	Estimate	Actual
Personal Income Tax	\$95.1	\$106.8
Sales and Use Tax	\$90.1	\$95.2
Corporate Net Income Tax	\$0.2	\$1.6
Severance Tax	\$39.8	\$47.7
Insurance Tax	\$0.2	\$0.9



## WEST VIRGINIA DEPARTMENT OF REVENUE

### November 2010 Actual Collections by Revenue Source vs. November 2009 Receipts:

November 2010 Personal Income Tax collections exceeded prior year receipts by 16 percent. Net non-withheld income tax collections continue to grow at higher than expected rates. Some uncertainty regarding future federal tax policy with regard to tax rates, including rates on capital gain income, may be playing some role in recent Taxpayer behavior and an increased level of taxable income realizations. Consumer Sales and Use Tax collections were 6.4 percent ahead of prior year receipts. November marked the eighth consecutive month for higher than anticipated sales tax collections for the State, a major indicator of economic recovery. Due to revenue timing alterations, Business & Occupation Tax collections were 20.2% above prior year receipts and Insurance Premium Tax collections were more than 500% above prior year receipts. Tobacco Tax collections for the month were 7.4 percent below prior year receipts.

#### Revenue Expressed in Millions

Tax Component	November 2009	November 2010
Personal Income Tax	\$92.0	\$106.8
Sales and Use Tax	\$89.5	\$95.2
Corp. Net Income Tax	\$3.3	\$1.6
Severance Tax	\$52.4	\$47.7
Tobacco Tax	\$9.6	\$8.9
Business & Occupation Tax	\$9.8	\$11.7

### Year-to-Date November 2010 Actual Collections by Revenue Source:

Cumulative Personal Income Tax collections of nearly \$605.6 million were nearly \$44 million above estimate and 10.8 percent ahead of prior year receipts. Corporate Net Income/Business Franchise Tax cumulative collections of \$83.6 million were \$25.4 million above estimate but 0.4 percent below prior year receipts. The business franchise tax component continues to exceed expectations due to recent corporate efforts to improve net equity in balance sheets following the aftermath of the financial bubble that contributed to the Great Recession. Cumulative General Revenue Severance Tax collections of nearly \$161.5 million were \$23.5 million above estimate and 7.2 percent ahead of last year. Coal production has increased in recent months and coal prices also remain above prior year levels. Cumulative Consumer Sales and Use Tax collections of \$485.5 million were \$17.3 million above estimate and 5.3 percent ahead of prior year receipts.

#### 2010 YTD Revenue Expressed in Millions

Tax Component	Estimate	Actual
Personal Income Tax	\$561.6	\$605.6
Sales and Use Tax	\$468.2	\$485.5
Corp. Net Income Tax	\$58.2	\$83.6
Severance Tax	\$138	\$161.5
Tobacco Products Tax	\$48	\$46.5

For more information visit [www.budget.wv.gov](http://www.budget.wv.gov)