



STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
STATE CAPITOL
NASHVILLE, TENNESSEE 37243-0285

DAVE GOETZ
COMMISSIONER

FOR IMMEDIATE RELEASE
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AUGUST REVENUES

NASHVILLE – State revenue collections for August were \$771.2 million, or 4.70% below August 2007 collections.

“While we budgeted zero growth in franchise and excise taxes and 2.37% in sales tax collections for the year, the month of August was well below the estimates,” Finance and Administration Commissioner Dave Goetz said. “With one month of collections coming in at negative growth rates, we hope collections for the rest of the year can balance the poor collections in August.”

On an accrual basis, August is the first month in the 2008-2009 fiscal year.

August collections were \$56.5 million less than the budgeted estimate. The general fund was under collected by \$50.1 million and the four other funds were under collected by \$6.4 million.

Sales tax collections were \$21.3 million less than the estimate for August. The August growth rate was negative 1.27%.

Franchise and excise taxes combined were \$25.7 million below the budgeted estimate of \$41.2 million.

Gasoline and motor fuel collections decreased by 4.20% and were \$4.0 million below the budgeted estimate of \$71.3 million.

Tobacco tax collections for the month were under collected by \$2.7 million.

Inheritance tax collections were \$1.1 million over the budgeted estimate.

All other taxes were under collected by a net of \$ 3.9 million.

The budgeted revenue estimates for 2008-2009 are based on the State Funding Board’s consensus recommendation adopted by the second session of the 105th General Assembly in May of 2008.

**REVENUE COLLECTIONS
AUGUST, 2008**

August Collections:

	<u>Budgeted Accrual Estimate</u>	<u>Actual</u>	<u>Difference</u>
General Fund	\$678,771,000	\$628,692,000	(\$50,079,000)
Highway Fund	58,472,000	54,499,000	(3,973,000)
Sinking Fund	26,299,000	26,111,000	(188,000)
City & County Fund	63,234,000	61,007,000	(2,227,000)
Earmarked Fund	892,000	891,000	(1,000)
Total	\$827,668,000	\$771,200,000	(\$56,468,000)

Table 1
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	August			
	2007	2008	Change	Percent
Franchise & Excise	\$44,565,000	\$15,542,000	(\$29,023,000)	-65.13%
Income	1,572,000	1,497,000	(75,000)	- 4.77%
Inheritance & Estate	9,294,000	8,309,000	(985,000)	-10.60%
Gasoline	52,073,000	49,550,000	(2,523,000)	- 4.85%
Petroleum Special	5,430,000	5,243,000	(187,000)	- 3.44%
Tobacco	17,787,000	24,817,000	7,030,000	39.52%
Beer	1,900,000	1,690,000	(210,000)	-11.05%
Motor Vehicle Registration	20,839,000	18,960,000	(1,879,000)	- 9.02%
Motor Vehicle Title	1,025,000	923,000	(102,000)	- 9.95%
Mixed Drink	4,464,000	4,400,000	(64,000)	- 1.43%
Business	1,543,000	1,869,000	326,000	21.13%
Privilege	25,770,000	16,655,000	(9,115,000)	-35.37%
Gross Receipts	13,767,000	18,758,000	4,991,000	36.25%
TVA - In Lieu of Tax Payments	21,115,000	22,012,000	897,000	4.25%
Alcoholic Beverage	3,101,000	3,391,000	290,000	9.35%
Sales and Use	571,852,000	564,580,000	(7,272,000)	- 1.27%
Motor Vehicle Fuel	12,756,000	12,518,000	(238,000)	- 1.87%
Severance	185,000	294,000	109,000	58.92%
Coin-operated Amusement	26,000	34,000	8,000	30.77%
Unauthorized Substance	182,000	158,000	(24,000)	-13.19%
Total	\$809,246,000	\$771,200,000	(\$38,046,000)	- 4.70%

Table 2
August Revenue Overcollections/(Undercollections)
Budgeted Estimate

	General Fund	Other Funds	Total
Sales Tax	\$ (20,300,000)	\$ (1,000,000)	\$ (21,300,000)
Income Tax	(300,000)	(200,000)	(500,000)
Inheritance Tax	1,100,000	0	1,100,000
Privilege Tax	(4,000,000)	0	(4,000,000)
Business Tax	400,000	0	400,000
TVA	0	0	0
Gross Receipts	2,000,000	0	2,000,000
Gasoline & Motor Fuel Taxes	(100,000)	(3,900,000)	(4,000,000)
Motor Vehicle Registration	(400,000)	(1,300,000)	(1,700,000)
Other Taxes	(2,800,000)	0	(2,800,000)
Tobacco	(2,700,000)	0	(2,700,000)
Beer	0	0	0
Motor Vehicle Title	(100,000)	(100,000)	(200,000)
Mixed Drink	(200,000)	0	(200,000)
Alcoholic Beverage	200,000	0	200,000
Severance	0	100,000	100,000
Coin Operated Amusement	0	0	0
Unauthorized Substance	0	0	0
Sub-Total	\$ (24,400,000)	\$ (6,400,000)	\$ (30,800,000)
F & E Taxes	(25,700,000)	0	(25,700,000)
Total	\$ (50,100,000)	\$ (6,400,000)	\$ (56,500,000)