



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF REVENUE
HARRISBURG, PENNSYLVANIA
17128-1100

THE SECRETARY

(717) 783-3680

February 7, 2022

Honorable Patrick Browne
Majority Chairman
Senate Appropriations Committee
Room 281
Main Capitol Building
Harrisburg, PA 17120

Honorable Stan Saylor
Majority Chairman
House Appropriations Committee
Room 245
Main Capitol Building
Harrisburg, PA 17120

Honorable Vincent Hughes
Minority Chairman
Senate Appropriations Committee
Room 545
Main Capitol Building
Harrisburg, PA 17120

Honorable Matthew Bradford
Minority Chairman
House Appropriations Committee
Room 512E
Main Capitol Building
Harrisburg, PA 17120

Gentlemen:

I am pleased to provide you with the information requested concerning the 2022-23 Governor's Budget Request as it relates to the Department of Revenue.

The listing of contracts for the various appropriations will be submitted as a separate document. I trust this information will be of value to you. Any additional information or clarification of the Department's request will be provided upon your request.

Respectfully,

A handwritten signature in cursive script that reads "C. Daniel Hassell".

C. Daniel Hassell
Secretary of Revenue

Pennsylvania Department of Revenue

Our Mission

To fairly, efficiently, and accurately administer Pennsylvania tax and Lottery programs.

Our Vision

To be an innovative, customer-focused, and employee-centered agency.

Our Values

We act with integrity

We are connected

We are adaptable

We are inclusive

We are service-oriented

We are continuously learning

TABLE OF CONTENTS

GENERAL FUND	Page
General Government Operations	1-3
Enhanced Revenue Collections Account	4-5
Technology and Process Modernization	6-7
Commissions - Inheritance and Realty Transfer Tax Collections	8-9
Distribution of Public Utility Realty Tax	10-11
MOTOR LICENSE FUND	
Collection of Liquid Fuels Taxes	12-13
Refunding Liquid Fuels Tax	14-15
STATE LOTTERY FUND	
General Operations - Lottery Administration	16-18
Lottery Equipment Purchase	19-20
Lottery Advertising	21-22
Property Tax Rent Rebate - General Operations	23-24
On-Line Vendor Commissions	25-26
Instant Vendor Commissions	27-28
iLottery Vendor Commission	29-30
Payment of Prizes	31-32
Property Tax and Rent Assistance for Older Pennsylvanians	33-34
FANTASY CONTEST FUND	
Fantasy Contest Operations	35-36
STATE RACING FUND	
Collections - State Racing	37-38
GAMING FUND	
General Operations - Gaming	39-40
VIDEO GAMING FUND	
VGT Operations	41-42
Loan Repayment General Fund	43-44
COSTS OF COLLECTING LOCAL SALES TAX	
Allegheny County	45
Philadelphia County	46
COMPARATIVE FINANCIAL STATEMENT	
Lottery Fund	47

CONTRACT LIST SUBMITTED AS A SEPARATE DOCUMENT

**DEPARTMENT OF REVENUE
2022-23 BUDGET PRESENTATION**

APPROPRIATION NAME
General Government Operations (SAP - 10208)

Page # of Governor's Executive Budget: E37-2, E37-4, E37-5, E37-6, E37-7

I. SUMMARY FINANCIAL DATA (\$ Amounts in Thousands)		2020-21 Actual	2021-22 Available	2022-23 Request		
State Funds		\$142,954	\$142,954	\$149,177		
Federal Funds		\$0	\$0	\$0		
Other Funds		\$34,585	\$29,958	\$29,608		
Total		\$177,539	\$172,912	\$178,785		
II. HISTORY OF LAPSES (\$ Amounts in Thousands)		2019-20	2020-21	Estimated 2021-22		
State Funds		\$2,000	\$0	\$0		
III. COMPLEMENT INFORMATION		12/31/2020	12/31/2021	2022-23 Budgeted		
State Funded	- Authorized	1,318	1,318	1,318		
	- Filled	1,191	1,156	n/a		
Benefit Factor		75.77%	69.15%	75.60%		
IV. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)		2020-21 Actual	2021-22 Available	2022-23 Budgeted	Change Budgeted vs. Available	Percent Change
PERSONNEL						
State Funds		\$88,778	\$90,532	\$96,290	\$5,758	6.36%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$13,652	\$13,705	\$13,670	(\$35)	-0.26%
Total Personnel		\$102,430	\$104,237	\$109,960	\$5,723	5.49%
OPERATING						
State Funds		\$52,780	\$52,175	\$52,562	\$387	0.74%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$20,933	\$16,253	\$15,938	(\$315)	-1.94%
Total Operating		\$73,713	\$68,428	\$68,500	\$72	0.11%
FIXED ASSETS						
State Funds		\$1,396	\$247	\$325	\$78	31.58%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$0	\$0	\$0	\$0	0.00%
Total Fixed Assets		\$1,396	\$247	\$325	\$78	31.58%
TOTAL FUNDS						
State Funds		\$142,954	\$142,954	\$149,177	\$6,223	4.35%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$34,585	\$29,958	\$29,608	(\$350)	-1.17%
Total Funds		\$177,539	\$172,912	\$178,785	\$5,873	3.40%

APPROPRIATION NAME

General Government Operations (SAP - 10208)

V. EXPLANATION OF CHANGES

(\$ Amounts in Thousands)

	<u>State \$</u>	<u>Federal \$</u>	<u>Other \$</u>	<u>Total \$</u>
PERSONNEL				
A. Cost to maintain complement	\$5,758	\$0	\$0	\$5,758
B. Decrease in augmentations	\$0	\$0	(\$35)	(\$35)
Subtotal Personnel	<u>\$5,758</u>	<u>\$0</u>	<u>(\$35)</u>	<u>\$5,723</u>
OPERATING				
A. Increase for contractual obligations	\$387	\$0	\$0	\$387
B. Decrease in augmentations	\$0	\$0	(\$315)	(\$315)
Subtotal Operating	<u>\$387</u>	<u>\$0</u>	<u>(\$315)</u>	<u>\$72</u>
FIXED ASSETS				
A. Increase for nonrecurring costs	\$78	\$0	\$0	\$78
B. Decrease in augmentations	\$0	\$0	\$0	\$0
Subtotal Fixed Assets	<u>\$78</u>	<u>\$0</u>	<u>\$0</u>	<u>\$78</u>
TOTAL	<u>\$6,223</u>	<u>\$0</u>	<u>(\$350)</u>	<u>\$5,873</u>

**VI. DERIVATION OF REQUEST/
LEGISLATIVE CITATIONS**

Derivation of Request

(A) Personnel

All personnel costs were calculated based on approved salary positions and established employee benefit rates.

(B) Operating Expenses

Operating costs were calculated to maintain required levels of operation.

(C) Fixed Assets

Fixed asset costs were calculated to maintain required levels of operation.

Legislative Citations:

N/A

APPROPRIATION NAME

General Government Operations (SAP - 10208)

Additional Information(1) 2020-21 Obligations rolled forward to 2021-22
(\$ Amounts in Thousands)

State Funds	\$0
Federal Funds	\$0
Other Funds	\$0
	<hr/>
Total	\$0

(2) 2021-22 Supplemental appropriation needs

N/A

Date current appropriation will be exhausted: N/A

(3) Prior FY appropriations waived pursuant to Act 146 of 1980, used to support the 2021-22 appropriation.
(\$ Amounts in Thousands)

State Funds	\$77,830
Other Funds	\$0
	<hr/>
Total	\$77,830

VII. PROGRAM STATEMENT

This program administers the commonwealth's revenue statutes by assessing and collecting various taxes. Major revenue sources for the General Fund include personal income, sales and use, corporation, gross receipts, cigarette, inheritance, beverage and realty transfer taxes. Tax revenue is also collected for the first and second class county sales taxes and for the Motor License, Racing and Gaming Funds. The department prepares the official estimates of the tax yield due the commonwealth and analyzes the effect on revenues of proposed changes in either the laws or the tax structure of the commonwealth.

VIII. PROGRAM PERFORMANCE

	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
Electronic Filings			
Percentage of returns filed electronically	87.00%	88.00%	89.00%
Customer Service			
Average wait time of customer phone calls to the Customer Experience Center (in minutes)	8	18	15
Operating Efficiency			
Percentage of refunds paid by the required timeframe	89.00%	95.00%	95%

**DEPARTMENT OF REVENUE
2022-23 BUDGET PRESENTATION**

APPROPRIATION NAME
Enhanced Revenue Collection Account (SAP - 16903)

Page # of Governor's Executive Budget: E37-2, E37-4, E37-5

I. SUMMARY FINANCIAL DATA (\$ Amounts in Thousands)		2020-21 Actual	2021-22 Available	2022-23 Request		
State Funds		\$0	\$0	\$0		
Federal Funds		\$0	\$0	\$0		
Other Funds		\$30,000	\$30,000	\$30,000		
Total		\$30,000	\$30,000	\$30,000		
II. HISTORY OF LAPSES (\$ Amounts in Thousands)		2019-20	2020-21	Estimated 2021-22		
State Funds		\$0	\$0	\$0		
III. COMPLEMENT INFORMATION		12/31/2020	12/31/2021	2022-23 Budgeted		
State Funded	- Authorized	n/a	n/a	n/a		
	- Filled	n/a	n/a	n/a		
IV. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)		2020-21 Actual	2021-22 Available	2022-23 Budgeted	Change Budgeted vs. Available	Percent Change
PERSONNEL						
State Funds		\$0	\$0	\$0	\$0	0.00%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$28,500	\$29,000	\$29,000	\$0	0.00%
Total Personnel		\$28,500	\$29,000	\$29,000	\$0	0.00%
OPERATING						
State Funds		\$0	\$0	\$0	\$0	0.00%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$1,500	\$1,000	\$1,000	\$0	0.00%
Total Operating		\$1,500	\$1,000	\$1,000	\$0	0.00%
TOTAL FUNDS						
State Funds		\$0	\$0	\$0	\$0	0.00%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$30,000	\$30,000	\$30,000	\$0	0.00%
Total Funds		\$30,000	\$30,000	\$30,000	\$0	0.00%
V. EXPLANATION OF CHANGES (\$ Amounts in Thousands)		State \$	Federal \$	Other \$	Total \$	
PERSONNEL						
A. Personnel costs to administer program		\$0	\$0	\$0	\$0	
Subtotal Personnel		\$0	\$0	\$0	\$0	
OPERATING						
A. Operating costs to administer program		\$0	\$0	\$0	\$0	
Subtotal Operating		\$0	\$0	\$0	\$0	
TOTAL		\$0	\$0	\$0	\$0	

**VI. DERIVATION OF REQUEST/
LEGISLATIVE CITATIONS**

Derivation of Request
(A) Personnel

Personnel costs include funding to administer the ERCA program.

(B) Operating Expenses

Operating costs include funding for ERCA Operations.

(C) Fixed Assets

N/A

Legislative Citation:
Act 20 of 2019

Additional Information

(1) 2020-21 Obligations rolled forward to 2021-22
(\$ Amounts in Thousands)

State Funds	\$0
Federal Funds	\$0
Other Funds	\$0
	\$0
Total	\$0

(2) 2021-22 Supplemental appropriation needs

N/A

Date current appropriation will be exhausted: N/A

(3) Prior FY appropriations waived pursuant to Act 146 of 1980, used to support the 2021-22 appropriation.
(\$ Amounts in Thousands)

State Funds	\$0
Other Funds	\$0
	\$0
Total	\$0

VII. PROGRAM STATEMENT

This program provides funds to expand tax return reviews and tax collection activities.

**DEPARTMENT OF REVENUE
2022-23 BUDGET PRESENTATION**

APPROPRIATION NAME
Technology and Process Modernization (SAP - 10953)

Page # of Governor's Executive Budget: E37-2, E37-4, E37-5, E37-6, E37-7

I. SUMMARY FINANCIAL DATA (\$ Amounts in Thousands)		<u>2020-21 Actual</u>	<u>2021-22 Available</u>	<u>2022-23 Request</u>		
State Funds		\$4,750	\$4,750	\$4,910		
Federal Funds		\$0	\$0	\$0		
Other Funds		\$0	\$0	\$0		
Total		<u>\$4,750</u>	<u>\$4,750</u>	<u>\$4,910</u>		
II. HISTORY OF LAPSES (\$ Amounts in Thousands)		<u>2019-20</u>	<u>2020-21</u>	<u>Estimated 2021-22</u>		
State Funds		\$0	\$0	\$0		
III. COMPLEMENT INFORMATION		<u>12/31/2020</u>	<u>12/31/2021</u>	<u>2022-23 Budgeted</u>		
State Funded	- Authorized	n/a	n/a	n/a		
	- Filled	n/a	n/a	n/a		
IV. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)		<u>2020-21 Actual</u>	<u>2021-22 Available</u>	<u>2022-23 Budgeted</u>	<u>Change Budgeted vs. Available</u>	<u>Percent Change</u>
OPERATING						
State Funds		\$4,750	\$4,750	\$4,910	\$160	3.37%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$0	\$0	\$0	\$0	0.00%
Total Operating		<u>\$4,750</u>	<u>\$4,750</u>	<u>\$4,910</u>	<u>\$160</u>	<u>3.37%</u>
FIXED ASSETS						
State Funds		\$0	\$0	\$0	\$0	0.00%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$0	\$0	\$0	\$0	0.00%
Total Fixed Assets		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0.00%</u>
BUDGETARY RESERVE						
State Funds		\$0	\$0	\$0	\$0	0.00%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$0	\$0	\$0	\$0	0.00%
Total Budgetary Reserve		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0.00%</u>
TOTAL FUNDS						
State Funds		\$4,750	\$4,750	\$4,910	\$160	3.37%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$0	\$0	\$0	\$0	0.00%
Total Funds		<u>\$4,750</u>	<u>\$4,750</u>	<u>\$4,910</u>	<u>\$160</u>	<u>3.37%</u>
V. EXPLANATION OF CHANGES (\$ Amounts in Thousands)						
OPERATING						
A.	To cover cost to carry contractual obligations of project		\$160	\$0	\$0	\$160
	Subtotal Operating		<u>\$160</u>	<u>\$0</u>	<u>\$0</u>	<u>\$160</u>

APPROPRIATION NAME
Technology and Process Modernization (SAP - 10953)

BUDGETARY RESERVE				
A. Budgetary Reserve	\$0			\$0
Subtotal Budgetary Reserve	\$0	\$0	\$0	\$0
TOTAL	\$160	\$0	\$0	\$160

VI. DERIVATION OF REQUEST/ LEGISLATIVE CITATIONS				
Derivation of Request				
(A) Personnel				
N/A				
(B) Operating Expenses				
Operating costs include funds for development and implementation of an integrated tax system.				
(C) Fixed Assets				
N/A				
<u>Additional Information</u>				
(1) 2020-21 Obligations rolled forward to 2021-22 (\$ Amounts in Thousands)				
State Funds	\$0			
Federal Funds	\$0			
Other Funds	\$0			
Total	\$0			
(2) 2021-22 Supplemental appropriation needs				
N/A				
Date current appropriation will be exhausted: N/A				
(3) Prior FY appropriations waived pursuant to Act 146 of 1980, used to support the 2021-22 appropriation. (\$ Amounts in Thousands)				
State Funds	\$6,615			
Other Funds	\$0			
Total	\$6,615			

VII. PROGRAM STATEMENT

- DOR signed contract with Fast Enterprises, LLC for implementation of their GenTax solution. FAST is scheduled to be broken into multiple rollouts:
 - o **Rollout 3** went live on November 30, 2020 on time and on budget and implemented personal income tax, pass through entity processing and the property tax/rent rebate program;
 - o **Rollout 4** went live, on time and within budget, on August 30, 2021 and included miscellaneous taxes which were supported by standalone systems maintained by the Department.
 - o **Rollout 5** has now started and will include the replacement of the Department's Business Tax System (BTS) including implementation of employer withholding, sales, and corporation taxes, among others. While the schedule for this rollout is not finalized, it is our goal to replace all legacy tax systems no later than December 2022.
- The changes resulting from this new system, both for our internal users and for our external customers, are allowing our employees to focus on value-added processes and processes that are core to our mission. The efficiency gains resulting from the internal improvements and the newly implemented electronic services will result in improved customer service and will enhance the department's organizational capacity.
- It should also be noted that implementation of an integrated tax system and related infrastructure to support all in-scope agency tax types will more effectively and efficiently support the department's business needs into the future.

**DEPARTMENT OF REVENUE
2022-23 BUDGET PRESENTATION**

APPROPRIATION NAME
Commissions - Inheritance and Realty Transfer Tax Collections (SAP - 20019)

Page # of Governor's Executive Budget: E37-2, E37-4, E37-5, E37-6, E37-7

I. SUMMARY FINANCIAL DATA (\$ Amounts in Thousands)	2020-21 Actual	2021-22 Available	2022-23 Request
State Funds	\$13,651	\$12,791	\$12,311
Federal Funds	\$0	\$0	\$0
Other Funds	\$0	\$0	\$0
Total	\$13,651	\$12,791	\$12,311

II. HISTORY OF LAPSES (\$ Amounts in Thousands)	2019-20	2020-21	Estimated 2021-22
State Funds	\$932	\$592	\$0

III. COMPLEMENT INFORMATION	12/31/2020	12/31/2021	2022-23 Budgeted
State Funded - Authorized	n/a	n/a	n/a
State Funded - Filled	n/a	n/a	n/a

IV. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)	2020-21 Actual	2021-22 Available	2022-23 Budgeted	Change Budgeted vs. Available	Percent Change
NON-EXPENSE/INTERAGENCY					
State Funds	\$13,651	\$12,791	\$12,311	(\$480)	-3.75%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Grant & Subsidy	\$13,651	\$12,791	\$12,311	(\$480)	-3.75%
TOTAL FUNDS					
State Funds	\$13,651	\$12,791	\$12,311	(\$480)	-3.75%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Funds	\$13,651	\$12,791	\$12,311	(\$480)	-3.75%

V. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	State \$	Federal \$	Other \$	Total \$
NON-EXPENSE/INTERAGENCY				
A. The recommended funding level is based on current revenue estimates.	(\$480)	\$0	\$0	(\$480)
Subtotal Non-Expense/Interagency	(\$480)	\$0	\$0	(\$480)
TOTAL	(\$480)	\$0	\$0	(\$480)

**VI. DERIVATION OF REQUEST/
LEGISLATIVE CITATIONS**

Derivation of Request
(A) Personnel

N/A

(B) Operating Expenses

N/A

(C) Non-Expense/Interagency

The recommended funding level is based on current revenue estimates.

Legislative Citations:

This executive authorization was established under Act 283 of 1986.
72 P.S. 202-203.

Additional Information

(1) 2020-21 Obligations rolled forward to 2021-22
(\$ Amounts in Thousands)

State Funds	\$0
Federal Funds	\$0
Other Funds	\$0
	<hr/>
Total	\$0

(2) 2021-22 Supplemental appropriation needs

N/A

Date current appropriation will be exhausted: N/A

(3) Prior FY appropriations waived pursuant to Act 146 of 1980, used to support the 2021-22 appropriation.
(\$ Amounts in Thousands)

State Funds	\$0
Other Funds	\$0
	<hr/>
Total	\$0

VII. PROGRAM STATEMENT

This executive authorization provides funds for the payment of statutory commissions based on collections by the Register of Wills and Recorder of Deeds on Inheritance and Realty Transfer Taxes.

**DEPARTMENT OF REVENUE
2022-23 BUDGET PRESENTATION**

APPROPRIATION NAME
Distribution of Public Utility Realty Tax (SAP - 10209)

Page # of Governor's Executive Budget: E37-2, E37-4, E37-5, E37-8

I. SUMMARY FINANCIAL DATA (\$ Amounts in Thousands)	2020-21 Actual	2021-22 Available	2022-23 Request
State Funds	\$29,213	\$32,209	\$33,309
Federal Funds	\$0	\$0	\$0
Other Funds	\$0	\$0	\$0
Total	\$29,213	\$32,209	\$33,309

II. HISTORY OF LAPSES (\$ Amounts in Thousands)	2019-20	2020-21	Estimated 2021-22
State Funds	\$3,201	\$1	\$0

III. COMPLEMENT INFORMATION	12/31/2020	12/31/2021	2022-23 Budgeted
State Funded - Authorized	n/a	n/a	n/a
State Funded - Filled	n/a	n/a	n/a

IV. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)	2020-21 Actual	2021-22 Available	2022-23 Budgeted	Change Budgeted vs. Available	Percent Change
GRANT & SUBSIDY					
State Funds	\$29,213	\$32,209	\$33,309	\$1,100	3.42%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Grant & Subsidy	\$29,213	\$32,209	\$33,309	\$1,100	3.42%
TOTAL FUNDS					
State Funds	\$29,213	\$32,209	\$33,309	\$1,100	3.42%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Funds	\$29,213	\$32,209	\$33,309	\$1,100	3.42%

V. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	State \$	Federal \$	Other \$	Total \$
GRANT & SUBSIDY				
A. Agency request is based on current projections and changes to local tax structures.	\$1,100	\$0	\$0	\$1,100
				\$0
				\$0
Subtotal Grant & Subsidy	\$1,100	\$0	\$0	\$1,100
TOTAL	\$1,100	\$0	\$0	\$1,100

APPROPRIATION NAME

Distribution of Public Utility Realty Tax
(SAP - 10209)

**VI. DERIVATION OF REQUEST/
LEGISLATIVE CITATIONS**

Derivation of Request

(A) Personnel

N/A

(B) Operating Expenses

N/A

(C) Grants & Subsidies

The tax proceeds are distributed to local taxing authorities thereby providing local revenue while ensuring fair treatment for utilities.

Legislative Citations:

This program was originally established under Act 27 of July 4, 1979. (Article XI-A of the Tax Reform Code of 1971 was the enabling legislation).
72 P.S. 8108-A(b)

Additional Information

(1) 2020-21 Obligations rolled forward to 2021-22
(\$ Amounts in Thousands)

State Funds	\$0
Federal Funds	\$0
Other Funds	\$0
	<hr/>
Total	\$0

(2) 2021-22 Supplemental appropriation needs

N/A

Date current appropriation will be exhausted: N/A

(3) Prior FY appropriations waived pursuant to Act 146 of 1980, used to support the 2021-22 appropriation.
(\$ Amounts in Thousands)

State Funds	\$0
Other Funds	\$0
	<hr/>
Total	\$0

VII. PROGRAM STATEMENT

A 1968 amendment to the state constitution exempted public utilities from locally administered property taxes and authorized the collection of a similar statewide tax known as the Public Utility Realty Tax (PURTA). The proceeds of the tax are distributed to each local taxing authority thereby providing local revenue while ensuring fair treatment for utilities. Act 4 of 1999 revised the definition of public utility property and specifically removed, after December 31, 1999, electricity generation facilities from the definition. This was done in conjunction with electric deregulation, which opened market competition and changed previous public utility definitions for power generation. The distribution is based on the ratio between the total tax receipts of a local taxing authority and the total tax receipts of all reporting tax authorities. This ratio is then applied to the total amount of taxes that reporting authorities could have collected had they been able to directly tax public utility realty.

**DEPARTMENT OF REVENUE
2022-23 BUDGET PRESENTATION**

APPROPRIATION NAME
Collection - Liquid Fuels Tax Motor License Fund (SAP - 10206)

Page # of Governor's Executive Budget: E37-2, E37-3, E37-4, E37-5, E37-6, E37-7					
I. SUMMARY FINANCIAL DATA (\$ Amounts in Thousands)					
	2020-21	2021-22	2022-23		
	Actual	Available	Request		
State Funds	\$23,136	\$21,792	\$23,125		
Federal Funds	\$90	\$150	\$250		
Other Funds	\$0	\$0	\$0		
Total	\$23,226	\$21,942	\$23,375		
II. HISTORY OF LAPSES (\$ Amounts in Thousands)					
	2019-20	2020-21	Estimated		
			2021-22		
State Funds	\$0	\$8,434	\$0		
III. COMPLEMENT INFORMATION					
	12/31/2020	12/31/2021	2022-23		
			Budgeted		
State Funded	83	83	83		
- Authorized	71	67	n/a		
- Filled					
Benefit Factor	78.98%	71.99%	76.90%		
IV. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)					
	2020-21	2021-22	2022-23	Change	Percent
	Actual	Available	Budgeted	Budgeted vs.	Change
				Available	
PERSONNEL					
State Funds	\$8,298	\$8,000	\$8,642	\$642	8.03%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Personnel	\$8,298	\$8,000	\$8,642	\$642	8.03%
OPERATING					
State Funds	\$14,838	\$13,792	\$14,483	\$691	5.01%
Federal Funds	\$69	\$150	\$250	\$100	66.67%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Operating	\$14,907	\$13,942	\$14,733	\$791	5.67%
BUDGETARY RESERVE					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$21	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Budgetary Reserve	\$21	\$0	\$0	\$0	0.00%
TOTAL FUNDS					
State Funds	\$23,136	\$21,792	\$23,125	\$1,333	6.12%
Federal Funds	\$90	\$150	\$250	\$100	66.67%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Funds	\$23,226	\$21,942	\$23,375	\$1,433	6.53%
V. EXPLANATION OF CHANGES (\$ Amounts in Thousands)					
	State \$	Federal \$	Other \$	Total \$	
PERSONNEL					
A. Cost to Maintain Complement	\$642	\$0	\$0	\$642	
Subtotal Personnel	\$642	\$0	\$0	\$642	
OPERATING					
A. Change in contractual obligations	\$691	\$100	\$0	\$791	
	\$0	\$0	\$0		
Subtotal Operating	\$691	\$100	\$0	\$791	
TOTAL	\$1,333	\$100	\$0	\$1,433	

APPROPRIATION NAME
Collection - Liquid Fuels Tax
Motor License Fund (SAP - 10206)

**VI. DERIVATION OF REQUEST/
LEGISLATIVE CITATIONS**

Derivation of Request
(A) Personnel

All personnel costs were calculated based on approved salary positions and established employee benefit rates.

(B) Operating Expenses

Operating costs were calculated to maintain current levels of operation, audit activity relative to tax laws, and the implementation of new tax system. Funding is included to enhance auditing capabilities as required by the International Fuel Tax Agreement. This Federal law requires the implementation of a uniform system of collecting road tax among all states. The design of the Motor Fuels Compliance Strategy is to increase annual revenue and lower administrative costs.

(C) Fixed Assets

N/A

Legislative Citations: Enabling Legislation was the Liquid Fuels Tax Act of May 1931 (P.L. 149).
75 PA CS 9015(c) & Fiscal Code 72 P.S. 203.

Additional Information

(1) 2020-21 Obligations rolled forward to 2021-22
(\$ Amounts in Thousands)

State Funds	\$0
Federal Funds	\$0
Other Funds	\$0
	\$0
Total	\$0

(2) 2021-22 Supplemental appropriation needs

N/A

Date current appropriation will be exhausted: N/A

(3) Prior FY appropriations waived pursuant to Act 146 of 1980, used to support the 2021-22 appropriation.
(\$ Amounts in Thousands)

State Funds	\$0
Other Funds	\$0
	\$0
Total	\$0

VII. PROGRAM STATEMENT

This appropriation provides for the administration, enforcement and auditing of the Liquid Fuels, Oil Franchise and Motor Carrier Road Taxes.

**DEPARTMENT OF REVENUE
2022-23 BUDGET PRESENTATION**

APPROPRIATION NAME
Refunding Liquid Fuels Tax Motor License Fund (SAP - 20017)

Page # of Governor's Executive Budget: E37-3, E37-4, E37-5, E37-6, E37-7

I. SUMMARY FINANCIAL DATA (\$ Amounts in Thousands)	2020-21 Actual	2021-22 Available	2022-23 Request		
State Funds	\$32,200	\$31,000	\$35,497		
Federal Funds	\$0	\$0	\$0		
Other Funds	\$0	\$0	\$0		
Total	\$32,200	\$31,000	\$35,497		
II. HISTORY OF LAPSES (\$ Amounts in Thousands)	2019-20	2020-21	Estimated 2021-22		
State Funds	\$3,757	\$860	\$0		
III. COMPLEMENT INFORMATION	12/31/2020	12/31/2021	2022-23 Budgeted		
State Funded - Authorized	n/a	n/a	n/a		
State Funded - Filled	n/a	n/a	n/a		
IV. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)	2020-21 Actual	2021-22 Available	2022-23 Budgeted	Change Budgeted vs. Available	Percent Change
OPERATING					
State Funds	\$100	\$1,000	\$100	(\$900)	-90.00%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Operating	\$100	\$1,000	\$100	(\$900)	-90.00%
NON-EXPENSE (REFUNDS)					
State Funds	\$32,100	\$30,000	\$35,397	\$5,397	17.99%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Grant & Subsidy	\$32,100	\$30,000	\$35,397	\$5,397	17.99%
TOTAL FUNDS					
State Funds	\$32,200	\$31,000	\$35,497	\$4,497	14.51%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Funds	\$32,200	\$31,000	\$35,497	\$4,497	14.51%
V. EXPLANATION OF CHANGES (\$ Amounts in Thousands)					
OPERATING					
A. Decrease in forecasted projections		(\$900)			(\$900)
Subtotal Operating		(\$900)	\$0	\$0	(\$900)
NON-EXPENSE (REFUNDS)					
A. The recommended funding level is based on current revenue estimates.		\$5,397	\$0	\$0	\$5,397
Subtotal Grant & Subsidy		\$5,397	\$0	\$0	\$5,397
TOTAL		\$4,497	\$0	\$0	\$4,497

APPROPRIATION NAME

Refunding Liquid Fuels Tax
Motor License Fund (SAP - 20017)

**VI. DERIVATION OF REQUEST/
LEGISLATIVE CITATIONS**

Derivation of Request
(A) Personnel

N/A

(B) Operating Expenses

N/A

(C) Non-Expense (Refunds)

Refunds for overpayments of taxes.

Legislative Citations:

75 PA C.S. 9017 - This executive authorization was established under Act 78 of 1986.
Enabling legislation is the Liquid Fuels Tax Act of May 1931 (P.L. 149).

Additional Information

(1) 2020-21 Obligations rolled forward to 2021-22
(\$ Amounts in Thousands)

State Funds	\$0
Federal Funds	\$0
Other Funds	\$0
	<hr/>
Total	\$0

(2) 2021-22 Supplemental appropriation needs

N/A

Date current appropriation will be exhausted: N/A

(3) Prior FY appropriations waived pursuant to Act 146 of 1980, used to support the 2021-22 appropriation.
(\$ Amounts in Thousands)

State Funds	\$0
Other Funds	\$0
	<hr/>
Total	\$0

VII. PROGRAM STATEMENT

This executive authorization is established solely to provide refunds of overpayments of taxes to taxpayers. There are no personnel, operating costs or contracts paid from this fund.

**DEPARTMENT OF REVENUE
2022-23 BUDGET PRESENTATION**

APPROPRIATION NAME
Lottery Administration - General Operations State Lottery Fund (SAP - 20296)

Page # of Governor's Executive Budget: E37-3, E37-4, E37-5, E37-6, E37-7

I. SUMMARY FINANCIAL DATA (\$ Amounts in Thousands)		2020-21 Actual	2021-22 Available	2022-23 Request		
State Funds		\$66,848	\$70,308	\$72,909		
Federal Funds		\$0	\$0	\$0		
Other Funds		\$159	\$163	\$158		
Total		<u>\$67,007</u>	<u>\$70,471</u>	<u>\$73,067</u>		
II. HISTORY OF LAPSES (\$ Amounts in Thousands)		2019-20	2020-21	Estimated 2021-22		
State Funds		\$6,962	\$0	\$0		
III. COMPLEMENT INFORMATION		12/31/2020	12/31/2021	2022-23 Budgeted		
State Funded	- Authorized	275	290	290		
	- Filled	262	255	n/a		
Benefit Factor		73.01%	67.55%	71.40%		
IV. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)		2020-21 Actual	2021-22 Available	2022-23 Budgeted	Change Budgeted vs. Available	Percent Change
PERSONNEL						
State Funds		\$25,971	\$28,308	\$30,772	\$2,464	8.70%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$0	\$0	\$0	\$0	0.00%
Total Personnel		<u>\$25,971</u>	<u>\$28,308</u>	<u>\$30,772</u>	<u>\$2,464</u>	<u>8.70%</u>
OPERATING						
State Funds		\$18,969	\$31,991	\$32,128	\$137	0.43%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$159	\$163	\$158	(\$5)	-3.07%
Total Operating		<u>\$19,128</u>	<u>\$32,154</u>	<u>\$32,286</u>	<u>\$132</u>	<u>0.41%</u>
FIXED ASSETS						
State Funds		\$21,908	\$10,009	\$10,009	\$0	0.00%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$0	\$0	\$0	\$0	0.00%
Total Fixed Assets		<u>\$21,908</u>	<u>\$10,009</u>	<u>\$10,009</u>	<u>\$0</u>	<u>0.00%</u>
TOTAL FUNDS						
State Funds		\$66,848	\$70,308	\$72,909	\$2,601	3.70%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$159	\$163	\$158	(\$5)	-3.07%
Total Funds		<u>\$67,007</u>	<u>\$70,471</u>	<u>\$73,067</u>	<u>\$2,596</u>	<u>3.68%</u>

APPROPRIATION NAME

Lottery Administration - General Operations
 State Lottery Fund (SAP - 20296)

V. EXPLANATION OF CHANGES

(\$ Amounts in Thousands)

	<u>State \$</u>	<u>Federal \$</u>	<u>Other \$</u>	<u>Total \$</u>
PERSONNEL				
A. Cost to Maintain Complement	\$2,464	\$0	\$0	\$2,464
Subtotal Personnel	<u>\$2,464</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,464</u>
OPERATING				
A. To support lottery ops with increased sales & infrastructure.	\$137	\$0	\$0	\$137
B. Decreased based on proj. augs	\$0	\$0	(\$5)	(\$5)
Subtotal Operating	<u>\$137</u>	<u>\$0</u>	<u>(\$5)</u>	<u>\$132</u>
FIXED ASSETS				
A. Funds allocated in FY22 for the purchase of equipment	\$0	\$0	\$0	\$0
Subtotal Fixed Assets	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL	\$2,601	\$0	(\$5)	\$2,596

**VI. DERIVATION OF REQUEST/
LEGISLATIVE CITATIONS**

Derivation of Request

(A) Personnel

All personnel costs were calculated based on approved salary positions and established employee benefit rates.

(B) Operating Expenses

Operating costs reflect anticipated costs of maintaining current operations.

(C) Fixed Assets

Funding is to purchase equipment for retailer base expansion and new drawing machines.

Legislative Citations:

N/A

Additional Information

(1) 2020-21 Obligations rolled forward to 2021-22

(\$ Amounts in Thousands)

State Funds	\$0
Federal Funds	\$0
Other Funds	<u>\$0</u>
Total	\$0

APPROPRIATION NAME

Lottery Administration - General Operations
 State Lottery Fund (SAP - 20296)

(2) 2021-22 Supplemental appropriation needs

N/A

Date current appropriation will be exhausted: N/A

(3) Prior FY appropriations waived pursuant to Act 146 of 1980, used to support the 2021-22 appropriation.
 (\$ Amounts in Thousands)

State Funds	\$22,100
Other Funds	\$0
Total	\$22,100

VII. PROGRAM STATEMENT

This program is responsible for the administration of the State Lottery. Through a network of private retailers, the commonwealth sells lottery tickets, the proceeds of which support programs for older Pennsylvanians.

VIII. PROGRAM PERFORMANCE

	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
Increased Lottery Profits (in Billions)	1.238	1.114	1.226

**DEPARTMENT OF REVENUE
2022-23 BUDGET PRESENTATION**

APPROPRIATION NAME
Lottery Equipment Purchase State Lottery Fund (SAP - 20514)

Page # of Governor's Executive Budget: E37-3, E37-4, E37-5, E37-6, E37-7

I. SUMMARY FINANCIAL DATA (\$ Amounts in Thousands)		<u>2020-21 Actual</u>	<u>2021-22 Available</u>	<u>2022-23 Request</u>
State Funds		\$0	\$0	\$24,500
Federal Funds		\$0	\$0	\$0
Other Funds		\$0	\$0	\$0
Total		<u>\$0</u>	<u>\$0</u>	<u>\$24,500</u>

II. HISTORY OF LAPSES (\$ Amounts in Thousands)		<u>2019-20</u>	<u>2020-21</u>	<u>Estimated 2021-22</u>
State Funds		\$0	\$0	\$0

III. COMPLEMENT INFORMATION		<u>12/31/2020</u>	<u>12/31/2021</u>	<u>2022-23 Budgeted</u>
State Funded	- Authorized	n/a	n/a	n/a
	- Filled	n/a	n/a	n/a

IV. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)		<u>2020-21 Actual</u>	<u>2021-22 Available</u>	<u>2022-23 Budgeted</u>	<u>Change Budgeted vs. Available</u>	<u>Percent Change</u>
FIXED ASSETS						
State Funds		\$0	\$0	\$24,500	\$24,500	N/A
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$0	\$0	\$0	\$0	0.00%
Total Fixed Assets		<u>\$0</u>	<u>\$0</u>	<u>\$24,500</u>	<u>\$24,500</u>	N/A
TOTAL FUNDS						
State Funds		\$0	\$0	\$24,500	\$24,500	N/A
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$0	\$0	\$0	\$0	0.00%
Total Funds		<u>\$0</u>	<u>\$0</u>	<u>\$24,500</u>	<u>\$24,500</u>	N/A

V. EXPLANATION OF CHANGES (\$ Amounts in Thousands)		<u>State \$</u>	<u>Federal \$</u>	<u>Other \$</u>	<u>Total \$</u>
FIXED ASSETS					
A. Increase due to planned equipment purchase		\$24,500			\$24,500
					\$0
Subtotal Fixed Assets		<u>\$24,500</u>	<u>\$0</u>	<u>\$0</u>	<u>\$24,500</u>
TOTAL		<u>\$24,500</u>	<u>\$0</u>	<u>\$0</u>	<u>\$24,500</u>

**VI. DERIVATION OF REQUEST/
 LEGISLATIVE CITATIONS**

Derivation of Request

(A) Personnel

N/A

(B) Operating Expenses

N/A

(C) Fixed Assets

Fixed Assets costs include funding for Lottery equipment purchase.

Legislative Citation:

N/A

Additional Information

(1) 2020-21 Obligations rolled forward to 2021-22
 (\$ Amounts in Thousands)

State Funds	\$0
Federal Funds	\$0
Other Funds	\$0
	\$0
Total	\$0

(2) 2021-22 Supplemental appropriation needs

N/A

Date current appropriation will be exhausted: N/A

(3) Prior FY appropriations waived pursuant to Act 146 of 1980, used to support the 2021-22 appropriation.
 (\$ Amounts in Thousands)

State Funds	\$0
Other Funds	\$0
	\$0
Total	\$0

VII. PROGRAM STATEMENT

This executive authorization provides funds for equipment purchase.

**DEPARTMENT OF REVENUE
2022-23 BUDGET PRESENTATION**

APPROPRIATION NAME
State Lottery Fund - Advertising (SAP - 20270)

Page # of Governor's Executive Budget: E37-3, E37-4, E37-5, E37-7

I. SUMMARY FINANCIAL DATA (\$ Amounts in Thousands)		2020-21 Actual	2021-22 Available	2022-23 Request		
State Funds		\$51,000	\$51,000	\$51,000		
Federal Funds		\$0	\$0	\$0		
Other Funds		\$500	\$500	\$500		
Total		\$51,500	\$51,500	\$51,500		
II. HISTORY OF LAPSES (\$ Amounts in Thousands)		2019-20	2020-21	Estimated 2021-22		
State Funds		\$0	\$0	\$0		
III. COMPLEMENT INFORMATION		12/31/2020	12/31/2021	2022-23 Budgeted		
State Funded	- Authorized	n/a	n/a	n/a		
	- Filled	n/a	n/a	n/a		
IV. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)		2020-21 Actual	2021-22 Available	2022-23 Budgeted	Change Budgeted vs. Available	Percent Change
OPERATING						
State Funds		\$51,000	\$51,000	\$51,000	\$0	0.00%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$500	\$500	\$500	\$0	0.00%
Total Operating		\$51,500	\$51,500	\$51,500	\$0	0.00%
TOTAL FUNDS						
State Funds		\$51,000	\$51,000	\$51,000	\$0	0.00%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$500	\$500	\$500	\$0	0.00%
Total Funds		\$51,500	\$51,500	\$51,500	\$0	0.00%
V. EXPLANATION OF CHANGES (\$ Amounts in Thousands)		State \$	Federal \$	Other \$	Total \$	
OPERATING						
A. No change		\$0	\$0	\$0	\$0	
Subtotal Operating		\$0	\$0	\$0	\$0	
TOTAL		\$0	\$0	\$0	\$0	

APPROPRIATION NAME
State Lottery Fund - Advertising (SAP - 20270)

**VI. DERIVATION OF REQUEST/
LEGISLATIVE CITATIONS**

Derivation of Request

(A) Personnel

N/A

(B) Operating Expenses

Operating costs include funding for Lottery advertising and costs of promotional activity to enhance sales and improve the fund's solvency. Advertising funds will be used to increase the visibility of all lottery games.

(C) Fixed Assets

N/A

Legislative Citations:

72 P.S. 3761-303 & 3761-304

Additional Information

(1) 2020-21 Obligations rolled forward to 2021-22
(\$ Amounts in Thousands)

State Funds	\$0
Federal Funds	\$0
Other Funds	\$0
	<hr/>
Total	\$0

(2) 2021-22 Supplemental appropriation needs

N/A

Date current appropriation will be exhausted: N/A

(3) Prior FY appropriations waived pursuant to Act 146 of 1980, used to support the 2021-22 appropriation.
(\$ Amounts in Thousands)

State Funds	\$0
Other Funds	\$0
	<hr/>
Total	\$0

VII. PROGRAM STATEMENT

This executive authorization provides funds for Lottery advertising and costs of promotional activity to enhance sales and improve the fund's solvency. Advertising funds will be used to increase the visibility of all lottery games.

**DEPARTMENT OF REVENUE
2022-23 BUDGET PRESENTATION**

APPROPRIATION NAME
Property Tax Rent Rebate - General Operations State Lottery Fund (SAP - 20361)

Page # of Governor's Executive Budget: E37-3, E37-4, E37-5, E37-6, E37-7

I. SUMMARY FINANCIAL DATA (\$ Amounts in Thousands)		2020-21 Actual	2021-22 Available	2022-23 Request		
State Funds		\$21,024	\$18,952	\$20,344		
Federal Funds		\$0	\$0	\$0		
Other Funds		\$0	\$0	\$0		
Total		\$21,024	\$18,952	\$20,344		
II. HISTORY OF LAPSES (\$ Amounts in Thousands)		2019-20	2020-21	Estimated 2021-22		
State Funds		\$942	\$2,620	\$0		
III. COMPLEMENT INFORMATION		12/31/2020	12/31/2021	2022-23 Budgeted		
State Funded	- Authorized	78	78	78		
	- Filled	66	58	n/a		
Benefit Factor		85.48%	70.54%	83.00%		
IV. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)		2020-21 Actual	2021-22 Available	2022-23 Budgeted	Change Budgeted vs. Available	Percent Change
PERSONNEL						
State Funds		\$6,768	\$6,678	\$7,531	\$853	12.77%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$0	\$0	\$0	\$0	0.00%
Total Personnel		\$6,768	\$6,678	\$7,531	\$853	12.77%
OPERATING						
State Funds		\$14,256	\$12,274	\$12,813	\$539	4.39%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$0	\$0	\$0	\$0	0.00%
Total Operating		\$14,256	\$12,274	\$12,813	\$539	4.39%
TOTAL FUNDS						
State Funds		\$21,024	\$18,952	\$20,344	\$1,392	7.34%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$0	\$0	\$0	\$0	0.00%
Total Funds		\$21,024	\$18,952	\$20,344	\$1,392	7.34%
V. EXPLANATION OF CHANGES (\$ Amounts in Thousands)		State \$	Federal \$	Other \$	Total \$	
PERSONNEL						
A.	Cost to maintain complement	\$853	\$0	\$0	\$853	
	Subtotal Personnel	\$853	\$0	\$0	\$853	
OPERATING						
A.	Increase in contractual obligations	\$539	\$0	\$0	\$539	
	Subtotal Operating	\$539	\$0	\$0	\$539	
TOTAL		\$1,392	\$0	\$0	\$1,392	

**VI. DERIVATION OF REQUEST/
LEGISLATIVE CITATIONS**

Derivation of Request
(A) Personnel

All personnel costs were calculated based on approved salary positions and established employee benefit rates.

(B) Operating Expenses

Operating costs reflects funding needed to maintain current operations.

(C) Fixed Assets

N/A

Legislative Citations:

N/A

Additional Information

(1) 2020-21 Obligations rolled forward to 2021-22
(\$ Amounts in Thousands)

State Funds	\$0
Federal Funds	\$0
Other Funds	\$0
	<hr/>
Total	\$0

(2) 2021-22 Supplemental appropriation needs

N/A

Date current appropriation will be exhausted: N/A

(3) Prior FY appropriations waived pursuant to Act 146 of 1980, used to support the 2021-22 appropriation.
(\$ Amounts in Thousands)

State Funds	\$0
Other Funds	\$0
	<hr/>
Total	\$0

VII. PROGRAM STATEMENT

Administrative costs of the Property Tax Rent Rebate assistance program for older Pennsylvanians and other qualified recipients.

**DEPARTMENT OF REVENUE
2022-23 BUDGET PRESENTATION**

APPROPRIATION NAME
State Lottery Fund - On-Line Vendor Commissions (SAP - 20022)

Page # of Governor's Executive Budget: E37-3, E37-4, E37-5, E37-6, E37-7					
I. SUMMARY FINANCIAL DATA (\$ Amounts in Thousands)		2020-21 Actual	2021-22 Available	2022-23 Request	
State Funds		\$71,200	\$73,692	\$68,233	
Federal Funds		\$0	\$0	\$0	
Other Funds		\$0	\$0	\$0	
Total		<u>\$71,200</u>	<u>\$73,692</u>	<u>\$68,233</u>	
II. HISTORY OF LAPSES (\$ Amounts in Thousands)		2019-20	2020-21	Estimated 2021-22	
State Funds		\$2,241	\$2,990	\$0	
III. COMPLEMENT INFORMATION		12/31/2020	12/31/2021	2022-23 Budgeted	
State Funded - Authorized		n/a	n/a	n/a	
- Filled		n/a	n/a	n/a	
IV. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)					
	2020-21 Actual	2021-22 Available	2022-23 Budgeted	Change Budgeted vs. Available	Percent Change
OPERATING					
State Funds	\$71,200	\$73,692	\$68,233	(\$5,459)	-7.41%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Operating	<u>\$71,200</u>	<u>\$73,692</u>	<u>\$68,233</u>	<u>(\$5,459)</u>	<u>-7.41%</u>
TOTAL FUNDS					
State Funds	\$71,200	\$73,692	\$68,233	(\$5,459)	-7.41%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Funds	<u>\$71,200</u>	<u>\$73,692</u>	<u>\$68,233</u>	<u>(\$5,459)</u>	<u>-7.41%</u>
V. EXPLANATION OF CHANGES (\$ Amounts in Thousands)					
	State \$	Federal \$	Other \$	Total \$	
OPERATING					
A. Decrease Due to Revised Sales Calculation	(\$5,459)	\$0	\$0	(\$5,459)	
Subtotal Operating	<u>(\$5,459)</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$5,459)</u>	
TOTAL	(\$5,459)	\$0	\$0	(\$5,459)	

**VI. DERIVATION OF REQUEST/
LEGISLATIVE CITATIONS**

Derivation of Request
(A) Personnel

N/A

(B) Operating Expenses

Operating costs include funding for payment of commissions to the contractor who operates the "On-Line" (terminal-based) games system.

(C) Fixed Assets

N/A

Legislative Citation:

61 PA Code 805.10

Additional Information

(1) 2020-21 Obligations rolled forward to 2021-22
(\$ Amounts in Thousands)

State Funds	\$0
Federal Funds	\$0
Other Funds	\$0
Total	\$0

(2) 2021-22 Supplemental appropriation needs

N/A

Date current appropriation will be exhausted: N/A

(3) Prior FY appropriations waived pursuant to Act 146 of 1980, used to support the 2021-22 appropriation.
(\$ Amounts in Thousands)

State Funds	\$0
Other Funds	\$0
Total	\$0

VII. PROGRAM STATEMENT

This executive authorization provides funds for payment of commissions to the contractor who operates the "On-Line" (terminal-based) games system, provides Instant Ticket Vending Machines (ITVM's) maintenance, Lottery In Motion System monthly charges, maintenance on PCT flat panel monitors, and costs associated with wireless jackpot signs.

**DEPARTMENT OF REVENUE
2022-23 BUDGET PRESENTATION**

APPROPRIATION NAME
State Lottery Fund - Instant Vendor Commissions (SAP - 20024)

Page # of Governor's Executive Budget: E37-3, E37-4, E37-5, E37-6, E37-7					
I. SUMMARY FINANCIAL DATA (\$ Amounts in Thousands)		2020-21 Actual	2021-22 Available	2022-23 Request	
State Funds		\$54,031	\$53,100	\$52,487	
Federal Funds		\$0	\$0	\$0	
Other Funds		\$0	\$0	\$0	
Total		\$54,031	\$53,100	\$52,487	
II. HISTORY OF LAPSES (\$ Amounts in Thousands)		2019-20	2020-21	Estimated 2021-22	
State Funds		\$2,224	\$3,913	\$0	
III. COMPLEMENT INFORMATION		12/31/2020	12/31/2021	2022-23 Budgeted	
State Funded - Authorized		n/a	n/a	n/a	
- Filled		n/a	n/a	n/a	
IV. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)					
	2020-21 Actual	2021-22 Available	2022-23 Budgeted	Change Budgeted vs. Available	Percent Change
OPERATING					
State Funds	\$54,031	\$53,100	\$52,487	(\$613)	-1.15%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Operating	\$54,031	\$53,100	\$52,487	(\$613)	-1.15%
TOTAL FUNDS					
State Funds	\$54,031	\$53,100	\$52,487	(\$613)	-1.15%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Funds	\$54,031	\$53,100	\$52,487	(\$613)	-1.15%
V. EXPLANATION OF CHANGES (\$ Amounts in Thousands)					
	State \$	Federal \$	Other \$	Total \$	
OPERATING					
A. Decrease due to revised sales calculation	(\$613)	\$0	\$0	(\$613)	
Subtotal Operating	(\$613)	\$0	\$0	(\$613)	
TOTAL	(\$613)	\$0	\$0	(\$613)	

**VI. DERIVATION OF REQUEST/
LEGISLATIVE CITATIONS**

Derivation of Request
(A) Personnel

N/A

(B) Operating Expenses

Operating costs include funding for payment of ticket testing and vendor commissions for the printing, warehousing and delivery of Instant tickets to retailers.

(C) Fixed Assets

N/A

Legislative Citation:

61 PA Code Chapter 801

Additional Information

(1) 2020-21 Obligations rolled forward to 2021-22
(\$ Amounts in Thousands)

State Funds	\$0
Federal Funds	\$0
Other Funds	\$0
	<hr/>
Total	\$0

(2) 2021-22 Supplemental appropriation needs

N/A

Date current appropriation will be exhausted: N/A

(3) Prior FY appropriations waived pursuant to Act 146 of 1980, used to support the 2021-22 appropriation.
(\$ Amounts in Thousands)

State Funds	\$0
Other Funds	\$0
	<hr/>
Total	\$0

VII. PROGRAM STATEMENT

This executive authorization provides funds for payment of ticket testing and vendor commissions for the printing, warehousing and delivery of Instant tickets to retailers.

**DEPARTMENT OF REVENUE
2022-23 BUDGET PRESENTATION**

APPROPRIATION NAME
State Lottery Fund - iLottery Vendor Commissions (SAP - 20438)

Page # of Governor's Executive Budget: E37-3, E37-4, E37-5, E37-6, E37-7					
I. SUMMARY FINANCIAL DATA (\$ Amounts in Thousands)		2020-21 Actual	2021-22 Available	2022-23 Request	
State Funds		\$31,469	\$27,900	\$29,300	
Federal Funds		\$0	\$0	\$0	
Other Funds		\$0	\$0	\$0	
Total		\$31,469	\$27,900	\$29,300	
II. HISTORY OF LAPSES (\$ Amounts in Thousands)		2019-20	2020-21	Estimated 2021-22	
State Funds		\$1,113	\$0	\$0	
III. COMPLEMENT INFORMATION		12/31/2020	12/31/2021	2022-23 Budgeted	
State Funded - Authorized		n/a	n/a	n/a	
- Filled		n/a	n/a	n/a	
IV. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)					
	2020-21 Actual	2021-22 Available	2022-23 Budgeted	Change Budgeted vs. Available	Percent Change
OPERATING					
State Funds	\$31,469	\$27,900	\$29,300	\$1,400	5.02%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Operating	\$31,469	\$27,900	\$29,300	\$1,400	5.02%
TOTAL FUNDS					
State Funds	\$31,469	\$27,900	\$29,300	\$1,400	5.02%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Funds	\$31,469	\$27,900	\$29,300	\$1,400	5.02%
V. EXPLANATION OF CHANGES (\$ Amounts in Thousands)					
	State \$	Federal \$	Other \$	Total \$	
OPERATING					
A. Increase Due to iLottery vendor commissions calculation	\$1,400	\$0	\$0	\$1,400	
Subtotal Operating	\$1,400	\$0	\$0	\$1,400	
TOTAL	\$1,400	\$0	\$0	\$1,400	

**VI. DERIVATION OF REQUEST/
LEGISLATIVE CITATIONS**

Derivation of Request
(A) Personnel

N/A

(B) Operating Expenses

Operating costs include funding for iLottery vendor commissions.

(C) Fixed Assets

N/A

Legislative Citation:

This appropriation was established by an amendment to Act No. 42 of 2017

Additional Information

(1) 2020-21 Obligations rolled forward to 2021-22
(\$ Amounts in Thousands)

State Funds	\$0
Federal Funds	\$0
Other Funds	\$0
Total	\$0

(2) 2021-22 Supplemental appropriation needs

N/A

Date current appropriation will be exhausted: N/A

(3) Prior FY appropriations waived pursuant to Act 146 of 1980, used to support the 2021-22 appropriation.
(\$ Amounts in Thousands)

State Funds	\$31,469
Other Funds	\$0
Total	\$31,469

VII. PROGRAM STATEMENT

This executive authorization provides funds for payment of iLottery vendor commissions.

**DEPARTMENT OF REVENUE
2022-23 BUDGET PRESENTATION**

APPROPRIATION NAME
State Lottery Fund-Payment of Prizes (SAP - 20020)

Page # of Governor's Executive Budget: E37-3, E37-4, E37-5, E37-6, E37-7					
I. SUMMARY FINANCIAL DATA (\$ Amounts in Thousands)		2020-21 Actual	2021-22 Available	2022-23 Request	
State Funds		\$493,713	\$490,293	\$493,376	
Federal Funds		\$0	\$0	\$0	
Other Funds		\$0	\$0	\$0	
Total		\$493,713	\$490,293	\$493,376	
II. HISTORY OF LAPSES (\$ Amounts in Thousands)		2019-20	2020-21	Estimated 2021-22	
State Funds		\$69,757	\$30,743	\$0	
III. COMPLEMENT INFORMATION		12/31/2020	12/31/2021	2022-23 Budgeted	
State Funded	- Authorized	n/a	n/a	n/a	
	- Filled	n/a	n/a	n/a	
IV. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)					
	2020-21 Actual	2021-22 Available	2022-23 Budgeted	Change Budgeted vs. Available	Percent Change
OPERATING					
State Funds	\$493,713	\$490,293	\$493,376	\$3,083	0.63%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Operating	\$493,713	\$490,293	\$493,376	\$3,083	0.63%
TOTAL FUNDS					
State Funds	\$493,713	\$490,293	\$493,376	\$3,083	0.63%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Funds	\$493,713	\$490,293	\$493,376	\$3,083	0.63%
V. EXPLANATION OF CHANGES (\$ Amounts in Thousands)					
	State \$	Federal \$	Other \$	Total \$	
OPERATING					
A. Increase Due to Revised Sales Calculations	\$3,083	\$0	\$0	\$3,083	
Subtotal Operating	\$3,083	\$0	\$0	\$3,083	
TOTAL	\$3,083	\$0	\$0	\$3,083	

APPROPRIATION NAME

State Lottery Fund-Payment of Prizes (SAP - 20020)

**VI. DERIVATION OF REQUEST/
LEGISLATIVE CITATIONS**

Derivation of Request

(A) Personnel

N/A

(B) Operating Expenses

Operating costs include funding to pay lottery prizes.

(C) Fixed Assets

N/A

Legislative Citation:

72 P.S. 3761-311

Additional Information

(1) 2020-21 Obligations rolled forward to 2021-22
(\$ Amounts in Thousands)

State Funds	\$0
Federal Funds	\$0
Other Funds	\$0
	<hr/>
Total	\$0

(2) 2021-22 Supplemental appropriation needs

N/A

Date current appropriation will be exhausted: N/A

(3) Prior FY appropriations waived pursuant to Act 146 of 1980, used to support the 2021-22 appropriation.
(\$ Amounts in Thousands)

State Funds	\$0
Other Funds	\$0
	<hr/>
Total	\$0

VII. PROGRAM STATEMENT

This executive authorization was established under Act No. 91 of 1971 (The State Lottery Law), and is used to pay Lottery prizes in the following categories: On-line game prizes that are more than \$2,500; On-line prizes that were not claimed within 180 days and are more than \$100; instant game prizes over \$2,500; and prizes in any amount where the winning ticket holder chooses to present his/her ticket at Lottery headquarters for payment. The recommended funding level is based on the latest projection of ticket sales including the multi-state Powerball, Mega Millions and Cash4Life games.

**DEPARTMENT OF REVENUE
2022-23 BUDGET PRESENTATION**

APPROPRIATION NAME Property Tax and Rent Assistance for Older Pennsylvanians - State Lottery Fund (SAP - 20021)
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Page # of Governor's Executive Budget: E37-3, E37-4, E37-5, E37-6, E37-9

I. SUMMARY FINANCIAL DATA (\$ Amounts in Thousands)		2020-21 Actual	2021-22 Available	2022-23 Request
State Funds		\$0	\$234,600	\$203,800
Federal Funds		\$0	\$0	\$203,800
Other Funds		\$0	\$0	\$0
Total		\$0	\$234,600	\$407,600

II. HISTORY OF LAPSES (\$ Amounts in Thousands)		2019-20	2020-21	Estimated 2021-22
State Funds		\$6,094	\$0	\$0

III. COMPLEMENT INFORMATION		12/31/2020	12/31/2021	2022-23 Budgeted
State Funded	- Authorized	n/a	n/a	n/a
	- Filled	n/a	n/a	n/a

IV. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)		2020-21 Actual	2021-22 Available	2022-23 Budgeted	Change Budgeted vs. Available	Percent Change
GRANT & SUBSIDY						
State Funds		\$0	\$234,600	\$203,800	(\$30,800)	-13.13%
Federal Funds		\$0	\$0	\$203,800	\$203,800	N/A
Other Funds		\$0	\$0	\$0	\$0	0.00%
Total Grant & Subsidy		\$0	\$234,600	\$407,600	\$173,000	73.74%
TOTAL FUNDS						
State Funds		\$0	\$234,600	\$203,800	(\$30,800)	-13.13%
Federal Funds		\$0	\$0	\$203,800	\$203,800	N/A
Other Funds		\$0	\$0	\$0	\$0	0.00%
Total Funds		\$0	\$234,600	\$407,600	\$173,000	73.74%

V. EXPLANATION OF CHANGES (\$ Amounts in Thousands)		State \$	Federal \$	Other \$	Total \$
GRANT & SUBSIDY					
A. To pay PTRR Rebates		(\$30,800)	\$203,800	\$0	\$173,000
Subtotal Grant & Subsidy		(\$30,800)	\$203,800	\$0	\$173,000
TOTAL		(\$30,800)	\$203,800	\$0	\$173,000

APPROPRIATION NAME
 Property Tax and Rent Assistance for Older
 Pennsylvanians - State Lottery Fund (SAP - 20021)

**VI. DERIVATION OF REQUEST/
 LEGISLATIVE CITATIONS**

Derivation of Request
 (A) Personnel
 N/A

(B) Operating Expenses
 N/A

(C) Grants & Subsidies
 Provides funds for older Pennsylvanians, surviving spouses over 50 and permanently disabled citizens 18 years of age or older through property tax and rent rebate assistance.

Legislative Citation:
 72 P.S. 4751-8 & P.S. 3761-311

Additional Information

(1) 2020-21 Obligations rolled forward to 2021-22
 (\$ Amounts in Thousands)

State Funds	\$0
Federal Funds	\$0
Other Funds	\$0
	\$0
Total	\$0

(2) 2021-22 Supplemental appropriation needs
 N/A
 Date current appropriation will be exhausted: N/A

(3) Prior FY appropriations waived pursuant to Act 146 of 1980, used to support the 2021-22 appropriation.
 (\$ Amounts in Thousands)

State Funds	\$0
Other Funds	\$0
	\$0
Total	\$0

VII. PROGRAM STATEMENT

This executive authorization provides funds for older Pennsylvanians, surviving spouses over 50 and permanently disabled citizens 18 years of age or older to lead fuller lives by restoring a portion of their income through property tax and rent rebate assistance.

Act 53 of 1985 set the income ceiling for program eligibility at \$15,000 per household. The maximum benefit was 100 percent of the property taxes or rent paid or \$500 - whichever was less. Act 30 of 1999 excluded 50 percent of Social Security Income and Railroad Retirement Benefits from the income eligibility calculation.

HB 39 (Special Session of 2005) dramatically expanded the current Property Tax/Rent Rebate program to give more Pennsylvanians a rebate and increase the amount of the rebates. The expansion includes increasing the household income limit from \$15,000 to \$35,000 and increasing the maximum rebate from \$500 to \$650. In 2020-21, the average property tax rebate was \$438 and the average rent rebate was \$548.

VIII. PROGRAM PERFORMANCE

	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
Property Tax/Rent Rebate claims paid by July 1st (for applications received by June 1st)	71.00%	95.00%	95.00%

**DEPARTMENT OF REVENUE
2022-23 BUDGET PRESENTATION**

APPROPRIATION NAME Fantasy Contest Operations (SAP - 14890)

Page # of Governor's Executive Budget: E37-4, E37-5

I. SUMMARY FINANCIAL DATA (\$ Amounts in Thousands)	2020-21 Actual	2021-22 Available	2022-23 Request
State Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0
Other Funds	\$372	\$418	\$418
Total	\$372	\$418	\$418

II. HISTORY OF LAPSES (\$ Amounts in Thousands)	2019-20	2020-21	Estimated 2021-22
State Funds	\$0	\$0	\$0

III. COMPLEMENT INFORMATION	12/31/2020	12/31/2021	2022-23 Budgeted
State Funded - Authorized	n/a	n/a	n/a
- Filled	n/a	n/a	n/a

IV. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)	2020-21 Actual	2021-22 Available	2022-23 Budgeted	Change Budgeted vs. Available	Percent Change
PERSONNEL					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$219	\$368	\$368	\$0	0.00%
Total Personnel	\$219	\$368	\$368	\$0	0.00%
OPERATING					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$153	\$50	\$50	\$0	0.00%
Total Operating	\$153	\$50	\$50	\$0	0.00%
TOTAL FUNDS					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$372	\$418	\$418	\$0	0.00%
Total Funds	\$372	\$418	\$418	\$0	0.00%

V. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	State \$	Federal \$	Other \$	Total \$
PERSONNEL				
A. Cost to carry current program.	\$0	\$0	\$0	\$0
Subtotal Personnel	\$0	\$0	\$0	\$0
OPERATING				
A. Cost to Maintain Operations	\$0	\$0	\$0	\$0
Subtotal Operating	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0	\$0

**VI. DERIVATION OF REQUEST/
LEGISLATIVE CITATIONS**

Derivation of Request
(A) Personnel

Personnel costs include funding to administer the Fantasy Contest Program.

(B) Operating Expenses

Operating costs reflects funding needed to maintain current operations.

(C) Fixed Assets

N/A

Legislative Citation:
Act 42 of 2017

Additional Information

(1) 2020-21 Obligations rolled forward to 2021-22
(\$ Amounts in Thousands)

State Funds	\$0
Federal Funds	\$0
Other Funds	\$0
	<hr/>
Total	\$0

(2) 2021-22 Supplemental appropriation needs

N/A

Date current appropriation will be exhausted: N/A

(3) Prior FY appropriations waived pursuant to Act 146 of 1980, used to support the 2021-22 appropriation.
(\$ Amounts in Thousands)

State Funds	\$0
Other Funds	\$0
	<hr/>
Total	\$0

VII. PROGRAM STATEMENT

This program provides funds for the administration, collection and distribution of fantasy contest taxes and assessments.

**DEPARTMENT OF REVENUE
2022-23 BUDGET PRESENTATION**

APPROPRIATION NAME
Collections - State Racing (SAP - 11109)

Page # of Governor's Executive Budget: E37-4, E37-5

I. SUMMARY FINANCIAL DATA (\$ Amounts in Thousands)		<u>2020-21 Actual</u>	<u>2021-22 Available</u>	<u>2022-23 Request</u>
State Funds		\$261	\$262	\$266
Federal Funds		\$0	\$0	\$0
Other Funds		\$0	\$0	\$0
Total		<u>\$261</u>	<u>\$262</u>	<u>\$266</u>

II. HISTORY OF LAPSES (\$ Amounts in Thousands)		<u>2019-20</u>	<u>2020-21</u>	<u>Estimated 2021-22</u>
State Funds		\$94	\$102	\$0

III. COMPLEMENT INFORMATION		<u>12/31/2020</u>	<u>12/31/2021</u>	<u>2022-23 Budgeted</u>
State Funded	- Authorized	1	1	1
	- Filled	1	1	n/a
Benefit Factor		87.88%	70.37%	76.90%

IV. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)		<u>2020-21 Actual</u>	<u>2021-22 Available</u>	<u>2022-23 Budgeted</u>	<u>Change Budgeted vs. Available</u>	<u>Percent Change</u>
PERSONNEL						
State Funds		\$71	\$70	\$74	\$4	5.71%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$0	\$0	\$0	\$0	0.00%
Total Personnel		<u>\$71</u>	<u>\$70</u>	<u>\$74</u>	<u>\$4</u>	<u>5.71%</u>
OPERATING						
State Funds		\$190	\$192	\$192	\$0	0.00%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$0	\$0	\$0	\$0	0.00%
Total Operating		<u>\$190</u>	<u>\$192</u>	<u>\$192</u>	<u>\$0</u>	<u>0.00%</u>
TOTAL FUNDS						
State Funds		\$261	\$262	\$266	\$4	1.53%
Federal Funds		\$0	\$0	\$0	\$0	0.00%
Other Funds		\$0	\$0	\$0	\$0	0.00%
Total Funds		<u>\$261</u>	<u>\$262</u>	<u>\$266</u>	<u>\$4</u>	<u>1.53%</u>

V. EXPLANATION OF CHANGES (\$ Amounts in Thousands)		<u>State \$</u>	<u>Federal \$</u>	<u>Other \$</u>	<u>Total \$</u>
PERSONNEL					
A. Cost of maintaining complement		\$4	\$0	\$0	\$4
Subtotal Personnel		<u>\$4</u>	<u>\$0</u>	<u>\$0</u>	<u>\$4</u>
OPERATING					
A. Cost to Maintain Operations		\$0	\$0	\$0	\$0
Subtotal Operating		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL		<u>\$4</u>	<u>\$0</u>	<u>\$0</u>	<u>\$4</u>

**VI. DERIVATION OF REQUEST/
LEGISLATIVE CITATIONS**

Derivation of Request
(A) Personnel

All personnel costs were calculated based on approved salary position and established employee benefit rates.

(B) Operating Expenses

Operating costs were calculated to maintain required levels of operation.

(C) Fixed Assets

N/A

Legislative Citation:

This appropriation was established under Act 93 of 1983.

Additional Information

(1) 2020-21 Obligations rolled forward to 2021-22
(\$ Amounts in Thousands)

State Funds	\$0
Federal Funds	\$0
Other Funds	\$0
	<hr/>
Total	\$0

(2) 2021-22 Supplemental appropriation needs

N/A

Date current appropriation will be exhausted: N/A

(3) Prior FY appropriations waived pursuant to Act 146 of 1980, used to support the 2021-22 appropriation.
(\$ Amounts in Thousands)

State Funds	\$0
Other Funds	\$0
	<hr/>
Total	\$0

VII. PROGRAM STATEMENT

This program provides funds for the administration and collection of Horse and Harness Racing taxes.

**DEPARTMENT OF REVENUE
2022-23 BUDGET PRESENTATION**

APPROPRIATION NAME
Gaming - General Operations (SAP - 14906)

Page # of Governor's Executive Budget: E37-4, E37-5

I. SUMMARY FINANCIAL DATA (\$ Amounts in Thousands)	2020-21 Actual	2021-22 Available	2022-23 Request
State Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0
Other Funds	\$5,490	\$6,707	\$6,848
Total	\$5,490	\$6,707	\$6,848

II. HISTORY OF LAPSES (\$ Amounts in Thousands)	2019-20	2020-21	Estimated 2021-22
State Funds	\$0	\$0	\$0

III. COMPLEMENT INFORMATION	12/31/2020	12/31/2021	2022-23 Budgeted
State Funded - Authorized	19	19	19
State Funded - Filled	16	16	n/a
Benefit Factor	73.45%	66.96%	75.40%

IV. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)	2020-21 Actual	2021-22 Available	2022-23 Budgeted	Change Budgeted vs. Available	Percent Change
PERSONNEL					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$1,253	\$1,741	\$1,867	\$126	7.24%
Total Personnel	\$1,253	\$1,741	\$1,867	\$126	7.24%
OPERATING					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$4,237	\$4,966	\$4,981	\$15	0.30%
Total Operating	\$4,237	\$4,966	\$4,981	\$15	0.30%
TOTAL FUNDS					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$5,490	\$6,707	\$6,848	\$141	2.10%
Total Funds	\$5,490	\$6,707	\$6,848	\$141	2.10%

V. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	State \$	Federal \$	Other \$	Total \$
PERSONNEL				
A. Cost to maintain complement	\$0	\$0	\$126	\$126
Subtotal Personnel	\$0	\$0	\$126	\$126
OPERATING				
A. Increase due to contractual changes	\$0	\$0	\$15	\$15
Subtotal Operating	\$0	\$0	\$15	\$15
TOTAL	\$0	\$0	\$141	\$141

**VI. DERIVATION OF REQUEST/
LEGISLATIVE CITATIONS**

Derivation of Request
(A) Personnel

All personnel costs were calculated based on approved salary positions and established employee benefit rates.

(B) Operating Expenses

Operating costs include funding for the Central Control Computer System and other costs to administer the collection of gaming taxes and assessments. Increase due to contractual changes.

(C) Fixed Assets

N/A

Legislative Citation:

This appropriation was established by an amendment to Act No. 71 of 2004 (Pennsylvania Race Horse Development and Gaming Act).

Additional Information

(1) 2020-21 Obligations rolled forward to 2021-22
(\$ Amounts in Thousands)

State Funds	\$0
Federal Funds	\$0
Other Funds	\$0
	\$0
Total	\$0

(2) 2021-22 Supplemental appropriation needs

N/A

Date current appropriation will be exhausted: N/A

(3) Prior FY appropriations waived pursuant to Act 146 of 1980, used to support the 2021-22 appropriation.
(\$ Amounts in Thousands)

State Funds	\$0
Other Funds	\$0
	\$0
Total	\$0

VII. PROGRAM STATEMENT

This program provides funds for the administration, collection, and distribution of gaming taxes and assessments.

**DEPARTMENT OF REVENUE
2022-23 BUDGET PRESENTATION**

APPROPRIATION NAME VGT Operations (SAP - 14900)

Page # of Governor's Executive Budget: E37-4, E37-5

I. SUMMARY FINANCIAL DATA (\$ Amounts in Thousands)	<u>2020-21 Actual</u>	<u>2021-22 Available</u>	<u>2022-23 Request</u>
State Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0
Other Funds	\$273	\$683	\$683
Total	<u>\$273</u>	<u>\$683</u>	<u>\$683</u>

II. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2019-20</u>	<u>2020-21</u>	<u>Estimated 2021-22</u>
State Funds	\$0	\$0	\$0

III. COMPLEMENT INFORMATION	<u>12/31/2020</u>	<u>12/31/2021</u>	<u>2022-23 Budgeted</u>
State Funded - Authorized	n/a	n/a	n/a
- Filled	n/a	n/a	n/a

IV. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)	<u>2020-21 Actual</u>	<u>2021-22 Available</u>	<u>2022-23 Budgeted</u>	<u>Change Budgeted vs. Available</u>	<u>Percent Change</u>
PERSONNEL					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$167	\$183	\$183	\$0	0.00%
Total Personnel	<u>\$167</u>	<u>\$183</u>	<u>\$183</u>	<u>\$0</u>	<u>0.00%</u>
OPERATING					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$106	\$500	\$500	\$0	0.00%
Total Operating	<u>\$106</u>	<u>\$500</u>	<u>\$500</u>	<u>\$0</u>	<u>0.00%</u>
TOTAL FUNDS					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$273	\$683	\$683	\$0	0.00%
Total Funds	<u>\$273</u>	<u>\$683</u>	<u>\$683</u>	<u>\$0</u>	<u>0.00%</u>

V. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	<u>State \$</u>	<u>Federal \$</u>	<u>Other \$</u>	<u>Total \$</u>
PERSONNEL				
A. Personnel costs to administer program	\$0	\$0	\$0	\$0
Subtotal Personnel	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPERATING				
A. Costs include funding for VGT Operations	\$0	\$0	\$0	\$0
Subtotal Operating	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

APPROPRIATION NAME

VGT Operations (SAP - 14900)

**VI. DERIVATION OF REQUEST/
LEGISLATIVE CITATIONS**

Derivation of Request
(A) Personnel

Personnel costs include funding to administer the VGT program.

(B) Operating Expenses

Operating costs include funding for VGT Operations.

(C) Fixed Assets

N/A

Legislative Citation:
Act 42 of 2017

Additional Information

(1) 2020-21 Obligations rolled forward to 2021-22
(\$ Amounts in Thousands)

State Funds	\$0
Federal Funds	\$0
Other Funds	\$0
	<hr/>
Total	\$0

(2) 2021-22 Supplemental appropriation needs

N/A

Date current appropriation will be exhausted: N/A

(3) Prior FY appropriations waived pursuant to Act 146 of 1980, used to support the 2021-22 appropriation.
(\$ Amounts in Thousands)

State Funds	\$0
Other Funds	\$0
	<hr/>
Total	\$0

VII. PROGRAM STATEMENT

This program provides funding for the administration, collection, and distribution of VGT taxes and assessments.

**DEPARTMENT OF REVENUE
2022-23 BUDGET PRESENTATION**

APPROPRIATION NAME
Loan Repayment General Fund (SAP - 14909)

Page # of Governor's Executive Budget: E37-4, E37-5

I. SUMMARY FINANCIAL DATA (\$ Amounts in Thousands)	2020-21 Actual	2021-22 Available	2022-23 Request
State Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0
Other Funds	\$294	\$898	\$0
Total	\$294	\$898	\$0

II. HISTORY OF LAPSES (\$ Amounts in Thousands)	2019-20	2020-21	Estimated 2021-22
State Funds	\$0	\$0	\$0

III. COMPLEMENT INFORMATION	12/31/2020	12/31/2021	2022-23 Budgeted
State Funded - Authorized	n/a	n/a	n/a
State Funded - Filled	n/a	n/a	n/a

IV. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)	2020-21 Actual	2021-22 Available	2022-23 Budgeted	Change Budgeted vs. Available	Percent Change
OTHER					
State Funds				\$0	0.00%
Federal Funds				\$0	0.00%
Other Funds	\$294	\$898	\$0	(\$898)	-100.00%
Total Other	\$294	\$898	\$0	(\$898)	-100.00%
TOTAL FUNDS					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$294	\$898	\$0	(\$898)	-100.00%
Total Funds	\$294	\$898	\$0	(\$898)	-100.00%

V. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	State \$	Federal \$	Other \$	Total \$
OTHER				
A. Loan repayment to General Fund			(\$898)	(\$898)
Subtotal Other	\$0	\$0	(\$898)	(\$898)
TOTAL	\$0	\$0	(\$898)	(\$898)

APPROPRIATION NAME Loan Repayment General Fund (SAP - 14909)
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VI. DERIVATION OF REQUEST/ LEGISLATIVE CITATIONS	
Derivation of Request (A) Other	
Loan repayment to General Fund	
Legislative Citation: Act 42 of 2017	
<u>Additional Information</u>	
(1) 2020-21 Obligations rolled forward to 2021-22 (\$ Amounts in Thousands)	
State Funds	\$0
Federal Funds	\$0
Other Funds	\$0
	\$0
Total	\$0
(2) 2021-22 Supplemental appropriation needs	
N/A	
Date current appropriation will be exhausted: N/A	
(3) Prior FY appropriations waived pursuant to Act 146 of 1980, used to support the 2021-22 appropriation. (\$ Amounts in Thousands)	
State Funds	\$0
Other Funds	\$0
	\$0
Total	\$0

VII. PROGRAM STATEMENT

In accordance with Section 4104 of Act 42 of 2017, various video gaming licensee deposit accounts have previously been established in the Video Gaming Fund. These restricted receipt (ledger 4) accounts were established in the Video Gaming Fund to account for the receipt and disbursement of licensee deposits as required by the Act. Section 1799-E(b.1) of Act 20 of 2019 authorized a loan from the General Fund which shall be repaid from Section 4104 regulatory assessments.

**Allegheny Local Sales Tax
Cost of Administration
Allegheny Regional Asset District**

	2019-20	2020-21	2021-22
	Actual	Actual	Estimated
REVENUE (Net of Collection Costs)	\$ 200,732,323	\$ 217,430,403	\$ 209,081,363
COLLECTION COSTS			
Return Processing	\$ 1,502,095	\$ 1,351,779	\$ 1,426,937
Computer Operations*	33,287	33,287	
Appeals	34,368	40,672	37,520
Audits	\$ 929,174	1,500,781	1,214,977
Collections & Litigation	\$ 826,197	\$ 628,762	\$ 727,480
TRANSACTION COSTS - SUBTOTAL	\$ 3,325,122	\$ 3,555,282	\$ 3,406,914
PennDOT	\$ 48,882	\$ 63,991	\$ 56,436
TOTAL COSTS OF COLLECTION	\$ 3,374,003	\$ 3,619,273	\$ 3,463,351
Total Costs as a % of Revenue	1.68%	1.66%	1.66%
Tax Returns Processed that Included County Information	288,530	289,111	288,821
Transaction Costs/Returns	\$ 11.69	\$ 12.52	\$ 11.99
Average Remittance/Return	\$ 695.71	\$ 752.07	\$ 723.91

* The mainframe DOR maintains shut down on 7/1/2021 due to PaTH, no CPU charges for FY2021-22.

Philadelphia Local Sales Tax Cost of Administration vs Revenue

	2019-20 Actual	2020-21 Actual	2021-22 Estimated
REVENUE (Net of Collection Costs)	\$ 330,180,222	\$ 346,225,173	\$ 338,202,698
ADMINISTRATIVE COSTS			
Return Processing	\$ 1,531,142	\$ 1,342,058	\$ 1,436,600
Computer Operations *	33,287	33,287	-
Appeals	25,762	30,840	28,301
Audits	993,453	1,159,921	1,076,687
Collections & Litigation	842,335	623,042	732,689
TRANSACTION COSTS - SUBTOTAL	\$ 3,425,980	\$ 3,189,148	\$ 3,274,277
PennDOT	\$ 60,747	\$ 93,675	\$ 77,210.82
TOTAL COSTS OF COLLECTIONS	<u>\$ 3,486,727</u>	<u>\$ 3,282,823</u>	<u>\$ 3,351,487</u>
Total Costs as a % of Revenue	1.06%	0.95%	0.99%
Tax Returns Processed that Included County Information	294,118	287,122	290,620
Transaction Costs/Returns	\$ 11.85	\$ 11.43	\$ 11.53
Average Remittance/Return	\$ 1,122.61	\$ 1,205.85	\$ 1,163.73

* The mainframe DOR maintains shut down on 7/1/2021 due to PaTH, no CPU charges for FY2021-22.

**Comparative Financial Statement
Revenue - Lottery Fund**

LOTTERY FUND SUMMARY

(all figures in 000's)

	ACTUAL 2018-19	ACTUAL 2019-20	AVAILABLE 2020-21	AVAILABLE 2021-22	Budget 2022-23	PLAN YR 1 2023-24	PLAN YR 2 2024-25	PLAN YR 3 2025-26	PLAN YR 4 2026-27
BEGINNING BALANCE	\$ 4,244	\$ 4,249	\$ (119,799)	\$ 48,346	\$ 158,576	\$ 267,992	\$ 101,254	\$ 32,544	\$ 35,278
ADD: RESERVE FROM PREVIOUS YEAR	(1)	2	-	75,000	75,000	75,000	75,000	75,000	75,000
ADJUSTED BEGINNING BALANCE	\$ 4,243	\$ 4,251	\$ (119,799)	\$ 123,346	\$ 233,576	\$ 342,992	\$ 176,254	\$ 107,544	\$ 110,278
TICKET SALES	\$ 4,884,794	\$ 5,204,921	\$ 6,210,859	\$ 5,877,532	\$ 6,236,889	\$ 6,584,141	\$ 6,942,139	\$ 7,285,869	7,620,575
LESS: FIELD PAID PRIZES AND COMMISSIONS	3,099,363	3,528,968	4,204,703	3,997,628	4,219,413	4,454,277	4,694,959	4,949,009	5,223,552
Transfers and Earnings	141,700	265,000	-	114,200	83,400	78,200	73,200	68,300	63,500
NET TICKET REVENUES	\$ 1,927,131	\$ 1,940,953	\$ 2,006,156	\$ 1,994,104	\$ 2,100,875	\$ 2,208,064	\$ 2,320,380	\$ 2,405,161	\$ 2,460,523
OTHER REVENUE									
PRIORYEAR LAPSE	21,439	11,013	112,966	104,311	-	-	-	-	-
MISCELLANEOUS REVENUE/INTEREST	3,516	2,868	476	300	300	300	300	300	300
LOAN FROM GENERAL FUND	-	-	-	-	-	-	-	-	-
FUNDS AVAILABLE	\$ 1,956,329	\$ 1,959,085	\$ 1,999,799	\$ 2,222,061	\$ 2,334,752	\$ 2,551,355	\$ 2,496,934	\$ 2,513,005	\$ 2,571,101
LESS: APPROPRIATIONS	1,952,080	2,078,884	1,876,453	1,988,485	1,991,761	2,375,102	2,389,390	2,402,726	2,414,573
LESS: CURRENT YEAR LAPSES	-	-	-	-	-	-	-	-	-
BALANCE BEFORE RESERVE AND ADJUSTMENTS	\$ 4,249	\$ (119,799)	\$ 123,346	\$ 233,576	\$ 342,991	\$ 176,254	\$ 107,544	\$ 110,278	\$ 156,528
ADD: REPAY LOAN FROM GENERAL FUND	-	-	75,000	75,000	75,000	75,000	75,000	75,000	75,000
LESS: CURRENT YEAR RESERVE	-	-	-	-	-	-	-	-	-
ENDING BALANCE - BUDGETARY	\$ 4,249	\$ (119,799)	\$ 48,346	\$ 158,576	\$ 267,992	\$ 101,254	\$ 32,544	\$ 35,278	\$ 81,528