



Monthly Revenue Report December 2008

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GENERAL FUND

General Fund collections of \$2,109.0 million for the month of December were \$156.6 million, or 6.9%, below the official estimate. Fiscal year 2008-09 collections of \$11,157.7 million were below the official estimate by \$814.5 million, or 6.8%.

- Total Corporation Tax collections of \$547.4 million for the month of December were \$14.8 million, or 2.8%, above estimate. Year-to-date collections are \$134.7 million, or 9.0%, below estimate.
- Sales and Use Tax (SUT) revenues of \$638.1 million were \$66.7 million, or 9.5%, below estimate. Year-to-date collections are \$182.6 million, or 4.2%, below estimate.
- Total Personal Income Tax (PIT) collections of \$734.3 million for the month of December were \$58.1 million, or 7.3%, below estimate. Year-to-date collections are \$134.7 million, or 2.9%, below estimate.
- Realty Transfer Tax (RTT) revenues of \$21.3 million were \$14.8 million, or 41.0%, below estimate. Year-to-date collections are \$42.5 million, or 19.2%, below estimate.
- Total Inheritance Tax collections for the month of December were \$56.2 million, or 22.3%, below estimate. Year-to-date collections are \$40.4 million, or 9.5%, below estimate.
- Other tax revenue including Cigarette, Malt Beverage, Liquor, and other miscellaneous tax collections totaled \$95.2 million for the month of December.
- Nontax revenue collections for the month of December fell below the official estimate by \$13.4 million. Year-to-date collections are \$266.6 million below estimate.



MOTOR LICENSE AND GAMING FUNDS

Motor License Fund collections of \$177.0 million in December were \$12.6 million, or 7.7%, above the official estimate. Fiscal year 2008-09 collections totaled \$1,212.4 million and were \$99.9 million, or 7.6%, below the official estimate.

The State Gaming Fund collected \$45.3 million in December. Fiscal year-to-date collections for the Fund total \$287.3 million.

REVENUE RECEIPTS FOR SELECTED SPECIAL FUNDS

(\$ thousands)

| FUND NAME | December 2008 | December 2007 | December 2006 | YTD 2008-09 | YTD 2007-08 | YTD 2006-07 |
|----------------------------------|---------------|---------------|---------------|-------------|-------------|-------------|
| Lottery ¹ | 134,788 | 115,771 | 121,627 | 707,519 | 822,946 | 687,013 |
| Public Transportation Assistance | 6,680 | 6,812 | 6,885 | 93,116 | 95,605 | 93,816 |
| Game Commission | 6,847 | 6,256 | 6,695 | 35,688 | 39,370 | 42,531 |
| Fish | 114 | 675 | 679 | 5,018 | 7,989 | 7,547 |
| Racing | 1,360 | 1,666 | 1,003 | 6,208 | 7,028 | 6,125 |
| Banking | 1,119 | 433 | 641 | 8,225 | 8,955 | 8,602 |
| Fire Insurance | 0 | 0 | 124 | 113 | 2,027 | 1,236 |
| Municipal Pension | 68 | 76 | 90 | 2,499 | 4,001 | 4,932 |
| Highway/Bridge ² | 6,689 | 9,299 | 10,483 | 51,239 | 53,552 | 48,126 |
| State Gaming | 45,301 | 29,332 | 6,087 | 287,310 | 459,039 | 108,936 |
| Economic Development & Tourism | 6,612 | 4,212 | 856 | 42,079 | 30,157 | 1,262 |

¹ Excludes field paid prizes, commissions, and expenses. ² Restricted receipts account within the Motor License Fund.

REFUNDS OF TAXES¹

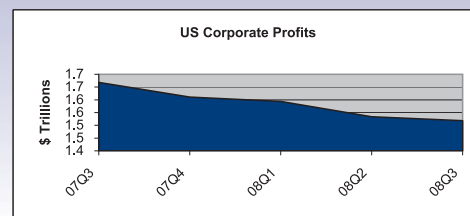
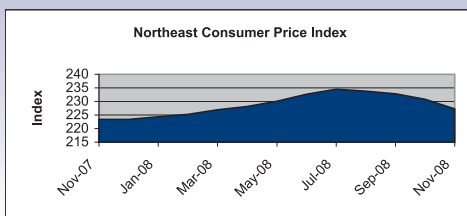
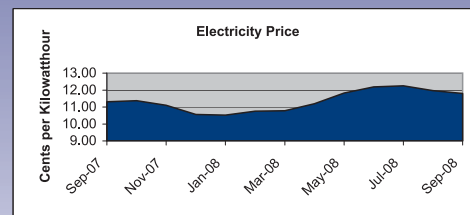
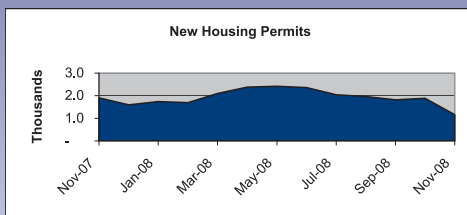
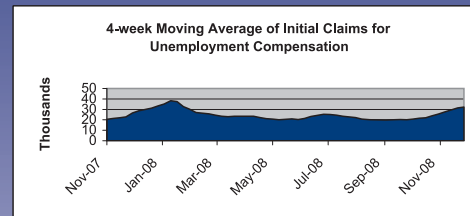
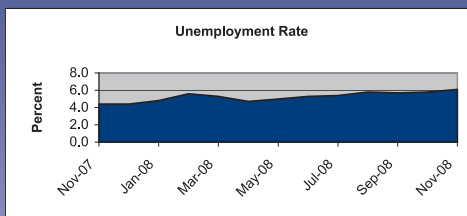
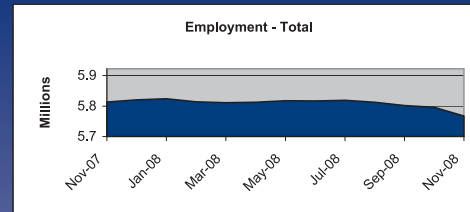
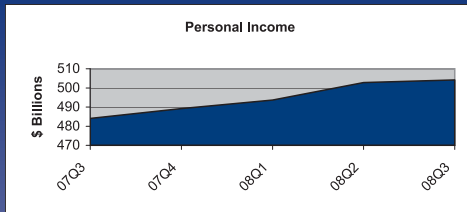
(\$ thousands)

| | December 2008 | December 2007 | December 2006 | YTD 2008-09 | YTD 2007-08 | YTD 2006-07 |
|----------------------------|----------------|---------------|----------------|----------------|----------------|----------------|
| General Fund: | 189,542 | 61,958 | 162,428 | 553,435 | 464,612 | 465,220 |
| Corporation Taxes | 151,566 | 42,584 | 136,858 | 382,984 | 302,700 | 326,893 |
| Sales and Use Tax | 11,349 | 10,190 | 13,535 | 47,501 | 57,118 | 51,587 |
| Employer Tax | 857 | 778 | 678 | 5,039 | 5,642 | 5,512 |
| Personal Income Tax | 23,900 | 7,208 | 9,596 | 107,475 | 88,386 | 69,043 |
| Miscellaneous | 1,870 | 1,198 | 1,760 | 10,435 | 10,766 | 12,186 |
| Motor License Fund: | 1,741 | 988 | 1,746 | 4,958 | 5,613 | 6,359 |

¹ Refund numbers reflect amounts recorded by the Department of Revenue in the executive authorizations for refunds.



KEY ECONOMIC INDICATORS



Data Source:

Personal Income and US Corporate Profits: US Bureau of Economic Analysis

Employment, Unemployment, Consumer Price Index: Bureau of Labor Statistics

Housing Permits: US Census Bureau

Electricity: Energy Information Administration

Initial Claims: PA Department of Labor and Industry

Notes:

Data is seasonally adjusted, except for Initial Claims, Housing Permits, Consumer Price Index, and Electricity. All data is Pennsylvania specific, except for Consumer Price Index, which is for PA, NJ, NY, CT, RI, MA, VT, NH, and ME, and Corporate Profits, which is for the US.



GENERAL FUND GROWTH

(\$ thousands)

| REVENUE SOURCES | December 2008 | December 2007 | Growth | YTD 2008-09 | YTD 2007-08 | Growth |
|-----------------------------------|------------------|------------------|---------------|-------------------|-------------------|----------------|
| TOTAL - GENERAL FUND | 2,108,965 | 2,235,197 | -5.6% | 11,157,697 | 11,693,354 | -4.6% |
| TOTAL - TAX REVENUE | 2,092,434 | 2,206,760 | -5.2% | 11,265,058 | 11,477,431 | -1.9% |
| TOTAL - Corporation Taxes | 547,433 | 553,176 | -1.0% | 1,363,117 | 1,540,255 | -11.5% |
| Accelerated Deposits | 386 | 7,013 | -94.5% | 1,436 | 64 | |
| Corporate Net Income | 383,775 | 376,759 | 1.9% | 940,265 | 1,026,737 | -8.4% |
| Capital Stock & Franchise | 156,404 | 154,712 | 1.1% | 393,545 | 462,620 | -14.9% |
| Selective Business Total | 6,868 | 14,692 | -53.3% | 27,871 | 50,834 | -45.2% |
| Gross Receipts | 4,412 | 7,230 | -39.0% | 13,146 | 25,775 | -49.0% |
| Utility Property | 34 | 86 | -60.6% | 1,805 | 2,366 | -23.7% |
| Insurance Premiums | 1,306 | 85 | | 2,789 | 1,503 | 85.6% |
| Financial Institutions | 736 | 6,160 | -88.1% | 6,655 | 16,916 | -60.7% |
| Other | 380 | 1,131 | -66.4% | 3,475 | 4,274 | -18.7% |
| TOTAL - Consumption Taxes | 730,277 | 768,715 | -5.0% | 4,746,712 | 4,817,175 | -1.5% |
| Sales and Use | 638,081 | 679,423 | -6.1% | 4,214,132 | 4,288,373 | -1.7% |
| Non-Motor Vehicle | 571,786 | 598,052 | -4.4% | 3,723,615 | 3,723,484 | 0.0% |
| Motor Vehicle | 66,294 | 81,371 | -18.5% | 490,517 | 564,889 | -13.2% |
| Cigarette | 66,926 | 64,930 | 3.1% | 401,435 | 402,131 | -0.2% |
| Malt Beverage | 1,935 | 1,642 | 17.9% | 13,674 | 13,972 | -2.1% |
| Liquor | 23,335 | 22,720 | 2.7% | 117,470 | 112,699 | 4.2% |
| TOTAL - Other Taxes | 814,724 | 884,869 | -7.9% | 5,155,230 | 5,120,001 | 0.7% |
| Personal Income | 734,278 | 797,612 | -7.9% | 4,583,605 | 4,471,095 | 2.5% |
| Withholding | 617,752 | 689,576 | -10.4% | 3,866,685 | 3,790,712 | 2.0% |
| Non-Withholding | 116,526 | 108,036 | 7.9% | 716,919 | 680,383 | 5.4% |
| Realty Transfer | 21,307 | 24,203 | -12.0% | 178,538 | 245,593 | -27.3% |
| Inheritance | 56,175 | 57,975 | -3.1% | 386,762 | 397,225 | -2.6% |
| Minor and Repealed | 2,964 | 5,079 | -41.6% | 6,324 | 6,088 | 3.9% |
| TOTAL - NONTAX REVENUE | 16,531 | 28,437 | -41.9% | (107,362) | 215,923 | -149.7% |
| Liquor Store Profits | 0 | 0 | | 0 | 0 | |
| Licenses, Fees & Misc. Total | 15,230 | 19,437 | -21.6% | (117,683) | 184,632 | -163.7% |
| Licenses and Fees | 20,273 | 6,107 | 232.0% | 49,958 | 37,302 | 33.9% |
| Miscellaneous | (5,043) | 13,330 | -137.8% | (167,641) | 147,330 | -213.8% |
| Fines, Penalties & Interest Total | 1,301 | 9,000 | -85.5% | 10,321 | 31,291 | -67.0% |
| FP&I On Taxes | 1,156 | 8,850 | -86.9% | 8,512 | 20,862 | -59.2% |
| FP&I Other | 145 | 150 | -3.4% | 1,809 | 10,429 | -82.7% |



GENERAL FUND COMPARISON OF ACTUAL TO ESTIMATE - DECEMBER 2008

(\$ thousands)

| REVENUE SOURCES | December Actual | December Estimated | Difference Amount | Difference Percent | YTD Actual | YTD Estimated | Difference Amount | Difference Percent |
|-----------------------------------|------------------|--------------------|-------------------|--------------------|-------------------|-------------------|-------------------|--------------------|
| TOTAL - GENERAL FUND | 2,108,965 | 2,265,600 | (156,635) | -6.9% | 11,157,697 | 11,972,200 | (814,503) | -6.8% |
| TOTAL - TAX REVENUE | 2,092,434 | 2,235,700 | (143,266) | -6.4% | 11,265,058 | 11,813,000 | (547,942) | -4.6% |
| TOTAL - Corporation Taxes | 547,433 | 532,600 | 14,833 | 2.8% | 1,363,117 | 1,497,800 | (134,683) | -9.0% |
| Accelerated Deposits | 386 | 0 | 386 | | 1,436 | 0 | 1,436 | |
| Corporate Net Income | 383,775 | 376,700 | 7,075 | 1.9% | 940,265 | 1,017,300 | (77,035) | -7.6% |
| Capital Stock & Franchise | 156,404 | 146,600 | 9,804 | 6.7% | 393,545 | 453,000 | (59,455) | -13.1% |
| Selective Business Total | 6,868 | 9,300 | (2,432) | -26.2% | 27,871 | 27,500 | 371 | 1.3% |
| Gross Receipts | 4,412 | 1,900 | 2,512 | 132.2% | 13,146 | 8,500 | 4,646 | 54.7% |
| Utility Property | 34 | 0 | 34 | | 1,805 | 2,300 | (495) | -21.5% |
| Insurance Premiums | 1,306 | 700 | 606 | 86.5% | 2,789 | 3,300 | (511) | -15.5% |
| Financial Institutions | 736 | 5,700 | (4,964) | -87.1% | 6,655 | 9,400 | (2,745) | -29.2% |
| Other | 380 | 1,000 | (620) | -62.0% | 3,475 | 4,000 | (525) | -13.1% |
| TOTAL - Consumption Taxes | 730,277 | 800,200 | (69,923) | -8.7% | 4,746,712 | 4,945,300 | (198,588) | -4.0% |
| Sales and Use | 638,081 | 704,800 | (66,719) | -9.5% | 4,214,132 | 4,396,700 | (182,568) | -4.2% |
| Non-Motor Vehicle | 571,786 | 625,100 | (53,314) | -8.5% | 3,723,615 | 3,846,000 | (122,385) | -3.2% |
| Motor Vehicle | 66,294 | 79,700 | (13,406) | -16.8% | 490,517 | 550,700 | (60,183) | -10.9% |
| Cigarette | 66,926 | 67,300 | (374) | -0.6% | 401,435 | 408,000 | (6,565) | -1.6% |
| Malt Beverage | 1,935 | 2,000 | (65) | -3.2% | 13,674 | 13,700 | (26) | -0.2% |
| Liquor | 23,335 | 26,100 | (2,765) | -10.6% | 117,470 | 126,900 | (9,430) | -7.4% |
| TOTAL - Other Taxes | 814,724 | 902,900 | (88,176) | -9.8% | 5,155,230 | 5,369,900 | (214,670) | -4.0% |
| Personal Income | 734,278 | 792,400 | (58,122) | -7.3% | 4,583,605 | 4,718,300 | (134,695) | -2.9% |
| Withholding | 617,752 | 649,600 | (31,848) | -4.9% | 3,866,685 | 3,959,000 | (92,315) | -2.3% |
| Non-Withholding | 116,526 | 142,800 | (26,274) | -18.4% | 716,919 | 759,300 | (42,381) | -5.6% |
| Realty Transfer | 21,307 | 36,100 | (14,793) | -41.0% | 178,538 | 221,000 | (42,462) | -19.2% |
| Inheritance | 56,175 | 72,300 | (16,125) | -22.3% | 386,762 | 427,200 | (40,438) | -9.5% |
| Minor and Repealed | 2,964 | 2,100 | 864 | 41.1% | 6,324 | 3,400 | 2,924 | 86.0% |
| TOTAL - NONTAX REVENUE | 16,531 | 29,900 | (13,369) | -44.7% | (107,362) | 159,200 | (266,562) | -167.4% |
| Liquor Store Profits | 0 | 0 | 0 | | 0 | 0 | 0 | |
| Licenses, Fees & Misc. Total | 15,230 | 25,400 | (10,170) | -40.0% | (117,683) | 143,200 | (260,883) | -182.2% |
| Licenses and Fees | 20,273 | 6,600 | 13,673 | 207.2% | 49,958 | 38,200 | 11,78 | 30.8% |
| Miscellaneous | (5,043) | 18,800 | (23,843) | -126.8% | (167,641) | 105,000 | (272,641) | -259.7% |
| Fines, Penalties & Interest Total | 1,301 | 4,500 | (3,199) | -71.1% | 10,321 | 16,000 | (5,679) | -35.5% |
| FP&I On Taxes | 1,156 | 4,100 | (2,944) | -71.8% | 8,512 | 14,200 | (5,688) | -40.1% |
| FP&I Other | 145 | 400 | (255) | -63.8% | 1,809 | 1,800 | 9 | 0.5% |



MOTOR LICENSE FUND GROWTH

(\$ thousands)

| REVENUE SOURCES | December 2008 | December 2007 | Growth | YTD 2008 | YTD 2007 | Growth |
|-------------------------------------|----------------|----------------|----------------|------------------|------------------|--------------|
| TOTAL - MOTOR LICENSE FUND | 176,995 | 160,282 | 10.4% | 1,212,385 | 1,251,060 | -3.1% |
| TOTAL - Liquid Fuels Taxes | 95,110 | 99,617 | -4.5% | 576,433 | 632,717 | -8.9% |
| Liquid Fuels | 44,459 | 37,668 | 18.0% | 238,118 | 295,203 | -19.3% |
| Fuels | 10,279 | 14,683 | -30.0% | 79,295 | 82,656 | -4.1% |
| Motor Carriers/IFTA | 6,834 | 7,113 | -3.9% | 19,271 | 18,292 | 5.4% |
| Alternative Fuels | 24 | 11 | 122.5% | 111 | 533 | -79.1% |
| Oil Company Franchise | 33,514 | 40,142 | -16.5% | 239,638 | 236,033 | 1.5% |
| Total - Licenses and Fees | 89,462 | 52,694 | 69.8% | 410,823 | 387,075 | 6.1% |
| Special Hauling Permits | 1,431 | 1,679 | -14.8% | 11,008 | 10,800 | 1.9% |
| Registrations Other States-IRP | 34,313 | 10,011 | 242.8% | 54,550 | 26,744 | 104.0% |
| Operators Licenses | 5,024 | 4,219 | 19.1% | 31,059 | 30,597 | 1.5% |
| Vehicle Registrations & Titling | 45,947 | 34,136 | 34.6% | 298,044 | 302,783 | -1.6% |
| Miscellaneous Collections | 2,746 | 2,649 | 3.7% | 16,163 | 16,151 | 0.1% |
| Total - Other Motor Receipts | (7,578) | 7,971 | -195.1% | 225,129 | 231,268 | -2.7% |
| Gross Receipts | 0 | 0 | | 3 | 0 | |
| Aeronautics Fines | 0 | 0 | | 0 | 0 | |
| Vehicle Code Fines | 4,046 | 4,308 | -6.1% | 25,115 | 25,114 | 0.0% |
| Miscellaneous - Treasury | (11,361) | 5,978 | -290.0% | (58,827) | 48,541 | -221.2% |
| Miscellaneous - Transportation | 2,520 | 762 | 230.7% | 13,481 | 11,881 | 13.5% |
| Miscellaneous - General Services | 57 | 21 | 172.2% | 860 | 201 | 327.9% |
| Miscellaneous - Revenue | 0 | 0 | | (39) | 0 | |
| Vehicle Code Fines Clearing Acct. | (2,840) | (3,098) | 8.3% | (5,464) | (4,581) | -19.3% |
| PA Turnpike Commission | 0 | 0 | | 250,000 | 150,000 | 66.7% |
| Justice Collections | 0 | 0 | | 0 | 112 | -100.0% |

MOTOR LICENSE FUND COMPARISON OF ACTUAL TO ESTIMATE - DECEMBER 2008

(\$ thousands)

| REVENUE SOURCES | December Actual | December Estimated | Difference | | YTD Actual | YTD Estimated | Difference | |
|-------------------------------------|-----------------|--------------------|-----------------|----------------|------------------|------------------|-----------------|---------------|
| | | | Amount | Percent | | | Amount | Percent |
| TOTAL - MOTOR LICENSE FUND | 176,995 | 164,400 | 12,595 | 7.7% | 1,212,385 | 1,312,245 | (99,860) | -7.6% |
| TOTAL - Liquid Fuels Taxes | 95,110 | 98,270 | (3,160) | -3.2% | 576,433 | 596,235 | (19,802) | -3.3% |
| Liquid Fuels | 44,459 | 47,730 | (3,271) | -6.9% | 238,118 | 261,815 | (23,697) | -9.1% |
| Fuels | 10,279 | 13,610 | (3,331) | -24.5% | 79,295 | 83,590 | (4,295) | -5.1% |
| Motor Carriers/IFTA | 6,834 | 5,930 | 904 | 15.2% | 19,271 | 17,730 | 1,541 | 8.7% |
| Alternative Fuels | 24 | 10 | 14 | 144.7% | 111 | 100 | 11 | 11.3% |
| Oil Company Franchise | 33,514 | 30,990 | 2,524 | 8.1% | 239,638 | 233,000 | 6,638 | 2.8% |
| TOTAL - Licenses and Fees | 89,462 | 56,590 | 32,872 | 58.1% | 410,823 | 406,600 | 4,223 | 1.0% |
| TOTAL - Other Motor Receipts | (7,578) | 9,540 | (17,118) | -179.4% | 225,129 | 309,410 | (84,281) | -27.2% |