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General Fund Revenue Tracking Report: Accruals through February, 2014

This general fund revenue tracking report reflects revenue accruals through February 2014, and some preliminary revenues through April 2014.

Summary. Table 1 shows through February revenue accruals are tracking at \$6.0 billion, which is \$139 million (2.4 percent) above the Consensus Revenue Estimating Group's (CREG) December forecast of \$5.86 billion. Differences from the forecast are identified below:

- Gross receipts tax (GRT) revenue is tracking at \$1,962 million, \$14.5 million (0.7 percent) below the \$1,976 million forecast;
- Personal Income Tax (PIT) revenue is tracking at \$1,269 million, \$57 million (4.7 percent) above the estimate of \$1,212 million;
- Federal Mineral Leasing funds are tracking at \$553 million, \$63 million (13 percent) above the estimate of \$490 million;
- Total mineral production tax revenue is tracking at \$522 million, \$44 million (9.2 percent) above the estimate of \$478 million; and
- Insurance premiums tax revenue is \$107 million, \$20 million (16 percent) below the estimated \$127 million.

Table 2 compares fiscal-year-to-date (FYTD) revenue accruals through February. Recurring revenue is \$3.64 billion, \$175 million (5 percent) above the same period in FY13. The Consensus Revenue Estimating Group (CREG) projects revenue growth for FY14 to be 2.7 percent.

- FY14 GRT collections are 3.5 percent over the same period in FY13; 0.6 percent above the full-year growth forecast of 2.9 percent;
- PIT revenue growth through February is 7 percent, exceeding the -2.4 percent growth predicted for FY14. Through February, withholding tax revenue has grown 6.4 percent, oil and gas withholding tax revenue has increased 1.8 percent greater, and refunds are down 9.6 percent;
- Strength in oil and gas revenues continues to be driven by both production taxes and royalty revenues with FYTD growth of 14.3 percent; and
- Total recurring revenue growth excluding oil and gas through February exceeds the 1.7 percent year-over-year growth forecasted by 1.3 percent.

TABLE 1 - FISCAL YEAR 2014 GENERAL FUND MONTHLY REVENUE TRACKING - Accruals through February

(dollars in millions; italics indicate preliminary actual revenue)

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Row #		ESTIMATED REVENUE ACCRUALS												FY14	TRACKING CHANGE (Δ)			FY13 Prelim	Row #
		July Actual	Aug Actual	Sept Actual	Oct Actual	Nov Actual	Dec Actual	Jan Actual	Feb Actual	Mar Est.	Apr Est.	May Est.	June Est.	Actual + Estimate	FY 14 Dec 13 Est	YTD %Δ	YTD \$Δ		
1	Gross Receipts Tax	155.7	168.7	152.3	163.7	168.7	190.9	155.1	134.1	157.0	165.8	159.5	190.0	1,961.7	1,976.2	-0.7%	(14.5)	1,917.7	1
2	Compensating Tax	6.1	6.5	8.7	5.9	5.0	3.5	6.7	7.2	4.3	3.8	4.8	5.3	67.8	50.4	34.5%	17.4	50.9	2
3	TOTAL GENERAL SALES TAXES	161.8	175.3	161.0	169.6	173.7	194.4	161.8	141.3	161.4	169.6	164.3	195.4	2,029.5	2,026.6	0.1%	2.9	1,968.6	3
4	Tobacco Products & Cigarette Taxes	5.2	7.9	5.1	6.1	7.4	6.2	6.6	6.5	6.7	6.3	7.6	8.6	80.1	83.6	-4.1%	(3.5)	86.1	4
5	Liquor Excise Tax	2.1	2.2	2.0	2.5	2.0	2.5	2.1	1.8	2.3	2.2	2.3	2.7	26.8	27.3	-2.0%	(0.5)	26.2	5
6	Insurance Premiums Tax	0.8	30.3	0.8	3.9	25.3	0.8	1.6	17.9	0.8	0.9	22.7	0.8	106.7	126.7	-15.8%	(20.0)	107.5	6
7	Fire Protection Fund Reversion	-	-	-	-	-	-	-	-	-	-	-	17.4	17.4	0.0%	0.0	18.3	7	
8	Motor Vehicle Excise Tax	11.8	11.8	11.0	11.5	9.3	9.9	11.6	9.2	12.1	11.5	11.8	11.9	133.6	133.2	0.3%	0.4	125.5	8
9	Gaming Excise Tax	5.5	6.0	5.3	5.0	5.3	5.4	5.4	5.6	6.1	5.3	5.5	5.2	65.7	64.4	2.1%	1.3	63.1	9
10	Leased Vehicle Surcharge	0.4	0.8	0.5	0.5	0.4	0.4	0.3	0.3	0.4	0.4	0.5	0.5	5.3	5.5	-2.9%	(0.2)	5.1	10
11	Other	0.0	0.4	0.8	(0.1)	0.1	0.6	(1.5)	0.8	0.2	0.2	0.2	0.2	1.9	2.4	NA	(0.5)	(2.7)	11
12	TOTAL SELECTIVE SALES TAXES	25.9	59.5	25.3	29.5	49.8	26.0	26.1	42.2	28.5	26.8	50.6	47.3	437.6	460.5	-5.0%	(22.9)	429.2	12
13	Withholding	74.4	96.7	87.4	83.3	88.1	108.1	95.4	112.9	116.1	88.0	90.6	105.3	1,146.5	1,157.8	-1.0%	(11.3)	1,078.0	13
14	Final Settlements & Estimated Payments	-	11.8	44.0	20.0	11.4	18.8	50.1	10.8	31.2	133.7	24.2	64.5	420.4	410.6	2.4%	9.8	426.6	14
15	Oil and Gas Withholding Tax	-	0.3	10.9	18.0	3.2	0.6	14.1	8.8	2.7	13.6	4.8	15.8	92.9	75.7	22.7%	17.2	91.2	15
16	Fiduciary Tax	(0.5)	1.3	(0.1)	0.2	0.2	0.9	0.4	(0.4)	2.6	0.2	1.3	(0.1)	6.1	9.4	-35.3%	(3.3)	7.4	16
17	Gross Personal Income Tax	74.0	110.1	142.2	121.5	102.9	128.4	160.0	132.2	152.6	235.6	121.0	185.6	1,665.9	1,653.6	0.7%	12.4	1,603.2	17
18	Refunds	6.9	6.7	7.2	3.9	9.0	85.5	85.2	69.3	53.1	22.6	14.4	9.3	373.1	418.0	-10.7%	(44.8)	340.4	18
19	Retiree Health Care	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.2	24.1	24.0	0.4%	0.1	21.9	19
20	Less: Refunds, distributions to other funds	8.9	8.7	9.2	5.9	11.0	87.5	87.2	71.3	55.1	24.6	16.4	11.5	397.2	442.0	-10.1%	(44.8)	362.3	20
21	NET PERSONAL INCOME TAX	65.1	101.4	133.1	115.6	91.9	40.9	72.8	60.8	97.5	211.0	104.5	174.0	1,268.7	1,211.6	4.7%	57.1	1,240.9	21
22	Gross Corporate Payments	-	3.4	0.6	36.4	24.5	(3.8)	44.6	(0.2)	24.3	43.0	27.5	58.9	259.3	279.0	-7.1%	(19.7)	267.2	22
23	Less: Refunds, Credits & Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	N/A	0.0	0.0	23
24	NET CORPORATE INCOME TAX	-	3.4	0.6	36.4	24.5	(3.8)	44.6	(0.2)	24.3	43.0	27.5	58.9	259.3	279.0	-7.1%	(19.7)	267.2	24
25	TOTAL INCOME TAXES	65.1	104.9	133.7	152.0	116.4	37.0	117.4	60.6	121.9	254.0	132.1	232.9	1,528.0	1,490.5	2.5%	37.5	1,508.1	25
26	Oil and Gas School Tax	38.3	41.8	42.0	40.8	36.6	40.3	40.3	33.4	39.0	38.9	36.8	39.2	467.4	427.1	9.4%	40.3	379.9	26
27	Oil Conservation Tax	2.0	2.3	2.3	2.3	2.0	2.2	2.2	1.8	2.1	2.1	2.3	1.8	25.5	23.3	9.4%	2.2	20.8	27
28	Resources Excise Tax	0.9	1.0	0.9	1.1	1.5	0.7	1.7	1.0	1.1	0.8	0.9	1.3	12.9	11.5	12.5%	1.4	13.5	28
29	Natural Gas Processors Tax	1.4	1.3	1.4	1.4	1.2	1.3	1.3	1.2	1.3	1.3	1.3	1.3	15.8	15.8	-0.2%	(0.0)	24.2	29
30	TOTAL MINERAL PROD. TAXES	42.7	46.4	46.7	45.6	41.4	44.6	45.5	37.3	43.5	43.1	41.3	43.6	521.6	477.7	9.2%	43.9	438.4	30
31	LICENSE FEES	1.4	2.3	2.4	2.2	2.0	1.3	8.5	2.8	7.7	13.5	3.2	2.7	49.7	49.9	-0.3%	-0.2	50.0	31
32	Land Grant Perm. Fund Distributions	37.4	37.4	37.4	37.4	37.4	37.4	37.5	37.5	37.1	37.1	37.1	37.1	447.8	445.3	0.6%	2.5	440.9	32
33	State Treasurer's Earnings	0.1	6.5	(0.4)	6.7	0.9	3.6	3.7	3.9	0.4	0.5	0.7	2.0	28.7	12.1	136.8%	16.6	14.7	33
34	Severance Tax Perm. Fund Distributions	14.2	14.2	14.2	14.2	14.2	14.2	14.2	14.2	14.2	14.2	14.2	14.2	170.4	170.4	0.0%	0.0	176.2	34
35	TOTAL INVESTMENT EARNINGS	51.7	58.1	51.2	58.4	52.5	55.2	55.4	55.6	51.8	51.8	52.0	53.3	646.9	627.8	3.0%	19.1	631.8	35
36	Federal Mineral Leasing Royalties	38.0	40.7	51.1	69.3	37.4	41.9	45.3	51.7	40.6	46.7	45.2	44.9	552.7	490.0	12.8%	62.7	459.6	36
37	State Land Office Bonuses, Rents	5.6	6.3	3.7	2.5	1.3	6.2	5.8	3.8	3.6	2.2	3.4	5.2	49.6	47.6	4.1%	2.0	44.6	37
38	TOTAL RENTS & ROYALTIES	43.6	47.0	54.8	71.8	38.7	48.0	51.1	55.5	44.1	49.0	48.6	50.1	602.3	537.6	12.0%	64.7	504.3	38
39	TRIBAL REVENUE SHARING	0.0	-	17.1	-	0.0	16.0	0.2	0.3	18.4	0.1	0.1	18.1	70.4	72.5	-2.8%	(2.1)	70.7	39
40	MISCELLANEOUS RECEIPTS	1.0	1.1	1.2	1.1	0.9	1.8	1.2	1.1	5.5	4.2	1.3	21.0	41.6	49.2	-15.5%	(7.6)	41.3	40
41	REVERSIONS	-	0.0	0.0	0.6	0.0	0.2	9.9	5.7	6.5	1.4	6.5	44.0	74.7	71.4	4.6%	3.3	65.8	41
42	TOTAL RECURRING REVENUE	393.3	494.5	493.5	530.7	475.5	424.6	477.0	402.3	489.2	613.5	499.9	708.4	6,002.4	5,863.6	2.4%	138.8	5,708.0	42
43	Non-Recurring	0.0	0.6	(0.3)	(0.1)	0.5	(0.4)	(0.2)	0.1	-	-	-	-	0.3	0.0	NA	0.3	0.6	43
44	TOTAL NON-RECURRING REVENUE	0.0	0.6	(0.3)	(0.1)	0.5	(0.4)	(0.2)	0.1	-	-	-	-	0.3	0.0	NA	0.3	0.6	44
45	GRAND TOTAL REVENUE	393.3	495.2	493.2	530.7	475.9	424.2	476.8	402.4	489.2	613.5	499.9	708.4	6,002.7	5,863.6	2.4%	139.1	5,708.6	45

Table 2
General Fund Revenue Accruals: FY14 vs FY13
(in millions of dollars)

Revenue Category	Fiscal Year-to-Date Through February		Year-over-Year Growth	Projected Full-Year Growth: December 2013 Forecast
	FY13	FY14		
General Sales Taxes (GRT & Comp)	\$1,293.6	\$1,338.9	3.5%	2.9%
Personal Income Tax	\$637.0	\$681.6	7.0%	-2.4%
Corporate Income Tax	\$117.3	\$105.5	-10.0%	4.4%
Oil & Gas Revenues *	\$635.0	\$725.5	14.3%	7.7%
Investment Income & Other	\$780.8	\$786.7	0.8%	3.3%
Total Recurring Revenue	\$3,463.6	\$3,638.2	5.0%	2.7%
Total Recurring Excluding Oil & Gas	\$2,828.7	\$2,912.7	3.0%	1.7%

* Oil & Gas revenues include mineral production taxes and rents & royalties.

Taxable Gross Receipts. Table 3 compares fiscal-year-to-date growth of taxable gross receipts (TGR) by industry between FY13 and FY14. Figure 1 illustrates the New Mexico TGR base by industry for FY14 through February. Total TGR increased 2.5 percent compared with the same period in the prior fiscal year, and is detailed by industry below:

- Retail trade, which comprises 24 percent of TGR, remained virtually flat;
- Mining and oil and gas extraction showed 6.3 percent growth;
- Manufacturing also experienced growth, rising 9.9 percent;
- Construction TGR increased by 1.6 percent;
- Professional, scientific and technical services grew by 9.4 percent;
- Unclassified establishments saw the largest percentage change, increasing 101 percent; and
- Excluding mining and oil and gas, TGR growth was 2.2 percent.

Table 3
Taxable Gross Receipts by Industry: FY14 vs FY13 Through February

Industry	FY13 YTD (\$millions)	FY14 YTD (\$millions)	Y/Y Change (%)
Agriculture, Forestry, Fishing and Hunting	\$ 37.0	\$ 46.6	26.0%
Mining and Oil and Gas Extraction	\$ 2,455.6	\$ 2,611.3	6.3%
Utilities	\$ 1,467.8	\$ 1,619.2	10.3%
Construction	\$ 3,701.1	\$ 3,761.5	1.6%
Manufacturing	\$ 1,297.1	\$ 1,425.4	9.9%
Wholesale Trade	\$ 1,537.0	\$ 1,570.8	2.2%
Retail Trade	\$ 8,136.0	\$ 8,129.1	-0.1%
Transportation and Warehousing	\$ 618.8	\$ 455.7	-26.3%
Information and Cultural Industries	\$ 1,600.3	\$ 1,662.0	3.9%
Finance and Insurance	\$ 185.8	\$ 192.4	3.6%
Real Estate and Rental and Leasing	\$ 673.0	\$ 729.0	8.3%
Professional, Scientific and Technical Services	\$ 2,719.8	\$ 2,974.8	9.4%
Management of Companies and Enterprises	\$ 27.9	\$ 29.8	6.9%
Admin and Support, Waste Mgt and Remed	\$ 1,127.5	\$ 1,019.2	-9.6%
Educational Services	\$ 132.8	\$ 137.7	3.7%
Health Care and Social Assistance	\$ 1,397.3	\$ 1,441.1	3.1%
Arts, Entertainment and Recreation	\$ 133.6	\$ 137.8	3.1%
Accommodation and Food Services	\$ 2,267.7	\$ 2,355.0	3.9%
Other Services (except Public Admin)	\$ 3,254.4	\$ 3,161.0	-2.9%
Public Administration	\$ 122.3	\$ 123.7	1.2%
Unclassified Establishments	\$ 122.4	\$ 245.6	100.7%
Total	\$ 33,015.0	\$ 33,828.9	2.5%

Explanation of Revenue Tracking Method. Table 3 shows the latest consensus revenue estimates and monthly accruals in detail. These estimates were based on data available through December and finalized in January 2014. The monthly numbers shown in bold are actuals as reported by the Department of Finance and Administration. The entries in italics are extrapolated from Taxation and Revenue Department accounting documents. The entries in ordinary typeface are a monthly allocation of the annual estimate for the remaining months, based on seasonal historical patterns. They are prepared by LFC staff.

The four shaded columns are of particular importance. The column labeled “FY14 Actual + Estimate” is a sum of monthly DFA actuals, TRD accounting documents, and LFC estimates. The column entitled “FY14 Dec 13 Estimate” is the latest consensus revenue estimate. The next two columns calculate the tracking change in percentage and absolute terms, respectively.

Figure 1
NM TGR Base by Industry: FY14 Through Feb.

