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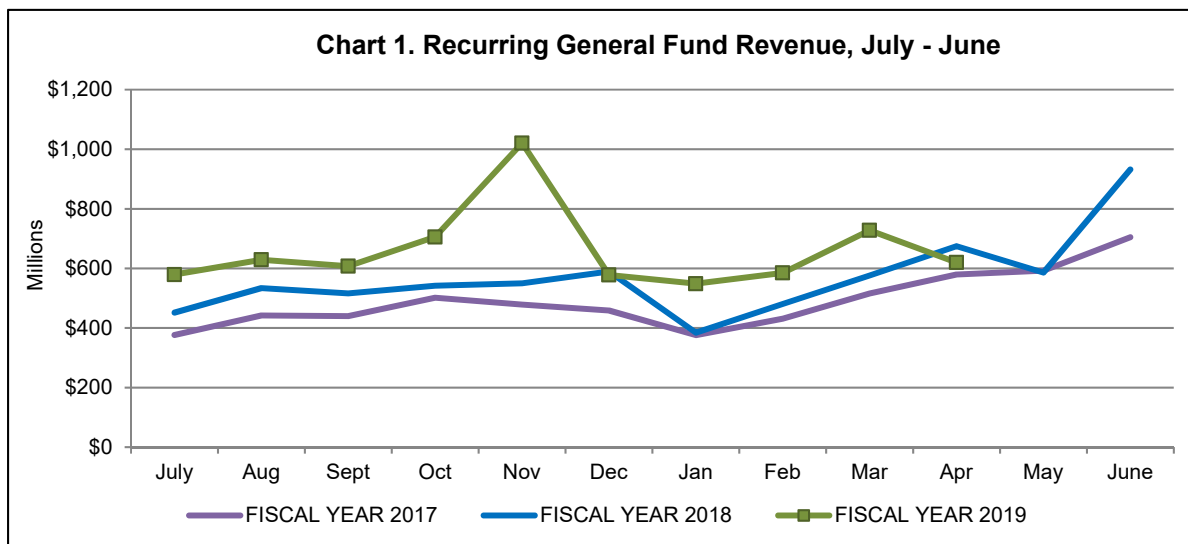
August 2, 2019

General Fund Revenue Tracking Report: Accruals through April 2019

This general fund revenue tracking report reflects revenue accruals through April 2019 as reported by the Department of Finance and Administration.

Summary. General fund recurring revenues were \$619.8 million in April 2019, down \$54.8 million, or 8.1 percent from the same month a year ago. Most of the decrease relates to a change in personal income tax accruals, which shifted typical patterns in March and April reporting of final settlements. Revenues are expected to return to above prior year trends in May.

Recurring revenue collection for FY19 through April was \$6.6 billion, up \$1.3 billion, or 24.6 percent, from the same period a year ago. FY19 recurring general fund revenues are currently tracking \$273.5 million above the forecast due to strong revenues from gross receipts taxes and oil and gas production royalties.



Revenue Tracking. The last page of this report provides the general fund revenue tracking chart for FY19. The chart details the actual revenues received year-to-date and the projected revenues for the remainder of the fiscal year based on the December 2018 consensus revenue estimate. Traditionally, projections for revenue collections through the end of the fiscal year are based on historical monthly shares of revenue collections by revenue source.

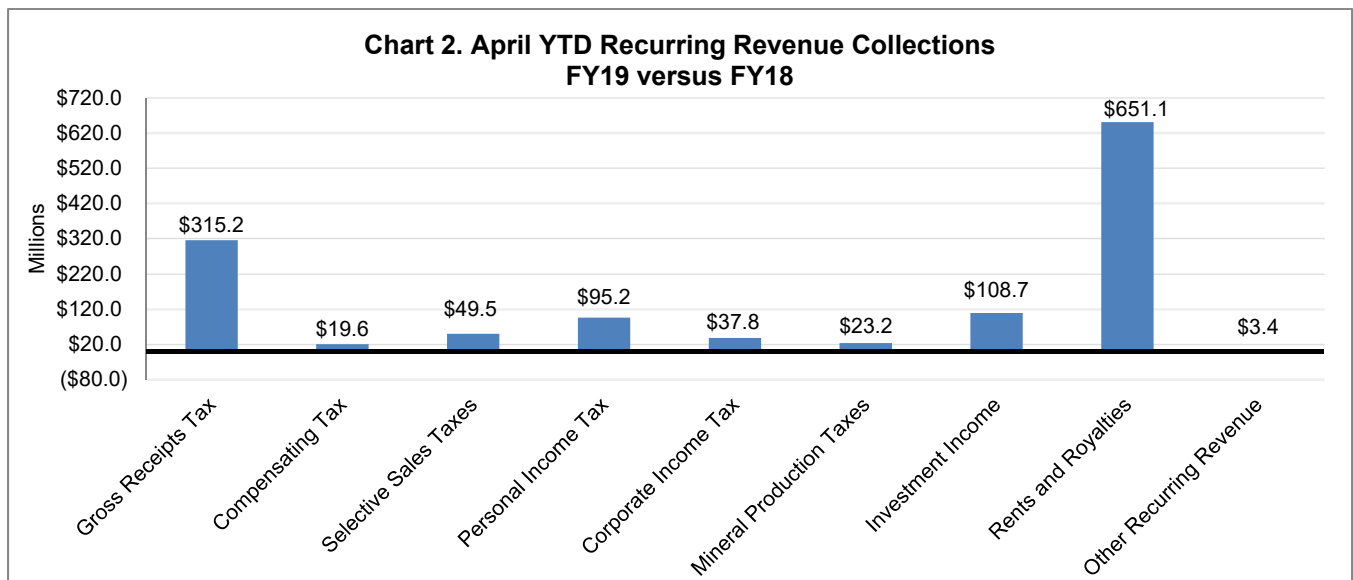
Table 1 and Chart 2 below present the components of fiscal year-to-date (FYTD) revenue through April for FY19 versus FY18.

Table 1. General Fund Revenue Accruals: FY19 vs. FY18							
Revenue Category	April Revenue	April Revenue	Fiscal Year-to-Date Through April		Year-over-Year Amount Change	Year-over-Year Growth	Projected Full-Year Growth: Jan. 2018 Forecast
	FY18	FY19	FY18	FY19 Prelim			
Gross Receipts Tax	\$ 173.1	\$ 243.6	\$1,936.0	\$2,251.2	\$315.2	16.3%	8.3%
Compensating Tax	\$ 5.7	\$ 5.5	\$44.6	\$64.2	\$19.6	44.1%	22.8%
Selective Sales Taxes *	\$ 23.3	\$ 83.9	\$401.5	\$451.0	\$49.5	12.3%	2.5%
Personal Income Tax	\$ 250.1	\$ 133.3	\$1,150.7	\$1,245.9	\$95.2	8.3%	4.4%
Corporate Income Tax	\$ 39.7	\$ (13.8)	\$67.0	\$104.8	\$37.8	56.4%	0.0%
Mineral Production Taxes **	\$ 47.6	\$ 4.5	\$393.6	\$416.8	\$23.2	5.9%	-11.0%
License Fees	\$ 15.2	\$ 11.1	\$51.9	\$46.4	(\$5.5)	-10.6%	-11.4%
Investment Income	\$ 66.1	\$ 76.9	\$665.0	\$773.7	\$108.7	16.3%	10.9%
Rents and Royalties ***	\$ 50.6	\$ 56.4	\$503.1	\$1,154.2	\$651.1	129.4%	29.9%
Tribal Revenue Sharing	\$ -	\$ 17.2	\$50.1	\$55.7	\$5.7	11.3%	13.8%
Miscellaneous Receipts	\$ 1.3	\$ 1.1	\$27.4	\$34.8	\$7.5	27.3%	9.2%
Reversions	\$ 1.9	\$ 0.0	\$7.8	\$3.6	(\$4.2)	-53.9%	8.1%
Subtotal Recurring Rev.	\$ 674.6	\$ 619.8	\$5,298.5	\$6,602.3	\$1,303.8	24.6%	8.0%
Nonrecurring Revenue	\$ 0.0	\$ 0.0	\$43.5	\$0.7	(\$42.8)	-98.3%	-100.0%
Total Recurring, Excluding Direct Oil & Gas	\$ 576.3	\$ 558.9	\$4,401.8	\$5,031.3	\$629.5	14.3%	6.9%
Total Revenue	\$ 674.6	\$ 619.9	\$5,342.0	\$6,603.0	\$1,261.0	23.6%	6.9%

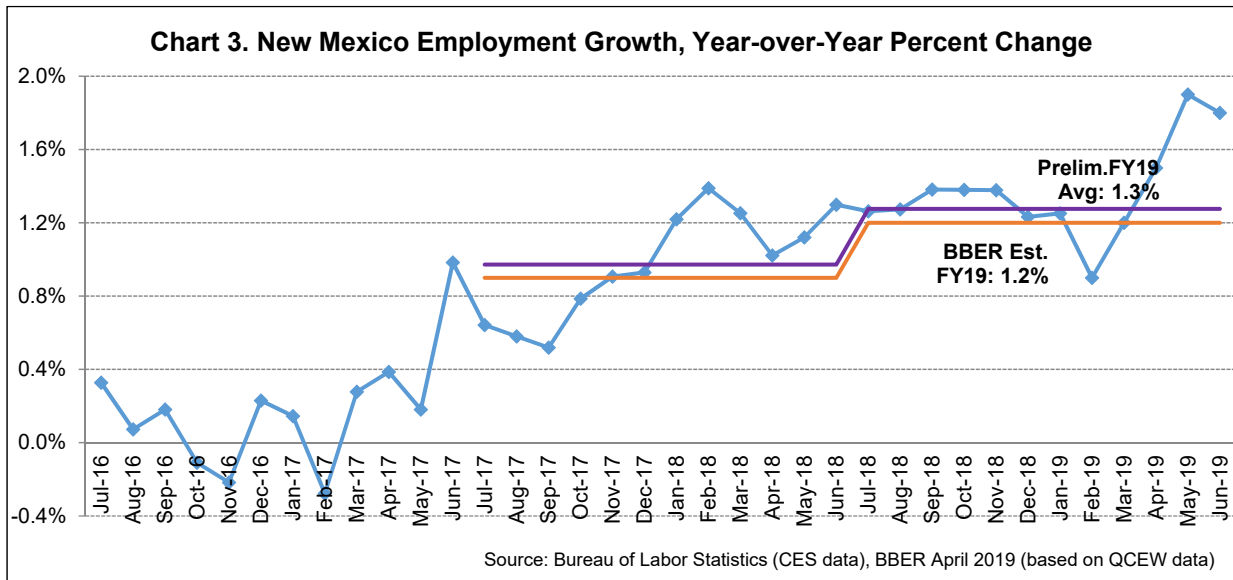
* Includes estimates for insurance

** Includes estimates for Oil and Gas School Tax and Oil and Gas Conservation Tax. Note, Oil and Gas School Tax revenue in excess of the five-year average goes to the tax stabilization reserve fund beginning in FY19; revenues are significantly higher in FY19 YTD than the same time a year ago, but the full-year forecast projects a decline due to this new transfer to the reserve fund in late FY19 after the five-year average is reached.

*** Rents and royalties revenue for FY19 includes the large, unprecedented bonus payment for September 2019 federal land leases, which resulted in a November distribution of \$497 million to New Mexico.



Employment Trends. Chart 3 below reflects New Mexico year-over-year employment growth, with preliminary data from the U.S. Bureau of Labor Statistics’ current employment statistics (CES) survey data. The state’s preliminary reported employment growth increased to 1.9 percent year-over-year in May, the highest year-over-year growth in employment since before the Great Recession. The unemployment rate fell 0.1 percent to 4.9 percent in June, but up 0.1 percent from a year ago. Eddy County had the lowest unemployment rate in April at 3.5 percent followed closely by Los Alamos County at 3.6 percent. Additionally, preliminary CES data for June shows continued strong employment growth at 1.8 percent.



Explanation of Revenue Tracking Method. Appendix 1 shows the latest consensus revenue estimates and monthly accruals in detail. These estimates were finalized in December 2018. 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 “FY19 Actual + Estimate” is a sum of monthly DFA actuals, TRD accounting documents, and LFC estimates. The column entitled “FY19 Forecast” is the latest consensus revenue estimate. The next two columns calculate the tracking change in percentage and absolute terms.

FISCAL YEAR 2019 GENERAL FUND MONTHLY REVENUE TRACKING

(dollars in millions; italics indicate preliminary actual revenue; bold indicates actual revenue)

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	ESTIMATED REVENUE ACCRUALS												FY19	TRACKING CHANGE		
	July Actual	Aug Actual	Sept Actual	Oct Actual	Nov Actual	Dec Actual	Jan Actual	Feb Actual	Mar Actual	Apr Actual	May Estimate	June Estimate	Actual + Estimate	FY19 Dec. Forecast & Legislation	% Diff.	\$ Diff.
Gross Receipts Tax	216.8	229.4	209.1	228.1	222.3	242.1	216.8	214.0	229.0	243.6	243.5	257.4	2,752.0	2,582.7	6.6%	169.3
Compensating Tax	6.4	1.8	6.9	8.0	6.3	7.3	6.6	8.2	7.2	5.5	6.9	7.4	78.6	70.0	12.3%	8.6
TOTAL GENERAL SALES TAXES	223.3	231.3	216.0	236.0	228.6	249.4	223.4	222.2	236.2	249.1	250.4	264.8	2,830.6	2,652.7	6.7%	177.9
Tobacco Products & Cigarette Taxes	5.1	7.6	5.3	6.8	8.1	6.1	3.9	3.9	10.1	4.5	7.0	7.7	76.3	77.4	-1.4%	(1.1)
Liquor Excise Tax	2.0	3.0	1.1	3.2	2.3	2.2	1.0	1.8	2.0	2.1	2.3	2.6	25.6	25.6	-0.1%	(0.0)
Insurance Premiums Tax	0.7	0.9	0.0	67.7	1.2	0.6	52.1	1.3	0.7	58.2	0.8	0.6	184.8	209.7	-11.9%	(24.9)
Fire Protection Fund Reversion	-	-	-	-	-	-	-	-	-	-	-	18.3	18.3	18.3	0.0%	-
Motor Vehicle Excise Tax	12.3	13.6	12.7	13.3	11.2	11.0	13.2	11.2	13.4	13.2	13.2	13.0	151.4	150.6	0.5%	0.8
Gaming Excise Tax	5.3	5.5	5.2	4.9	5.3	5.3	5.1	5.2	6.4	5.3	5.3	5.3	64.1	63.6	0.8%	0.5
Leased Vehicle Surcharge & Other	(0.3)	0.6	0.7	0.6	1.6	0.6	0.8	1.1	0.5	0.5	0.7	0.7	8.1	8.0	1.1%	0.1
TOTAL SELECTIVE SALES TAXES	25.1	31.3	25.1	96.6	29.6	25.8	76.0	24.5	33.0	83.9	29.3	48.3	528.6	553.2	-4.4%	(24.6)
Withholding	100.7	108.0	103.2	100.0	126.6	133.7	104.5	109.0	124.8	100.0	117.4	112.5	1,340.3	1,296.8	3.4%	43.5
Final Settlements	16.4	50.1	24.3	21.0	(1.9)	17.0	22.6	53.0	183.6	30.1	75.9	9.5	501.8	498.8	0.6%	3.0
Oil and Gas Withholding Tax	2.4	2.4	12.3	10.0	(2.8)	9.9	7.1	12.3	12.7	19.6	10.9	19.5	116.2	115.7	0.5%	0.5
Fiduciary Tax	0.2	1.2	(0.6)	(0.2)	(0.7)	0.8	0.1	(1.2)	4.6	0.2	0.9	(0.1)	5.1	5.9	-13.7%	(0.8)
Gross Personal Income Tax	119.6	161.7	139.2	130.8	121.2	161.5	134.3	173.1	325.7	149.9	205.1	141.4	1,963.5	1,917.3	2.4%	46.2
Transfer to PIT Suspense	(4.3)	(7.4)	(8.1)	(5.8)	(17.7)	(86.0)	(90.8)	(65.9)	(48.8)	(14.4)	(11.2)	(9.0)	(369.4)	(330.1)	11.9%	(39.3)
Retiree Health Care	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.1)	(26.1)	(22.9)	14.3%	(3.3)
Less: Refunds, distributions to other funds	(6.5)	(9.6)	(10.3)	(7.9)	(19.9)	(88.2)	(93.0)	(68.1)	(51.0)	(16.6)	(13.4)	(11.1)	(395.5)	(352.9)	12.1%	(42.6)
NET PERSONAL INCOME TAX	113.1	152.1	128.9	122.9	101.3	73.3	41.3	104.9	274.8	133.3	191.7	130.3	1,567.9	1,564.3	0.2%	3.6
CORPORATE INCOME TAX	6.3	7.1	38.8	11.1	1.4	29.5	(8.8)	3.1	30.0	(13.8)	(17.5)	3.3	90.6	110.0	-17.6%	(19.4)
TOTAL INCOME TAXES	119.4	159.3	167.7	134.0	102.8	102.8	32.5	108.0	304.7	119.5	174.2	133.6	1,658.5	1,674.3	-0.9%	(15.8)
Oil and Gas School Tax	48.0	51.3	48.2	50.6	47.5	43.1	44.3	40.7	-	-	-	-	373.6	373.6	0.0%	(0.0)
Oil Conservation Tax	2.5	2.6	2.5	2.6	2.4	2.2	2.3	2.3	2.7	2.8	2.6	2.3	29.7	25.5	16.6%	4.2
Resources Excise Tax	0.6	0.7	0.8	0.7	0.6	0.5	0.7	0.6	0.5	0.4	0.8	0.7	7.7	7.5	3.2%	0.2
Natural Gas Processors Tax	1.3	1.2	1.2	1.2	1.1	1.2	1.2	1.1	1.3	1.2	1.6	1.3	14.9	15.3	-2.4%	(0.4)
TOTAL MINERAL PROD. TAXES	52.4	55.9	52.6	55.1	51.7	47.0	48.5	44.8	4.5	4.5	4.9	4.2	426.0	421.9	1.0%	4.1
LICENSE FEES	-	5.2	1.9	2.1	0.8	3.8	8.7	5.2	7.5	11.1	2.9	2.4	51.7	54.5	-5.1%	(2.8)
Land Grant Perm. Fund Distributions	53.1	53.1	53.1	53.2	53.2	53.2	53.2	53.3	53.3	53.3	53.0	53.0	638.0	636.2	0.3%	1.8
State Treasurer's Earnings	1.6	4.7	0.3	3.0	6.4	12.5	7.2	3.8	13.1	5.2	2.4	2.4	62.6	28.5	119.6%	34.1
Severance Tax Perm. Fund Distributions	18.4	18.4	18.4	18.4	18.4	18.4	18.4	18.4	18.4	18.4	18.4	18.4	220.6	220.6	0.0%	0.0
TOTAL INVESTMENT EARNINGS	73.1	76.2	71.8	74.6	78.0	84.1	78.8	75.5	84.8	76.9	73.8	73.8	921.2	885.3	4.1%	35.9
Federal Mineral Leasing Royalties	67.8	55.8	45.6	100.0	497.3	53.5	53.4	57.6	47.9	50.3	56.8	60.5	1,146.3	1,098.0	4.4%	48.3
State Land Office Bonuses, Rents	17.4	10.7	7.2	6.1	18.6	10.5	7.7	32.5	8.4	6.1	2.2	5.1	132.5	84.4	56.9%	48.1
TOTAL RENTS & ROYALTIES	85.2	66.5	52.8	106.0	515.9	64.0	61.1	90.0	56.2	56.4	59.0	65.6	1,278.7	1,182.4	8.1%	96.3
TRIBAL REVENUE SHARING	-	-	18.7	-	0.9	0.2	18.4	0.0	0.3	17.2	0.4	18.3	74.5	74.8	-0.4%	(0.3)
MISCELLANEOUS RECEIPTS	1.1	1.0	0.8	1.0	12.2	1.0	1.0	14.9	0.5	1.1	1.2	16.2	52.3	48.3	8.2%	4.0
REVERSIONS	-	2.5	0.1	0.1	0.5	(0.0)	0.4	(0.0)	0.0	0.0	2.5	35.2	41.2	42.5	-3.0%	(1.3)
TOTAL RECURRING REVENUE	579.4	629.1	607.5	705.6	1,021.0	578.1	548.9	585.1	727.8	619.8	598.7	662.5	7,863.4	7,590.0	3.6%	273.5
Non-Recurring	0.0	0.2	(0.0)	0.1	0.4	(0.1)	0.0	0.2	(0.2)	0.0	-	-	0.7	(100.0)	(100.0)	0.7
Additional Transfers	-	-	-	-	-	-	-	-	-	-	(100.0)	-	(100.0)	(100.0)	(100.0)	(100.0)
TOTAL NON-RECURRING REVENUE	0.0	0.2	(0.0)	0.1	0.4	(0.1)	0.0	0.2	(0.2)	0.0	(100.0)	-	(99.3)	(100.0)	(100.0)	0.7
GRAND TOTAL REVENUE	579.4	629.3	607.5	705.7	1,021.4	578.0	548.9	585.3	727.7	619.9	498.7	662.5	7,764.2	7,490.0	3.7%	274.2

Estimates are developed by LFC and based on the consensus revenue estimate and historical monthly patterns.

Oil and gas school tax distributions expected to divert to Tax Stabilization Reserve beginning in March 2019.

Non-recurring additional transfer in May reflects film credit payout per Chapter 87, Laws 2019 (SB2)