

Economic Outlook and Revenue Assessment Committee

Idaho General Fund Forecast FY 2018, FY 2019, and FY 2020

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IDAHO ECONOMIC FORECAST
FISCAL YEAR EXECUTIVE SUMMARY
JANUARY 2018

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
U.S. GDP (BILLIONS)												
Current \$	14,529	14,630	15,247	15,867	16,386	17,025	17,832	18,345	18,986	19,817	20,705	21,640
% Ch	-1.1%	0.7%	4.2%	4.1%	3.3%	3.9%	4.7%	2.9%	3.5%	4.4%	4.5%	4.5%
2009 Chain-Weighted	14,550	14,574	14,914	15,216	15,445	15,782	16,293	16,578	16,891	17,314	17,706	18,103
% Ch	-2.6%	0.2%	2.3%	2.0%	1.5%	2.2%	3.2%	1.7%	1.9%	2.5%	2.3%	2.2%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	49,607	48,952	51,405	53,816	56,617	58,988	62,654	65,426	67,758	70,374	73,631	77,161
% Ch	-1.3%	-1.3%	5.0%	4.7%	5.2%	4.2%	6.2%	4.4%	3.6%	3.9%	4.6%	4.8%
Idaho Nonfarm (Millions)	48,308	47,671	49,567	51,714	54,354	56,633	60,284	63,245	65,688	68,465	71,611	75,068
% Ch	-0.6%	-1.3%	4.0%	4.3%	5.1%	4.2%	6.4%	4.9%	3.9%	4.2%	4.6%	4.8%
U.S. (Billions)	12,275	12,212	12,883	13,556	14,026	14,393	15,223	15,764	16,166	16,720	17,477	18,323
% Ch	-0.4%	-0.5%	5.5%	5.2%	3.5%	2.6%	5.8%	3.6%	2.5%	3.4%	4.5%	4.8%
PERSONAL INCOME - 2009 \$												
Idaho (Millions)	49,636	48,483	50,027	51,130	52,979	54,426	57,324	59,462	60,619	62,082	63,936	65,717
% Ch	-2.5%	-2.3%	3.2%	2.2%	3.6%	2.7%	5.3%	3.7%	1.9%	2.4%	3.0%	2.8%
Idaho Nonfarm (Millions)	48,338	47,215	48,240	49,133	50,863	52,254	55,156	57,480	58,768	60,398	62,182	63,935
% Ch	-1.8%	-2.3%	2.2%	1.9%	3.5%	2.7%	5.6%	4.2%	2.2%	2.8%	3.0%	2.8%
U.S. (Billions)	12,282	12,095	12,538	12,879	13,126	13,280	13,928	14,327	14,463	14,750	15,176	15,605
% Ch	-1.6%	-1.5%	3.7%	2.7%	1.9%	1.2%	4.9%	2.9%	0.9%	2.0%	2.9%	2.8%
HOUSING STARTS												
Idaho	5,847	6,239	4,124	5,842	8,042	9,817	9,963	11,291	12,554	14,141	14,581	14,864
% Ch	-46.5%	6.7%	-33.9%	41.6%	37.6%	22.1%	1.5%	13.3%	11.2%	12.6%	3.1%	1.9%
U.S. (Millions)	0.646	0.594	0.570	0.684	0.877	0.955	1.056	1.149	1.201	1.200	1.308	1.420
% Ch	-42.9%	-8.1%	-4.1%	20.1%	28.1%	8.9%	10.5%	8.9%	4.5%	0.0%	9.0%	8.5%
TOTAL NONFARM EMPLOYMENT												
Idaho	629,224	603,615	605,536	616,186	630,566	646,689	662,398	683,268	704,879	723,411	736,244	748,825
% Ch	-4.0%	-4.1%	0.3%	1.8%	2.3%	2.6%	2.4%	3.2%	3.2%	2.6%	1.8%	1.7%
U.S. (Thousands)	134,374	130,173	131,003	133,094	135,210	137,559	140,424	143,092	145,433	147,390	149,106	150,478
% Ch	-2.7%	-3.1%	0.6%	1.6%	1.6%	1.7%	2.1%	1.9%	1.6%	1.3%	1.2%	0.9%
SELECTED INTEREST RATES												
Federal Funds	0.7%	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	0.3%	0.6%	1.3%	2.0%	2.6%
Bank Prime	3.9%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.4%	3.7%	4.4%	5.1%	5.6%
Existing Home Mortgage	5.7%	5.1%	4.8%	4.3%	3.6%	4.4%	4.1%	4.0%	4.0%	4.2%	4.7%	5.2%
INFLATION												
GDP Price Deflator	1.6%	0.6%	1.8%	2.0%	1.7%	1.7%	1.4%	1.1%	1.6%	1.8%	2.2%	2.2%
Personal Cons Deflator	1.2%	1.0%	1.8%	2.4%	1.5%	1.4%	0.9%	0.7%	1.6%	1.4%	1.6%	2.0%
Consumer Price Index	1.4%	1.0%	2.0%	2.9%	1.7%	1.6%	0.7%	0.7%	1.9%	1.8%	2.0%	2.4%

IDAHO ECONOMIC FORECAST
FISCAL YEAR EXECUTIVE SUMMARY
FEBRUARY 2018

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
U.S. GDP (BILLIONS)												
Current \$	14,529	14,630	15,247	15,867	16,386	17,025	17,832	18,345	18,986	19,832	20,799	21,772
% Ch	-1.1%	0.7%	4.2%	4.1%	3.3%	3.9%	4.7%	2.9%	3.5%	4.5%	4.9%	4.7%
2009 Chain-Weighted	14,550	14,574	14,914	15,216	15,445	15,782	16,293	16,578	16,891	17,322	17,778	18,192
% Ch	-2.6%	0.2%	2.3%	2.0%	1.5%	2.2%	3.2%	1.7%	1.9%	2.6%	2.6%	2.3%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	49,607	48,952	51,405	53,816	56,617	58,988	62,654	65,426	67,758	70,592	74,302	78,175
% Ch	-1.3%	-1.3%	5.0%	4.7%	5.2%	4.2%	6.2%	4.4%	3.6%	4.2%	5.3%	5.2%
Idaho Nonfarm (Millions)	48,308	47,671	49,567	51,714	54,354	56,633	60,284	63,245	65,688	68,746	72,234	75,992
% Ch	-0.6%	-1.3%	4.0%	4.3%	5.1%	4.2%	6.4%	4.9%	3.9%	4.7%	5.1%	5.2%
U.S. (Billions)	12,275	12,212	12,883	13,556	14,026	14,393	15,223	15,764	16,160	16,729	17,577	18,491
% Ch	-0.4%	-0.5%	5.5%	5.2%	3.5%	2.6%	5.8%	3.6%	2.5%	3.5%	5.1%	5.2%
PERSONAL INCOME - 2009 \$												
Idaho (Millions)	49,636	48,483	50,027	51,130	52,979	54,426	57,324	59,462	60,619	62,218	64,548	66,603
% Ch	-2.5%	-2.3%	3.2%	2.2%	3.6%	2.7%	5.3%	3.7%	1.9%	2.6%	3.7%	3.2%
Idaho Nonfarm (Millions)	48,338	47,215	48,240	49,133	50,863	52,254	55,156	57,480	58,768	60,591	62,751	64,743
% Ch	-1.8%	-2.3%	2.2%	1.9%	3.5%	2.7%	5.6%	4.2%	2.2%	3.1%	3.6%	3.2%
U.S. (Billions)	12,282	12,095	12,538	12,879	13,126	13,280	13,928	14,327	14,457	14,745	15,269	15,754
% Ch	-1.6%	-1.5%	3.7%	2.7%	1.9%	1.2%	4.9%	2.9%	0.9%	2.0%	3.6%	3.2%
HOUSING STARTS												
Idaho	5,847	6,239	4,124	5,842	8,042	9,817	9,963	11,291	12,554	14,350	14,958	15,877
% Ch	-46.5%	6.7%	-33.9%	41.6%	37.6%	22.1%	1.5%	13.3%	11.2%	14.3%	4.2%	6.1%
U.S. (Millions)	0.646	0.594	0.570	0.684	0.877	0.955	1.056	1.149	1.201	1.240	1.347	1.436
% Ch	-42.9%	-8.1%	-4.1%	20.1%	28.1%	8.9%	10.5%	8.9%	4.5%	3.3%	8.6%	6.6%
TOTAL NONFARM EMPLOYMENT												
Idaho	629,224	603,615	605,536	616,186	630,566	646,689	662,398	683,268	704,879	723,929	739,712	756,053
% Ch	-4.0%	-4.1%	0.3%	1.8%	2.3%	2.6%	2.4%	3.2%	3.2%	2.7%	2.2%	2.2%
U.S. (Thousands)	134,374	130,173	131,003	133,094	135,210	137,559	140,424	143,092	145,433	147,530	150,019	151,684
% Ch	-2.7%	-3.1%	0.6%	1.6%	1.6%	1.7%	2.1%	1.9%	1.6%	1.4%	1.7%	1.1%
SELECTED INTEREST RATES												
Federal Funds	0.7%	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	0.3%	0.6%	1.4%	2.2%	2.8%
Bank Prime	3.9%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.4%	3.7%	4.5%	5.3%	5.9%
Existing Home Mortgage	5.7%	5.1%	4.8%	4.3%	3.6%	4.4%	4.1%	4.0%	4.0%	4.3%	4.9%	5.3%
INFLATION												
GDP Price Deflator	1.6%	0.6%	1.8%	2.0%	1.7%	1.7%	1.4%	1.1%	1.6%	1.9%	2.2%	2.3%
Personal Cons Deflator	1.2%	1.0%	1.8%	2.4%	1.5%	1.4%	0.9%	0.7%	1.6%	1.5%	1.5%	2.0%
Consumer Price Index	1.4%	1.0%	2.0%	2.9%	1.7%	1.6%	0.7%	0.7%	1.9%	1.9%	1.6%	2.5%

**IDAHO ECONOMIC FORECAST
FORECASTS COMPARISON
DIFFERENCES BETWEEN
FEBRUARY 2018 vs. JANUARY 2018 FORECASTS**

	2014	2015	2016	2017	2018	2019	2020
U.S. GDP (BILLIONS)							
Current \$	0	0	0	0	15	94	131
% Difference	0.0%	0.0%	0.0%	0.0%	0.1%	0.5%	0.6%
2009 Chain-Weighted	0	0	0	0	8	72	89
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.5%
PERSONAL INCOME - CURR \$							
Idaho (Millions)	0	0	0	0	218	671	1,014
% Difference	0.0%	0.0%	0.0%	0.0%	0.3%	0.9%	1.3%
U.S. (Billions)	0	0	0	-6	9	100	168
% Difference	0.0%	0.0%	0.0%	0.0%	0.1%	0.6%	0.9%
PERSONAL INCOME - 2009 \$							
Idaho (Millions)	0	0	0	0	136	612	886
% Difference	0.0%	0.0%	0.0%	0.0%	0.2%	1.0%	1.3%
U.S. (Billions)	0	0	0	-6	-5	94	148
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	0.6%	0.9%
TOTAL NONFARM EMPLOYMENT							
Idaho	0	0	0	0	519	3,468	7,228
% Difference	0.0%	0.0%	0.0%	0.0%	0.1%	0.5%	1.0%
U.S. (Thousands)	0	0	0	0	140	913	1,205
% Difference	0.0%	0.0%	0.0%	0.0%	0.1%	0.6%	0.8%
GOODS PRODUCING SECTOR							
Idaho	0	0	0	0	103	385	1,358
% Difference	0.0%	0.0%	0.0%	0.0%	0.1%	0.3%	1.1%
U.S. (Thousands)	0	0	0	0	49	53	89
% Difference	0.0%	0.0%	0.0%	0.0%	0.2%	0.3%	0.4%
NONGOODS PRODUCING SECTOR							
Idaho	0	0	0	0	416	3,083	5,870
% Difference	0.0%	0.0%	0.0%	0.0%	0.1%	0.5%	0.9%
U.S. (Thousands)	0	0	0	0	91	859	1,116
% Difference	0.0%	0.0%	0.0%	0.0%	0.1%	0.7%	0.9%
SELECTED INTEREST RATES							
Federal Funds Rate	0.0%	0.0%	0.0%	0.0%	0.1%	0.2%	0.3%
Bank Prime Rate	0.0%	0.0%	0.0%	0.0%	0.1%	0.2%	0.3%
Existing Home Mortgage Rate	0.0%	0.0%	0.0%	0.0%	0.1%	0.2%	0.1%
INFLATION							
GDP Price Deflator	0.000	0.000	0.000	0.000	0.035	0.058	0.136
Personal Cons Deflator	0.000	0.000	0.000	0.000	0.103	-0.052	-0.040
Consumer Price Index	0.000	0.000	0.000	0.000	0.001	-0.007	-0.006

IDAHO GENERAL FUND REVENUE

Includes Impacts of Federal Tax Reform, but not Idaho Conformity

SOURCE	ACTUAL FY 2017	FY 2018	FORECAST FY 2019	FY 2020
INDIVIDUAL INCOME TAX	\$1,651,195,565	\$1,759,673,200	\$1,853,194,300	\$1,932,499,900
% CHANGE	9.1%	6.6%	5.3%	4.3%
CORPORATE INCOME TAX	\$214,020,077	\$215,776,200	\$234,960,400	\$241,894,800
% CHANGE	14.5%	0.8%	8.9%	3.0%
SALES TAX	\$1,382,418,159	\$1,471,544,400	\$1,546,049,700	\$1,630,482,000
% CHANGE	6.1%	6.4%	5.1%	5.5%
CIGARETTE TAX	\$9,975,000	\$7,305,800	\$10,809,500	\$10,559,500
TOBACCO PRODUCTS	\$12,651,919	\$13,189,800	\$13,216,400	\$13,411,700
BEER TAX	\$1,935,200	\$1,949,200	\$1,984,400	\$2,022,000
WINE TAX	\$4,651,593	\$4,809,000	\$5,029,400	\$5,250,400
LIQUOR SURCHARGE	<u>\$28,880,000</u>	<u>\$30,960,000</u>	<u>\$32,491,200</u>	<u>\$33,029,400</u>
PRODUCT TAXES	\$58,093,713	\$58,213,800	\$63,530,900	\$64,273,000
% CHANGE	12.1%	0.2%	9.1%	1.2%
KILOWATT-HOUR TAX	\$2,107,505	\$2,400,000	\$2,100,000	\$2,000,000
MINE LICENSE TAX	\$50,048	\$200,000	\$300,000	\$400,000
INTEREST EARNINGS	(\$147,382)	(\$828,400)	\$1,935,700	\$2,055,000
COURT FEES AND FINES	\$8,443,895	\$8,582,000	\$8,709,500	\$8,845,900
INSURANCE PREMIUM TAX	\$75,423,199	\$69,539,700	\$69,531,800	\$69,527,300
ALCOHOLIC BEVERAGE LICENSES	\$0	(\$300)	\$0	\$0
UCC FILINGS	\$3,169,313	\$3,560,500	\$3,711,000	\$3,861,500
UNCLAIMED PROPERTY	\$10,369,302	\$9,000,000	\$9,000,000	\$9,000,000
LANDS	\$129,883	\$183,900	\$53,800	\$57,000
ONE-TIME TRANSFERS	\$14,337,604	\$5,055,200	\$0	\$0
ESTATE TAX	\$0	\$0	\$0	\$0
OTHER DEPTS & TRANSFERS	<u>\$28,796,076</u>	<u>\$27,975,100</u>	<u>\$30,050,900</u>	<u>\$30,161,800</u>
MISC. REVENUE	\$142,679,444	\$125,667,700	\$125,392,700	\$125,908,500
% CHANGE	11.0%	-11.9%	-0.2%	0.4%
TOTAL GENERAL FUND*	\$3,448,406,957	\$3,630,875,300	\$3,823,128,000	\$3,995,058,200
% CHANGE	8.3%	5.3%	5.3%	4.5%

* Totals may not add due to rounding.

GENERAL FUND REVENUE

SOURCE	ACTUAL FY 2017	FY 2018	FORECAST FY 2019	FY 2020
INDIVIDUAL INCOME TAX	\$1,651,195,565	\$1,754,095,100	\$1,834,652,300	\$1,904,280,500
% CHANGE	9.1%	6.2%	4.6%	3.8%
CORPORATE INCOME TAX	\$214,020,077	\$211,100,800	\$224,764,500	\$233,022,600
% CHANGE	14.5%	-1.4%	6.5%	3.7%
SALES TAX	\$1,382,418,159	\$1,466,174,400	\$1,531,358,700	\$1,601,273,400
% CHANGE	6.1%	6.1%	4.4%	4.6%
CIGARETTE TAX	\$9,975,000	\$7,305,800	\$10,809,500	\$10,559,500
TOBACCO PRODUCTS	\$12,651,919	\$13,766,800	\$14,054,100	\$14,300,700
BEER TAX	\$1,935,200	\$1,943,600	\$1,967,200	\$1,996,100
WINE TAX	\$4,651,593	\$4,792,600	\$4,981,700	\$5,182,400
LIQUOR SURCHARGE	<u>\$28,880,000</u>	<u>\$30,960,000</u>	<u>\$32,491,200</u>	<u>\$33,029,400</u>
PRODUCT TAXES	\$58,093,713	\$58,768,800	\$64,303,700	\$65,068,100
% CHANGE	12.1%	1.2%	9.4%	1.2%
KILOWATT-HOUR TAX	\$2,107,505	\$2,400,000	\$2,100,000	\$2,000,000
MINE LICENSE TAX	\$50,048	\$200,000	\$300,000	\$400,000
INTEREST EARNINGS	(\$147,382)	(\$828,400)	\$1,935,700	\$2,055,000
COURT FEES AND FINES	\$8,443,895	\$8,581,600	\$8,705,600	\$8,835,500
INSURANCE PREMIUM TAX	\$75,423,199	\$69,539,700	\$69,531,800	\$69,527,300
ALCOHOLIC BEVERAGE LICENSES	\$0	(\$300)	\$0	\$0
UCC FILINGS	\$3,169,313	\$3,560,500	\$3,711,000	\$3,861,500
UNCLAIMED PROPERTY	\$10,369,302	\$9,000,000	\$9,000,000	\$9,000,000
LANDS	\$129,883	\$183,900	\$53,800	\$57,000
ONE-TIME TRANSFERS	\$14,337,604	\$5,055,200	\$0	\$0
ESTATE TAX	\$0	\$0	\$0	\$0
OTHER DEPTS & TRANSFERS	<u>\$28,796,076</u>	<u>\$27,975,100</u>	<u>\$30,050,900</u>	<u>\$30,161,800</u>
MISC. REVENUE	\$142,679,444	\$125,667,300	\$125,388,800	\$125,898,100
% CHANGE	11.0%	-11.9%	-0.2%	0.4%
TOTAL GENERAL FUND*	\$3,448,406,957	\$3,615,806,400	\$3,780,468,000	\$3,929,542,700
% CHANGE	8.3%	4.9%	4.6%	3.9%

* Totals may not add due to rounding.