



University Forecasting Committee Revenue Estimate

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Idaho's Economic Outlook

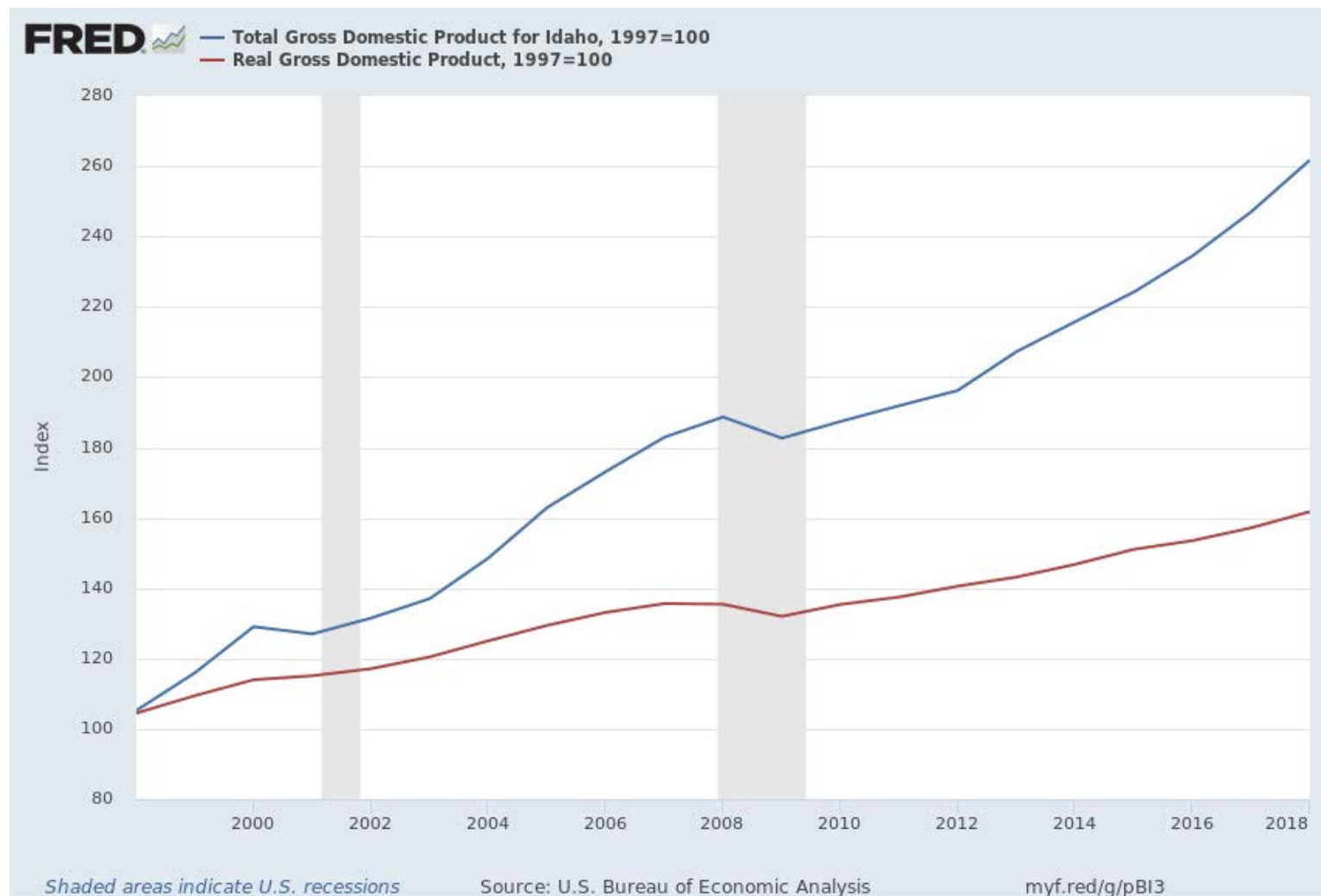
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- Continued Population Growth
 - $\approx 1.5\%$ annually
- Continued Economic Growth
 - Personal income growth of 6 to 7% this fiscal year
 - Personal income growth slowing to 3 to 5% next fiscal year
 - Back to trend (between 6 and 8%) for FY2022



Idaho and the National Economy¹

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National Economic Outlook

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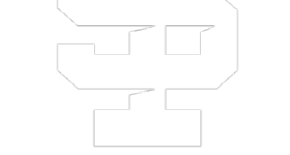
- Growth forecast to be below the long-term trend for 2020
 - Average from 1947 to 2019 was 3.21%²
 - 2019:Q2 growth was 2.0%, 2019:Q3 growth was 2.1%³



National Risks to Growth:

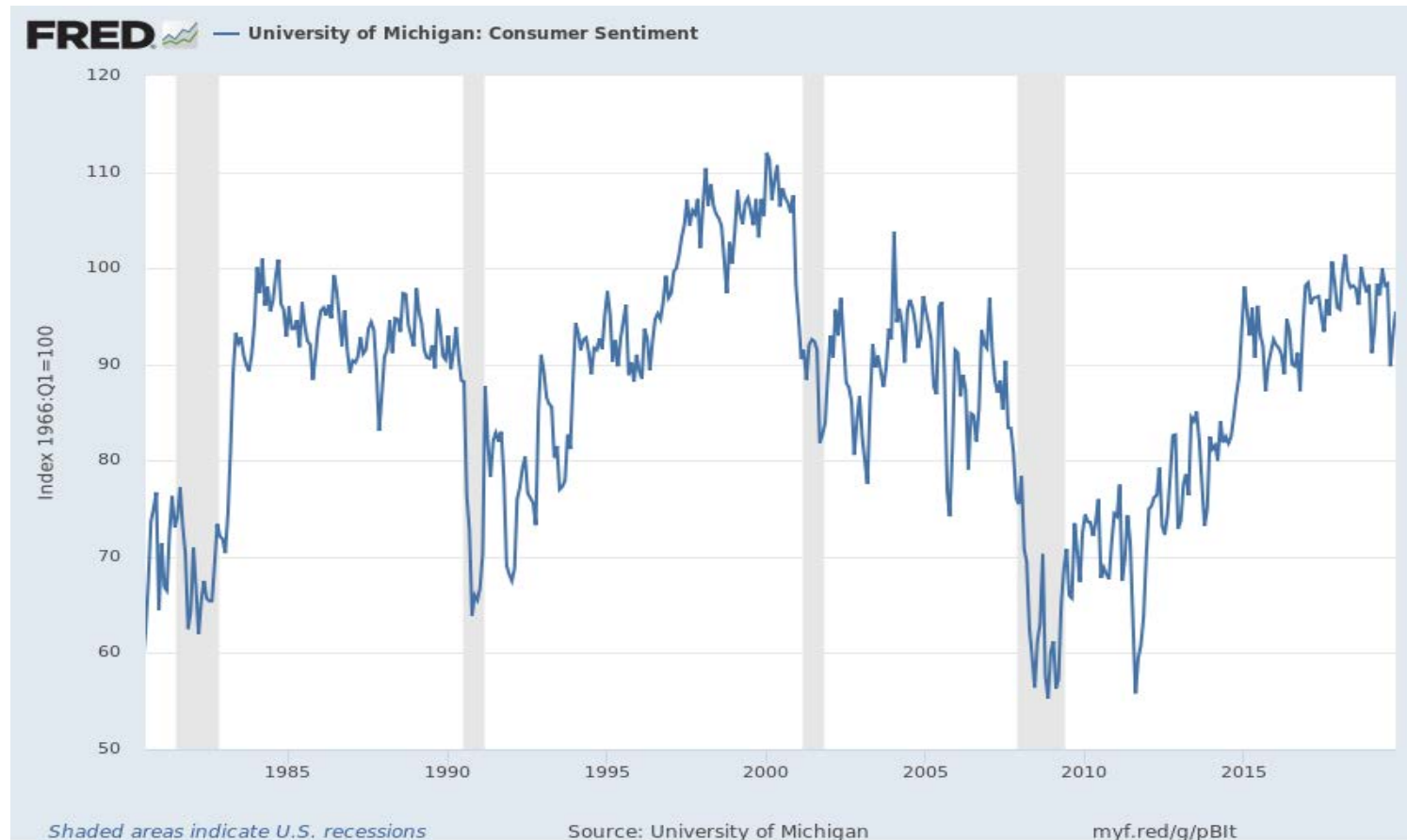
$$Y = C + I + G + NX$$

- Net Exports
 - Trade Frictions Relatively High
- Investment
 - Slowdowns in Manufacturing & Transportation
 - TCJA: Stock buyback vs. real investment
 - Inverted Yield Curve in 2019:Q3



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National Upside for Growth: Consumption Remains Strong⁴



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Upcoming Signposts

- Brexit
- US / China Trade: Phase 1 deal by end of month?
- 2020 Q1 Indicators/Data
 - Manufacturing & Transportation
 - Consumer Spending & Sentiment

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General Fund Revenue Forecast

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| IDAHO GENERAL FUND REVENUES (\$ MILLION) | ACTUAL FY 2019 | FY 2020 | FORECAST FY 2021 | FY 2022 |
|---|-------------------|-------------------|---------------------|-------------------|
| SOURCE | | | | |
| INDIVIDUAL INCOME TAX | \$1,661.10 | \$1,753.53 | \$1,813.38 | \$1,932.65 |
| % CHANGE | -9.10% | 5.56% | 3.41% | 6.58% |
| CORPORATE INCOME TAX | \$283.20 | \$283.10 | \$298.31 | \$301.79 |
| % CHANGE | 18.60% | -0.04% | 5.37% | 1.17% |
| SALES TAX | \$1,597.70 | \$1,706.68 | \$1,802.60 | \$1,951.38 |
| % CHANGE | 7.20% | 6.82% | 5.62% | 8.25% |
| CIGARETTE TAX | \$10.40 | \$11.07 | \$11.52 | \$12.12 |
| TOBACCO PRODUCTS | \$13.70 | \$14.58 | \$15.17 | \$15.96 |
| BEER TAX | \$2.00 | \$2.13 | \$2.21 | \$2.33 |
| WINE TAX | \$5.00 | \$5.32 | \$5.54 | \$5.83 |
| LIQUOR SURCHARGE | \$33.20 | \$35.33 | \$36.77 | \$38.68 |
| PRODUCT TAXES | \$64.30 | \$68.43 | \$71.21 | \$74.92 |
| % CHANGE | 10.30% | 6.42% | 4.06% | 5.21% |
| KILOWATT-HOUR TAX | \$2.40 | \$2.62 | \$2.85 | \$3.10 |
| MINE LICENSE TAX | \$0.00 | \$0.00 | \$0.34 | \$0.34 |
| INTEREST EARNINGS | \$2.80 | \$3.06 | \$3.32 | \$3.61 |
| COURT FEES AND FINES | \$8.20 | \$8.95 | \$9.72 | \$10.59 |
| INSURANCE PREMIUM TAX | \$75.40 | \$82.32 | \$89.39 | \$97.34 |
| ALCOHOLIC BEVERAGE LICENSES | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| UCC FILINGS | \$4.00 | \$4.37 | \$4.74 | \$4.98 |
| UNCLAIMED PROPERTY | \$11.80 | \$12.88 | \$13.45 | \$14.53 |
| LANDS \$0.720 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| ONE-TIME TRANSFERS | \$1.99 | \$2.17 | \$2.20 | \$2.57 |
| ESTATE TAX | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| OTHER DEPTS & TRANSFERS | \$23.70 | \$25.88 | \$26.10 | \$28.57 |
| MISC. REVENUE | \$128.30 | \$140.08 | \$152.11 | \$165.63 |
| % CHANGE | 10.30% | 9.18% | 8.59% | 8.89% |
| TOTAL GENERAL FUND | \$3,734.60 | \$3,951.82 | \$4,137.61 | \$4,426.37 |
| % CHANGE | 0.10% | 5.82% | 4.70% | 6.98% |

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General Fund Revenue Forecast

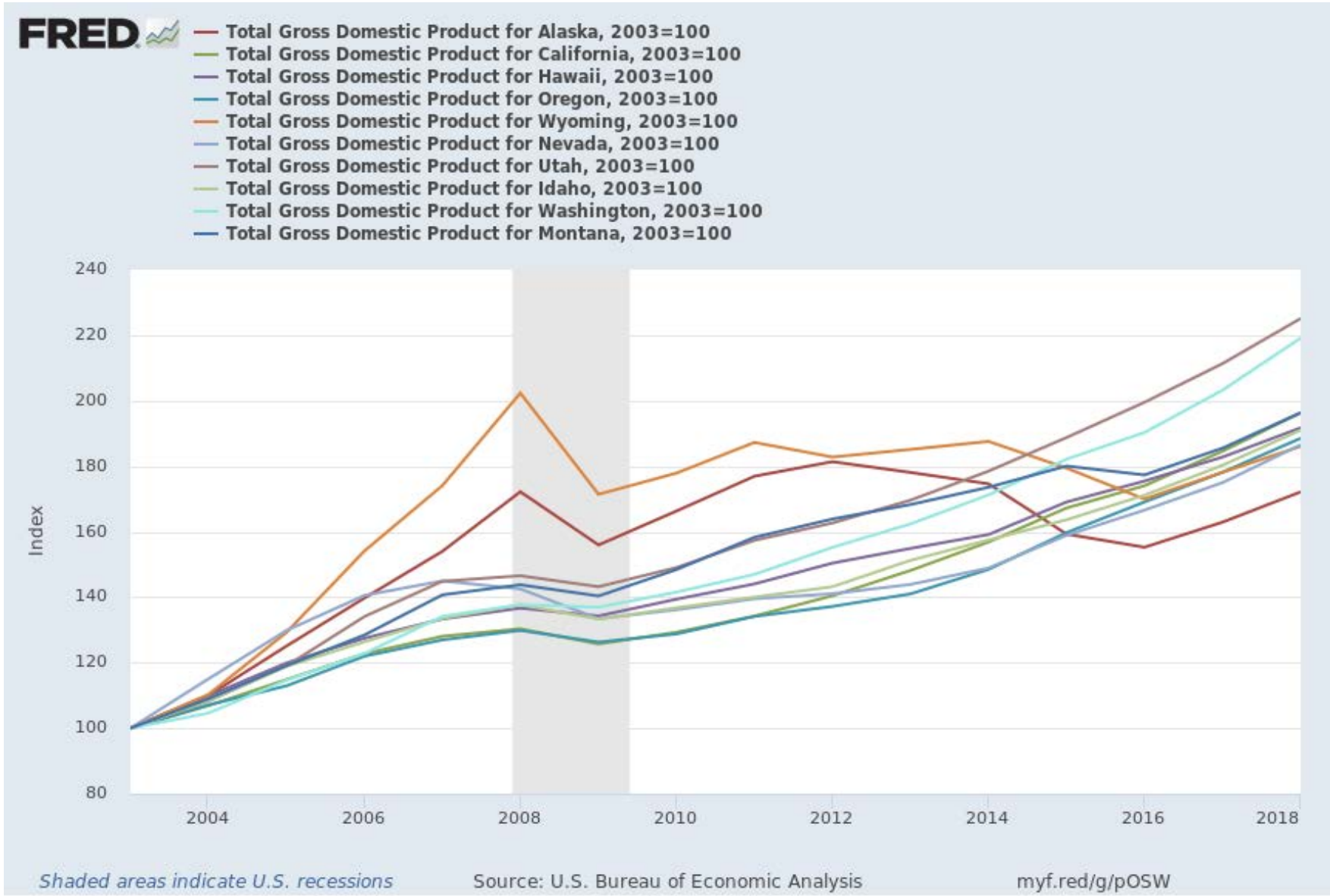
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Regional Comparison⁵

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References

1. St. Louis Federal Reserve: <https://myf.red/g/pBI3>
2. Trading Economics: <https://tradingeconomics.com/united-states/gdp-growth>
3. Bureau of Economic Analysis: <https://www.bea.gov/news/2019/gross-domestic-product-third-quarter-2019-third-estimate-corporate-profits-third-quarter>
4. St. Louis Federal Reserve: <https://myf.red/g/pBI3>
5. St. Louis Federal Reserve: <https://myf.red/g/pOSW>