



Universities Forecasting Committee Revenue Estimate

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Sources of Idaho State Taxes

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	FY2020	Percentage
Individual Income and Sales Taxes	\$ 3,594.63	89.2%
Corporate Income Tax	\$ 243.34	6.0%
Product Taxes and Miscellaneous	\$ 194.02	4.8%
Total	\$ 4,031.98	100%

Idaho Division of Financial Management. Values in \$ millions.



Idaho at a Glance

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	FY2011	FY2020	% Change
Population	1,572,627	1,819,623	16%
Personal Income (in \$millions)*	\$ 51,822	\$ 85,615	65%
Per Capita Personal Income*	\$ 32,850	\$ 47,403	44%

Source: US Bureau of Economic Analysis – *Nominal Values (CPI ~ 24.5% in the same time period)



Idaho: A Diverse Economy

Contributions to GSP – Selected Sectors – 2009 and 2019

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	2009	2019	Change
Agriculture, forestry, fishing and hunting	4.1 %	5.0 %	0.9 %
Mining	1.6 %	0.3 %	-1.3 %
Construction	5.2 %	6.5 %	1.3 %
Manufacturing	11.9 %	10.8 %	-1.1 %
Retail	8.1 %	7.6 %	-0.5 %
Real Estate, Rental and Leasing	13.8 %	13.8 %	0.0 %
Education, health care, social assistance	8.5 %	9.1 %	0.6 %

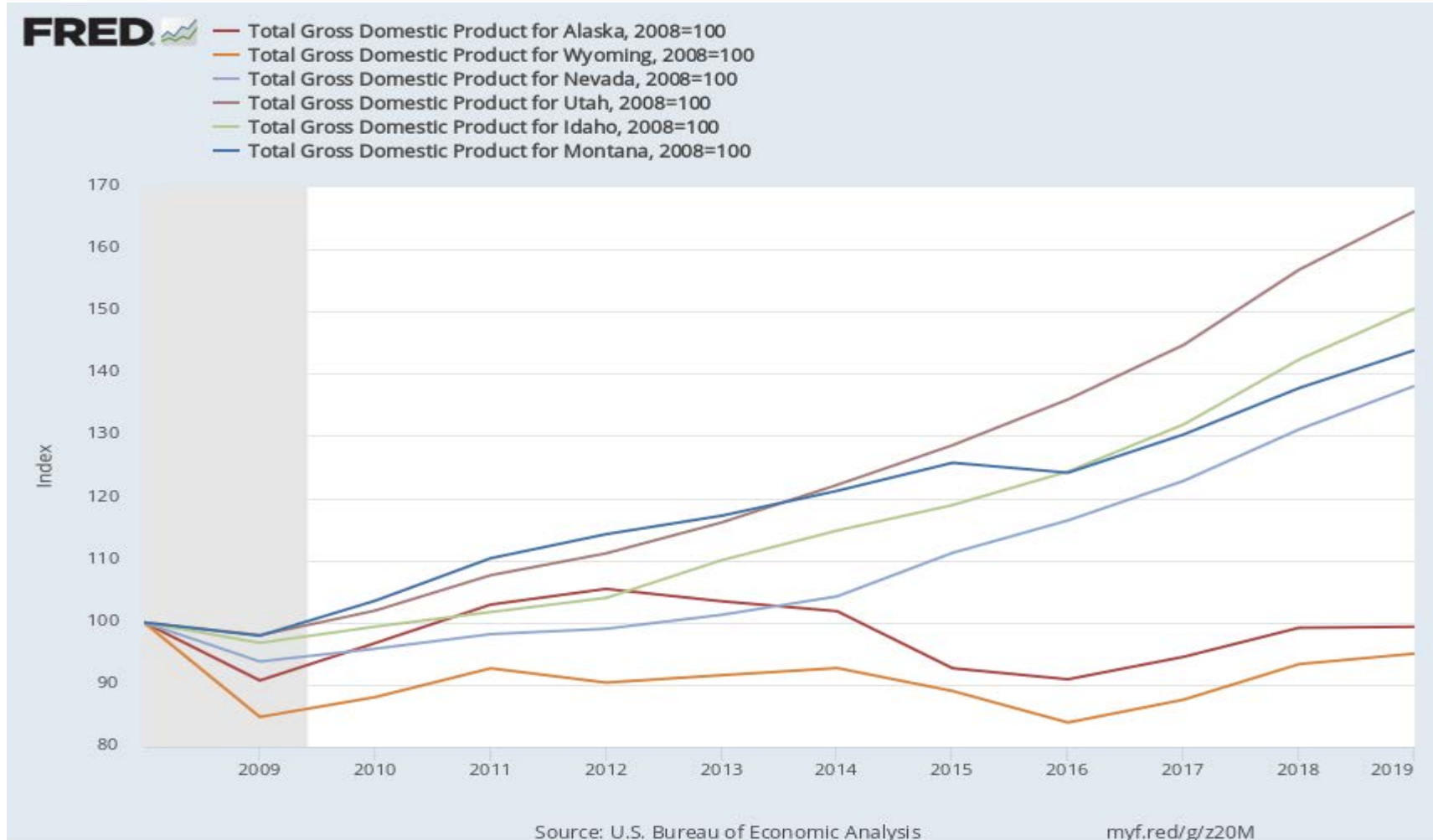
Source: Information Packet, Joint Legislative Economic Outlook and Revenue Assessment Committee
By comparison, Alaska's GSP is 19% government and 20% extractive industries (Source: BEA.gov).

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Idaho and Its Neighbors Regional Comparison



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Per Capita Personal Income Growth – US and ID

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	Idaho	United States	Ratio ID/US
2011	\$ 32,850	\$ 41,728	0.79
2020	\$ 47,403	\$ 58,238	0.81

Source: US Bureau of Economic Analysis – *Nominal Values (CPI ~ 24.5% in the same time period)

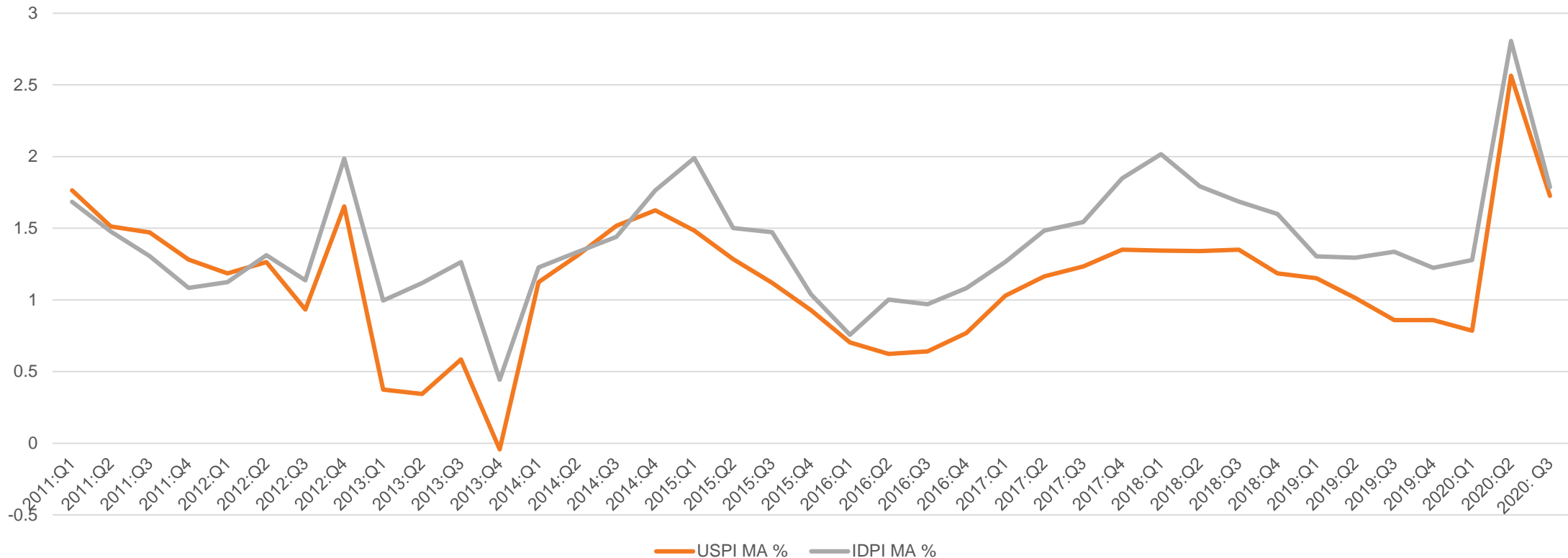
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Idaho and the National Economy

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Quarterly Personal Income Percentage Change US and ID
2010 to 2020 4-Month Moving Average



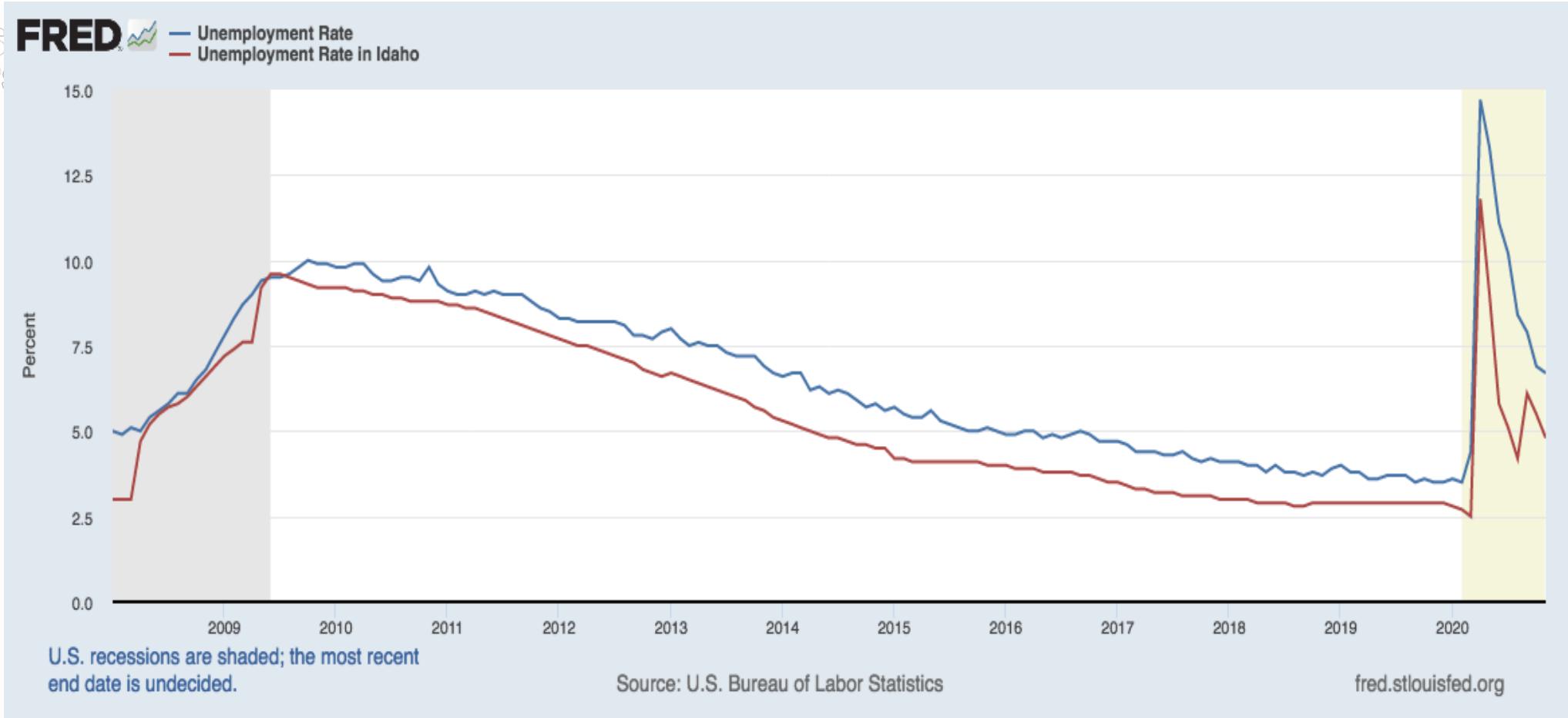
Source: Bureau of Economic Analysis

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Unemployment in Idaho and the US

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Source: Bureau of Labor Statistics

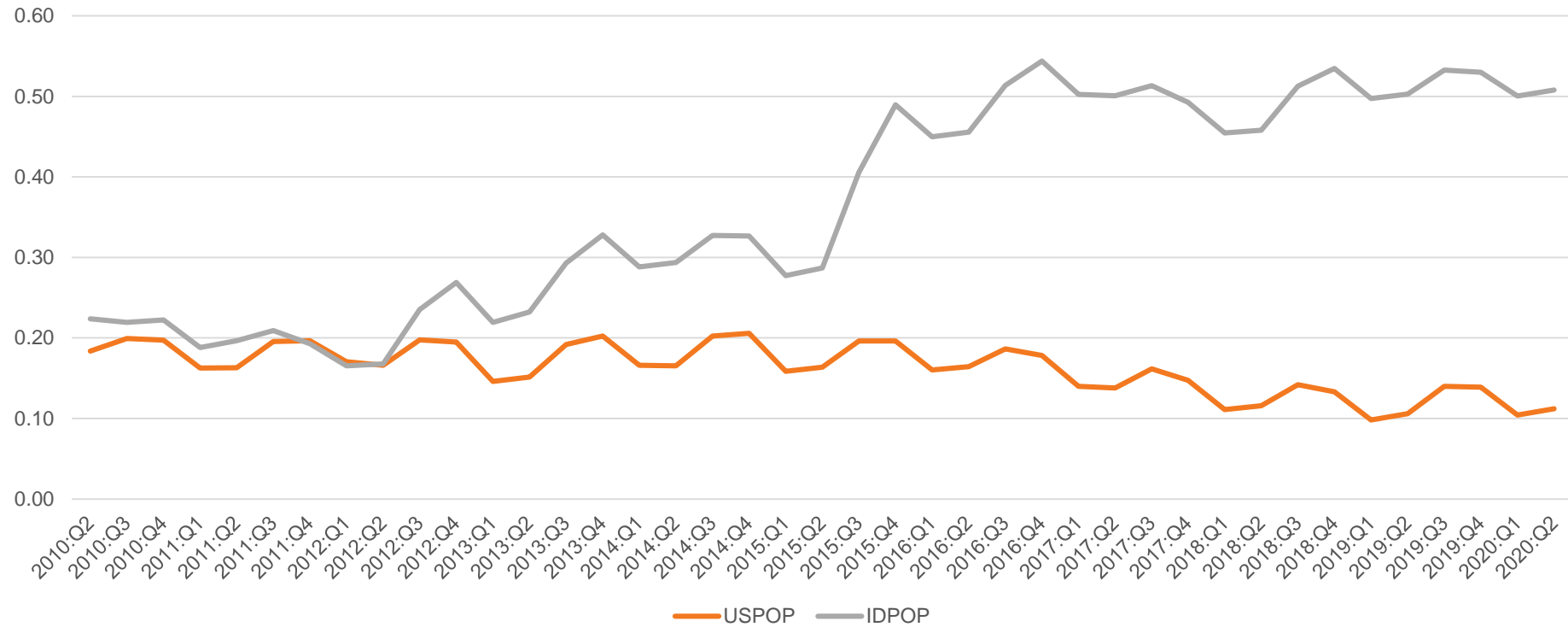
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Population Growth – US and Idaho

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Population Percentage Change

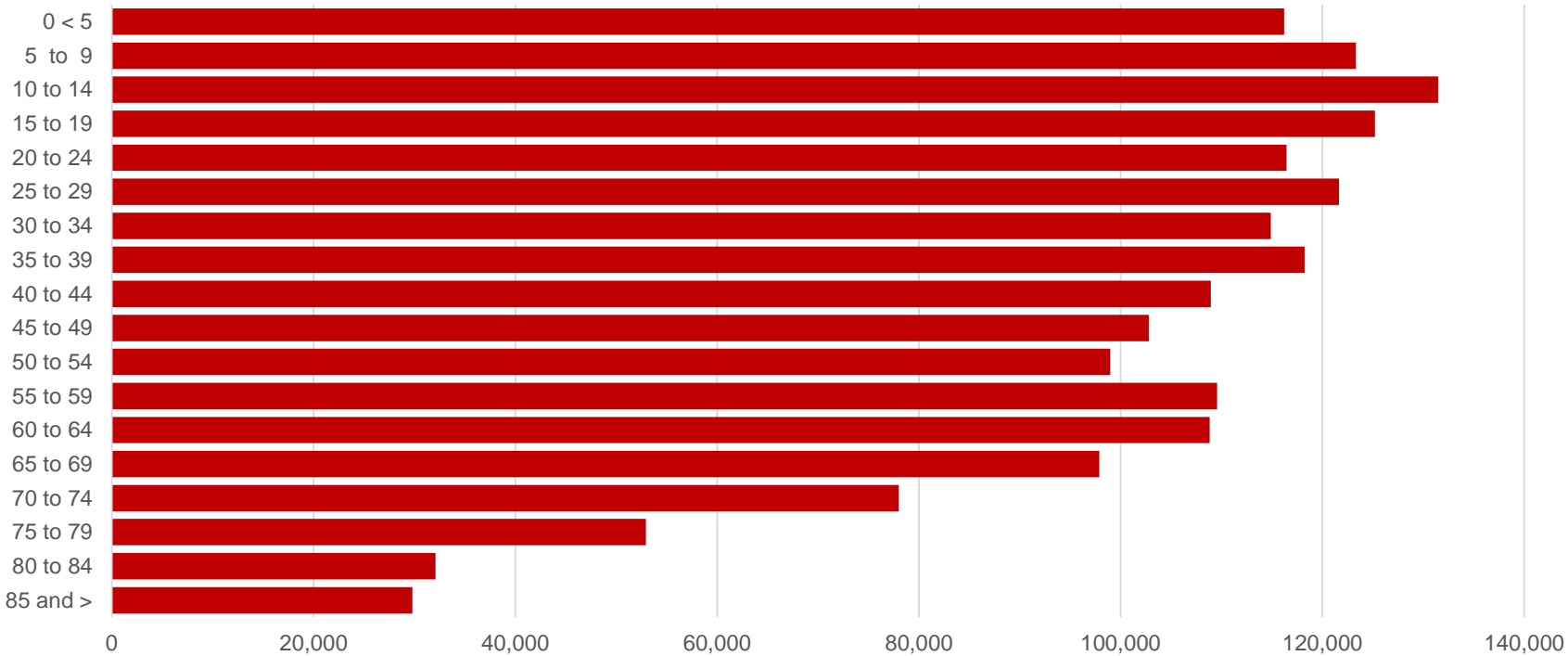




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Idaho Population Distribution

Idaho Population Pyramid - 2019



Idaho's Fertility rate: 2.01. <https://www.usnews.com/news/healthiest-communities/slideshows/states-with-highest-fertility-rate-in-america>

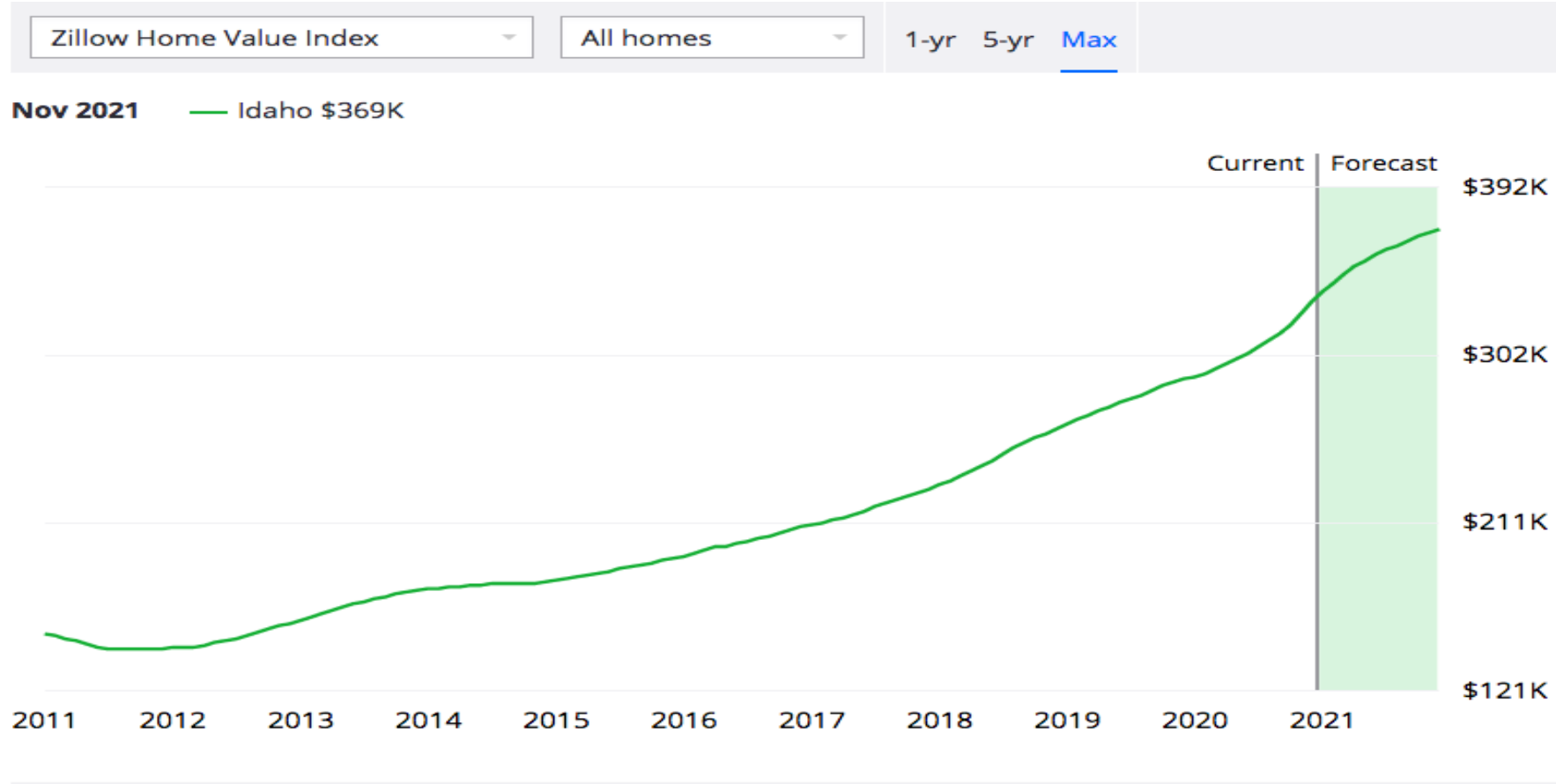
Source: Census.gov





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Signs to Idaho Continuing Growth



Source: Zillow.com

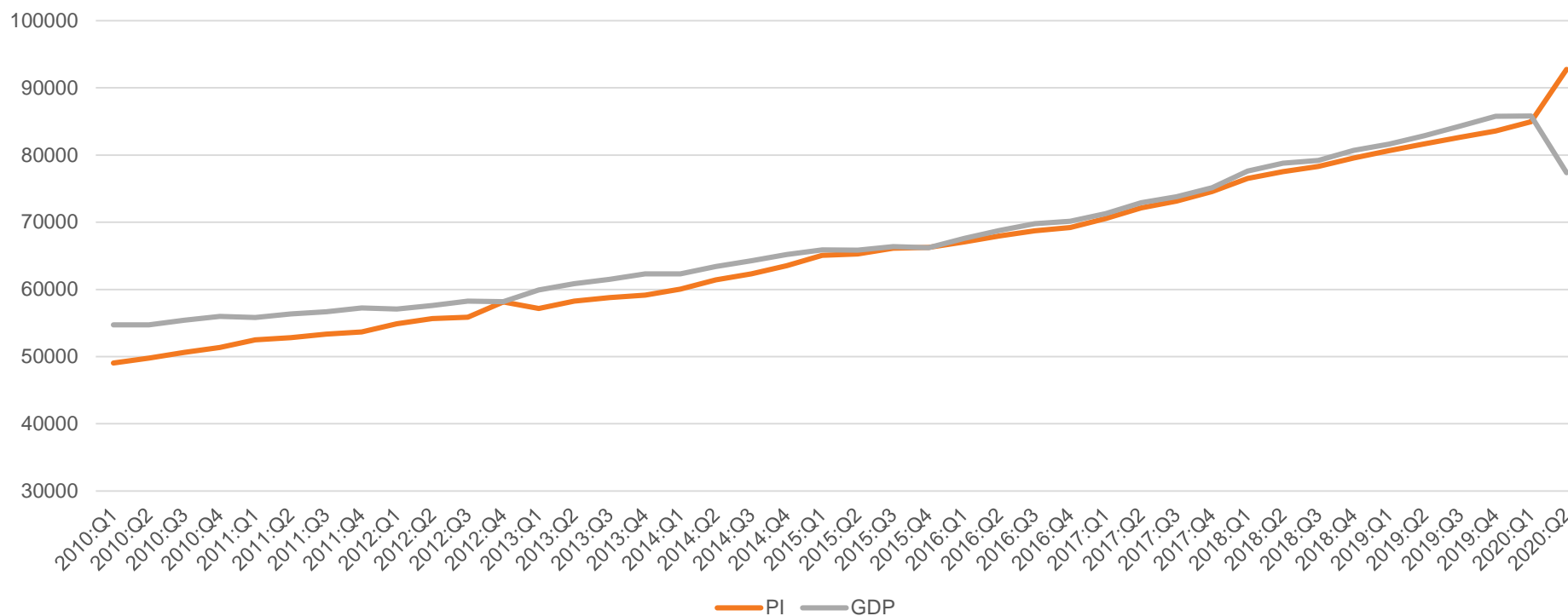
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Idaho Gross State Product and Personal Income

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Idaho Personal Income and GDP
2010 to 2020 - Quarterly



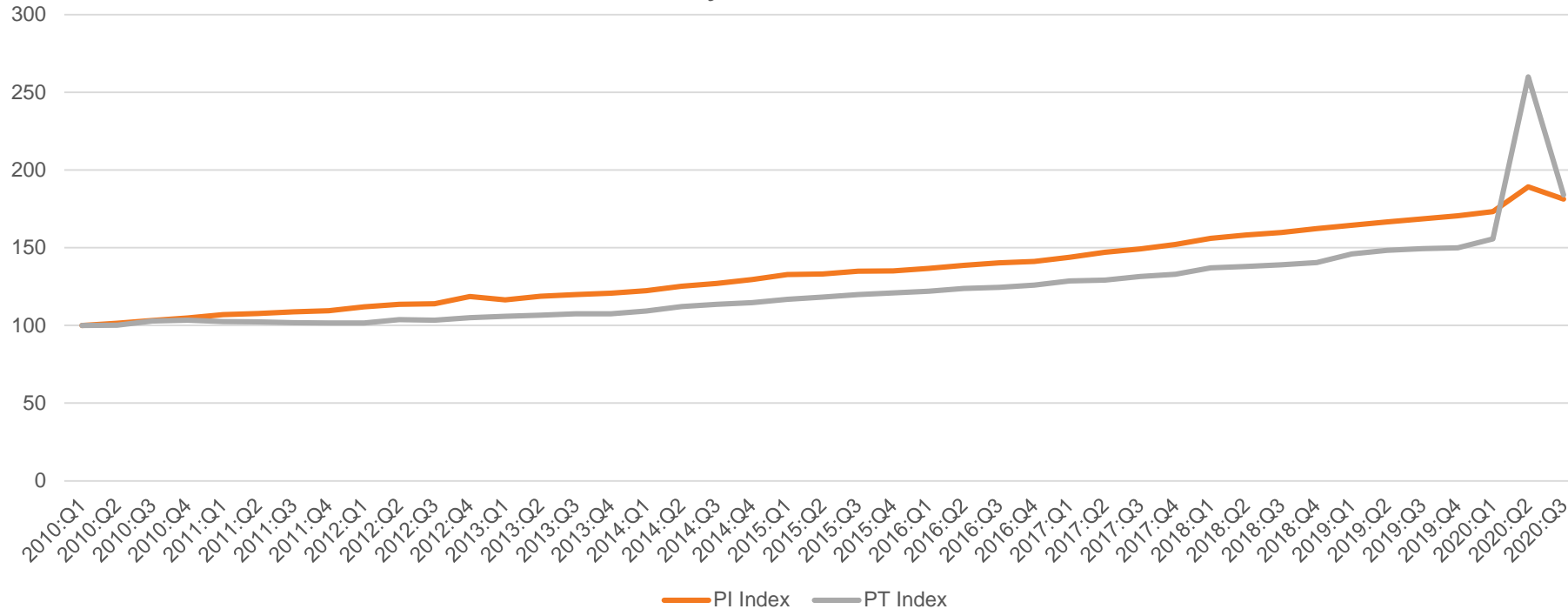
Source: Bureau of Economic Analysis. Values in \$ million.



Idaho Personal Income and Personal Transfer Receipts

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Idaho Personal Income and Personal Transfer Receipts
2010 to 2020 - Quarterly Data – Indexed Values



Source: Bureau of Economic Analysis. Personal transfer receipts include Social Security payments, Medicare, Medicaid, unemployment, and all other transfer receipts. Indexed values, 2010:Q1 = 100.

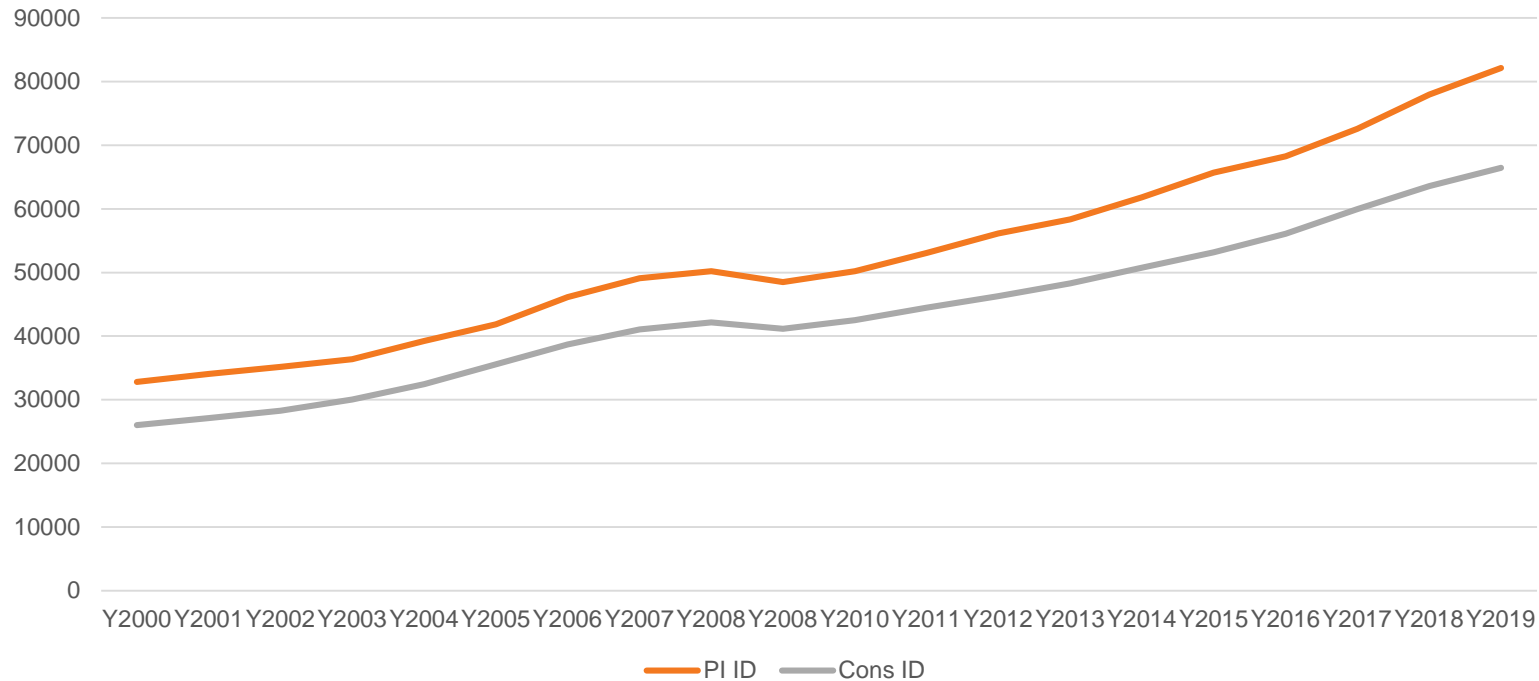
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Idaho Personal Income and Consumption

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Idaho Income and Consumption
2000 to 2019 - Yearly



Source: Bureau of Economic Analysis. Values in \$ million.



National Economic Outlook

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• Passage of a new COVID relief package(s) and vaccine

- New administration's policies
- US Growth forecast hard due to COVID
 - Average from 1947 to 2019 was 3.21%
- US growth rate forecast by IHS Markit (October 2020):
 - 2022 = 3.2% (revised to 3.6% in December)
 - 2023 = 2.8% (revised to 2.6% in December)



Idaho's Economic Outlook

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- Continued Population Growth
 - $\approx 1.5\%$ annually due immigration from other states
 - Demographic characteristics of people moving in
- Continued Economic Growth
 - Personal income growth 6.9% between FY2019 and FY 2020
 - Personal income growth uncertain next fiscal year due to COVID, but signals point to growth above US average
 - Back to GSP growth trend (between 4 and 7.5%) for FY2022
 - Relief packages for COVID and vaccine



Factors to Growth:

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

- Consumption remains strong (sales taxes increased even during COVID). Idahoans consume in average 2.5% more of their income than the US average.
- Investment
 - Uncertainty due to COVID (vaccine)
 - Strong stock market performance
 - Idaho's good business environment
- Federal Government spending remains high: positive effects on income in the short term through direct income and multiplier effects. Long term outlook different due to increasing national debt.
- Net Exports
 - New administration and trade policies uncertainty.
 - Idaho GSP depends on just a little more than 5% on exports.



General Fund Revenue Forecast

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IDAHO GENERAL FUND REVENUES (\$ MILLION)	ACTUAL FY 2020	FY 2021	FORECAST FY 2022	FY 2023
SOURCE				
INDIVIDUAL INCOME TAX	\$1,905.25	\$2,069.96	\$2,172.73	\$2,256.38
% CHANGE	14.70%	8.65%	4.96%	3.85%
CORPORATE INCOME TAX	\$243.34	\$288.47	\$299.03	\$311.52
% CHANGE	-14.07%	18.55%	3.66%	4.18%
SALES TAX	\$1,689.38	\$1,888.85	\$1,959.93	\$2,058.61
% CHANGE	5.74%	11.81%	3.76%	5.04%
CIGARETTE TAX	\$7.94	\$8.73	\$9.37	\$9.98
TOBACCO PRODUCTS	\$13.04	\$14.33	\$15.38	\$16.39
BEER TAX	\$2.09	\$2.30	\$2.47	\$2.63
WINE TAX	\$5.07	\$5.57	\$5.98	\$6.37
LIQUOR SURCHARGE	\$37.40	\$41.10	\$44.12	\$47.00
PRODUCT TAXES	\$65.55	\$72.03	\$77.32	\$82.36
% CHANGE	1.94%	9.89%	7.35%	6.52%
KILOWATT-HOUR TAX	\$2.07	\$1.20	\$1.62	\$1.64
MINE LICENSE TAX	\$0.10	\$0.06	\$0.08	\$0.08
INTEREST EARNINGS	\$0.14	\$0.08	\$0.11	\$0.11
COURT FEES AND FINES	\$7.16	\$4.17	\$5.61	\$5.71
INSURANCE PREMIUM TAX	\$84.42	\$49.12	\$66.12	\$67.31
ALCOHOLIC BEVERAGE LICENSES	\$0.00	\$0.00	\$0.00	\$0.00
UCC FILINGS	\$4.85	\$2.82	\$3.80	\$3.86
UNCLAIMED PROPERTY	\$14.11	\$8.21	\$11.05	\$11.25
LAND PERMITS	\$0.72	\$0.42	\$0.57	\$0.58
ONE-TIME TRANSFERS	\$0.00	\$0.00	\$0.00	\$0.00
ESTATE TAX	\$0.00	\$0.00	\$0.00	\$0.00
OTHER DEPTS & TRANSFERS	\$15.56	\$9.05	\$12.18	\$12.40
MISC. REVENUE	\$128.47	\$74.76	\$100.63	\$102.43
% CHANGE	0.00%	-41.81%	34.60%	1.80%
TOTAL GENERAL FUND	\$4,031.98	\$4,394.05	\$4,609.63	\$4,811.31
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