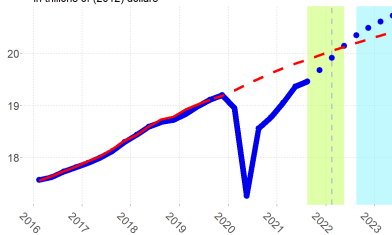


Jan. 13

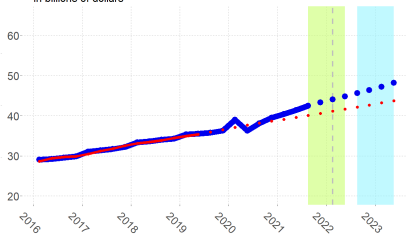
Hint

- 1. Prior talkdeciphering
 - 1.1 Ongoing ? not all boost is transfers
- 2. General Fund Revenue Report history
 - 2.1 December corporate
- 3. Forecast baseline
 - 3.1 budget budget
- 4. Questions
- 5. Appendix
 - 5.1 .
 - 5.2 .
 - 5.3 .

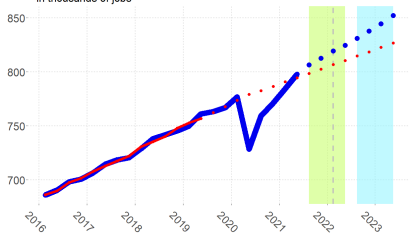
Forecasts of real US gdp
in trillions of (2012) dollars



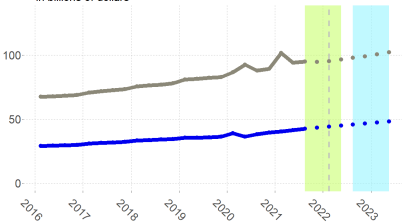
ID wage payments
in billions of dollars



Forecasts of ID nonfarm employment
in thousands of jobs



Wages and personal income
in billions of dollars



What about federal actions?

Stimulus payments — one time

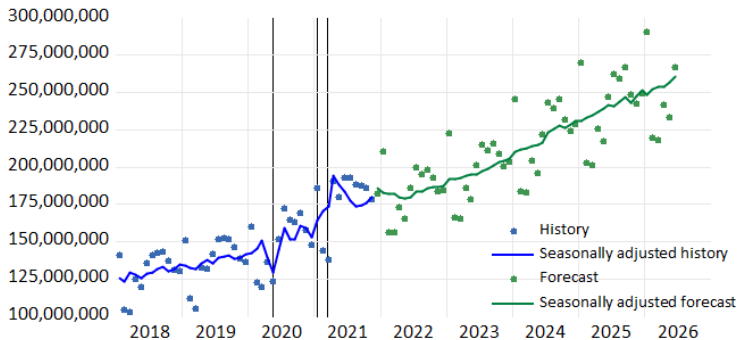
Mid-March 2021	\$1,400
Early January 2021	\$600
May 2020	\$1,200

Monetary policy — ongoing

yearly refinance savings \$2,800

Where might we see it? Sales tax is easiest.

General Fund Sales Tax revenue



1d

Q: with each transfer/delayed payment, did unusual spending *immediately* deplete that 'savings'?

A : *across lifetimes.*

Other

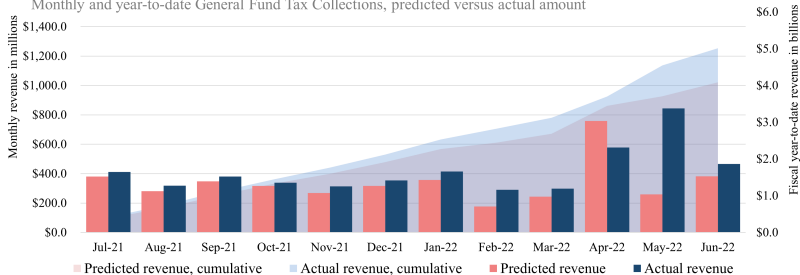
—

till

Unemployment bump	June 2021
Advanced child tax credit	Sept 2021–Dec 2021
Federal student loan deferral	May 2022

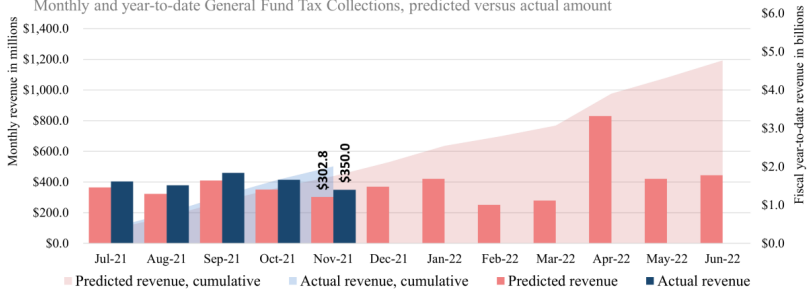
Idaho General Fund Revenue, FY 2021

Monthly and year-to-date General Fund Tax Collections, predicted versus actual amount



Idaho General Fund Revenue, FY 2022

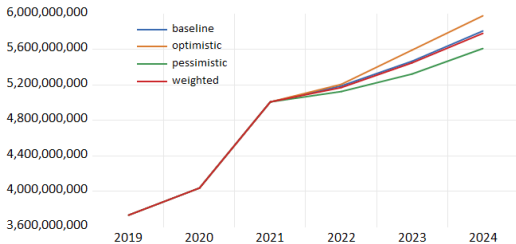
Monthly and year-to-date General Fund Tax Collections, predicted versus actual amount



Predicted and Actual General Fund revenues, thousand dollars

	Month						
	Dec, 2019	Dec, 2020	Dec, 2021				
	actual	actual	predicted	actual	diff *	% diff **	% change ***
Individual Income Tax	122,117.1	139,748.7	184,405.7	159,863.2	(24,542.5)	-13.3%	14.4%
Sales Tax	136,389.8	147,520.9	181,970.8	170,326.9	(11,643.9)	-6.4%	15.5%
Corporate Income Tax	41,350.2	49,338.5	78,759.9	212,027.5	133,267.6	169.2%	329.7%
Product Taxes	4,611.3	5,437.5	6,088.7	5,531.3	(557.4)	-9.2%	1.7%
Miscellaneous Revenue	11,349.7	11,198.1	12,964.2	12,762.3	(201.8)	-1.6%	14.0%
Total	315,818.1	353,243.6	464,189.3	560,511.2	96,321.9	20.8%	58.7%

General Fund Scenarios



ID FY	baseline	optimistic	pessimistic	weighted
2019	\$ 3,734,571,679.20	\$ 3,734,571,679.20	\$ 3,734,571,679.20	\$ 3,734,571,679.20
2020	\$ 4,031,978,381.49	\$ 4,031,978,381.49	\$ 4,031,978,381.49	\$ 4,031,978,381.49
2021	\$ 5,009,093,796.92	\$ 5,009,093,796.92	\$ 5,009,093,796.92	\$ 5,009,093,796.92
2022	\$ 5,190,432,761.66	\$ 5,200,898,503.05	\$ 5,119,787,920.17	\$ 5,171,332,457.49
2023	\$ 5,464,002,060.83	\$ 5,591,742,706.49	\$ 5,322,633,985.42	\$ 5,447,139,767.34
2024	\$ 5,802,365,913.59	\$ 5,974,443,258.00	\$ 5,607,870,475.36	\$ 5,778,432,751.01

Proposed budget purposes

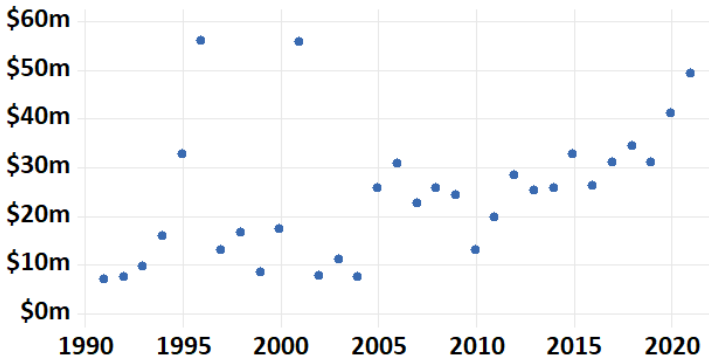
3b

baseline	individual	sales	corporate	product	misc
ID fy 22	\$ 2,300,790,909.21	\$ 2,160,715,518.70	\$ 392,830,235.14	\$ 89,064,632.09	\$ 247,031,466.52
	total		\$ 5,190,432,761.66		
ID fy 23	\$ 2,553,108,733.43	\$ 2,272,076,764.54	\$ 324,080,430.24	\$ 86,972,690.00	\$ 227,763,442.62
	total		\$ 5,464,002,060.83		
ID fy 24	\$ 2,658,390,718.94	\$ 2,486,942,533.13	\$ 338,031,814.29	\$ 89,639,670.00	\$ 229,361,177.24
	total		\$ 5,802,365,913.59		
weighted	individual	sales	corporate	product	misc
ID fy 22	\$ 2,282,239,840.37	\$ 2,160,181,169.51	\$ 392,813,189.39	\$ 89,066,791.69	\$ 247,031,466.52
	total		\$ 5,171,332,457.49		
ID fy 23	\$ 2,539,274,450.44	\$ 2,268,676,828.79	\$ 324,445,048.49	\$ 86,979,997.00	\$ 227,763,442.62
	total		\$ 5,447,139,767.34		
ID fy 24	\$ 2,642,641,543.94	\$ 2,478,319,474.95	\$ 338,455,729.88	\$ 89,654,825.00	\$ 229,361,177.24
	total		\$ 5,778,432,751.01		
pessimistic	individual	sales	corporate	product	misc
ID fy 22	\$ 2,240,155,816.49	\$ 2,155,077,910.51	\$ 388,435,209.40	\$ 89,087,517.25	\$ 247,031,466.52
	total		\$ 5,119,787,920.17		
ID fy 23	\$ 2,456,855,870.11	\$ 2,242,071,995.84	\$ 308,901,236.85	\$ 87,041,440.00	\$ 227,763,442.62
	total		\$ 5,322,633,985.42		
ID fy 24	\$ 2,543,435,395.45	\$ 2,426,163,537.14	\$ 319,165,265.54	\$ 89,745,100.00	\$ 229,361,177.24
	total		\$ 5,607,870,475.36		

That should be the end.

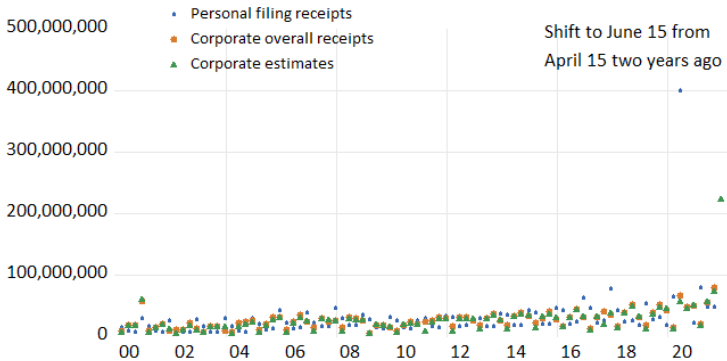
What evidence is there that the behavior of corporate income tax was similar around 1995 or around 2000?

December corporate income taxes prior to 2021

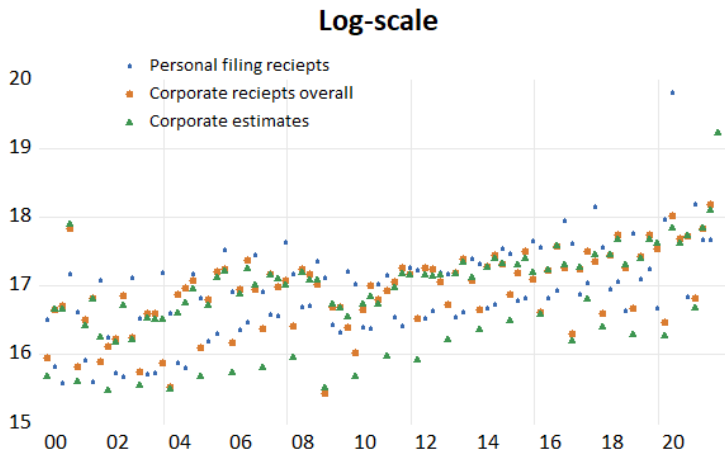


Last month of each quarter

Dollar figures



Last month of each quarter (again)



Monthly look for the remainder of ID fy 2022

weighted	individual	sales	corporate	product	misc
m 12	\$184,121,198.08	\$181,936,646.34	\$78,716,609.19	\$6,088,927.45	\$12,964,187.77
m 01	\$223,053,622.52	\$210,450,496.08	\$19,743,348.20	\$6,386,631.83	\$1,828,359.23
m 02	\$111,446,564.70	\$156,170,866.46	\$5,624,502.60	\$5,746,007.51	\$1,492,097.38
m 03	\$102,654,439.54	\$155,699,055.65	\$21,672,920.86	\$6,062,723.66	\$8,155,783.45
m 04	\$405,653,346.71	\$172,566,908.06	\$65,528,525.15	\$6,191,532.39	\$1,152,502.48
m 05	\$203,369,832.40	\$164,979,627.14	\$10,908,319.34	\$6,499,080.98	\$3,248,657.86
m 06	\$208,472,717.91	\$185,519,141.25	\$59,397,028.44	\$5,925,447.63	\$172,304,786.19
pessimistic	individual	sales	corporate	product	misc
m 12	\$183,398,526.07	\$181,704,783.23	\$78,106,288.77	\$6,090,487.01	\$12,964,187.77
m 01	\$217,012,071.15	\$209,686,288.87	\$19,133,644.35	\$6,389,639.52	\$1,828,359.23
m 02	\$107,700,123.88	\$155,606,441.85	\$5,450,809.62	\$5,748,393.48	\$1,492,097.38
m 03	\$99,582,188.09	\$155,137,961.36	\$21,003,628.95	\$6,065,417.00	\$8,155,783.45
m 04	\$393,735,340.08	\$171,584,048.54	\$64,411,744.62	\$6,195,207.90	\$1,152,502.48
m 05	\$194,971,526.85	\$164,040,604.21	\$10,722,412.54	\$6,503,145.74	\$3,248,657.86
m 06	\$200,287,921.85	\$184,459,353.90	\$58,384,744.94	\$5,928,786.37	\$172,304,786.19

Starting with the easiest to describe types of it ...

IHS scenario uncertainty

1. $\{2, 3, 4, \dots, 9, 10, J = 11\}$ ten possibilities
2. five-in-ten is drawing a prime $\{2, 3, 5, 7, 11\}$
3. two-in-ten is drawing a square $\{4, 9\}$
4. three-in-ten is drawing what remains $\{6, 8, 10\}$
5. differences are \$10m to $-\$70m$

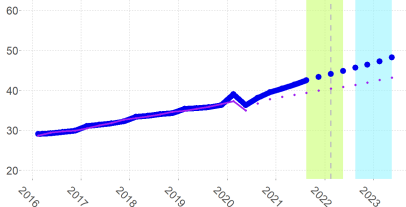
Measurement uncertainty:

Federal

State

ID wage payments ... revisions to actuals

in billions of dollars



11/04/21
4:35:32 PM

Source

Wine Tax

Receipts

Gross Collections 598,232.50
Less Refunds Paid -214.03

Net Collections

Distribution of Wine Tax

General Fund 496,355.31
Tax Commission Refunds 214.03
Substance Abuse Treatment 71,762.20
Grape Growers & Wine Prod 29,900.96
Hop Growers 3,580.16
Unallocated Wine & Strong Beer 125,731.68

Total Distribution of Gross Collections

Idaho Comparative State For the Period from

Month Of	Month Of
10/31/20	10/31/21

598,232.50	569,046.35
-214.03	-958.48

598,018.47	568,087.87
-------------------	-------------------

496,355.31	324,795.82
214.03	958.48
71,762.20	53,082.74
29,900.96	60,897.47
3,580.16	3,580.16
125,731.68	125,731.68

598,232.50	569,046.35
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Model uncertainty:

TCJA is a large source the data is quite limited

JOINT COMMITTEE ON TAXATION
December 18, 2017
JCX-67-17

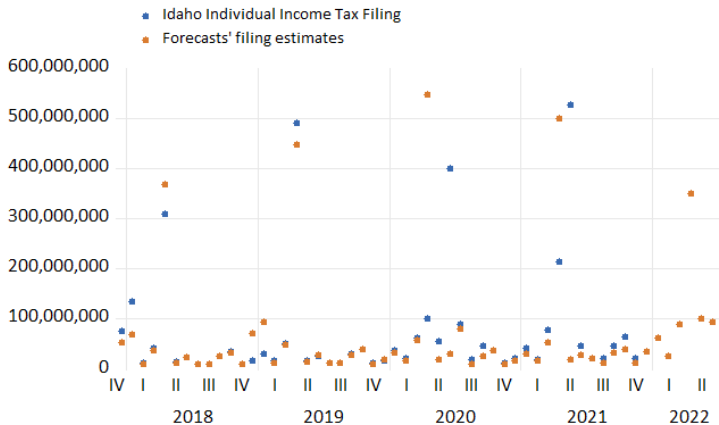
ESTIMATED BUDGET EFFECTS OF THE CONFERENCE AGREEMENT FOR H.R. 1,
THE "TAX CUTS AND JOBS ACT"

Fiscal Years 2018 - 2027

[Billions of Dollars]

Provision	Effective	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018-22	2018-27
I. Individual Tax Reform													
A. Simplification and Reform of Rates, Standard Deductions, and Exemptions													
1. 10%, 12%, 22%, 24%, 32%, 35%, and 37% income tax rate brackets (sunset 12/31/25) [1][2].....	tyba 12/31/17	-94.1	-135.3	-140.9	-146.4	-152.0	-158.1	-164.3	-171.1	-52.0	[3]	-668.7	-1,214.2
2. Modify standard deduction (\$12,000 for singles, \$24,000 for married filing jointly, \$18,000 for HoH) (sunset 12/31/25) [2].....	tyba 12/31/17	-57.2	-82.6	-84.7	-87.5	-90.7	-92.9	-95.7	-99.1	-30.0	[3]	-402.6	-720.4
3. Repeal of deduction for personal exemptions (sunset 12/31/25) [2].....	tyba 12/31/17	93.3	137.1	141.6	146.4	151.8	157.6	163.3	169.2	51.3	---	670.1	1,211.5
4. Alternative inflation measure [2].....	tyba 12/31/17	0.8	2.1	5.5	8.2	10.4	12.8	16.6	20.0	25.6	31.5	27.0	133.5
B. Treatment of Business Income of Individuals, Trusts, and Estates													
1. Allow 20 percent deduction of qualified business income													

... more TCJA ...



... HB 380

Original est: \$163 m.

New est: \$183 m.

Recent individual income tax growth 21%.

New model feature: population growth across distribution.

REVISED

STATEMENT OF PURPOSE

RS28946 / H0380

This 2021 Tax Relief bill reduces all income tax brackets, reduces the number top individual and corporate tax bracket to 6.5% retroactive to January 1, 2021. \$162.9 million in ongoing tax relief. This bill also provides a one-time sales tax \$220 million to Idaho taxpayers. A rebate check will be sent to 2020 personal minimum amount of \$50 for each taxpayer and dependent or 9% of income tax greater.

Individual income tax

