STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
STATE CAPITOL
NASHVILLE, TENNESSEE 37243-0285

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COMMISSIONER

FOR IMMEDIATE RELEASE
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JUNE REVENUES

NASHVILLE - Franchise and excise taxes, coupled with strong sales tax collections in June raised revenue collections for the month to $1.2 billion, or $110.0 million more than the state budgeted.

"Corporate taxes are highly volatile, and they've been the primary source of much of our revenue growth in Tennessee," Finance & Administration Commissioner Dave Goetz said. "We're pleased to see that sales tax collections were up for June – even though they're undercollected for the year."

On an accrual basis, June is the eleventh month in the 2006-2007 fiscal year.

The general fund was over collected by $105.4 million, and the four other funds were over collected by $4.6 million.

Sales tax collections were $15.5 million more than the estimate for June. The June growth rate was 4.80%. For eleven months revenues are under collected by $9.8 million. The year-to-date growth rate for eleven months was 4.57%.

Franchise and excise taxes combined were $60.6 million above the budgeted estimate of $239 million. For eleven months revenues are over collected by $214 million.

Inheritance and estate tax collections were $8.7 million above the June estimate. For eleven months collections are $37.9 million above the budgeted estimate.

Gasoline and motor fuel collections for June increased by 4.4 %. For eleven months revenues are over collected by $11.1 million.

Year-to-date collections for eleven months were $359.8 million more than the budgeted estimate. The general fund was over collected by $320.4 million and the four other funds were over collected by $39.4 million.

The budgeted revenue estimates are based on the State Funding Board's consensus recommendation adopted by the second session of the 104th General Assembly in May of 2006.

REVENUE COLLECTIONS
JUNE, 2007, AND 11 MONTHS YEAR-TO-DATE

June Collections:

	Budgeted Accrual Estimate	Actual	Difference
General Fund	$956,494,000	$1,061,917,000	$105,423,000
Highway Fund	57,559,000	59,892,000	2,333,000
Sinking Fund	25,886,000	25,982,000	96,000
City & County Fund	60,268,000	62,427,000	2,159,000
Earmarked Fund	2,507,000	2,484,000	(23,000)
Total	**$1,102,714,000**	**$1,212,702,000**	**$109,988,000**

Year-To-Date Collections:

	Budgeted Accrual Estimate	Actual	Difference
General Fund	$8,225,184,000	$8,545,630,000	$320,446,000
Highway Fund	595,151,000	605,913,000	10,762,000
Sinking Fund	284,523,000	284,391,000	(132,000)
City & County Fund	713,671,000	742,033,000	28,362,000
Earmarked Fund	28,970,000	29,286,000	316,000
Total	**$9,847,499,000**	**$10,207,253,000**	**$359,754,000**

Table 1
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	June			
	2006	2007	Change	Percent
Franchise & Excise	$255,859,000	$299,552,000	$43,693,000	17.08%
Income	1,984,000	1,885,000	-99,000	-4.99%
Inheritance & Estate	4,711,000	13,082,000	8,371,000	177.69%
Gasoline	50,983,000	51,919,000	936,000	1.84%
Petroleum Special	5,540,000	5,567,000	27,000	0.49%
Tobacco	10,462,000	13,273,000	2,811,000	26.87%
Beer	1,761,000	1,700,000	-61,000	-3.46%
Motor Vehicle Registration	24,952,000	25,445,000	493,000	1.98%
Motor Vehicle Title	993,000	962,000	-31,000	-3.12%
Mixed Drink	4,363,000	4,638,000	275,000	6.30%
Business	104,059,000	116,757,000	12,698,000	12.20%
Privilege	47,820,000	56,125,000	8,305,000	17.37%
Gross Receipts	831,000	8,000	-823,000	-99.04%
TVA - In Lieu of Tax Payments	18,344,000	21,115,000	2,771,000	15.11%
Alcoholic Beverage	3,540,000	3,704,000	164,000	4.63%
Sales and Use	553,872,000	580,446,000	26,574,000	4.80%
Motor Vehicle Fuel	14,077,000	16,192,000	2,115,000	15.02%
Severance	154,000	178,000	24,000	15.58%
Coin-operated Amusement	90,000	66,000	-24,000	-26.67%
Unauthorized Substance	74,000	88,000	14,000	18.92%
Total	$1,104,469,000	$1,212,702,000	$108,233,000	9.80%

Table 2
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	August - June			
	2005-2006	2006-2007	Change	Percent
Franchise & Excise	$1,435,346,000	$1,695,736,000	$260,390,000	18.14%
Income	191,883,000	247,903,000	56,020,000	29.19%
Inheritance & Estate	69,780,000	104,218,000	34,438,000	49.35%
Gasoline	552,118,000	556,604,000	4,486,000	0.81%
Petroleum Special	58,903,000	59,488,000	585,000	0.99%
Tobacco	115,915,000	125,890,000	9,975,000	8.61%
Beer	16,732,000	16,766,000	34,000	0.20%
Motor Vehicle Registration	230,358,000	238,645,000	8,287,000	3.60%
Motor Vehicle Title	10,080,000	10,173,000	93,000	0.92%
Mixed Drink	44,902,000	48,846,000	3,944,000	8.78%
Business	116,562,000	132,405,000	15,843,000	13.59%
Privilege	305,322,000	319,129,000	13,807,000	4.52%
Gross Receipts	14,126,000	14,583,000	457,000	3.24%
TVA - In Lieu of Tax Payments	201,675,000	226,363,000	24,688,000	12.24%
Alcoholic Beverage	36,484,000	37,908,000	1,424,000	3.90%
Sales and Use	5,930,748,000	6,201,810,000	271,062,000	4.57%
Motor Vehicle Fuel	164,293,000	167,644,000	3,351,000	2.04%
Severance	1,655,000	1,450,000	-205,000	-12.39%
Coin-operated Amusement	156,000	162,000	6,000	3.85%
Unauthorized Substance	880,000	1,530,000	650,000	73.86%
Total	$9,497,918,000	$10,207,253,000	$709,335,000	7.47%

Table 3
August - June Revenue Overcollections/(Undercollections)
Budgeted Estimate

	General Fund	Other Funds	Total
Sales Tax	$ (9,300,000)	$ (500,000)	$ (9,800,000)
Income Tax	30,300,000	15,300,000	45,600,000
Inheritance Tax	37,900,000	0	37,900,000
Privilege Tax	9,400,000	300,000	9,700,000
Business Tax	12,800,000	0	12,800,000
TVA	10,300,000	7,100,000	17,400,000
Gross Receipts	300,000	0	300,000
Gasoline & Motor Fuel Taxes	100,000	11,000,000	11,100,000
Motor Vehicle Registration	(100,000)	4,700,000	4,600,000
Other Taxes	14,700,000	1,500,000	16,200,000
Sub-Total	**$ 106,400,000**	**$ 39,400,000**	**$ 145,800,000**
F & E Taxes	214,000,000	0	214,000,000
Total	**$ 320,400,000**	**$ 39,400,000**	**$ 359,800,000**