



# Revenue Forecast Tracking

## 4<sup>th</sup> Fiscal Quarter 2009

Office of Economic Analysis

July 29, 2009

Total personal and corporate income taxes equaled \$1,560.2 million for the fourth fiscal quarter of 2009, \$29.2 million *above* the May 2009 forecast. Revenues for personal income taxes were above expectations, while corporate income taxes did not deviate significantly from the forecast. On a year-over-year basis, collections were off 31.7 percent, representing the sharpest year-over-year decline on record. It should be noted that these figures do not include the 30-day accrual figure that is annually calculated on withholding taxes. Table 1 below shows detailed comparisons for personal and corporate income taxes.

Personal income tax collections totaled \$1,478.2 million for the fourth quarter of fiscal year 2009, \$31.4 million above the latest forecast. Withholding receipts of \$1,089.3 million came in ahead of forecast by \$14.5 million. Estimated payments equal to \$263.1 million were \$3.5 million above forecast. Compared to the year-ago level, estimated payments were down 34.1 percent.

Final payments exceeded forecast by \$25.6 million, while refunds were \$5.2 million more than expected. The decline of 45.4 percent in final payment through the 2009 reconciliation period was the largest decrease on record – for comparison purposes, final payments declined on a year-over-year basis by 36.6 percent in 2002.

Corporate income taxes equaled \$82 million for the fourth quarter of fiscal year 2009, a shortfall of \$2.2 million relative to the March forecast. On a year-over-year basis, corporate receipts were down 51.2 percent.

## Table 1. Quarterly Income Tax Revenues

(Quarter ending June 30, 2009)

Personal Income Tax (Millions of dollars)	Forecast Comparison			Year/Year Change	
	Actual Revenues	Latest Forecast	Percent Difference	Prior Year	Percent Change
Withholding	\$1,089.3	\$1,074.8	1.3%	\$1,111.0	-2.0%
Dollar difference		\$14.5		-\$21.7	
Estimated Payments	\$263.1	\$266.6	-1.3%	\$399.5	-34.1%
Dollar difference		-\$3.5		-\$136.3	
Final Payments	\$530.0	\$504.4	5.1%	\$971.3	-45.4%
Dollar difference		\$25.6		-\$441.3	
Refunds	-\$404.2	-\$399.0	1.3%	-\$365.9	10.5%
Dollar difference		-\$5.2		-\$38.3	
<b>Total Personal Income Tax</b>	<b>\$1,478.2</b>	<b>\$1,446.8</b>	<b>2.2%</b>	<b>\$2,115.9</b>	<b>-30.1%</b>
Dollar difference		\$31.4		-\$637.7	

Corporate Income Tax (Millions of dollars)	Forecast Comparison			Year/Year Change	
	Actual Revenues	Latest Forecast	Percent Difference	Prior Year	Percent Change
Advanced Payments	\$97.4	\$89.2	9.2%	\$155.3	-37.3%
Dollar difference		\$8.2		-\$57.9	
Final Payments	\$21.8	\$38.9	-43.9%	\$52.1	-58.1%
Dollar difference		-\$17.1		-\$30.3	
Refunds	-\$37.2	-\$43.9	-15.3%	-\$39.4	-5.5%
Dollar difference		\$6.7		\$2.2	
<b>Total Corporate Income Tax</b>	<b>\$82.0</b>	<b>\$84.2</b>	<b>-2.6%</b>	<b>\$168.0</b>	<b>-51.2%</b>
Dollar difference		-\$2.2		-\$86.1	

Total Income Tax (Millions of dollars)	Forecast Comparison			Year/Year Change	
	Actual Revenues	Latest Forecast	Percent Difference	Prior Year	Percent Change
<b>Corporate and Personal Tax</b>	<b>\$1,560.2</b>	<b>\$1,531.0</b>	<b>1.9%</b>	<b>\$2,284.0</b>	<b>-31.7%</b>
Dollar difference		\$29.2		-\$723.8	

The Office of Economic Analysis (OEA) resides in the Director's Office of the Department of Administrative Services. OEA produces and publishes the Oregon Economic and Revenue Forecast on a quarterly basis.

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