



Revenue Forecast Tracking

2nd Fiscal Quarter 2010

Office of Economic Analysis

January 25, 2010

Total personal and corporate income taxes equaled \$1,252.4 million for the second fiscal quarter of 2010, \$15.9 million *below* the December 2010 forecast. Revenues for personal income taxes were below expectations, while corporate income taxes were slightly higher than forecast. On a year-over-year basis, collections were off 5.4 percent, following three consecutive quarters of double-digit declines. Table 1 below shows detailed comparisons for personal and corporate income taxes.

Personal income tax collections totaled \$1,201.7 million for the second quarter of fiscal year 2010, \$23.4 million below the latest forecast. Withholding receipts of \$1,151.7 million came in ahead of forecast by \$8.4 million. Estimated payments equal to \$161.8 million were \$45 million below forecast. Compared to the year-ago level, estimated payments were down 7.5 percent.

Final payments exceeded forecast by \$2.6 million, while refunds were \$10.6 million less than expected. The second quarter declines relative to year ago figures were relatively mild compared to the previous several quarters – though this is largely due to the weakness that began in the second quarter of fiscal year 2009.

Corporate income taxes equaled \$50.6 million for the second quarter of fiscal year 2010, \$7.5 million higher than December forecast. On a year-over-year basis, corporate receipts were up for the first time since March 2008.

Table 1. Quarterly Income Tax Revenues

(Quarter ending December 31, 2009)

Personal Income Tax	Forecast Comparison			Year/Year Change	
(Millions of dollars)	Actual Revenues	Latest Forecast	Percent Difference	Prior Year	Percent Change
Withholding	\$1,151.7	\$1,143.2	0.7%	\$1,182.8	-2.6%
Dollar difference		\$8.4		-\$31.1	
Estimated Payments	\$161.8	\$206.8	-21.8%	\$174.8	-7.5%
Dollar difference		-\$45.0		-\$13.1	
Final Payments	\$77.0	\$74.4	3.5%	\$99.4	-22.5%
Dollar difference		\$2.6		-\$22.4	
Refunds	-\$188.7	-\$199.3	-5.3%	-\$180.3	4.6%
Dollar difference		\$10.6		-\$8.4	
Total Personal Income Tax	\$1,201.7	\$1,225.1	-1.9%	\$1,276.7	-5.9%
Dollar difference		-\$23.4		-\$74.9	

Corporate Income Tax	Forecast Comparison			Year/Year Change	
(Millions of dollars)	Actual Revenues	Latest Forecast	Percent Difference	Prior Year	Percent Change
Advanced Payments	\$163.9	\$109.7	49.4%	\$145.3	12.8%
Dollar difference		\$54.2		\$18.6	
Final Payments	\$24.0	\$28.2	-14.9%	\$26.7	-10.2%
Dollar difference		-\$4.2		-\$2.7	
Refunds	-\$137.2	-\$94.8	44.8%	-\$124.8	9.9%
Dollar difference		-\$42.4		-\$12.4	
Total Corporate Income Tax	\$50.6	\$43.1	17.4%	\$47.2	7.3%
Dollar difference		\$7.5		\$3.5	

Total Income Tax	Forecast Comparison			Year/Year Change	
(Millions of dollars)	Actual Revenues	Latest Forecast	Percent Difference	Prior Year	Percent Change
Corporate and Personal Tax	\$1,252.4	\$1,268.3	-1.3%	\$1,323.9	-5.4%
Dollar difference		-\$15.9		-\$71.5	

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.

Staff:

Tom Potiowsky, State Economist
 Josh Harwood, Senior Economist
 Damon Bell, Senior Analyst

Kanhaiya Vaidya, Senior Demographer
 Josh Lehner, Economist
 Gabe Cox, Administrative Assistant

155 Cottage Street N.E., U20
 Salem, OR 97301-3966
<http://www.oregon.gov/DAS/OEA>

Phone: (503) 378-3405
 Fax: (503) 373-7643