

# Governor McDonnell's Proposed 2012-2014 Budget

## Economic Outlook & Revenue Forecast

*A Briefing for the Senate Finance,  
House Finance, and House Appropriations  
Committees*

*December 19, 2011*



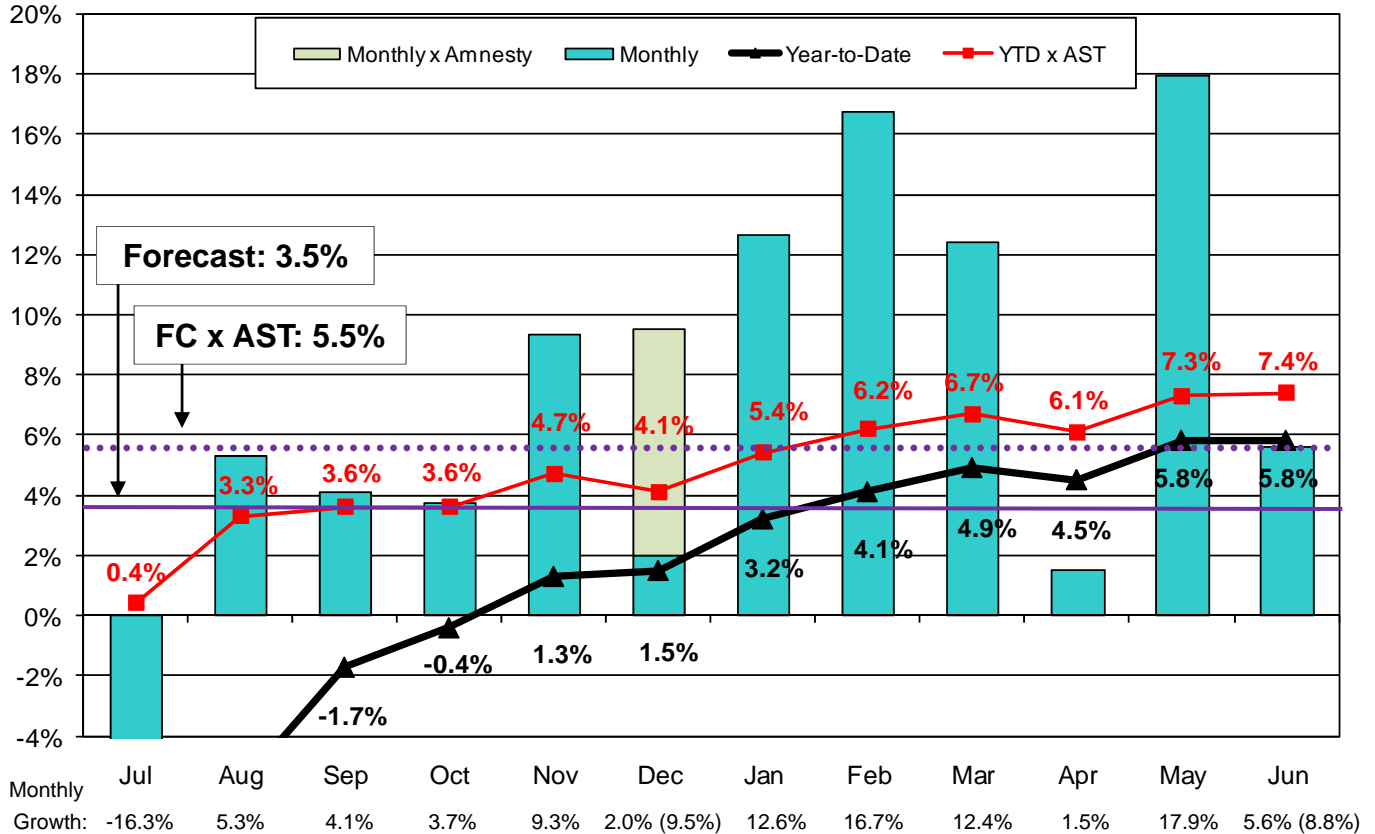
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## ***Outline...***

- Fiscal Year 2011 Year-in-Review
- U.S. and Virginia Economic Outlook
- December Revenue Forecast
- November Revenue Collections
- Next Steps

# Total General Fund Revenue Collections Improved Over Fiscal Year 2011...

## Growth in Total General Fund Revenue Collections FY11 Monthly and Year-to-Date



- Total general fund revenue collections exceeded the forecast by \$321.7 million in fiscal year 2011, a forecast variance of 2.2 percent.
- Total general fund revenue collections rose 5.8 percent, ahead of the revised annual forecast of 3.5 percent growth.
  - Adjusting for the accelerated sales tax program (AST), total revenues grew 7.4 percent compared with the economic-base forecast of 5.5 percent growth.

## ***Fiscal Year 2011 Revenues and Transfers Finished \$310.7 Million (2.1 Percent) Above Forecast...***

### **Summary of Fiscal Year 2011 Revenue Collections** (millions of dollars)

<u>Major Source</u>	<u>Forecast</u>	<u>Actual</u>	<u>Variance</u>		<u>Annual Growth</u>
			<u>Dollars</u>	<u>Percent</u>	
Withholding	\$ 9,574.8	\$ 9,635.1	\$ 60.3	0.6 %	5.0 %
Nonwithholding	2,068.4	2,178.6	110.2	5.3	14.3
Refunds	(1,897.0)	(1,869.3)	27.7	(1.5)	(6.3)
Net Individual	9,746.2	9,944.4	198.2	2.0	9.4
Sales	2,968.9	3,012.4	43.5	1.5	(2.3)
Corporate	766.6	822.3	55.7	7.3	2.0
Wills (Recordation)	274.0	291.5	17.5	6.4	0.4
Insurance	277.7	281.6	3.9	1.4	7.5
All Other Revenue	685.1	688.2	3.1	0.4	(0.3)
<b>Total Revenues</b>	<b>\$ 14,718.5</b>	<b>\$ 15,040.2</b>	<b>\$ 321.7</b>	<b>2.2 %</b>	<b>5.8 %</b>
ABC Profits	46.2	50.5	4.3	9.3	1.1
Sales Tax (0.25%)	217.3	204.0	(13.3)	(6.1)	(2.6)
Transfers	159.6	157.6	(2.0)	(1.3)	(48.8)
<b>Total Transfers</b>	<b>\$ 423.1</b>	<b>\$ 412.1</b>	<b>\$ (11.0)</b>	<b>(2.6) %</b>	<b>(27.3) %</b>
<b>Total General Fund</b>	<b>\$ 15,141.6</b>	<b>\$ 15,452.3</b>	<b>\$ 310.7</b>	<b>2.1 %</b>	<b>4.5 %</b>

- Total revenues increased for the first time since fiscal year 2008.
  - Total revenues are still below fiscal year 2007 levels.
- As a result of the surplus, total revenues only need to grow by 3.7 percent in fiscal year 2012, instead of 6.0 percent, to meet the budget forecast enacted by the General Assembly.

# ***All Of The Surplus Dollars Were Either Reserved, Committed, or Assigned...***

## **General Fund - Budgetary (Cash) Basis (Unaudited) Fiscal Year 2011 (millions of dollars)**

<b>Assets</b>		
Cash, Cash Equivalents, and Investments	\$ 1,313.8	
Cash and Travel Advances	<u>2.4</u>	
Total Assets		<u><u>\$ 1,316.2</u></u>
<b>Liabilities and Fund Equity</b>		
Liabilities:		
Due to Other Funds	13.9	
Deposits Pending Distribution	<u>4.8</u>	
Total Liabilities	\$ 18.7	
Fund Equity:		
Reserved Fund Balance:		
Revenue Stabilization Reserve Fund	299.4	
Revenue Stabilization Reserve 2013	132.7	
Lottery Proceeds Fund	10.1	
Water Supply Assistance Grant Fund	<u>14.2</u>	
Total Reserved Fund Balance	456.4	
Commitments and Assignments:		
Reapp. 2010 Unexpended Bal. for Cap Outlay	2.3	
Central Capital Planning Fund	2.5	
Communication Sales and Use Tax	36.7	
Unemployment Compensation Trust Fund	8.9	
Natural Disaster Sum Sufficient	17.3	
Amount Required by Chapter 874	265.4	
Amt. Required for Mandatory Reapp.	86.4	
AST for Transportation Trust Fund	26.0	
Fed. Portion of Dominion VA Power Rebate	1.4	
Virginia WQIF - Part A	32.2	
Virginia WQIF - Part B	18.1	
Discretionary Reappropriations	47.2	
Federal Action Reserve Fund	30.0	
Select NGF Balances	166.0	
Transportation (2/3 of Undesignated Bal.)	67.2	
Nonrecurring Expenditures (1/3 of Undesignated Bal)	<u>33.6</u>	
Total Committed and Assigned Fund Balance	<u>841.2</u>	
Total Fund Equity	<u>\$ 1,297.5</u>	
Total Liabilities and Fund Balance		<u><u>\$ 1,316.2</u></u>

## ***Recent National and State Economic Indicators Suggest a Continuing Modest Economic Expansion ...***

- Real GDP grew 2.0 percent in the third quarter of 2011, a significant improvement over growth of 0.4 percent in the first quarter and 1.3 percent in the second quarter. The economy has expanded for nine consecutive quarters.
- Payroll employment grew by 120,000 jobs in November.
- The unemployment rate fell 0.4 percentage point to 8.6 percent in November, its lowest rate since March 2009.
  - The decline resulted from a substantial gain in household employment combined with a contraction of the labor force, as discouraged workers dropped out of the job market.
- Employers in Virginia have added jobs in 10 of the last 14 months. Payroll employment in October grew 0.7 percent.
  - Employment increased 0.9 percent Northern Virginia, but fell 0.9 percent in Hampton Roads and 0.7 percent in Richmond-Petersburg.
- The unemployment rate in Virginia fell slightly from 6.4 percent to 6.0 percent in October and remains well below the national rate of 8.6 percent.
- During the week ending December 10, initial claims for unemployment fell by 19,000 to 366,000, the lowest level since May 2008. The four-week moving average decreased from 394,250 to 387,750, its lowest level since July 2008.
- The Conference Board's index of leading indicators rose 0.9 percent in October, its sixth consecutive monthly increase. The rise in the index is consistent with a continuing recovery.

## ***Recent National and State Economic Indicators Suggest a Continuing Modest Economic Expansion (continued)...***

- Consumer confidence rebounded in November, as the Conference Board's index of consumer confidence rose by 15.1 points to 56.0.
  - This is its highest level since July 2011 and the largest gain since April 2003.
- Conditions in the manufacturing sector strengthened in November as the Institute of Supply Management index rose from 50.8 to 52.7. The index has remained above the expansionary threshold of 50.0 for 28 consecutive months.
  - This gain is consistent with a slowly growing economy.
- The CPI fell 0.1 percent in October from the previous month and stands 3.6 percent above October of last year.
  - Core inflation (excluding food and energy prices) rose 0.1 percent for the second consecutive month, and has increased 2.1 percent from October 2010.
- According to RealtyTrac, U.S. foreclosure activity for November declined 14 percent from November 2010, marking the 14th consecutive month of year-over-year declines.
  - One in every 579 U.S. housing units received a foreclosure notice in November.
  - In Virginia, one in every 1331 households received a foreclosure notice.
- The U.S. personal savings rate increased from 3.3 percent in September to 3.5 percent in October.
- The Federal Reserve announced at its November meeting that it will keep the federal funds rate target unchanged at 0.0 to 0.25 percent.

## ***Global Insight's October U.S. standard forecast – “a Weak Growth Outlook”...***

- Real GDP growth of only 1.0 percent in the 4<sup>th</sup> quarter of calendar year 2011 and 1.1 percent in the 1<sup>st</sup> quarter of 2012.
  - Growth is not expected to be above 2.0 percent until 2013.
- The Fed is expected to implement a third round of quantitative easing by the end of calendar year 2011 and to wait until January 2014 to raise interest rates.
- The standard forecast also assumes that:
  - The 2 percent payroll tax cut and the emergency unemployment insurance benefits are extended for 2012 and then phased out over several years;
  - The supercommittee isn't successful, but the automatic sequester doesn't occur. Instead, the new Congress and president come up with a package of spending cuts and tax increases that won't begin until January 2014; and
  - The Bush tax cuts are extended in 2013.
- The odds of a double-dip recession in the U.S. is at 40 percent. However, the Eurozone will fall into a mild recession during the 4<sup>th</sup> quarter of calendar year 2011.



## ***The Fall 2011 Consensus Forecasting Process...***

- The Joint Advisory Board of Economists (JABE) met in October.
  - Members were presented the September standard economic outlook, a pessimistic forecast that is significantly weaker than the official economic forecast.
  - A majority of JABE members supported the standard outlook; however, some members felt more comfortable with the standard minus due to the large downside risks (Eurozone crisis, supercommittee/future spending cuts).
  - The October standard outlook was adjusted consistent with these concerns – specifically lowering employment and wages and salary growth in fiscal years 2012 and 2013.
- The Governor’s Advisory Council on Revenue Estimates (GACRE) met in November.
  - Members evaluated JABE recommendations, revenue collections through October, and the associated revenue forecasts for FY12 and the FY12-14 biennium.
  - Of the 12 members present, 11 supported the standard forecast and only one supported the standard minus.
  - Members of the General Assembly who attended had differing opinions: two supported the standard, one supported standard plus and one supported standard minus.

## ***Since GACRE, the U.S. and Virginia Economic Outlooks Have Been Revised Upward ...***

- Global Insight's November U.S. standard forecast reflects better-than-expected economic growth since October, including the advance estimate of 3<sup>rd</sup> quarter GDP growth of 2.5 percent.
  - As a result, in FY12 real GDP is now expected to grow 1.7 percent instead of 1.4 percent, and employment is expected to grow 0.9 percent instead of 0.7 percent.
- Given GACRE's support of the standard forecast, JABE adjustments to the Virginia outlook to account for the minority view of "standard minus" were removed.

### **Key Virginia Economic Indicators**

Official and November Forecasts

Annual Percent Change

	Fiscal Year					
	09	10	11	12	13	14
<b>Employment</b>						
Official (Oct '10)	(1.6)	(2.1)	0.7	2.0	2.1	1.7
Nov Standard			1.2	1.2	1.0	1.8
<b>Personal Income</b>						
Official (Oct '10)	1.4	1.0	2.8	3.6	4.5	4.4
Nov Standard			5.0	3.9	3.5	4.0
<b>Wages &amp; Salaries</b>						
Official (Oct '10)	0.4	0.3	2.6	4.7	4.6	3.9
Nov Standard			3.5	3.3	3.7	4.2
<b>Average Wage</b>						
Official (Oct '10)	2.1	2.5	1.8	2.6	2.5	2.2
Nov Standard			2.3	2.1	2.6	2.4

- Nevertheless, the November 2011 Virginia Economic Outlook for FY12-14 remains a pessimistic low growth forecast that is weaker than last year's official forecast.

# ***Fiscal Year 2012 Year-to-Date Revenue Collections Through November Continue a Trend of Positive Revenue Reports...***

## **November Year-to-Date Collections and FY 2012 Forecasts (annual percent change)**

<u>Major Source</u>	As a % of Total Revenues	Percent Growth over Prior Year			
		Nov YTD <u>Actual</u>	Official <u>Estimate</u>	December <u>Estimate</u>	Dec-Jun Req'd <u>Meet Dec Est.</u>
Withholding	63.9 %	5.4 %	3.4 %	3.8 %	2.9 %
Nonwithholding	14.3	15.7	2.1	12.6	11.9
Refunds	(11.9)	(15.1)	(0.9)	3.0	5.6
Net Individual	66.2	7.7	3.9	5.9	4.8
Sales	20.0	5.4	3.4	1.8	(0.3)
Corporate	5.3	(0.7)	1.1	0.7	1.1
Wills (Recordation)	1.9	2.4	3.3	10.8	17.2
Insurance	1.9	0.0	2.9	2.0	2.0
All Other Revenue	4.7	2.6	5.8	0.2	(1.0)
<b>Total</b>	<b>100.0 %</b>	<b>6.6 %</b>	<b>3.7 %</b>	<b>4.6 %</b>	<b>3.4 %</b>
<b>Sales x AST</b>		<b>2.4 %</b>	<b>2.5 %</b>	<b>2.5 %</b>	<b>2.5 %</b>
<b>Total x AST</b>		<b>5.9 %</b>	<b>3.5 %</b>	<b>4.7 %</b>	<b>4.0 %</b>

- In November, total revenues grew 9.8 percent mainly due to growth in payroll withholding and sales.
  - When adjusting for the extra Wednesday payroll withholding deposit day, collections still increased about 5.6 percent.
- Total revenues grew 6.6 percent through November, ahead of the official estimate of 3.7 percent.
  - Adjusting for AST, total revenues grew 5.9 percent, ahead of the economic-base forecast of 3.5 percent growth.

## ***The December Revenue Forecast Has Been Revised Upward From The Official Forecast...***

- Nonwithholding is the main driver of the upward revision to total revenues for the next three years.
  - Exceeded the forecast in fiscal year 2011 by \$110.2 million, thereby raising its revenue base;
  - Fiscal year 2012 year-to-date growth for is 15.7 percent, significantly ahead of the annual official estimate of 2.1 percent; and
  - Expectations in the financial markets have improved.
- Individual nonwithholding growth is expected to be 12.6 percent in fiscal year 2012 compared to the official forecast of 2.1 percent.
- Individual payroll withholding growth also contributes to the upward revision. It is expected to be 3.8 percent in fiscal year 2012 compared to the official forecast of 3.4 percent.
- Sales tax growth falls to 1.8 percent, as a result of policy changes (Accelerated Sales Tax).
  - Economic based growth of 2.5 percent remains the same as in the official forecast.
- For most other sources, revisions are minor.

## ***The December Revenue Forecast Has Been Revised Upward From The Official Forecast (continued)...***

- In the December forecast, total general fund revenues and transfers have been increased by \$83.3 million in fiscal year 2012.
- Revenues are expected to increase 4.6 percent in fiscal year 2012 compared with the official forecast of 3.7 percent growth.
  - Adjusted for the accelerated sales tax program, total revenues are projected to increase 4.7 percent compared with the official forecast of 3.5 percent growth.
- Total revenues are expected to increase 3.3 percent in fiscal year 2013 and 4.5 percent in fiscal year 2014. Both of these are slightly behind last year's official forecast of 3.8 percent and 4.7 percent growth for these two years.

# ***The December General Fund Revenue Forecast Includes Adjustments for Fiscal Year 2012 ...***

## **Decomposition of the December Revenue Forecast**

Fiscal Year 2012  
(millions of dollars)

	FY12
<u>Base Revenue Forecast</u>	
GACRE Forecast	\$152.2
<u>Post-GACRE Adjustments</u>	
Withholding	41.8
Nonwithholding	31.8
Refunds	(33.3)
<u>Minor</u>	<u>(0.7)</u>
Total	\$39.6
<u>Policy Adjustments</u>	
Accelerated Sales Tax (Additional Relief)	(50.0)
<u>Sale of Property</u>	<u>(18.8)</u>
Total	(\$68.8)
<u>Technical Budget Adjustments</u>	
Miscellaneous Revenue Adjustments	8.0
<u>Transfers Per Appropriations Act</u>	<u>(47.7)</u>
Total	(\$39.7)
<b>December Forecast Revision</b>	<b>\$83.3</b>

# ***The December General Fund Revenue Forecast For Fiscal Year 2012...***

## **Summary of the December General Fund Revenue Forecast Fiscal Year 2012 (millions of dollars)**

Major Source	As a % of Total General Fund	Fiscal Year 2012				
		Official	% Growth	December	% Growth	\$ Change
Withholding	62.0 %	\$ 9,958.0	3.4 %	\$ 10,006.0	3.8 %	\$ 48.0
Nonwithholding	13.8	2,223.6	2.1	2,452.2	12.6	228.6
Refunds	(11.5)	(1,852.0)	(0.9)	(1,925.2)	3.0	(73.2)
Net Individual	64.3 %	\$ 10,329.6	3.9 %	\$ 10,533.0	5.9 %	\$ 203.4
Sales	19.4 %	\$ 3,115.5	3.4 %	\$ 3,066.0	1.8 %	\$ (49.5)
Corporate	5.2	831.6	1.1	827.8	0.7	(3.8)
Wills (Recordation)	1.9	301.1	3.3	322.9	10.8	21.8
Insurance	1.8	289.6	2.8	287.3	2.0	(2.3)
All Other Revenue	4.5	728.2	5.8	689.6	0.2	(38.6)
<b>Total Revenues</b>	<b>97.1 %</b>	<b>\$ 15,595.6</b>	<b>3.7 %</b>	<b>\$ 15,726.6</b>	<b>4.6 %</b>	<b>\$ 131.0</b>
ABC Profits	0.3	\$ 47.8	(5.3) %	\$ 53.3	5.5 %	\$ 5.5
Sales Tax (0.25%)	1.4	225.1	10.3	216.1	5.9	(9.0)
Transfers	1.2	195.7	24.2	151.5	(3.9)	(44.2)
<b>Total Transfers</b>	<b>2.9 %</b>	<b>\$ 468.6</b>	<b>13.7 %</b>	<b>\$ 420.9</b>	<b>2.1 %</b>	<b>\$ (47.7)</b>
<b>Total General Fund</b>	<b>100.0 %</b>	<b>\$ 16,064.2</b>	<b>4.0 %</b>	<b>\$ 16,147.5</b>	<b>4.5 %</b>	<b>\$ 83.3</b>

- Total general fund resources, including revenues and transfers, are \$83.3 million above the official forecast for fiscal year 2012.

# ***The December General Fund Revenue Forecast Also Includes Adjustments for Fiscal Years 2013 and 2014 ...***

## **Decomposition of the December Revenue Forecast**

Fiscal Years 2013 and 2014

(millions of dollars)

	FY13	FY14	FY12-14 Biennium
<b><u>GACRE Revenue Forecast</u></b>	\$16,266.0	\$17,011.4	\$ 33,277.4
<b><u>Post GACRE Adjustments</u></b>			
Withholding	50.2	39.6	89.8
Nonwithholding	27.0	37.0	64.0
Refunds	(44.8)	(43.4)	(88.2)
Corporate	-	(27.0)	(27.0)
<u>Minor</u>	<u>20.4</u>	<u>11.1</u>	<u>31.5</u>
Total	\$52.8	\$17.3	\$70.1
<b><u>Policy Adjustments</u></b>			
Accelerated Sales Tax (Additional Relief)	(6.8)	(6.8)	(13.6)
Transportation Sales Tax Change	(54.4)	(56.3)	(110.7)
Earned Income Tax Credit (conformity)	(7.0)	-	(7.0)
Long Term Care Insurance Tax Credit	(1.2)	(1.2)	(2.4)
Section 199 Domestic Production	(10.0)	-	(10.0)
Private School Tax Credit	-	(10.0)	(10.0)
Research and Technology Tax Credit	-	(5.0)	(5.0)
Small Business Tax Credit	(1.5)	(1.5)	(3.0)
Sale of Property	2.3	20.0	22.3
Interest Income Adjustment	5.6	-	5.6
<u>Minor</u>	<u>0.7</u>	<u>1.6</u>	<u>2.3</u>
Total	(\$72.3)	(\$59.2)	(\$131.5)
<b>Total General Fund Revenues</b>	<b>\$ 16,246.5</b>	<b>\$ 16,969.5</b>	<b>\$ 33,216.0</b>



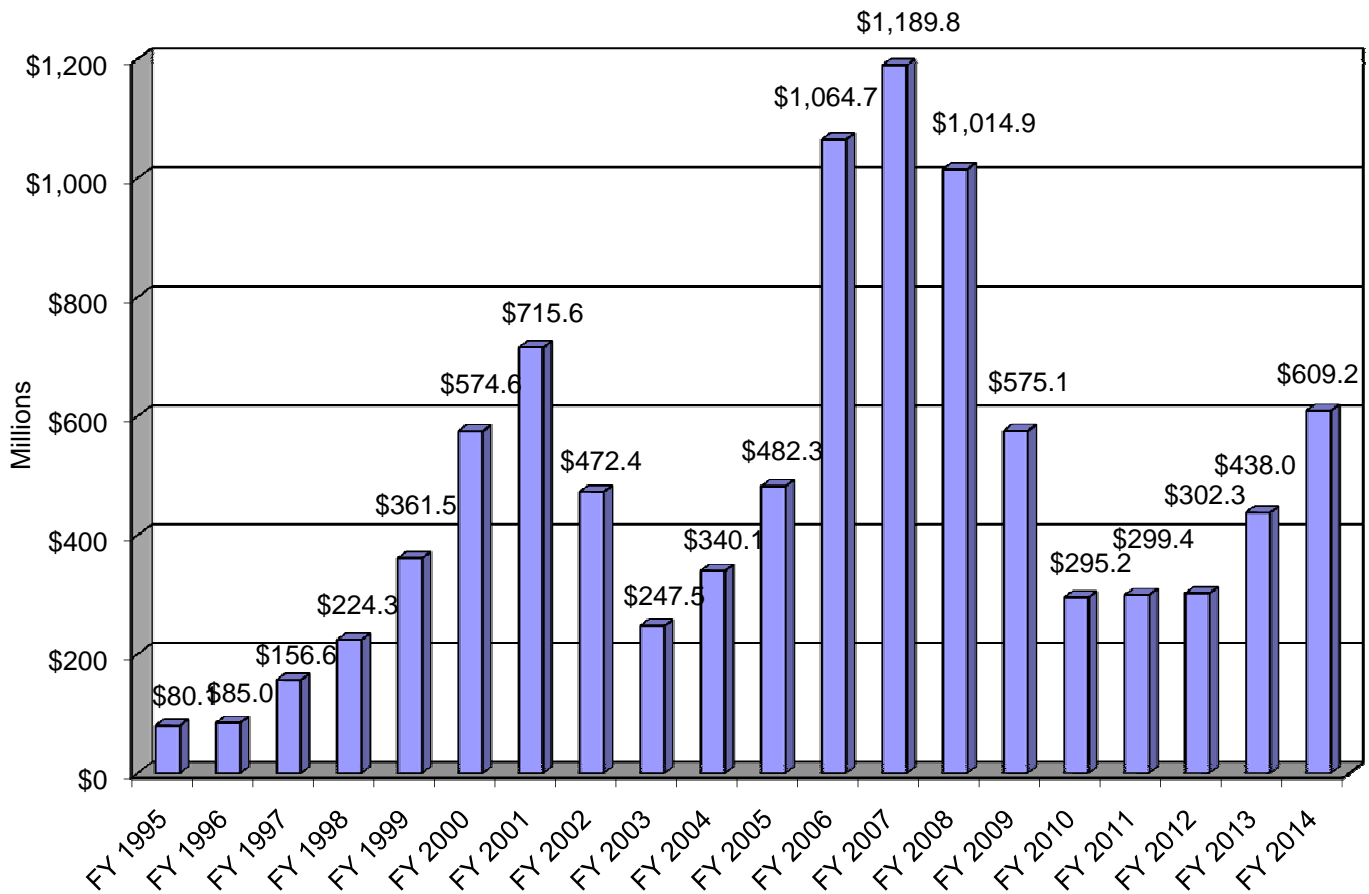
## Summary of the November Standard General Fund Forecast: Fiscal Years 2013-2014 (millions of dollars)

Major Source	Fiscal Year 2013		Fiscal Year 2014		2012-14 Biennium	
	December	Growth Over FY12	December	Growth Over FY13	December	% Growth Over FY10-12
Withholding	\$ 10,391.5	3.9 %	\$ 10,843.9	4.4 %	\$ 21,235.4	8.1 %
Nonwithholding	2,441.4	(0.4)	2,568.5	5.2	5,009.9	8.2
Refunds	(1,930.8)	0.3	(1,960.6)	1.5	(3,891.4)	2.6
Net Individual	\$ 10,902.1	3.5 %	\$ 11,451.8	4.5 %	\$ 22,353.9	9.2 %
Sales	\$ 3,153.3	2.8 %	\$ 3,260.8	3.4 %	\$ 6,414.1	5.5 %
Corporate	877.6	6.0	904.5	3.1	1,782.1	8.0
Wills (Recordation)	322.9	0.0	322.9	0.0	645.8	5.1
Insurance	293.6	2.2	307.5	4.7	601.1	5.7
All Other Revenue	697.0	1.1	722.0	3.6	1,419.0	3.0
<b>Total GF Revenue</b>	<b>\$ 16,246.5</b>	<b>3.3 %</b>	<b>\$ 16,969.5</b>	<b>4.5 %</b>	<b>\$ 33,216.0</b>	<b>8.1 %</b>
A.B.C. Profits	53.7	0.8	54.0	0.6	107.7	3.8
Sales Tax (0.25%)	226.1	4.6	233.9	3.4	460.0	9.5
Transfers Per Act	115.6	(23.7)	122.6	6.1	238.2	(22.9)
<b>Total Transfers</b>	<b>\$ 395.4</b>	<b>(6.1) %</b>	<b>\$ 410.5</b>	<b>3.8 %</b>	<b>\$ 805.9</b>	<b>(3.3) %</b>
<b>Total General Fund</b>	<b>\$ 16,641.9</b>	<b>3.1 %</b>	<b>\$ 17,380.0</b>	<b>4.4 %</b>	<b>\$ 34,021.9</b>	<b>7.7 %</b>

- Total general fund revenue is expected to grow 3.3 percent in fiscal year 2013 and 4.5 percent in fiscal year 2014.

# ***Mandatory Deposits into the Revenue Stabilization Fund Will Double the Size of the Fund by the End of Fiscal Year 2014...***

**Revenue Stabilization Fund -- June 30 Balance**  
 FY 1995-2011 Actual and FY 2012-2014 Forecast  
 (millions of dollars)



- Mandatory deposits of \$132.7 million in fiscal year 2013 and \$166.4 in fiscal year 2014 are required.

## ***Next Steps In The Revenue Forecasting Process...***

- The mid-session review will incorporate the latest economic and revenue data.
  - Global Insight January U.S. economic outlook.
    - Impact of federal legislation, including extension of tax cuts and unemployment compensation.
    - Retail holiday sales.
  - Key additional revenue data will be available.
    - December 15: Due date for the fourth quarter corporate estimated income tax payment.
    - January 17: Due date for the fourth quarter individual estimated income tax payment.
    - Retail sales tax collections reflecting the main holiday shopping season.

# **APPENDIX**

U.S. Economic Indicators

Virginia Economic Indicators

General Fund Forecast, FY 2012-2018

Commonwealth Transportation Fund Forecast, FY 2012-2018

Virginia Health Care Fund Forecast, FY 2012-2018

GACRE November Standard Revenue Forecast

GACRE November Recession Revenue Forecast

Growth in General Fund Revenues, FY 1961-2014

Nongeneral Fund Forecast, FY 2012-2018

November 2011 Revenue Report

**Fiscal Years 2009-2014 Official and November Forecasts**  
U.S. Economic Forecasts - Income and Other Indicators

		<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>
<u>Output, Income, and Spending (% Change)</u>							
Real GDP	Official (Oct '10)	(2.8)	0.7	2.2	2.7	2.9	2.7
	Nov Standard		0.3	2.6	1.7	1.8	3.2
	Nov Recession				0.7	(0.4)	2.4
Total Personal Income	Official (Oct '10)	0.5	0.3	3.3	3.5	4.3	4.8
	Nov Standard		(1.0)	5.4	3.6	3.4	4.3
	Nov Recession				2.4	0.6	3.0
Wages and Salaries (51%)	Official (Oct '10)	(1.9)	(1.7)	2.8	4.1	4.7	4.5
	Nov Standard		(1.5)	3.7	3.3	3.3	4.6
	Nov Recession				2.7	1.1	2.9
Average Wage	Official (Oct '10)	0.8	1.3	2.3	2.5	2.4	2.7
	Nov Standard		1.7	3.2	2.3	2.3	2.8
	Nov Recession				2.2	1.5	2.1
Real Consumer Spending	Official (Oct '10)	(1.7)	0.4	2.1	2.3	1.8	1.5
	Nov Standard		0.3	2.5	2.0	2.1	1.8
	Nov Recession				1.4	0.7	0.4
<u>Interest Rates (%)</u>							
3-Month Treasury Bills	Official (Oct '10)	0.6	0.1	0.2	0.5	2.7	3.5
	Nov Standard		0.1	0.1	0.0	0.1	0.5
	Nov Recession				0.0	0.1	0.1
30-Year Treasury Bonds	Official (Oct '10)	3.9	4.4	3.6	3.6	4.5	5.1
	Nov Standard		4.4	4.2	3.3	3.5	4.1
	Nov Recession				2.9	2.9	3.7
<u>Prices (% Change)</u>							
CPI	Official (Oct '10)	1.4	1.0	1.3	1.8	2.0	2.0
	Nov Standard		1.0	2.0	2.7	1.3	1.9
	Nov Recession				2.2	0.6	2.5
GDP Deflator	Official (Oct '10)	1.9	0.5	1.4	1.4	1.5	1.7
	Nov Standard		0.7	1.7	2.0	1.0	1.4
	Nov Recession				2.0	0.6	1.0

The Official forecast is Global Insight's October 2010 U.S. standard scenario.

The Nov Standard forecast is Global Insight's November 2011 U.S. standard forecast.

The Nov Recession forecast is Global Insight's November 2011 U.S. pessimistic alternative scenario.

**Fiscal Years 2009-2014 Official and November Forecasts**  
U.S. Economic Forecasts - Employment and Labor Markets

		<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>
<u>Employment and Labor Markets (% Change)</u>							
Total Nonagricultural Employment	Official (Oct '10)	(2.8)	(3.0)	0.5	1.6	2.3	1.7
	Nov Standard		(3.1)	0.6	0.9	1.0	1.8
	Nov Recession				0.6	(0.4)	0.8
Construction (6%)	Official (Oct '10)	(11.4)	(13.7)	(3.4)	(0.7)	6.7	8.2
	Nov Standard		(14.5)	(2.6)	(0.8)	(2.2)	5.7
	Nov Recession				(1.2)	(5.6)	0.1
Manufacturing (9%)	Official (Oct '10)	(7.7)	(8.2)	1.3	2.7	2.7	2.2
	Nov Standard		(8.9)	0.8	1.5	1.0	1.6
	Nov Recession				1.1	(1.5)	0.9
Trade, Transportation, and Utilities (19%)	Official (Oct '10)	(3.9)	(3.4)	0.1	1.7	2.9	1.5
	Nov Standard		(3.8)	0.5	1.4	2.0	1.7
	Nov Recession				1.0	0.6	0.8
Financial Activities (6%)	Official (Oct '10)	(3.3)	(3.9)	(1.0)	2.3	1.8	(0.2)
	Nov Standard		(3.6)	(0.8)	(0.4)	1.1	0.1
	Nov Recession				(0.9)	0.2	(1.3)
Professional and Business Services (13%)	Official (Oct '10)	(4.7)	(3.6)	2.8	5.0	4.5	3.7
	Nov Standard		(3.6)	2.5	2.5	2.2	5.7
	Nov Recession				1.2	(2.1)	4.8
Education and Health Services (13%)	Official (Oct '10)	2.4	1.7	1.8	2.0	1.3	1.1
	Nov Standard		1.7	2.1	2.2	1.7	1.3
	Nov Recession				2.2	1.9	1.3
Leisure and Hospitality (10%)	Official (Oct '10)	(1.8)	(1.5)	0.3	(0.4)	0.8	0.3
	Nov Standard		(1.9)	0.9	1.6	1.7	0.1
	Nov Recession				1.9	1.4	(0.8)
Government (16%)	Official (Oct '10)	1.0	(0.1)	(0.9)	(0.1)	0.9	1.0
	Nov Standard		0.0	(1.4)	(1.7)	(0.8)	0.3
	Nov Recession				(2.0)	(1.9)	(0.6)
Unemployment Rate (%)	Official (Oct '10)	7.6	9.8	9.7	9.4	8.7	8.2
	Nov Standard		9.7	9.3	9.2	9.2	8.7
	Nov Recession				9.4	10.3	10.2

The Official forecast is Global Insight's October 2010 U.S. standard scenario.

The Nov Standard forecast is Global Insight's November 2011 U.S. standard forecast.

The Nov Recession forecast is Global Insight's November 2011 U.S. pessimistic alternative scenario.

**Fiscal Years 2009-2014 Official and November Forecasts**  
Virginia Economic Forecasts - Employment and Labor Markets

		<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>
<u>Employment and Labor Markets (% Change)</u>							
Total Nonagricultural Employment	Official (Oct '10)	(1.6)	(2.1)	0.7	2.0	2.1	1.7
	Nov Standard		(2.3)	1.2	1.2	1.0	1.8
	Nov Recession				0.9	(0.3)	0.8
Construction and Mining (5%)	Official (Oct '10)	(10.9)	(11.8)	(3.0)	4.7	7.2	7.5
	Nov Standard		(10.5)	(0.3)	0.7	(0.2)	5.3
	Nov Recession				0.3	(3.3)	0.3
Manufacturing (6%)	Official (Oct '10)	(7.0)	(8.1)	(1.1)	3.4	3.3	2.0
	Nov Standard		(7.7)	(1.1)	1.2	(0.3)	1.0
	Nov Recession				0.7	(3.1)	0.1
Trade, Transportation, and Utilities (17%)	Official (Oct '10)	(3.7)	(2.8)	1.4	1.4	2.7	1.2
	Nov Standard		(3.6)	1.8	2.4	2.0	1.3
	Nov Recession		(3.6)		1.9	0.7	0.5
Financial Activities (5%)	Official (Oct '10)	(3.4)	(3.3)	(0.7)	1.8	1.7	0.0
	Nov Standard		(3.6)	0.4	0.1	1.9	0.3
	Nov Recession				(0.6)	0.6	(1.5)
Professional and Business Services (18%)	Official (Oct '10)	(0.5)	(1.5)	1.6	4.4	3.1	3.0
	Nov Standard		(1.4)	3.0	3.3	2.4	4.7
	Nov Recession				2.5	(0.9)	3.7
Education and Health Services (13%)	Official (Oct '10)	3.4	2.9	2.0	2.9	1.6	1.2
	Nov Standard		1.8	2.2	1.6	2.0	1.5
	Nov Recession				1.7	2.2	1.5
Leisure and Hospitality (9%)	Official (Oct '10)	(1.1)	(0.7)	1.7	2.1	1.7	0.3
	Nov Standard		(1.7)	1.8	1.3	1.6	0.1
	Nov Recession				1.6	1.3	(0.8)
Government (19%)	Official (Oct '10)	1.7	(0.6)	(0.6)	(2.6)	(1.5)	1.1
	Nov Standard		0.6	(0.2)	(1.7)	(2.1)	(0.1)
	Nov Recession				(1.7)	(2.2)	(0.2)
Unemployment Rate (%)	Official (Oct '10)	5.4	7.0	7.3	7.0	6.6	6.2
	Nov Standard		7.1	6.5	6.0	5.9	5.6
	Nov Recession				6.1	6.6	6.6

The Official forecast is based on Global Insight's October 2010 U.S. standard forecast.

The Nov Standard forecast from the Department of Taxation is based on Global Insight's November 2011 U.S. standard forecast, with adjustments after GACRE.

The Nov Recession forecast from the Department of Taxation is based on Global Insight's November 2011 U.S. pessimistic alternative scenario.

**Fiscal Years 2009-2014 Official and November Forecasts**  
Virginia Economic Forecasts - Income

		<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>
<u>Income (% Change)</u>							
Total Personal Income	Official (Oct '10)	1.4	1.0	2.8	3.6	4.5	4.4
	Nov Standard	0.6	0.1	5.0	3.9	3.5	4.0
	Nov Recession				3.5	2.0	2.9
Wages and Salaries (58%)	Official (Oct '10)	0.4	0.3	2.6	4.7	4.6	3.9
	Nov Standard	0.4	0.6	3.5	3.3	3.7	4.2
	Nov Recession				2.9	2.2	2.8
Average Wage	Official (Oct '10)	2.1	2.5	1.8	2.6	2.5	2.2
	Nov Standard	2.1	2.9	2.3	2.1	2.6	2.4
	Nov Recession				2.0	2.5	1.9
Dividends, Interest, and Rent (16%)	Official (Oct '10)	(2.9)	(4.8)	3.0	2.6	6.1	5.5
	Nov Standard	(5.3)	(8.9)	7.2	3.0	3.2	2.8
	Nov Recession				1.5	(0.8)	(0.2)
Supplements to Wages and Salaries (14%)	Official (Oct '10)	5.2	3.5	3.6	4.5	5.3	5.3
	Nov Standard	5.4	2.6	2.9	4.0	4.2	5.4
	Nov Recession				4.2	4.2	4.7
Proprietor's Income (6%)	Official (Oct '10)	(2.5)	(0.7)	4.1	1.5	(0.4)	(0.1)
	Nov Standard	(9.0)	(7.3)	7.1	12.0	0.6	1.5
	Nov Recession				12.2	0.6	1.2
Net Transfer Payments (4%)	Official (Oct '10)	34.8	26.4	4.1	(3.5)	2.5	10.1
	Nov Standard	34.8	28.1	19.9	5.8	4.4	5.1
	Nov Recession				4.6	4.3	9.8

The Official forecast is based on Global Insight's October 2010 U.S. standard forecast.

The Nov Standard forecast from the Department of Taxation is based on Global Insight's November 2011 U.S. standard forecast, with adjustments after GACRE.

The Nov Recession forecast from the Department of Taxation is based on Global Insight's November 2011 U.S. pessimistic alternative scenario.



**The Official and December General Fund Forecast for Fiscal Year 2012**  
(Dollars in Millions)

December 19, 2011

	Fiscal Year 2011		Fiscal Year 2012			% Growth Over FY 11	
	Actual	% Growth	Official Forecast	December Forecast	Change	Official	December
<b>MAJOR TAX SOURCES</b>							
Corporate Income	\$ 822.3	2.0 %	\$ 831.6	\$ 827.8	\$ (3.8)	1.1 %	0.7 %
Individual Income Tax:							
Gross	11,813.7	6.6	12,181.6	12,458.2	276.6	3.1	5.5
Withholding	9,635.1	5.0	9,958.0	10,006.0	48.0	3.4	3.8
Nonwithholding	2,178.6	14.3	2,223.6	2,452.2	228.6	2.1	12.6
Refunds	<u>(1,869.3)</u>	<u>(6.3)</u>	<u>(1,852.0)</u>	<u>(1,925.2)</u>	<u>(73.2)</u>	<u>(0.9)</u>	<u>3.0</u>
Net	9,944.4	9.4	10,329.6	10,533.0	203.4	3.9	5.9
Insurance Company Premiums	281.6	7.5	289.6	287.3	(2.3)	2.9	2.0
State Sales & Use Tax	3,012.4	(2.3)	3,115.5	3,066.0	(49.5)	3.4	1.8
Wills, Suits, Deeds, & Contract Fees	<u>291.5</u>	<u>0.4</u>	<u>301.1</u>	<u>322.9</u>	<u>21.8</u>	<u>3.3</u>	<u>10.8</u>
Total Major Tax Sources	\$ 14,352.0	6.1 %	\$ 14,867.4	\$ 15,037.0	\$ 169.6	3.6 %	4.8 %
<b>MISCELLANEOUS TAXES AND OTHER REVENUES</b>							
Alcoholic Beverage State Tax	\$ 136.0	3.3 %	\$ 137.1	\$ 137.5	\$ 0.4	0.8 %	1.1 %
Bank Franchise Tax	24.4	5.4	18.0	23.3	5.3	(26.2)	(4.5)
Beer & Beverage Excise Tax	42.9	(1.3)	43.5	43.3	(0.2)	1.3	0.8
Corporate Franchise & Charter Fees	44.4	(4.7)	46.7	43.4	(3.3)	5.2	(2.3)
Excess & Other Fees from Officers	(8.6)	17.7	(10.3)	(10.3)	0.0	(19.4)	(19.4)
Estate & Gifts	2.7	(52.2)	2.0	0.0	(2.0)	(26.3)	(100.0)
Institutional Revenues	6.4	7.1	5.8	6.2	0.4	(10.0)	(3.8)
Interest & Rents	81.5	(13.9)	103.9	82.3	(21.6)	27.5	1.0
Licenses & Permits	4.4	1.6	4.2	4.1	(0.1)	(3.4)	(5.7)
Miscellaneous Taxes and Penalties	225.8	8.6	231.5	237.6	6.1	2.5	5.2
Other Miscellaneous Revenues	34.4	(13.6)	49.4	28.3	(21.1)	43.4	(17.8)
Public Service GR / Consumption Tax	<u>93.8</u>	<u>(3.6)</u>	<u>96.4</u>	<u>93.9</u>	<u>(2.5)</u>	<u>2.8</u>	<u>0.1</u>
Total Misc. Taxes and Other Revenues	\$ 688.2	(0.3) %	\$ 728.2	\$ 689.6	\$ (38.6)	5.8 %	0.2 %
<b>TOTAL GF REVENUES</b>	<b>\$ 15,040.2</b>	<b>5.8 %</b>	<b>\$ 15,595.6</b>	<b>\$ 15,726.6</b>	<b>\$ 131.0</b>	<b>3.7 %</b>	<b>4.6 %</b>
<b>TRANSFERS</b>							
A.B.C. Profits	\$ 50.5	1.1 %	\$ 47.8	\$ 53.3	\$ 5.5	(5.4) %	5.5 %
Sales Tax (0.25%)	204.0	(2.6)	225.1	216.1	(9.0)	10.3	5.9
Transfers Per Appropriations Act	<u>157.6</u>	<u>(48.8)</u>	<u>195.7</u>	<u>151.5</u>	<u>(44.2)</u>	<u>24.2</u>	<u>(3.9)</u>
Total Transfers	\$ 412.1	(27.3) %	\$ 468.6	\$ 420.9	\$ (47.7)	13.7 %	2.1 %
<b>TOTAL GENERAL FUND</b>	<b>\$ 15,452.3</b>	<b>4.5 %</b>	<b>\$ 16,064.2</b>	<b>\$ 16,147.5</b>	<b>\$ 83.3</b>	<b>4.0 %</b>	<b>4.5 %</b>

The Official forecast is an update to the December forecast, incorporating year-to-date collection trends through January 2011 and actions of the 2011 General Assembly.

The December forecast is based on the November US Macro and Virginia economic outlook that incorporates recommendations from GACRE.

**The December Standard General Fund Forecast for Fiscal Years 2013-2014**  
(Dollars in Millions)

December 19, 2011

	Fiscal Year 2013		Fiscal Year 2014		2012-2014 Biennium	
	December Forecast	% Growth Over FY 12	December Forecast	% Growth Over FY 13	December Forecast	% Growth Over 10-12
<b>MAJOR TAX SOURCES</b>						
Corporate Income	\$ 877.6	6.0 %	\$ 904.5	3.1 %	\$ 1,782.1	8.0 %
Individual Income Tax:						
Gross	12,832.9	3.0	13,412.4	4.5	26,245.3	8.1
Withholding	10,391.5	3.9	10,843.9	4.4	21,235.4	8.1
Nonwithholding	2,441.4	(0.4)	2,568.5	5.2	5,009.9	8.2
Refunds	<u>(1,930.8)</u>	<u>0.3</u>	<u>(1,960.6)</u>	<u>1.5</u>	<u>(3,891.4)</u>	<u>2.6</u>
Net	10,902.1	3.5	11,451.8	5.0	22,353.9	9.2
Insurance Company Premiums	293.6	2.2	307.5	4.7	601.1	5.7
State Sales & Use Tax	3,153.3	2.8	3,260.8	3.4	6,414.1	5.5
Wills, Suits, Deeds, & Contract Fees	<u>322.9</u>	<u>0.0</u>	<u>322.9</u>	<u>0.0</u>	<u>645.8</u>	<u>5.1</u>
Total Major Tax Sources	\$ 15,549.5	3.4 %	\$ 16,247.5	4.5 %	\$ 31,797.0	8.2 %
<b>MISCELLANEOUS TAXES AND OTHER REVENUES</b>						
Alcoholic Beverage State Tax	\$ 140.2	2.0 %	\$ 143.0	2.0 %	\$ 283.2	3.5 %
Bank Franchise Tax	19.3	(17.2)	19.3	0.0	38.6	(19.1)
Beer & Beverage Excise Tax	43.3	0.0	43.3	0.0	86.6	0.4
Corporate Franchise & Charter Fees	43.4	0.0	43.4	0.0	86.8	(1.1)
Excess & Other Fees from Officers	(7.5)	27.2	(7.5)	0.0	(15.0)	(20.7)
Estate & Gifts	0.0	n/a	0.0	n/a	0.0	n/a
Institutional Revenues	6.2	0.0	6.2	0.0	12.4	(1.9)
Interest & Rents	83.0	0.9	85.6	3.1	168.6	2.9
Licenses & Permits	4.3	4.9	4.3	0.0	8.6	1.8
Miscellaneous Taxes and Penalties	238.8	0.5	240.0	0.5	478.8	3.3
Other Miscellaneous Revenues	32.1	13.4	50.5	57.3	82.6	31.7
Public Service GR / Consumption Tax	<u>93.9</u>	<u>0.0</u>	<u>93.9</u>	<u>0.0</u>	<u>187.8</u>	<u>0.1</u>
Total Misc. Taxes and Other Revenues	\$ 697.0	1.1 %	\$ 722.0	3.6 %	\$ 1,419.0	3.0 %
<b>TOTAL GF REVENUES</b>	<b>\$ 16,246.5</b>	<b>3.3 %</b>	<b>\$ 16,969.5</b>	<b>4.5 %</b>	<b>\$ 33,216.0</b>	<b>8.0 %</b>
<b>TRANSFERS</b>						
A.B.C. Profits	\$ 53.7	0.8 %	\$ 54.0	0.6 %	\$ 107.7	3.8 %
Sales Tax (0.25%)	226.1	4.6	233.9	3.4	460.0	9.5
Transfers Per Appropriations Act	<u>115.6</u>	<u>(23.7)</u>	<u>122.6</u>	<u>6.1</u>	<u>238.2</u>	<u>(22.9)</u>
Total Transfers	\$ 395.4	(6.1) %	\$ 410.5	3.8 %	\$ 805.9	(3.3) %
<b>TOTAL GENERAL FUND</b>	<b>\$ 16,641.9</b>	<b>3.1 %</b>	<b>\$ 17,380.0</b>	<b>4.4 %</b>	<b>\$ 34,021.9</b>	<b>7.7 %</b>

The December forecast is based on the November US Macro and Virginia economic outlook that incorporates recommendations from GACRE.

**The December Standard General Fund Forecast for Fiscal Years 2015-2018**

(Dollars in Millions)

December 19, 2011

	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018
<b>MAJOR TAX SOURCES</b>				
Corporate Income	\$ 906.2	\$ 914.7	\$ 928.6	\$ 940.5
Individual Income Tax:				
Gross	14,059.7	14,800.3	15,536.0	16,229.0
Withholding	11,343.3	11,933.7	12,519.4	13,067.9
Nonwithholding	2,716.4	2,866.6	3,016.6	3,161.1
Refunds	<u>(1,985.4)</u>	<u>(2,082.4)</u>	<u>(2,183.9)</u>	<u>(2,290.7)</u>
Net	12,074.3	12,717.9	13,352.1	13,938.3
Insurance Company Premiums	326.4	340.3	359.3	370.8
State Sales & Use Tax	3,366.4	3,531.0	3,623.2	3,767.9
Wills, Suits, Deeds, & Contract Fees	<u>322.9</u>	<u>322.9</u>	<u>322.9</u>	<u>322.9</u>
Total Major Tax Sources	\$ 16,996.2	\$ 17,826.8	\$ 18,586.1	\$ 19,340.4
<b>MISCELLANEOUS TAXES AND OTHER REVENUES</b>				
Alcoholic Beverage State Tax	\$ 143.2	\$ 143.2	\$ 143.2	\$ 143.2
Bank Franchise Tax	19.3	19.3	19.3	19.3
Beer & Beverage Excise Tax	43.3	43.3	43.3	43.3
Corporate Franchise & Charter Fees	43.4	43.4	43.4	43.4
Excess & Other Fees from Officers	(7.5)	(7.5)	(7.5)	(7.5)
Estate & Gifts	0.0	0.0	0.0	0.0
Institutional Revenues	6.2	6.2	6.2	6.2
Interest & Rents	94.8	94.8	94.8	94.8
Licenses & Permits	4.3	4.3	4.3	4.3
Miscellaneous Taxes and Penalties	240.9	242.0	243.1	244.2
Other Miscellaneous Revenues	29.2	29.2	29.2	29.2
Public Service GR / Consumption Tax	<u>93.9</u>	<u>93.9</u>	<u>93.9</u>	<u>93.9</u>
Total Misc. Taxes and Other Revenues	\$ 711.0	\$ 712.1	\$ 713.2	\$ 714.3
<b>TOTAL GF REVENUES</b>	<b>\$ 17,707.2</b>	<b>\$ 18,538.9</b>	<b>\$ 19,299.3</b>	<b>\$ 20,054.7</b>
<b>TRANSFERS</b>				
A.B.C. Profits	\$ 49.3	\$ 49.3	\$ 49.3	\$ 49.3
Sales Tax (0.25%)	254.0	266.9	280.1	293.4
Transfers Per Appropriations Act	<u>80.4</u>	<u>80.4</u>	<u>80.4</u>	<u>80.4</u>
Total Transfers	\$ 383.7	\$ 396.6	\$ 409.8	\$ 423.1
<b>TOTAL GENERAL FUND</b>	<b>\$ 18,090.9</b>	<b>\$ 18,935.5</b>	<b>\$ 19,709.1</b>	<b>\$ 20,477.8</b>
\$ Change From Previous Year	\$ 710.9	\$ 844.6	\$ 773.6	\$ 768.7
<b>TOTAL BIENNIUM GENERAL FUND</b>		<b>\$ 37,026.4</b>		<b>\$ 40,186.9</b>
\$ Change From Previous Biennium		\$ 3,004.5		\$ 3,160.5
% Growth From Previous Biennium		8.8 %		8.5 %

**The December Standard General Fund Forecast for Fiscal Years 2015-2018**

(Dollars in Millions)

December 19, 2011

	FY 15 % Growth Over FY 14	FY 16 % Growth Over FY 15	FY 17 % Growth Over FY 16	FY 18 % Growth Over FY 17
<b>MAJOR TAX SOURCES</b>				
Corporate Income	0.2 %	0.9 %	1.5 %	1.3 %
Individual Income Tax:				
Gross	4.8	5.3	5.0	4.5
Withholding	4.6	5.2	4.9	4.4
Nonwithholding	5.8	5.5	5.2	4.8
Refunds	<u>1.3</u>	<u>4.9</u>	<u>4.9</u>	<u>4.9</u>
Net	5.4	5.3	5.0	4.4
Insurance Company Premiums	6.1	4.3	5.6	3.2
State Sales & Use Tax	3.2	4.9	2.6	4.0
Wills, Suits, Deeds, & Contract Fees	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Major Tax Sources	4.6 %	4.9 %	4.3 %	4.1 %
<b>MISCELLANEOUS TAXES AND OTHER REVENUES</b>				
Alcoholic Beverage State Tax	0.1 %	0.0 %	0.0 %	0.0 %
Bank Franchise Tax	0.0	0.0	0.0	0.0
Beer & Beverage Excise Tax	0.0	0.0	0.0	0.0
Corporate Franchise & Charter Fees	0.0	0.0	0.0	0.0
Excess & Other Fees from Officers	0.0	0.0	0.0	0.0
Estate & Gifts	n/a	n/a	n/a	n/a
Institutional Revenues	0.0	0.0	0.0	0.0
Interest & Rents	10.7	0.0	0.0	0.0
Licenses & Permits	0.0	0.0	0.0	0.0
Miscellaneous Taxes and Penalties	0.4	0.5	0.5	0.5
Other Miscellaneous Revenues	(42.2)	0.0	0.0	0.0
Public Service GR / Consumption Tax	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Misc. Taxes and Other Revenues	(1.5) %	0.2 %	0.2 %	0.2 %
<b>TOTAL GF REVENUES</b>	<b>4.3 %</b>	<b>4.7 %</b>	<b>4.1 %</b>	<b>3.9 %</b>
<b>TRANSFERS</b>				
A.B.C. Profits	(8.7) %	0.0 %	0.0 %	0.0 %
Sales Tax (0.25%)	8.6	5.1	4.9	4.7
Transfers Per Appropriations Act	<u>(34.4)</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Transfers	(6.5) %	3.4 %	3.3 %	3.2 %
<b>TOTAL GENERAL FUND</b>	<b><u>4.1 %</u></b>	<b><u>4.7 %</u></b>	<b><u>4.1 %</u></b>	<b><u>3.9 %</u></b>

**The Official and December Commonwealth Transportation Fund Forecast for Fiscal Year 2012**  
(Dollars in Millions)

December 19, 2011

	Fiscal Year 2011		Fiscal Year 2012				
	Actual	% Growth	Official Forecast	December Forecast	Change	% Growth over FY 11 Official    December	
<b>Highway Maintenance &amp; Operating Fund</b>							
Motor Fuels Tax	\$ 722.8	1.7 %	\$ 746.5	\$ 712.9	\$ (33.6)	3.3 %	(1.4) %
Road Tax	3.9	(7.1)	3.4	5.1	1.7	12.8	30.8
Motor Vehicle Sales And Use Tax	324.8	12.2	325.4	340.9	15.5	0.2	5.0
Motor Vehicle License Fees	216.7	3.4	216.1	217.9	1.8	(0.3)	0.6
International Registration Plan	61.1	2.2	63.2	62.0	(1.2)	3.4	1.5
Retail Sales and Use Tax	0.0	n/a	0.0	0.0	0.0	n/a	n/a
Recordation Tax (1 cent)	11.7	0.0	11.5	12.8	1.3	(1.7)	9.7
Miscellaneous	12.9	0.8	12.9	12.8	(0.1)	0.0	(0.8)
<b>Total State Taxes and Fees</b>	<b>\$ 1,353.9</b>	<b>4.3 %</b>	<b>\$ 1,379.0</b>	<b>\$ 1,364.4</b>	<b>\$ (14.6)</b>	<b>1.9 %</b>	<b>0.8 %</b>
<b>Transportation Trust Fund</b>							
Motor Fuels Tax	\$ 108.3	1.8 %	\$ 107.3	\$ 105.5	\$ (1.8)	(0.9) %	(2.6) %
Priority Transportation Trust Fund	150.3	0.8	157.3	157.3	0.0	4.7	4.7
Base	20.0	0.0	20.0	20.0	0.0	0.0	0.0
Insurance Premiums Tax (1/3)	130.3	0.9	137.3	137.3	0.0	5.4	5.4
Road Tax	7.6	10.1	7.8	7.3	(0.5)	2.6	(3.9)
Motor Vehicle Sales And Use Tax	175.7	13.6	173.6	181.8	8.2	(1.2)	3.5
Motor Vehicle License Fees	21.2	2.4	21.3	21.3	0.0	0.5	0.5
Retail Sales and Use Tax	477.3	(2.7)	501.6	504.8	3.2	5.1	5.8
Recordation Tax (2 cents)	23.3	(0.9)	23.1	25.6	2.5	(0.9)	9.9
Interest Earnings	18.3	(20.4)	27.8	19.4	(8.4)	51.9	6.0
Rental Tax	31.6	6.8	32.1	31.9	(0.2)	1.6	0.9
Aviation Fuels Tax	1.8	5.9	1.8	2.1	0.3	0.0	16.7
<b>Total State Taxes and Fees</b>	<b>\$ 1,015.4</b>	<b>0.9 %</b>	<b>\$ 1,053.7</b>	<b>\$ 1,057.0</b>	<b>\$ 3.3</b>	<b>3.8 %</b>	<b>4.1 %</b>
<b>Total HMOF And TTF</b>							
Motor Fuels Tax	\$ 831.1	1.7 %	\$ 853.8	\$ 818.4	\$ (35.4)	2.7 %	(1.5) %
Priority Transportation Trust Fund	150.3	0.8	157.3	157.3	0.0	4.7	4.7
Base	20.0	0.0	20.0	20.0	0.0	0.0	0.0
Insurance Premiums Tax (1/3)	130.3	0.9	137.3	137.3	0.0	5.4	5.4
Road Tax	11.5	3.6	11.2	12.4	1.2	(2.6)	7.8
Motor Vehicle Sales and Use Tax	500.5	12.7	499.0	522.7	23.7	(0.3)	4.4
Motor Vehicle License Fees	237.9	3.3	237.4	239.2	1.8	(0.2)	0.5
International Registration Plan	61.1	2.2	63.2	62.0	(1.2)	3.4	1.5
Retail Sales and Use Tax	477.3	(2.7)	501.6	504.8	3.2	5.1	5.8
Recordation Tax (3 cents)	35.0	(0.6)	34.6	38.4	3.8	(1.1)	9.8
Interest Earnings	18.3	(20.4)	27.8	19.4	(8.4)	51.9	6.0
Rental Tax	31.6	6.8	32.1	31.9	(0.2)	1.6	0.9
Aviation Fuels Tax	1.8	5.9	1.8	2.1	0.3	0.0	16.7
Miscellaneous	12.9	0.8	12.9	12.8	(0.1)	0.0	(0.8)
<b>Total State Taxes and Fees</b>	<b>\$ 2,369.3</b>	<b>2.8 %</b>	<b>\$ 2,432.7</b>	<b>\$ 2,421.4</b>	<b>\$ (11.3)</b>	<b>2.7 %</b>	<b>2.2 %</b>
<b>Transfers per the Appropriations Act</b>							
Retail Sales Tax - AST (HMOF)	0.0	n/a	0.0	0.0	0.0	n/a	n/a
Retail Sales Tax - AST (TTF)	27.7	n/a	26.0	26.0	0.0	(6.1)	(6.1)
<b>Total Transfers</b>	<b>\$ 27.7</b>	<b>n/a</b>	<b>\$ 26.0</b>	<b>\$ 26.0</b>	<b>\$ 0.0</b>	<b>(6.1)</b>	<b>(6.1) %</b>
<b>Total Transportation Fund</b>	<b>\$ 2,397.0</b>	<b>4.0</b>	<b>\$ 2,458.7</b>	<b>\$ 2,447.4</b>	<b>\$ (11.3)</b>	<b>2.6 %</b>	<b>2.1 %</b>

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**The Official and December Commonwealth Transportation Fund Forecast for Fiscal Year 2013  
(Dollars in Millions)**

December 19, 2011

	Fiscal Year 2013			% Growth over FY 12	
	Official Forecast	December Forecast	Change	Official	December
<b>Highway Maintenance &amp; Operating Fund</b>					
Motor Fuels Tax	\$ 762.6	\$ 729.0	\$ (33.6)	2.2 %	2.3 %
Road Tax	(0.3)	5.1	5.4	(108.8)	0.0
Motor Vehicle Sales And Use Tax	351.5	354.1	2.6	8.0	3.9
Motor Vehicle License Fees	224.2	220.4	(3.8)	3.7	1.1
International Registration Plan	65.2	62.6	(2.6)	3.2	1.0
Retail Sales and Use Tax	0.0	52.7	52.7	n/a	n/a
Recordation Tax (1 cent)	11.5	12.8	1.3	0.0	(0.3)
Miscellaneous	12.9	12.8	(0.1)	0.0	0.0
<b>Total State Taxes and Fees (HMOF)</b>	<b>\$ 1,427.6</b>	<b>\$ 1,449.5</b>	<b>\$ 21.9</b>	<b>3.5 %</b>	<b>6.2 %</b>
<b>Transportation Trust Fund</b>					
Motor Fuels Tax	\$ 109.3	\$ 108.0	\$ (1.3)	1.9 %	2.4 %
Priority Transportation Trust Fund	162.1	161.8	(0.3)	3.1	2.9
Base	20.0	20.0	0.0	0.0	0.0
Insurance Premiums Tax (1/3)	142.1	141.8	(0.3)	3.5	3.3
Road Tax	7.8	7.4	(0.4)	0.0	1.4
Motor Vehicle Sales And Use Tax	187.5	188.8	1.3	8.0	3.9
Motor Vehicle License Fees	22.0	21.4	(0.6)	3.3	0.5
Retail Sales and Use Tax	542.1	526.3	(15.8)	8.1	4.3
Recordation Tax (2 cents)	23.1	25.6	2.5	0.0	0.0
Interest Earnings	24.3	17.6	(6.7)	(12.6)	(9.3)
Rental Tax	33.2	33.3	0.1	3.4	4.4
Aviation Fuels Tax	1.8	2.2	0.4	0.0	4.8
<b>Total State Taxes and Fees (TTF)</b>	<b>\$ 1,113.2</b>	<b>\$ 1,092.4</b>	<b>\$ (20.8)</b>	<b>5.6 %</b>	<b>3.3 %</b>
<b>Total HMOF And TTF</b>					
Motor Fuels Tax	\$ 871.9	\$ 837.0	\$ (34.9)	2.1 %	2.3 %
Priority Transportation Trust Fund	162.1	161.8	(0.3)	3.1	2.9
Base	20.0	20.0	0.0	0.0	0.0
Insurance Premiums Tax (1/3)	142.1	141.8	(0.3)	3.5	3.3
Road Tax	7.5	12.5	5.0	(33.0)	0.8
Motor Vehicle Sales and Use Tax	539.0	542.9	3.9	8.0	3.9
Motor Vehicle License Fees	246.2	241.8	(4.4)	3.7	1.1
International Registration Plan	65.2	62.6	(2.6)	3.2	1.0
Retail Sales and Use Tax	542.1	579.0	36.9	8.1	14.7
Recordation Tax (3 cents)	34.6	38.4	3.8	0.0	(0.1)
Interest Earnings	24.3	17.6	(6.7)	(12.6)	(9.3)
Rental Tax	33.2	33.3	0.1	3.4	4.4
Aviation Fuels Tax	1.8	2.2	0.4	0.0	4.8
Miscellaneous	12.9	12.8	(0.1)	0.0	0.0
<b>Total State Taxes and Fees</b>	<b>\$ 2,540.8</b>	<b>\$ 2,541.9</b>	<b>\$ 1.1</b>	<b>4.4 %</b>	<b>5.0 %</b>
<b>Transfers per the Appropriations Act</b>					
Retail Sales Tax - AST (HMOF)	0.0	1.7	1.7	n/a	n/a
Retail Sales Tax - AST (TTF)	0.0	17.0	17.0	n/a	(34.6)
<b>Total Transfers</b>	<b>\$ 0.0</b>	<b>\$ 18.7</b>	<b>\$ 18.7</b>	<b>n/a %</b>	<b>(28.1) %</b>
<b>Total Transportation Fund</b>	<b>\$ 2,540.8</b>	<b>\$ 2,560.6</b>	<b>\$ 19.8</b>	<b>3.3 %</b>	<b>4.6 %</b>

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**The Official and December Commonwealth Transportation Fund Forecast for Fiscal Year 2014**  
(Dollars in Millions)

December 19, 2011

	Fiscal Year 2014					
	Official	December	Change	% Growth over FY 13		
	Forecast	Forecast		Official	December	
<b>Highway Maintenance &amp; Operating Fund</b>						
Motor Fuels Tax	\$ 774.3	\$ 748.1	\$ (26.2)	1.5 %	2.6 %	
Road Tax	(0.3)	5.0	5.3	0.0	(2.0)	
Motor Vehicle Sales And Use Tax	363.7	375.3	11.6	3.5	6.0	
Motor Vehicle License Fees	224.8	223.6	(1.2)	0.3	1.5	
International Registration Plan	67.2	63.8	(3.4)	3.1	1.9	
Retail Sales and Use Tax	0.0	54.5	54.5	n/a	3.4	
Recordation Tax (1 cent)	11.5	12.8	1.3	0.0	0.0	
Miscellaneous	12.9	12.8	(0.1)	0.0	0.0	
<b>Total State Taxes and Fees (HMOF)</b>	<b>\$ 1,454.1</b>	<b>\$ 1,495.9</b>	<b>\$ 41.8</b>	<b>1.9 %</b>	<b>3.2 %</b>	
<b>Transportation Trust Fund</b>						
Motor Fuels Tax	\$ 111.1	\$ 110.3	\$ (0.8)	1.6 %	2.1 %	
Priority Transportation Trust Fund	169.0	167.2	(1.8)	4.3	3.3	
Base	20.0	20.0	0.0	0.0	0.0	
Insurance Premiums Tax (1/3)	149.0	147.2	(1.8)	4.9	3.8	
Road Tax	7.9	7.8	(0.1)	1.3	5.4	
Motor Vehicle Sales And Use Tax	194.0	200.1	6.1	3.5	6.0	
Motor Vehicle License Fees	22.0	21.8	(0.2)	0.0	1.9	
Retail Sales and Use Tax	564.2	544.0	(20.2)	4.1	3.4	
Recordation Tax (2 cents)	23.1	25.6	2.5	0.0	0.0	
Interest Earnings	24.2	17.8	(6.4)	(0.4)	1.1	
Rental Tax	34.3	34.7	0.4	3.3	4.2	
Aviation Fuels Tax	1.8	2.3	0.5	0.0	4.5	
<b>Total State Taxes and Fees (TTF)</b>	<b>\$ 1,151.6</b>	<b>\$ 1,131.6</b>	<b>\$ (20.0)</b>	<b>3.4 %</b>	<b>3.6 %</b>	
<b>Total HMOF And TTF</b>						
Motor Fuels Tax	\$ 885.4	\$ 858.4	\$ (27.0)	1.5 %	2.6 %	
Priority Transportation Trust Fund	169.0	167.2	(1.8)	4.3	3.3	
Base	20.0	20.0	0.0	0.0	0.0	
Insurance Premiums Tax (1/3)	149.0	147.2	(1.8)	4.9	3.8	
Road Tax	7.6	12.8	5.2	1.3	2.4	
Motor Vehicle Sales and Use Tax	557.7	575.4	17.7	3.5	6.0	
Motor Vehicle License Fees	246.8	245.4	(1.4)	0.2	1.5	
International Registration Plan	67.2	63.8	(3.4)	3.1	1.9	
Retail Sales and Use Tax	564.2	598.5	34.3	4.1	3.4	
Recordation Tax (3 cents)	34.6	38.4	3.8	0.0	0.0	
Interest Earnings	24.2	17.8	(6.4)	(0.4)	1.1	
Rental Tax	34.3	34.7	0.4	3.3	4.2	
Aviation Fuels Tax	1.8	2.3	0.5	0.0	4.5	
Miscellaneous	12.9	12.8	(0.1)	0.0	0.0	
<b>Total State Taxes and Fees</b>	<b>\$ 2,605.7</b>	<b>\$ 2,627.5</b>	<b>\$ 21.8</b>	<b>2.6 %</b>	<b>3.4 %</b>	
<b>Transfers per the Appropriations Act</b>						
Retail Sales Tax - AST (HMOF)	0.0	1.8	1.8	n/a	5.9	
Retail Sales Tax - AST (TTF)	0.0	17.7	17.7	n/a	4.1	
<b>Total Transfers</b>	<b>\$ 0.0</b>	<b>\$ 19.5</b>	<b>\$ 19.5</b>	<b>n/a %</b>	<b>4.3 %</b>	
<b>Total Transportation Fund</b>	<b>\$ 2,605.7</b>	<b>\$ 2,647.0</b>	<b>\$ 41.3</b>	<b>2.6 %</b>	<b>3.4 %</b>	

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The December forecast is based on the November 2011 Global Insight Standard outlook and the corresponding Virginia state forecast developed by the Department of Taxation and adjusted for policy actions.

**The December Commonwealth Transportation Fund Forecast for Fiscal Years 2015 through 2018**  
(Dollars in Millions)

December 19, 2011

	Fiscal Years 2015 through 2018							
	FY 15 Forecast	% Growth	FY 16 Forecast	% Growth	FY 17 Forecast	% Growth	FY 18 Forecast	% Growth
<b>Highway Maintenance &amp; Operating Fund</b>								
Motor Fuels Tax	\$ 771.1	3.1	\$ 795.5	3.2	\$ 821.6	3.3	\$ 850.9	3.6
Road Tax	5.0	0.0	5.0	0.0	5.0	0.0	5.0	0.0
Motor Vehicle Sales And Use Tax	391.8	4.4	403.9	3.1	417.8	3.4	417.2	(0.1)
Motor Vehicle License Fees	226.7	1.4	227.2	0.2	229.1	0.8	229.2	0.0
International Registration Plan	65.0	1.9	65.0	0.0	65.0	0.0	65.0	0.0
Retail Sales and Use Tax	113.7	108.6	119.3	4.9	186.4	56.2	193.7	3.9
Recordation Tax (1 cent)	12.8	0.0	12.8	0.0	12.8	0.0	12.8	0.0
Miscellaneous	12.8	0.0	12.8	0.0	12.8	0.0	12.8	0.0
<b>Total State Taxes and Fees (HMOF)</b>	<b>\$ 1,598.9</b>	<b>6.9%</b>	<b>\$ 1,641.5</b>	<b>2.7%</b>	<b>\$ 1,750.5</b>	<b>6.6%</b>	<b>\$ 1,786.6</b>	<b>2.1%</b>
<b>Transportation Trust Fund</b>								
Motor Fuels Tax	113.3	2.7	116.6	2.9	120.0	2.9	123.8	3.2
Priority Transportation Trust Fund	173.6	3.8	182.5	5.1	190.2	4.2	199.0	4.6
Base	20.0	0.0	20.0	0.0	20.0	0.0	20.0	0.0
Insurance Premiums Tax (1/3)	153.6	4.3	162.5	5.8	170.2	4.7	179.0	5.2
Road Tax	8.1	3.8	8.5	4.9	8.9	4.7	9.4	5.6
Motor Vehicle Sales And Use Tax	208.9	4.4	215.4	3.1	222.8	3.4	222.5	(0.1)
Motor Vehicle License Fees	22.2	1.8	22.2	0.0	22.5	1.4	22.5	0.0
Retail Sales and Use Tax	569.5	4.7	596.6	4.8	622.3	4.3	646.5	3.9
Recordation Tax (2 cents)	25.6	0.0	25.6	0.0	25.6	0.0	25.6	0.0
Interest Earnings	18.4	3.4	20.9	13.6	20.6	(1.4)	21.4	3.9
Rental Tax	35.1	1.2	35.5	1.1	35.7	0.6	36.1	1.1
Aviation Fuels Tax	2.3	0.0	2.3	0.0	2.3	0.0	2.3	0.0
<b>Total State Taxes and Fees (TTF)</b>	<b>\$ 1,177.0</b>	<b>4.0%</b>	<b>\$ 1,226.1</b>	<b>4.2%</b>	<b>\$ 1,270.9</b>	<b>3.7%</b>	<b>\$ 1,309.1</b>	<b>3.0%</b>
<b>Total HMOF And TTF</b>								
Motor Fuels Tax	884.4	3.0	912.1	3.1	941.6	3.2	974.7	3.5
Priority Transportation Trust Fund	173.6	3.8	182.5	5.1	190.2	4.2	199.0	4.6
Base	20.0	0.0	20.0	0.0	20.0	0.0	20.0	0.0
Insurance Premiums Tax (1/3)	153.6	4.3	162.5	5.8	170.2	4.7	179.0	5.2
Road Tax	13.1	2.3	13.5	3.1	13.9	3.0	14.4	3.6
Motor Vehicle Sales and Use Tax	600.7	4.4	619.3	3.1	640.6	3.4	639.7	(0.1)
Motor Vehicle License Fees	248.9	1.4	249.4	0.2	251.6	0.9	251.7	0.0
International Registration Plan	65.0	1.9	65.0	0.0	65.0	0.0	65.0	0.0
Retail Sales and Use Tax	683.2	14.2	715.9	4.8	808.7	13.0	840.2	3.9
Recordation Tax (3 cents)	38.4	0.0	38.4	0.0	38.4	0.0	38.4	0.0
Interest Earnings	18.4	3.4	20.9	13.6	20.6	(1.4)	21.4	3.9
Rental Tax	35.1	1.2	35.5	1.1	35.7	0.6	36.1	1.1
Aviation Fuels Tax	2.3	0.0	2.3	0.0	2.3	0.0	2.3	0.0
Miscellaneous	12.8	0.0	12.8	0.0	12.8	0.0	12.8	0.0
<b>Total State Taxes and Fees</b>	<b>\$ 2,775.9</b>	<b>5.6%</b>	<b>\$ 2,867.6</b>	<b>3.3%</b>	<b>\$ 3,021.4</b>	<b>5.4%</b>	<b>\$ 3,095.7</b>	<b>2.5%</b>
<b>Transfers per the Appropriations Act</b>								
Retail Sales Tax - AST (HMOF)	3.9	116.7	4.0	2.6	6.6	65.0	6.9	4.5
Retail Sales Tax - AST (TTF)	18.5	116.7	19.8	2.6	21.0	65.0	22.3	4.5
<b>Total Transfers</b>	<b>\$ 22.4</b>	<b>14.9</b>	<b>\$ 23.8</b>	<b>6.3</b>	<b>\$ 27.6</b>	<b>16.0</b>	<b>\$ 29.2</b>	<b>5.8</b>
<b>Total Transportation Fund</b>	<b>\$ 2,798.3</b>	<b>5.7%</b>	<b>\$ 2,891.4</b>	<b>3.3%</b>	<b>\$ 3,049.0</b>	<b>5.5%</b>	<b>\$ 3,124.9</b>	<b>2.5%</b>

The December forecast is based on the November 2011 Global Insight Standard outlook and the corresponding Virginia state forecast developed by the Department of Taxation and adjusted for policy actions.



## Virginia Health Care Fund

\$ in millions

December 19, 2011	Actual				Forecast						
	FY2008*	FY2009	FY2010**	FY2011***	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Tobacco Taxes:											
Total Cigarette Taxes	168.0	167.5	158.4	155.7	160.7	160.7	160.7	160.7	160.7	160.7	160.7
Other Tobacco Products	<u>15.9</u>	<u>16.3</u>	<u>17.7</u>	<u>18.0</u>	<u>18.5</u>	<u>19.4</u>	<u>20.4</u>	<u>21.4</u>	<u>22.5</u>	<u>22.5</u>	<u>22.5</u>
<b>Total Tobacco Taxes</b>	<b>183.9</b>	<b>183.7</b>	<b>176.1</b>	<b>173.7</b>	<b>179.2</b>	<b>180.2</b>	<b>181.1</b>	<b>182.2</b>	<b>183.2</b>	<b>183.2</b>	<b>183.2</b>
Tobacco Settlement Funds:											
Master Settlement	53.7	59.0	49.2	48.2	48.2	48.8	49.4	49.4	49.4	49.4	49.4
Other Revenue:											
Medicaid Recoveries	<u>61.3</u>	<u>64.8</u>	<u>67.5</u>	<u>61.5</u>	<u>42.8</u>	<u>45.8</u>	<u>65.8</u>	<u>65.8</u>	<u>65.8</u>	<u>65.8</u>	<u>66.8</u>
<b>TOTAL FUND</b>	<b>\$298.9</b>	<b>\$307.5</b>	<b>\$292.8</b>	<b>\$283.4</b>	<b>\$270.2</b>	<b>\$274.8</b>	<b>\$296.3</b>	<b>\$297.4</b>	<b>\$298.4</b>	<b>\$298.4</b>	<b>\$299.4</b>
Official Forecast	\$298.3	\$299.2	\$291.6	\$297.4	\$299.7						
Difference	0.6	8.3	1.2	(14.0)	(29.5)						

\* Medicaid Cost Recoveries for FY 2008 include \$13.5 million not recorded as revenue in CARS but was transferred by DMAS to the Health Care Fund.

\*\* Medicaid Cost Recoveries for FY 2010 include \$15.25 million not recorded as revenue in CARS but was transferred by DMAS to the Health Care Fund.

\*\*\* Medicaid Cost Recoveries for FY 2011 include \$5.6 million not recorded as revenue in CARS but was transferred by DMAS to the Health Care Fund.

**(Presented to the Governor's Advisory Council on Revenue Estimates)**  
**The Official and November Standard General Fund Forecast for Fiscal Year 2012**  
(Dollars in Millions)

November 1, 2011

	Fiscal Year 2012					2010-2012 Biennium		
	Official Forecast	November Forecast	Change	% Growth Over FY 11 Official      November		Official Forecast	November Forecast	Change
<b>MAJOR TAX SOURCES</b>								
Corporate Income	\$ 831.6	\$ 827.1	\$ (4.5)	1.1 %	0.6 %	\$ 1,653.9	\$ 1,649.4	\$ (4.5)
Individual Income Tax:								
Gross	12,181.6	12,384.6	203.0	3.1	4.8	23,995.3	24,198.3	203.0
Withholding	9,958.0	9,964.2	6.2	3.4	3.4	19,593.1	19,599.3	6.2
Nonwithholding	2,223.6	2,420.4	196.8	2.1	11.1	4,402.2	4,599.0	196.8
Refunds	<u>(1,852.0)</u>	<u>(1,891.9)</u>	<u>(39.9)</u>	<u>(0.9)</u>	<u>1.2</u>	<u>(3,721.3)</u>	<u>(3,761.2)</u>	<u>(39.9)</u>
Net	10,329.6	10,492.7	163.1	3.9	5.5	20,274.0	20,437.1	163.1
Insurance Company Premiums	289.6	288.0	(1.6)	2.9	2.3	571.2	569.6	(1.6)
State Sales & Use Tax	3,115.5	3,116.0	0.5	3.4	3.4	6,127.9	6,128.4	0.5
Wills, Suits, Deeds, & Contract Fees	<u>301.1</u>	<u>323.5</u>	<u>22.4</u>	<u>3.3</u>	<u>11.0</u>	<u>592.6</u>	<u>615.0</u>	<u>22.4</u>
Total Major Tax Sources	\$ 14,867.4	\$ 15,047.3	\$ 179.9	3.6 %	4.8 %	\$ 29,219.4	\$ 29,399.3	\$ 179.9
<b>MISCELLANEOUS TAXES AND OTHER REVENUES</b>								
Alcoholic Beverage State Tax	\$ 137.1	\$ 137.5	\$ 0.4	0.8 %	1.1 %	\$ 273.1	\$ 273.5	\$ 0.4
Bank Franchise Tax	18.0	23.3	5.3	(26.2)	(4.5)	42.4	47.7	5.3
Beer & Beverage Excise Tax	43.5	43.3	(0.2)	1.3	0.8	86.4	86.2	(0.2)
Corporate Franchise & Charter Fees	46.7	43.4	(3.3)	5.2	(2.3)	91.1	87.8	(3.3)
Excess & Other Fees from Officers	(10.3)	(10.3)	0.0	(19.4)	(19.4)	(18.9)	(18.9)	0.0
Estate & Gifts	2.0	0.0	(2.0)	n/a	n/a	4.7	2.7	(2.0)
Institutional Revenues	5.8	6.2	0.4	(10.0)	(3.8)	12.2	12.6	0.4
Interest & Rents	103.9	74.0	(29.9)	27.5	(9.2)	185.4	155.5	(29.9)
Licenses & Permits	4.2	4.1	(0.1)	(3.4)	(5.7)	8.6	8.5	(0.1)
Miscellaneous Taxes and Penalties	231.5	237.7	6.2	2.5	5.2	457.3	463.5	6.2
Other Miscellaneous Revenues	48.6	47.4	(1.2)	41.1	37.6	83.0	81.8	(1.2)
Public Service GR / Consumption Tax	<u>96.4</u>	<u>93.9</u>	<u>(2.5)</u>	<u>2.8</u>	<u>0.1</u>	<u>190.2</u>	<u>187.7</u>	<u>(2.5)</u>
Total Misc. Taxes and Other Revenues	\$ 727.4	\$ 700.5	\$ (26.9)	5.7 %	1.8 %	\$ 1,415.6	\$ 1,388.7	\$ (26.9)
<b>TOTAL GF REVENUES</b>	<b>\$ 15,594.8</b>	<b>\$ 15,747.8</b>	<b>\$ 153.0</b>	<b>3.7 %</b>	<b>4.7 %</b>	<b>\$ 30,635.0</b>	<b>\$ 30,788.0</b>	<b>\$ 153.0</b>
<b>TRANSFERS</b>								
A.B.C. Profits	\$ 47.8	\$ 53.3	\$ 5.5	(5.4) %	5.5 %	\$ 98.3	\$ 103.8	\$ 5.5
Sales Tax (0.25%)	225.1	216.1	(9.0)	10.3	5.9	429.1	420.1	(9.0)
Transfers Per Appropriations Act	<u>195.7</u>	<u>185.8</u>	<u>(9.9)</u>	<u>24.2</u>	<u>17.9</u>	<u>353.3</u>	<u>343.4</u>	<u>(9.9)</u>
Total Transfers	\$ 468.6	\$ 455.2	\$ (13.4)	13.7 %	10.5 %	\$ 880.7	\$ 867.3	\$ (13.4)
<b>TOTAL GENERAL FUND</b>	<b>\$ 16,063.4</b>	<b>\$ 16,203.0</b>	<b>\$ 139.6</b>	<b>4.0 %</b>	<b>4.9 %</b>	<b>\$ 31,515.7</b>	<b>\$ 31,655.3</b>	<b>\$ 139.6</b>

The Official forecast is an update to the December forecast, incorporating year-to-date collection trends through January 2011 and actions of the 2011 General Assembly.

The November forecast is based on the October 2011 US Macro and Virginia economic outlooks that incorporate recommendations from JABE.

**(Presented to the Governor's Advisory Council on Revenue Estimates)**  
**The November Standard General Fund Forecast for Fiscal Years 2013-2014**  
(Dollars in Millions)

November 1, 2011

	Fiscal Year 2013		Fiscal Year 2014		2012-2014 Biennium	
	November Forecast	% Growth Over FY 12	November Forecast	% Growth Over FY 13	November Forecast	% Growth Over 10-12
<b>MAJOR TAX SOURCES</b>						
Corporate Income	\$ 888.0	7.4 %	\$ 945.8	6.5 %	\$ 1,833.8	11.2 %
Individual Income Tax:						
Gross	12,755.7	3.0	13,339.2	4.6	26,094.9	7.8
Withholding	10,341.3	3.8	10,804.3	4.5	21,145.6	7.9
Nonwithholding	2,414.4	(0.2)	2,534.9	5.0	4,949.3	7.6
Refunds	<u>(1,886.0)</u>	<u>(0.3)</u>	<u>(1,917.2)</u>	<u>1.7</u>	<u>(3,803.2)</u>	<u>1.1</u>
Net	10,869.7	3.6	11,422.0	5.1	22,291.7	9.1
Insurance Company Premiums	292.1	1.4	306.0	4.8	598.1	5.0
State Sales & Use Tax	3,214.5	3.2	3,323.9	3.4	6,538.4	6.7
Wills, Suits, Deeds, & Contract Fees	<u>313.2</u>	<u>(3.2)</u>	<u>313.2</u>	<u>0.0</u>	<u>626.4</u>	<u>1.9</u>
Total Major Tax Sources	\$ 15,577.5	3.5 %	\$ 16,310.9	4.7 %	\$ 31,888.4	8.5 %
<b>MISCELLANEOUS TAXES AND OTHER REVENUES</b>						
Alcoholic Beverage State Tax	\$ 140.2	2.0 %	\$ 143.0	2.0 %	\$ 283.2	3.5 %
Bank Franchise Tax	19.3	(17.2)	19.3	0.0	38.6	(19.1)
Beer & Beverage Excise Tax	43.3	0.0	43.3	0.0	86.6	0.4
Corporate Franchise & Charter Fees	43.4	0.0	43.4	0.0	86.8	(1.1)
Excess & Other Fees from Officers	(7.5)	27.2	(7.5)	0.0	(15.0)	20.7
Estate & Gifts	0.0	n/a	0.0	n/a	0.0	n/a
Institutional Revenues	6.2	0.0	6.2	0.0	12.4	(1.9)
Interest & Rents	77.4	4.6	85.6	10.6	163.0	4.8
Licenses & Permits	4.3	4.9	4.3	0.0	8.6	1.8
Miscellaneous Taxes and Penalties	238.8	0.5	239.8	0.4	478.6	3.2
Other Miscellaneous Revenues	29.2	(38.4)	29.2	0.0	58.4	(28.6)
Public Service GR / Consumption Tax	<u>93.9</u>	<u>0.0</u>	<u>93.9</u>	<u>0.0</u>	<u>187.8</u>	<u>0.1</u>
Total Misc. Taxes and Other Revenues	\$ 688.5	(1.7) %	\$ 700.5	1.7 %	\$ 1,389.0	0.0 %
<b>TOTAL GF REVENUES</b>	<b>\$ 16,266.0</b>	<b>3.3 %</b>	<b>\$ 17,011.4</b>	<b>4.6 %</b>	<b>\$ 33,277.4</b>	<b>8.1 %</b>
<b>TRANSFERS</b>						
A.B.C. Profits	\$ 53.7	0.8 %	\$ 54.0	0.6 %	\$ 107.7	3.8 %
Sales Tax (0.25%)	222.5	3.0	230.3	3.5	452.8	7.8
Transfers Per Appropriations Act	<u>142.5</u>	<u>(23.3)</u>	<u>135.3</u>	<u>(5.1)</u>	<u>277.8</u>	<u>(19.1)</u>
Total Transfers	\$ 418.7	(8.0) %	\$ 419.6	0.2 %	\$ 838.3	(3.3) %
<b>TOTAL GENERAL FUND</b>	<b>\$ 16,684.7</b>	<b>3.0 %</b>	<b>\$ 17,431.0</b>	<b>4.5 %</b>	<b>\$ 34,115.7</b>	<b>7.8 %</b>

The November forecast is based on the October 2011 US Macro and Virginia economic outlooks that incorporate recommendations from JABE.

**(Presented to the Governor's Advisory Council on Revenue Estimates)**  
**The Official and November Recession General Fund Forecast for Fiscal Year 2012**  
(Dollars in Millions)

November 1, 2011

	Fiscal Year 2012					2010-2012 Biennium		
	Official Forecast	Nov Rec Forecast	Change	% Growth Over FY 11		Official Forecast	Nov Rec Forecast	Change
				Official	Nov Rec			
<b>MAJOR TAX SOURCES</b>								
Corporate Income	\$ 831.6	\$ 804.6	\$ (27.0)	1.1 %	(2.1) %	\$ 1,653.9	\$ 1,626.9	\$ (27.0)
Individual Income Tax:								
Gross	12,181.6	12,248.9	67.3	3.1	3.7	23,995.3	24,062.6	67.3
Withholding	9,958.0	9,897.7	(60.3)	3.4	2.7	19,593.1	19,532.8	(60.3)
Nonwithholding	2,223.6	2,351.2	127.6	2.1	7.9	4,402.2	4,529.8	127.6
Refunds	<u>(1,852.0)</u>	<u>(1,919.6)</u>	<u>(67.6)</u>	<u>(0.9)</u>	<u>2.7</u>	<u>(3,721.3)</u>	<u>(3,788.9)</u>	<u>(67.6)</u>
Net	10,329.6	10,329.3	(0.3)	3.9	3.9	20,274.0	20,273.7	(0.3)
Insurance Company Premiums	289.6	285.4	(4.2)	2.9	1.4	571.2	567.0	(4.2)
State Sales & Use Tax	3,115.5	3,101.1	(14.4)	3.4	2.9	6,127.9	6,113.5	(14.4)
Wills, Suits, Deeds, & Contract Fees	<u>301.1</u>	<u>277.0</u>	<u>(24.1)</u>	<u>3.3</u>	<u>(5.0)</u>	<u>592.6</u>	<u>568.5</u>	<u>(24.1)</u>
Total Major Tax Sources	\$ 14,867.4	\$ 14,797.4	\$ (70.0)	3.6 %	3.1 %	\$ 29,219.4	\$ 29,149.4	\$ (70.0)
<b>MISCELLANEOUS TAXES AND OTHER REVENUES</b>								
Alcoholic Beverage State Tax	\$ 137.1	\$ 137.5	\$ 0.4	0.8 %	1.1 %	\$ 273.1	\$ 273.5	\$ 0.4
Bank Franchise Tax	18.0	23.3	5.3	(26.2)	(4.5)	42.4	47.7	5.3
Beer & Beverage Excise Tax	43.5	43.3	(0.2)	1.3	0.8	86.4	86.2	(0.2)
Corporate Franchise & Charter Fees	46.7	43.4	(3.3)	5.2	(2.3)	91.1	87.8	(3.3)
Excess & Other Fees from Officers	(10.3)	(10.3)	0.0	(19.4)	(19.4)	(18.9)	(18.9)	0.0
Estate & Gifts	2.0	0.0	(2.0)	n/a	n/a	4.7	2.7	(2.0)
Institutional Revenues	5.8	6.2	0.4	(10.0)	(3.8)	12.2	12.6	0.4
Interest & Rents	103.9	74.0	(29.9)	27.5	(9.2)	185.4	155.5	(29.9)
Licenses & Permits	4.2	4.1	(0.1)	(3.4)	(5.7)	8.6	8.5	(0.1)
Miscellaneous Taxes and Penalties	231.5	237.7	6.2	2.5	5.2	457.3	463.5	6.2
Other Miscellaneous Revenues	48.6	47.4	(1.2)	41.1	37.6	83.0	81.8	(1.2)
Public Service GR / Consumption Tax	<u>96.4</u>	<u>93.9</u>	<u>(2.5)</u>	<u>2.8</u>	<u>0.1</u>	<u>190.2</u>	<u>187.7</u>	<u>(2.5)</u>
Total Misc. Taxes and Other Revenues	\$ 727.4	\$ 700.5	\$ (26.9)	5.7 %	1.8 %	\$ 1,415.6	\$ 1,388.7	\$ (26.9)
<b>TOTAL GF REVENUES</b>	<b>\$ 15,594.8</b>	<b>\$ 15,497.9</b>	<b>\$ (96.9)</b>	<b>3.7 %</b>	<b>3.0 %</b>	<b>\$ 30,635.0</b>	<b>\$ 30,538.1</b>	<b>\$ (96.9)</b>
<b>TRANSFERS</b>								
A.B.C. Profits	\$ 47.8	\$ 47.8	\$ 0.0	(5.4) %	(5.4) %	\$ 98.3	\$ 98.3	\$ 0.0
Sales Tax (0.25%)	225.1	216.1	(9.0)	10.3	5.9	429.1	420.1	(9.0)
Transfers Per Appropriations Act	<u>195.7</u>	<u>185.8</u>	<u>(9.9)</u>	<u>24.2</u>	<u>17.9</u>	<u>353.3</u>	<u>343.4</u>	<u>(9.9)</u>
Total Transfers	\$ 468.6	\$ 449.7	\$ (18.9)	13.7 %	9.1 %	\$ 880.7	\$ 861.8	\$ (18.9)
<b>TOTAL GENERAL FUND</b>	<b>\$ 16,063.4</b>	<b>\$ 15,947.6</b>	<b>\$ (115.8)</b>	<b>4.0 %</b>	<b>3.2 %</b>	<b>\$ 31,515.7</b>	<b>\$ 31,399.9</b>	<b>\$ (115.8)</b>

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The November Recession forecast is based on the October 2011 US Recession Macro and Virginia economic outlooks that incorporate recommendations from JABE.

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**The November Recession General Fund Forecast for Fiscal Years 2013-2014**  
(Dollars in Millions)

November 1, 2011

	Fiscal Year 2013		Fiscal Year 2014		2012-2014 Biennium	
	Nov Rec Forecast	% Growth Over FY 12	Nov Rec Forecast	% Growth Over FY 13	Nov Rec Forecast	% Growth Over 10-12
<b>MAJOR TAX SOURCES</b>						
Corporate Income	\$ 853.9	6.1 %	\$ 912.1	6.8 %	\$ 1,766.0	8.6 %
Individual Income Tax:						
Gross	12,239.2	(0.1)	12,693.9	3.7	24,933.1	3.6
Withholding	10,140.8	2.5	10,512.0	3.7	20,652.8	5.7
Nonwithholding	2,098.4	(10.8)	2,181.9	4.0	4,280.3	(5.5)
Refunds	<u>(1,973.2)</u>	<u>2.8</u>	<u>(1,983.3)</u>	<u>0.5</u>	<u>(3,956.5)</u>	<u>4.4</u>
Net	10,266.0	(0.6)	10,710.6	4.3	20,976.6	3.5
Insurance Company Premiums	282.8	(0.9)	291.4	3.0	574.2	1.3
State Sales & Use Tax	3,154.9	1.7	3,229.3	2.4	6,384.2	4.4
Wills, Suits, Deeds, & Contract Fees	<u>262.8</u>	<u>(5.1)</u>	<u>249.3</u>	<u>(5.1)</u>	<u>512.1</u>	<u>(9.9)</u>
Total Major Tax Sources	\$ 14,820.4	0.2 %	\$ 15,392.7	3.9 %	\$ 30,213.1	3.6 %
<b>MISCELLANEOUS TAXES AND OTHER REVENUES</b>						
Alcoholic Beverage State Tax	\$ 140.2	2.0 %	\$ 143.0	2.0 %	\$ 283.2	3.5 %
Bank Franchise Tax	19.3	(17.2)	19.3	0.0	38.6	(19.1)
Beer & Beverage Excise Tax	43.3	0.0	43.3	0.0	86.6	0.4
Corporate Franchise & Charter Fees	43.4	0.0	43.4	0.0	86.8	(1.1)
Excess & Other Fees from Officers	(7.5)	27.2	(7.5)	0.0	(15.0)	20.7
Estate & Gifts	0.0	n/a	0.0	n/a	0.0	n/a
Institutional Revenues	6.2	0.0	6.2	0.0	12.4	(1.9)
Interest & Rents	77.4	4.6	85.6	10.6	163.0	4.8
Licenses & Permits	4.3	4.9	4.3	0.0	8.6	1.8
Miscellaneous Taxes and Penalties	238.8	0.5	239.8	0.4	478.6	3.2
Other Miscellaneous Revenues	29.2	(38.4)	29.2	0.0	58.4	(28.6)
Public Service GR / Consumption Tax	<u>93.9</u>	<u>0.0</u>	<u>93.9</u>	<u>0.0</u>	<u>187.8</u>	<u>0.1</u>
Total Misc. Taxes and Other Revenues	\$ 688.5	(1.7) %	\$ 700.5	1.7 %	\$ 1,389.0	0.0 %
<b>TOTAL GF REVENUES</b>	<b>\$ 15,508.9</b>	<b>0.1 %</b>	<b>\$ 16,093.2</b>	<b>3.8 %</b>	<b>\$ 31,602.1</b>	<b>3.5 %</b>
<b>TRANSFERS</b>						
A.B.C. Profits	\$ 48.3	1.0 %	\$ 49.3	2.1 %	\$ 97.6	(0.7) %
Sales Tax (0.25%)	222.5	3.0	230.3	3.5	452.8	7.8
Transfers Per Appropriations Act	<u>142.5</u>	<u>(23.3)</u>	<u>135.3</u>	<u>(5.1)</u>	<u>277.8</u>	<u>(19.1)</u>
Total Transfers	\$ 413.3	(8.1) %	\$ 414.9	0.4 %	\$ 828.2	(3.9) %
<b>TOTAL GENERAL FUND</b>	<b>\$ 15,922.2</b>	<b>(0.2) %</b>	<b>\$ 16,508.1</b>	<b>3.7 %</b>	<b>\$ 32,430.3</b>	<b>3.3 %</b>

The November Recession forecast is based on the October 2011 US Recession Macro and Virginia economic outlooks that incorporate recommendations from JABE.

## Growth in Total General Fund Revenues

### Fiscal Year 1961 - Fiscal Year 2014

(Nominal - Actual Dollars)

<u>FY</u>	<u>Total Revenues</u>	<u>Growth</u>	<u>FY</u>	<u>Total Revenues</u>	<u>Growth</u>
61	230,998,887	-	88	5,054,382,000	10.1%
62	242,144,567	4.8%	89	5,478,912,000	8.4%
63	286,304,265	18.2%	90	5,494,884,000	0.3%
64	298,033,919	4.1%	91	5,471,879,000	-0.4%
65	323,213,412	8.4%	92	5,623,213,000	2.8%
66	365,129,776	13.0%	93	6,133,637,000	9.1%
67	414,755,644	13.6%	94	6,503,368,000	6.0%
68	533,597,744	28.7%	95	6,881,145,000	5.8%
69	706,254,374	32.4%	96	7,356,110,000	6.9%
70	743,721,322	5.3%	97	7,949,327,000	8.1%
71	807,954,651	8.6%	98	8,773,520,000	10.4%
72	922,653,686	14.2%	99	9,702,747,000	10.6%
73	1,054,469,443	14.3%	00	10,788,482,000	11.2%
74	1,168,562,871	10.8%	01	11,105,275,000	2.9%
75	1,303,178,893	11.5%	02	10,678,954,000	-3.8%
76	1,428,421,157	9.6%	03	10,867,149,000	1.8%
77	1,636,301,819	14.6%	04	11,917,867,000	9.7%
78	1,923,085,084	17.5%	05	13,687,252,000	14.8%
79	2,115,211,522	10.0%	06	14,834,298,000	8.4%
80	2,344,928,934	10.9%	07	15,565,827,000	4.9%
81	2,579,663,941	10.0%	08	15,766,951,000	1.3%
82	2,796,458,741	8.4%	09	14,315,060,000	-9.2%
83	2,975,687,935	6.4%	10	14,219,477,000	-0.7%
84	3,397,710,261	14.2%	11	15,040,200,000	5.8%
85	3,790,816,000	11.6%	12*	15,726,600,000	4.6%
86	4,131,778,000	9.0%	13*	16,246,500,000	3.3%
87	4,590,434,000	11.1%	14*	16,969,500,000	4.5%

\* December 19, 2011 Forecast (Excludes Transfers)

## Growth in Total General Fund Revenues

### Fiscal Year 1961 - Fiscal Year 2014

(Real -- Inflation-Adjusted Dollars)

<u>FY</u>	<u>Total Revenues</u>	<u>Growth</u>	<u>FY</u>	<u>Total Revenues</u>	<u>Growth</u>
61	1,231,994,064	-	88	7,799,972,222	6.0%
62	1,281,188,185	4.0%	89	8,095,917,252	3.8%
63	1,495,061,436	16.7%	90	7,799,693,400	-3.7%
64	1,534,280,149	2.6%	91	7,427,049,881	-4.8%
65	1,642,761,942	7.1%	92	7,408,712,780	-0.2%
66	1,823,369,668	11.0%	93	7,873,731,707	6.3%
67	2,015,823,300	10.6%	94	8,190,639,798	4.0%
68	2,516,970,491	24.9%	95	8,469,101,538	3.4%
69	3,192,110,165	26.8%	96	8,870,798,915	4.7%
70	3,209,153,493	0.5%	97	9,379,736,873	5.7%
71	3,338,655,583	4.0%	98	10,222,569,181	9.0%
72	3,672,253,477	10.0%	99	11,175,061,330	9.3%
73	4,043,986,359	10.1%	00	12,159,461,257	8.8%
74	4,151,200,252	2.7%	01	12,223,747,936	0.5%
75	4,190,285,830	0.9%	02	11,613,870,582	-5.0%
76	4,312,214,814	2.9%	03	11,588,535,324	-0.2%
77	4,671,811,046	8.3%	04	12,443,609,501	7.4%
78	5,145,378,151	10.1%	05	13,902,744,540	11.7%
79	5,255,183,906	2.1%	06	14,607,875,923	5.1%
80	5,284,346,894	0.6%	07	14,963,544,340	2.4%
81	5,275,386,382	-0.2%	08	14,684,005,588	-1.9%
82	5,346,957,440	1.4%	09	13,139,109,683	-10.5%
83	5,427,611,373	1.5%	10	12,882,878,369	-2.0%
84	5,955,670,922	9.7%	11	13,392,876,224	4.0%
85	6,422,390,512	7.8%	12*	13,714,061,478	2.4%
86	6,804,080,692	5.9%	13*	13,999,569,151	2.1%
87	7,359,413,226	8.2%	14*	14,365,714,286	2.6%

\* December 19, 2011 Forecast (Excludes Transfers)

Shaded areas indicate years in which there was a national recession.

**NONGENERAL FUND REVENUE PROJECTIONS**  
**For Fiscal Years 2011 Through 2012-2018**  
 \$ (Millions)

	<b>Actual</b>							
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Taxes:</b>								
Motor vehicle fuel tax	903.2	947.9	961.7	975.3	992.3	1,009.2	1,018.2	1,018.2
Unemployment compensation payroll tax	638.8	771.5	806.3	786.8	641.1	527.6	460.8	424.4
Special highway tax from sales tax	477.3	504.8	519.5	537.2	562.7	589.8	615.5	639.8
Motor vehicle sales tax and use tax	500.5	525.8	567.9	587.6	640.6	646.8	666.2	666.2
Other taxes	994.6	853.5	854.2	858.4	863.5	868.2	870.7	873.9
<b>Total</b>	<b>3,514.4</b>	<b>3,603.5</b>	<b>3,709.6</b>	<b>3,745.3</b>	<b>3,700.2</b>	<b>3,641.5</b>	<b>3,631.4</b>	<b>3,622.5</b>
<b>Rights and privileges:</b>								
Motor Vehicle Licenses	243.7	251.1	259.1	260.3	264.3	262.7	263.5	263.5
Other Rights & Privileges	689.5	723.5	740.6	729.4	738.9	742.2	767.0	772.9
<b>Total</b>	<b>933.2</b>	<b>974.6</b>	<b>999.7</b>	<b>989.7</b>	<b>1,003.2</b>	<b>1,004.9</b>	<b>1,030.5</b>	<b>1,036.4</b>
<b>Sales of property and commodities:</b>								
Alocoholic Beverage Sales	575.7	590.3	602.1	614.1	626.4	638.9	651.7	664.7
Other Sales	431.2	967.9	994.4	1,037.8	1,076.2	1,082.3	1,089.4	1,099.5
<b>Total</b>	<b>1,006.9</b>	<b>1,558.2</b>	<b>1,596.5</b>	<b>1,651.9</b>	<b>1,702.6</b>	<b>1,721.2</b>	<b>1,741.1</b>	<b>1,764.2</b>
<b>Assessment &amp; Receipts for Support of Special Services:</b>								
	<b>439.4</b>	<b>530.9</b>	<b>561.6</b>	<b>595.8</b>	<b>625.6</b>	<b>653.8</b>	<b>687.4</b>	<b>723.0</b>
<b>Institutional revenue:</b>								
Institutions of Higher Education <sup>2</sup>	1,992.3	4,543.4	4,810.6	5,086.4	5,346.3	5,597.4	5,860.3	6,135.6
Other Educational Institutions	4.1	9.4	10.0	10.0	9.9	9.9	10.0	10.0
Medical Hospitals <sup>2</sup>	-	1,258.1	1,328.1	1,370.0	1,430.7	1,464.6	1,537.7	1,614.5
Mental Hospitals	317.1	327.7	329.0	329.6	330.2	330.7	331.3	331.9
Corrections	81.7	80.7	60.6	60.6	60.6	61.6	62.6	62.6
Other Institutions	49.3	41.2	46.9	46.0	46.4	46.5	47.1	47.6
<b>Total</b>	<b>2,444.5</b>	<b>6,260.6</b>	<b>6,585.2</b>	<b>6,902.6</b>	<b>7,224.0</b>	<b>7,510.8</b>	<b>7,849.0</b>	<b>8,202.1</b>
<b>Interest dividends and rents:</b>	<b>216.4</b>	<b>88.2</b>	<b>92.9</b>	<b>113.8</b>	<b>134.6</b>	<b>152.7</b>	<b>165.6</b>	<b>174.6</b>
<b>Grants and donations:</b>								
Federal grants and contracts	10,309.4	9,207.2	8,558.5	9,591.7	9,909.5	10,277.3	10,673.5	11,063.0
Other grants & contracts	72.6	104.5	244.7	248.8	250.7	256.3	260.3	266.2
<b>Total</b>	<b>10,382.0</b>	<b>9,311.7</b>	<b>8,803.2</b>	<b>9,840.5</b>	<b>10,160.1</b>	<b>10,533.6</b>	<b>10,933.9</b>	<b>11,329.2</b>
<b>Other Revenue:</b>	<b>1,260.0</b>	<b>1,662.9</b>	<b>1,656.5</b>	<b>1,662.5</b>	<b>1,687.6</b>	<b>1,708.3</b>	<b>1,729.5</b>	<b>1,751.0</b>
<b>Total Nongeneral Fund Revenue <sup>1</sup></b>	<b>20,196.8</b>	<b>23,990.4</b>	<b>24,005.2</b>	<b>25,502.2</b>	<b>26,238.1</b>	<b>26,926.9</b>	<b>27,768.4</b>	<b>28,603.0</b>
\$ Amount change from previous year		<b>3,793.6</b>	<b>14.8</b>	<b>1,497.0</b>	<b>735.9</b>	<b>688.8</b>	<b>841.5</b>	<b>834.6</b>
% Change from previous year		<b>18.8%</b>	<b>0.1%</b>	<b>6.2%</b>	<b>2.9%</b>	<b>2.6%</b>	<b>3.1%</b>	<b>3.0%</b>

<sup>1</sup> Page 1 totals adjusted to reflect lottery proceeds being listed separately.

<sup>2</sup> Per the Management Agreement between the tier 3 schools and the Commonwealth as set forth in Chapters 933 and 943 of the 2006 Acts of Assembly, the tier 3 schools are not required to report actual revenue collections in CARS.



**Commonwealth of Virginia/Department of Accounts  
Summary Report on General Fund Revenue Collections  
For the Fiscal Years 2011 and 2012  
(Dollars in Thousands)**

Revenue	(1)	(2)	(3) (4) (5)			(6) (7) (8)			(9)
	FY 2012 Estimate	As a % of Gen Fund Rev	November FY 2012	November FY 2011	% Change	Year-To-Date FY 2012	Year-To-Date FY 2011	% Change	% Annual Growth Req By Est
<b>Individual Income Tax:</b>									
Withholding	\$9,958,000	63.85	\$835,880	\$763,823	9.4	\$3,954,647	\$3,752,920	5.4	3.4
Tax Dues/Estimated Payments	2,223,600	14.26	44,446	40,786	9.0	455,368	393,635	15.7	2.1
<b>Gross Individual Income Tax</b>	<b>\$12,181,600</b>	<b>78.11</b>	<b>\$880,326</b>	<b>\$804,609</b>	<b>9.4</b>	<b>\$4,410,015</b>	<b>\$4,146,555</b>	<b>6.4</b>	<b>3.1</b>
Individual and Fiduciary Income (Refunds)	(1,852,000)	(11.87)	(37,693)	(52,750)	(28.5)	(201,192)	(236,855)	(15.1)	(0.9)
<b>Net Individual Income Tax</b>	<b>\$10,329,600</b>	<b>66.24</b>	<b>\$842,633</b>	<b>\$751,859</b>	<b>12.1</b>	<b>\$4,208,823</b>	<b>\$3,909,700</b>	<b>7.7</b>	<b>3.9</b>
<b>Sales and Use Tax</b>	<b>\$3,115,500</b>	<b>19.97</b>	<b>\$254,531</b>	<b>\$245,906</b>	<b>3.5</b>	<b>\$1,135,672</b>	<b>\$1,077,137</b>	<b>5.4</b>	<b>3.4</b>
<b>Corporations Income Tax</b>	<b>831,600</b>	<b>5.33</b>	<b>(14,853)</b>	<b>(21,451)</b>	<b>30.8</b>	<b>194,039</b>	<b>195,357</b>	<b>(0.7)</b>	<b>1.1</b>
<b>Wills, Suits, Deeds, Contracts</b>	<b>301,100</b>	<b>1.93</b>	<b>25,196</b>	<b>25,608</b>	<b>(1.6)</b>	<b>129,719</b>	<b>126,739</b>	<b>2.4</b>	<b>3.3</b>
<b>Insurance Premiums</b>	<b>289,600</b>	<b>1.86</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>2.9</b>
<b>Interest Income (a)</b>	<b>103,600</b>	<b>0.67</b>	<b>10,999</b>	<b>10,196</b>	<b>7.9</b>	<b>37,513</b>	<b>35,015</b>	<b>7.1</b>	<b>27.7</b>
<b>Alcoholic Beverage Sales (b)</b>	<b>180,600</b>	<b>1.16</b>	<b>37,735</b>	<b>35,834</b>	<b>5.3</b>	<b>55,342</b>	<b>52,476</b>	<b>5.5</b>	<b>0.9</b>
<b>All Other Revenues</b>	<b>443,200</b>	<b>2.84</b>	<b>24,381</b>	<b>27,060</b>	<b>(9.9)</b>	<b>142,140</b>	<b>141,463</b>	<b>0.5</b>	<b>3.5</b>
<b>Total General Fund Revenues</b>	<b>\$15,594,800</b>	<b>100.00</b>	<b>\$1,180,622</b>	<b>\$1,075,012</b>	<b>9.8</b>	<b>\$5,903,248</b>	<b>\$5,537,887</b>	<b>6.6</b>	<b>3.7</b>

# Percentage is greater than or equal to 1,000%.

(a) Interest will be allocated in accordance with Section 3-3.03 of Chapter 890, 2011 Virginia Acts of Assembly.

(b) Includes Beer and Beverage Excise Tax and Alcoholic Beverage State Tax.

**Commonwealth of Virginia/Department of Accounts  
General Fund Statement of Revenue Collections and Estimates  
For the Fiscal Years 2011 and 2012  
(Dollars in Thousands)**

Revenue	(1) FY 2012 Estimate	(2) As a % of Total Gen Fund Rev	(3) FY 2012	(4) FY 2011	(5) % Change	(6) FY 2012	(7) FY 2011	(8) % Change	(9) % Annual Growth Req By Est
			November			Year-To-Date			
<b>Taxes:</b>									
Individual Income Tax - Withholding	\$9,958,000	63.85	\$835,880	\$763,823	9.4	\$3,954,647	\$3,752,920	5.4	3.4
Tax Dues/Estimated Payments	2,223,600	14.26	44,446	40,786	9.0	455,368	393,635	15.7	2.1
Gross Individual Income Tax	\$12,181,600	78.11	\$880,326	\$804,609	9.4	\$4,410,015	\$4,146,555	6.4	3.1
Individ and Fiduc Income (Refunds)	(1,852,000)	(11.87)	(37,693)	(52,750)	(28.5)	(201,192)	(236,855)	(15.1)	(0.9)
Net Individual Income Tax	\$10,329,600	66.24	\$842,633	\$751,859	12.1	\$4,208,823	\$3,909,700	7.7	3.9
Sales and Use Tax	3,115,500	19.97	254,531	245,906	3.5	1,135,672	1,077,137	5.4	3.4
Corporations Income	831,600	5.33	(14,853)	(21,451)	30.8	194,039	195,357	(0.7)	1.1
Public Service Corporations	96,400	0.62	5,359	6,671	(19.7)	37,541	31,882	17.7	2.8
Insurance Premiums	289,600	1.86	0	0	-	0	0	-	2.9
Alcoholic Beverage Excise	137,100	0.88	34,556	32,507	6.3	36,332	33,149	9.6	0.8
Beer and Beverage Excise	43,500	0.28	3,179	3,327	(4.4)	19,010	19,327	(1.6)	1.3
Wills, Suits, Deeds, Contracts	301,100	1.93	25,196	25,608	(1.6)	129,719	126,739	2.4	3.3
Inheritance, Gift, and Estate	2,000	0.01	(327)	(723)	54.8	(452)	386	(217.1)	(26.3)
Bank Franchise	18,000	0.12	0	0	-	217	55	294.5	(26.2)
Other Taxes	4,100	0.03	(1,326)	(424)	(212.7)	(488)	1,882	(125.9)	247.0
<b>Total Taxes</b>	<b>\$15,168,500</b>	<b>97.27</b>	<b>\$1,148,948</b>	<b>\$1,043,280</b>	<b>10.1</b>	<b>\$5,760,413</b>	<b>\$5,395,614</b>	<b>6.8</b>	<b>3.5</b>
<b>Rights and Privileges:</b>									
Licenses and Permits	\$4,200	0.03	\$386	\$369	4.6	\$1,687	\$1,755	(3.9)	(3.4)
Corp. Franchise and Charters	46,700	0.29	448	477	(6.1)	2,384	2,408	(1.0)	5.2
Fees for Misc. Privileges & Services	10,200	0.07	477	546	(12.6)	3,711	3,803	(2.4)	(8.4)
<b>Total Rights and Privileges</b>	<b>\$61,100</b>	<b>0.39</b>	<b>\$1,311</b>	<b>\$1,392</b>	<b>(5.8)</b>	<b>\$7,782</b>	<b>\$7,966</b>	<b>(2.3)</b>	<b>2.0</b>
<b>Other Revenues:</b>									
Sales of Property & Commodities	\$20,000	0.13	\$0	\$0	-	\$1,011	\$132	665.9	596.1
Assessmts & Rcpts for Support of Special Svcs	400	0.00	69	47	46.8	204	189	7.9	(8.3)
Institutional Revenue	5,800	0.04	491	115	327.0	2,433	2,293	6.1	(10.0)
Interest (a)	103,600	0.67	10,999	10,196	7.9	37,513	35,015	7.1	27.7
Dividends and Rent	300	0.00	20	6	233.3	238	228	4.4	(17.1)
Fines, Forfeitures & Fees	227,400	1.46	17,932	19,391	(7.5)	90,438	94,943	(4.7)	(0.5)
Other Revenue	8,200	0.05	725	407	78.1	3,300	2,043	61.5	(20.3)
Excess Fees	(10,300)	(0.07)	(695)	(779)	10.8	(3,593)	(4,453)	19.3	(19.4)
Private Donations, Gifts & Cont.	0	0.00	1	10	(90.0)	9	44	(79.5)	(100.0)
Cities, Counties, and Towns	9,800	0.06	821	947	(13.3)	3,500	3,873	(9.6)	1.9
<b>Total Other Revenues</b>	<b>\$365,200</b>	<b>2.34</b>	<b>\$30,363</b>	<b>\$30,340</b>	<b>0.1</b>	<b>\$135,053</b>	<b>\$134,307</b>	<b>0.6</b>	<b>10.3</b>
<b>Total General Fund Revenues</b>	<b>\$15,594,800</b>	<b>100.00</b>	<b>\$1,180,622</b>	<b>\$1,075,012</b>	<b>9.8</b>	<b>\$5,903,248</b>	<b>\$5,537,887</b>	<b>6.6</b>	<b>3.7</b>

# Percentage is greater than or equal to 1,000%.

(a) Interest will be allocated in accordance with Section 3-3.03 of Chapter 890, 2011 Virginia Acts of Assembly.

**Commonwealth of Virginia/Department of Lottery  
Summary Report on Lottery Collections  
For the Fiscal Years 2011 and 2012  
(Dollars in Thousands)**

	FY 2012 <u>Estimate</u> (a)	November			Year-To-Date			% Annual Growth Required By Estimate
		<u>FY 2012</u>	<u>FY 2011</u>	% <u>Change</u>	<u>FY 2012</u>	<u>FY 2011</u>	% <u>Change</u> (b)	
Lottery Collections								
Win for Life / Decades of Dollars (c)	\$25,000	\$2,647	\$1,657	59.7	\$14,034	\$9,209	52.4	(15.0)
Cash 5	25,000	2,166	2,240	(3.3)	10,688	11,467	(6.8)	(6.2)
Pick 4	200,000	18,119	16,781	8.0	87,532	83,520	4.8	(3.5)
Pick 3	240,000	19,407	19,431	(0.1)	96,581	100,503	(3.9)	(0.8)
Mega Millions / Powerball	200,000	15,481	13,957	10.9	76,073	76,956	(1.1)	(2.5)
Fast Play	8,000	883	502	75.9	4,519	2,583	75.0	(10.3)
Raffle	6,600	0	0	-	0	0	-	0.0
Scratch	750,000	70,067	63,442	10.4	326,618	299,921	8.9	(0.9)
Gross Lottery Revenue	<u>1,454,600</u>	<u>128,770</u>	<u>118,010</u>	<u>9.1</u>	<u>616,045</u>	<u>584,159</u>	<u>5.5</u>	<u>(1.9)</u>
Expenses (d)	<u>1,018,725</u>	<u>99,705</u> (e)	<u>82,170</u>	<u>21.3</u>	<u>437,345</u> (e)	<u>406,848</u>	<u>7.5</u>	<u>(1.9)</u>
Net Lottery Ticket Profits	<u>\$435,875</u>	<u>\$29,065</u> (e)	<u>\$35,840</u>	<u>(18.9)</u>	<u>\$178,700</u> (e)	<u>\$177,311</u>	<u>0.8</u>	<u>(1.9)</u>

(a) Estimate established by Chapter 890, 2011 Virginia Acts of Assembly.

(b) The current year figures on this chart, including growth percentages, are not an indicator of the probable outcome for the fiscal year.

Lottery revenues can have dramatic swings up and down month to month depending on the lotto jackpots, prize expense, and game related administrative expenses.

(c) Decades of Dollars began on January 30, 2011.

(d) "Expenses" includes prizes to winners, compensation to retailers, instant and online gaming costs, Lottery operating expenses, and net other income/expense.

(e) Current month includes operating expenses estimated (unaudited closing).

**Commonwealth of Virginia/Department of Accounts**  
**Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues**  
**Summary Statement of Selected Revenue Estimates & Collections**  
**For the Fiscal Years 2011 and 2012**  
**(Dollars in Thousands)**

Revenue	FY 2012 Estimate	As a % of Total Fund	November			Year-To-Date			% Annual Growth Required By Estimate
			FY 2012	FY 2011	% Change	FY 2012	FY 2011	% Change	
Motor Fuel Taxes	\$866,800	24.11	\$70,612	\$70,910	(0.4)	\$294,585	\$299,492	(1.6)	2.7
Priority Transportation Fund (PTF)	156,000	4.34	4,695	6,782	(30.8)	110,546	121,291	(8.9)	3.8
Motor Vehicle Sales and Use Tax	531,100	14.77	43,400	41,044	5.7	235,014	220,253	6.7	(0.2)
State Sales and Use Tax	501,600	13.96	43,226	42,133	2.6	192,890	182,814	5.5	5.1
Motor Vehicle License Fees	237,400	6.60	16,536	17,661	(6.4)	98,383	99,820	(1.4)	(0.2)
International Registration Plan	63,200	1.76	4,027	3,151	27.8	19,150	18,534	3.3	3.5
Recordation Tax	34,600	0.96	3,042	3,126	(2.7)	15,733	15,033	4.7	(1.1)
Interest Earnings	27,800	0.77	20	144	(86.1)	4,799	4,846	(1.0)	52.2
Misc. Taxes, Fees, and Revenues	12,900	0.36	1,139	999	14.0	5,252	5,430	(3.3)	0.1
<b>Total State Taxes and Fees</b>	<b>\$2,431,400</b>	<b>67.63</b>	<b>\$186,697</b>	<b>\$185,950</b>	<b>0.4</b>	<b>\$976,352</b>	<b>\$967,513</b>	<b>0.9</b>	<b>2.6</b>

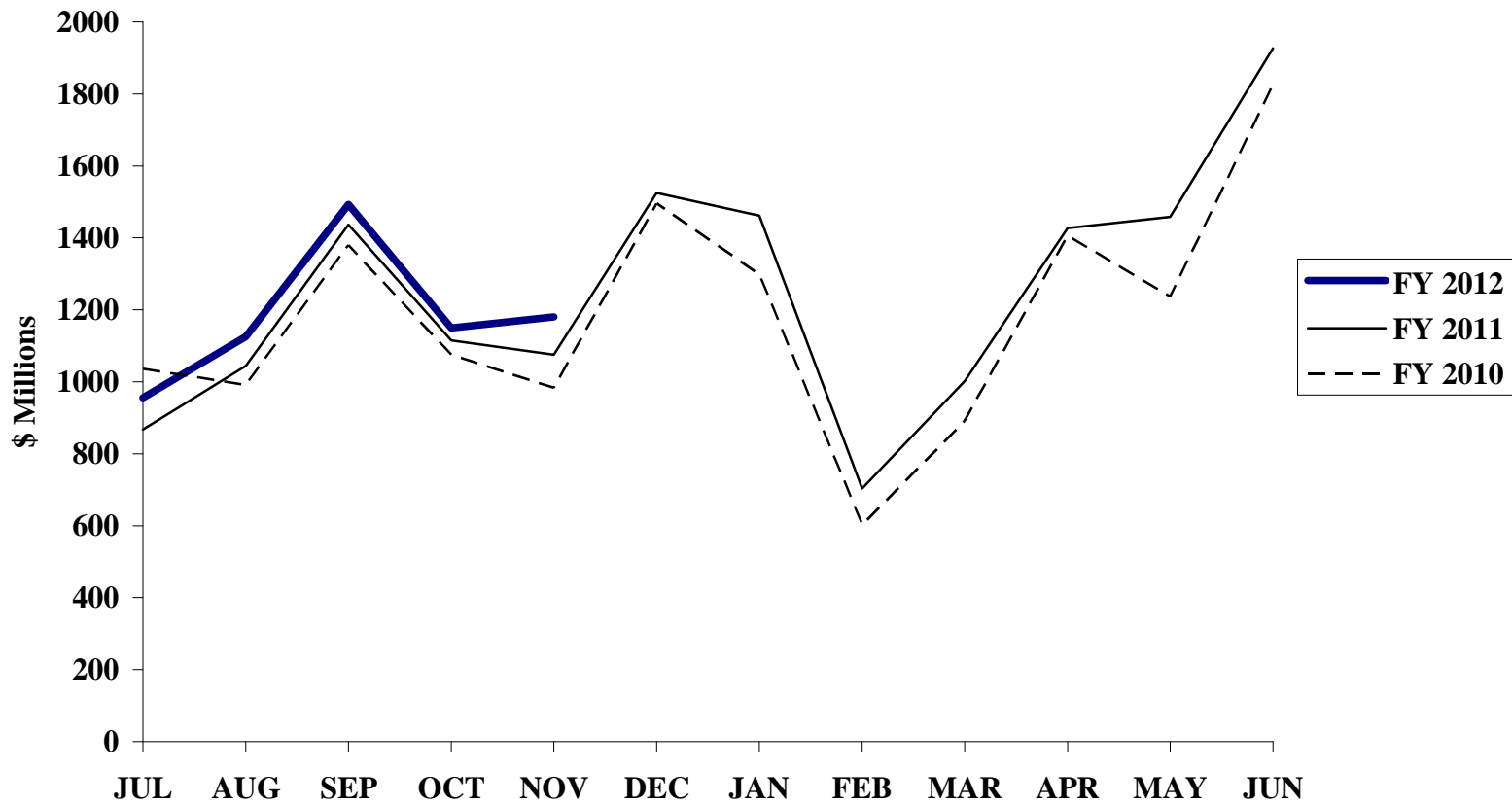
# Percentage is greater than or equal to 1,000%.

**Commonwealth of Virginia/Department of Accounts**  
**Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues**  
**Statement of Revenue Estimates & Collections**  
**For the Fiscal Years 2011 and 2012**  
(Dollars in Thousands)

Revenue	FY 2012 Estimate	As a % of Total Fund	November			Year-To-Date			% Annual Growth Required By Est
			FY 2012	FY 2011	% Change	FY 2012	FY 2011	% Change	
<b>HIGHWAY MAINTENANCE AND OPERATING FUND:</b>									
Motor Fuel Taxes (Includes Road Tax)	\$749,900	20.86	\$63,556	\$61,902	2.7	\$256,673	\$258,169	(0.6)	3.2
Motor Vehicle Sales and Use Tax	325,400	9.05	29,020	25,044	15.9	145,998	132,190	10.4	0.2
Motor Vehicle License Fees	216,100	6.01	15,321	16,087	(4.8)	89,810	90,982	(1.3)	(0.3)
International Registration Plan	63,200	1.76	4,027	3,151	27.8	19,150	18,534	3.3	3.5
Recordation Tax (1 cent)	11,500	0.32	1,014	1,042	(2.7)	5,244	5,011	4.6	(1.4)
Misc. Taxes, Fees, and Revenues	12,900	0.36	1,139	999	14.0	5,252	5,430	(3.3)	0.1
<b>Total State Taxes and Fees</b>	<b>\$1,379,000</b>	<b>38.36</b>	<b>\$114,077</b>	<b>\$108,225</b>	<b>5.4</b>	<b>\$522,127</b>	<b>\$510,316</b>	<b>2.3</b>	<b>1.9</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$0	0.00	\$1,569	\$1,473	6.5	\$9,974	\$8,529	16.9	(100.0)
Miscellaneous Revenues	11,479	0.32	1,817	1,022	77.8	7,965	3,937	102.3	(24.2)
Transfer (to) / from Transportation Trust Fund	447,767	12.45	0	0	-	100,340	66,940	49.9	(3.3)
<b>Total Highway Maintenance and Operating Fund</b>	<b>\$1,838,246</b>	<b>51.13</b>	<b>\$117,463</b>	<b>\$110,720</b>	<b>6.1</b>	<b>\$640,406</b>	<b>\$589,722</b>	<b>8.6</b>	<b>(0.8)</b>
<b>TRANSPORTATION TRUST FUND:</b>									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$116,900	3.25	\$7,056	\$9,008	(21.7)	\$37,912	\$41,323	(8.3)	(0.6)
PTF Motor Fuels	20,000	0.56	0	2,000	(100.0)	4,000	6,000	(33.3)	0.0
PTF Insurance Premiums Tax	136,000	3.78	4,695	4,782	(1.8)	106,546	115,291	(7.6)	4.4
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	205,700	5.72	14,380	16,000	(10.1)	89,016	88,063	1.1	(0.8)
State Sales and Use Tax	501,600	13.96	43,226	42,133	2.6	192,890	182,814	5.5	5.1
Motor Vehicle License Fees	21,300	0.59	1,215	1,574	(22.8)	8,573	8,838	(3.0)	0.4
Recordation Tax (2 cents)	23,100	0.64	2,028	2,084	(2.7)	10,489	10,022	4.7	(1.0)
Interest Earnings	27,800	0.77	20	144	(86.1)	4,799	4,846	(1.0)	52.2
<b>Total State Taxes and Fees</b>	<b>\$1,052,400</b>	<b>29.27</b>	<b>\$72,620</b>	<b>\$77,725</b>	<b>(6.6)</b>	<b>\$454,225</b>	<b>\$457,197</b>	<b>(0.7)</b>	<b>3.6</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$1,006,822	28.00	\$41,478	\$71,437	(41.9)	\$392,198	\$434,240	(9.7)	12.5
Receipts from Cities/Counties	102,383	2.85	(601)	727	(182.7)	10,565	24,946	(57.6)	135.2
Toll Revenues (Includes Route 28)	28,949	0.80	854	882	(3.2)	5,252	6,815	(22.9)	43.7
Miscellaneous Revenues	14,219	0.40	436	2,026	(78.5)	12,154	29,057	(58.2)	(74.0)
<b>Total Other Revenues</b>	<b>\$1,152,373</b>	<b>32.05</b>	<b>\$42,167</b>	<b>\$75,072</b>	<b>(43.8)</b>	<b>\$420,169</b>	<b>\$495,058</b>	<b>(15.1)</b>	<b>13.8</b>
Transfer (to) / from Highway Maintenance and Operating Fund	(\$447,767)	(12.45)	\$0	\$0	-	(\$100,340)	(\$66,940)	(49.9)	3.3
<b>Total Transportation Trust Fund</b>	<b>\$1,757,006</b>	<b>48.87</b>	<b>\$114,787</b>	<b>\$152,797</b>	<b>(24.9)</b>	<b>\$774,054</b>	<b>\$885,315</b>	<b>(12.6)</b>	<b>12.2</b>
<b>TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND</b>									
	<b>\$3,595,252</b>	<b>100.00</b>	<b>\$232,250</b>	<b>\$263,517</b>	<b>(11.9)</b>	<b>\$1,414,460</b>	<b>\$1,475,037</b>	<b>(4.1)</b>	<b>5.2</b>

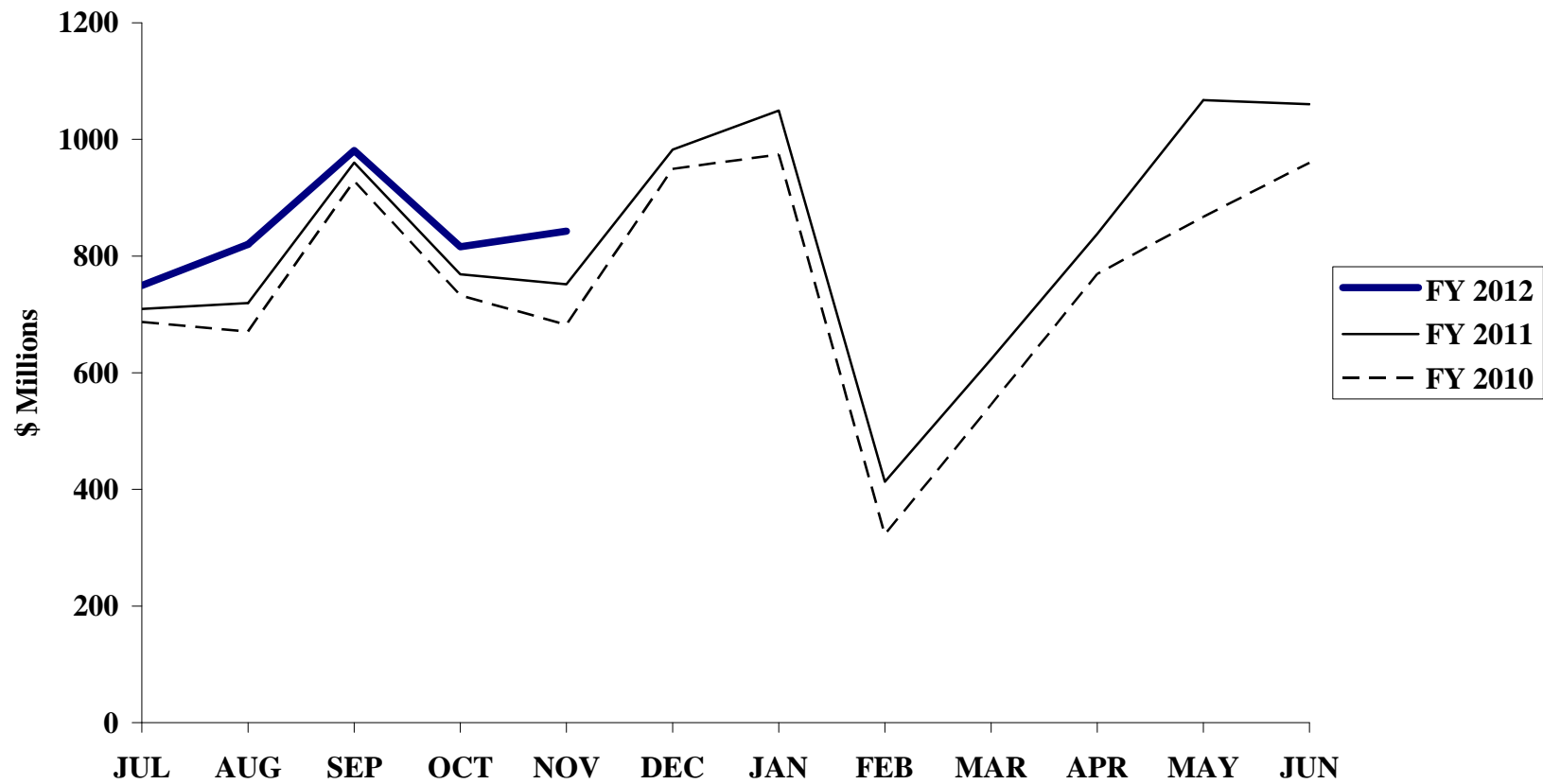
# Percentage is greater than or equal to 1,000%.

## Total General Fund Revenues



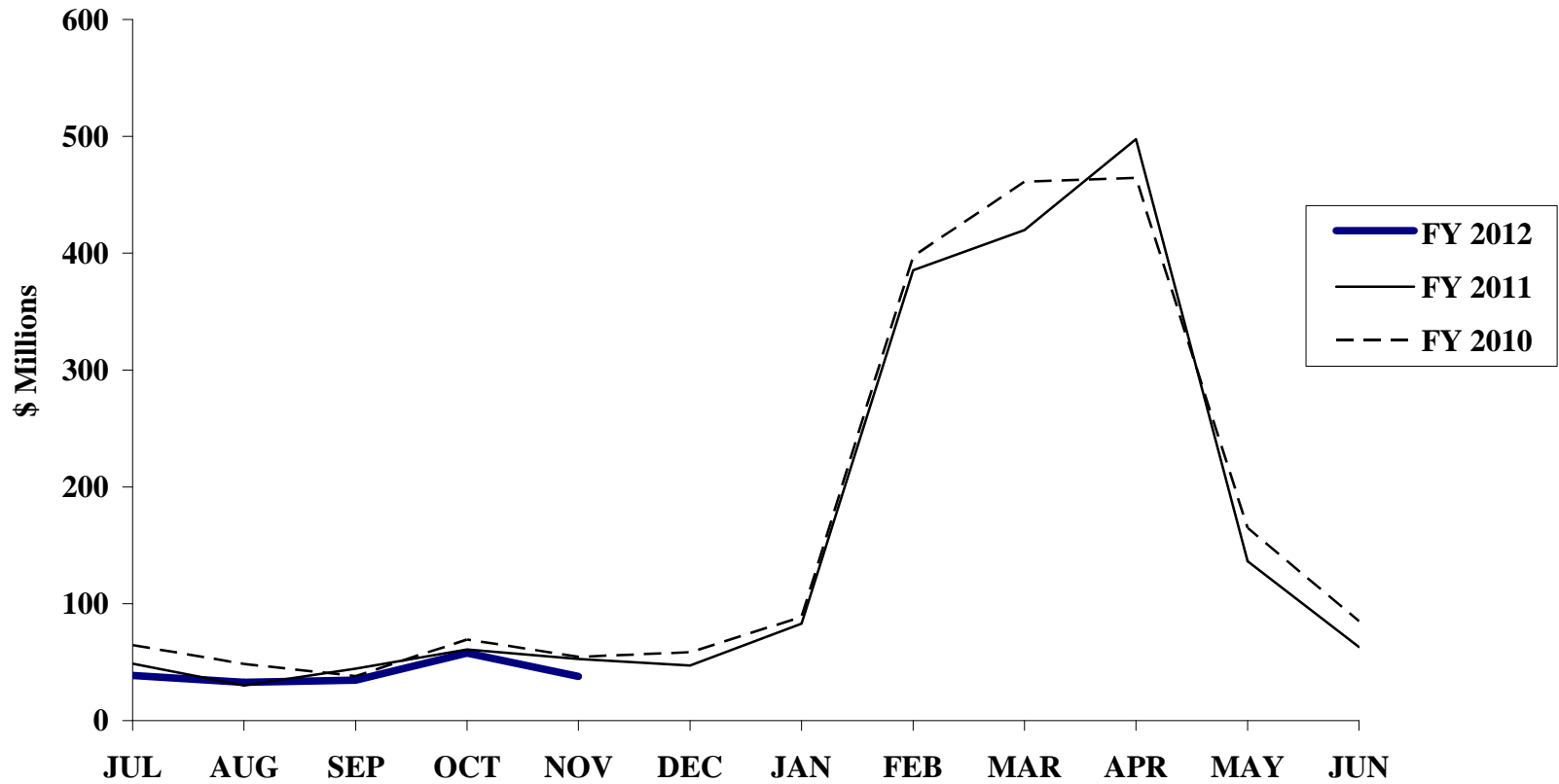
**FY 2010 Actual = \$14,219.5 Million**  
**FY 2011 Actual = \$15,040.2 Million**  
**FY 2012 Estimate = \$15,594.8 Million**

# Net Individual Income Tax



**FY 2010 Actual = \$9,088.3 Million**  
**FY 2011 Actual = \$9,944.4 Million**  
**FY 2012 Estimate = \$10,329.6 Million**

## Individual and Fiduciary Income Tax Refunds



**FY 2010 Actual = \$1,994.7 Million**  
**FY 2011 Actual = \$1,869.3 Million**  
**FY 2012 Estimate = \$1,852.0 Million**



## DEPARTMENT OF THE TREASURY

General Account Investment Portfolio  
 Monthly Average Balances and Rates  
 For the Fiscal Year 2012  
 (Dollars in Millions)

MONTH	PRIMARY LIQUIDITY		EXTERNAL MANAGEMENT EXTENDED DURATION		COMPOSITE		TREASURY 1 YR. CONSTANT MATURITY <sup>1</sup>
	Avg. Balance	Yield	Avg. Balance	Annualized Total Return	Avg. Balance	Rate	Yield
July, 2011	\$3,889.8	0.31%	\$1,279.0	15.39%	\$5,168.8	4.04%	0.19%
August	\$3,330.4	0.35%	\$1,292.5	10.31%	\$4,622.9	3.13%	0.11%
September	\$3,520.5	0.39%	\$1,299.5	3.09%	\$4,820.0	1.12%	0.10%
October	\$3,681.0	0.35%	\$1,303.3	4.39%	\$4,984.3	1.41%	0.11%
November	\$3,506.4	0.39%	\$1,303.2	-4.26%	\$4,809.6	-0.87%	0.11%
December							
January, 2012							
February							
March							
April							
May							
June							
<b>Year-to-Date Average</b>	<b>\$3,585.6</b>	<b>0.36%</b>	<b>\$1,295.5</b>	<b>5.82%</b>	<b>\$4,881.1</b>	<b>1.81%</b>	<b>0.12%</b>

• Performance on the extended duration portion of the General Account is reported on an annualized total return basis. Total return includes unrealized gains and losses, which in the short term can make returns more volatile. Over an extended time period the fluctuations average out and total return approaches the portfolio yield.

• Unaudited.

<sup>1</sup> Federal Reserve Bank H.15 Release.

**Commonwealth of Virginia/Department of Accounts  
Report on the Revenue Stabilization Fund  
For the Fiscal Year 2012**

<b>Month</b>	<b>Beginning Balance</b>	<b>Deposits</b>	<b>Withdrawals</b>	<b>Interest Allocated (A)</b>	<b>Ending Balance</b>
<b>July</b>	\$299,361,498	\$0	\$0	\$0	\$299,361,498
<b>August</b>	\$299,361,498	\$0	\$0	\$0	\$299,361,498
<b>September</b>	\$299,361,498	\$0	\$0	\$0	\$299,361,498
<b>October</b>	\$299,361,498	\$0	\$0	\$1,216,970	\$300,578,468
<b>November</b>	\$300,578,468	\$0	\$0	\$0	\$300,578,468
<b>December</b>					
<b>January</b>					
<b>February</b>					
<b>March</b>					
<b>April</b>					
<b>May</b>					
<b>June</b>					

Notes: (A) Interest is earned monthly but credited to the Revenue Stabilization Fund on a quarterly basis.