



# Commission on Government Forecasting and Accountability

Clayton Klenke, Executive Director · Laurie Eby, Deputy Director

Co-Chairs: Sen. Dave Koehler and Rep. C.D. Davidsmeyer

Senators: Omar Aquino · Win Stoller · Donald DeWitte · Elgie Sims · David Syverson

Representatives: Sonya Harper · Elizabeth Hernandez · Martin McLaughlin · Anna Moeller · Joe Sosnowski

## MONTHLY BRIEFING

*For the Month Ended: July 2023*

### Inside this Issue

**PAGE 1: Economy:  
Economy Accelerates in  
the 2<sup>nd</sup> Quarter**

**PAGES 4: Illinois  
Economic Indicators**

**PAGE 5: A Closer Look:  
Public Utility Taxes in  
Illinois**

**PAGE 11: Revenue:  
General Funds Base  
Receipts Start FY 2024  
Off Strong, but Absence  
of Federal  
Reimbursements  
Results in Overall  
Decline in July**

**PAGE 13: Revenue  
Table**



**CGFA**

COMMISSION ON GOVERNMENT  
FORECASTING & ACCOUNTABILITY

[HTTPS://CGFA.ILGA.GOV/](https://cgfa.ilga.gov/)  
PHONE: 217/782-5320

### Economy Accelerates in the 2<sup>nd</sup> Quarter

Benjamin L. Varner, Chief Economist

A spate of good economic news was announced in July. The month began with strong employment data for June and was sustained by low unemployment claims during July. The month ended with GDP results indicating the economy had accelerated in the second quarter. While all of this was happening, inflation continued to slow. Overall, the threat of a recession in the near-term appears to be abating with continued slow growth expected in the second half of the year.

Strong job growth persisted in June as total nonfarm payrolls increased by 209,000. This is down from the blistering pace of employment growth seen in 2021 and 2022 but remains above the growth trend seen prior to the COVID-19 pandemic. The country averaged job growth of 278,000 during the first half of 2023 which is considerably higher than the average growth of 194,000 during the last economic expansion (2011-2019). While Illinois has not seen as much growth in nonfarm employment as the rest the country in whole, it is close to surmounting its pre-pandemic peak.

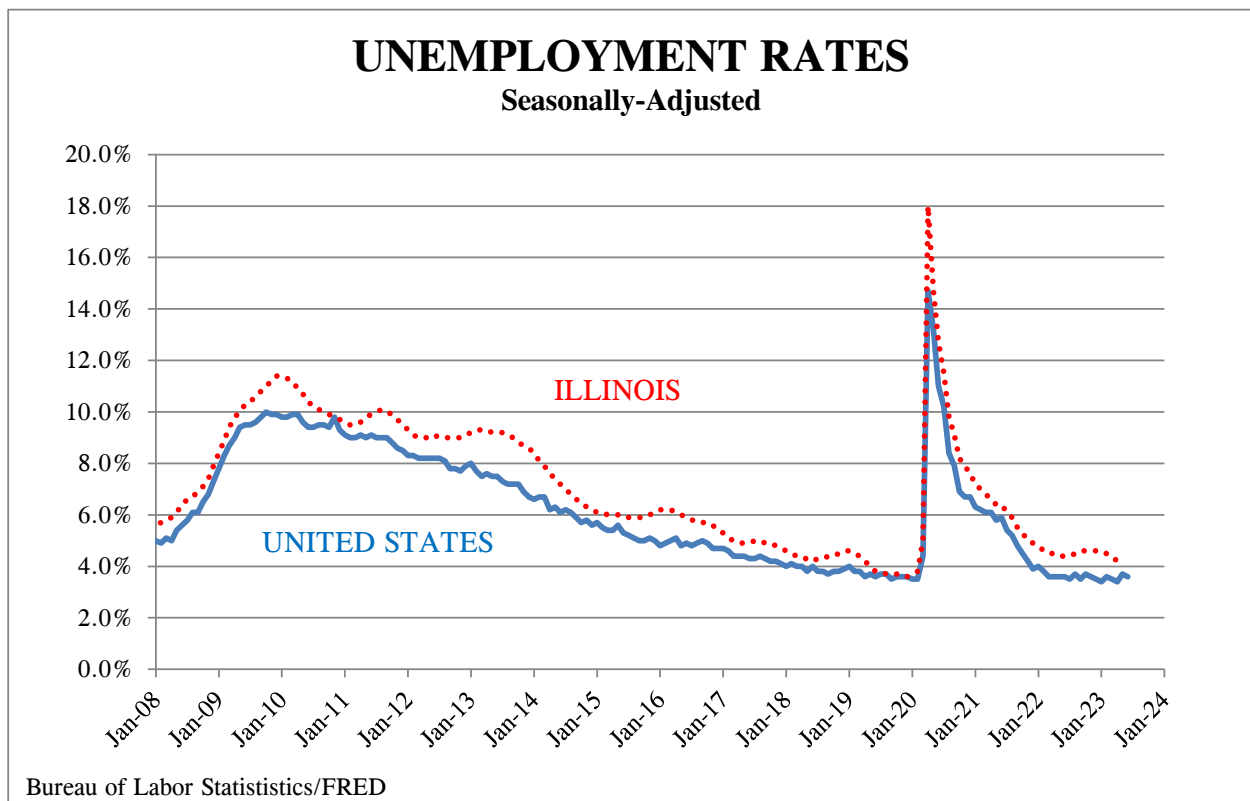
In June, the unemployment rate for the U.S. fell to 3.6% from the 3.7% rate seen in May. The unemployment rate is up a little from its recent low of 3.3% recorded earlier in the year, but remains near 50-year lows. Illinois' unemployment rate continues to be about a half a percentage point higher than the country as a whole. In June, Illinois' unemployment rate improved to 4.0%. This is progress from the 4.5% rate observed at the beginning of 2023.

Unemployment issuance claims in the U.S. remained near historic lows in July also. Initial claims for unemployment insurance fell

to just under 200,000 in January of 2023. This was the lowest rate since 1969 (besides September of 2022, which was also below this threshold). Initial claims grew to almost 257,000 in June before falling back to about 234,000 in July. This level remains similar to what was seen just prior to the pandemic. Similarly, continuing unemployment insurance claims were at historic lows in the fall of 2022. Since then, they have grown from about 1.3 million to 1.7 million, which is still very low when viewed historically. Illinois has followed a similar pattern as the U.S. with claims remaining near historic lows. Initial claims in Illinois have averaged around 9,000 in recent months, while continuing claims were about 89,000.

Recently, the Bureau of Economic Analysis announced that the economy grew 2.4% during the second quarter of 2023 based on growth in real gross domestic product (GDP). This was up from the 2.0% growth seen in the first quarter. Overall, the economy has shown robust growth since the middle of last year. The U.S. experienced two negative quarters in the first half of 2022. Since then, the U.S. economy has averaged real GDP growth of 2.6% over the last four quarters. This is above the longer-term trend of a little over 2%.

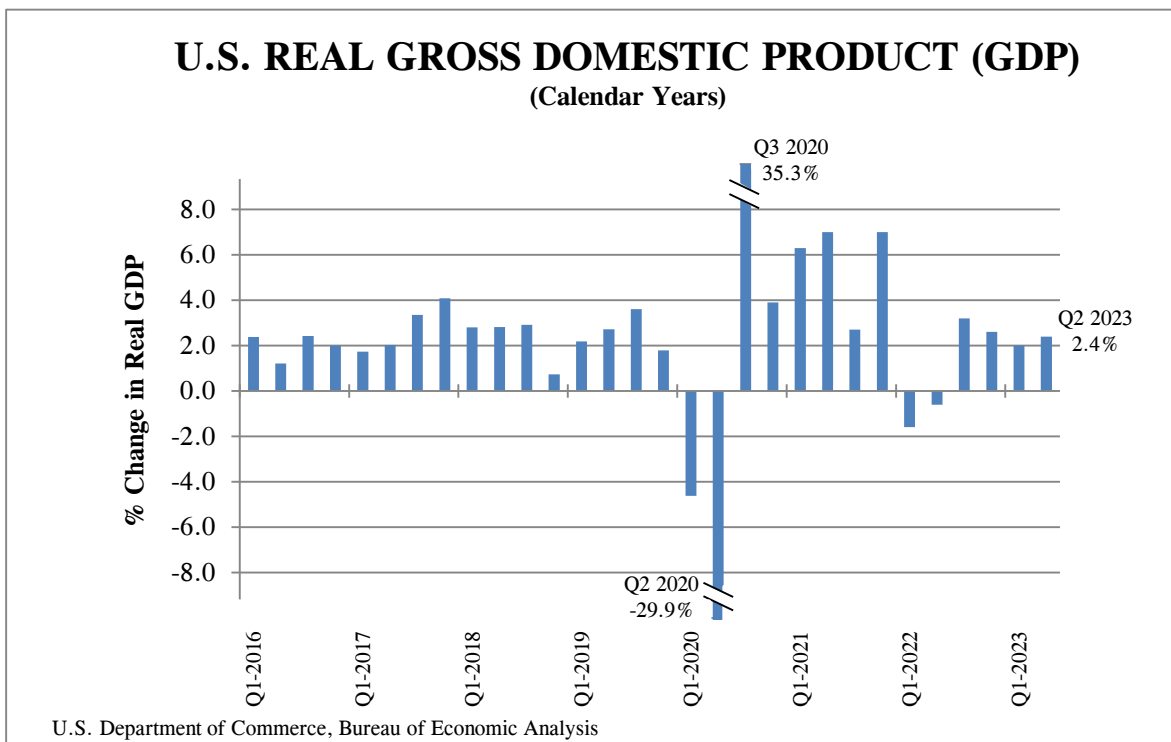
Growth in the second quarter was powered by steadfast consumer spending and improved business spending. Total personal consumption expenditures were up 1.6% in the second quarter. This was down from the blistering 4.2% pace in the first quarter but still contributed over 1.1% of the total 2.4% growth in real GDP. Most of this growth in consumer spending was from expenditures on services. Consumer spending on services was up 2.1%. This growth was disbursed over several sectors such as Housing and Utilities, Health Care, Financial Services and Insurance, and Transportation Services. Consumer spending on goods, on the other hand, was somewhat muted at



0.7%. Outlays on durable goods were basically flat at 0.4%, while nondurable goods were up a little more at 0.9%.

Gross private domestic investment (which includes business investment, residential housing, and changes in inventories) grew 5.7%. This was up considerably from the -11.9% decline seen in the first quarter. Most of this growth came from fixed investment by businesses. Business spending on structures was up 9.7%. This growth is currently being fueled by significant growth in the manufacturing sector driven by government incentives related to semiconductors and electric vehicles. Expenditures on equipment grew even faster at 10.8%. The increase in expenditures on structures was a continuation of recent quarters, while the jump in equipment spending was the first increase since the third quarter of 2022. While business spending was up, housing continues to be a headwind on the economy, contracting -4.2%. The housing market has been down every quarter since the huge growth seen in the second half of 2020 and the first quarter of 2021. These declines were especially acute during the last three quarters of 2022 related to the large increases in mortgage rates. Changes in business inventories gave a slight bump to overall growth after being a significant hindrance in the first quarter.

Net exports were a slight drag on the economy as both exports and imports were down but exports shrank faster than imports. Total exports were down almost -11%. Goods exports tumbled -16.3%, while service exports were up a modest 1.8%. Total imports were also down at -7.8%. Exportation of goods fell -8.0%, whereas service imports slipped -6.8%.



Government spending more than made up for the declines seen in net exports. Total government spending and investment was up 2.6%. Federal spending rose a bit at 0.9%. This modest growth was propelled by national defense spending which increased 2.5%. Nondefense spending was actually down 1.1% after very strong growth the previous two quarters. Expenditures by state and local governments continued to be robust at 3.6%.

While the economy was accelerating in the second quarter, the long sought-after slow-down in inflation continued to materialize. The Consumer Price Index (CPI) fell to 3.0% in June significantly down from a high of 9.1% twelve months earlier. Core CPI which excludes the more volatile food and energy components, remains elevated at 4.8% but has been slowly coming down from a high of 6.6% in September of last year. The Federal Reserve’s preferred measure of inflation, the personal consumption expenditure (PCE) price index, has also been slowing. In June, the PCE stood at 3.0% year-over-year, while the Core PCE was at 4.1%. While these levels remain above the Fed’s 2% target, annualized results from recent months have been near that 2% target rate.

Expectations for the economy in the second half of the year vary. Despite strong economic data in July, the economy faces some potential headwinds in the future. Holders of student loans will soon have to restart paying on those loans, while a shutdown of the federal government in the fall is a possibility. Economists at the Conference Board are expecting the economy to fall into recession by the end of 2023. Forecasters at many economic research firms (Goldman Sachs, S&P Global Intelligence, JP Morgan) expect a slow-down in growth, though a recession is far from a foregone conclusion. Numerous economists have decreased the likelihood of a recession in the next year. At the most recent Fed meeting (at which interest rates were raised an additional 0.25%), Federal Chairman Powell stated that “the staff now has a noticeable slowdown in growth starting later this year in the forecast, but given the resilience of the economy recently, they are no longer forecasting a recession.” The initial estimate for real GDP growth for the third quarter of 2023 by the Atlanta Fed’s GDPNow forecasting model stands at 3.5%. If this were to come to fruition, this would continue the acceleration of the economy seen in the second quarter.

<b>INDICATORS OF ILLINOIS ECONOMIC ACTIVITY</b>			
<u>INDICATORS*</u>	<u>LATEST MONTH</u>	<u>PRIOR MONTH</u>	<u>A YEAR AGO</u>
Unemployment Rate (Average) (June)	4.0%	4.1%	4.4%
Inflation in Chicago (12-month percent change) (June)	2.1%	3.3%	8.9%
	<u>LATEST MONTH</u>	<u>CHANGE OVER PRIOR MONTH</u>	<u>CHANGE OVER A YEAR AGO</u>
Civilian Labor Force (thousands) (June)	6,460.0	-0.2%	-0.3%
Employment (thousands) (June)	6,202.0	-0.1%	0.2%
Nonfarm Payroll Employment (June)	6,141,000	8,400	121,100
New Car & Truck Registration (June)	35,522	-5.2%	11.4%
Single Family Housing Permits (June)	841	-6.5%	-17.1%
Total Exports (\$ mil) (May)	6,404.7	1.1%	-7.2%
Chicago Purchasing Managers Index (July)	42.8	3.1%	-17.9%

\* Due to monthly fluctuations, trend best shown by % change from a year ago

## A Closer Look: Public Utility Taxes in Illinois

Anthony Bolton, Senior Revenue Analyst

As part of this and future monthly briefings, the Commission will include a series of articles providing a closer look at some of Illinois' prominent tax revenue sources. Much of the information included in these synopses is detailed in the Commission's annual publication entitled, "Illinois Tax Handbook for Legislators", which can be found on our website using this link: <https://www.ilga.gov/commission/lru/2023TaxHandbook.pdf>. This series will begin with a closer look at Illinois' Public Utility Taxes.

### Overview

Public Utility Taxes in Illinois refer to the portion of taxes collected by the State of Illinois involving companies that provide telecommunications, electricity, and natural gas. In addition to existing tax rates on these three areas, telecommunications and natural gas companies are required to pay a gross revenue tax which partially funds the Illinois Commerce Commission. Total all-appropriated funds revenues from these separate taxes amounted to \$1.280 billion in FY 2023 (this does not include Municipal Telecommunications Fund revenues, which go directly to local government, rather than the State), including \$751 million in General Funds distributions. A historic breakdown of total revenues is displayed below.

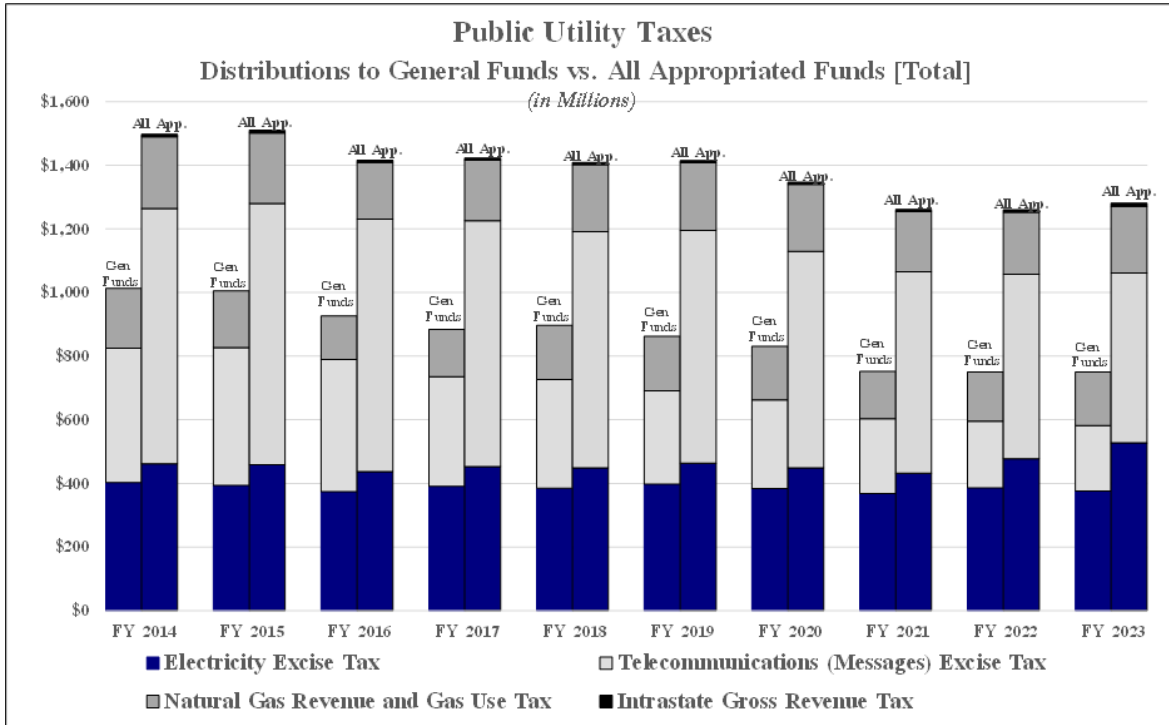
State Revenue History of the Public Utility Taxes \$ in millions				
Fiscal Year	General Funds Total	% Change	All-Appropriated Funds Total	% Change
2014	\$1,013.2	-1.9%	\$1,497.2	-4.3%
2015	\$1,005.1	-0.8%	\$1,509.9	0.8%
2016	\$926.1	-7.9%	\$1,415.9	-6.2%
2017	\$884.2	-4.5%	\$1,422.5	0.5%
2018	\$896.0	1.3%	\$1,408.6	-1.0%
2019	\$862.6	-3.7%	\$1,414.3	0.4%
2020	\$830.5	-3.7%	\$1,346.6	-4.8%
2021	\$751.4	-9.5%	\$1,261.2	-6.3%
2022	\$749.9	-0.2%	\$1,259.9	-0.1%
2023	\$750.5	0.1%	\$1,280.4	1.6%

Source: Illinois Comptroller

As shown above, over the last decade, the all-appropriated funds value has fluctuated between a high of approximately \$1.510 billion in FY 2015 to a low of \$1.260 billion in FY 2022. The amounts distributed to the State's General Funds have steadily declined from a high of \$1.013 billion in FY 2014 to near \$750 million in recent years. While the Electricity and Natural Gas components have remained relatively stable through this period, the Telecommunications component has trended downward over time. The reasons for this are discussed in more detail later. As Electricity and Natural Gas revenues are contingent on usage, and consumers utilize these resources for daily life, it

is unlikely that these revenue lines will decrease absent significant technological or population shifts. However, a significant increase is also not expected unless a dramatic growth in usage occurs.

As a result of the trends of each of these components, the public utility tax revenue line, overall, is viewed as a declining revenue source. In terms of general funds distributions, public utility taxes in total have averaged a decline of -1.9% over the last ten fiscal years. Over the last five fiscal years, this average has remained consistent at -1.9%. This trend is illustrated in the following graph.



The following section provides further information on each of these components and their trends.

### Electricity Excise Tax

The first State of Illinois tax on electricity, in the form of taxing public utilities 3% of their total gross revenues, was enacted in 1937. This tax was later altered and set at 5% of gross revenue in 1967. In 1985, this was modified to be 5% or \$0.32/kilowatt-hour sold. In 1998, this was abandoned in favor of a rate system on users that is applied by electric companies based on the number of kilowatt-hours used by each customer (residential, etc.). Non-residential users pay a tax of 5.1% of their purchase price. This tax is currently administered by the Department of Revenue. The chart below details current electric tax rates and kilowatt-hour usage.

<i>Kilowatt-hour used per month</i>	<i>Tax per hour</i>	<i>Kilowatt-hour used per month</i>	<i>Tax per hour</i>
First 2,000	\$0.00330	Next 2,000,000	\$0.00270
Next 48,000	\$0.00319	Next 2,000,000	\$0.00254
Next 50,000	\$0.00303	Next 5,000,000	\$0.00233
Next 400,000	\$0.00297	Next 10,000,000	\$0.00207
Next 500,000	\$0.00286	Next 20,000,000	\$0.00202

Tax revenues from the Electricity Excise Tax are distributed as follows: 97% to the General Revenue Fund and 3% to the Public Utility Fund (of which, \$5 million annually goes to the General Revenue Fund). One important point of note pertains to an exemption from this tax available to a “High Impact Business” as defined by the Department of Commerce and Economic Opportunity. These businesses are partially or fully exempt from this tax for up to 20 years if they meet certain requirements.

Local municipalities can levy taxes on the use of electricity, ranging from \$0.0030/kilowatt-hour to \$0.0061/kilowatt-hour, which is typically passed on to consumers. By request from municipalities, the Illinois Commerce Commission can approve alternative maximum rates. As of January 2023, approximately 97 municipalities in Illinois utilized alternative rates.

State Revenue History of the Electricity Excise Tax <i>\$ in millions</i>				
Fiscal Year	General Funds Total	% Change	All-Appropriated Funds Total	% Change
FY 2014	\$402.5	1.2%	\$461.8	1.0%
FY 2015	\$393.3	-2.3%	\$458.0	-0.8%
FY 2016	\$373.8	-5.0%	\$437.5	-4.5%
FY 2017	\$390.4	4.4%	\$453.1	3.6%
FY 2018	\$385.0	-1.4%	\$448.4	-1.0%
FY 2019	\$397.4	3.2%	\$463.4	3.3%
FY 2020	\$383.5	-3.5%	\$448.7	-3.2%
FY 2021	\$368.5	-3.9%	\$432.4	-3.6%
FY 2022	\$385.2	4.5%	\$477.5	10.4%
FY 2023	\$376.2	-2.3%	\$527.2	10.4%
Source: Illinois Comptroller				

Numerous factors affect electricity usage (and accordingly, tax revenues). As tax revenues are contingent on electric utility gross revenue, factors affecting gross revenue will affect tax revenue. General electricity usage has steadily increased since the first tax was instituted in 1937, as households have increasingly utilized electricity for heating, cooking, entertainment (TVs, computers, etc.), and transportation (electric vehicles). This increased usage has resulted in increased revenues for utilities. Concurrently, weather also plays a role in revenues.

While severe weather can disable electric service temporarily, hot summers and cold winters cause Illinois electricity users to utilize their air conditioners and furnaces. This usage, and the ease thereof, results in increased revenues for utilities compared to past generations when electric fans and fireplaces were more commonly depended upon and used. Overall, these factors have inexorably led to increased utilization of electricity, increased revenues for utilities, and increased tax revenues for Illinois in the long-term.

**Telecommunications (Messages) Excise Tax**

Starting with a 3% tax on messages initially enacted in 1945, this tax is imposed on senders and receivers of telecommunications, whether in-state or intra-state. These communications include telephone, channel, radio, and paging services. Over time, the tax rate and services covered have increased, though as of 1998, it has remained steady. Currently, the rate for this tax is 7% of charges for transmitting messages in the course of in-state or inter-state commerce. Rate changes over time are detailed in the chart below.

Year	Rate	Year	Rate
1945	3%	1967	5%
1965	4%	1985*	5%
1966	3.92%	1998	7%

\* While 1985 is listed in the chart though it had no rate change, the tax base was expanded in that year by including various new telecommunication services and inter-state messages.

This tax is distributed to a variety of funds. The 5% tax rate utilized up to 1998 was originally (and still is) divided between the Common School Fund, the General Revenue Fund, and the Tax Compliance and Administration Fund. The 2% additional tax imposed in 1998 is divided evenly between the School Infrastructure Fund and the Common School Fund. A 3% federal tax on local service and a local tax (tax rate varies by municipality) are also currently imposed on telecommunications charges.

<b>State Revenue History of the Telecommunications (Messages) Excise Tax</b>				
<i>\$ in millions</i>				
Fiscal Year	General Funds Total	% Change	All-Appropriated Funds Total	% Change
2014	\$422.3	-14.1%	\$801.9	-12.6%
2015	\$434.2	2.8%	\$821.9	2.5%
2016	\$415.0	-4.4%	\$792.6	-3.6%
2017	\$344.7	-16.9%	\$772.7	-2.5%
2018	\$341.4	-0.9%	\$742.6	-3.9%
2019	\$293.5	-14.0%	\$731.2	-1.4%
2020	\$279.1	-4.9%	\$680.6	-6.9%
2021	\$234.7	-15.9%	\$633.0	-7.0%
2022	\$210.1	-10.5%	\$579.7	-8.4%
2023	\$205.9	-2.0%	\$534.2	-7.8%

Source: Illinois Comptroller

An important point regarding this revenue source is that total revenues have trended down over time in recent years, as more people have moved to non-taxed telecommunications options and the traditional revenue components (taxes on telegraphs, etc.) have decreased in use. This decline is due in large part to individual consumers utilizing cell phones over landline phones, and additionally, utilizing cellular network data over actual phone calls. As utilization of phones for internet access and data usage has increased, phone calls and messages have decreased substantially. The Federal



Internet Tax Freedom Act prevents Illinois from taxing internet services, hence the steady decline in revenues from this source. This trend is likely to continue unless new revenue sources are found to supplement the aforementioned underutilized sources.

**Natural Gas Revenue Tax and Gas Use Tax**

Natural Gas has been taxed in Illinois since 1945, starting with the Natural Gas Revenue Tax. This particular tax imposed on companies distributing natural gas in Illinois was enacted at 3% and has risen through the ensuing years to its current rate of the lesser of 5% (or \$0.024 per therm, the standard unit of heat) in 1985, where it remains currently. All of the tax revenues from this tax source are distributed to the General Revenue Fund. Historic rate changes are shown below.

Year	Rate	Year	Rate
1945	3.00%	1967	5.00%
1965	4.00%	1985	5.00% or \$0.024/therm
1966	3.92%		

Starting in 2003, a Gas Use Tax was instituted at 5% (\$0.024 per therm) on gas purchased out of state for use in Illinois. This tax can be included in bills to natural gas customers. It is important to note that certain exemptions apply to the collection of this tax if customers meet certain requirements.

Municipalities can impose a 5% tax (8% in Chicago) on natural gas production. These municipal taxes are collected by the State and are distributed back to the municipalities. These particular taxes are included in the all-appropriated total section of the chart below.

State Revenue History of the Natural Gas Revenue Tax and Gas Use Tax <i>\$ in millions</i>				
Fiscal Year	General Funds Total	% Change	All-Appropriated Funds Total	% Change
2014	\$188.4	31.0%	\$226.4	23.9%
2015	\$177.6	-5.7%	\$221.5	-2.1%
2016	\$137.3	-22.7%	\$178.8	-19.3%
2017	\$149.1	8.6%	\$190.5	6.5%
2018	\$169.6	13.8%	\$211.3	10.9%
2019	\$171.7	1.2%	\$213.3	0.9%
2020	\$167.9	-2.2%	\$210.6	-1.3%
2021	\$148.2	-11.8%	\$189.2	-10.2%
2022	\$154.6	4.3%	\$195.5	3.3%
2023	\$168.4	8.9%	\$209.5	7.2%

Source: Illinois Comptroller

Various factors affect natural gas tax revenue, depending on whether the specific factor in question applies to the supply or demand of natural gas. For example, demand for natural gas may spike depending on weather, as a colder-than-average winter would drive increased usage of natural gas for

heating and, thereby, cause related tax revenues to also increase. Conversely, a mild winter may cause decreased utilization of natural gas and, subsequently, cause related tax revenues to also decrease. As noted in the previous chart, natural gas tax revenues have fluctuated within a \$48 million range for the past 10 fiscal years, indicating a steady rate of consumption, though punctuated with usage spikes and troughs. Regarding supply issues, as increased utilization of electricity has been recently pushed, through the development and installation of wind and solar generation, this may make electricity a more economically viable alternative to natural gas. If consumers utilize more electricity for their heating and cooking, for example, over natural gas, this would in turn reduce natural gas tax revenue through the lower utilization of natural gas for these purposes.

### *Intrastate Gross Revenue Tax*

This tax is imposed on all public utilities (except for electric companies) regulated by the Illinois Commerce Commission to fund the Commission’s expenses. The rate for this tax was originally 0.08% of a company’s gross revenue from interstate business when it was instituted in 1963 and was raised to the current level of 0.1% in 1987 where it remains currently. Total revenues from this tax have averaged between \$6.2 million and \$8.5 million yearly since 2014. These tax revenues are distributed to the Public Utility Fund.

<b>State Revenue History of the Intrastate Gross Revenue Tax</b>				
<i>\$ in millions</i>				
Fiscal Year	General Funds Total	% Change	All-Appropriated Funds Total	% Change
2014	\$0.0	N/A	\$7.1	9.2%
2015	\$0.0	N/A	\$8.5	19.7%
2016	\$0.0	N/A	\$7.0	-17.6%
2017	\$0.0	N/A	\$6.2	-11.4%
2018	\$0.0	N/A	\$6.3	1.6%
2019	\$0.0	N/A	\$6.4	1.6%
2020	\$0.0	N/A	\$6.7	4.7%
2021	\$0.0	N/A	\$6.6	-1.5%
2022	\$0.0	N/A	\$7.2	9.1%
2023	\$0.0	N/A	\$9.5	31.9%
Source: Illinois Comptroller				

## **General Funds Base Receipts Start FY 2024 Off Strong, but Absence of Federal Reimbursements Results in Overall Decline in July**

Eric Noggle, Revenue Manager

Base revenues into the State's General Funds performed quite well to start off FY 2024 with year-over-year growth of \$396 million. However, when last July's \$584 million deposit of ARPA reimbursements are included in the calculation, the overall change is a decline of \$188 million to start the fiscal year. July had the same number of receipting days as the same month the prior fiscal year. The increase in base receipts was spurred by notable improvement from income tax receipts. Personal Income Taxes rose \$184 million in July, a net increase of \$153 million when removing distributions to the Refund Fund and the Local Government Distributive Fund (LGDF). Similarly, Corporate Income Taxes rose a solid \$117 million, or \$95 million on a net basis.

As provided by P.A. 103-0008, the annual percentage of personal income tax revenues that are to go to the Income Tax Refund Fund was lowered from 9.25% in FY 2023 to 9.15% in FY 2024. The percentage of corporate income tax revenues that are to go to the Income Tax Refund Fund was also reduced, from 14.5% to 14.0%. Reduced refund fund percentages mean that more available funds could go into the State's General Funds. However, the gain in net receipts due to these percentage changes will be more than offset by an increase in the portion distributed to the LGDF. Public Act 103-0008 also provided that 6.47% (instead of 6.16%) of personal income tax revenues (net of refunds) shall go to the LGDF in FY 2024. The amount of net corporate receipts to the LGDF did not change and remains at 6.85%.

The growth in base revenues was also aided by a significant rise in Federal Sources base receipts. In July these particular receipts were \$253 million higher than the year prior. However, if the \$584 million in non-base federal dollars receipted in July 2022 from the ARPA Reimbursement for Essential Government Services are included into the equation, Federal Sources were actually down \$331 million for the month. No additional ARPA reimbursements are anticipated in FY 2024, which will be a comparable disadvantage throughout the year when comparing FY 2024 with FY 2023 year-to-date totals.

Sales Taxes held flat in July on a gross basis. On a net basis, when accounting for distributions to the Road Fund and other transportation funds, a modest decline of \$11 million occurred due the increase in Road Fund Transfers under current law. In regard to all Other State Sources, revenues combined to eke out a \$2 million gain. A \$20 million increase in Interest on State Funds & Investments, a \$7 million rise in Corporate Franchise Taxes, and a slight \$1 million increase in Public Utility Taxes helped offset declines in General Funds receipt distributions from Insurance Taxes [-\$16 million]; Inheritance Taxes [-\$6 million]; and the Cigarette Tax [-\$4 million].

The performance of Transfers In was mixed. Lottery Transfers were \$20 million higher, Gaming Transfers from Illinois' casinos were up \$7 million, and Cannabis Transfers rose \$1 million. These gains, however, could not overcome the \$124 million decline in Other Transfers, resulting in an

overall Transfers In decline of \$96 million. The notable decline in Other Transfers is primarily due to a Capital Projects Fund July 2022 transfer of \$140 million that did not repeat in July of this year.

<i>Summary of Receipts</i>				
<b>JULY</b>				
<i>FY 2023 vs. FY 2024</i>				
<i>(\$ millions)</i>				
<b>Revenue Sources</b>	<b>July</b>	<b>July</b>	<b>\$</b>	<b>%</b>
	<b>FY 2023</b>	<b>FY 2024</b>	<b>CHANGE</b>	<b>CHANGE</b>
Net Personal Income Tax	\$1,401	\$1,554	\$153	10.9%
Net Corporate Income Tax	\$164	\$259	\$95	57.9%
Net Sales Tax	\$930	\$919	(\$11)	-1.2%
All Other State Sources	\$206	\$208	\$2	1.0%
Transfers In	\$248	\$152	(\$96)	-38.7%
Federal Sources [base]	\$61	\$314	\$253	414.8%
<b>Base General Funds</b>	<b>\$3,010</b>	<b>\$3,406</b>	<b>\$396</b>	<b>13.2%</b>
<i>Non-Base Gen Funds Revenues</i>	\$584	\$0	(\$584)	-100.0%
<b>Total General Funds</b>	<b>\$3,594</b>	<b>\$3,406</b>	<b>(\$188)</b>	<b>-5.2%</b>

CGFA SOURCE: Office of the Comptroller: Some totals may not equal, due to rounding

1-Aug-23

**JULY**  
**FY 2023 vs. FY 2024**  
(\$ millions)

<b>Revenue Sources</b>	<b>July FY 2023</b>	<b>July FY 2024</b>	<b>\$ CHANGE</b>	<b>% CHANGE</b>
<b>State Taxes</b>				
Personal Income Tax	\$1,645	\$1,829	\$184	11.2%
Corporate Income Tax (regular)	206	323	117	56.8%
Sales Taxes	987	987	0	0.0%
Public Utility Taxes (regular)	52	53	1	1.9%
Cigarette Tax	19	15	(4)	-21.1%
Liquor Gallonage Taxes	18	18	0	0.0%
Inheritance Tax	41	35	(6)	-14.6%
Insurance Taxes and Fees	19	3	(16)	-84.2%
Corporate Franchise Tax & Fees	12	19	7	58.3%
Interest on State Funds & Investments	21	41	20	95.2%
Cook County IGT	0	0	0	N/A
Other Sources	24	24	0	0.0%
<b>Total State Taxes</b>	<b>\$3,044</b>	<b>\$3,347</b>	<b>\$303</b>	<b>10.0%</b>
<b>Transfers In</b>				
Lottery	\$50	\$70	\$20	40.0%
Gaming	8	15	7	87.5%
Cannabis	8	9	1	12.5%
Refund Fund	0	0	0	N/A
Other	182	58	(124)	-68.1%
<b>Total Transfers In</b>	<b>\$248</b>	<b>\$152</b>	<b>(\$96)</b>	<b>-38.7%</b>
<b>Total State Sources</b>	<b>\$3,292</b>	<b>\$3,499</b>	<b>\$207</b>	<b>6.3%</b>
<b>Federal Sources [base]</b>	<b>\$61</b>	<b>\$314</b>	<b>\$253</b>	<b>414.8%</b>
<b>Total Federal &amp; State Sources</b>	<b>\$3,353</b>	<b>\$3,813</b>	<b>\$460</b>	<b>13.7%</b>
<b>Nongeneral Funds Distributions/Direct Receipts:</b>				
<b>Refund Fund</b>				
Personal Income Tax	(\$152)	(\$167)	(\$15)	9.9%
Corporate Income Tax	(30)	(45)	(15)	50.0%
<b>Local Government Distributive Fund</b>				
Personal Income Tax	(92)	(108)	(16)	17.4%
Corporate Income Tax	(12)	(19)	(7)	58.3%
<b>Sales Tax Distributions</b>				
Deposits into Road Fund	(32)	(44)	(12)	37.5%
Distribution to the PTF and DPTF	(24)	(24)	0	0.0%
<b>General Funds Subtotal [Base]</b>	<b>\$3,010</b>	<b>\$3,406</b>	<b>\$396</b>	<b>13.2%</b>
ARPA Reimb. for Essential Gov't Services	\$584	\$0	(\$584)	N/A
<b>Total General Funds</b>	<b>\$3,594</b>	<b>\$3,406</b>	<b>(\$188)</b>	<b>-5.2%</b>

CGFA SOURCE: Office of the Comptroller: Some totals may not equal, due to rounding

1-Aug-23