



State of Maryland
Board of Revenue Estimates

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Director, Bureau of
Revenue Estimates

September 19, 2019

Honorable Lawrence J. Hogan Jr.
Governor, State of Maryland
State House
Annapolis, MD 21401

Dear Governor Hogan:

The Board of Revenue Estimates submits to you revised general fund revenue estimates for fiscal year 2020 and the first official estimates for fiscal year 2021. We have reviewed the current estimate for fiscal year 2020 in light of the most recent economic data and developments, as well as revenue collections for fiscal year 2019. Based on our analysis, the Board submits a revised estimate of general fund revenues for fiscal year 2020 of \$18.695 billion and an estimate of \$19.058 billion for fiscal year 2021.

The Board and the Revenue Monitoring Committee will continue to meet and analyze revenue and economic trends in anticipation of December's estimates.

Respectfully yours,

Peter Franchot, Chairman

Nancy K. Kopp

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Maryland General Fund Revenues
Fiscal Years 2019 - 2021
(\$ in thousands)

	FY 2019			FY 2020				FY 2021	
	Official Estimate ¹	Actual	Difference	Current Estimate ¹	September Revision	Difference	% Growth	September Estimate	% Growth
INCOME TAXES									
Individual Corporations	10,064,623	10,272,352	207,729	10,377,418	10,546,882	169,463	2.7%	10,882,090	3.2%
	958,048	1,033,109	75,061	962,409	992,036	29,626	-4.0%	1,093,637	10.2%
Total	11,022,671	11,305,461	282,790	11,339,828	11,538,917	199,090	2.1%	11,975,726	3.8%
SALES AND USE TAXES	4,863,056	4,812,090	(50,966)	5,026,412	4,956,167	(70,245)	3.0%	5,049,943	1.9%
STATE LOTTERY RECEIPTS	544,454	552,375	7,921	544,493	567,145	22,652	2.7%	579,197	2.1%
OTHER REVENUES									
Business Franchise Taxes	242,553	245,065	2,512	243,395	248,079	4,684	1.2%	215,818	-13.0%
Tax on Insurance Companies	377,456	335,168	(42,288)	397,861	348,649	(49,213)	4.0%	356,436	2.2%
Estate & Inheritance Taxes	177,372	180,440	3,068	164,273	167,312	3,039	-7.3%	169,976	1.6%
Tobacco Tax	372,350	356,697	(15,653)	364,021	351,058	(12,962)	-1.6%	344,629	-1.8%
Alcoholic Beverages Excises	32,432	32,534	102	32,567	32,785	218	0.8%	33,062	0.8%
District Courts	58,671	59,859	1,187	58,184	58,751	566	-1.9%	57,666	-1.8%
Clerks of Court	31,861	30,204	(1,656)	30,789	31,675	886	4.9%	30,936	-2.3%
Hospital Patient Recoveries	56,171	64,297	8,126	56,715	61,715	5,000	-4.0%	61,715	0.0%
Interest on Investments	45,000	50,240	5,240	50,000	50,000	-	-0.5%	52,368	4.7%
Miscellaneous	358,357	374,609	16,252	298,894	325,334	26,440	-13.2%	323,309	-0.6%
Total	1,752,224	1,729,113	(23,112)	1,696,700	1,675,358	(21,342)	-3.1%	1,645,914	-1.8%
TOTAL CURRENT REVENUES	18,182,406	18,399,039	216,633	18,607,432	18,737,587	130,155	1.8%	19,250,780	2.7%
Excellence in Education Fund ²	(200,000)	(200,000)	-	-	-	-	-	-	-
Revenue Volatility Cap ³	-	-	-	(41,923)	(42,160)	(237)		(192,508)	
GRAND TOTAL	17,982,406	18,199,039	216,633	18,565,509	18,695,427	129,918	2.7%	19,058,272	1.9%

¹ The 2019 Legislative Session resulted in revenue adjustments beyond the March 2019 official estimate; this table has been adjusted accordingly

² The 2018 BRFA diverted \$200M from individual income tax revenues to the Commission on Innovation and Excellence in Education Fund

³ Established by Chapters 4 & 550 of the 2017 Legislative Session and amended by the 2018 and 2019 BRFAs