



Economic Brief

State Representative Matthew Dowling

May 2021

Fiscal Report

General Fund collections in May of \$3.95 billion exceeded estimate by \$1.56 billion. Year-to-date collections of \$36.6 billion are above estimate by \$2.87 billion.

Corporate Net Income Tax collections for the month exceeded estimate by \$165.6 million and are above estimate by \$874.2 million for the fiscal year.

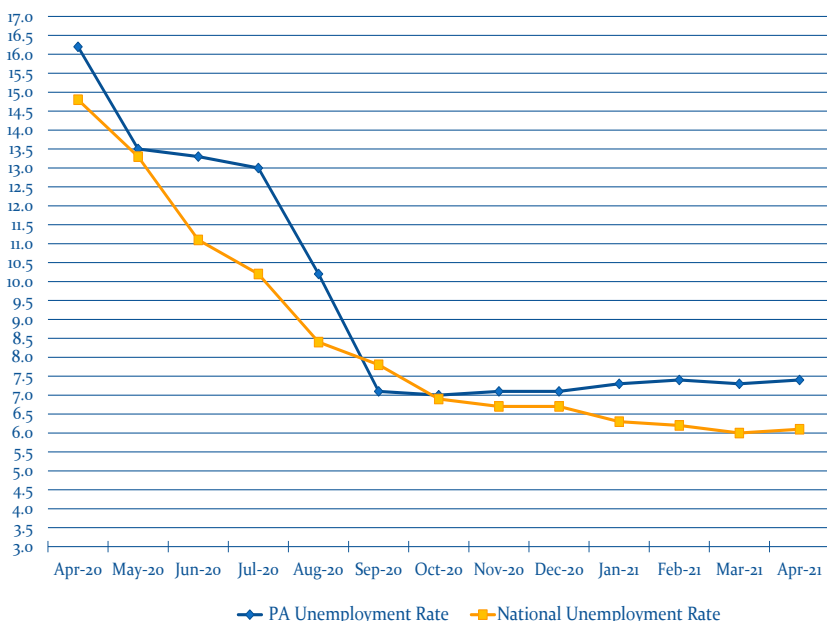
Total Sales and Use Tax collections exceeded estimate by \$211.8 million for the month and are \$741.7 million above estimate for the fiscal year.

Personal Income Tax (PIT) withholding collections exceeded estimate by \$32.4 million for the month and are \$122.8 million above estimate for the fiscal year. It is important to note that PIT withholding collections are only 0.6% above the prior fiscal year. PIT estimated and annual payments are above estimate for the fiscal year by \$184.3 million and \$440.6 million, respectively. PIT annual payments were above estimate by \$933 million for the month due to the delay in tax filing deadlines.

Realty Transfer tax collections and Inheritance tax collections continue to be strong and are 23.8% and 24.2% above collections of the prior year, respectively.

On May 26th, the Independent Fiscal Office (IFO) released its revised fiscal year 2020-21 General Fund revenue estimate which was \$40.111 billion, or \$3.16 billion, over the Official Estimate. In order to meet this estimate for the fiscal year, June collections would need to exceed the monthly estimate by \$287.7 million. Surplus General Fund revenue collections for fiscal year 2020-21 are largely driven by consumers spending the **\$78 billion of Federal stimulus funds** received and the **\$30.8 billion in Pay-check Protection Program loans** provided to businesses according to a recent IFO report showing the amount of Federal funds injected into the PA economy in 2020 and the estimated amount for 2021.

12-Month Unemployment Rates



PA EMPLOYMENT STATISTICS

	April 2021	Monthly Change	
Labor Force	6.338 Million	+2,000	▲
Unemployment Rate	7.4%	+0.1%	▲
Total Nonfarm Jobs	5.667 Million	--4,400	▼
12-Month Change			
Total Nonfarm Jobs	+703,600		
Unemployment Rate	-8.8%		

Surrounding States Unemployment Rate⁵

DE	6.4%	NY	8.2%
MD	6.2%	OH	4.7%
NJ	7.5%	WV	5.8%



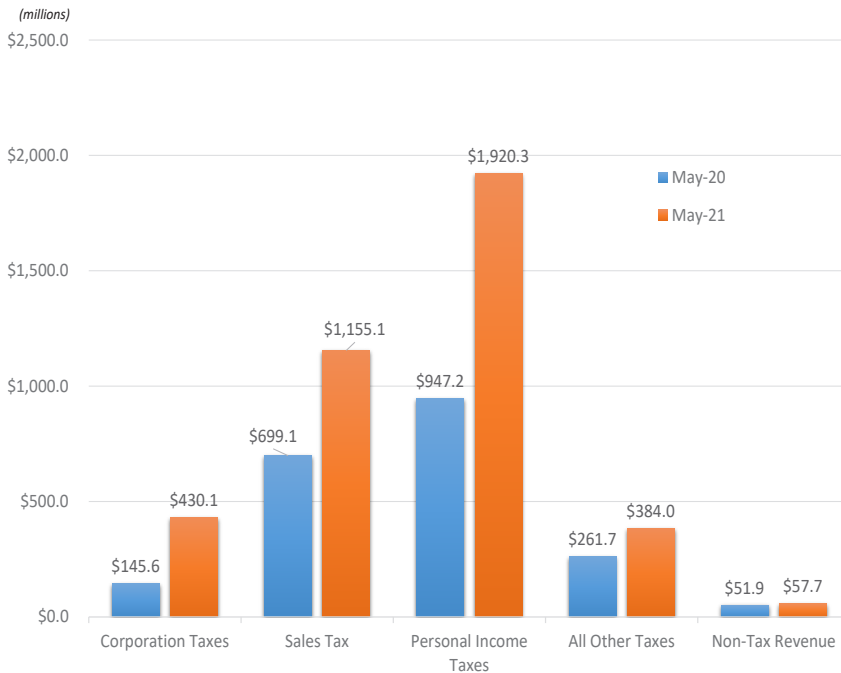
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May Revenue Collections Over Estimate by \$1.56 Billion

May 2020 vs May 2021 Revenue Collections



May Revenue Collections

Official Estimate	Actual Collections
Total General Fund	Total General Fund ↑
\$2.39 Billion	\$3.95 Billion
Corporation Taxes	Corporation Taxes ↑
\$266.4 Million	\$430.1 Million
Sales Taxes	Sales Taxes ↑
\$943.3 Million	\$1.16 Billion
Personal Income Taxes	Personal Income Taxes ↑
\$873.4 Million	\$1.92 Billion
All Other Taxes	All Other Taxes ↑
\$291.1 Million	\$384.0 Million
Non-Tax Revenue	Non-Tax Revenue ↑
\$12.1 Million	\$57.7 Million

Difference From Official General Fund Revenue Estimate

