



MEDIA RELEASE

STATE OF TENNESSEE
DEPARTMENT OF FINANCE & ADMINISTRATION

FOR IMMEDIATE RELEASE
WEDNESDAY, AUGUST 9, 2006

CONTACT: LOLA POTTER
615.532.8560 (OFFICE)
615.202.0701 (CELL)

JULY REVENUES

NASHVILLE - Tennessee revenue collections for July reflect continued steady growth, as predicted by most economic experts in the state. Finance and Administration Commissioner Dave Goetz today reported today that overall July revenues were \$64.1 million more than the state budgeted.

“We continue to see healthy corporate collections and strong consumer confidence in Tennessee, as indicated in franchise and excise taxes and sales tax collections,” Goetz said. “This is totally in line the expectations we were given in May from the state Funding Board and the state’s economic advisers. What’s important now is that we continue to invest wisely to meet our goals in education, jobs and health care.”

On an accrual basis, July is the twelfth month in the 2005-2006 fiscal year. Department of Revenue collections were \$834.5 million.

The general fund was \$59.2 million overcollected and the four other funds overcollected by \$4.9 million.

Sales tax collections were \$41.8 million more than the estimate for July. For twelve months revenues were overcollected by \$175.9 million. The July growth rate was 7.16%. Year-to-date growth was 7.02%.

Franchise and excise taxes were \$14.7 million more than the estimate of \$45.0 million. For twelve months revenues were \$136.6 million overcollected.

Gasoline and motor fuel collections were \$2.4 million above the budgeted estimate of \$73.6 million. For twelve months, collections were \$12.4 million more than the estimate.

Year-to-date collections for twelve months were \$411.2 million more than the budgeted estimate. The general fund was overcollected by \$387.5 million and the four other funds were overcollected by \$23.7 million.

The budgeted revenue estimates are based on the State Funding Board’s consensus recommendation adopted by the first session of the 104th General Assembly in May of last year.

The revised estimates adopted by the second session of the 104th General Assembly in May of this year assume a surplus of \$169.0 million in sales tax collections, \$61.6 million in franchise and excise taxes, and a general fund surplus of \$ 283.9 million.

Actual collections for fiscal year 2005-2006 are subject to final accrual adjustments.

###

STATE CAPITOL, 1ST FLOOR
NASHVILLE, TN 37243
615.741.2401