



# Economic Brief

Rep. Stan Saylor, Chairman

October 2021

## Chairman's Report

General Fund revenues of \$2.8 billion in October exceeded the monthly estimate by \$159.9 million. Year-to-date collections of \$12.09 billion are above estimate by \$788.2 million.

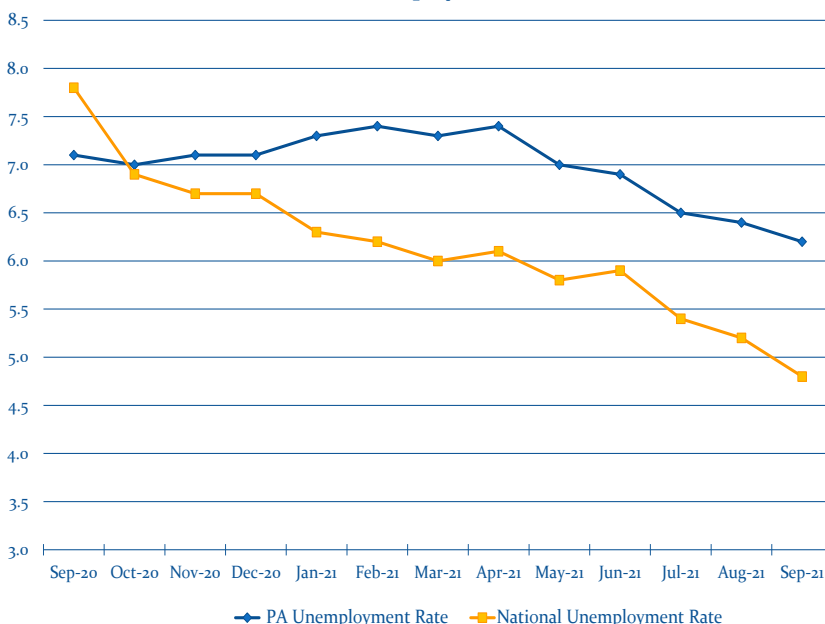
Every major tax category exceeded estimate for the month: total Corporation Taxes by \$33.0 million; total Sales Taxes by \$51.8 million; total Personal Income Taxes by \$45.8 million and all Other Taxes by \$11.3 million.

Additionally, Non-Tax Revenue collections also exceeded estimate by \$18.0 million for the month largely due to stronger than anticipated unclaimed property payments.

We continue to see stronger than estimated collections for the General Fund largely driven by strong consumer spending and corporate profits. The committee will continue to monitor revenue collections and any impacts that may occur as the Federal unemployment extensions and increased payments ended on September 4, 2021, the student loan forbearance period ends January 31, 2022, and the advanced child tax credit payments end December 2021.

As required by statute, the IFO will be releasing a report analyzing a 5-year assessment of the fiscal condition of the Commonwealth by November 15th which will provide updated revenue forecasts using current economic conditions through the first 4 months of the fiscal year.

12-Month Unemployment Rates



### PA EMPLOYMENT STATISTICS

|                        | Sept. 2021    | Monthly Change |   |
|------------------------|---------------|----------------|---|
| Labor Force            | 6.277 Million | -16,000        | ↓ |
| Unemployment Rate      | 6.2%          | -0.2%          | ↓ |
| Total Nonfarm Jobs     | 5.734 Million | -7,900         | ↓ |
| <b>12-Month Change</b> |               |                |   |
| Total Nonfarm Jobs     | +131,000      |                |   |
| Unemployment Rate      | -0.9%         |                |   |

### Surrounding States Unemployment Rates

|    |      |    |      |
|----|------|----|------|
| DE | 5.3% | NY | 7.1% |
| MD | 5.9% | OH | 5.4% |
| NJ | 7.1% | WV | 4.6% |



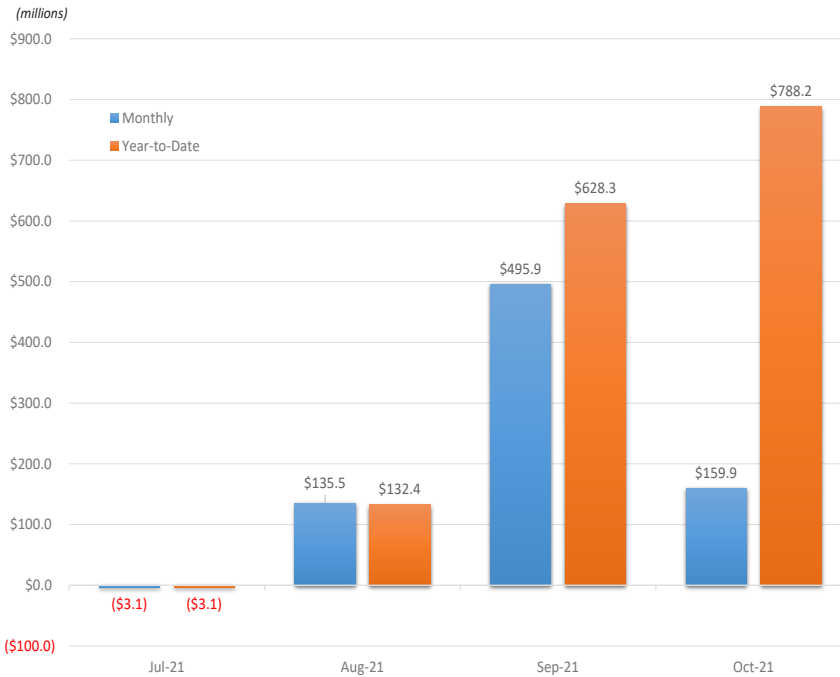
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## October Revenue Collections Over Estimate by \$159.9 Million

### Difference From GF Revenue Estimate



### October Revenue Collections

| Official Estimate                              | Actual Collections                               |
|--|--|
| <b>Total General Fund</b><br>\$2.65 Billion    | <b>Total General Fund</b> ↑<br>\$2.81 Billion    |
| <b>Corporation Taxes</b><br>\$133.0 Million    | <b>Corporation Taxes</b> ↑<br>\$166.0 Million    |
| <b>Sales Taxes</b><br>\$1.13 Billion           | <b>Sales Taxes</b> ↑<br>\$1.18 Billion           |
| <b>Personal Income Taxes</b><br>\$1.04 Billion | <b>Personal Income Taxes</b> ↑<br>\$1.09 Billion |
| <b>All Other Taxes</b><br>\$333.6 Million      | <b>All Other Taxes</b> ↑<br>\$344.9 Million      |
| <b>Non-Tax Revenue</b><br>\$19.0 Million       | <b>Non-Tax Revenue</b> ↑<br>\$37.0 Million       |

## October 2020 vs October 2021 Revenue Collections

