



July 11, 2018

The Honorable Greg Abbott, Governor
The Honorable Dan Patrick, Lieutenant Governor
The Honorable Joe Straus, Speaker of the House
Members of the 85th Legislature

Ladies and Gentlemen:

As I have pledged throughout my tenure as state comptroller, my office will update its revenue forecast as conditions warrant. As we prepared a cash flow estimate for fiscal 2019 to determine borrowing needs for the next issue of Tax and Revenue Anticipation Notes, it became apparent that revenue collections were running far enough ahead of our *Certification Revenue Estimate* (CRE) to justify an official update to our forecast of last October.

Due to better-than-expected economic and revenue growth through June of fiscal 2018 and an improved outlook for fiscal 2019, we now estimate the state will have **\$110.17 billion in General Revenue-Related (GR-R) funds available for general-purpose spending for the 2018-19 biennium, resulting in a projected fiscal 2019 ending balance of \$2.67 billion.** This ending balance does not account for any 2018-19 supplemental appropriations the Legislature may make.

Economic growth in Texas and the U.S. continued to accelerate after we released the CRE in October 2017. Texas in particular benefited from rising oil prices and production and the consequent increase in economic activity. The best ongoing indicator of the robust Texas economy is the state's rate of job growth. Texas added more than 350,000 new jobs in the 12 months ending in May 2018, and the state's unemployment rate has been at or near historic lows in recent months. An economic expansion exceeding our expectations from last year has resulted in revenue collections outpacing CRE projections.

Through June of fiscal 2018, sales and use tax collections, our largest source of state tax revenue, have exceeded fiscal 2017 collections over the same period by more than 10 percent. Total tax collections through June, buoyed in part by oil and natural gas production tax collections exceeding last year's totals by more than 50 percent, are up by 11.8 percent compared to last year. Total GR-R collections are up by 9.8 percent compared to last year.



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The forecast for fiscal 2019 also has improved. This is partly due to the stimulative effects of federal tax cuts and increased federal spending, though rising federal deficits may dampen long-term growth. Combined with fiscal 2018 revenues exceeding CRE projections, the improved economic outlook results in forecasted fiscal 2019 revenue collections greater than anticipated in the CRE.

Proposition 7, an amendment to the Texas Constitution approved by Texas voters in 2015, provides that the first \$2.5 billion in sales tax collections exceeding \$28 billion in any fiscal year must be deposited to the State Highway Fund (SHF). Sales tax collections in fiscal 2018 are likely to exceed \$30.5 billion, meaning our office will allocate \$2.5 billion to the SHF from fiscal 2018 collections.

Our office will transfer any revenue due to the SHF in the month after the relevant sales taxes are collected. The first allocation of fiscal 2019 sales tax collections to the SHF, an estimated \$2.25 billion, will be made in August 2019, with the remaining \$250 million from fiscal 2019 collections due the SHF in September 2019, the first month of fiscal 2020.

In November 2017, our office deposited \$734 million to the state's Economic Stabilization Fund (ESF) from fiscal 2017 oil and natural gas production tax collections. We allocated an equal amount to the SHF, as required by the Texas Constitution. We now project that \$2.74 billion from fiscal 2018 collections of these taxes will be divided between the ESF and SHF with each receiving \$1.37 billion in the first quarter of fiscal 2019. The ESF will have a balance of about \$11.85 billion at the end of fiscal 2019, the largest ending balance in the fund's history. Nearly \$3.2 billion will be set aside from fiscal 2019 collections for transfers of almost \$1.6 billion to each fund in the first quarter of fiscal 2020.

Though the outlook has improved considerably from our CRE forecast, the next legislative session remains one in which lawmakers are likely to face revenue constraints relative to spending demands for the 2020-21 biennium. The Legislature almost certainly will need to make supplemental appropriations to the 2018-19 budget that, if funded from general revenue, will reduce the projected fiscal 2019 ending balance of \$2.67 billion.

In addition to sales tax revenue constitutionally dedicated to the SHF, other requirements of state and federal law will reduce GR-R in the 2020-21 biennium below what otherwise would be available for general-purpose spending. Among the provisions affecting available revenue will be federal law prohibiting the state from collecting sales tax on internet services that takes effect in 2020; a shortfall in the state's original prepaid tuition program that the Constitution requires to be made whole from general revenue; and the constitutional dedication to the SHF of a portion of motor vehicle sales and rental tax collections in excess of \$5 billion each year.



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This revised estimate is based on a positive outlook for economic growth in the U.S. and Texas. The national economy is in the midst of the second-longest expansion on record and will set a new longevity record if it continues to grow for another year. Nevertheless, while it may be true that economic expansions do not die of old age, it's virtually certain that we will eventually face an economic contraction that puts pressure on state revenue collections.

Though nearly all current economic indicators remain positive and revenue collections have exceeded our previous expectations, there are significant downside risks to the forecast. The value of Texas exports exceeds that of any other state and we are the country's second-leading importer. The Texas economy benefits from international trade, particularly in North America. Federal policy affecting such trade, including a withdrawal from the North American Free Trade Agreement (NAFTA), would directly harm the state's economic growth. Escalating tariffs also pose a potential threat to trade and the Texas economy and could harm some of our state's leading industries while slowing our economic growth.

Our economy — and state revenues — also can be affected by sudden swings in the price of oil. In fact, climbing oil prices and production are a primary contributor to this fiscal year's remarkably strong revenue growth. A downturn in those prices could result in fiscal 2019 revenue collections falling short of this updated forecast.

The current outlook, however, is for continued growth through fiscal 2019 for both the economy and state revenue. I will continue to monitor conditions and keep you informed of any significant events ahead of our next official forecast in the 2019 *Biennial Revenue Estimate*.

Sincerely,



Glenn Hegar

cc: Ursula Parks, Director, Legislative Budget Board



TABLE 1
General Revenue-Related Funds, by Source and Biennium
 (in millions of dollars)

Tax Collections	2016-17	2018-19	Percent Change
Sales Taxes*	\$ 56,933	\$ 60,258	5.8%
Motor Vehicle Sales and Rental Taxes	9,072	9,860	8.7
Motor Fuel Taxes	1,887	1,997	5.9
Franchise Tax	5,577	5,825	4.5
Oil Production Tax	3,812	7,313	91.9
Insurance Taxes	4,601	5,147	11.9
Cigarette and Tobacco Taxes	1,187	1,169	(1.5)
Natural Gas Production Tax	1,562	2,857	82.9
Alcoholic Beverages Taxes	2,400	2,624	9.3
Hotel Occupancy Tax	1,052	1,184	12.6
Utility Taxes	874	916	4.8
Other Taxes	178	447	151.3
Total Tax Collections	\$ 89,133	\$ 99,597	11.7%
Non-Tax Collections			
Licenses, Fees, Fines and Penalties	\$ 2,882	\$ 2,716	(5.7)%
State Health Service Fees and Rebates	2,652	2,843	7.2
Net Lottery Proceeds	2,505	2,783	11.1
Land Income	29	28	(3.4)
Interest and Investment Income	2,169	2,740	26.4
Settlements of Claims	1,099	956	(13.0)
Escheated Estates	1,527	1,265	(17.1)
Sales of Goods and Services	246	246	0.2
Other Revenue	827	803	(2.8)
Total Non-Tax Collections	\$ 13,935	\$ 14,382	3.2%
Total Net Revenue	\$ 103,068	\$ 113,979	10.6%
Balances and Adjustments			
Beginning Fund 1 Balance	\$ 8,149	\$ 618	
Beginning Funds 2 and 3 Balances	192	266	
Change in GR-Dedicated Account Balances	(526)	1,237	
Reserve for Transfers to Economic Stabilization and State Highway Funds	(2,348)	(5,930)	
Total Balances and Adjustments	\$ 5,468	\$ (3,809)	
Total General Revenue-Related Funds Available for Certification	\$ 108,536	\$ 110,169	1.5%

*Proposition 7, approved by voters in November 2015, amended the Texas Constitution to dedicate, beginning in fiscal 2018, up to \$2.5 billion in annual sales tax revenues to the State Highway Fund (SHF), thereby reducing the estimated amount of sales tax in the General Revenue Fund in the 2018-19 biennium. In fiscal 2019, \$2.25 billion is forecast to be transferred in August, after the \$28 billion threshold is reached in July, bringing total transfers of sales tax revenue to the SHF in 2018-2019 to \$4.75 billion, with the remaining \$250 million to be transferred in September 2019, the first month of fiscal 2020.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE 2

General Revenue-Related Spending in the 2018-19 Biennium

(in millions of dollars)

General Appropriations Act*	\$106,727
Method of Finance Reclassifications and Other Adjustments, net**	700
Emergency Appropriations and Reductions, and Other Legislation Making Appropriations, net ***	<u>68</u>
Total	<u>\$ 107,495</u>

* Conference Committee Report for SB 1, 85th Legislature, Regular Session and HB 21 and HB 30, 85th Legislature, First Called Session.

** Includes net amounts associated with the method of finance reclassification in SB 1 and also includes an increase to General Revenue costs as a result of the revised estimate of revenue to the Property Tax Relief Fund and Teacher Retirement System fiscal year end settle-up adjustments.

*** Includes appropriations made in HB 2 and HB 3765, 85th Legislature, Regular Session.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE 3

General Revenue-Related Balances and Available Revenue

(in millions of dollars)

Fiscal 2018 Cash Balances

Beginning General Revenue Fund Cash	\$ 3,508	
Less: Texas Department of Insurance Account	(146)	
Less: Higher Education Institutions Accounts	(551)	
Less: Lifetime License Endowment Account	(28)	
Less: Dedicated Oil Overcharge Account	(72)	
Less: Dedicated Lottery Account	(241)	
Less: Child Abuse and Neglect Prevention Operating and Trust Accounts	(10)	
Less: Texas Enterprise Account	(230)	
Less: Emerging Technology Account	(1)	
Less: Statewide Electronic Filing Account	(6)	
Less: Governor’s University Research Initiative Account	(43)	
Less: Constitutionally Dedicated Victims of Crime Accounts	(63)	
Less: Texas Military Revolving Account	(0)	
Less: Federal Elections Improvement Account	(4)	
Less: Judicial and Court Personnel Training Fund Account	(1)	
Less: Permanent Funds for Health and Tobacco Education, Children and Public Health, Medical Services and Health Facility Capital Improvement	(21)	
Less: BP Spill Oil Fund Account	(4)	
Less: Reserve for Economic Stabilization and State Highway Funds Transfers	(1,469)	
Beginning Balances in Funds 2 and 3	266	
Balances Available for Certification	<u>266</u>	\$ 883

Fiscal 2018-19 Revenue

Estimated Tax Collections	\$ 99,597	
Estimated Other Revenue	14,382	
Total Estimated Net Revenue	<u>113,979</u>	\$ 113,979

Fiscal 2018-19 Other Adjustments

Change in Dedicated General Revenue Account Balances	\$ 1,237	
Reserve for Economic Stabilization and State Highway Funds Transfers	(5,930)	
	<u>(4,693)</u>	\$ (4,693)

Total Fiscal 2018-19 Estimated Available Revenue and Balances
\$ 110,169

Less: Fiscal 2018-19 Estimated Expenditures

(107,495)
Fiscal 2018-19 Ending Certification Balance
\$ 2,675

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE 4

Texas Economic History and Outlook for Fiscal Years 2010 to 2019

July 2018 Forecast

TEXAS ECONOMY	2010	2011	2012	2013	2014	2015	2016	2017	2018*	2019*
Real Gross State Product (Billion 2009 \$)	1,189	1,225	1,292	1,363	1,409	1,483	1,482	1,504	1,572	1,638
<i>Annual percent change</i>	<i>1.7</i>	<i>3.1</i>	<i>5.5</i>	<i>5.5</i>	<i>3.4</i>	<i>5.2</i>	<i>0.0</i>	<i>1.5</i>	<i>4.5</i>	<i>4.2</i>
Gross State Product (Billion Current \$)	1,222	1,318	1,414	1,513	1,598	1,620	1,595	1,665	1,793	1,907
<i>Annual percent change</i>	<i>4.0</i>	<i>7.8</i>	<i>7.4</i>	<i>7.0</i>	<i>5.6</i>	<i>1.4</i>	<i>-1.6</i>	<i>4.4</i>	<i>7.7</i>	<i>6.3</i>
Personal Income (Billion Current \$)	939	1,026	1,102	1,147	1,211	1,279	1,289	1,314	1,374	1,461
<i>Annual percent change</i>	<i>1.9</i>	<i>9.4</i>	<i>7.3</i>	<i>4.2</i>	<i>5.5</i>	<i>5.6</i>	<i>0.8</i>	<i>2.0</i>	<i>4.6</i>	<i>6.4</i>
Nonfarm Employment (Thousands)	10,323	10,546	10,824	11,164	11,492	11,820	11,974	12,163	12,456	12,771
<i>Annual percent change</i>	<i>-1.1</i>	<i>2.2</i>	<i>2.6</i>	<i>3.1</i>	<i>2.9</i>	<i>2.9</i>	<i>1.3</i>	<i>1.6</i>	<i>2.4</i>	<i>2.5</i>
Resident Population (Thousands)	25,190	25,596	26,022	26,434	26,897	27,389	27,845	28,255	28,669	29,103
<i>Annual percent change</i>	<i>1.8</i>	<i>1.6</i>	<i>1.7</i>	<i>1.6</i>	<i>1.8</i>	<i>1.8</i>	<i>1.7</i>	<i>1.5</i>	<i>1.5</i>	<i>1.5</i>
Unemployment Rate (Percent)	8.2	7.9	7.0	6.4	5.4	4.5	4.6	4.5	4.0	3.5
NYMEX Oil Price (\$ per Barrel)	76.32	91.25	94.28	93.65	101.05	64.94	41.40	48.77	60.00	64.00
NYMEX Natural Gas Price (\$ per Million BTUs)	4.43	4.20	3.10	3.48	4.18	3.34	2.26	2.99	2.85	2.90
U.S. ECONOMY										
Real Gross Domestic Product (Billion 2009 \$)	14,685	14,958	15,306	15,510	15,907	16,390	16,640	16,987	17,458	17,965
<i>Annual percent change</i>	<i>1.8</i>	<i>1.9</i>	<i>2.3</i>	<i>1.3</i>	<i>2.6</i>	<i>3.0</i>	<i>1.5</i>	<i>2.1</i>	<i>2.8</i>	<i>2.9</i>
Consumer Price Index (1982-84=100)	217.4	223.1	228.5	232.2	236.0	236.7	238.9	243.9	249.4	254.3
<i>Annual percent change</i>	<i>1.7</i>	<i>2.6</i>	<i>2.4</i>	<i>1.6</i>	<i>1.6</i>	<i>0.3</i>	<i>0.9</i>	<i>2.1</i>	<i>2.3</i>	<i>2.0</i>
Personal Consumption Expenditures Deflator (2009=100)	101.3	103.5	105.7	107.2	108.8	109.4	110.3	112.2	114.2	116.2
<i>Annual percent change</i>	<i>1.6</i>	<i>2.1</i>	<i>2.1</i>	<i>1.5</i>	<i>1.5</i>	<i>0.5</i>	<i>0.9</i>	<i>1.7</i>	<i>1.8</i>	<i>1.7</i>
Prime Interest Rate (Percent)	3.3	3.3	3.3	3.3	3.3	3.3	3.4	3.9	4.7	5.7

* Estimated or projected

SOURCES: Glenn Hegar, Texas Comptroller of Public Accounts; and IHS Markit.

TABLE A-1

Estimated General Revenue-Related Balances, Revenue, Disbursements, and Appropriation Authority

	Thousands of Dollars	
	2018	2019
Revenue and Beginning Fund Balances		
General Revenue-Related Adjusted Fund Balance*	\$ 883,438	\$ 131,355
General Revenue-Related Revenue**	56,989,995	56,988,887
Adjustment to Dedicated Account Balances	<u>1,048,835</u>	<u>187,773</u>
Total Revenue and Beginning Fund Balances	<u>\$ 58,922,268</u>	<u>\$ 57,308,014</u>
Probable Disbursements and Other Adjustments		
Disbursements for Foundation School Programs	\$ 17,926,504	\$ 17,161,367
State Technology and Instructional Materials Disbursements	1,088,840	10,000
Other Probable Disbursements	37,034,596	34,273,199
Reserve for Transfers to the Economic Stabilization and State Highway Funds	<u>2,740,975</u>	<u>3,188,537</u>
Total Probable Disbursements and Other Adjustments	<u>\$ 58,790,914</u>	<u>\$ 54,633,102</u>
Estimated Ending Certification Balance, August 31	<u>\$ 131,355</u>	<u>\$ 2,674,912</u>
Appropriation Authority		
Prior-Year Authority	\$ 2,811,631	
Current-Year Authority	<u>56,049,939</u>	
Total Appropriation Authority	<u>\$ 58,861,570</u>	

* Excludes constitutionally restricted accounts, dedicated lottery proceeds, and oil overcharge balances.

** Excludes constitutionally restricted motor fuel transfer to the State Highway Fund.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-2

Estimated General Revenue-Related Revenue and Balances Available for Certification

	Thousands of Dollars	
	2016-17	2018-19
Beginning Fund Balances		
Consolidated General Revenue Fund Adjusted Balance	\$ 8,149,477	\$ 617,699
Available School Fund Balance	23,165	29,122
State Technology and Instructional Materials Fund Balance	168,959	236,617
Total Beginning Fund Balances	\$ 8,341,600	\$ 883,438
Revenue		
General Revenue Fund	\$ 98,294,585	\$ 108,279,085
Available School Fund	2,114,711	2,776,872
State Technology and Instructional Materials Fund	7,057	7,600
Foundation School Account	2,652,029	2,915,325
Total Revenue	\$ 103,068,381	\$ 113,978,882
Other Adjustments		
Change in General Revenue-Dedicated Account Balances	\$ (525,701)	\$ 1,236,608
Reserve for Transfers to the Economic Stabilization and State Highway Funds	(2,347,859)	(5,929,511)
Total Other Adjustments	\$ (2,873,560)	\$ (4,692,903)
Total General Revenue-Related Revenue and Balances	\$ 108,536,421	\$ 110,169,417

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-3

Estimated General Revenue-Related Funds Revenue

Object Code	Description	Thousands of Dollars	
		2018	2019
General Revenue Fund			
3004	Motor Vehicle Sales and Use Tax	\$ 4,480,066	\$ 4,398,658
3005	Motor Vehicle Rental Tax	309,706	325,133
3007	Gasoline Tax	2,734,547	2,794,025
3008	Diesel Fuel Tax	912,380	950,554
3016	Motor Vehicle Sales and Use Tax–Seller Financed Motor Vehicles	152,482	143,724
3024	Driver's License Point Surcharges	71,146	71,146
3027	Driver Record Information Fees	2,549	2,677
3102	Limited Sales and Use Tax	31,544,600	33,321,400
3111	Boat and Boat Motor Sales and Use Tax	68,834	73,239
3114	Escheated Estates	628,326	637,084
3130	Franchise/Business Margins Tax	2,829,812	2,995,676
3139	Hotel Occupancy Tax	593,546	590,382
3175	Professional Fees	64,239	63,971
3186	Securities Fees	147,507	136,744
3201	Insurance Premium Taxes	2,354,376	2,495,736
3219	Insurance Maintenance Tax–Workers' Compensation Division and OIEC	57,353	55,632
3230	Public Utility Gross Receipts Assessment	52,700	53,800
3233	Gas, Electric and Water Utility Tax	376,500	384,000
3250	Mixed Beverage Gross Receipts Tax	474,100	502,400
3251	Mixed Beverage Sales Tax	574,300	608,700
3253	Liquor Tax	95,760	97,220
3258	Beer Tax	104,395	104,395
3275	Cigarette Tax	349,900	385,000
3278	Cigar and Tobacco Products Tax	215,724	218,625
3290	Oil Production Tax	3,392,815	3,919,820
3291	Natural Gas Production Tax	1,393,466	1,463,210
3849	Tobacco Suit Settlement Receipts	448,244	429,400
3854	Interest Other - General, Non-Program	1,947	2,239
3950	Allocations to General Revenue from Special Funds	42,332	39,889
3952	Allocation of Disproportionate Share Funds	229,404	219,343
	Other General Revenue Fund Revenue	3,133,336	3,115,188
	Less: Motor Fuel Taxes Allocation to State Highway Fund	(2,667,754)	(2,738,063)
	Less: Sales Taxes Allocation to State Highway Fund	(862,100)	(3,888,400)
	Subtotal, General Revenue Fund	\$ 54,306,538	\$ 53,972,547
School Funds*			
3851	Interest on State Deposits/Investments, General Non-Program	\$ 2,018	\$ 2,854
3910	Allocation from Permanent School Fund to Available School Fund	1,236,000	1,536,000
3922	State Gain from Lottery Proceeds	1,381,187	1,401,905
	Other School Funds Revenue	64,252	75,581
	Subtotal, School Funds	\$ 2,683,457	\$ 3,016,340
	Total Estimated Net General Revenue-Related Funds	\$ 56,989,995	\$ 56,988,887

* Includes net revenue for the Available School Fund, the State Technology and Instructional Materials Fund, and the Foundation School Account.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-4

Estimated General Revenue-Dedicated Accounts Revenue

Account Number	Account	Thousands of Dollars	
		2018	2019
9	Game, Fish, and Water Safety	\$ 142,488	\$ 145,022
27	Coastal Protection	15,387	17,264
64	State Parks	64,841	56,623
151	Clean Air	109,756	110,733
153	Water Resource Management	73,575	73,663
225	University of Houston Current	80,309	80,518
238	University of Texas at Dallas Current	75,369	79,311
242	Texas A&M University Current	107,090	107,317
244	University of Texas at Arlington Current	80,089	80,942
248	University of Texas at Austin Current	86,977	88,828
249	University of Texas at San Antonio Current	44,053	44,616
250	University of Texas at El Paso Current	28,218	28,689
255	Texas Tech University Current	61,357	62,609
258	University of North Texas Current	60,365	61,975
259	Sam Houston State University Current	27,123	27,729
421	Criminal Justice Planning	18,315	17,454
469	Compensation to Victims of Crime	71,977	69,536
549	Waste Management	33,534	33,536
550	Hazardous and Solid Waste Remediation Fees	27,882	27,867
655	Petroleum Storage Tank Remediation	16,398	16,837
5000	Solid Waste Disposal Fees	9,993	9,993
5007	Commission on State Emergency Communications	19,850	19,850
5025	Lottery*	451,388	479,278
5050	9-1-1 Service Fees	47,871	48,504
5064	Volunteer Fire Department Assistance	17,437	17,429
5071	Emissions Reduction Plan**	96,690	96,690
5073	Fair Defense	30,193	28,969
5080	Quality Assurance	67,198	67,198
5094	Operating Permit Fees	39,500	39,500
5111	Designated Trauma Facility and EMS	110,596	109,272
5155	Oil and Gas Regulation and Cleanup	77,137	79,766
	Other Accounts	1,021,812	967,194
Total Estimated General Revenue-Dedicated Accounts		\$ 3,214,768	\$ 3,194,712

* Net of proceeds to the Foundation School Account and other dedicated accounts.

** Revenue collections do not include transfers from the State Highway Fund.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-5

Estimated Federal Income, by Fund or Account

Fund/Account Number	Fund or Account	Thousands of Dollars	
		2018	2019
1	General Revenue Fund*	\$ 26,668,175	\$ 28,961,111
6	State Highway Fund	4,119,413	5,323,135
9	Game, Fish, and Water Safety Account	43,851	37,184
37	Federal Child Welfare Service Account	466,149	487,053
92	Federal Disaster Account	798,643	1,300,000
117	Federal Public Welfare Administration Account	132,210	132,210
127	Community Affairs Federal Account	198,328	198,328
148	Federal Health, Education and Welfare Account	3,195,989	3,254,158
171	Federal School Lunch Account	1,960,872	2,066,693
222	Department of Public Safety Federal Account	2,182	2,182
224	Governor's Office Federal Projects Account	94,518	94,518
273	Federal Health and Health Lab Funding Excess Revenue Account	232,956	232,956
369	Federal American Recovery & Reinvestment Act Fund	99,257	99,257
421	Criminal Justice Planning Account	110,028	130,028
449	Texas Military Federal Account	60,054	60,054
469	Compensation to Victims of Crime Account	11,488	13,003
549	Waste Management Account	7,350	7,350
5026	Workforce Commission Federal Account	1,213,164	1,633,992
5091	Office of Rural Community Affairs Federal Account	62,791	62,791
	Other Funds and Accounts	172,067	175,748
Total Estimated Federal Income		\$ 39,649,485	\$ 44,271,751

* Federal receipts deposited to the General Revenue Fund are dedicated for Medicaid and other specific federal programs. These estimates include additional federal funds the state is expected to receive as a result of Hurricane Harvey based on estimates provided by certain state agencies as of July 1, 2018.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-6

Estimated Other Funds Revenue, by Fund or Account

Fund/Account Number	Fund or Account	Thousands of Dollars	
		2018	2019
6	State Highway Fund	\$ 5,520,355	\$ 8,670,057
11	Available University Fund	906,934	928,024
193	Foundation School Account/Local Recapture - Attendance Credits	2,049,900	2,521,000
304	Property Tax Relief Fund	1,591,832	1,721,369
365	Texas Mobility Fund	467,135	474,044
573	Judicial Fund	85,097	85,097
	Disproportionate Share Revenue/State & Local Hospitals	4,877,828	4,797,947
	Appropriated Receipts	538,634	518,902
	Other Funds	3,185,126	3,121,842
Total Estimated Other Funds Revenue		\$ 19,222,841	\$ 22,838,282

Note: Excludes certain local funds that are appropriated but not deposited in the State Treasury, and deposits by semi-independent agencies. Includes certain state revenue deposited in the State Treasury but not appropriated. Excludes federal income.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-7
Estimated All Funds Revenue, Excluding Trust Funds

Source	Thousands of Dollars	
	2018	2019
General Revenue-Related	\$ 56,989,995	\$ 56,988,887
General Revenue-Dedicated	3,214,768	3,194,712
Federal Income	39,649,485	44,271,751
Other Funds	19,222,841	22,838,282
Total Estimated All Funds Revenue	<u>\$ 119,077,089</u>	<u>\$ 127,293,632</u>

Note: Excludes local funds and deposits by semi-independent agencies. Includes certain state revenue deposited in the State Treasury but not appropriated.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-8

Estimated Allocations and Transfers from the General Revenue Fund

	Thousands of Dollars	
	2018	2019
Allocations and Transfers to Other Funds		
Available School Fund	\$ 895,412	\$ 918,898
State Highway Fund–Motor Fuel Taxes	2,667,754	2,738,063
State Highway Fund–Severance Taxes	734,418	1,370,487
State Highway Fund–Sales Taxes	862,100	3,888,400
County and Road District Highway Fund	7,300	7,300
Economic Stabilization Fund	734,418	1,370,487
Teacher Retirement System Trust Fund (excl. health insurance)	1,953,370	2,020,728
Total Allocations and Transfers to Other Funds	\$ 7,854,772	\$ 12,314,364
Allocations and Transfers to General Revenue Dedicated Accounts		
Motor Fuel Allocation to Parks and Wildlife	\$ 19,476	\$ 19,871
Motor Fuel Enforcement Allocation	33,090	33,995
State Parks Account –Sporting Goods Sales Tax (SGST)	94,439	93,623
Texas Recreation and Parks Account–SGST	10,320	10,320
Parks and Wildlife Conservation Capital Account–SGST	28,654	28,654
Large County & Municipal Recreation and Parks Account–SGST	5,787	5,787
Texas Historical Commission–SGST	9,015	8,997
Foundation School Account	1,929,718	2,126,854
Hotel Occupancy Tax –Economic Development	49,462	49,198
Texas Department of Insurance Operating Account	149,887	144,166
Rural Volunteer Fire Department Insurance Account - Sales Tax	1,940	2,040
Total Allocations and Transfers to General Revenue Dedicated Accounts	\$ 2,331,788	\$ 2,523,505
Total Allocations and Transfers from General Revenue	\$ 10,186,560	\$ 14,837,868
Details of the Economic Stabilization Fund - Cash Basis Reporting		
Total Beginning Balance*	\$ 10,297,249	\$ 10,455,265
Transfers, Interest and Investment Income		
Oil Production Tax Transfer	590,798	1,072,854
Natural Gas Production Tax Transfer	143,620	297,634
Unencumbered Balance Transfer	0	0
Interest Income	135,908	204,957
Investment Income	25,299	71,209
Total Transfers and Interest Income	\$ 895,625	\$ 1,646,653
Appropriations	\$ 737,609	\$ 251,300
Total Ending Balance of ESF	\$ 10,455,265	\$ 11,850,618

*The total beginning balance includes the cash balance in the state treasury and the invested balance with Texas Treasury Safekeeping Trust Company. The invested balance and the gain on those investments are based on the projected earnings as of July 1, 2018.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-9

Available School Fund and State Technology and Instructional Materials Fund Estimated Balances, Revenue and Expenditures

	Thousands of Dollars	
	2018	2019
Beginning Cash Balances		
Available School Fund	\$ 29,122	\$ 284,588
State Technology and Instructional Materials Fund	236,617	0
Total Beginning Cash Balances	\$ 265,739	\$ 284,588
Estimated Revenue		
Available School Fund		
Total Return Allocation from Permanent School Fund	\$ 1,236,000	\$ 1,536,000
Interest on State Deposits/Investments, General Non-Program	2,018	2,854
Allocation from General Revenue Fund	895,412	918,898
Total Estimated Available School Fund Revenue	\$ 2,133,430	\$ 2,457,752
State Technology and Instructional Materials Fund		
Sale of Textbooks	\$ 0	\$ 0
Interest on State Deposits/Investments, General Non-Program	3,535	4,065
Other Revenue	0	0
Total Estimated State Technology and Instructional Materials Fund Revenue	\$ 3,535	\$ 4,065
Total Estimated Revenue and Beginning Cash Balances	\$ 2,402,704	\$ 2,746,405
Estimated Expenditures		
State Technology and Instructional Materials*	\$ 1,088,840	\$ 10,000
Administration–State Technology and Instructional Materials Fund	2,271	2,271
Administration–Available School Fund	0	0
Per Capita Apportionment		
4,971,676 (prior year ADA) @ \$207	1,027,006	
5,075,941 (prior year ADA) @ \$476		2,416,943
Total Estimated Expenditures	\$ 2,118,117	\$ 2,429,214
Ending Cash Balance	\$ 284,588	\$ 317,191

* Represents only state revenue.

Note: Totals may not sum because of rounding.

SOURCE: Legislative Budget Board and Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-10

Foundation School Program (FSP) and FSP Set-Asides Funded Through State General Revenue-Related Funds, the Property Tax Relief Fund, and Local Funds

	Thousands of Dollars	
	2018	2019
Cost of Public School Programs		
State Share of the Foundation School Program*	\$ 19,401,200	\$ 18,965,600
State Share of FSP Set-Asides	17,136	17,136
Local Recapture–Attendance Credits*	2,049,900	2,521,000
Local Funds Assignment and Other Local Funds*	26,732,900	28,203,000
Total Cost of Public School Programs	\$ 48,201,136	\$ 49,706,736
Funding		
State Funds		
Available School Fund	\$ 1,027,006	\$ 2,416,943
Foundation School Account–Opening Balance	30,458	0
Foundation School Account–Occupation Taxes	1,929,718	2,126,854
Foundation School Account–Lottery Proceeds	1,381,187	1,401,905
General Revenue	13,458,134	11,315,665
Property Tax Relief Fund	1,591,832	1,721,369
Total State Funds	\$ 19,418,336	\$ 18,982,736
Local Funds		
Local Recapture–Attendance Credits*	2,049,900	2,521,000
Local Funds Assignment and Other Local Funds	26,732,900	28,203,000
Total Local Funds	\$ 28,782,800	\$ 30,724,000
Total State and Local Funding	\$ 48,201,136	\$ 49,706,736
Funding Sources of the Property Tax Relief Fund		
	Thousands of Dollars	
	2018	2019
Beginning Cash Balance	\$ 0	\$ 0
Revenue		
3004 Motor Vehicle Sales and Use Tax	24,688	24,239
3130 Franchise/Business Margins Tax	791,594	844,934
3275 Cigarette Tax	756,800	832,700
3278 Cigar and Tobacco Products Tax	17,837	18,485
3851 Interest on State Deposits/Investments, General Non-Program	913	1,011
Total Revenue	1,591,832	1,721,369
Net Transfers	0	0
Appropriations	1,591,832	1,721,369
Ending Cash Balance	\$ 0	\$ 0

* As appropriated in SB 1, 85th Legislature, Regular Session and HB 21, 85th Legislature, First Called Session and does not include any adjustments to the Foundation School Program that might be required as a result of Hurricane Harvey.

Note : Totals may not sum because of rounding.

SOURCE : Legislative Budget Board and Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-11
Sources of State Highway Fund Revenue

Object Code	Description	Thousands of Dollars	
		2018	2019
State Revenue			
3010	Motor Fuel Lubricants Sales Tax	\$ 46,200	\$ 46,700
3014	Motor Vehicle Registration Fees	1,506,896	1,530,306
3018	Special Vehicle Permits Fees	123,834	123,834
3752	Sale of Publications/Advertising	6,000	6,000
3767	Supplies/Equipment/Services–Federal/Other	40,000	40,000
3851	Interest on State Deposits/Investments, General Non-Program	59,575	82,489
3901	Motor Fuel Taxes Allocation	2,667,754	2,738,063
3969	Severance Taxes Allocation	734,418	1,370,487
3925	Sales Taxes Allocation	862,100	3,888,400
	Other Revenue	207,996	214,265
	Total State Revenue	\$ 6,254,773	\$ 10,040,544
Federal Income			
3001	Federal Receipts Matched–Transportation Programs	\$ 4,119,413	\$ 5,323,135
3701	Federal Receipts Not Matched–Other Programs	0	0
	Total Federal Income	\$ 4,119,413	\$ 5,323,135
	Total State Highway Fund Revenue	\$ 10,374,186	\$ 15,363,679

Note: Totals may not sum because of rounding.
 SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-12
State Revenue, by Source and Fiscal Year
General Revenue-Related

	Thousands of Dollars			
	2016 Actual	2017 Actual	2018 Estimated	2019 Estimated
Tax Collections				
Sales Taxes*	\$ 28,136,563	\$28,796,720	\$ 30,751,334	\$ 29,506,239
Motor Vehicle Sales and Rental Taxes	4,576,834	4,494,832	4,967,618	4,892,859
Motor Fuel Taxes	932,947	953,626	984,864	1,012,548
Franchise Tax	2,845,291	2,731,479	2,829,812	2,995,676
Oil Production Tax	1,704,283	2,107,335	3,392,818	3,919,820
Insurance Taxes	2,225,586	2,374,997	2,505,809	2,640,986
Cigarette and Tobacco Taxes	561,916	624,893	565,624	603,625
Natural Gas Production Tax	578,799	982,763	1,393,466	1,463,210
Alcoholic Beverages Taxes	1,182,549	1,217,711	1,279,225	1,344,545
Hotel Occupancy Tax	521,153	530,716	593,546	590,382
Utility Taxes	434,965	439,065	453,400	462,400
Other Taxes	79,219	98,736	202,239	244,927
Total Tax Collections	\$ 43,780,105	\$ 45,352,873	\$ 49,919,755	\$ 49,677,217
Revenue By Source				
Tax Collections	\$ 43,780,105	\$ 45,352,873	\$ 49,919,755	\$ 49,677,217
Licenses, Fees, Fines, and Penalties	1,477,308	1,404,234	1,365,206	1,351,108
State Health Service Fees and Rebates	1,416,853	1,235,619	1,455,388	1,387,590
Net Lottery Proceeds	1,304,014	1,201,338	1,381,187	1,401,905
Land Income	14,401	14,637	14,075	13,964
Interest and Investment Income	1,107,261	1,061,359	1,220,473	1,519,931
Settlements of Claims	594,496	504,332	484,239	472,062
Escheated Estates	548,298	978,911	628,326	637,084
Sales of Goods and Services	122,613	122,958	122,979	122,979
Other Revenue	418,057	408,717	398,367	405,047
Total Net Revenue	\$ 50,783,404	\$ 52,284,977	\$ 56,989,995	\$ 56,988,887

*Proposition 7, approved by voters in November 2015, amended the Texas Constitution to dedicate, beginning in fiscal 2018, up to \$2.5 billion in annual sales tax revenues to the State Highway Fund (SHF), thereby reducing the estimated amount of sales tax in the General Revenue Fund in the 2018-19 biennium. In fiscal 2019, \$2.25 billion is forecast to be transferred in August, after the \$28 billion threshold is reached in July, bringing total transfers of sales tax revenue to the SHF in 2018-2019 to \$4.75 billion, with the remaining \$250 million to be transferred in September 2019, the first month of fiscal 2020.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-13

**Percent Change in State Revenue, by Source and Fiscal Year
General Revenue-Related**

	2016 Actual	2017 Actual	2018 Estimated	2019 Estimated
Tax Collections				
Sales Taxes*	(2.3) %	2.3 %	6.8 %	(4.0) %
Motor Vehicle Sales and Rental Taxes	2.3	(1.8)	10.5	(1.5)
Motor Fuel Taxes	0.9	2.2	3.3	2.8
Franchise Tax	(1.0)	(4.0)	3.6	5.9
Oil Production Tax	(40.8)	23.6	61.0	15.5
Insurance Taxes	8.6	6.7	5.5	5.4
Cigarette and Tobacco Taxes	(2.0)	11.2	(9.5)	6.7
Natural Gas Production Tax	(54.8)	69.8	41.8	5.0
Alcoholic Beverages Taxes	3.8	3.0	5.1	5.1
Hotel Occupancy Tax	(0.9)	1.8	11.8	(0.5)
Utility Taxes	(9.5)	0.9	3.3	2.0
Other Taxes	(51.6)	24.6	104.8	21.1
Total Tax Collections	(5.1) %	3.6 %	10.1 %	(0.5) %
Revenue By Source				
Tax Collections	(5.1) %	3.6 %	10.1 %	(0.5) %
Licenses, Fees, Fines, and Penalties	(8.2)	(4.9)	(2.8)	(1.0)
State Health Service Fees and Rebates	18.9	(12.8)	17.8	(4.7)
Net Lottery Proceeds	13.1	(7.9)	15.0	1.5
Land Income	(60.9)	1.6	(3.8)	(0.8)
Interest and Investment Income	26.8	(4.1)	15.0	24.5
Settlements of Claims	14.4	(15.2)	(4.0)	(2.5)
Escheated Estates	(0.0)	78.5	(35.8)	1.4
Sales of Goods and Services	(1.7)	0.3	0.0	0.0
Other Revenue	(4.3)	(2.2)	(2.5)	1.7
Total Net Revenue	(3.5) %	3.0 %	9.0 %	(0.0) %

*Proposition 7, approved by voters in November 2015, amended the Texas Constitution to dedicate, beginning in fiscal 2018, up to \$2.5 billion in annual sales tax revenues to the State Highway Fund (SHF), thereby reducing the estimated amount of sales tax in the General Revenue Fund in the 2018-19 biennium. In fiscal 2019, \$2.25 billion is forecast to be transferred in August, after the \$28 billion threshold is reached in July, bringing total transfers of sales tax revenue to the SHF in 2018-2019 to \$4.75 billion, with the remaining \$250 million to be transferred in September 2019, the first month of fiscal 2020.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-14
State Revenue, by Source and Biennium
General Revenue-Related

	Thousands of Dollars		
	2014-15 Actual	2016-17 Actual	2018-19 Estimated
Tax Collections			
Sales Taxes*	\$ 56,061,513	\$ 56,933,284	\$ 60,257,573
Motor Vehicle Sales and Rental Taxes	8,647,701	9,071,666	9,860,477
Motor Fuel Taxes	1,818,452	1,886,573	1,997,412
Franchise Tax	5,699,631	5,576,770	5,825,488
Oil Production Tax	6,753,126	3,811,618	7,312,638
Insurance Taxes	3,995,696	4,600,582	5,146,795
Cigarette and Tobacco Taxes	1,142,973	1,186,809	1,169,249
Natural Gas Production Tax	3,179,991	1,561,562	2,856,676
Alcoholic Beverages Taxes	2,192,007	2,400,259	2,623,770
Hotel Occupancy Tax	1,011,204	1,051,868	1,183,928
Utility Taxes	958,954	874,030	915,800
Other Taxes	331,891	177,955	447,166
Total Tax Collections	\$ 91,793,140	\$ 89,132,977	\$ 99,596,972
Revenue By Source			
Tax Collections	\$ 91,793,140	\$ 89,132,977	\$ 99,596,972
Licenses, Fees, Fines, and Penalties	3,103,571	2,881,542	2,716,314
State Health Service Fees and Rebates	2,075,527	2,652,472	2,842,978
Net Lottery Proceeds	2,302,842	2,505,352	2,783,092
Land Income	81,367	29,038	28,039
Interest and Investment Income	1,730,706	2,168,619	2,740,404
Settlements of Claims	1,077,099	1,098,828	956,301
Escheated Estates	1,008,543	1,527,208	1,265,410
Sales of Goods and Services	243,446	245,571	245,958
Other Revenue	867,866	826,774	803,414
Total Net Revenue	\$ 104,284,106	\$ 103,068,381	\$ 113,978,882

*Proposition 7, approved by voters in November 2015, amended the Texas Constitution to dedicate, beginning in fiscal 2018, up to \$2.5 billion in annual sales tax revenues to the State Highway Fund (SHF), thereby reducing the estimated amount of sales tax in the General Revenue Fund in the 2018-19 biennium. In fiscal 2019, \$2.25 billion is forecast to be transferred in August, after the \$28 billion threshold is reached in July, bringing total transfers of sales tax revenue to the SHF in 2018-2019 to \$4.75 billion, with the remaining \$250 million to be transferred in September 2019, the first month of fiscal 2020.

Note: Totals may not sum because of rounding.
 SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-15

**Percent Change in State Revenue, by Source and Biennium
General Revenue-Related**

	2014-15 Actual	2016-17 Actual	2018-19 Estimated
Tax Collections			
Sales Taxes*	12.3 %	1.6 %	5.8 %
Motor Vehicle Sales and Rental Taxes	17.3	4.9	8.7
Motor Fuel Taxes	6.1	3.7	5.9
Franchise Tax	3.6	(2.2)	4.5
Oil Production Tax	32.6	(43.6)	91.9
Insurance Taxes	22.6	15.1	11.9
Cigarette and Tobacco Taxes	(3.5)	3.8	(1.5)
Natural Gas Production Tax	5.0	(50.9)	82.9
Alcoholic Beverages Taxes	15.0	9.5	9.3
Hotel Occupancy Tax	20.0	4.0	12.6
Utility Taxes	8.3	(8.9)	4.8
Other Taxes	11.7	(46.4)	151.3
Total Tax Collections	13.3 %	(2.9)%	11.7 %
Revenue By Source			
Tax Collections	13.3 %	(2.9) %	11.7 %
Licenses, Fees, Fines, and Penalties	30.9	(7.2)	(5.7)
State Health Service Fees and Rebates	14.5	27.8	7.2
Net Lottery Proceeds	8.2	8.8	11.1
Land Income	21.0	(64.3)	(3.4)
Interest and Investment Income	(24.5)	25.3	26.4
Settlements of Claims	(5.6)	2.0	(13.0)
Escheated Estates	(21.3)	51.4	(17.1)
Sales of Goods and Services	7.4	0.9	0.2
Other Revenue	(16.1)	(4.7)	(2.8)
Total Net Revenue	11.7 %	(1.2) %	10.6 %

*Proposition 7, approved by voters in November 2015, amended the Texas Constitution to dedicate, beginning in fiscal 2018, up to \$2.5 billion in annual sales tax revenues to the State Highway Fund (SHF), thereby reducing the estimated amount of sales tax in the General Revenue Fund in the 2018-19 biennium. In fiscal 2019, \$2.25 billion is forecast to be transferred in August, after the \$28 billion threshold is reached in July, bringing total transfers of sales tax revenue to the SHF in 2018-2019 to \$4.75 billion, with the remaining \$250 million to be transferred in September 2019, the first month of fiscal 2020.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-16

**State Revenue, by Source and Fiscal Year
All Funds, Excluding Trust Funds**

	Thousands of Dollars			
	2016 Actual	2017 Actual	2018 Estimated	2019 Estimated
Tax Collections				
Sales Taxes	\$ 28,245,801	\$ 28,900,035	\$ 31,724,257	\$ 33,506,194
Motor Vehicle Sales and Rental Taxes	4,616,082	4,532,349	5,007,975	4,932,767
Motor Fuel Taxes	3,513,716	3,583,734	3,652,618	3,750,611
Franchise Tax	3,881,176	3,242,219	3,621,406	3,840,610
Oil Production Tax	1,704,283	2,107,335	3,392,818	3,919,820
Insurance Taxes	2,226,725	2,376,092	2,506,909	2,642,097
Cigarette and Tobacco Taxes	1,388,363	1,522,828	1,340,261	1,454,810
Natural Gas Production Tax	578,799	982,763	1,393,466	1,463,210
Alcoholic Beverages Taxes	1,182,549	1,217,711	1,279,225	1,344,545
Hotel Occupancy Tax	521,153	530,716	593,546	590,382
Utility Taxes	434,965	439,065	453,400	462,400
Other Taxes	182,616	208,575	314,764	360,124
Total Tax Collections	\$ 48,476,226	\$ 49,643,422	\$ 55,280,645	\$ 58,267,570
Revenue By Source				
Tax Collections	\$ 48,476,226	\$ 49,643,422	\$ 55,280,645	\$ 58,267,570
Federal Income	39,473,835	38,365,630	39,649,485	44,271,751
Licenses, Fees, Fines, and Penalties	6,127,554	6,258,440	6,340,747	6,369,864
State Health Service Fees and Rebates	8,070,559	6,701,557	7,915,588	7,779,642
Net Lottery Proceeds	2,219,965	2,053,244	2,233,531	2,367,873
Land Income	1,139,536	1,694,066	1,416,267	1,403,951
Interest and Investment Income	1,362,296	1,691,192	1,517,851	1,695,378
Settlements of Claims	651,974	527,518	511,769	490,856
Escheated Estates	548,298	978,911	628,326	637,084
Sales of Goods and Services	293,047	308,230	308,618	309,330
Other Revenue	2,917,581	2,973,012	3,274,262	3,700,333
Total Net Revenue	\$ 111,280,871	\$ 111,195,221	\$ 119,077,089	\$ 127,293,632

Note: Excludes local funds and deposits by semi-independent agencies. Includes certain state revenues deposited in the State Treasury but not appropriated.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-17

**Percent Change in State Revenue, by Source and Fiscal Year
All Funds, Excluding Trust Funds**

	2016 Actual	2017 Actual	2018 Estimated	2019 Estimated
Tax Collections				
Sales Taxes	(2.3) %	2.3 %	9.8 %	5.6 %
Motor Vehicle Sales and Rental Taxes	2.3	(1.8)	10.5	(1.5)
Motor Fuel Taxes	2.0	2.0	1.9	2.7
Franchise Tax	(16.6)	(16.5)	11.7	6.1
Oil Production Tax	(40.8)	23.6	61.0	15.5
Insurance Taxes	8.7	6.7	5.5	5.4
Cigarette and Tobacco Taxes	(9.4)	9.7	(12.0)	8.5
Natural Gas Production Tax	(54.8)	69.8	41.8	5.0
Alcoholic Beverages Taxes	3.8	3.0	5.1	5.1
Hotel Occupancy Tax	(0.9)	1.8	11.8	(0.5)
Utility Taxes	(9.5)	0.9	3.3	2.0
Other Taxes	(32.1)	14.2	50.9	14.4
Total Tax Collections	(6.2) %	2.4 %	11.4 %	5.4 %
Revenue By Source				
Tax Collections	(6.2) %	2.4 %	11.4 %	5.4 %
Federal Income	7.6	(2.8)	3.3	11.7
Licenses, Fees, Fines, and Penalties	1.5	2.1	1.3	0.5
State Health Service Fees and Rebates	32.8	(17.0)	18.1	(1.7)
Net Lottery Proceeds	17.2	(7.5)	8.8	6.0
Land Income	(26.4)	48.7	(16.4)	(0.9)
Interest and Investment Income	(2.2)	24.1	(10.2)	11.7
Settlements of Claims	20.5	(19.1)	(3.0)	(4.1)
Escheated Estates	(0.0)	78.5	(35.8)	1.4
Sales of Goods and Services	(31.6)	5.2	0.1	0.2
Other Revenue	13.2	1.9	10.1	13.0
Total Net Revenue	1.7 %	(0.1) %	7.1 %	6.9 %

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-18
State Revenue, by Source and Biennium
All Funds, Excluding Trust Funds

	Thousands of Dollars		
	2014-15 Actual	2016-17 Actual	2018-19 Estimated
Tax Collections			
Sales Taxes	\$ 56,296,567	\$ 57,145,836	\$ 65,230,451
Motor Vehicle Sales and Rental Taxes	8,724,139	9,148,430	9,940,742
Motor Fuel Taxes	6,762,109	7,097,450	7,403,229
Franchise Tax	9,388,548	7,123,395	7,462,016
Oil Production Tax	6,753,126	3,811,618	7,312,638
Insurance Taxes	3,997,326	4,602,817	5,149,006
Cigarette and Tobacco Taxes	2,874,869	2,911,191	2,795,071
Natural Gas Production Tax	3,179,991	1,561,562	2,856,676
Alcoholic Beverages Taxes	2,192,007	2,400,259	2,623,770
Hotel Occupancy Tax	1,011,204	1,051,868	1,183,928
Utility Taxes	958,954	874,030	915,800
Other Taxes	536,782	391,191	674,888
Total Tax Collections	\$ 102,675,621	\$ 98,119,648	\$ 113,548,215
Revenue By Source			
Tax Collections	\$ 102,675,621	\$ 98,119,648	\$ 113,548,215
Federal Income	70,967,033	77,839,465	83,921,236
Licenses, Fees, Fines, and Penalties	11,952,621	12,385,993	12,710,611
State Health Service Fees and Rebates	10,655,980	14,772,116	15,695,230
Net Lottery Proceeds	3,771,646	4,273,209	4,601,404
Land Income	3,411,195	2,833,603	2,820,218
Interest and Investment Income	2,856,732	3,053,487	3,213,229
Settlements of Claims	1,116,273	1,179,492	1,002,625
Escheated Estates	1,008,543	1,527,208	1,265,410
Sales of Goods and Services	691,006	601,277	617,948
Other Revenue	5,263,899	5,890,593	6,974,595
Total Net Revenue	\$ 214,370,549	\$ 222,476,092	\$ 246,370,721

Note: Excludes local funds and deposits by semi-independent agencies. Includes certain state revenues deposited in the State Treasury but not appropriated.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-19

**Percent Change in State Revenue, by Source and Biennium
All Funds, Excluding Trust Funds**

	2014-15 Actual	2016-17 Actual	2018-19 Estimated
Tax Collections			
Sales Taxes	12.3 %	1.5 %	14.1 %
Motor Vehicle Sales and Rental Taxes	17.3	4.9	8.7
Motor Fuel Taxes	5.8	5.0	4.3
Franchise Tax	0.3	(24.1)	4.8
Oil Production Tax	32.6	(43.6)	91.9
Insurance Taxes	22.6	15.1	11.9
Cigarette and Tobacco Taxes	(5.0)	1.3	(4.0)
Natural Gas Production Tax	5.0	(50.9)	82.9
Alcoholic Beverages Taxes	15.0	9.5	9.3
Hotel Occupancy Tax	20.0	4.0	12.6
Utility Taxes	8.3	(8.9)	4.8
Other Taxes	10.0	(27.1)	72.5
Total Tax Collections	11.8 %	(4.4) %	15.7 %
Revenue By Source			
Tax Collections	11.8 %	(4.4) %	15.7 %
Federal Income	8.4	9.7	7.8
Licenses, Fees, Fines, and Penalties	2.0	3.6	2.6
State Health Service Fees and Rebates	40.4	38.6	6.2
Net Lottery Proceeds	1.3	13.3	7.7
Land Income	26.4	(16.9)	(0.5)
Interest and Investment Income	25.2	6.9	5.2
Settlements of Claims	(4.6)	5.7	(15.0)
Escheated Estates	(21.3)	51.4	(17.1)
Sales of Goods and Services	17.4	(13.0)	2.8
Other Revenue	(1.0)	11.9	18.4
Total Net Revenue	10.7 %	3.8 %	10.7 %

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.