



General Fund Revenue Tracking Report: FY21 Accruals through December 2020

THIS REPORT: This general fund revenue tracking report reflects FY21 revenue accruals as reported by the Department of Finance and Administration.

General fund recurring revenues for FY21 through December were \$3.785 billion, down \$99.3 million, or 2.6 percent, from the same period a year ago.

December collections were \$805.8 million, up \$167.5 million, or 26.2 percent, from December 2019, primarily due to a delay in personal income tax (PIT) refunds that drove up PIT collections compared with last year. The Internal Revenue Service (IRS) did not open the 2020 filing season until February 12, stating they needed additional time to adjust for the second federal relief bill signed at the end of 2020. Gross receipts tax (GRT) collections for December were down \$15.2 million, or 5.5 percent from December last year and rents and royalties were down \$21.3 million, or 28.9 percent.

Revenue Tracking

The last page of this report provides the general fund revenue tracking chart for FY21. The chart details the actual revenues received year-to-date through November, and preliminary revenues for most revenue sources through January. Generally, projections for revenue collections through the end of the fiscal year are based on historical monthly shares of revenue collections by revenue source.

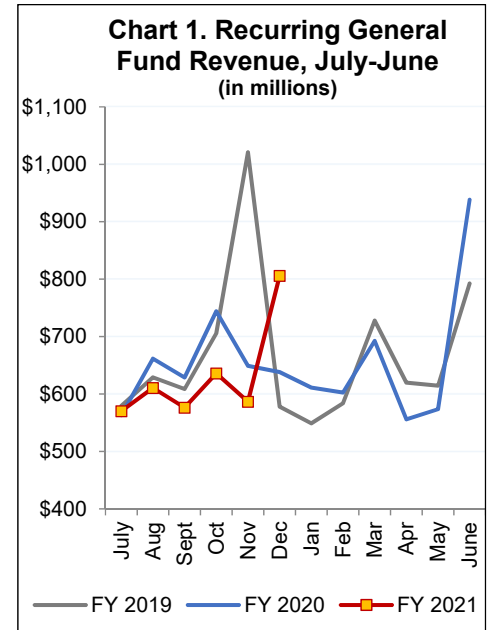


Table 1 and Chart 2 present the components of fiscal year-to-date (FYTD) revenue through December for FY21 versus the same period in FY20.

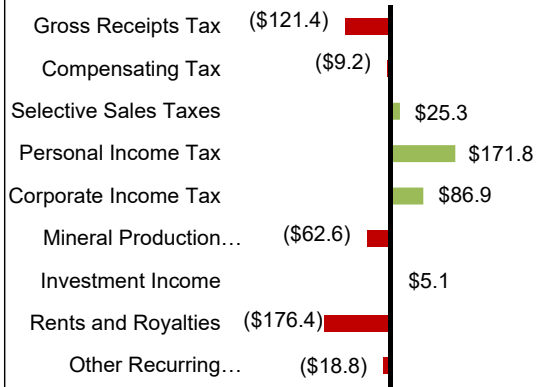
Table 1. General Fund Revenue Accruals: FY21 vs. FY20

Revenue Category	December Revenue	December Revenue	Fiscal Year-to-Date Through December		Year-over-Year Amount Change	Year-over-Year Growth	Projected Full-Year Growth: Feb 2021 Forecast
	FY20	FY21	FY20	FY21			
Gross Receipts Tax	\$276.5	\$261.3	\$1,469.5	\$1,348.1	-\$121.4	-8.3%	-14.3%
Compensating Tax	\$6.2	\$6.1	\$38.4	\$29.2	-\$9.2	-23.9%	-14.5%
Selective Sales Taxes *	\$26.7	\$78.9	\$239.3	\$264.6	\$25.3	10.6%	-6.1%
Personal Income Tax	\$87.1	\$233.0	\$784.6	\$956.3	\$171.8	21.9%	-6.2%
Corporate Income Tax	\$17.5	\$23.8	-\$19.9	\$67.1	\$86.9	-437.6%	-18.7%
Mineral Production Taxes **	\$69.8	\$59.2	\$357.9	\$295.3	-\$62.6	-17.5%	5.9%
License Fees	\$0.4	\$0.4	\$5.1	\$2.3	-\$2.8	-54.6%	4.5%
Investment Income	\$79.2	\$81.7	\$480.7	\$485.8	\$5.1	1.1%	-0.6%
Rents and Royalties	\$73.7	\$52.4	\$488.8	\$312.4	-\$176.4	-36.1%	-10.0%
Tribal Revenue Sharing	\$0.0	\$0.1	\$13.6	\$8.7	-\$5.0	-36.4%	18.4%
Miscellaneous Receipts	\$1.0	\$0.5	\$24.0	\$5.0	-\$19.0	-79.2%	11.5%
Reversions	\$0.3	\$8.4	\$2.7	\$10.7	\$8.0	292.5%	-38.3%
Subtotal Recurring Rev.	\$638.3	\$805.8	\$3,884.7	\$3,785.4	-\$99.3	-2.6%	-8.5%
Nonrecurring Revenue	\$0.0	\$15.8	\$28.8	\$6.3	-\$22.6	-78.2%	-80.5%
Total Revenue	\$638.3	\$821.6	\$3,913.6	\$3,791.7	-\$121.9	-3.1%	-11.3%

* Includes estimates for Insurance

** Includes estimates for Oil and Gas School Tax and Oil and Gas Conservation Tax.

**Chart 2. December FYTD
Recurring Revenue Collections
FY21 versus FY20 (in millions)**

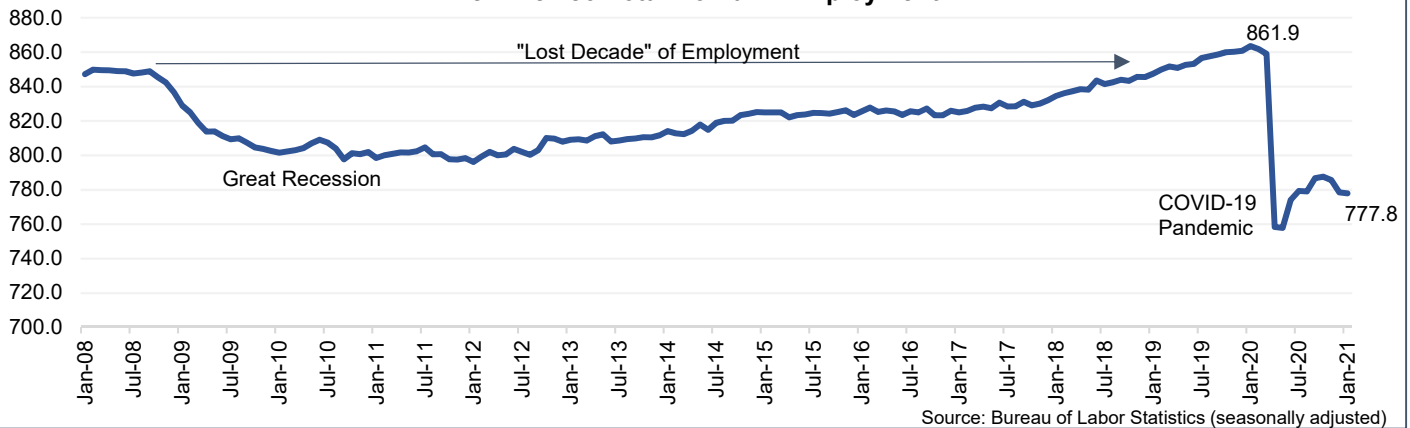


Employment

New Mexico's unemployment rate was 8.3 percent in February, down from 8.7 percent in January but up from 5.3 percent in February 2020. The state was down 77.1 thousand jobs (down 8.9 percent) from the same month a year ago, with most losses in the private sector. New Mexico's labor force also increased in February to 959 thousand, up 163 persons from January but down 5.1 thousand from the same month last year.

All major industry sectors experienced over-the-year job losses. Leisure and hospitality continued to report the heaviest employment losses, down 24,600 jobs, or 24.4 percent, compared to the previous year. Mining employment was down 8 thousand jobs, or 32 percent. The public sector was down 15.1 thousand jobs in February, with most of the losses in local government (14 thousand).

New Mexico Total Nonfarm Employment



As of February, the state had regained 25.6 percent of the jobs lost during the trough of the pandemic. Retail trade regained 88 percent of jobs lost, professional services regained 51 percent, other services regained 42 percent, healthcare regained 52 percent, and leisure and hospitality regained 43 percent.

**New Mexico Employment by Industry
(February 2020 vs. February 2019)**



New Mexico has continued to see a greater recovery in higher wage jobs than lower wage jobs. High wage-earning jobs were up 8.6 percent in February compared with January 2020, while low wage-earning jobs were down 7.6 percent, according to Opportunity Insights (TrackTheRecovery.org).

FISCAL YEAR 2021 GENERAL FUND MONTHLY REVENUE TRACKING

(dollars in millions; italics indicate preliminary actual revenue; bold indicates actual revenue)

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	ESTIMATED REVENUE ACCRUALS												FY21		TRACKING CHANGE	
	July Actual	Aug Actual	Sept Actual	Oct Actual	Nov Actual	Dec Actual	Jan Prelim.	Feb Est.	Mar Est.	Apr Est.	May Est.	June Est.	Actual + Estimate	FY21 Feb. Forecast	% Diff.	\$ Diff.
Gross Receipts Tax	220.5	226.8	205.6	226.1	207.7	261.3	234.4	183.1	200.2	207.0	206.6	199.3	2,578.7	2,520.5	2.3%	58.2
Compensating Tax	4.3	1.8	7.6	4.8	4.5	6.1	3.3	5.1	4.5	1.0	4.2	5.0	52.2	54.3	-3.9%	(2.1)
TOTAL GENERAL SALES TAXES	224.8	228.7	213.2	230.9	212.3	267.4	237.7	188.2	204.7	208.0	210.8	204.2	2,630.9	2,574.8	2.2%	56.1
Tobacco Products & Cigarette Taxes	7.6	8.6	8.1	6.5	7.5	7.5	6.0	8.5	6.5	7.3	7.9	9.3	91.4	91.5	-0.1%	(0.1)
Liquor Excise Tax	1.7	2.5	2.1	2.2	1.5	2.9	1.6	1.7	2.0	1.9	2.0	2.5	24.6	24.9	-1.1%	(0.3)
Insurance Premiums Tax	1.1	29.5	29.6	1.2	7.0	55.2	0.3	0.3	55.9	0.3	0.3	55.9	236.7	230.8	2.6%	5.9
Fire Protection Fund Reversion	-	-	-	-	0.0	-	-	-	-	-	-	12.0	12.0	12.0	0.1%	0.0
Motor Vehicle Excise Tax	15.6	14.5	14.7	15.0	7.5	12.5	12.1	10.5	13.5	12.5	12.9	13.0	154.2	156.3	-1.3%	(2.1)
Gaming Excise Tax	0.0	0.0	0.0	0.0	0.0	0.0	1.0	1.1	1.1	1.1	1.1	1.0	6.5	8.5	-23.5%	(2.0)
Leased Vehicle Surcharge & Other	0.3	0.4	0.4	0.4	0.3	0.8	0.8	0.2	0.3	0.3	0.3	0.3	4.9	4.3	13.2%	0.6
TOTAL SELECTIVE SALES TAXES	26.3	55.4	55.0	25.2	23.8	78.9	21.9	22.3	79.4	23.5	24.6	94.0	530.3	528.3	0.4%	2.0
Withholding	133.2	109.9	121.4	125.0	116.8	173.3	117.4	117.0	129.3	115.5	119.3	131.0	1,509.1	1,478.2	2.1%	30.9
Final Settlements	27.3	65.8	22.6	0.4	36.4	54.3	12.3	40.4	169.0	26.5	64.0	46.4	565.4	535.7	5.5%	29.7
Oil and Gas Withholding Tax	4.8	5.3	14.4	2.8	2.5	12.1	4.2	8.1	14.2	20.5	4.7	14.1	107.7	106.2	1.5%	1.5
Fiduciary Tax	0.3	1.5	(0.8)	0.2	0.2	0.6	(0.7)	(0.2)	5.7	(0.1)	1.3	(1.2)	6.6	6.2	7.4%	0.5
Gross Personal Income Tax	165.6	182.5	157.6	128.4	155.9	240.3	133.1	165.2	318.2	162.4	189.4	190.4	2,188.8	2,126.2	2.9%	62.6
Transfer to PIT Suspense	(6.3)	(8.8)	(29.0)	(6.0)	(2.8)	(4.5)	(183.4)	(87.7)	(67.4)	(25.9)	(18.9)	(18.2)	(459.0)	(505.5)	-9.2%	46.5
Retiree Health Care	(2.7)	(2.7)	(2.7)	(2.7)	(2.7)	(2.7)	(2.7)	(2.7)	(2.7)	(2.7)	(2.7)	(2.7)	(32.9)	(32.9)	0.0%	0.0
Less: Refunds, distributions to other funds	(9.0)	(11.5)	(31.7)	(8.8)	(5.5)	(7.3)	(186.2)	(90.5)	(70.1)	(28.7)	(21.6)	(21.0)	(491.9)	(538.4)	-8.6%	46.5
NET PERSONAL INCOME TAX	156.6	170.9	125.8	119.6	150.4	233.0	(53.1)	74.7	248.1	133.7	167.8	169.4	1,696.9	1,587.1	6.9%	109.7
CORPORATE INCOME TAX	19.1	(2.9)	13.4	12.8	0.9	23.8	(1.7)	(1.0)	10.2	(8.1)	(9.7)	12.6	69.4	51.4	34.9%	18.0
TOTAL INCOME TAXES	175.7	168.0	139.2	132.4	151.3	256.8	(54.8)	73.7	258.3	125.6	158.1	181.9	1,766.2	1,638.5	7.8%	127.7
Oil and Gas School Tax **	39.5	40.2	42.9	44.8	50.8	55.1	42.0	42.0	42.0	21.0	-	-	420.4	420.4	0.0%	(0.0)
Oil Conservation Tax	2.1	2.2	2.2	2.3	2.6	2.8	2.4	2.3	2.7	2.5	2.8	2.8	29.8	29.5	1.0%	0.3
Resources Excise Tax	0.4	0.5	0.2	0.7	0.4	0.4	0.6	0.6	0.6	0.6	0.6	0.6	6.3	6.7	-6.4%	(0.4)
Natural Gas Processors Tax	0.8	0.9	0.9	0.9	0.9	0.9	0.7	0.7	0.8	0.8	0.8	0.8	9.8	9.6	2.3%	0.2
TOTAL MINERAL PROD. TAXES	42.8	43.7	46.2	48.7	54.6	59.2	45.8	45.7	46.1	24.9	4.2	4.2	466.3	466.2	0.0%	0.1
LICENSE FEES	0.4	0.3	0.4	0.4	0.4	0.4	0.3	0.5	0.5	0.4	0.2	49.1	53.3	52.7	1.1%	0.6
Land Grant Perm. Fund Distributions	60.0	60.0	60.1	60.1	60.1	60.1	60.0	60.0	60.0	60.0	60.0	60.0	720.2	719.9	0.0%	0.3
State Treasurer's Earnings	3.5	0.5	1.1	(1.3)	2.5	2.1	(0.3)	(6.2)	4.6	4.6	4.6	4.6	20.1	31.0	-35.0%	(10.9)
Severance Tax Perm. Fund Distributions	19.5	19.5	19.5	19.5	19.5	19.5	19.5	19.5	19.5	19.5	19.5	19.5	234.0	234.0	0.0%	0.0
TOTAL INVESTMENT EARNINGS	83.1	80.1	80.6	78.2	82.1	81.7	79.1	73.2	84.1	84.1	84.1	84.1	974.4	984.9	-1.1%	(10.5)
Federal Mineral Leasing Royalties	14.1	31.4	39.2	108.7	57.5	50.6	66.2	78.9	69.9	69.9	69.9	91.3	747.6	738.5	1.2%	9.1
State Land Office Bonuses, Rents	2.6	2.3	1.7	1.7	0.9	1.8	2.5	2.5	2.5	2.5	2.5	2.5	25.6	59.4	-56.9%	(33.8)
TOTAL RENTS & ROYALTIES	16.7	33.6	40.9	110.4	58.4	52.4	68.7	81.3	72.4	72.4	72.4	93.7	773.2	797.9	-3.1%	(24.7)
TRIBAL REVENUE SHARING	0.0	0.1	-	7.5	1.0	0.1	6.8	1.1	14.3	1.1	1.0	14.3	47.2	53.8	-12.2%	(6.6)
MISCELLANEOUS RECEIPTS	0.4	0.8	0.6	0.9	1.7	0.5	1.4	1.2	11.3	1.2	1.2	24.8	46.2	47.5	-2.7%	(1.3)
REVERSIONS	0.0	-	-	1.3	0.9	8.4	2.5	3.7	6.3	0.5	-	33.2	56.8	50.0	13.6%	6.8
TOTAL RECURRING REVENUE	570.2	610.7	576.2	635.9	586.6	805.8	409.4	490.9	777.3	541.6	556.6	783.6	7,344.8	7,194.6	2.1%	150.2
Non-Recurring	0.0	0.3	(0.1)	0.0	0.2	1.9	-	-	-	-	-	-	2.3	-	-	2.3
Additional Transfers *	-	-	-	-	(10.0)	14.0	-	-	-	-	-	-	48.7	52.7	62.8	(10.2)
TOTAL NON-RECURRING REVENUE	0.0	0.3	(0.1)	0.0	(9.8)	15.8	-	-	-	-	-	48.7	55.0	62.8	(7.8)	
GRAND TOTAL REVENUE	570.3	611.0	576.1	635.9	576.8	821.6	409.4	490.9	777.3	541.6	556.6	832.3	7,399.8	7,257.4	2.0%	142.4

Estimates are developed by LFC and based on the consensus revenue estimate and historical monthly patterns.

*Nonrecurring estimates for HB 349 from the 2020 regular session include \$2.9 million in reversions for general fund capital projects overfunded in the bill. Also includes \$14 million for FY20 fire protection fund reversion submitted too late for inclusion in FY20 audit, and \$45.8 million in expected Medicaid reversion. Negative \$10 million in November reflects adjustment for PED reversion in FY20.

** Distributions to the Tax Stabilization Reserve estimated to begin in April 2021