General and Education Fund revenue collections totaled $2.5 billion for the first five months of FY 2018, representing a year-over-year growth rate of 8.3 percent compared with the first five months of FY 2017. The current target growth rate is 6.0 percent for the full year. Given the volatility associated with early collections, we consider current collections marginally above the upper end of our range for full-year collections.

The Governor and Legislature released updated revenue projections this month, projecting that the State will have $382 million in ongoing and $101 million in one-time revenue growth.

General Fund revenue collections totaled $1.1 billion for the first five months of FY 2018. That is a year-over-year growth rate of 9.8 percent compared with the first five months of FY 2017. The current consensus General Fund target growth rate is 5.5 percent. Behind the performance of the General Fund is better-than-estimated sales tax, which is growing at an 8.8 percent year-over-year clip right now. This sales tax growth rate is influenced by the fact that some online retailers began collecting sales taxes in early calendar year 2017. Collections for the first half of this fiscal year include online sales where those from the first half of last fiscal year do not. This tends to overstate growth in the first half of the year. One would expect the difference to moderate in the second half of the year.

Education Fund revenue collections reached $1.4 billion for the first five months of FY 2018, representing a year-over-year growth rate of 7.1 percent. The current Education Fund revenue target is 6.3 percent. Currently performing above target is the individual income tax, growing by about 1.5 percent above the estimated target of 6.7 percent. Corporate tax is currently performing about 2.5 percent above the target growth rate.

Transportation Fund revenue collections reached $233 million for the first five months of FY 2018, which is within the current revenue target range.