

General Governmental Functions

Revenues of the general governmental functions (excluding capital projects) totaled \$12,536,496,000 for the fiscal year ended June 30, 1995. This represents an increase of 9.6% over revenues for the fiscal year 1994. Income tax, the largest source of revenue, produced 29.3% of general governmental revenues compared to 31.4% last year. The revenues from various sources and the changes from last year are shown in the following tabulation (amounts expressed in thousands):

<u>Revenue Source</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) Over 1994 Actual</u>	
			<u>Amount</u>	<u>Percent</u>
Income taxes	\$ 3,669,027	29.3%	\$ 78,465	2.2%
Sales and use taxes	1,951,031	15.6	136,083	7.5
Motor vehicle taxes and fees	1,298,132	10.4	72,601	5.9
Other taxes	1,031,735	8.2	8,270	0.8
Other licenses and fees	216,621	1.7	23,405	12.1
Charges for services	803,183	6.4	111,586	16.1
Interest and other investment income	100,400	0.8	44,928	81.0
Federal revenue	3,277,297	26.1	647,665	24.6
Other	189,070	1.5	(26,655)	(12.4)
Total	<u>\$12,536,496</u>	<u>100.0%</u>	<u>\$1,096,348</u>	9.6%

Of the total income tax revenue for fiscal year 1995, \$3,360,626,000 was produced by the individual income tax and \$308,401,000 by the corporate income tax, representing an increase of \$34,016,000 and \$44,449,000, respectively, compared to the prior year. The individual income taxes increased due to continued gains in employment and personal income while corporate income tax revenues increased by 16.8% reflecting sharp gains in total corporate profitability.

Revenues from the retail sales tax increased \$136,083,000 or 7.5% over the previous year, a result of rising employment and income in the State.

Other licenses and fees increased \$23,405,000 or 12.1% over the previous year primarily as a result of an increase in fines collected by the district courts.

Charges for services increased \$111,586,000 or 16.1% over the previous year primarily as a result of an increase in hospital patient recoveries.

Interest on investments increased by \$44,928,000 or 81.0% over the previous year, due to higher interest rates and greater investable balances.

Federal revenue increased by \$647,665,000 or 24.6% over the previous year due primarily to the implementation of GASB Statement Number 24 which requires the State to recognize revenues and expenditures for food stamp benefits provided to recipients.

Other revenues declined \$26,655,000 or 12.4% from the previous year due primarily to the implementation of GASB Statement Number 21, whereby the State established a reserve for estimated future payments to legal heirs and beneficiaries related to escheated properties.