

ARKANSAS FISCAL NOTES



VOLUME XVIII No. 12

JUNE 2005

GENERAL REVENUE SUMMARY

Provides narrative summaries of general revenues 1-3

TABLES A & B

Monthly and year-to-date general revenue collections, and forecast evaluation..... 4-5

TABLE C

Official general revenue forecast for 2005-2007 Biennium..... 6

TABLE D

General revenue history, economic assumptions, fiscal indicators
for FY 2002-2007 7-8

TABLE E

Comparison of FY 2005 General Revenue to 5/04/04 Forecast..... 9

ECONOMIC NOTES

Economic indicators for the State and the Nation..... 10-14

MONTHLY REVENUE SUMMARY

Monthly summary of General Revenues..... 15-16

FY 05 OFFICIAL FORECAST FOR GENERAL REVENUE DISTRIBUTIONS

General revenue budget and allocations 17-19
Educational Excellence.....20

OTHER FINANCIAL INFORMATION.....21

SPECIAL REVENUES

June.....22

REVENUE DIVISION REPORT OF GROSS COLLECTIONS

General, special, and trust revenues collected by Revenue Division..... 23-33

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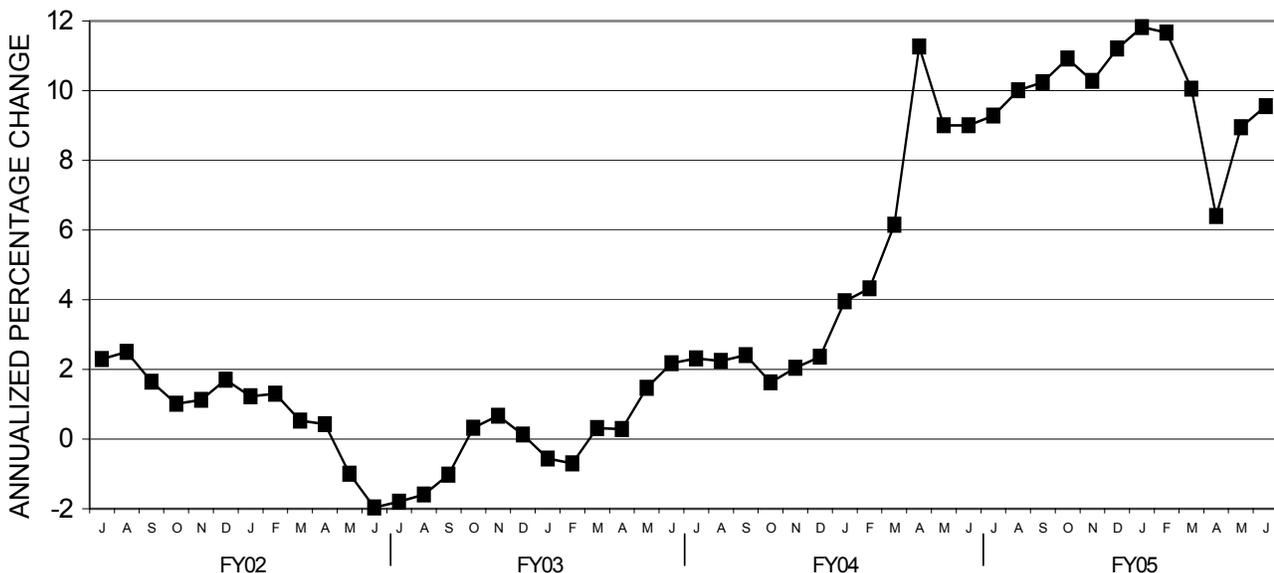
GENERAL REVENUE SUMMARY: June FY 2005

FY 2005 Gross General Revenues totaled \$4,730.6 million, an increase of \$396.0 million or 9.1 percent above FY 04. With respect to the general revenue forecast of April 4, 2005, gross general revenues were \$121.5 million or 2.6 percent above forecast.

FY 2005 Net Available Revenues, after a transfer of \$307.2 million surplus to the Allotment Reserve Fund, totaled \$3,629.9 million, an increase of \$103.9 million or 2.9 percent above last year. Compared to the April 4, 2005 forecast, surplus revenues were \$160.8 million above forecast.

Net General Revenue Growth. Net general revenues are defined as gross general revenues less individual and corporate income tax refunds. For the twelve-month period ending in June, net general revenues totaled \$4,403.2 million and increased at an annual rate of 9.6 percent. One year ago, the net general revenues increased by 9.0 percent.

ANNUALIZED RATE OF GROWTH IN
NET GENERAL REVENUES



FY 2005 Individual Income Tax Collections totaled \$2,167.8 million, an increase of \$195.7 million or 9.9 percent above last year and \$51.8 million or 2.4 percent above forecast.

FY 2005 Individual Income Tax Refunds totaled \$292.8 million, an increase of \$33.6 million or 13.0 percent above last year. Refunds were \$7.0 million or 2.3 percent below forecast. Included in the total is \$22.0 million in

refunds and attorney fees resulting from the *McFadden, et al v. Weiss* lawsuit awarding state income tax refunds to retirees who were not allowed consideration for state tax paid on contributions to public or private employment-related retirement systems, plans, or programs.

FY 2005 General Revenue Corporate Income Tax Collections totaled \$298.8 million, an increase of \$60.7 million or 25.5 percent above last year. Collections were \$20.6 million or 7.4 percent above forecast.

FY 2005 Corporate Income Tax Refunds totaled \$34.6 million, a decrease of \$21.6 million or 38.4 percent below last year. Refunds were \$20.4 million or 37.0 percent below forecast.

FY 2005 Sales Tax Collections totaled \$1,647.5 million, an increase of \$88.3 million or 5.7 percent above last year. Sales tax collections were \$24.5 million or 1.5 percent above forecast.

FY 2005 Use Tax Collections totaled \$297.6 million, an increase of \$54.3 million or 22.3 percent above last year and \$19.6 million or 7.1 percent above forecast.

Use tax collections are dominated by business spending. While equipment used directly in manufacturing is exempt from the sales and use tax, business expenditures on office equipment & furniture, office computers, construction equipment (e.g., earth-moving equipment), refrigeration units, mining equipment, vehicles, and fork-lifts bought or leased from out-of-state vendors are subject to the compensating use tax.

June Gross General Revenues totaled \$453.5 million, an increase of \$34.0 million or 8.1 percent above June 2004. Revenues were \$42.6 million or 10.4 percent above forecast.

June Net Available Revenues totaled \$87.5 million, a decrease of \$192.3 million or 68.7 percent below last June. The June net available number is the amount remaining after \$307.2 million in surplus revenue was transferred to the Allotment Reserve Fund.

June Individual Income Tax Collections totaled \$189.6 million, an increase of \$9.3 million or 5.2 percent above last June and \$7.6 million or 4.2 percent above forecast.

June Individual Income Tax Refunds totaled \$11.7 million, a decrease of \$1.1 million or 8.9 percent below June 2004 and \$2.7 million or 18.8 percent below forecast.

June General Revenue Corporate Income Tax Collections totaled \$43.2 million, an increase of \$6.5 million or 17.8 percent above June 2004 and \$13.4 million or 45.1 percent above forecast.

June Corporate Income Tax Refunds totaled \$7.2 million, an increase of \$3.2 million or 80.7 percent above last June but \$5.7 million or 44.0 percent below forecast.

Combined General and Special Revenue Corporate Income Tax Collections. For the twelve-month period ending in June, general and special net corporate income taxes totaled \$277.3 million and increased at an annual rate of 42.8 percent. One year ago, corporate income taxes increased at an annual rate of 6.2 percent.

June Sales Taxes Collections totaled \$146.4 million, an increase of \$17.5 million or 13.6 percent above last year and \$12.4 million or 9.3 percent above forecast. On an annualized basis, sales tax collections grew at an annual rate of 5.7 percent, up from 4.6 percent the previous month.

June Use Taxes Collections totaled \$25.5 million, an increase of \$3.6 million or 16.6 percent above June 2004 and \$6.9 million or 36.9 percent above forecast. On an annualized basis, use taxes increased at an annual rate of 22.3 percent, down from 22.7 percent in May.

June General Revenue Tobacco Taxes totaled \$13.4 million, an increase of \$0.6 million or 4.9 percent above last June and an increase of \$1.0 million or 8.0 percent above forecast.

SPECIAL REVENUES OF NOTE

Special Corporate Income Taxes. Each month \$1.1 million (\$13.2 million total in FY 2005) in corporate income tax collections goes to *special* revenues. These revenues are not included in *general* revenue totals. They are allocated to the WorkForce 2000 Fund, which provides for the upgrading of the post-secondary technical colleges of the state.

Medicaid Program Trust Fund (Soft Drink Tax). FY 2005 collections totaled \$46.0 million, \$3.2 million more than collections in FY 2004.

Conservation Fund. The state *general* sales and use tax rate is 4.5%. Effective July 1, 1997, Act 156 of 1997, the Conservation Fund Act, levied a one-eighth of one-cent increase in the sales and use tax rate as a *special* revenue. After deductions, the remaining money is distributed to the Game Protection Fund (45%), the Department of Parks and Tourism (45%), Arkansas Department of Heritage (9%), and the Keep Arkansas Beautiful Fund (1%). Through June of FY 2005, \$53.7 million was collected. In FY 2004, \$50.1 million was collected.

Property Tax Relief Trust Fund. Acts 1 and 2 of the Second Extraordinary Session of 2000 levied a 0.5% increase in the sales and use tax rate effective January 1, 2001. This increase is *special* revenue dedicated to reimbursing Arkansas counties for the cost of homestead property tax credits created by Amendment 79 to the Arkansas Constitution. Through June of FY 2005, \$211.5 million was collected compared to \$200.0 million in FY 2004.

Educational Adequacy Fund. Act 107 of the Second Extraordinary Session of 2003 increased the state sales and use tax rate from 5.125% to 6.0%, effective March 1, 2004. It also expanded the sales and use tax base to new services and increased the wholesale vending tax rate and decal fees, effective July 1, 2004. Act 94 increased the minimum corporate franchise tax and the tax rate, effective for calendar years beginning January 1, 2004. The additional revenues are deposited as *special* revenues to the Educational Adequacy Fund to be used to fulfill the financial obligations of the state to provide an adequate educational system. In FY 2005, \$405.4 million was collected.

TABLE A: GENERAL REVENUES FOR MONTH OF JUNE 2005

	ACTUAL JUNE 2005	FORECAST JUNE 2005	ACTUAL JUNE 2004	CHANGE FROM:			
				FORECAST		LAST YEAR	
				\$	%	\$	%
INDIVIDUAL INCOME	\$189,560,090	\$182,000,000	\$180,232,314	\$7,560,090	4.2	\$9,327,776	5.2
CORPORATE INCOME	43,228,015	29,800,000	36,695,009	13,428,015	45.1	6,533,006	17.8
SALES	146,439,347	134,000,000	128,909,157	12,439,347	9.3	17,530,190	13.6
USE	25,467,781	18,600,000	21,843,463	6,867,781	36.9	3,624,319	16.6
ALCOHOLIC BEVERAGE	3,471,553	3,000,000	3,115,445	471,553	15.7	356,108	11.4
TOBACCO	13,390,489	12,400,000	12,767,646	990,489	8.0	622,843	4.9
INSURANCE PREMIUM	28,889,344	29,300,000	23,168,696	(410,656)	(1.4)	5,720,648	24.7
RACING	414,568	200,000	274,468	214,568	107.3	140,099	51.0
SEVERANCE	1,044,922	200,000	902,760	844,922	422.5	142,162	15.7
CORPORATE FRANCHISE	(28,220)	0	3,379,898	(28,220)	0.0	(3,408,118)	(100.8)
ESTATE	201,065	200,000	7,059,429	1,065	0.5	(6,858,364)	(97.2)
REAL ESTATE TRANSFER	0	0	(1,145)	0	0.0	1,145	100.0
MISCELLANEOUS	1,373,544	1,200,000	1,150,106	173,544	14.5	223,439	19.4
GROSS REVENUES	\$453,452,497	\$410,900,000	\$419,497,247	\$42,552,497	10.4	\$33,955,250	8.1
LESS:							
SCSF/COF	13,241,396	12,327,000	16,284,526	914,396	7.4	(3,043,130)	(18.7)
REFUNDS	18,921,063	27,300,000	16,836,794	(8,378,937)	(30.7)	2,084,270	12.4
CLAIMS	0	10,000,000	0	(10,000,000)	(100.0)	0	0.0
ECON DEVEL INCEN FUND	1,370,689	2,300,000	2,324,653	(929,311)	(40.4)	(953,964)	(41.0)
WTR/SWR/CLGE BONDS	0	600,000	0	(600,000)	(100.0)	0	0.0
MLA CITY/CO.	0	0	0	0	0.0	0	0.0
DESEG SETTLEMENT	2,700,000	2,700,000	1,913,334	0	0.0	786,666	41.1
EDUCATIONAL EXCELLENCE	20,491,747	20,500,000	19,494,438	(8,253)	(0.0)	997,309	5.1
ELDERLY TRANSPORTATION	229,265	200,000	200,497	29,265	14.6	28,768	14.3
EDUCATIONAL ADEQUACY	1,811,505	1,800,000	0	11,505	0.6	1,811,505	0.0
OTHER TRANSFERS	0	0	9,837,254	0	0.0	(9,837,254)	(100.0)
NET AVAILABLE	\$394,686,830	\$333,173,000	\$352,605,751	\$61,513,830	18.5	\$42,081,079	11.9
LESS: SURPLUS TO ALLOTMENT RESERVE FUND	(307,217,154)	(146,401,196)	(72,876,367)				
NET AVAILABLE DISTRIBUTION	\$87,469,676	\$186,771,804	\$279,729,385	(99,302,128)	(53.2)	(192,259,709)	(68.7)

PREPARED BY THE OFFICE OF ECONOMIC ANALYSIS AND TAX RESEARCH, DF&A.

NET AVAILABLE ESTIMATE: MAY 15, 2003, (A + B + B-1 + B-2)

REVISED MAY 4, 2004 (A + B + B-1 + B-2)

REVISED NOVEMBER 10, 2004 (A + B + B-1 + B-2)

REVISED APRIL 4, 2005 (A + B + B-1 + B-2)

TABLE B: YEAR-TO-DATE GENERAL REVENUES

	ACTUAL YTD JUNE 2005	FORECAST YTD JUNE 2005	ACTUAL YTD JUNE 2004	CHANGE FROM:			
				FORECAST		LAST YEAR	
				\$	%	\$	%
INDIVIDUAL INCOME	\$2,167,830,004	\$2,116,000,000	\$1,972,101,297	\$51,830,004	2.4	\$195,728,706	9.9
CORPORATE INCOME	298,786,001	278,200,000	238,092,035	20,586,001	7.4	60,693,966	25.5
SALES	1,647,542,888	1,623,000,000	1,559,205,850	24,542,888	1.5	88,337,038	5.7
USE	297,600,227	278,000,000	243,317,378	19,600,227	7.1	54,282,849	22.3
ALCOHOLIC BEVERAGE	34,932,292	34,000,000	33,561,335	932,292	2.7	1,370,957	4.1
TOBACCO	141,685,611	140,000,000	140,043,171	1,685,611	1.2	1,642,440	1.2
INSURANCE PREMIUM	91,912,018	92,000,000	91,314,943	(87,982)	(0.1)	597,075	0.7
RACING	4,555,828	4,200,000	4,210,665	355,828	8.5	345,163	8.2
SEVERANCE	11,199,751	8,800,000	8,594,298	2,399,751	27.3	2,605,454	30.3
CORPORATE FRANCHISE	7,674,274	8,000,000	8,381,861	(325,726)	(4.1)	(707,587)	(8.4)
ESTATE	9,089,663	9,000,000	14,014,461	89,663	1.0	(4,924,798)	(35.1)
REAL ESTATE TRANSFER	2,603,333	2,600,000	2,605,911	3,333	0.1	(2,577)	(0.1)
MISCELLANEOUS	15,163,071	15,300,000	19,094,832	(136,929)	(0.9)	(3,931,761)	(20.6)
GROSS REVENUES	\$4,730,574,959	\$4,609,100,000	\$4,334,538,035	\$121,474,959	2.6	\$396,036,924	9.1
LESS:							
SCSF/COF	141,555,070	138,273,000	137,068,425	3,282,070	2.4	4,486,646	3.3
REFUNDS	327,408,934	354,800,000	315,412,475	(27,391,066)	(7.7)	11,996,459	3.8
CLAIMS	0	10,000,000	0	(10,000,000)	(100.0)	0	0.0
ECON DEVEL INCEN FUND	11,231,547	15,800,000	10,274,883	(4,568,453)	(28.9)	956,664	9.3
WTR/SWR/CLGE BONDS	29,529,482	30,300,000	28,408,470	(770,518)	(2.5)	1,121,012	3.9
MLA CITY/CO.	7,731,743	7,700,000	8,695,774	31,743	0.4	(964,031)	(11.1)
DESEG SETTLEMENT	32,800,000	32,800,000	53,831,579	0	0.0	(21,031,579)	(39.1)
EDUCATIONAL EXCELLENCE	245,900,627	245,900,000	233,933,182	627	0.0	11,967,445	5.1
ELDERLY TRANSPORTATION	2,208,541	2,200,000	2,233,402	8,541	0.4	(24,861)	(1.1)
EDUCATIONAL ADEQUACY	21,738,033	21,700,000	0	38,033	0.2	21,738,033	0.0
OTHER TRANSFERS	(26,671,976)	(26,700,000)	(54,162,746)	28,024	(0.1)	27,490,770	(50.8)
NET AVAILABLE	\$3,937,142,958	\$3,776,327,000	\$3,598,842,592	\$160,815,958	4.3	\$338,300,367	9.4
LESS: SURPLUS TO ALLOTMENT RESERVE FUND	(307,217,154)	(146,401,196)	(72,876,367)				
NET AVAILABLE DISTRIBUTION	\$3,629,925,804	\$3,629,925,804	\$3,525,966,225	0	0.0	103,959,579	2.9

PREPARED BY THE OFFICE OF ECONOMIC ANALYSIS AND TAX RESEARCH, DF&A.

NET AVAILABLE ESTIMATE: MAY 15, 2003, (A + B + B-1 + B-2)

REVISED MAY 4, 2004 (A + B + B-1 + B-2)

REVISED NOVEMBER 10, 2004 (A + B + B-1 + B-2)

REVISED APRIL 4, 2005 (A + B + B-1 + B-2)

TABLE C
OFFICIAL GENERAL REVENUE FORECAST
FY 2005 - FY 2007

Millions of Dollars	FY 05			04/20/05			FY 06			04/20/05			FY 07		
	Actual	Increase	% CH	Estimate	Increase	% CH	Estimate	Increase	% CH	Estimate	Increase	% CH	Estimate	Increase	% CH
INDIVIDUAL INCOME	2,167.8	195.7	9.9	2,191.0	23.2	1.1	2,302.0	111.0	5.1						
CORPORATE INCOME	298.8	60.7	25.5	282.3	-16.5	-5.5	289.5	7.2	2.6						
SALES TAX	1,647.5	88.3	5.7	1,708.0	60.5	3.7	1,801.0	93.0	5.4						
USE TAX	297.6	54.3	22.3	260.0	-37.6	-12.6	269.0	9.0	3.5						
ALCOHOLIC BEVERAGE	34.9	1.4	4.1	34.5	-0.4	-1.2	35.0	0.5	1.4						
TOBACCO	141.7	1.6	1.2	139.0	-2.7	-1.9	138.0	-1.0	-0.7						
INSURANCE	91.9	0.6	0.7	93.0	1.1	1.2	94.0	1.0	1.1						
RACING	4.6	0.3	8.2	4.2	-0.4	-7.8	4.2	0.0	0.0						
SEVERANCE	11.2	2.6	30.3	9.2	-2.0	-17.9	9.5	0.3	3.3						
CORPORATE FRANCHISE	7.7	-0.7	-8.4	8.0	0.3	4.2	8.0	0.0	0.0						
ESTATE	9.1	-4.9	-35.1	0.0	-9.1	-100.0	0.0	0.0	0.0						
REAL ESTATE TRANSFER	2.6	0.0	-0.1	2.6	0.0	-0.1	2.6	0.0	0.0						
MISCELLANEOUS	15.2	-3.9	-20.6	15.3	0.1	0.9	15.3	0.0	0.0						
TOTAL GROSS	4,730.6	396.0	9.1	4,747.1	16.5	0.3	4,968.1	221.0	4.7						
PLUS: ACT 1022 (2003) (HSC)	1.7	1.7	0.0	0.0	-1.7	-100.0	0.0	0.0	0.0						
FED FISCAL RELIEF	0.0	-25.0	-100.0	0.0	0.0	0.0	0.0	0.0	0.0						
PROP. TAX RELIEF TR. FUND	25.0	0.0	0.0	18.2	-6.9	-27.4	22.0	3.9	21.2						
REVENUE ALLOT. RESERVE	0.0	0.0	0.0	0.0	0.0	0.0	34.0	34.0	0.0						
UNCLAIMED PROPERTY	0.0	-14.0	-100.0	0.0	0.0	0.0	0.0	0.0	0.0						
LESS: MCF (SCS/COF)	141.6	4.5	3.3	142.4	0.9	0.6	149.0	6.6	4.7						
INDIVIDUAL REFUNDS	292.8	33.6	13.0	331.6	38.8	13.3	344.6	13.0	3.9						
CORP REFUNDS	34.6	-21.6	-38.4	57.0	22.4	64.5	59.0	2.0	3.5						
CLAIMS RESERVE	0.0	0.0	N.A.	10.0	10.0	N.A.	10.0	0.0	0.0						
ECON DEV INCENTIVE	11.2	1.0	9.3	17.4	6.2	54.9	19.1	1.7	9.8						
WATER/SWR BONDS	5.6	1.1	24.8	7.4	1.8	31.7	8.6	1.2	16.2						
COLL SVNGS BONDS	23.9	0.0	0.0	24.0	0.1	0.4	24.0	0.0	0.0						
MLA CITY/CO TOURIST	7.7	-1.0	-11.1	7.2	-0.5	-6.9	7.2	0.0	0.0						
EDUC EXCEL TRUST	245.9	12.0	5.1	259.4	13.5	5.5	268.6	9.2	3.5						
DESEGREGATION	32.8	-21.0	-39.1	58.7	25.9	79.0	60.4	1.7	2.9						
ELDERLY TRANSPORT	2.2	0.0	-1.1	2.2	0.0	-0.4	2.2	0.0	0.0						
EDUCATIONAL ADQCY	21.7	21.7	0.0	22.9	1.2	5.3	23.7	0.8	3.5						
ADD'L HSC TRANSFER	0.0	-9.8	-100.0	0.0	0.0	0.0	0.0	0.0	0.0						
NET AVAILABLE	3,937.1	338.3	9.4	3,825.1	-112.1	-2.8	4,047.7	222.6	5.8						
LESS: SURPLUS TO ALLOTMENT															
RESERVE FUND	-307.2			0.0			0.0								
NET AVAILABLE DISTRIBUTED	3,629.9	104.0	2.9	3,825.1	195.1	5.4	4,047.7	222.6	5.8						

**TABLE D
GENERAL REVENUE HISTORY AND ECONOMIC ASSUMPTIONS**

Millions of Dollars	FY-02			FY-03			FY-04		
	Actual	Increase	% CH	Actual	Increase	%CH	Actual	Increase	%CH
INDIVIDUAL INCOME TAX	1,790.4	-14.2	(0.8)	1,831.2	40.8	2.3	1,972.1	140.9	7.7
INDIVIDUAL REFUNDS	<u>278.4</u>	<u>29.2</u>	<u>11.7</u>	<u>300.6</u>	<u>22.2</u>	<u>8.0</u>	<u>259.2</u>	<u>(41.4)</u>	<u>(13.8)</u>
NET INDIVIDUAL INCOME	1,512.1	-43.4	(2.8)	1,530.6	18.6	1.2	1,712.9	182.3	11.9
CORPORATE INCOME	218.5	(16.0)	(6.8)	226.2	7.7	3.5	238.1	11.9	5.3
CORPORATE REFUNDS	<u>55.3</u>	<u>7.1</u>	<u>14.7</u>	<u>55.3</u>	<u>(0.0)</u>	<u>(0.0)</u>	<u>56.2</u>	<u>0.9</u>	<u>1.7</u>
NET CORPORATE INCOME	163.2	(23.1)	(12.4)	170.9	7.7	4.7	181.8	11.0	6.4
SALES TAX	1,452.4	4.7	0.3	1,486.7	34.3	2.4	1,559.2	72.5	4.9
USE TAX	<u>229.4</u>	<u>(0.7)</u>	<u>(0.3)</u>	<u>228.7</u>	<u>(0.6)</u>	<u>(0.3)</u>	<u>243.3</u>	<u>14.6</u>	<u>6.4</u>
NET ECONOMIC TAX REVENUE	3,357.0	(62.5)	(1.8)	3,416.9	59.9	1.8	3,697.3	280.4	8.2
OTHER TAX REVENUE	<u>252.7</u>	<u>(8.6)</u>	<u>(3.3)</u>	<u>270.3</u>	<u>17.5</u>	<u>6.9</u>	<u>321.8</u>	<u>51.6</u>	<u>19.1</u>
GROSS GENERAL REVENUES	3,943.4	(34.8)	(0.9)	4,043.0	99.6	2.5	4,334.5	291.5	7.2
PLUS: ACT 1022 (2003) (HSC)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
GEN IMPROVEMENT	0.0	0.0	0.0	17.3	17.3	0.0	0.0	(17.3)	(100.0)
FED FISCAL RELIEF	0.0	0.0	0.0	0.0	0.0	0.0	25.0	25.0	0.0
PROPERTY TAX RELIEF TRUST FUND	0.0	0.0	0.0	0.0	0.0	0.0	25.0	25.0	0.0
REVENUE ALLOTMENT RESERVE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
UNCLAIMED PROPERTY	0.0	0.0	0.0	0.0	0.0	0.0	14.0	14.0	0.0
LESS: SCS/COF	117.9	(1.4)	(1.2)	138.0	20.1	17.0	137.1	(0.9)	(0.7)
INDIVIDUAL REFUNDS	278.4	29.2	11.7	300.6	22.2	8.0	259.2	(41.4)	(13.8)
CORPORATE REFUNDS	55.3	7.1	14.7	55.3	(0.0)	(0.0)	56.2	0.9	1.7
CLAIMS	0.0	0.0	N.A.	3.4	3.4	N.A.	0.0	(3.4)	N.A.
ECON DEVEL INCENTIVE FUND	8.5	3.8	81.9	10.9	2.3	27.3	10.3	(0.6)	(5.4)
WATER/SEWER BONDS	5.0	(0.6)	(9.9)	4.9	(0.1)	(1.8)	4.5	(0.4)	(8.1)
MLA CITY/CO TOURIST	8.2	(0.9)	(10.3)	8.1	(0.2)	(2.1)	8.7	0.6	8.0
DESEGREGATION SETTLEMENT	32.8	0.0	0.0	32.8	0.0	0.0	53.8	21.0	64.1
EDUC EXCEL TRUST FUND	228.8	4.9	2.2	229.4	0.6	0.3	233.9	4.5	2.0
ELDERLY TRANSPORTATION	2.2	(0.3)	(13.1)	2.3	0.1	4.8	2.2	(0.1)	(3.1)
COLL SVNGS BOND DEBT SRV.	23.9	(0.1)	(0.3)	23.9	0.0	0.0	23.9	(0.0)	(0.0)
EDUCATIONAL ADEQUACY	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ADD'L HSC TRANSFER	0.0	0.0	0.0	0.0	0.0	0.0	9.8	9.8	0.0
ALLOTMENT RESERVE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>72.9</u>	<u>72.9</u>	<u>0.0</u>
NET AVAILABLE REVENUES	3,182.4	(76.6)	(2.3)	3,250.8	68.4	2.1	3,526.0	275.2	8.5
ECONOMIC ASSUMPTIONS									
		FY 2002			FY 2003			FY 2004	
U.S. NOMINAL GDP (Billions \$)	10,307.5	335.0	3.4	10,745.6	438.1	4.3	11,366.1	620.5	5.8
GDP (2000\$ CHAIN WEIGHT)	9,957	81	0.8	10,181	224	2.2	10,634	453	4.4
CONS PRICE INDEX (1984=100)	178.2	3.1	1.8	182.1	4.0	2.2	186.1	3.9	2.2
NET GEN REV (Millions \$)	3,609.8	(71.1)	(1.9)	3,687.2	77.4	2.1	4,019.1	332.0	9.0
AR. STATE PERS INCOME (M\$)	62,871	2,247	3.7	64,531	1,660	2.6	68,457	3,926	6.1
NGR % of ASPI	5.742	(0.3)	(5.4)	5.714	(0.0)	(0.5)	5.871	0.2	2.8
NON-FARM PERSONAL INCOME	61,800	2,525	4.3	63,470	1,670	2.7	66,473	3,003	4.7
AR. W & S DISBURSEMENTS (M\$)	32,862	773	2.4	33,608	746	2.3	35,064	1,456	4.3
DIVIDENDS, INTEREST, AND RENT	10,591	(41)	(0.4)	10,202	(389)	(3.7)	10,354	152	1.5
AR. NON-FARM PROPR INC (M\$)	4,649.3	377.8	8.8	4,815.3	166.0	3.6	5,293.3	478.0	9.9
AR. TAXABLE SALES (B\$)	37.37	0.1	0.2	38.12	0.7	2.0	40.06	1.9	5.1
AR. W & S EMPLOYMENT	1,148,100	(10,300)	(0.9)	1,144,400	(3,700)	(0.3)	1,146,300	1,900	0.2
AR. MANUFAC EMPLOYMENT	218,860	(16,500)	(7.0)	209,800	(9,060)	(4.1)	204,520	(5,280)	(2.5)
AR. FARM INCOME (\$)	1,070.8	(278.5)	(20.6)	1,061.0	(9.8)	(0.9)	1,984.0	923.0	87.0
AR. POPULATION	2,702,000	14,800	0.6	2,719,000	17,000	0.6	2,737,200	18,200	0.7
AR PER CAPITA INCOME (\$)	23,268	709	3.1	23,733	465	2.0	25,009	1,276	5.4

TABLE E
COMPARISON OF MAY 4, 2004 GENERAL REVENUE FORECAST
TO FY 2005 ACTUAL

Millions of Dollars	FY 05 Estimate 5/04/2004	Estimated Increase Over FY 04	% CH Over FY 04	FY 05 Actual	FY 05 Actual Over Estimate	% CH Over Estimate
INDIVIDUAL INCOME	2,003.5	31.4	1.6	2,167.8	164.3	8.2
CORPORATE INCOME	234.8	-3.3	-1.4	298.8	64.0	27.3
SALES TAX	1,642.4	83.2	5.3	1,647.5	5.1	0.3
USE TAX	244.0	0.7	0.3	297.6	53.6	22.0
ALCOHOLIC BEVERAGE	33.5	-0.1	-0.2	34.9	1.4	4.3
TOBACCO	140.0	0.0	0.0	141.7	1.7	1.2
INSURANCE	91.0	-0.3	-0.3	91.9	0.9	1.0
RACING	4.1	-0.1	-2.6	4.6	0.5	11.1
SEVERANCE	7.6	-1.0	-11.6	11.2	3.6	47.4
CORPORATE FRANCHISE	8.0	-0.4	-4.6	7.7	-0.3	-4.1
ESTATE	6.2	-7.8	-55.8	9.1	2.9	46.6
REAL ESTATE TRANSFER	2.6	0.0	-0.2	2.6	0.0	0.1
MISCELLANEOUS	15.3	-3.8	-19.9	15.2	-0.1	-0.9
TOTAL GROSS	4,433.0	98.5	2.3	4,730.6	297.6	6.7
PLUS TRANSFERS						
PROPERTY TAX RELIEF TRUST FUND	25.0	0.0	0.0	25.0	0.0	0.0
FED FISCAL RELIEF	0.0	-25.0	-100.0	0.0	0.0	0.0
UNCLAIMED PROPERTY	0.0	-14.0	-100.0	0.0	0.0	0.0
LESS: SCS/COF	133.0	-4.1	-3.0	141.6	8.6	6.4
INDIVIDUAL REFUNDS	277.1	17.9	6.9	292.8	15.7	5.7
CORPORATE REFUNDS	55.0	-1.2	-2.2	34.6	-20.4	-37.0
CLAIMS	10.0	10.0	N/A	0.0	-10.0	-100.0
ECON DEVEL INCEN FUND	15.8	5.5	53.8	11.2	-4.6	-28.9
WATER/SEWER/CLGE BONDS	29.7	1.3	4.5	29.5	-0.2	-0.6
MLA CITY/CO TOURIST	7.7	-1.0	-11.5	7.7	0.0	0.4
EDUC EXCELLENCE	243.3	9.4	4.0	245.9	2.6	1.1
DESEG SETTLEMENT	32.8	-21.0	-39.1	32.8	0.0	0.0
ELDERLY TRANSP	2.2	0.0	-1.5	2.2	0.0	0.4
EDUCATIONAL ADQCY	21.5	21.5	N/A	21.7	0.2	1.1
ADD'L HSC TRANSFER	0.0	-9.8	-100.0	(1.7)	-1.7	N/A
NET AVAILABLE	3,629.9	31.1	0.9	3,937.1	307.2	8.5
LESS: SURPLUS TO ALLOTMENT RESERVE	0.0	-72.9	-100.0	307.2	307.2	N/A
NET AVAILABLE DISTRIBUTED	3,629.9	103.9	2.9	3,629.9	0.0	0.0

ECONOMIC NOTES

Most Recent Estimate of GDP Growth

Gross Domestic Product is a measure of the nation's output of domestically produced goods and services. The Commerce Department's estimate of real GDP growth uses the chain-weighted measure instead of the fixed-weighted measure used previously. The calculation better reflects yearly price fluctuations.

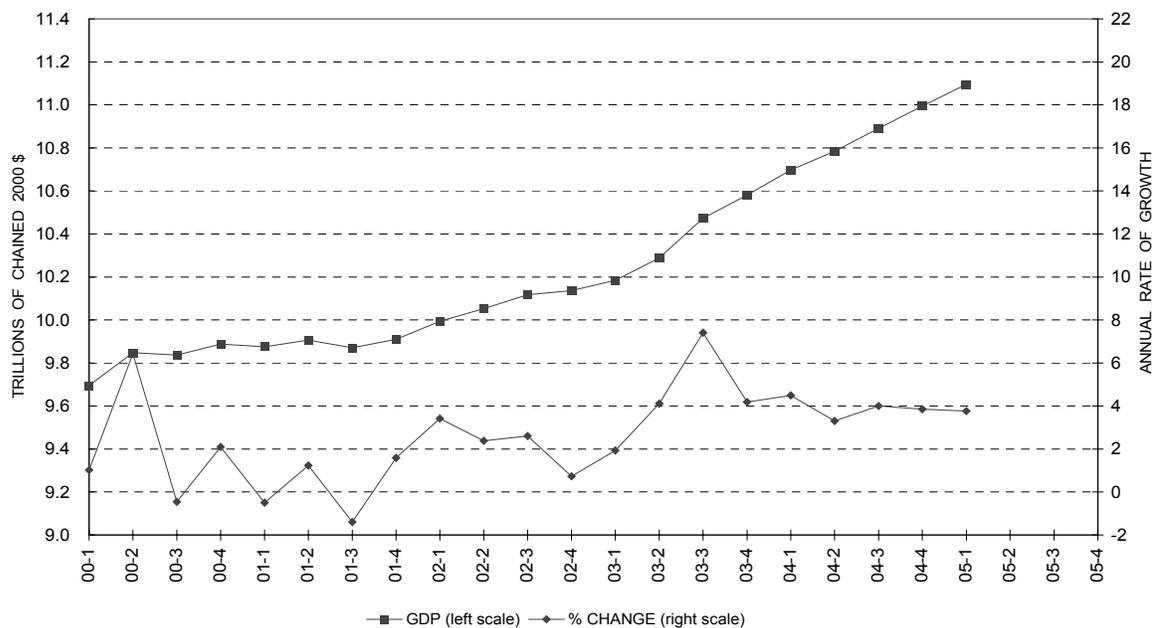
Quarterly estimates of GDP are released on the following schedule: Advance estimates, based on preliminary and incomplete source data and BEA assumptions about the missing source data, are released in the first month after the end of the quarter. Preliminary and final estimates, which incorporate additional and revised source data, are released in the second and third months, respectively.

The U.S. economy grew at a 3.8% annual rate in the first quarter of 2005 according to the Commerce Department's final estimate for GDP growth. This equals the previous quarter's growth rate. Real GDP grew 4.4% in 2004. In comparison, GDP grew by 3.0% in 2003, 1.9% in 2002, 0.8% in 2001, and 3.7% in 2000.

Quarterly estimates of GDP since the first quarter of 2000, and the annualized growth rates implied by these estimates, are displayed in the graph below.

More detailed information about Gross Domestic Product may be found at the BEA's Web site at <www.bea.gov>.

REAL GROSS DOMESTIC PRODUCT, 2000-PRESENT



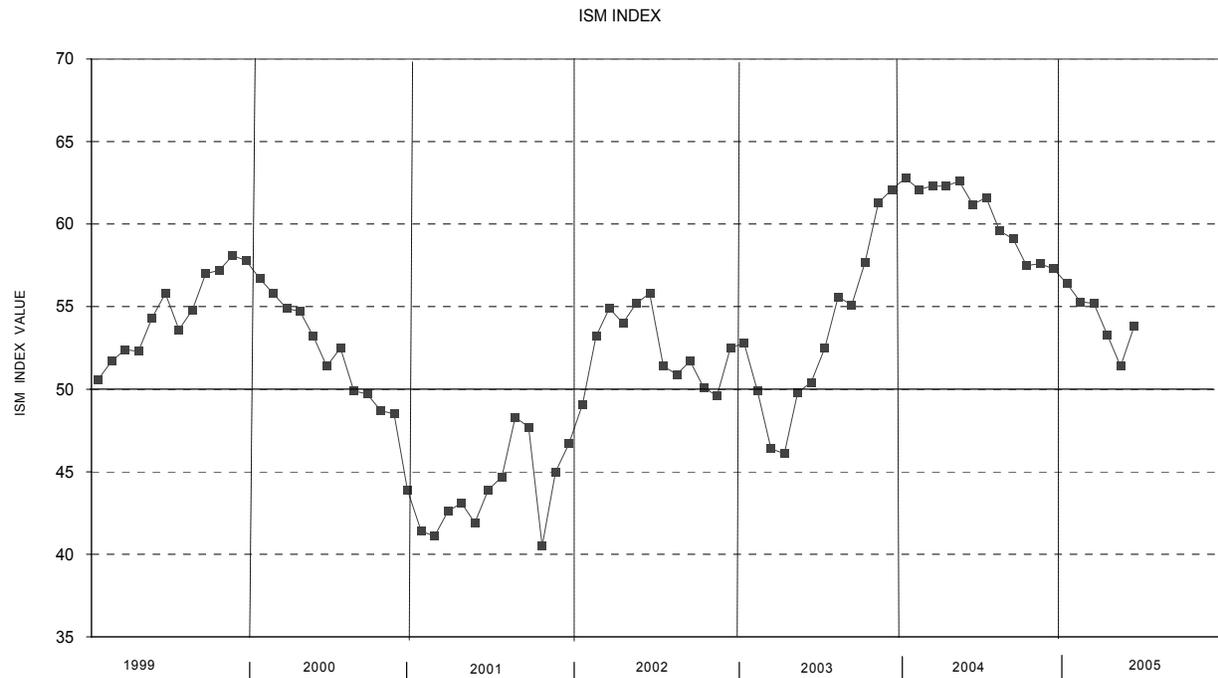
Institute for Supply Management's Purchasing Managers' Index (PMI)

The Institute for Supply Management reported that June's Purchasing Managers' Index rose from 51.4 percent to 53.8 percent, indicating higher growth in the manufacturing sector. "The manufacturing sector grew for the 25th consecutive month in June based on the ISM data," reported Norbert J. Ore, C.P.M., chair of the Institute for Supply Management's Manufacturing Business Survey Committee.

The 50 percent mark is generally interpreted as the dividing line between growth and contraction in the manufacturing sector. An index in excess of 42.7 percent, over a period of time, indicates that the **overall** economy is expanding and under 42.7 percent that it is declining. According to the index, the overall economy grew for the 44th consecutive month in June.

The Purchasing Managers' Index is based on a survey of 300 purchasing officials in a variety of manufacturing industries and gauges improvement or decline in areas such as employment, production, inventory, and new orders. This month's report reflects the U.S. Department of Commerce's recently completed annual adjustment to the seasonal factors used to calculate the indexes.

The chart below tracks performance of the Purchasing Managers' Index since January 1999.



Labor Force Statistics, Arkansas and the U.S.

The U.S. Bureau of Labor Statistics reported that seasonally adjusted nonagricultural employment in the nation in June increased 146,000 to a level of 133.5 million. This followed gains of 292,000 in April and 104,000 in May. Employment was flat in retail trade and government. Construction employment rose by 18,000. Gains were made in educational and health services (+38,000), leisure and hospitality (+19,000), and professional and business services (+56,000). Manufacturing employment fell by 24,000 in June, with losses evenly divided between durable and nondurable goods. The national unemployment rate dropped slightly to 5.0 percent.

In Arkansas, the Employment Security Department reported that nonagricultural employment (not seasonally adjusted) fell 700 to a level of 1,174,300 in June. Construction employment rose by 900. Employment in the services sector rose by 1,400, with most of the gain attributable to the gain of 1,300 in leisure and hospitality. Manufacturing employment rose by 600 as small gains were made in several subgroups. Government jobs fell by 4,900 due to the release of personnel at the end of the spring semester at state and local schools. Likewise, employment in education and health services was down 1,200. The State's seasonally adjusted unemployment rate in June fell to 4.8 percent from 5.0 percent the previous month.

Compared to June 2004, employment increased by 12,100. Gains were made in all major sectors except manufacturing and information. The largest over-the-year gain of 7,100 occurred in services. The sector with the largest percentage gain was natural resources/mining with 5.6 percent. Truck transportation employment rose 800. Manufacturing employment fell by 1,800 jobs (-0.9 percent). Industries reporting gains included machinery, electrical equipment, transportation equipment, and food. Jobs in furniture and related products declined by 800, or 9.9 percent. Arkansas' unemployment rate in June 2004 was 5.8 percent.

ARKANSAS NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT, BY INDUSTRIAL SECTOR

	JUNE 2005	MAY 2005	JUNE 2004	CHANGE SINCE:			
				LAST MONTH		LAST YEAR	
				N	%	N	%
TOTAL NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (1000s)	1174.3	1175.0	1162.2	-0.7	-0.1	12.1	1.0
NATURAL RESOURCES/MINING	7.5	7.4	7.1	0.1	1.4	0.4	5.6
CONSTRUCTION	54.2	53.3	53.2	0.9	1.7	1.0	1.9
MANUFACTURING	203.1	202.5	204.9	0.6	0.3	-1.8	-0.9
DURABLE GOODS	107.8	107.4	109.4	0.4	0.4	-1.6	-1.5
NONDURABLE GOODS	95.3	95.1	95.5	0.2	0.2	-0.2	-0.2
FOOD & KIND. PRODS.	51.8	51.7	51.3	0.1	0.2	0.5	1.0
TRANSP. & UTILITIES	64.7	64.5	64.5	0.2	0.3	0.2	0.3
TRADE	178.7	178.2	177.3	0.5	0.3	1.4	0.8
INFORMATION	20.1	20.1	20.3	0.0	0.0	-0.2	-1.0
FIN./INS./REAL EST.	52.4	51.9	51.4	0.5	1.0	1.0	1.9
SERVICES	392.9	391.5	385.8	1.4	0.4	7.1	1.8
GOVERNMENT	200.7	205.6	197.7	-4.9	-2.4	3.0	1.5

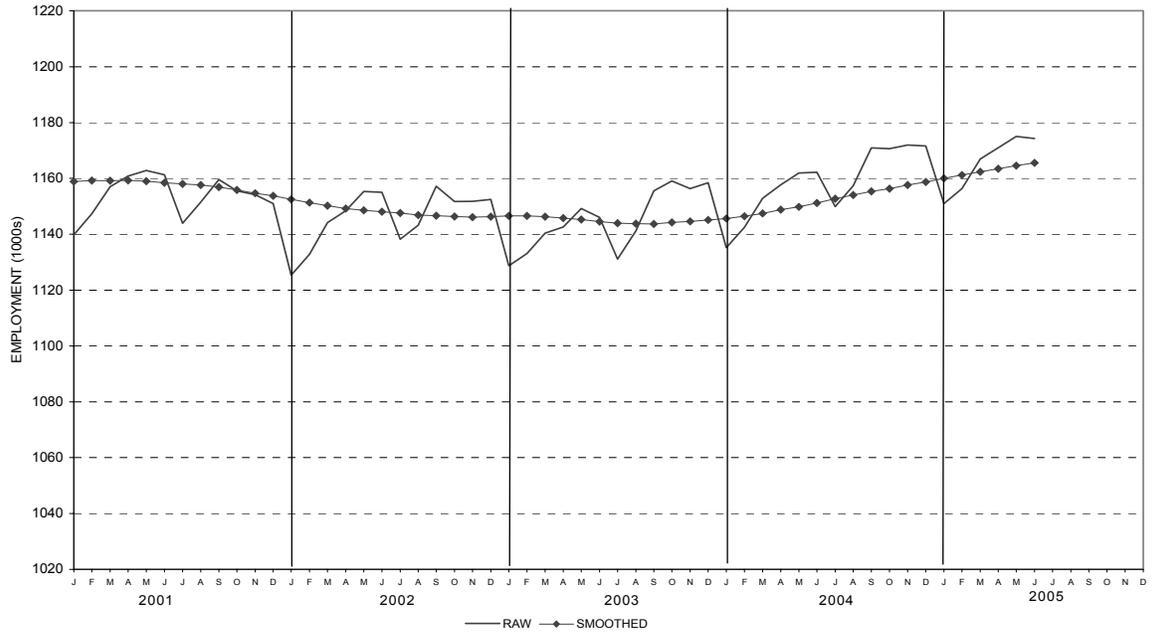
SOURCE: Arkansas Employment Security Department.

The graphs on the next page place Arkansas' employment growth patterns in a somewhat longer historical context. The upper graph shows the absolute level of nonagricultural employment in the state. The "raw" or unadjusted data show the seasonality of employment in the state, with sharp drops in employment occurring in January and July, while the "smoothed" data (12-month moving averages) reveal the underlying trends in employment.

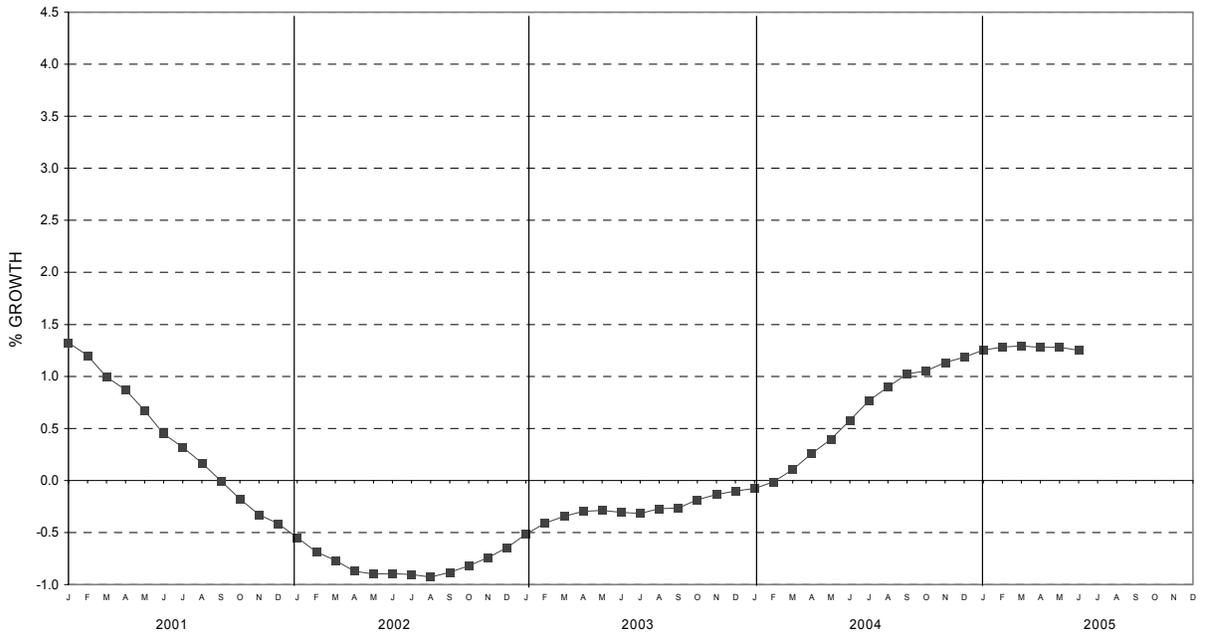
Underlying growth trends are portrayed even more clearly in the lower graph, which gives the percentage increase in employment over a 12-month period, based on the smoothed data shown above. After accounting for some seasonal factors, the annualized rate of employment growth in the state held steady at 1.3 percent in June 2005.

The data in these two graphs reflect the benchmark revisions made by ESD and BLS in January 2005 to the employment data for 2003 and 2004.

ARKANSAS' NONAGRICULTURAL EMPLOYMENT



ARKANSAS' 12-MONTH EMPLOYMENT GROWTH (BASED ON SMOOTHED DATA)



The table below places Arkansas' employment growth in comparative national perspective. For the 12-month period ending in June 2005, Arkansas' employment rate of growth of 1.3 percent ranked 30th in the nation. Over the same 12-month period, employment in the nation as a whole rose by 1.6 percent.

TOTAL NONAGRICULTURAL JOB GROWTH FOR THE U.S. AND STATES:
12 MONTHS ENDING JUNE 2005 VS. 12 MONTHS ENDING JUNE 2004

State	Rank June 2005	Percent Change	Rank June 2004	Thousands of Jobs		
				Job Growth	June 2005	June 2004
Nevada	1	6.5	1	72.6	1,189.6	1,117.0
Arizona	2	3.9	2	90.5	2,420.6	2,330.1
Florida	3	3.5	3	255.2	7,622.2	7,366.9
Utah	4	3.3	8	35.8	1,122.5	1,086.6
Oregon	5	3.2	32	50.4	1,621.9	1,571.4
Idaho	6	3.1	12	18.0	596.0	578.0
Hawaii	7	2.9	5	16.8	590.5	573.7
Montana	8	2.6	6	10.5	415.9	405.3
Virginia	9	2.4	10	84.4	3,619.6	3,535.1
Delaware	10	2.3	9	9.5	428.9	419.4
Colorado	11	2.1	42	45.3	2,203.8	2,158.5
Wyoming	12	2.1	4	5.1	258.2	253.0
New Mexico	13	2.0	7	15.7	798.5	782.8
Washington	14	2.0	19	53.0	2,727.1	2,674.0
Alabama	15	1.9	31	35.4	1,919.1	1,883.6
Maryland	16	1.8	18	43.6	2,546.5	2,502.8
New Hampshire	17	1.7	15	10.4	632.7	622.3
Alaska	18	1.7	11	4.9	306.2	301.2
California	19	1.7	38	238.0	14,661.4	14,423.3
North Carolina	20	1.7	43	62.5	3,858.4	3,795.8
Indiana	21	1.6	33	46.9	2,954.4	2,907.5
North Dakota	22	1.6	13	5.3	340.1	334.7
UNITED STATES		1.6		2,091.9	132,574.0	130,482.1
South Dakota	23	1.6	21	5.9	386.0	380.1
Vermont	24	1.5	16	4.6	305.6	301.0
Oklahoma	25	1.5	46	22.2	1,483.3	1,461.1
Kansas	26	1.5	47	19.6	1,333.6	1,313.9
Texas	27	1.4	34	131.7	9,540.4	9,408.7
Nebraska	28	1.4	24	12.7	929.7	917.0
Tennessee	29	1.3	23	34.2	2,714.2	2,680.0
Arkansas	30	1.3	22	14.3	1,165.5	1,151.1
West Virginia	31	1.2	29	9.0	740.3	731.3
Wisconsin	32	1.2	35	33.4	2,817.7	2,784.2
Minnesota	33	1.2	37	31.8	2,696.5	2,664.7
Connecticut	34	1.1	45	18.6	1,662.3	1,643.7
Iowa	35	1.1	27	16.0	1,463.4	1,447.4
New Jersey	36	1.1	25	43.8	4,030.9	3,987.1
Mississippi	37	1.1	36	11.8	1,131.3	1,119.4
Rhode Island	38	1.0	14	4.8	491.3	486.4
Maine	39	1.0	17	5.8	616.3	610.4
Georgia	40	1.0	28	37.0	3,902.3	3,865.3
Kentucky	41	0.9	30	16.8	1,805.6	1,788.8
Pennsylvania	42	0.9	39	52.2	5,670.3	5,618.0
Missouri	43	0.9	41	23.0	2,705.8	2,682.8
New York	44	0.8	40	70.3	8,486.4	8,416.0
Massachusetts	45	0.5	50	17.2	3,193.2	3,176.0
Louisiana	46	0.5	20	10.0	1,925.1	1,915.0
Ohio	47	0.5	44	24.9	5,420.4	5,395.5
Illinois	48	0.4	48	23.8	5,825.0	5,801.2
Michigan	49	-0.3	49	-13.6	4,383.3	4,397.0
South Carolina	50	-8.2	26	-148.1	1,667.1	1,815.2

SOURCE: Arizona State University's Economic Outlook Center and the U.S. Bureau of Labor Statistics

12 Month Summary of FY 2005 General Revenue Collections

	July 2004	August 2004	September 2004	October 2004	November 2004	December 2004
REVENUES						
Individual Income	\$134,515,493.48	\$148,039,903.60	\$178,722,211.07	\$151,395,565.84	\$141,583,960.15	\$151,635,798.95
Corporate Income	\$16,371,638.71	\$2,793,903.74	\$44,668,319.42	\$19,084,124.98	\$5,009,536.80	\$47,215,131.26
Sales	\$135,259,903.43	\$139,793,734.96	\$138,012,162.13	\$132,512,224.32	\$127,606,009.03	\$138,023,975.87
Use	\$25,126,021.18	\$26,214,560.36	\$24,694,444.71	\$25,219,997.04	\$24,000,495.95	\$22,938,677.23
Alcoholic Beverage	\$2,893,530.66	\$3,008,657.70	\$2,801,127.30	\$2,846,868.20	\$2,712,296.33	\$2,764,141.19
Tobacco	\$11,898,028.51	\$12,153,750.86	\$11,934,144.18	\$11,651,940.75	\$10,723,482.00	\$11,746,050.08
Insurance	\$562,674.89	\$20,505,993.59	\$678,171.83	\$593,958.31	\$20,974,973.21	\$673,277.60
Severance	\$785,543.71	\$798,800.71	\$860,280.44	\$899,681.75	\$890,919.67	\$911,316.45
Franchise	\$672,154.45	\$1,020,221.11	\$717,942.56	\$326,448.15	\$233,653.63	\$176,283.06
Estate	\$703,589.72	\$281,949.50	\$0.00	\$0.00	\$0.00	\$0.00
Real Estate Transfer	\$1,017,571.94	\$999,408.30	\$588,580.58	(\$2,227.50)	\$0.00	\$0.00
Racing	\$361,014.95	\$237,398.53	\$234,848.10	\$457,134.55	\$239,415.71	\$266,794.76
Miscellaneous	\$1,461,301.59	\$97,490.45	\$627,870.93	\$440,880.74	\$733,803.09	\$840,089.79
Gross General Revenues	\$331,628,467.22	\$355,945,773.41	\$404,540,103.25	\$345,426,597.13	\$334,708,545.57	\$377,191,536.24
DEDUCTIONS						
SCS/COF	\$9,948,854.02	\$10,678,373.20	\$12,136,203.10	\$10,362,797.91	\$10,041,256.37	\$11,315,746.09
Individual Income Tax Refunds	\$6,926,589.20	\$7,352,490.84	\$5,713,040.84	\$5,569,648.05	\$11,968,324.11	\$1,463,043.33
Corporate Income Tax Refunds	\$342,361.58	\$814,741.90	\$1,339,799.36	\$577,900.79	\$1,840,185.67	\$9,764,468.60
Claims	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Economic Development Incentive Fund	\$0.00	\$1,258,878.59	\$2,404,518.25	\$1,122,022.10	\$2,625,609.21	\$328,989.28
Water/Sewer/College Bonds	\$0.00	\$569,000.00	\$569,000.00	\$569,000.00	\$1,536,838.75	\$569,000.00
MLA City/County	\$1,932,935.75	\$0.00	\$0.00	\$1,932,935.75	\$0.00	\$0.00
Educational Excellence	\$20,491,405.17	\$20,491,747.44	\$20,491,747.44	\$20,491,747.44	\$20,491,747.44	\$20,491,747.44
Desegregation	\$2,800,000.00	\$2,700,000.00	\$2,700,000.00	\$2,800,000.00	\$2,700,000.00	\$2,700,000.00
Elderly Transportation	\$184,338.80	\$190,331.46	\$194,504.40	\$185,169.12	\$172,093.52	\$185,493.10
Educational Adequacy	1,811,475.00	1,811,505.27	1,811,505.27	1,811,505.27	1,811,505.27	1,811,505.27
Transfers In	-\$667,443.50	\$0.00	\$0.00	-\$1,004,532.53	\$0.00	-\$25,000,000.00
Net Available Revenue for Distribution	\$287,857,951.20	\$310,078,704.71	\$357,179,784.59	\$301,008,403.23	\$281,520,985.23	\$353,561,543.13

12 Month Summary of FY 2005 General Revenue Collections

	January 2005	February 2005	March 2005	April 2005	May 2005	June 2005
REVENUES						
Individual Income	\$256,257,300.31	\$140,407,354.09	\$162,313,959.63	\$354,676,114.76	\$158,722,252.13	\$189,560,089.54
Corporate Income	\$15,193,947.63	\$6,259,006.05	\$42,683,477.89	\$39,599,354.24	\$16,679,545.60	\$43,228,014.80
Sales	\$147,177,766.53	\$128,804,361.44	\$137,648,943.32	\$138,288,378.58	\$137,976,080.66	\$146,439,347.37
Use	\$27,274,680.25	\$22,544,235.97	\$22,576,246.58	\$25,302,185.76	\$26,240,900.53	\$25,467,781.33
Alcoholic Beverage	\$3,178,790.72	\$2,415,771.65	\$2,582,760.05	\$2,870,217.83	\$3,386,577.25	\$3,471,552.73
Tobacco	\$11,302,268.41	\$10,584,875.97	\$12,110,816.52	\$11,448,954.25	\$12,740,810.44	\$13,390,488.62
Insurance	\$550,171.34	\$723,611.52	\$15,824,744.18	\$1,141,837.31	\$793,260.09	\$28,889,344.05
Severance	\$852,146.33	\$827,483.70	\$1,358,296.25	\$1,047,247.07	\$923,113.48	\$1,044,921.66
Franchise	\$420,135.09	\$1,221,773.09	\$1,620,909.27	\$1,318,704.82	-\$25,731.72	-\$28,219.87
Estate	\$571,731.09	\$5,610,004.17	\$1,096,613.00	\$346,803.06	\$277,907.89	\$201,064.83
Real Estate Transfer	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Racing	\$337,960.55	\$459,300.08	\$636,231.83	\$585,411.59	\$325,749.86	\$414,567.59
Miscellaneous	\$6,375,364.75	\$1,057,925.40	\$964,708.85	\$686,705.26	\$503,385.43	\$1,373,544.23
Gross General Revenues	\$469,492,263.00	\$320,915,703.13	\$401,417,707.37	\$577,311,914.53	\$358,543,851.64	\$453,452,496.88
DEDUCTIONS						
SCS/COF	\$14,084,767.89	\$9,627,471.09	\$12,042,531.22	\$17,319,357.44	\$10,756,315.55	\$13,241,396.47
Individual Income Tax Refunds	\$26,167,076.99	\$76,406,197.14	\$63,445,645.87	\$50,363,779.13	\$25,692,610.53	\$11,696,795.29
Corporate Income Tax Refunds	\$1,648,808.48	\$2,547,647.38	\$5,246,515.20	\$1,245,119.36	\$2,051,876.08	\$7,224,268.01
Claims	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Economic Development Incentive Fund	\$521,425.63	\$84,420.77	\$650,841.31	\$0.00	\$864,153.46	\$1,370,688.79
Water/Sewer/College Bonds	\$569,000.00	\$569,000.00	\$569,000.00	\$569,000.00	\$23,440,643.07	\$0.00
MLA City/County	\$1,932,935.75	\$0.00	\$0.00	\$1,932,935.75	\$0.00	\$0.00
Educational Excellence	\$20,491,747.44	\$20,491,747.44	\$20,491,747.44	\$20,491,747.44	\$20,491,747.44	\$20,491,747.43
Desegregation	\$2,800,000.00	\$2,700,000.00	\$2,700,000.00	\$2,800,000.00	\$2,700,000.00	\$2,700,000.00
Elderly Transportation	\$167,024.30	\$159,623.20	\$189,169.40	\$172,223.50	\$179,304.50	\$229,265.32
Educational Adequacy	1,811,505.27	1,811,505.27	1,811,505.27	1,811,505.27	1,811,505.27	1,811,505.30
Transfers In	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Surplus to Allotment Reserve	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$307,217,154.49
Net Available Revenue for Distribution	\$399,297,971.25	\$206,518,090.84	\$294,270,751.66	\$480,606,246.64	\$270,555,695.74	\$87,469,675.78

OFFICIAL FORECAST OF GENERAL REVENUE AVAILABLE FOR DISTRIBUTION

FISCAL YEAR 2005

FUND ACCOUNTS	"A"	"B"	"B-1"	"B-2"	TOTAL ALLOCATIONS	FORECAST "A"+"B"+"B-1"+"B-2"	OVER / (UNDER) FY04	% (DECR)
General Education	\$1,587,868,208				\$1,587,868,208	\$1,587,868,208	\$0	0.00%
State Library	2,000,000				2,000,000	2,000,000	0	0.00%
Workforce Education	20,717,464		2,226,265		22,943,729	22,943,729	726,265	3.27%
TOTAL - PUBLIC SCHOOL FUND	\$1,610,585,672	\$0	\$2,226,265	\$0	\$1,612,811,937	\$1,612,811,937	\$726,265	0.05%
GENERAL EDUCATION FUND								
Dept. of Education	\$11,841,192				\$11,841,192	\$11,841,192	\$0	0.00%
Educational Television	3,915,547		450,000		4,365,547	4,365,547	0	0.00%
School for the Blind	4,501,356		350,000		4,851,356	4,851,356	0	0.00%
School for the Deaf	7,611,333		600,000		8,211,333	8,211,333	0	0.00%
State Library	2,792,127		150,000		2,942,127	2,942,127	0	0.00%
Dept. of Workforce Education	2,760,686				2,760,686	2,760,686	0	0.00%
Rehabilitation Services	11,580,597		475,604		12,056,201	12,056,201	0	0.00%
Subtotal - General Education	\$45,002,838	\$0	\$2,025,604	\$0	\$47,028,442	\$47,028,442	\$0	0.00%
Technical Institutes:								
Arkansas Valley TI	\$2,074,400				\$2,074,400	\$2,074,400	\$0	%0.00
Crowley's Ridge TI	2,169,741				2,169,741	2,169,741	0	%0.00
Northwest TI	2,514,789				2,514,789	2,514,789	0	%0.00
Riverside VTS	1,959,586				1,959,586	1,959,586	0	%0.00
Subtotal - Technical Inst.'s	\$8,718,516	\$0	\$0	\$0	\$8,718,516	\$8,718,516	\$0	%0.00
TOTAL GENERAL ED. FUND	\$53,721,354	\$0	\$2,025,604	\$0	\$55,746,958	\$55,746,958	\$0	%0.00
HUMAN SERVICES FUND								
DHS-Administration	\$13,526,819				\$13,526,819	\$13,526,819	\$0	0.00%
Aging and Adult Services	10,602,577				10,602,577	10,602,577	0	0.00%
Children & Family Services	39,569,687				39,569,687	39,569,687	0	0.00%
Child Care/Early Childhood Ed.	527,678				527,678	527,678	0	0.00%
Youth Services	41,782,428	2,000,000			43,782,428	43,782,428	2,000,000	4.79%
Devel. Disab. Services	47,129,849	3,100,000			50,229,849	50,229,849	3,100,000	6.58%
Medical Services	4,574,127				4,574,127	4,574,127	0	0.00%
DHS-Grants	477,861,101	71,200,000		2,500,000	551,561,101	551,561,101	73,700,000	15.42%
Mental Health Services	56,974,670			3,500,000	60,474,670	60,474,670	3,500,000	6.14%
Services for the Blind	1,770,435				1,770,435	1,770,435	0	0.00%
County Operations	39,291,910				39,291,910	39,291,910	0	0.00%
TOTAL HUMAN SERVICES FUND	\$733,611,281	\$76,300,000	\$0	\$6,000,000	\$815,911,281	\$815,911,281	\$82,300,000	11.22%

OFFICIAL FORECAST OF GENERAL REVENUE AVAILABLE FOR DISTRIBUTION

FISCAL YEAR 2005

FUND ACCOUNTS	"A"	"B"	"B-1"	"B-2"	TOTAL ALLOCATIONS	FORECAST "A"+"B"+"B-1"+"B-2"	OVER / (UNDER) FY04	% (DECR)
STATE GENERAL GOV'T FUND								
Dept. of Ark. Heritage	\$4,254,886		\$436,419		\$4,691,305	\$4,691,305	\$419	0.01%
Dept. of Labor	2,340,542				2,340,542	2,340,542	0	0.00%
Dept. of Higher Education	2,760,148		100,000		2,860,148	2,860,148	0	0.00%
Dept. of H.E.-Grants	32,727,818	334,089	1,599,292		34,661,199	34,661,199	833,995	2.47%
Dept. of Economic Development	9,356,023				9,356,023	9,356,023	0	0.00%
Dept. of Correction	201,830,355	4,700,000			206,530,355	206,530,355	4,700,000	2.33%
Dept. of Community Correction	43,873,760	1,000,000			44,873,760	44,873,760	1,000,000	2.28%
Livestock & Poultry Commission	3,407,158				3,407,158	3,407,158	0	0.00%
State Military Department	7,797,534				7,797,534	7,797,534	0	0.00%
Dept. of Parks & Tourism	19,005,279		605,190		19,610,469	19,610,469	74,451	0.38%
Dept. of Environmental Quality	3,501,452				3,501,452	3,501,452	0	0.00%
Miscellaneous Agencies	39,507,674		4,021,143		43,528,817	43,528,817	(2,606,132)	(5.65%)
TOTAL STATE GENERAL GOV'T	\$370,362,629	\$6,034,089	\$6,762,044	\$0	\$383,158,762	\$383,158,762	\$4,002,733	1.06%
OTHER FUNDS								
County Aid	\$19,741,546				\$19,741,546	\$19,741,546	\$0	0.00%
County Jail Reimbursement	\$2,806,592				2,806,592	2,806,592	(8,000,000)	(74.03%)
Crime Information Center	3,393,959				3,393,959	3,393,959	0	0.00%
Child Support Enforcement	13,014,933				13,014,933	13,014,933	0	0.00%
Forestry Commission	5,644,742				5,644,742	5,644,742	0	0.00%
Merit Adjustment Fund			21,300,000		21,300,000	21,300,000	9,200,000	76.03%
Motor Vehicle Acquisition	942,513				942,513	942,513	0	0.00%
Municipal Aid	27,506,527				27,506,527	27,506,527	0	0.00%
Dept. of Health	49,350,845		3,366,495		52,717,340	52,717,340	1,442,950	2.81%
State Police	41,273,870		3,200,000		44,473,870	44,473,870	0	0.00%
Plant Board Fund	2,196,289				2,196,289	2,196,289	0	0.00%
TOTAL OTHER FUNDS	\$165,871,816	\$0	\$27,866,495	\$0	\$193,738,311	\$193,738,311	\$2,642,950	1.38%
INST'S OF HIGHER EDUCATION								
Arkansas State University	\$46,974,718		\$1,755,977		\$48,730,695	\$48,730,695	\$860,693	1.80%
Arkansas Tech University	19,568,768		977,017		20,545,785	20,545,785	369,928	1.83%
Henderson State University	15,586,728		636,234		16,222,962	16,222,962	336,894	2.12%
Southern Arkansas University	12,554,702		590,760		13,145,462	13,145,462	235,946	1.83%
UA - Fayetteville	91,304,016		3,513,508		94,817,524	94,817,524	1,729,090	1.86%
UA - Archeological Survey	1,682,113		72,901		1,755,014	1,755,014	38,148	2.22%
UA - Agriculture	48,632,816		1,999,234		50,632,050	50,632,050	992,252	2.00%
UA - Criminal Justice Institute	1,515,569		71,579		1,587,148	1,587,148	35,915	2.32%
UA - Ft. Smith	14,924,290		662,850		15,587,140	15,587,140	371,730	2.44%
UA-Little Rock	44,787,361	2,000,000	1,835,189		48,622,550	48,622,550	2,996,800	6.57%
UA-Medical Sciences	65,606,236		3,564,643	150,000	69,320,879	69,320,879	2,402,930	3.59%
UAMS - Indigent Care	4,804,860		129,847		4,934,707	4,934,707	(1)	(0.00%)
UA-Monticello	12,635,276		419,602		13,054,878	13,054,878	224,106	1.75%
UA-Pine Bluff	21,512,493	385,668	659,946		22,558,107	22,558,107	697,075	3.19%
University of Central Arkansas	37,695,628		1,473,029		39,168,657	39,168,657	738,805	1.92%
Sub-Total Four Year	\$439,785,574	\$2,385,668	\$18,362,316	\$150,000	\$460,683,558	\$460,683,558	\$12,030,311	2.68%

OFFICIAL FORECAST OF GENERAL REVENUE AVAILABLE FOR DISTRIBUTION

FISCAL YEAR 2005

FUND ACCOUNTS	"A"	"B"	"B-1"	"B-2"	TOTAL ALLOCATIONS	FORECAST "A"+"B"+"B-1"+"B-2"	OVER / (UNDER) FY04	% (DECR)
INST'S OF HIGHER EDUCATION CONTINUED:								
Two Year Institutions:								
Arkansas Northeastern College	\$7,314,919				\$7,314,919	\$7,314,919	\$0	0.00%
Arkansas State University - Beebe	\$9,306,390				9,306,390	9,306,390	\$0	0.00%
Arkansas State Univ.-Mountain Home	2,366,796				2,366,796	2,366,796	0	0.00%
Arkansas State University - Newport	2,050,323				2,050,323	2,050,323	0	0.00%
Cossatot Cmty. College of the UA	2,245,065				2,245,065	2,245,065	0	0.00%
East Arkansas Cmty. College	4,994,759				4,994,759	4,994,759	0	0.00%
Mid-South Cmty. College	2,536,399				2,536,399	2,536,399	0	0.00%
National Park Cmty. College	7,267,530				7,267,530	7,267,530	0	0.00%
North Arkansas College	6,659,532				6,659,532	6,659,532	0	0.00%
NorthWest Arkansas Cmty. College	5,823,788				5,823,788	5,823,788	0	0.00%
Phillips Cmty. College of the UA	7,635,269				7,635,269	7,635,269	0	0.00%
Rich Mountain Cmty. College	2,605,870				2,605,870	2,605,870	0	0.00%
Southern Ark. University - Tech	5,858,484				5,858,484	5,858,484	0	0.00%
South Arkansas Cmty. College	5,028,984				5,028,984	5,028,984	0	0.00%
U of A - Cmty. College at Batesville	2,747,147				2,747,147	2,747,147	0	0.00%
U of A - Cmty. College at Hope	3,462,943				3,462,943	3,462,943	0	0.00%
U of A - Cmty. College at Morrilton	3,239,560				3,239,560	3,239,560	0	0.00%
Two-Year College Model Formula	2,851,107		4,832,658		7,683,765	7,683,765	2,257,320	41.60%
Sub-Total Two Year	\$83,994,865	\$0	\$4,832,658	\$0	\$88,827,523	\$88,827,523	\$2,257,320	2.61%
Technical Colleges:								
Black River	\$4,410,588				\$4,410,588	\$4,410,588	\$0	0.00%
Ouachita	2,394,144				2,394,144	2,394,144	0	0.00%
Ozarka	2,052,535				2,052,535	2,052,535	0	0.00%
Pulaski	6,316,028				6,316,028	6,316,028	0	0.00%
Southeast Arkansas College	3,874,179				3,874,179	3,874,179	0	0.00%
Sub-Total Technical Colleges	\$19,047,474	\$0	\$0	\$0	\$19,047,474	\$19,047,474	\$0	0.00%
TOTAL INST'S OF HIGHER ED.	\$542,827,913	\$2,385,668	\$23,194,974	\$150,000	\$568,558,555	\$568,558,555	\$14,287,631	2.58%
GRAND TOTAL	\$3,476,980,665	\$84,719,757	\$62,075,382	\$6,150,000	\$3,629,925,804	\$3,629,925,804	\$103,959,579	2.95%

Prepared by DFA-Office of Budget 5/19/03

**EDUCATIONAL EXCELLENCE TRUST FUND
OFFICIAL FORECAST
FISCAL YEAR 2005**

<u>FUND ACCOUNT</u>	<u>FY05 ORIGINAL FORECAST</u>	<u>FY05 REVISED FORECAST</u>	<u>DIFFERENCE</u>
DEPT. OF EDUCATION PUBLIC SCHOOL FUND:	<u>\$163,399,629</u>	<u>\$165,146,203</u>	<u>\$1,746,574</u>
WORKFORCE EDUCATION PUBLIC SCHOOL FUND:	<u>\$9,987,401</u>	<u>\$10,094,156</u>	<u>\$106,755</u>
DEPARTMENT OF EDUCATION FUND ACCOUNT:	<u>\$800,519</u>	<u>\$809,075</u>	<u>\$8,557</u>
DEPARTMENT OF WORKFORCE EDUCATION FUND:	<u>\$2,997,413</u>	<u>\$3,029,453</u>	<u>\$32,039</u>
HIGHER EDUCATION GRANTS FUND ACCT:	<u>\$11,017,510</u>	<u>\$11,135,276</u>	<u>\$117,766</u>
SCHOOL FOR MATH, SCIENCE AND ARTS FUND:	<u>\$5,961,509</u>	<u>\$6,025,232</u>	<u>\$63,722</u>
INSTITUTIONS OF HIGHER EDUCATION:			
Four Year Institutions:			
Arkansas State University	\$5,034,288	\$5,088,100	\$53,811
Arkansas Tech University	1,687,527	1,705,565	\$18,038
Henderson State University	1,745,668	1,764,327	\$18,659
Southern Arkansas University	1,032,077	1,043,109	\$11,032
UA - Fayetteville	12,492,350	12,625,881	\$133,530
UA - Little Rock	4,433,134	4,480,520	\$47,386
UA Medical Center	7,632,988	7,714,577	\$81,589
UAMS - Indigent Care	189,938	191,969	\$2,030
UA - Monticello	890,715	900,236	\$9,521
UA - Pine Bluff	1,546,262	1,562,790	\$16,528
University of Central Arkansas	3,841,900	3,882,966	\$41,066
Two Year Institutions:			
Arkansas Northeastern College	602,105	608,541	\$6,436
ASU - Beebe	1,201,088	1,213,926	\$12,838
East Arkansas Community College	628,559	635,278	\$6,719
National Park Community College	940,099	950,147	\$10,049
North Arkansas College	371,220	375,188	\$3,968
Northwest Arkansas Community College	830,805	839,685	\$8,880
Phillips Community College - U of A	612,131	618,675	\$6,543
Rich Mountain Community College	165,917	167,690	\$1,773
SAU - Tech	269,465	272,345	\$2,880
South Arkansas Community College	429,889	434,484	\$4,595
UA - Fort Smith	<u>2,557,893</u>	<u>2,585,235</u>	<u>\$27,341</u>
TOTAL INSTITUTIONS OF HIGHER EDUCATION	<u>\$49,136,019</u>	<u>\$49,661,233</u>	<u>\$525,214</u>
 GRAND TOTAL	 <u><u>\$243,300,000</u></u>	 <u><u>\$ 245,900,627</u></u>	 <u><u>\$2,600,627</u></u>

August 16, 2004
DFA- Office of Budget

FINANCIAL INFORMATION SOURCES STATE OF ARKANSAS

FINANCIAL ORGANIZATIONS AND MANAGEMENT

The following state organizations share responsibility for statewide financial management: The General Assembly, the Office of the Budget and the Office of Accounting of the Department of Finance and Administration, the Governor, the Treasurer, and the Division of Legislative Audit.

The General Assembly has responsibility for legislating the level of state services and appropriating the funds for operations of state agencies. The Office of Budget prepares the Executive Budget with the advice and consent of the Governor. The Office of Budget also monitors the level and type of state expenditures. The Accounting Division has the responsibility for maintaining fund and appropriation control and, through the Pre-audit Section and in conjunction with the State Treasurer, has responsibility for the disbursement process. The Treasurer has responsibility for disbursement, bank reconciliation, and investment of state funds (with the advice of the State Board of Finance). The Division of Legislative Audit has responsibility for performing financial post-audits of state agencies.

BUDGET AND APPROPRIATION PROCESS

State agencies submit biennial budget requests to the Office of Budget of the Department of Finance and Administration. The Office of Budget prepares the Executive Budget based on estimates of general revenues as prepared by the Office of Economic Analysis and Tax Research of DFA. The Executive Budget contains the budget amount recommended by the Governor.

The General Assembly appropriates money after consideration of both the Executive Budget and the revenue estimate. The appropriation process begins in the joint House-Senate Budget Committee and then proceeds through both houses of the General Assembly. Legislative appropriations are subject to the Governor's approval or veto, including the authority of line-item veto.

The General Assembly also must amend the Revenue Stabilization Act to provide for an allotment process of funding appropriations in order to comply with state law prohibiting deficit spending. The Governor may restrict spending below the level of appropriations.

REVENUE STABILIZATION LAW

Act 750 of 1973, as amended, established the State's Revenue Stabilization Law. This law and related legislation govern the administration and distribution of State revenues.

Pursuant to the Stabilization Law, all general and special revenues are deposited into the General Revenue Allotment Account and the Special Revenue Allotment Account according to the type of revenue being deposited. From the General Revenues Fund, 3% of all general revenues are first distributed to the Constitutional Officers Fund and the Central Services Fund to provide support for the States' elected

officials and their staffs and the Department of Finance and Administration.

The balance is then distributed to separate funds proportionately as established by the Stabilization Law. From the Special Revenue Fund, 3% of all special revenues collected by DFA and 1.5% of all special revenues collected by other agencies are first distributed to provide support for the State's elected officials, their staffs, and DFA. The balance is then distributed to the funds for which the special revenues were collected.

Special revenues, which are primarily user taxes, are generally earmarked for the program or agency providing the related services.

General revenues are transformed into funds established and maintained by the Treasurer for major programs and agencies of the state in accordance with fund priorities established by the General Assembly.

According to the Stabilization Law, the General Assembly establishes three levels of priority for general revenue spending, levels "A", "B", and "C". Successive levels of appropriations are funded only in the event sufficient revenues have been generated to fully fund any prior level. Accordingly, appropriations made to programs and agencies are only maximum authorizations to spend. Actual expenditures are limited to the lesser of (1) moneys flowing into a program or agencies' fund maintained by the Treasurer or (2) the maximum appropriation by the General Assembly.

Because state revenues are not collected throughout the year in a pattern consistent with program and agency expenditures, a budget revolving fund, which receives interest earnings for State fund investments, has been established and is utilized to assure proper cash flow during any period.

For more detailed information, please see:

- State of Arkansas, Biennial Budget, prepared by the Office of Budget, DFA.
- Annual Financial Report, prepared by the Office of Accounting, DFA.
- State of Arkansas, Biennial Report, prepared by the Treasurer of the State.
- Arkansas Legislative Tax Handbook, prepared by the Arkansas Legislative Council.
- Selected Statistical Financial Data for Arkansas (referred to as the A & B Books), prepared by the Arkansas Legislative Council.

STATE OF ARKANSAS
Special Revenues Monthly and Year to Date Collections
For Month Ending June 30, 2005

	Month				Year-To-Date			
	June 2004	June 2005	Increase/Decrease Amount	Percent	June 2004	June 2005	Increase/Decrease Amount	Percent
Taxes, Fees, Licenses & Permits								
Conservation Tax Act Act 156/97	4,185,880.26	4,694,696.95	508,816.69	12.16%	50,132,356.25	53,714,287.40	3,581,931.15	7.14%
Corporate Income Tax Est. Act 1052/91	1,033,225.22	1,097,480.08	64,254.86	6.22%	12,398,699.01	13,169,754.69	771,055.68	6.22%
Estate Tax Act 590/93	0.00	0.00	0.00	N/A	7,380,543.06	4,703,830.06	(2,676,713.00)	-36.27%
Motor Fuel Tax Act 445/73	3,581,234.58	1,770,842.40	(1,810,392.18)	-50.55%	22,643,074.99	20,674,901.44	(1,968,173.55)	-8.69%
Gasoline Tax	34,184,062.57	35,558,808.63	1,374,746.06	4.02%	414,050,594.61	414,467,024.41	416,429.80	0.10%
Premium Tax Fire Tornado & Marine	(12,384,091.12)	(12,072,614.47)	311,476.65	-2.52%	30,686,351.33	33,074,131.57	2,387,780.24	7.78%
Real Estate Transfer Tax Act 729/87	3,860,512.70	4,045,937.50	185,424.80	4.80%	30,770,091.98	36,540,278.32	5,770,186.34	18.75%
Motor Fuel Tax Act 437/79	1,790,617.29	1,770,842.40	(19,774.89)	-1.10%	20,852,457.70	20,674,901.44	(177,556.26)	-0.85%
Rice Assessment Act 725/85	146,603.31	289,353.21	142,749.90	97.37%	5,732,724.28	5,501,544.10	(231,180.18)	-4.03%
Auto License Fees	10,727,958.78	11,907,648.14	1,179,689.36	11.00%	103,969,610.90	110,020,773.22	6,051,162.32	5.82%
Pollution control Permit Fees Act 817/83	303,276.90	189,104.20	(114,172.70)	-37.65%	10,090,682.46	10,412,848.18	322,165.72	3.19%
Waste Mgmt. Recycle Act 849/89	7,765.24	237,836.01	230,070.77	2962.83%	6,675,392.64	7,302,867.80	627,475.16	9.40%
Utility Assessment	0.00	0.00	0.00	N/A	8,197,012.00	7,567,107.00	(629,905.00)	-7.68%
Insurance Dept. Fees Act 652/93	1,327,632.04	7,127,692.90	5,800,060.86	436.87%	13,858,809.77	19,311,668.65	5,452,858.88	39.35%
Game Protection License	1,337,821.22	1,646,703.32	308,882.10	23.09%	19,341,562.09	19,981,401.70	639,839.61	3.31%
Overload Permits	595,992.01	684,956.90	88,964.89	14.93%	6,503,353.76	7,250,417.52	747,063.76	11.49%
Property Tax Relief	16,698,695.60	18,771,405.86	2,072,710.26	12.41%	200,051,681.33	211,516,147.55	11,464,466.22	5.73%
Educational Adequacy Fund	28,948,880.16	38,147,221.97	9,198,341.81	31.77%	97,547,085.23	383,644,178.74	286,097,093.51	293.29%
All other taxes, fees, permits & licenses	9,658,620.97	15,285,128.90	5,626,507.93	58.25%	126,870,846.88	144,232,064.18	17,361,217.30	13.68%
TOTAL	106,004,687.73	131,153,044.90	25,148,357.17	23.72%	1,187,752,930.27	1,523,760,127.97	336,007,197.70	28.29%

**DEPARTMENT OF FINANCE & ADMINISTRATION
DIVISION OF REVENUE**

P.O. Box 1272
Little Rock, AR 72203
(501) 682-7000

Commissioner of Revenue..... Tim Leathers
Assistant Commissioner for Operations & Administration Preston Means
Assistant Commissioner for Policy & Legal..... John Theis

Taxpayer Assistance Office..... 682-7751
Office of Motor Vehicle 682-4630
Office of Excise Tax Administration..... 682-7200
Office of Income Tax Administration..... 682-1130

Arkansas State Revenue Tax Quarterly, a quarterly newsletter, is published by the Revenue Division. For more information, contact the Taxpayer Assistance Office.

The Department of Finance and Administration has a home page on the World Wide Web. The page contains several tax forms and useful information. The address is <http://www.accessarkansas.org/dfa/>. In addition, the Office of Economic Analysis and Tax Research posts this publication, *Arkansas Fiscal Notes*, on the DFA web site. The address is http://www.accessarkansas.org/dfa/revenues_budgets.html.

**STATEMENT OF GROSS TAX COLLECTIONS
GENERAL, SPECIAL, AND TRUST REVENUES**

The statement of gross tax collections on the following pages reports only general and special revenues collected by the Revenue Division of the Department of Finance and Administration. Insurance premium taxes are collected by the Insurance Department and the corporate franchise tax by the Office of Secretary of State. The revenues from these two taxes are reported in Tables A and B. In addition to these two offices, general revenues are also collected by other offices, agencies, and commissions, such as the State Auditor, State Securities Board, et al., and are summarized under "Miscellaneous" collections in Tables A and B. A detailed listing of these revenue sources can be found in the *Arkansas Revenue Report* published monthly by the Bureau of Legislative Research, Office of Tax and Economic Policy (tel # 682-1937).

Additionally, the "Gross Receipts" reported on this statement includes sales tax, use tax, beverage excise tax, 10% mixed drink tax, and the gross receipts tax permit.

June 2005

DEPARTMENT OF FINANCE & ADMINISTRATION
REVENUE DIVISION
LITTLE ROCK, ARKANSAS
STATEMENT OF GROSS TAX COLLECTIONS

Page 1 of 5
C1L003
(ON FISCAL YEAR BASIS)

Special Revenues		Jun 2005	Jun 2004	12 Months 2005	12 Months 2004
101	Auto License Fees:	11,904,280.95	10,734,276.58	109,990,444.52	103,992,174.11
102	Auto Title Transfer	344,604.00	333,356.00	3,727,867.60	3,749,448.64
103	Auto Intransit Fees:	24.00	18.00	177.00	222.00
104	Drive Out License:	1,894.00	1,476.00	20,882.00	17,630.00
105	Mtr.Vehicle Trip Permits:	51,282.00	14,883.00	309,384.45	306,831.80
106	Transfer Building Fund:	.00	.00	.00	.00
107	Drivers Test Fee 782 Of 91:	60,150.00	56,581.00	614,530.51	585,862.23
108	Commerical Driver License Fund Act 241:	55,170.85	50,598.15	633,421.49	674,836.36
109	Boat Registration:	195,806.15	119,033.65	1,044,845.70	894,128.10
110	Cotton Trailer Reg. Act 68 Of 92:	3,247.00	2,556.00	47,915.00	48,365.00
111	Commerical Driver License Test Act 241/198:	58,500.53	41,947.10	604,440.21	450,145.72
112	Commerical Driver License Test Act 241/1989:	130,052.67	122,530.91	1,548,652.36	1,449,094.59
113	Special Driver Fees:	74,822.50	68,163.00	756,884.59	769,245.26
114	Driver Search Fees:	678,653.33	641,077.09	8,098,757.64	7,540,976.41
115	Breast Cancer/Komen Plate 1004/03	5,925.00	3,225.00	57,400.00	25,000.00
116	DWI Act 918/1983 (Alc & Drug):	.00	.00	.00	.00
117	Alternative Fuel Fund Act 121/03	.00	60.56	109.94	431,617.19
118	Add Court Cost (Alc Drug 1/2):	.00	.00	.00	.00
119	Add'l Court Cost Act #185:	.00	.00	.00	.00
120	Crime Victims Reparation:	.00	.00	.00	.00
121	Motor Fuel Tax:	34,043,123.89	34,550,415.17	399,504,924.38	406,282,619.24
122	Motor Fuel Act #445:	1,770,842.40	1,790,617.29	20,674,901.44	20,852,457.70
123	Motor Fuel Act #437:	1,770,842.40	1,790,617.29	20,674,901.44	20,852,457.70
124	Public School Act 201/39	.00	.00	30,000.00	30,000.00

June 2005

DEPARTMENT OF FINANCE & ADMINISTRATION
REVENUE DIVISION
LITTLE ROCK, ARKANSAS
STATEMENT OF GROSS TAX COLLECTIONS

Page 2 of 5
C1L003
(ON FISCAL YEAR BASIS)

<u>Special Revenues</u>	<u>Jun 2005</u>	<u>Jun 2004</u>	<u>12 Months 2005</u>	<u>12 Months 2004</u>
125 Severance Tax 1/4:	281,339.99	250,575.03	3,245,823.74	2,565,903.22
126 Severance Act #310:	2,782.28	2,971.33	32,573.44	35,867.81
127 Severance Act #759 of 1979:	7,984.42	5,216.05	64,163.26	59,870.68
128 Timber Severance:	449,323.51	286,258.23	3,931,308.57	4,013,676.32
129 Add'l Severance/Coal Act #560:	.00	.00	.00	.00
130 Add'l Severance Act #761:	129,599.56	149,061.16	1,437,180.24	1,436,243.85
131 Add'l Severance/Brine Act #874:	17,964.93	11,736.11	144,367.33	134,709.03
132 SoyBean State Act #259:	57,771.08	26,385.92	1,783,982.18	1,921,966.73
133 Wheat Promotion:	922.65	632.47	287,637.95	253,359.84
134 Rice Promotion:	289,353.21	146,603.31	5,501,544.10	5,732,724.28
135 Real Estate Transfer Act #754:	.00	.00	60,000.00	60,000.00
136 Real Estate Transfer Act #754:	134,863.17	128,682.40	1,234,588.47	1,052,584.30
137 Real Estate Transfer Act #729-80%	2,157,844.15	2,058,950.41	20,713,734.22	17,801,624.79
138 Real Estate Transfer Act #729-10%:	269,730.53	257,368.84	2,589,217.09	2,225,203.55
139 Real Estate Transfer Act 729-10%:	269,730.53	257,368.84	2,589,217.09	2,225,203.55
140 Beef Council State:	37,663.00	33,764.50	488,758.35	501,329.78
141 Wine Tax Act #906:	.00	888.79	13,770.30	12,200.02
142 Chooselife ADP 344/03	.00	3,552.50	37,534.00	12,887.00
143 Sales Tax Aviation Act #449:	393,078.88	265,775.72	4,346,522.99	3,349,792.78
144 Rental Car Search 1359/99	113.00	54.00	1,148.00	836.00
145 Dog Racing Act #382:	.00	.00	.00	.00
146 ABC Application Fees Act #675:	100.00	525.00	8,657.50	6,815.00
147 DWI Reinstatement Act 802/95:	14,008.75	13,544.65	165,430.06	165,804.80
148 Vision Test/Photo ID	154,983.50	143,681.00	1,680,827.54	1,622,202.84

June 2005

DEPARTMENT OF FINANCE & ADMINISTRATION
REVENUE DIVISION
LITTLE ROCK, ARKANSAS
STATEMENT OF GROSS TAX COLLECTIONS

Page 3 of 5
C1L003
(ON FISCAL YEAR BASIS)

<u>Special Revenues</u>	<u>Jun 2005</u>	<u>Jun 2004</u>	<u>12 Months 2005</u>	<u>12 Months 2004</u>
149 Beef Council-National:	37,663.00	33,764.50	488,758.39	501,329.78
150 Brucellosis Control Fund:	63,060.00	59,397.00	789,236.69	801,679.00
151 DWI Additional Act 631/316 Of 91:	.00	.00	.00	.00
152 Waste Tire Fee #749 Of 91:	364,437.18	368,157.43	4,432,622.16	4,447,761.88
153 Swine Testing #1105 Of 91:	3.00	7.00	477.00	696.00
154 DWI Reinstatement #802/95:	66,041.25	63,853.35	779,884.56	781,651.20
155 Rural Health Act 210/39	124,845.00	138,800.00	260,610.50	426,038.50
156 Severance Tax #761 Of 83:	.00	.00	.00	.00
157 SoyBean Act #340/91-Nation:	57,771.00	26,385.87	1,783,981.36	1,921,966.05
158 Choose Life Plate	.00	72.50	766.00	23,188.00
159 Motor Fuel Interstate User:	1,515,684.74	1,423,645.11	14,958,690.73	9,739,748.75
160 Midsouth Community College 1488/01	2,541.98	7,680.51	56,580.05	47,265.09
161 Sales Tax Per Fees Act #620/93:	47,800.00	87,135.00	607,665.80	579,434.49
162 MV Validate Decal Act #974/97:	247,599.00	227,758.00	2,492,719.00	2,444,110.00
163 Liab Insurance Reinstatement #357/93:	1,320.00	2,120.00	21,880.00	23,270.00
164 ASP Ins Prem 1500/01	251,175.61	241,991.36	2,949,433.84	2,962,786.00
165 Vin Inspection 1329/03	1,175.00	2,750.00	15,825.00	35,200.00
166 DUI Reinstatement Act #863/93:	1,152.00	1,388.00	15,516.00	15,140.00
167 Weatherization Asst. Act. 121/03	.00	141.30	256.50	1,007,106.80
168 Waste Tire Fee PCE Act #1292/97:	31,690.19	32,013.65	383,675.41	386,761.45
169 Catfish Promo Board Act #790/99:	5,314.61	21,861.47	154,091.09	156,796.60
170 Game Protect Fund Act #1566/99:	54,650.00	47,950.00	551,052.50	530,750.00
171 Property Tax Relief Act #1492/99:	18,771,251.02	16,698,695.60	211,515,333.11	200,048,342.55
172 Special Plate Fee 93 Session:	119,161.00	104,319.00	1,187,875.25	1,105,033.00

June 2005

DEPARTMENT OF FINANCE & ADMINISTRATION
REVENUE DIVISION
LITTLE ROCK, ARKANSAS
STATEMENT OF GROSS TAX COLLECTIONS

Page 4 of 5
C1L003
(ON FISCAL YEAR BASIS)

<u>Special Revenues</u>	<u>Jun 2005</u>	<u>Jun 2004</u>	<u>12 Months 2005</u>	<u>12 Months 2004</u>
173 Installment Fee Act #1262/95:	.00	.00	.00	.00
174 PUBLIC SCHOOL FACILITY 70/04	2,528,524.00	.00	3,556,682.42	.00
175 Conservation Fund Act #156/97:	4,693,370.95	4,185,880.26	53,712,961.40	50,132,356.25
176 Avia Aeronautics Act #924/97:	62,635.18	44,536.34	1,702,915.23	1,211,110.76
177 Ar Corn/Sorghm Brd Act #271/97:	5,880.91	1,352.50	318,355.99	465,263.56
178 Administration Just Fund Act #788/97:	1,213,769.12	1,158,142.21	9,043,512.71	7,405,475.79
179 DIS Waste Tire Fee Act #1292/97:	62,811.15	55,797.30	672,870.75	582,068.87
180 Insurance Act #991/97:	.00	.00	.00	.00
181 Aging & Adult Svcs Act 1698/01	92,434.45	82,642.58	966,800.08	976,023.78
182 DHS Grant Fund Act 1698/01	92,434.45	82,642.58	966,800.08	976,023.78
183 Breast Cancer Research 1698/01	90,522.03	80,932.74	946,797.36	964,080.28
184 Breast Cancer Control 1698/01	362,088.06	323,730.94	3,787,189.34	3,823,320.49
185 General Improve Fund 1681/01	.00	.00	4,703,830.06	7,380,543.06
186 Driver Confirmation Act 1810/01	21.60	24.90	299.80	331.00
187 AR School For Deaf Act 1556/01	.00	.00	39.00	35.00
188 AR School for Blind Act 1556/01	.00	.00	39.00	35.00
189 Duplicate Drivers License	319,978.75	242,320.50	3,403,388.25	2,428,603.85
190 Educ/Adeq. 108/03	32,864,026.25	28,948,880.16	372,459,663.85	97,547,085.23
191 Firefighters Memorial Fund 28/05	285.00	.00	296.00	.00
192 In God We Trust Plate 727/05	.00	.00	.00	.00
193 AR RX FUND	.00	.00	.00	.00

June 2005

DEPARTMENT OF FINANCE & ADMINISTRATION
REVENUE DIVISION
LITTLE ROCK, ARKANSAS
STATEMENT OF GROSS TAX COLLECTIONS

Page 5 of 5
C1L003
(ON FISCAL YEAR BASIS)

Total Special Revenues	\$ 119,971,496.29	\$ 109,161,797.71	\$ 1,318,387,798.95	\$ 1,016,022,330.06
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June 2005

DEPARTMENT OF FINANCE & ADMINISTRATION
REVENUE DIVISION
LITTLE ROCK, ARKANSAS
STATEMENT OF GROSS TAX COLLECTIONS

Page 6 of 3
C1L003
(ON FISCAL YEAR BASIS)

<u>General Revenues</u>		<u>Jun 2005</u>	<u>Jun 2004</u>	<u>12 Months 2005</u>	<u>12 Months 2004</u>
201	Cigarette Tax:	11,512,830.20	11,049,838.15	121,650,803.20	119,751,544.26
202	Tobacco Permits Act 1337/97:	113,525.00	126,785.00	429,683.32	432,961.05
203	Cigar & Tobacco Tax:	1,716,655.14	1,590,430.24	19,211,494.32	19,443,361.02
204	Cigarette Paper Tax:	47,478.28	32,236.25	451,449.37	528,476.75
205	Beer Tax:	1,085,321.97	1,009,917.47	12,265,543.99	12,319,223.35
206	Beer Enforcement Act #271:	36,168.05	33,655.22	408,745.85	410,534.68
207	Liquor Tax:	502,108.69	563,643.09	6,845,952.25	6,628,985.18
208	Liquor Enforcement:	16,831.07	18,538.30	222,127.12	214,990.01
209	Wine Tax \$.70 Per Gallon:	16,345.37	12,443.11	168,888.33	169,552.21
210	Wine Enforcement:	2,802.52	2,774.58	39,736.86	39,298.11
211	Wine Enforcement Act #271:	427.24	355.22	4,954.67	4,862.72
212	Wine Enforcement Act #424:	51.70	64.02	1,009.03	1,317.45
213	Imported Wine Tax:	112,083.73	116,837.90	1,680,762.90	1,644,613.71
214	Imported Wine Tax Act #424:	579.27	734.47	11,724.33	15,484.53
215	Beer Permits:	229,195.00	126,925.00	593,485.00	602,615.00
216	Liquor Permits:	431,225.00	233,885.00	1,073,855.00	956,810.00
217	Wine Permits:	9,990.00	10,525.00	35,653.50	34,727.50
218	Severance Tax 3/4:	844,019.72	751,725.32	9,737,469.59	7,697,710.73
219	Amusement Machine Tax:	.00	.00	.00	.00
220		.00	.00	.00	.00
221		.00	.00	.00	.00
222	Real Estate Transfer Act #754:	.00	.00	2,607,788.32	2,607,788.32
223	Aviation Use Act #924/97:	.00	.00	.00	.00
224		.00	.00	.00	.00

June 2005

DEPARTMENT OF FINANCE & ADMINISTRATION
REVENUE DIVISION
LITTLE ROCK, ARKANSAS
STATEMENT OF GROSS TAX COLLECTIONS

Page 7 of 3
C1L003
(ON FISCAL YEAR BASIS)

<u>General Revenues</u>		<u>Jun 2005</u>	<u>Jun 2004</u>	<u>12 Months 2005</u>	<u>12 Months 2004</u>
225	Gross Receipts:	173,313,731.22	154,440,589.14	1,967,310,982.57	1,829,618,278.48
226	Estate Tax:	201,281.39	7,059,429.10	9,098,914.65	14,014,460.78
227	Income-Individual:	2,650,706.89	4,933,279.59	214,151,757.21	187,456,215.38
228		.00	.00	.00	.00
229	WithHolding Monthly:	131,956,116.70	126,350,818.92	1,637,184,540.79	1,531,113,138.03
230	Individual Est. Inc.:	54,921,080.02	48,945,941.62	315,878,958.44	253,900,354.21
231	Corporation Income:	2,393,776.62	6,711,983.06	35,631,683.42	35,361,656.08
232	Corporation Est. Inc.:	42,732,218.15	31,029,573.56	276,951,872.85	213,707,200.52
233	Liquor Tax \$1.00/.50 Per Gallon:	25,864.07	41,758.09	289,813.14	343,318.61
234		.00	.00	.00	.00
235	Dog Racing:	185,688.88	141,242.88	1,667,138.23	1,933,404.76
236	Horse Racing:	228,878.71	133,225.49	2,861,189.87	2,101,670.29
237	ABC Fines:	24,400.00	34,100.00	312,050.00	264,150.00
238	ABC Transcripts:	1,204.80	175.60	2,354.80	3,152.90
239		.00	.00	.00	.00
240	Sunday Sales Permits:	33,680.00	6,455.00	60,915.00	51,430.00
241	DWI Reinstatement Act #802/95:	20,012.50	19,349.50	236,328.65	236,864.00
242		.00	.00	.00	.00
243		.00	.00	.00	.00
244		.00	.00	.00	.00
245		.00	.00	.00	.00
246		.00	.00	.00	.00
247	Vending Machine Act #928/1997:	422,961.80	466,476.00	1,159,167.14	1,706,324.80
248		.00	.00	.00	.00

June 2005

DEPARTMENT OF FINANCE & ADMINISTRATION
REVENUE DIVISION
LITTLE ROCK, ARKANSAS
STATEMENT OF GROSS TAX COLLECTIONS

Page 8 of 3
C1L003
(ON FISCAL YEAR BASIS)

General Revenues

	<u>Jun 2005</u>	<u>Jun 2004</u>	<u>12 Months 2005</u>	<u>12 Months 2004</u>
249 DUI Reinstatement Act #863/93:	1,728.00	2,082.00	23,274.00	22,710.00
Total General Revenues	\$ 425,790,967.70	\$ 395,997,792.89	\$ 4,640,262,067.71	\$ 4,245,339,185.42

June 2005

DEPARTMENT OF FINANCE & ADMINISTRATION
REVENUE DIVISION
LITTLE ROCK, ARKANSAS
STATEMENT OF GROSS TAX COLLECTIONS

Page 9 of 1
C1L003
(ON FISCAL YEAR BASIS)

<u>Trust Revenues</u>	<u>Jun 2005</u>	<u>Jun 2004</u>	<u>12 Months 2005</u>	<u>12 Months 2004</u>
301	.00	.00	.00	.00
302 Ad Volorem Trust:	2,092,899.50	2,003,993.37	13,667,510.21	13,191,237.61
303 Local Sales/Use Trust:	70,098,192.90	64,515,852.14	810,410,167.65	745,335,475.54
304 Craft Train Trust Fund Act #474/99:	34,075.40	62,810.14	523,627.16	503,786.44
305 Organ Donor Plate	800.00	350.00	6,821.00	1,615.00
306 Baby Sharon Trust Act 279/03	.00	.00	47.00	1,302.76
307 MILITARY FAMILY RELIEF TRUST 1028/05	.00	.00	.00	.00
308	.00	.00	.00	.00
309	.00	.00	.00	.00
310	.00	.00	.00	.00
311 Petro Environ Assurance Fee:	429,462.10	433,861.52	4,932,132.59	5,009,476.62
312	.00	.00	.00	.00
313 U.S. Olympic Comm. Act #471/93:	.00	.00	37.00	85.00
314 Soft Drink Tax Act #1073/93:	3,986,162.52	3,606,547.11	46,002,999.52	42,778,100.54
315 Disaster Relief Trust Act #1181/97:	.00	.00	249.00	160.00
316 ID Pen LC Sales/Use Act #928/97:	105,740.45	116,619.00	289,791.77	426,581.20
Total Trust Revenues	\$ 76,747,332.87	\$ 70,740,033.28	\$ 875,833,382.90	\$ 807,247,820.71
Sum Total Of All Revenue	\$622,509,796.86	\$ 575,899,623.88	\$ 6,834,483,249.56	\$ 6,068,609,336.19

June 2005

DEPARTMENT OF FINANCE & ADMINISTRATION
REVENUE DIVISION
LITTLE ROCK, ARKANSAS
STATEMENT OF GROSS TAX COLLECTIONS

Page 10 of 2
C1L003
(ON FISCAL YEAR BASIS)

<u>Pull Out Revenue</u>	<u>Jun 2005</u>	<u>Jun 2004</u>	<u>12 Months 2005</u>	<u>12 Months 2004</u>
401 Title	107,680.50	105,099.50	1,185,211.15	1,187,565.66
402 Lien:	37,839.00	37,813.54	408,997.00	399,074.32
403 Postal:	59,638.50	54,758.50	631,421.86	623,844.37
404 ADFA	371,398.50	341,637.00	3,739,078.50	3,666,165.00
405 Transfers:	1,527.00	1,315.00	16,499.00	14,172.00
406 Lost/:	16,789.00	6,062.00	86,179.00	68,614.00
407 Driver License:	513,668.63	494,382.63	6,037,067.10	6,055,242.61
408 Oil & :	14,984.93	14,493.30	160,947.58	183,893.24
409 CDL #241	55,170.84	50,598.12	633,420.97	674,836.57
410 Search:	2.50	5.00	173.75	189.75
411 Court Reinstatement < 4/02/03	76,806.25	74,355.00	881,312.50	975,843.40
412 IRP Ref:	.00	608.00	2,979.00	14,223.89
413 Plate of U of A Act 999/01	11,200.00	9,450.00	126,200.00	108,875.00
414 Plate ASU Act 999/01	1,050.00	925.00	10,775.00	9,400.00
415 Plate UALR Act 999/01	125.00	250.00	2,150.00	2,025.00
416 Plate UCA Act 999/01	525.00	325.00	5,125.00	3,700.00
417 Committed to Education 529/01	9,775.00	8,300.00	92,875.00	82,375.00
418 SAU College	700.00	350.00	5,050.00	4,375.00
419 AR Ducks Unlimited	8,125.00	5,500.00	85,275.00	63,150.00
420 U of A AGRI Plate	575.00	275.00	5,175.00	2,875.00
421 AR Cattlemens Plate	675.00	450.00	6,250.00	3,675.00
422 Boy Scout Plate	450.00	300.00	4,225.00	2,825.00
423 Henderson State University	325.00	250.00	2,850.00	1,275.00
424 UAPB	5,300.00	3,450.00	43,800.00	4,575.00

June 2005

DEPARTMENT OF FINANCE & ADMINISTRATION
REVENUE DIVISION
LITTLE ROCK, ARKANSAS
STATEMENT OF GROSS TAX COLLECTIONS

Page 11 of 2
C1L003
(ON FISCAL YEAR BASIS)

<u>Pull Out Revenue</u>	<u>Jun 2005</u>	<u>Jun 2004</u>	<u>12 Months 2005</u>	<u>12 Months 2004</u>
425 Miscellaneous Refund Correction	.00	.00	.00	.00
426 Ouachita Baptist University	300.00	.00	2,050.00	.00
427 Ar State Golf Assoc. 1574/05	.00	.00	.00	.00
428 Right to Life 2202/05	4,500.00	.00	8,400.00	.00
429 AR Realtors Plate	.00	.00	.00	.00
430 Ar Fallen Firefighters Memorial Board 1577/05	.00	.00	.00	.00
431 Emergency Medical Technician Plate	.00	.00	.00	.00
432 ABC Application Fees	.00	.00	.00	.00
Total Pull Out	\$ 1,299,130.65	\$ 1,210,952.59	\$ 14,183,487.41	\$ 14,152,789.81