

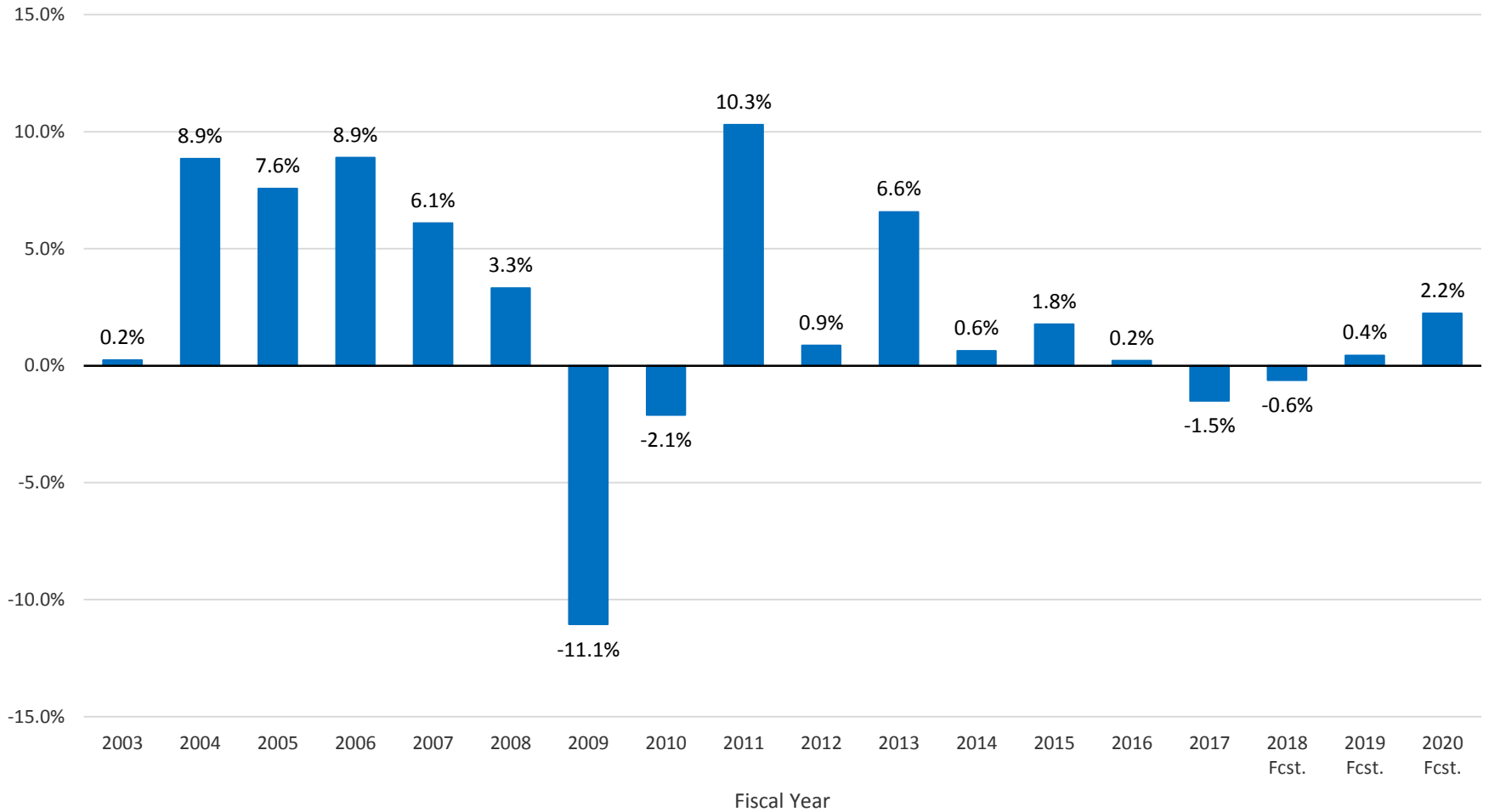


Secretary Benjamin Barnes
Office of Policy and Management
Commission on Fiscal Stability and
Economic Growth

December 15, 2017

State of Connecticut

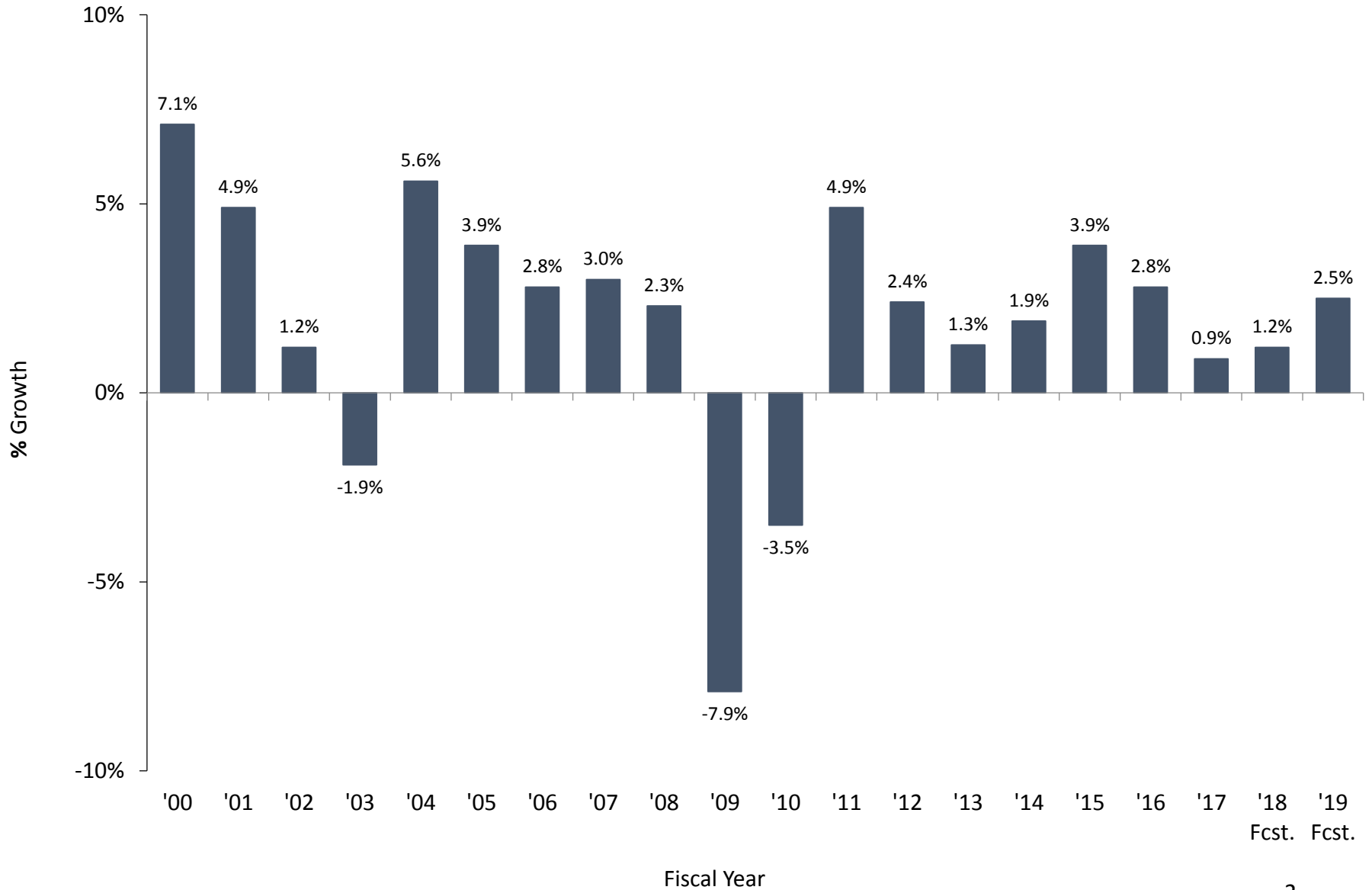
General Fund Tax Revenue - Economic Growth Rates



Economic growth rate is baseline revenue growth prior to policy changes.

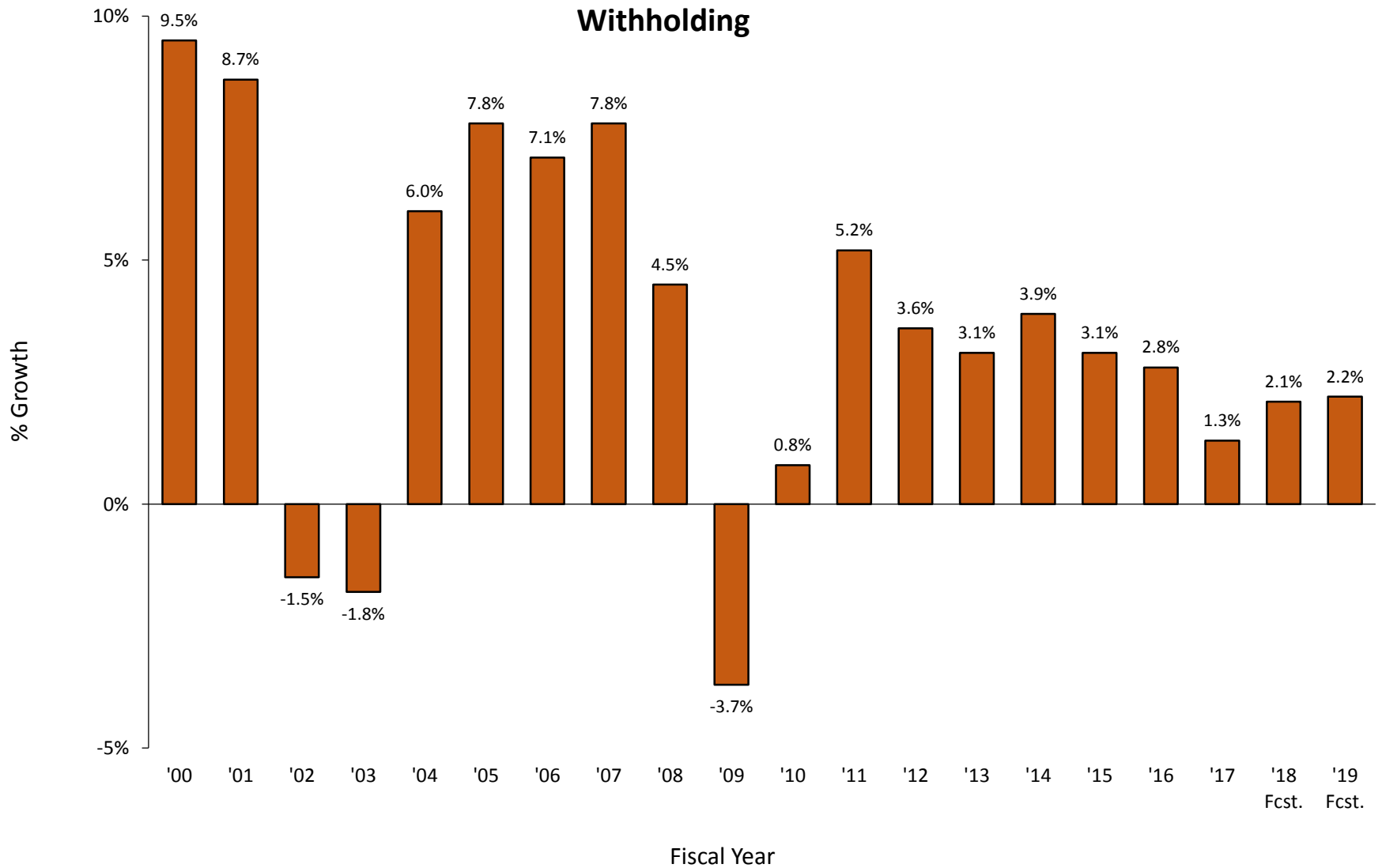
State of Connecticut

Sales and Use Tax - Economic Growth Rates



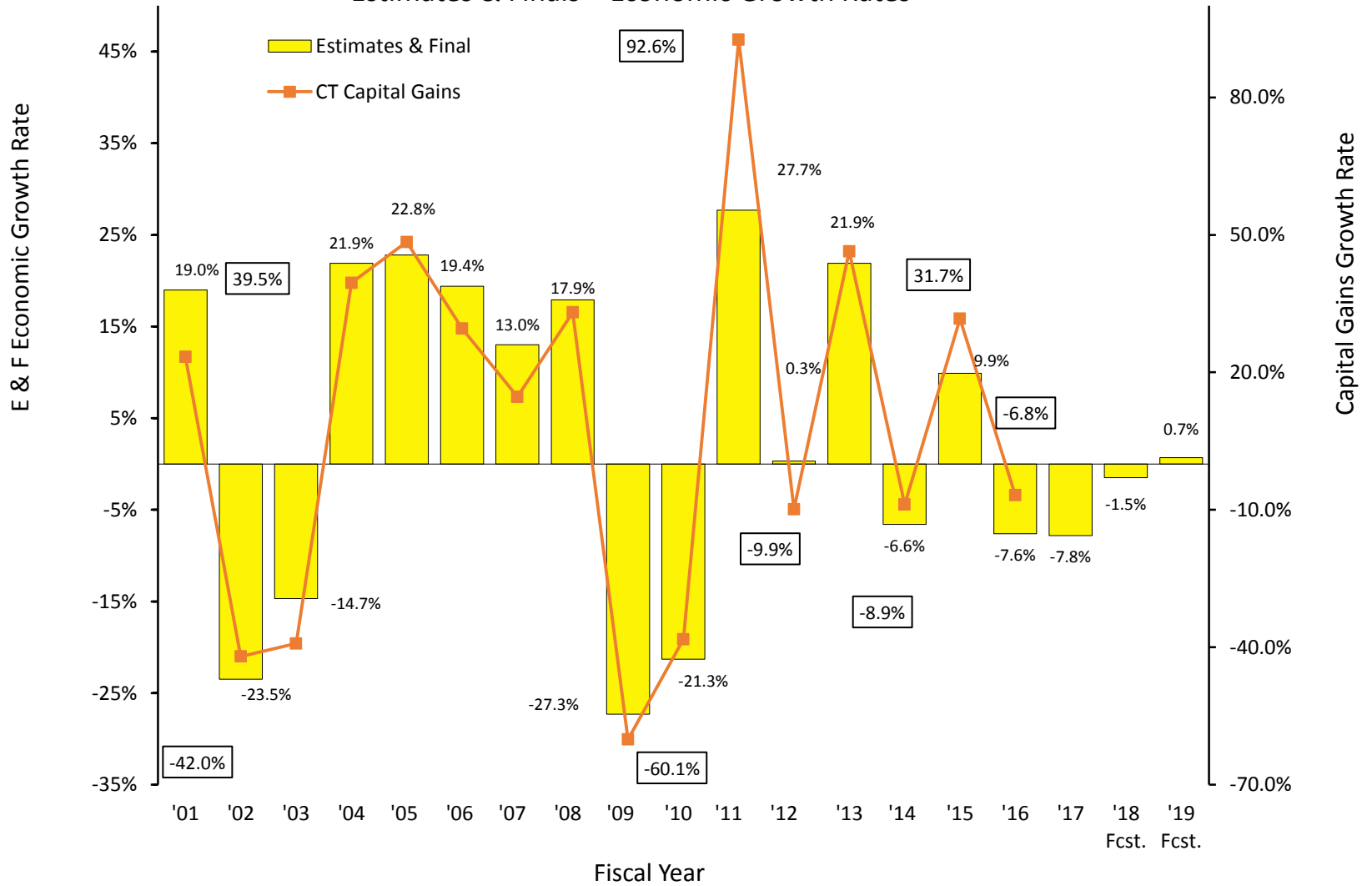
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Personal Income Tax – Economic Growth Rates

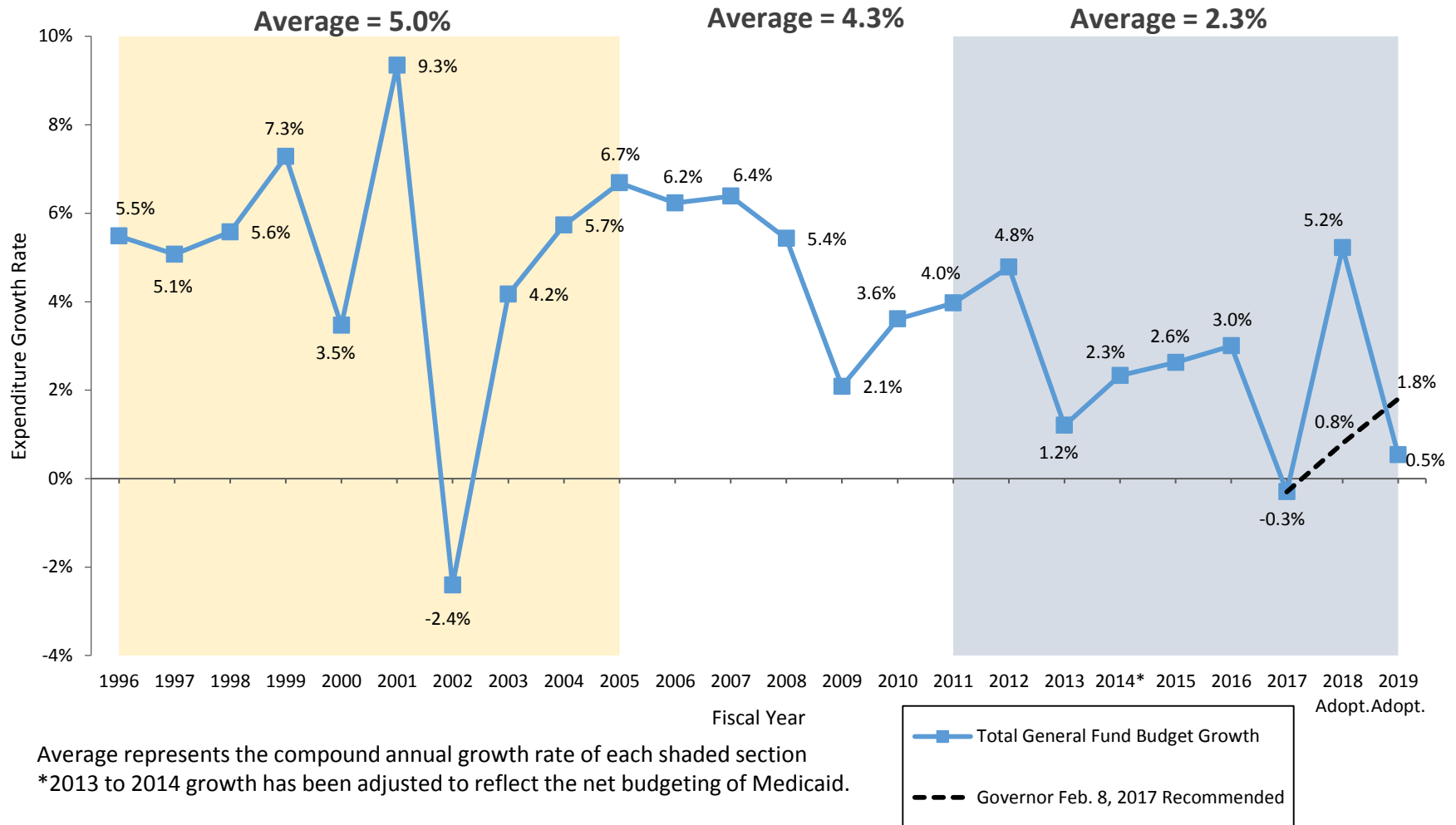


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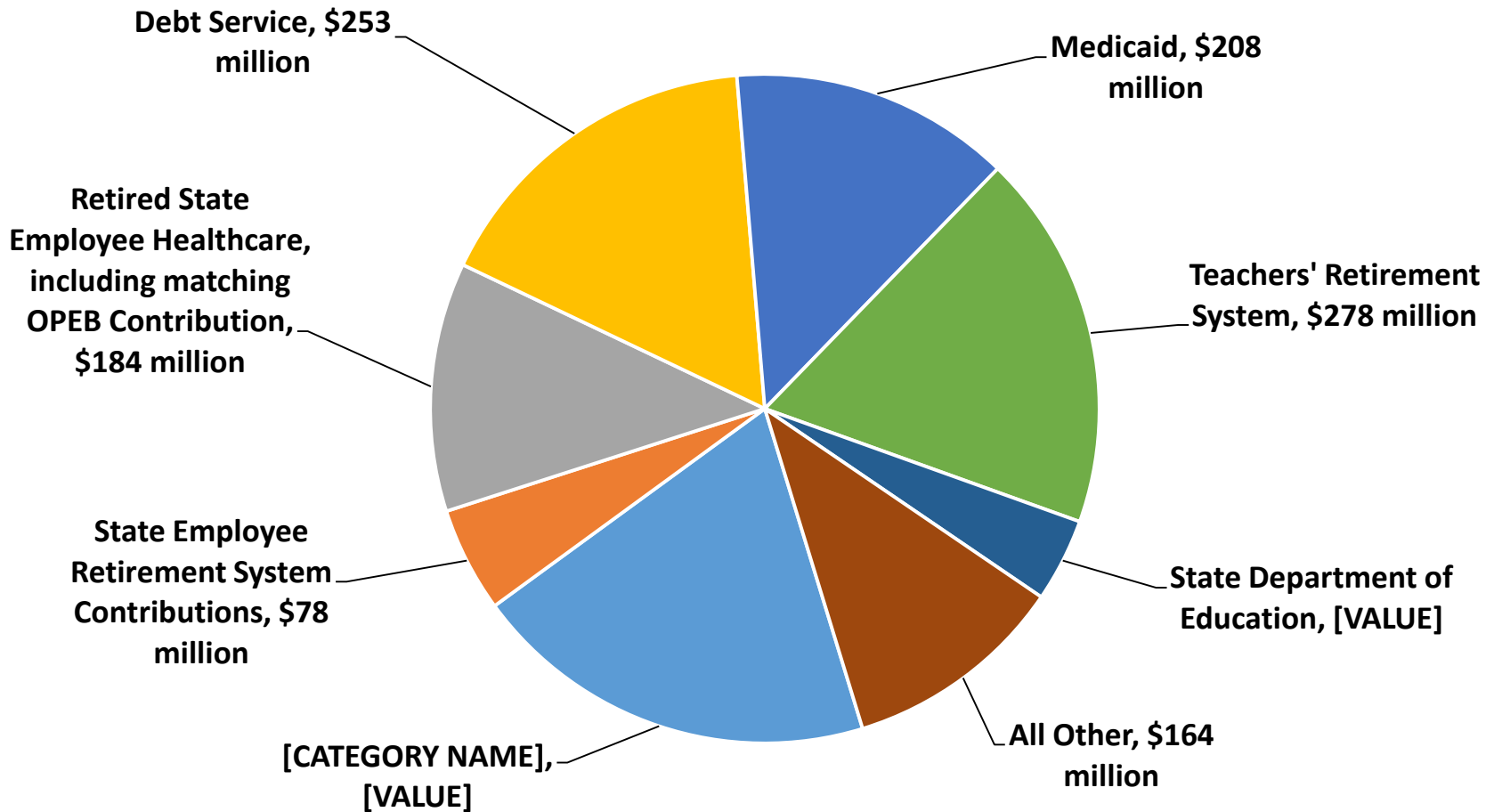
Estimates & Finals – Economic Growth Rates



Expenditure Growth General Fund



General Fund Baseline Increases FY 2018 vs. FY 2017



Total Baseline Budget Growth vs. FY 2017 Appropriation = \$1,501 million

Structural Revenue Issues Outside Biennium (in millions)

<u>Structural Holes</u>	<u>FY 2020</u>	Maximum Outyear <u>Impact</u>
1. Impact of non-recurring revenues*	\$ (213.1)	\$ (213.1)
2. Property Tax Credit Restores in FY 2020	(55.3)	(55.3)
3. Pension/Annuity Exemption New PIT exemption (7 yr. phase-in)	(24.6)	(106.8)
4. STEM Credit New PIT Credit of \$500	(3.9)	(19.7)
5. Teachers Retirement Exemption Restores in FY 2020	(8.0)	(8.0)
6. MRSA Restores in FY 2020	(343.3)	(343.3)
7. RPIA Restores in FY 2020	(11.0)	(11.0)
8. Car sales tax to STF Commences FY 2021 (5 yr. phase-in)	-	(360.0)
9. Gift and Estate Phase in federal exemption levels and \$15M cap	(39.5)	(62.3)
10. Smart Start Restores in FY 2020	(10.0)	(10.0)
11. Tobacco and Health Trust Fd Restores in FY 2020	(6.0)	(6.0)
12. Hospital Tax reduced in FY 2020	<u>(516.0)</u>	<u>(516.0)</u>
13. Total Structural Holes	\$ (1,230.7)	\$ (1,711.5)

*Non-recurring revenues include one-time fund transfers during biennium.

Executive Branch Staffing (excludes Higher Education) Appropriated Funds

