

LBO BUDGET FOOTNOTES INFOGRAPHIC

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Volume: Fiscal Year 2025

Issue: July 2025

- ♦ GRF tax revenues were above estimate by \$239.1 million (9.1%) in June, as the personal income tax (PIT) yielded a positive variance of \$190.1 million (20.9%), which marks the second consecutive month the PIT significantly exceeded its estimate. The sales and use tax was over estimate by \$47.9 million (4.0%) for the month to finish the year strong as collections exceeded estimate by \$190.5 million (5.2%) in the final quarter of FY 2025.
- ♦ For FY 2025, all three of the major GRF taxes were above estimate — the PIT by \$691.3 million (7.1%), the sales and use tax by \$744.8 million (5.6%), and the commercial activity tax by \$43.2 million (2.0%). Total GRF tax revenues were above their FY 2025 estimate by \$1.50 billion (5.4%).
- ♦ Approximately \$460 million of the positive variance in the sales and use tax is due to the August sales tax holiday having a smaller effect than had been anticipated, and the remaining \$285 million could be considered an organic positive variance.
- ♦ This sales tax holiday incurred a corresponding negative variance in the transfers in from the Expanded Sales Tax Holiday Fund that were made to reimburse the GRF for the tax loss from the holiday. Transfers in had a negative variance of \$701.7 million (73.9%) during FY 2025. Total GRF sources ended FY 2025 with positive variance of \$972.0 million (2.2%).
- ♦ GRF Medicaid spending had a \$395.3 million (28.2%) negative variance in June, but still ended FY 2025 \$91.2 million (0.4%) above estimate. Non-GRF Medicaid expenditures were under estimate by \$228.4 million (1.1%) in FY 2025, resulting in an all funds negative variance of \$137.2 million (0.3%).
- ♦ June program expenditures were below estimate by \$407.8 million (15.8%), spurring a \$140.9 million (0.3%) negative variance for FY 2025.

GRF & Medicaid Variances – Actual vs. Estimate

Tax revenue

\$239.1 million
9.1% ↑

Federal grants

-\$346.6 million
-38.2% ↓

Total GRF sources

-\$364.8 million
-9.2% ↓

Program expenditures

-\$407.8 million
-15.8% ↓

Month of June

Total GRF uses

-\$414.5 million
-16.0% ↓

GRF Medicaid

-\$395.3 million
-28.2% ↓

Non-GRF Medicaid

\$98.2 million
4.4% ↑

All funds Medicaid

-\$297.1 million
-8.1% ↓

Tax revenue

\$1,500.3 million
5.4% ↑

Federal grants

\$61.3 million
0.4% ↑

Total GRF sources

\$972.0 million
2.2% ↑

Program expenditures

-\$140.9 million
-0.3% ↓

FY 2025

Total GRF uses

-\$123.0 million
-0.3% ↓

GRF Medicaid

\$91.2 million
0.4% ↑

Non-GRF Medicaid

-\$228.4 million
-1.1% ↓

All funds Medicaid

-\$137.2 million
-0.3% ↓