

BUDGETS

Table 7.35
REVENUE ESTIMATING PRACTICES

State or other jurisdiction	Source of authority	Estimates bind the budget	When are official revenue estimates made (List by month)	Multi-year forecasting	Revenue Estimating Agencies or Economic Advisory Boards
Alabama	I	...	Feb.	CY + 1	Dept. of Finance
Alaska	AO	...	April, Dec. (a)	CY	Office of Management & Budget, Dept. of Revenue, Dept. of Labor
Arizona .....	...	...	N.A.	CY	Office of Strategic Planning & Budgeting
Arkansas	I	★	N.A.	CY	Fiscal Officer; Budget Office; Economic Analysis; Tax Research
California	I	...	Jan./May (j)	CY	Dept. of Finance
Colorado	S	...	Dec., March, June, Sept.	CY + 1	Governor's Revenue Estimating Advisory Committee
Connecticut	S	...	N.A.	CY + 3	Office of Policy & Management
Delaware	EO	★	(c)	CY + 5	Economic and Financial Advisory Council
Florida	S	★	Fall/Winter & when needed	CY	Consensus Revenue Estimating Conference
Georgia .....	...	★	N.A.	CY + 1	Office of Planning & Budget
Hawaii	C,S	★ (b)	June, Sept., Jan., March	CY + 4	Council on Revenues
Idaho .....	...	...	Jan., Aug.	CY	Division of Financial Management
Illinois .....	...	...	July, Oct., Feb., April	CY + 1	Budget Agency
Indiana	EO	★	N.A.	CY	Budget Agency
Iowa .....	...	★	N.A.	CY + 4	Dept. of Management
Kansas	I	...	N.A.	CY + 3	Budget Office; Revenue Dept.; Legislative Research Dept.
Kentucky	EO	★	N.A.	CY + 4	Finance Secretary, Legislative Research Commission
Louisiana	C,S	★	N.A.	CY + 4	Governor, Legislature, Revenue Estimating Conference
Maine .....	...	★	N.A.	CY + 2	State Budget Officer; Consensus Economic Forecasting Commission
Maryland	I	...	Dec.	CY + 4	Expenditures- Dept. of Budget and Management; Revenues- Board of Revenue Estimates
Massachusetts	I	★	(d)	CY + 1	Revenue Dept./Fiscal Affairs Division
Michigan .....	...	★	Jan., May	CY + 1	Office of Revenue and Tax Analysis- Dept. of Treasury
Minnesota	EO	★	(e)	CY + 4	Dept. of Finance
Mississippi	S	★	Oct.	CY	Office of Budget & Fund Management
Missouri .....	...	...	Jan.	CY + 4	Budget Office
Montana .....	...	...	Apr.-May/Oct./Dec. (k)	CY	Contract with forecasting firm- Wharton Economic Forecasting Assoc.
Nebraska	S	★	Feb., Apr., Oct.	CY + 2	Revenue Dept. and Economic Forecasting Advisory Board
Nevada	S	★	Dec. - Revised in May	CY + 4-10	Economic Forum
New Hampshire	S	★	N.A.	CY	Budget Office & Dept. of Revenue Administration
New Jersey	S	★	N.A.	CY + 3	Council of Economic Advisors
New Mexico	S	...	N.A.	CY	Economic Analysis Bureau; Dept. of Finance & Administration
New York .....	...	★	N.A.	CY + 2	Division of the Budget
North Carolina .....	...	★	N.A.	CY + 4	Office of State Budget & Management
North Dakota	EO	★	(l)	CY	OMB contracts with econometrics forecasting firm
Ohio	I	...	Jan./June (f)	CY	Office of Budget & Management
Oklahoma .....	...	★	Dec., Feb., June (g)	CY + 5	Oklahoma Tax Commission; Office of State Finance
Oregon	EO	★	N.A.	CY + 4	Office of Economic Analysis within Dept. of Administrative Services
Pennsylvania .....	...	★	May/June (h)	CY + 4	Budget Office & Revenue Dept.
Rhode Island .....	...	★	(i)	CY + 4	Revenue Estimating Conference
South Carolina	S, Proviso	...	Nov., Feb.	CY	Board of Economic Advisors
South Dakota	EO	★	N.A.	CY + 3	Bureau of Finance & Management
Tennessee	S	...	(m)	CY	Center of Business & Economic Research- Univ. of Tennessee
Texas .....	...	★	Jan./May (odd years)	CY	Comptroller's Office
Utah	EO	★	N.A.	CY + 5	Office of Planning & Budget & Tax Commission
Vermont	I	...	N.A.	CY	Dept. of Finance & Management
Virginia	S	★	Dec.	CY + 4	Dept. of Taxation
Washington	EO	...	Nov.	CY + 8	Economic and Revenue Forecast Council
West Virginia .....	...	★	Jan. (n)	CY + 4	Dept. of Tax & Revenue
Wisconsin .....	...	...	Nov. 20 (even years)	CY + 2	Dept. of Revenue
Wyoming	S	...	N.A.	CY	Economic Analysis Division
Puerto Rico	EO	★	N.A.	CY	Planning Board; Government Development Bank

Source: National Association of State Budget Officers, *Budget Processes in the States*, 2002. For additional information see <http://www.nasbo.org>

Key:

★ — Yes

... — No

N.A. — Not Available

S — Statutory

C — Constitutional

EO — Executive Order

I — Informal

AO — Administrative Order

CY — Current Year

FY — Fiscal Year

(a) Revenue estimates must be published annually but traditionally are published semi-annually.

(b) Statutes require that estimates "shall be considered;" differing revenue estimates by the governor or legislature may be used if "fact and reasons" are made public.

REVENUE ESTIMATING PRACTICES — Continued

(c) Quarterly estimates are done for Sept., Dec., and March; monthly estimates are done for April, May and June.

(d) Dept. of Revenue publishes estimates three times a year. Secretary for Administration and Finance and the legislature agree on revenue estimates in the spring for the fiscal year beginning in July. For fiscal 2001, the consensus was reached in May.

(e) Five-year revenue estimates are formally published twice a year in November and February.

(f) Odd numbered years. The governor must publish revenue estimates in the biennial executive budget submitted to the general assembly. A monthly financial report prepared for the governor by the Office of Budget and Management contains revenue estimates for the current fiscal year and reflects any revisions to those estimates made during the fiscal year.

(g) Revenue estimates are made by various agencies including the State Tax Commission. Economic information is provided by various private and public entities. The State Finance Office reviews, consolidates and presents the estimates to the State Equalization Board late in December and again in mid-February. The Board certifies an official estimate that is only revised if

laws affecting it are passed by the state legislature. Such a revision would be made in June.

(h) Revenue estimates are updated when new legislation affects current year revenues.

(i) Per state statute, a Consensus Revenue Estimating Conference must be held within the first ten days of November and May.

(j) Revenue estimates are made public in January and May.

(k) Budget office prepares estimates in the spring and fall of even numbered years. The revenue and tax committee of the legislature adopts its estimate in December prior to convening in January.

(l) July and November of even numbered years and March of odd numbered years.

(m) February (original estimate for succeeding fiscal year); May (revised estimate); July (revised estimate for enacted budget); February (revised estimate for current fiscal year); May (revised estimate for current fiscal year).

(n) The Governor makes the official revenue estimate in January, except in the year following a gubernatorial election at which time the official revenue estimate is made in February.