



## **Consensus Revenue Estimating Group July 2021 Revenue Update - Fiscal Year 2021 - 2026**

The Consensus Revenue Estimating Group (CREG) released the *July 2021 Revenue Update* on July 30, 2021. This report is only intended to update revenue collections and does not formally modify the official CREG revenue forecast or the LSO fiscal profile.

While the outlook is positive with actual revenues outpacing January 2021 forecasts, caution was issued as recovery could still face impacts from several fronts. Sales and use taxes remain the largest contributor to revenue collections with an increase of \$34.6 million. The increase is due to large contributions from wind projects and increased consumer spending from federal stimulus.

Through June 2021, severance taxes are ahead \$99.5 million (24.5 percent) and Federal Mineral Royalty revenues collections are up \$73.7 million (20.2 percent). Both exceeded initial CREG estimates and could continue to increase from “strong oil and natural gas prices caused by demand/supply imbalance”.

The General Fund (GF) and Budget Reserve Account (BRA) are up \$168.0 million (16.6 percent) ahead of the January 2021 CREG estimates. However, including realized capital gains that will remain in the GF and BRA, the combined revenue collections in excess of forecast is \$198.7 million since CREG does not forecast capital gains.