

WHY IT COUNTS: A CLOSER LOOK AT THE 2016-17 CERTIFICATION REVENUE ESTIMATE

WHY IT MATTERS: Prior to the legislative session, the Comptroller issues a biennial revenue estimate (BRE) to tell lawmakers how much they can spend over the next two years. After the legislative session, the Comptroller issues a **CERTIFICATION REVENUE ESTIMATE (CRE)** to reflect new laws and the most current economic information.

BY THE NUMBERS

COMPARING THE BRE AND CRE

2015 RIGHT ON THE MONEY
Fiscal 2015 revenues for all funds came in just **0.3% LESS** than BRE estimates.

The 2015 Legislature **REPEALED 8 STATE TAXES AND FEES** and permanently reduced basic franchise tax rates by **25 PERCENT.**

THE "RAINY DAY FUND" & STATE HIGHWAY FUND

In each biennium, amounts previously placed in reserve are transferred to the state's Economic Stabilization Fund (ESF), also known as the "Rainy Day Fund," and the State Highway Fund (SHF).

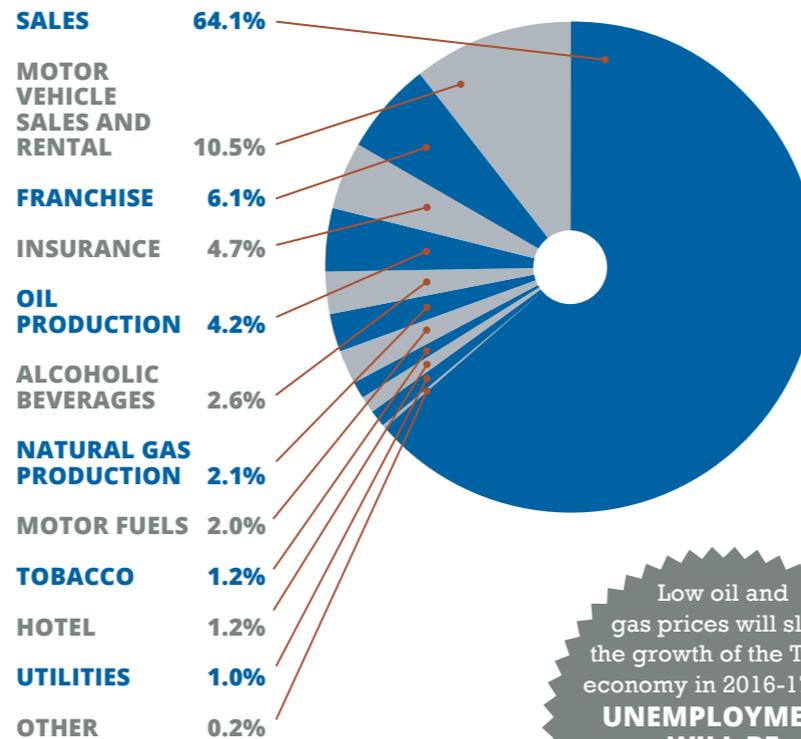
	BRE ESTIMATE FOR 2016-2017	CRE ESTIMATE FOR 2016-2017
Beginning Balance	\$7.5	\$8.3
Tax Collections	\$97.8	\$93.1
Non-Tax Revenue	\$12.7	\$12.6
Reserved for transfers to the Economic Stabilization Fund & State Highway Fund in fiscal 2017 and 2018	-\$5.0	-\$2.7 ¹
Adjustments to GR-dedicated account balances including legislative changes	\$0	-\$1.1
Revenue Available for General Spending	\$113	\$110.3

In Billions of Dollars

ESTIMATED GENERAL REVENUE RELATED TAX COLLECTIONS

FISCAL 2016-17

In 2016-17, tax collections will account for 88.5% of total general revenue, while non-tax revenue will account for 11.5%.



Low oil and gas prices will slow the growth of the Texas economy in 2016-17, but **UNEMPLOYMENT WILL BE SIGNIFICANTLY LOWER** than that of the U.S.

Transfers to ESF
\$1.1 BILLION

Transfers to SHF
\$1.1 BILLION

TOTAL FISCAL 2016 \$2.20 BILLION **TOTAL FISCAL 2017 \$1.19 BILLION**

Estimated ESF Ending Balance, Fiscal 2017:

NEARLY \$10.4 BILLION

1. The amount originally cited as reserved from fiscal 2016-17 oil and natural gas tax collections for transfer to the ESF and the SHF (\$2.539 billion) was slightly understated, and the report has been revised to reflect the correct amount of \$2.669 billion, a difference of \$129.5 million.

Totals may not sum due to rounding.