



Three-Year General Fund Financial Outlook FY 2015-16 to FY 2017-18

Prepared Pursuant to Act 156 of 2005

§11-11-350

South Carolina Revenue and Fiscal Affairs Office

December 2014

Three-Year General Fund Financial Outlook

FY 2015-16 to FY 2017-18

Based on Enacted FY 2014-15 Budget

(Dollars in Millions)

	Projections			
	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
	"Base Year"			
<u>Resources:</u>				
Beginning Balance	\$19.7	\$39.2	\$118.1	\$307.6
Revenue (BEA Long Range Revenue Forecast, 11/10/2014)	7,231.2	7,514.5	7,846.3	8,145.4
Adjustments				
Tax Relief Trust Fund Transfers	(552.2)	(571.1)	(591.7)	(613.0)
General Reserve Fund Transfer		(8.1)	(6.3)	(13.2)
Total Revenue/Resources	\$6,698.7	\$6,982.6	\$7,372.7	\$7,840.0
<u>Expenditures and Reserve Fund Contributions:</u>				
Baseline (Adjusted FY 14-15 Recurring Budget)	\$6,659.5	\$6,659.5	\$6,659.5	\$6,659.5
Constitutional/ Statutory Items:				
Reserve Funds: Capital Reserve (CRF)		3.3	5.8	11.1
Local Government Fund		25.0	25.0	25.0
Debt Service		(15.6)	(46.2)	(68.6)
Homestead Exemption Fund Shortfall (Act 388 of 2006)		(8.0)	(11.7)	(15.5)
Major Expenditure Categories:				
K-12 Education		98.9	146.0	156.4
Medicaid and Health (net of earmarked cigarette tax revenue)		9.6	109.1	205.6
Social Services and Correctional Agencies		18.6	18.6	18.6
Higher Education Scholarship Growth (LIFE & Palmetto Fellows)		3.4	7.9	12.6
State Employee Health Plan - Retiree Growth + Rate Increase		31.5	80.7	157.3
State Employee Compensation Changes (2% Per Year)		32.0	64.0	96.0
Retirement System Employer Contribution Rate Increase		6.4	6.4	6.4
Total Expenditures	\$6,659.5	\$6,864.5	\$7,065.1	\$7,264.4
Ending Balance	\$39.2	\$118.1	\$307.6	\$575.6
Projected CRF Funds Available for Nonrecurring Expenditures		\$127.8	\$131.0	\$133.5
Projected General Reserve Fund Balance	\$319.5	\$327.6	\$333.9	\$347.1

The Notes and Assumptions are an integral part of this Financial Outlook.

Notes

The three-year General Fund Outlook is prepared by the South Carolina Revenue and Fiscal Affairs Office in consultation with the Board of Economic Advisors in accordance with Section 11-11-350 of the S. C. Code of Laws, 1976. The Outlook is a three-year revenue and spending projection based on the enacted FY 2014-15 General Fund operating budget.

The spending projections are cumulative and the estimates are based on the FY 2014-15 enacted budget and major expenditure categories contained therein. Unless noted below, future years do not include any increases over the baseline expenditures (FY 2014-15 enacted budget). If the projected balance is negative in any year, a budget gap exists. A budget gap reflects a structural imbalance between projected revenue growth and expenditure increases based on the adjusted enacted budget.

This document is intended to be used for planning purposes only and should not be viewed as requiring that the major expenditure items listed must be funded by the General Assembly. The Outlook does not attempt to capture every agency's needs or budget requests.

Resource/Revenue Assumptions

- ❖ The beginning balance for each fiscal year equals the ending balance of the prior fiscal year (difference between Revenue and Expenditures). If the balance for the prior fiscal year is less than zero, the beginning balance for the next fiscal year is assumed to be zero.

❖ **Board of Economic Advisors Forecast** – The Board of Economic Advisors (BEA) long-range general fund revenue forecast is based upon its November 10, 2014 forecast for FY 2015-16. The FY 2015-16 revenue estimate serves as the base for the long-range forecast. The plan is built upon an assumed growth rate in personal income, historical elasticities for the major revenue components (sales and individual income taxes), and historical growth rates or patterns in the remaining revenue sources.

The assumptions and methodologies for this long range forecast include:

- An annual personal income growth rate of 4.3%;
- A sales tax growth rate of 3.9% based on a historical elasticity of 0.9;
- An individual income tax growth rate of 4.7% based on a historical elasticity of 1.1;
- Corporate income tax holding steady throughout the forecasted period; and
- Historical trends and patterns and other legislative factors affecting the remaining revenues.

The annual growth rates for FY 2015-16, FY 2016-17, and FY 2017-18 are 3.9%, 4.4%, and 3.8%, respectfully. The detailed three year general fund revenue forecast by revenue category is included as an attachment to this document.

❖ **Tobacco Master Settlement Agreement** – The state’s “tobacco bonds,” securitized by its Tobacco Master Settlement Agreement (MSA) payments, were retired June 1, 2012. By statute, future MSA receipts are available for appropriation. The revenue expected, based on historical MSA payments to the state and settlement credits, is estimated at \$70 million annually. Current statute earmarks these funds primarily for healthcare programs; however, specific program appropriations is at the discretion of the General Assembly. For FY 2015-16 through FY 2017-18,

\$70.0 million is estimated to be available for appropriation annually, but is not shown as additional revenue in the Outlook as it was appropriated in the base year.

RESERVE FUNDS

- ❖ **General Reserve Fund** – On November 2, 2010, a constitutional amendment was adopted increasing the General Reserve Fund from three percent to five percent. Currently, the General Reserve Fund is fully funded at \$319.5 million. Annual contributions for FY 2015-16 through FY 2017-18 are \$8.1 million, \$6.3 million, and \$13.2 million, respectively, with the fund maintaining 5% funding for all years.

- ❖ **Capital Reserve Fund** – The Capital Reserve Fund (CRF) is used to offset year end deficits and to replenish, when needed, the required amount in the General Reserve Fund. If not needed to offset a year end deficit or to replenish the General Reserve Fund, the CRF may be appropriated for the following purposes: (1) to finance in cash previously authorized capital improvement bond projects, (2) to retire the interest or principal on bonds previously issued, or (3) for capital improvements or other non-recurring purposes.

Expenditure Assumptions

LOCAL GOVERNMENT FUND

- ❖ The Local Government Fund is a statutorily defined transfer of funds to counties and municipalities equal to 4.5% of general fund revenues of the latest completed fiscal year. For the last six years, the requirement to fund this account at the defined 4.5% level has been suspended. This report assumes funding at FY 2014-15 levels with an annualization of \$25.0 million of non-recurring funds. Annual increases for FY 2015-16 through FY 2017-18 are \$25.0

million, \$0.0 million and \$0.0 million, respectively. **However, if funding were returned to statutorily mandated levels in FY 2015-16, it would require an additional \$82.2 million (total of \$107.2 million).**

DEBT SERVICE

- ❖ Future Debt Service needs will produce incremental adjustments of \$(15.6) million in FY 2015-16, \$(30.5) million in FY 2016-17 and \$(22.4) million in FY 2017-18. Estimate reflects existing law and does not include potential impact of proposed legislation.

HOMESTEAD EXEMPTION FUND

- ❖ The Property Tax Reform Act, Act No. 388 of 2006, eliminated all school operating taxes on owner-occupied homes and increased the state sales tax by one cent to replace the reduced property tax revenue stream. The new revenue from the one-cent sales tax increase is earmarked for the Homestead Exemption Fund, which replaces lost property taxes as of FY 2007-08. Funding to school districts in the first year was based on what would have been collected under the old system. For subsequent years, the school district funding requirement is based on inflation plus population growth factors. The Act provides that should there be a shortfall of revenue in the Homestead Exemption Fund the general fund will pay the difference.
- ❖ The FY 2014-15 base budget includes \$120.5 million dedicated to offset this shortfall. Incremental adjustments for FY 2015-16, FY 2016-17, and FY 2017-18 are \$(8.0), \$(3.7), and \$(3.9) million, respectively.

K-12 EDUCATION

❖ **Education Finance Act (EFA)** – The FY 2014-15 Base Student Cost is \$2,120 with a Weighted Pupil Unit count of 957,261. This forecast assumes a 2.1% inflation factor for the three year period. The Weighted Pupil Unit grow rate is 0.9% for FY 2015-16, 0.5% for FY 2016-17 and FY 2017-18. The Base Student Cost and Weighted Pupil Units for the projected period are:

- FY 2015-16
 - \$2,165
 - 966,024
- FY 2016-17
 - \$2,210
 - 970,859
- FY 2017-18
 - \$2,250
 - 973,713

The incremental adjustments for the three year period are \$60.9 million, \$47.1 million, and \$48.4, respectively.

❖ **Instructional Materials** - The state has adopted new academic standards in the four core subject matters and when grouped with an annualization of prior year, non-recurring funding, it requires an incremental change of \$37.0 million in FY 2015-16 for Instructional Materials and Testing.

MEDICAID AND HEALTH

❖ **Medicaid Program** – In 2010, the General Assembly increased the state's cigarette tax by fifty cents. The annual revenue from the increase is dedicated to the Medicaid program. During FY 2014-15, \$117.0 million of cigarette tax revenue will be used to support the Medicaid program. The cigarette tax revenue dedicated to Medicaid is estimated

to be \$115.6 million in FY 2015-16. The Medicaid expenditure estimates on Page 1 are adjusted to reflect this dedicated source of revenue.

The Medicaid projections reflect additional state funds needed to maintain current service levels based on enrollment and inflationary cost projections. Enrollment growth is expected to be as much as 14% in the Healthy Connections Checkup population while base enrollment will remain flat (.1% growth). The projections over the three year period include annualizations of declining revenue from the cigarette surtax and tobacco settlement funds along with maintaining enhanced reimbursement rates for primary care physicians that were implemented pursuant to the Affordable Care Act (ACA). The total additional recurring state funding needed to provide sustainable funding for the current Medicaid program for FY 15-16 thru FY 17-18 is \$183 million. Currently, the Medicaid program has excess funds above the amount needed to maintain a 3% reserve. These excess funds can absorb the increases needed for FY 2015-16 and partially in FY 2016-17 with the full impact of the program's growth occurring in FY 2017-18. The incremental adjustments for FY 2015-16, FY 2016-17, and FY 2017-18 are \$0.0 million, \$93.0 million, and \$90 million, respectively.

- ❖ **Department of Mental Health** – Reduction of Medicaid Cost Settlement funds will require transition to General Funds to cover operating costs at Community Mental Health Centers and inpatient facilities. Estimated recurring costs for FY 2015-16 are \$6.4 million with an additional \$5.5 million in FY 2016-17 and FY 2017-18. Additionally, population growth in the Forensic Inpatient Services requires funding of \$3.2 million in FY 2015-16 with an additional \$1.0 million in both FY 2016-17 and FY 2017-18.

SOCIAL SERVICES AND CORRECTIONAL AGENCIES

❖ Department of Social Services - Child Support Enforcement Statewide Automated System Development -

Funding is required to finish development and implementation of a federally mandated statewide automated system for Child Support Enforcement as well as to support the State Disbursement Unit (SDU). Estimated recurring cost for FY 2015-16 through FY 2017-18 is \$8.1 million.

Statewide Caseworker Retention and Recruitment – To ensure the safety and health of vulnerable children and adults, DSS is increasing its staffing levels which will require \$10.5 million of recurring funds for the projected three year period.

HIGHER EDUCATION SCHOLARSHIP GROWTH

- ### **❖ LIFE & Palmetto Fellows Scholarships** – The estimate for FY2015-16 through FY2017-18 assumes five year average growth rates of 3.6% and 1.8% over the previous year for LIFE and Palmetto Fellows scholarships, respectively. Estimated incremental costs are: \$3.4 million in FY 2015-16, \$4.5 million in FY 2016-17, and \$4.7 million in FY 2017-18.

STATE EMPLOYEE HEALTH PLAN

- ### **❖ Retiree Growth and Rate Increase** – The Employee Insurance Program estimates that the general fund amounts needed for the operation of the State Health Plan for retiree growth and health plan increases are as follows:

1. Retiree Growth and Rate Increase

- a. Calendar Year 2015 employer base (state funds only) is \$778,184,875;

- b. Annualization involves funding the final six months (Jul-Dec) of an increase that is effective the prior January;
 - c. The employer rate increase involves funding the first six months (Jan-Jun) of an increase that is effective January of the fiscal year; and
 - d. The projected annual premium growth rate effective each year equals 3.4% in 1/2016, 7.5% in 1/2017 and 8.6% in 1/2018.
2. The projection assumed the employer pays the same proportion that is in place in January 2015 for 2016, 2017, and 2018;
 3. Retiree growth for FY 2015-16 through FY 2017-18 is estimated at 2.0% per year net growth.
 4. The estimated amount of general fund dollars for the State Health Plan is \$31.5 million in FY 2015-16, \$49.2 million in FY 2016-17, and \$76.6 million in FY 2017-18.

STATE EMPLOYEE COMPENSATION

- ❖ The estimate is based on total State Employee salary, with the exception of exempted groups (Agency Heads, Members of the Legislature, and Constitutional Officers), plus other included groups (Local Health Care Providers, County Auditors and Treasurers, and School Bus Drivers). The cost for a 2% increase equals approximately \$32 million per year to include all applicable fringe benefits.

RETIREMENT SYSTEMS

- ❖ The employer retirement contribution rates for the South Carolina Retirement System (SCRS) and the Police Officers' Retirement System (PORS) increases to 11.06% and 13.74%, respectively, beginning July 1, 2015. The associated expense to the general fund beginning FY 2015-16 is \$6.4 million.

OTHER POST EMPLOYMENT BENEFITS (OPEB)

- ❖ Beginning with the FY 2007-08 Comprehensive Annual Financial Report (CAFR), the state implemented the reporting requirements of the Government Accounting Standards Board (GASB) Statement #45 pertaining to other post-employment benefits (OPEB). GASB does not require funding an entity's OPEB obligations, but only to calculate and report these obligations. Currently, the health insurance benefit for retirees is primarily on a pay-as-you-go basis with this cost included in the FY 2014-15 "base" operating budget.
- ❖ The state's unfunded liability with regard to OPEB is estimated at \$9.4 billion with \$4.3 billion of the liability for State Employees and \$5.1 billion for School District Employees. Act 195 of 2008 created the South Carolina Retiree Health Insurance Trust Fund to accumulate sufficient funds to provide post-employment health insurance benefits for retired state and school district employees. The Three-Year General Fund Financial Outlook does not include funding projections beyond the pay-as-you-go basis included in the FY 2014-15 operating budget.

**South Carolina Board of Economic Advisors
Long Range General Fund Revenue Forecast
Fiscal Years 2014-15 to 2017-18**

Methodology and Historical Economic Growth Rates

The Board of Economic Advisors (BEA) provides a long range forecast for General Fund Revenues each year based on its November estimate of revenues for the upcoming fiscal year. The current long range forecast was adopted on November 10, 2014 and is based on the BEA estimate of General Fund Revenues for FY 2015-16. The plan is built upon an assumed growth rate in personal income, historical elasticities for the major revenue components (sales and individual income taxes), and historical growth rates or patterns in the remaining revenue sources.

The assumptions and methodologies for this long range forecast include:

- an annual personal income growth rate of 4.3 percent;
- a sales tax growth rate of 3.9 percent based on a historical elasticity of 0.9;
- an individual income tax growth rate of 4.7 percent based on a historical elasticity of 1.1;
- corporate income tax holding steady throughout the forecast period;
- historical trends and patterns and other legislative factors affecting the remaining revenues.

The annual growth rates for FY 15, FY 16, FY 17, and FY18 are 2.8%, 3.9%, 4.4%, and 3.8%, respectfully.

Other items in the forecast include:

- the Property Tax Relief Fund which is funded by a transfer of revenue from Sales and Individual Income Taxes. The Fund is designed to reimburse local governments for various property tax exemptions.
- the Homestead Exemption Fund which is funded by an additional 1 percent sales tax, but expenditure growth is based on a formula of inflation and population growth. Any shortfall of revenue under expenses is transferred out of the General Fund.

Source: Board of Economic Advisors' Preliminary FY 2015-16 General Fund Revenue Forecast adopted November 10, 2014.

BEA – November 13, 2014

PERSONAL INCOME GROWTH
 FY15 - 3.75%; FY16 - 4.3%
 FORECAST PERIOD: 4.3%

LONG RANGE GENERAL FUND REVENUE FORECAST
 FISCAL YEARS FY2012-13 TO FY2017-18
 (DOLLARS)

REVENUE CATEGORIES	FINAL FY 2012-13	FINAL FY 2013-14	11/10/14 ESTIMATE FY 2014-15	11/10/14 ESTIMATE FY 2015-16	WORKING ESTIMATE FY 2016-17	WORKING ESTIMATE FY 2017-18
RETAIL SALES TAX 1/	2,428,994,198	2,504,914,814	2,596,871,279	2,693,415,000	2,797,650,000	2,905,919,000
EXCISE, CASUAL SALES TAX	19,354,004	12,162,908	12,619,017	13,107,000	13,614,000	14,141,000
INDIVIDUAL INCOME TAX	3,357,517,669	3,422,604,314	3,532,088,566	3,697,156,000	3,872,031,000	4,055,178,000
CORPORATION INCOME TAX	386,668,590	331,148,048	345,387,414	357,131,000	357,131,000	357,131,000
SALES AND INCOME TAXES	6,192,534,461	6,270,830,084	6,486,966,276	6,760,809,000	7,040,426,000	7,332,369,000
ADMISSIONS/BINGO TAX	35,164,432	34,528,926	34,503,767	35,069,000	35,740,000	36,425,000
ADMISS. TAX TRANSFER TO PRT	(6,671,789)	(6,673,499)	(6,489,637)	(6,523,000)	(6,654,000)	(6,787,000)
AIRCRAFT TAX	4,404,948	4,233,944	4,382,132	4,536,000	4,695,000	4,859,000
ALCOHOLIC LIQUOR TAX	64,062,481	66,694,937	69,484,929	72,334,000	75,300,000	78,387,000
BANK TAX	34,104,685	33,106,652	35,000,000	37,170,000	39,475,000	41,922,000
BEER AND WINE TAX	100,542,813	102,547,763	104,598,718	106,691,000	108,825,000	111,002,000
BUSINESS LICENSE TAX	27,677,135	25,631,758	25,247,282	24,869,000	24,496,000	24,129,000
COIN-OPERATED DEVICES	1,402,113	1,124,810	1,570,367	1,069,000	1,759,000	1,016,000
CORPORATION LICENSE TAX	74,208,001	95,139,381	89,882,412	94,916,000	100,231,000	105,844,000
DEPARTMENTAL REVENUE 3/	53,681,223	78,782,546	34,385,861	34,386,000	34,386,000	34,386,000
DOCUMENTARY TAX	38,496,980	46,724,819	50,310,503	54,184,000	58,356,000	62,849,000
LESS: CONSERVATION BANK TRUST FUND	(9,504,102)	(11,341,147)	(12,577,626)	(13,546,000)	(14,589,000)	(15,712,000)
EARNED ON INVESTMENTS	26,374,158	19,537,585	17,000,000	19,000,000	19,000,000	19,000,000
ELECTRIC POWER TAX	26,831,396	27,493,952	28,181,301	28,886,000	29,608,000	30,348,000
LESS: TRANSFER TO COMMERCE/SIB	(26,831,396)	(27,493,952)	(28,181,301)	(28,886,000)	(29,608,000)	(30,348,000)
ESTATE AND GIFT TAXES	0	0	0	0	0	0
LESS: FEDERAL CHANGE TO ESTATE TAX	0	0	0	0	0	0
INSURANCE PREMIUM TAX	169,007,401	171,659,351	179,391,522	189,079,000	199,289,000	210,051,000
INSURANCE LICENSE TAX	34,459,234	16,963,766	38,027,703	19,014,000	42,782,000	21,391,000
INSURANCE RETALIATORY & OTHER TAX	6,619,961	6,606,945	6,500,000	6,500,000	6,500,000	6,500,000
LESS: INSURANCE CREDITS	(9,091,254)	(9,582,532)	(11,239,688)	(11,240,000)	(11,240,000)	(11,240,000)
MOTOR TRANSPORT FEES	0	0	0	0	0	0
MOTOR VEHICLE LICENSES	9,639,310	10,287,660	10,496,065	10,711,000	10,925,000	11,144,000
PETROLEUM INSPECTION TAX	7,993,120	8,138,815	8,252,758	8,368,000	8,485,000	8,604,000
LESS: TRANSFER TO NON-FED HGWY FUND	(7,993,120)	(8,138,815)	(8,252,758)	(8,368,000)	(8,485,000)	(8,604,000)
PRIVATE CAR LINES TAX	3,638,486	3,592,401	3,631,917	3,672,000	3,712,000	3,753,000
PUBLIC SERVICE AUTHORITY	20,394,000	20,659,000	21,382,065	22,130,000	22,905,000	23,707,000
RETAILERS LICENSE TAX	810,225	740,380	747,784	755,000	763,000	771,000
SAVINGS & LOAN TAX	3,074,066	2,008,669	2,121,154	2,240,000	2,365,000	2,497,000
WORKERS COMP. INSURANCE	11,543,478	8,227,554	7,700,000	8,354,000	8,521,000	8,691,000
CIRCUIT/FAMILY COURT FINES	8,537,814	8,606,344	8,692,407	8,779,000	8,867,000	8,956,000
DEBT SERVICE TRANSFERS	491,081	524,177	65,234	65,234	65,234	65,234
INDIRECT COST RECOVERIES	10,846,036	13,693,548	11,061,222	11,061,000	11,061,000	11,061,000
MENTAL HEALTH FEES	0	0	0	0	0	0
PAROLE / PROBATION FEES	3,392,808	3,392,808	3,392,808	3,392,808	3,392,808	3,392,808
UNCLAIMED PROPERTY FUND	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
OTHER BASE SOURCES	732,305,724	762,418,546	744,268,903	753,668,000	805,928,000	813,060,000
TOTAL GENERAL FUND REVENUE	6,924,840,185	7,033,248,630	7,231,235,178	7,514,477,000	7,846,354,000	8,145,429,000
APPROPRIATION ACT REVENUE	6,653,699,117	6,846,108,606	7,212,839,711	7,514,477,000	7,846,354,000	8,145,429,000
LESS: TAX RELIEF TRUST FUND	(542,785,919)	(552,409,253)	(561,562,557)	(571,182,163)	(591,744,721)	(613,047,531)
PLUS: TAX RELIEF FUND CARRYFORWARD	0	0	0	0	0	0
EXCLUDING TRUST FUNDS	6,110,913,198	6,293,699,353	6,651,277,154	6,943,294,837	7,254,609,279	7,532,381,469
CAPITAL RESERVE FUND (2%) - BEG. BAL.	112,656,555	117,155,905	127,791,525	131,047,797	133,393,452	138,865,897
GENERAL RESERVE FUND (5%) - BEG. BAL.	281,641,388	292,889,764	319,478,812	327,619,492	333,483,631	347,164,742
TOTAL RESERVES	394,297,943	410,045,669	447,270,337	458,667,289	466,877,083	486,030,639
REVENUE EXCESS / SHORTAGE FROM ACT	271,141,068	187,140,024	18,395,467	0	0	0
EDUCATION IMPROVEMENT ACT 2/	611,823,605	643,252,466	652,447,574	676,755,500	702,941,000	730,140,000
EIA FUND	611,710,075	643,210,977	652,372,574	676,630,500	702,816,000	730,015,000
EIA HOLD HARMLESS						
EIA INTEREST	113,530	41,489	75,000	125,000	125,000	125,000
S.C. EDUCATION LOTTERY FUND (NET)	300,636,933	323,365,255	298,000,000	298,000,000	298,000,000	298,000,000
HOMESTEAD EXEMPTION FUND						
TOTAL REVENUE AVAILABLE	553,390,318	579,001,045	590,562,020	612,235,030	635,674,749	660,009,778
LESS: HOMESTEAD EXEMPT. FUND SHORTFALL	(116,908,662)	(110,397,500)	(115,180,393)	(112,542,445)	(108,854,984)	(104,998,034)

1/: Excludes (1%) Education Improvement Act and (2%) Accommodations Taxes.

2/: Includes interest earnings.

3/: Includes former Dept. of Agriculture agency revenue other than the Petroleum Inspection Tax now shown separately.

PERSONAL INCOME GROWTH
 FY15 - 3.75%; FY16 - 4.3%
 FORECAST PERIOD: 4.3%

LONG RANGE GENERAL FUND REVENUE FORECAST
 FISCAL YEARS FY2012-13 TO FY2017-18
 (PERCENTAGE CHANGE OVER PREVIOUS FISCAL YEAR)

REVENUE CATEGORIES	PERCENT CHANGE FY12/FY13	PERCENT CHANGE FY13/FY14	PERCENT CHANGE FY14/FY15	PERCENT CHANGE FY15/FY16	PERCENT CHANGE FY16/FY17	PERCENT CHANGE FY17/FY18
RETAIL SALES TAX 1/	4.0	3.1	3.7	3.7	3.9	3.9
EXCISE, CASUAL SALES TAX	2.5	-37.2	3.8	3.9	3.9	3.9
INDIVIDUAL INCOME TAX	8.4	1.9	3.2	4.7	4.7	4.7
CORPORATION INCOME TAX	52.9	-14.4	4.3	3.4	0.0	0.0
SALES AND INCOME TAXES	8.6	1.3	3.4	4.2	4.1	4.1
ADMISSIONS/BINGO TAX	1.1	-1.8	-0.1	1.6	1.9	1.9
ADMISS. TAX TRANSFER TO PRT						
AIRCRAFT TAX	10.2	-3.9	3.5	3.5	3.5	3.5
ALCOHOLIC LIQUOR TAX	4.7	4.1	4.2	4.1	4.1	4.1
BANK TAX	126.1	-2.9	5.7	6.2	6.2	6.2
BEER AND WINE TAX	-0.1	2.0	2.0	2.0	2.0	2.0
BUSINESS LICENSE TAX	5.4	-7.4	-1.5	-1.5	-1.5	-1.5
COIN-OPERATED DEVICES	-9.9	-19.8	39.6	-31.9	64.5	-42.2
CORPORATION LICENSE TAX	-27.0	28.2	-5.5	5.6	5.6	5.6
DEPARTMENTAL REVENUE 3/	26.6	46.8	-56.4	0.0	0.0	0.0
DOCUMENTARY TAX	28.6	21.4	7.7	7.7	7.7	7.7
LESS: CONSERVATION BANK TRUST FUND						
EARNED ON INVESTMENTS	-9.8	-25.9	-13.0	11.8	0.0	0.0
ELECTRIC POWER TAX	21.7	2.5	2.5	2.5	2.5	2.5
LESS: TRANSFER TO COMMERCE/SIB						
ESTATE AND GIFT TAXES	-100.0					
LESS: FEDERAL CHANGE TO ESTATE TAX						
INSURANCE PREMIUM TAX	2.2	1.6	4.5	5.4	5.4	5.4
INSURANCE LICENSE TAX	137.3	-50.8	124.2	-50.0	125.0	-50.0
INSURANCE RETALIATORY & OTHER TAX	17.9	-0.2	-1.6	0.0	0.0	0.0
LESS: INSURANCE CREDITS	-36.9	5.4	17.3	0.0	0.0	0.0
MOTOR TRANSPORT FEES						
MOTOR VEHICLE LICENSES	-7.7	6.7	2.0	2.0	2.0	2.0
PETROLEUM INSPECTION TAX	0.6	1.8	1.4	1.4	1.4	1.4
LESS: TRANSFER TO NON-FED HGWY FUND						
PRIVATE CAR LINES TAX	-4.8	-1.3	1.1	1.1	1.1	1.1
PUBLIC SERVICE AUTHORITY	4.0	1.3	3.5	3.5	3.5	3.5
RETAILERS LICENSE TAX	-5.7	-8.6	1.0	1.0	1.1	1.0
SAVINGS & LOAN TAX	135.6	-34.7	5.6	5.6	5.6	5.6
WORKERS COMP. INSURANCE	14.1	-28.7	-6.4	8.5	2.0	2.0
CIRCUIT/FAMILY COURT FINES	-6.8	0.8	1.0	1.0	1.0	1.0
DEBT SERVICE TRANSFERS	4.7	6.7	-87.6	0.0	0.0	0.0
INDIRECT COST RECOVERIES	-1.6	26.3	-19.2	-0.0	0.0	0.0
MENTAL HEALTH FEES						
PAROLE / PROBATION FEES	0.0	0.0	0.0	0.0	0.0	0.0
UNCLAIMED PROPERTY FUND	0.0	0.0	0.0	0.0	0.0	0.0
OTHER BASE SOURCES	5.1	4.1	-2.4	1.3	6.9	0.9
TOTAL GENERAL FUND REVENUE	8.2	1.6	2.8	3.9	4.4	3.8
APPROPRIATION ACT REVENUE	10.5	2.9	5.4	4.2		
LESS: TAX RELIEF TRUST FUND	1.2	1.8	1.7	1.7	3.6	3.6
PLUS: TAX RELIEF FUND CARRYFORWARD						
EXCLUDING TRUST FUNDS	11.4	3.0	5.7	4.4	4.5	3.8
CAPITAL RESERVE FUND (2%) - BEG. BAL.	7.5	4.0	9.1	2.5	1.8	4.1
GENERAL RESERVE FUND (5%) - BEG. BAL.	53.5	4.0	9.1	2.5	1.8	4.1
TOTAL RESERVES	36.8	4.0	9.1	2.5	1.8	4.1
REVENUE EXCESS / SHORTAGE FROM ACT						
EDUCATION IMPROVEMENT ACT 2/ EIA FUND	3.6	5.1	1.4	3.7	3.9	3.9
EIA HOLD HARMLESS						
EIA INTEREST	35.6	-63.5	80.8	66.7	0.0	0.0
S.C. EDUCATION LOTTERY FUND (NET)	0.3	7.6	-7.8	0.0	0.0	0.0
HOMESTEAD EXEMPTION FUND TOTAL REVENUE AVAILABLE	2.9	4.6	2.0	3.7	3.8	3.8
LESS: HOMESTEAD EXEMPT. FUND SHORTFALL						

1/: Excludes (1%) Education Improvement Act and (2%)

2/: Includes interest earnings.

3/: Includes former Dept. of Agriculture agency revenue