

**COMPARATIVE STATEMENT OF OFFICIAL REVENUE FORECASTS AND ACTUAL REVENUE
FISCAL YEARS 2018/2019 THROUGH 2024/2025 (IN MILLIONS)**

Revenue	ACTUAL 2018/19	ACTUAL 2019/20	FORECAST 2020/21 19-Jan-21	FORECAST 2021/22 19-Jan-21	FORECAST 2022/23 19-Jan-21	FORECAST 2023/24 19-Jan-21	FORECAST 2024/25 19-Jan-21
Alcoholic Beverage Tax	37.7	38.9	39.8	40.2	40.9	41.3	41.7
Beer Tax	38.4	39.3	38.6	37.9	37.7	37.5	37.3
Corporate Franchise Tax							
Corporate Income Tax							
Corporate Total	630.5	578.5	480.6	380.0	454.3	481.6	508.3
Gasoline and Special Fuels Tax	635.5	581.2	607.8	627.2	636.4	645.6	654.8
Hazardous Waste Tax	2.6	2.5	1.9	1.9	1.9	1.9	1.9
Individual Income Tax	3,719.4	3,780.3	3,654.1	3,793.1	3,977.1	4,079.1	4,069.1
Natural Gas Franchise Tax	0.8	1.5	0.7	0.7	0.7	0.7	0.7
Public Utilities	7.7	7.3	5.5	6.0	6.5	7.0	7.0
Auto Rental Excise	7.4	6.3	5.0	5.5	6.0	6.5	7.0
Sales Tax	3,459.8	3,313.7	3,216.9	3,276.2	3,341.2	3,379.2	3,412.2
Severance Tax	524.6	431.6	252.1	325.5	393.6	420.7	431.8
Supervision&Inspection Fees	8.6	8.7	7.0	7.5	8.0	8.0	8.0
Tobacco Tax	284.8	277.9	289.2	279.6	279.5	279.4	279.4
Unknown Owners	15.0	26.7	54.1	15.0	15.0	15.0	15.0
Miscellaneous Receipts	6.8	6.6	6.6	6.6	6.6	6.6	6.6
TOTAL REVENUE DEPT	9,379.6	9,101.1	8,659.9	8,802.9	9,205.5	9,410.1	9,480.9
Royalties	181.3	113.5	80.8	90.0	96.0	104.8	115.7
Rentals	1.2	4.3	3.0	3.0	3.0	3.0	3.0
Bonuses	13.6	2.1	5.0	5.0	5.0	5.0	5.0
Royalty Interest	0.8	1.0	1.0	1.0	1.0	1.0	1.0
TOTAL MINERAL BOARD	196.8	120.9	89.8	99.0	105.0	113.8	124.7
Interest on Investments	6.1	48.1	35.0	35.0	35.0	35.0	35.0
Interest Earnings (TTF)	7.9	5.1	0.1	0.1	0.1	0.1	0.1
Various Agency Receipts INA	204.1	208.8	206.6	202.1	202.9	203.5	202.4
Agency SGR Over-collections	16.5	17.9	17.9	17.9	17.9	17.9	17.9
Bond Reimbursements	16.7	25.8	29.6	9.2	9.2	9.2	9.2
Education Support Fund	41.0	33.4	38.9	27.9	30.2	32.6	35.0
Lottery	181.6	171.2	191.9	183.5	184.6	179.1	175.7
Land Based Casino	63.1	80.9	77.4	71.7	78.4	71.4	71.4
Tobacco Settlement	111.0	99.3	98.4	98.4	98.5	98.5	183.4
Provider Fees	161.4	161.6	160.2	165.3	168.3	171.3	174.3
TOTAL TREASURY	809.3	852.1	856.0	811.2	825.1	818.6	904.5
Excise License Tax	914.8	953.8	998.1	1,011.0	1,036.0	1,049.8	1,074.8
Insurance Fees	72.0	75.7	75.7	78.4	81.3	84.2	87.2
TOTAL INSURANCE	986.7	1,029.5	1,073.8	1,089.4	1,117.3	1,133.9	1,161.9
Misc Public Safety/ABP	16.7	7.7	7.6	8.0	8.2	8.4	8.6
Certificate of Title	23.0	21.8	23.8	23.9	24.3	24.7	25.1
Motor Vehicle License	124.6	125.1	134.5	133.6	135.5	137.4	139.3
Motor Vehicle Sales	450.3	455.7	485.8	473.7	479.7	486.7	492.7
Riverboat Gaming	404.5	316.6	306.6	308.5	313.2	319.3	325.7
Racetrack Slots	54.0	42.0	44.2	44.1	44.0	44.3	44.3
Fantasy Sports Wager	-	-	-	0.4	0.4	0.4	0.4
Video Poker	194.3	169.8	207.6	190.9	190.9	191.0	191.0
TOTAL PUBLIC SAFETY	1,267.4	1,138.8	1,210.0	1,183.1	1,196.2	1,212.2	1,227.1
Total TAX, LICENSES & FEES	12,639.9	12,242.8	11,889.6	11,985.6	12,449.0	12,688.7	12,899.1

**COMPARATIVE STATEMENT OF OFFICIAL REVENUE FORECASTS AND ACTUAL REVENUE
FISCAL YEARS 2018/2019 THROUGH 2024/2025 (IN MILLIONS)**

Dedications	ACTUAL 2018/19	ACTUAL 2019/20	FORECAST 2020/21 19-Jan-21	FORECAST 2021/22 19-Jan-21	FORECAST 2022/23 19-Jan-21	FORECAST 2023/24 19-Jan-21	FORECAST 2024/25 19-Jan-21
Trans Trust/fuels	508.4	465.0	486.2	501.8	509.1	516.5	523.8
Trans Trust/motor vehicle lic	53.6	52.4	56.7	56.4	57.2	58.0	58.8
Trans Trust/sales jet fuel	29.8	29.8	29.8	29.8	29.8	29.8	29.8
Trans Trust/interest & fees	38.2	36.5	31.6	31.6	31.6	31.6	31.6
TIME/fuels	127.1	116.2	121.6	125.4	127.3	129.1	131.0
H F #2/motor vehicle license	12.9	13.3	14.0	14.0	14.2	14.4	14.6
State Highway Improvement Fund	58.2	59.4	63.3	62.9	63.8	64.7	65.6
OMV Drivers' License Escrow Fund	3.5	1.0	1.0	1.0	1.0	1.1	1.1
Sports Facility Assistance Fund	4.2	5.3	5.1	5.3	5.6	5.7	5.7
Parishes/severance	44.5	41.2	24.5	31.6	38.2	40.8	41.9
Forest Productivity	2.5	2.7	2.5	2.5	2.5	2.5	2.5
Wildfire Suppression Subfund/Fire Prot. Fd	-	-	0.9	0.9	0.9	0.9	0.9
Parishes/royalties	18.8	12.4	8.1	9.0	9.6	10.5	11.6
DNR/AG Support Fund	2.5	2.5	2.5	2.5	1.6	1.6	1.6
Wetlands Conservation&Rst	24.5	14.8	11.1	12.6	13.9	14.6	15.0
Education Support Fund	41.0	33.4	38.9	27.9	30.2	32.6	35.0
Workforce Develop Fd/sales	14.6	13.9	13.8	13.9	14.2	14.4	14.5
Tourism Promotion Dist/sal	26.1	24.9	24.6	24.9	25.4	25.7	25.9
Telecommunications Fund for the Deaf	3.4	3.4	3.4	3.4	3.4	3.4	3.4
2% Fire Insurance/excise lic	22.2	23.0	24.3	24.6	25.2	25.5	26.1
Fire Marshall/excise license	16.6	16.9	18.0	18.2	18.6	18.9	19.3
LSU Fireman Training /excise	3.3	3.4	3.6	3.6	3.7	3.8	3.9
Retirement Systems/insurance	72.0	75.7	75.7	78.4	81.3	84.2	87.2
ELT MATF Medicaid Managed Care	438.9	457.9	476.6	482.7	494.7	501.2	513.2
State Police Salary Fund	15.6	15.6	15.6	15.6	15.6	15.6	15.6
Video Poker	57.7	40.6	62.9	57.9	57.9	57.9	57.9
Racetrack Slots	32.8	30.9	30.4	31.3	26.7	26.9	26.9
Lottery	181.1	170.7	191.4	183.0	184.1	178.6	175.2
SELF Fund	146.4	127.5	125.3	125.7	131.7	133.0	134.4
Casino Support Fund/Cancer Center	3.2	3.4	3.4	3.4	3.4	3.4	3.4
LA Early Childhood Fund, LBC	-	0.0	-	1.6	0.4	0.4	0.4
Comm. Water Fd (70%), NOLA (30%), LBC	-	-	-	-	-	-	-
Riverboat Gaming	62.8	49.7	48.2	48.5	49.3	50.2	51.2
Compulsive & Problem Gaming	2.5	2.4	2.5	2.5	3.0	3.0	3.0
Budget Stabilization Fund	-	-	25.0	25.0	25.0	25.0	25.0
Revenue Stabilization Fund	30.5	-	-	-	-	-	-
Haz Waste Site	2.6	2.5	1.9	1.9	1.9	1.9	1.9
Supervision&Inspection Fees	8.7	8.7	7.0	7.5	8.0	8.0	8.0
Inspection Gasoline Fee	4.4	4.1	4.1	4.1	4.1	4.1	4.1
Louisiana & Tobacco Funds	120.2	108.0	107.6	107.4	107.4	107.4	192.4
Tobacco Tax Health Care Fund	28.0	26.6	28.2	27.3	27.3	27.3	27.3
Tobacco Tax Medicaid Match Fund	114.1	108.6	-	-	-	-	-
Tobacco Settlement Enforcement Fund	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Rapid Response Fund/Economic Dev	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Rapid Response Fund/Workforce	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Unclaimed Property Leverage	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Capitol Tech	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Provider Fees	161.4	161.6	160.2	165.3	168.3	171.3	174.3
NOW Waiver Fund	15.0	-	39.9	-	-	-	-
Total Dedications	2,599.0	2,411.4	2,436.8	2,418.3	2,462.3	2,490.7	2,610.2
GENERAL FUND REVENUE	10,040.8	9,831.4	9,452.8	9,567.3	9,986.7	10,198.0	10,288.9
Fund Balance Transfer	-	-	90.1	-	-	-	-
GENERAL FUND REVENUE (including Fund Balance Transfer)	10,040.8	9,831.4	9,542.9	9,567.3	9,986.7	10,198.0	10,288.9

ECONOMIC OUTLOOK

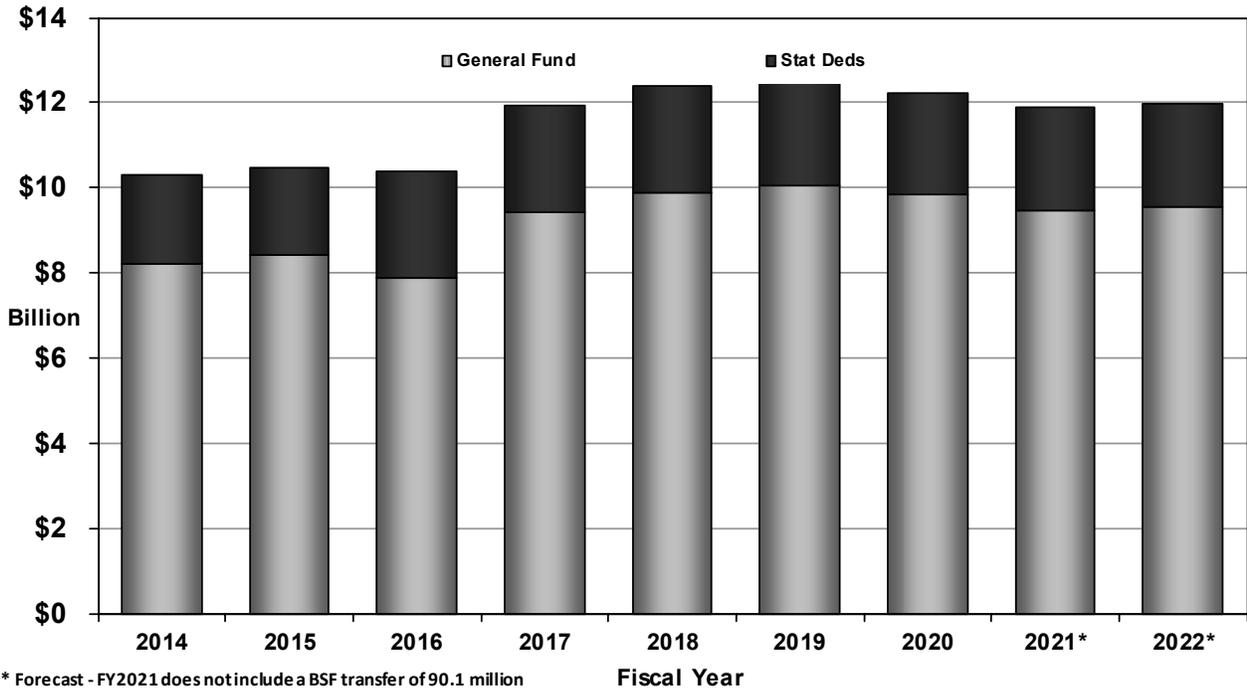
LOUISIANA ECONOMIC FORECAST SUMMARY BY FISCAL YEAR ENDING JUNE 30

LOUISIANA ECONOMIC FORECAST SUMMARY BY FISCAL YEAR END JUNE 30

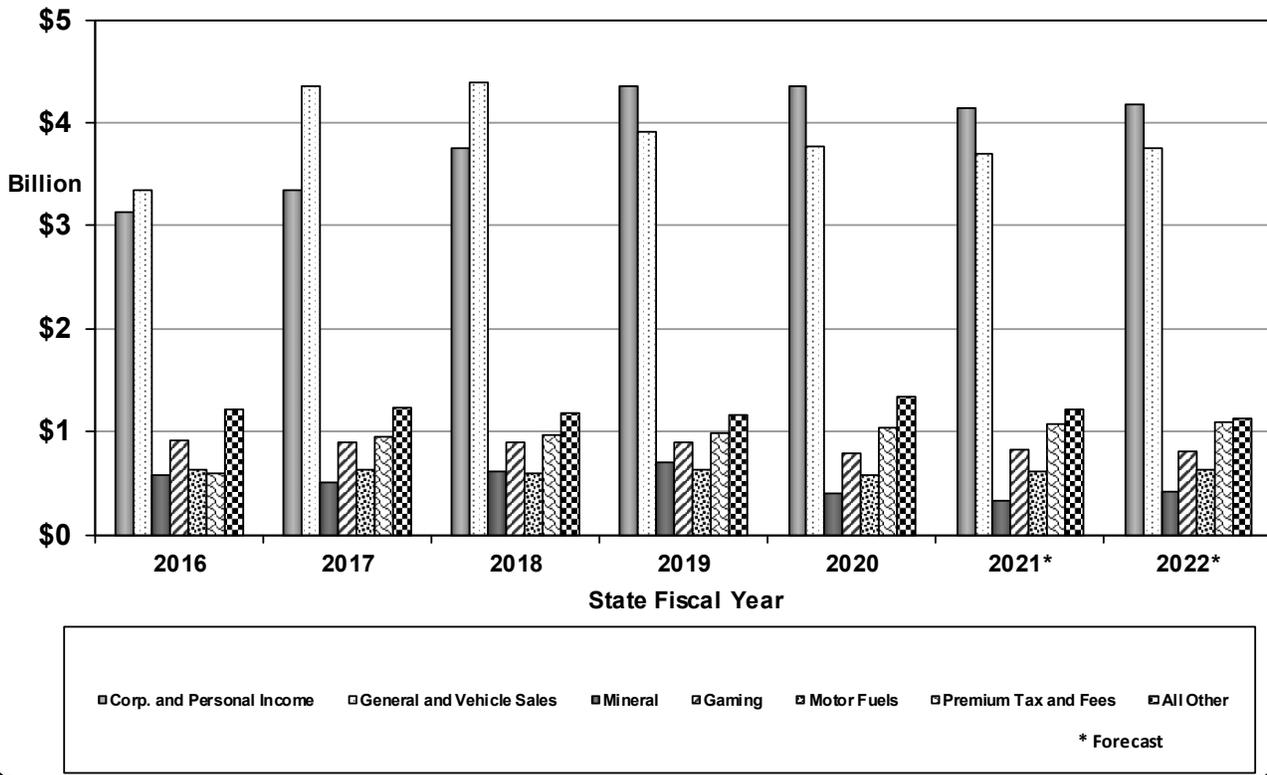
	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021*</u>	<u>FY 2022*</u>
Macroeconomic Assumptions						
Population (Thousand)	4,674.5	4,663.7	4,653.0	4,643.1	4,649.5	4,650.7
<i>% Change</i>	0.0%	-0.2%	-0.2%	-0.2%	0.1%	0.0%
Louisiana Non-Agricultural Employment (Thousand)	1,972.8	1,979.6	1,993.0	1,928.9	1,882.5	1,937.0
<i>% Change</i>	-0.7%	0.3%	0.7%	-3.2%	-2.4%	2.9%
National Non-Agricultural Employment (Million)	145.5	147.7	149.9	147.1	142.8	147.0
<i>% Change</i>	1.7%	1.5%	1.5%	-1.9%	-3.0%	3.0%
Louisiana Wages and Salaries (\$ Billion)	96.4	99.6	103.2	102.3	106.0	110.4
<i>% Change</i>	0.0%	3.3%	3.7%	-0.9%	3.5%	4.2%
National Wages and Salaries (\$ Billion)	8,259.1	8,692.5	9,121.9	9,292.2	9,637.1	10,018.6
<i>% Change</i>	3.6%	5.2%	4.9%	1.9%	3.7%	4.0%
Inflation (Personal Consumption Deflator - Year 2012 = 100)	105.1	107.1	109.0	110.5	112.0	114.6
<i>% Change</i>	1.6%	1.9%	1.8%	1.3%	1.4%	2.4%
Annual Change in U.S. Real Gross Domestic Product	2.0%	2.9%	2.5%	-1.1%	1.2%	4.9%
Mineral-Related Assumptions						
Severance Crude Oil Price (\$/barrel)	46.94	59.66	67.54	48.55	40.10	44.65
<i>% Change</i>	7.4%	27.1%	13.2%	-28.1%	-17.4%	11.3%
Oil Production (Million Barrels)	67.0	60.0	54.0	42.0	35.0	36.0
<i>% Change</i>	12.0%	-10.4%	-10.0%	-22.2%	-16.7%	2.9%
Henry Hub Natural Gas Price (\$/MCF)	3.02	2.82	2.93	2.00	2.66	2.60
<i>% Change</i>	41.0%	-6.6%	3.9%	-31.7%	33.0%	-2.3%
Natural Gas Severance Rate (¢/MCF)	9.8	11.1	12.2	12.5	9.3	9.3
Natural Gas Production (Million MCF)	1,700.0	2,500.0	2,900.0	3,100.0	2,900.0	3,200.0
<i>% Change</i>	-3.3%	47.1%	16.0%	6.9%	-6.5%	10.3%

* Forecast

TAXES, LICENSES AND FEES



TAXES, LICENSES & FEES Major Revenue Sources



Louisiana Employment and Wages

In FY2015-2016, Louisiana lost 15,000 jobs due to a decrease in the price of oil, which impacted the oil services industry. Prior to the current fiscal year, the job market was recovering at a steady pace.

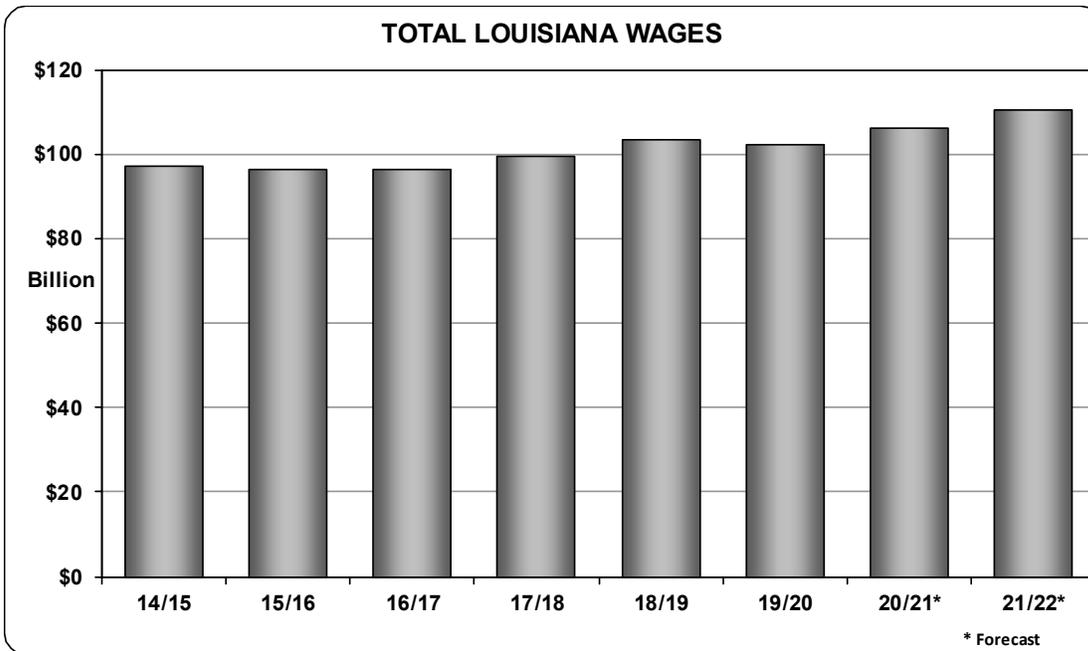
The Global Pandemic

During calendar year 2019, total employment reached close to two (2) million. The coronavirus pandemic's impact started in calendar year 2020. The World Health Organization declared the novel coronavirus a global pandemic on March 11. Soon after, many countries around the world started to lock down their economies, shuttering businesses and curtailing or outright forbidding travel. Almost overnight economic activity came to a grinding halt, not seen since the Great Recession of 2008-2009. Total non-farm employment had reached 1.99 million in February 2020. It fell by 272,000 within two months, reaching 1.72 million in April 2020. The most affected sectors were Leisure & Hospitality and Arts & Entertainment, sectors that depend on tourism (which dropped almost to zero) and have many independent businesses that had to reduce activity or shut down. After April 2020, the labor market slowly started to recover and as of December 2020 it reached the mark of 1.9 million people employed, about 90,000 shy of the February 2020 peak.

Louisiana nominal wages had been steadily increasing in the fiscal years before FY2019-2020. For example, in FY2017-2018 nominal wages increased by 3.3% and in the following fiscal year the increase was 3.7%. The global pandemic caused this fairly healthy rise in nominal wages to stop, with a decrease of 0.9% in FY2019-2020. Now, as the global economy recovers (because of the availability of vaccines and state economies opening up), Moody's Analytics projects an increase in nominal wages for FY2020-2021 of 3.5% and 4.2% in the following fiscal year.

Louisiana Employment (Thousands, SA)	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21 forecast	FY 2021-22 forecast
Statewide Nonfarm Employment	1,980	1,993	1,929	1,882	1,937
Goods Producing	320	323	303	393	311
Natural Resources & Mining	36	37	35	30	36
Construction	149	149	134	133	144
Total Manufacturing	135	137	134	129	131
Service Providing	1,659	1,670	1,626	1,590	1,626
Trade, Transportation & Utilities	381	381	370	371	380
Information	23	22	21	19	20
Financial Activities	92	92	92	92	92
Professional & Business Services	211	215	211	208	217
Education & Health Services	314	318	314	302	310
Leisure & Hospitality	235	237	217	204	213
Other Services (except Public Administration)	74	74	72	70	71
Total Government (all levels)	330	330	329	322	322

Source: Moody's Analytics



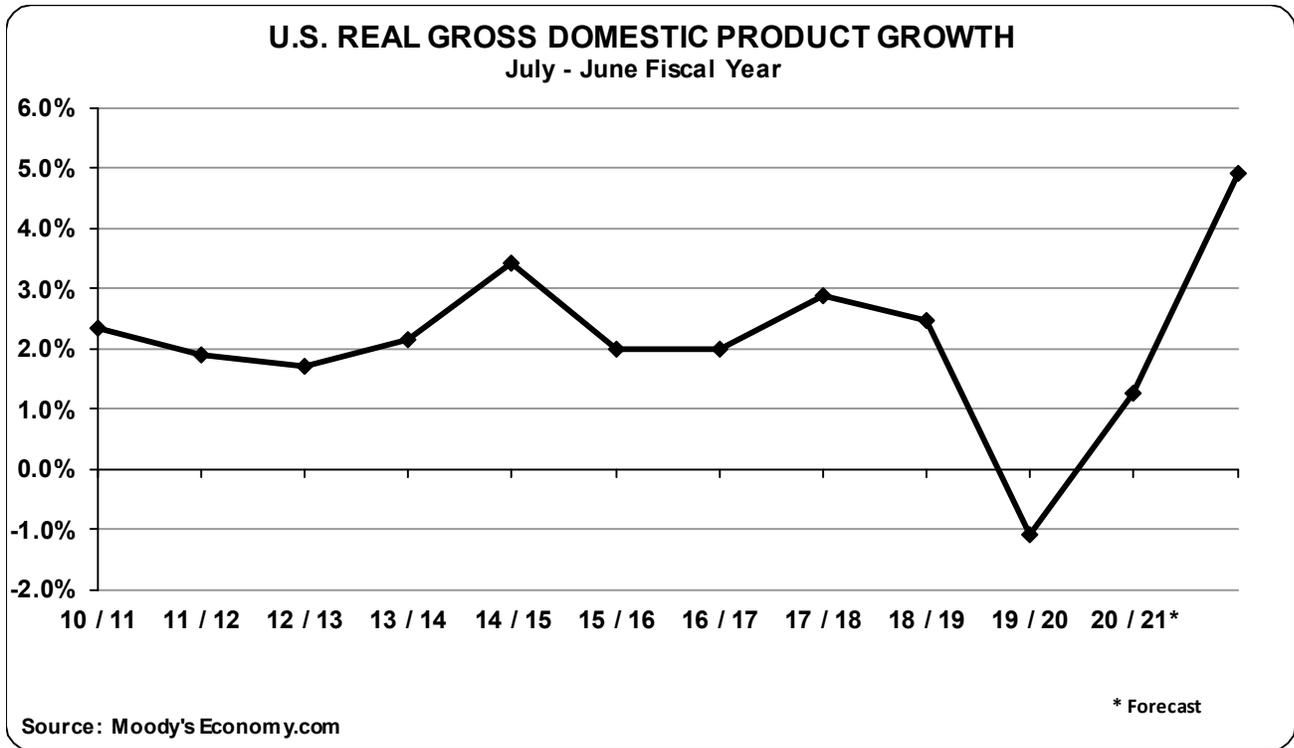
U.S. Real Gross Domestic Product

In the fiscal years before the global pandemic hit, the US economy was expanding at a steady pace. For example, FY2017-2018 US real GDP expanded by 2.9%, and the following year it did so by 2.5%. But then, in FY2019-2020, the global pandemic hit.

The Global Pandemic

As mentioned earlier, when the global coronavirus pandemic hit, the economy came to a grinding halt in the first quarter of calendar year 2020 (which is third quarter of FY2019-2020). Data show that US real GDP fell by an annualized rate of 5% in the first quarter of 2020 and 31.4% (again, annualized) in the second quarter (April to June) of the same year. This speaks of how much economic activity fell due to the pandemic. In the third quarter of calendar 2020, the economy recovered, growing at an annualized rate of 33.4%, and in the third quarter US real GDP grew by another 4%. The opening of the economy reflects this fact.

Moody's Analytics forecasts that in FY2020-2021 US real GDP will grow by 1.2% and in the following fiscal year by 4.9%.



Revenue Summary
Fiscal Year 2019 - 2020

FY2019-2020 saw a reduction in revenue collections as measured by Taxes, Licenses & Fees (TLF), compared to FY2018-2019. This broad measure tracked by the Revenue Estimating Conference (REC) fell by 3.1%. In addition, Statutory Dedications saw a decrease of 6.7% (compared to the previous fiscal year). Thus, the State General Fund collection fell by 2.1%.

	FY 2019-2020 Actual (Million \$)	Annual Change (Million \$)	Annual Change (%)
Taxes, Licenses and Fees	12,242.8	-397.5	-3.1
Statutory Dedications	2,411.4	-172.6	-6.7
State General Fund	9,831.4	-209.9	-2.1

The following table displays the revenue sources that showed an increase of at least \$10 million over the prior fiscal year:

Annual Revenue Increases Greater than \$10 Million

Revenue Source	Annual Change (Million \$)	Annual Change (%)
Individual Income Tax	60.8	1.6
Interest Earnings on the State General Fund	42.0	684.6
Excise License (Insurance Premium Tax)	39.0	4.3
Land-Based Casino	17.8	28.2

FY2019-2020 was the year when the global pandemic hit. The pandemic caused lockdowns to be introduced and economic activity fell suddenly. This, in turn, affected tax collections. Therefore, not too many levies had higher collections than in the previous fiscal year. The highest collection over \$10 million was the Individual Income Tax. A lot of its collections is based on calendar year 2019, which was not affected by the pandemic. The Interest Earnings on the State General Fund were much higher (percentage-wise) than in previous years, due to a change in the interest allocation calculation by the Department of the Treasury. Higher Premium Tax collections are due to increased activity in the insurance market. Also, higher Land-Based Casino revenues are due to the new contract that the owner of the casino signed with the state of Louisiana.

The next table ranks the revenue sources with the largest annual percentage declines and a \$10 million or more decrease during FY2019-2020:

Annual Revenue Decreases Greater than \$10 Million

Revenue Source	Annual Change (Million \$)	Annual Change (%)
General Sales Tax	-146.1	-4.2
Severance Tax	-93.0	-17.7
Riverboat Gaming Tax	-87.8	-21.7
Royalties	-67.8	-37.4
Corporate Collections	-52.0	-8.3
Video Draw Poker	-24.5	-12.6
Racetrack Slots	-12.0	-22.2

Due to the pandemic, several tax revenues saw a reduction in their collections – among them the General Sales Tax and the gaming revenues. Mineral Revenues (Severance and Royalties) also saw a decrease because of significant fall in the oil price.

Fiscal Year 2020 - 2021

The Revenue Estimating Conference (REC) met January 19, 2021 and adopted a forecast for Taxes, Licenses & Fees (TLF) for FY2020-2021 that was about \$352 million lower than the actual collections in FY2019-2020. The projected amount for Taxes, Licenses & Fees (TLF) of \$11,889.6 million represents a 2.9% decrease; the

State General Fund (SGF) is projected to amount to \$9,452.8 million, a 3.8% decrease compared to the actual collection of the previous fiscal year. Note: The figure for the State General Fund does not include a Budget Stabilization Fund transfer of about \$90.1 million.

	FY 2020-2021 Forecast (Million \$)	Annual Change (Million \$)	Annual Change (%)
Taxes, Licenses and Fees	11,889.6	-352.8	-2.9
Statutory Dedications (including NOW)	2,436.8	25.4	1.0
State General Fund	9,452.8	-378.2	-3.8

The following table ranks the revenue sources with the largest expected percentage growth and a \$10 million or higher increase over the prior fiscal year:

Annual Revenue Increases Greater than \$10 Million

Revenue Source	Annual Change (Million \$)	Annual Change (%)
Excise License Tax (Insurance Premium Tax)	44.3	4.6
Video Draw Poker	37.8	22.3
Vehicle Sales Tax	30.0	6.6
Motor Fuels and Special Fuels Tax	26.6	4.6
Lottery Proceeds	20.7	12.1
Tobacco Tax	11.3	4.1

There are a few revenue streams that are projected to have a higher collection than \$10 million. Insurance Premium Tax and Vehicle Sales Tax have shown resilience, despite the pandemic. Motor Fuels Taxes are projected to increase, given that the economy is slowly opening up and economic activity is increasing. Gaming collections are projected to be higher, because of the same reason, the opening of the economies and increased activity.

The following table ranks the revenue sources with the largest projected annual percentage declines during FY2020-2021:

Annual Revenue Decreases Greater than \$10 Million

Revenue Source	Annual Change (Million \$)	Annual Change (%)
Severance Tax	-179.5	-41.6
Individual Income Tax	-126.2	-3.3
Corporate Collections	-97.9	-16.9
General Sales Tax	-96.8	-2.9
Royalty Collections	-32.7	-28.8
Interest Earnings on the State General Fund	-13.1	-27.3

Mineral Revenues are projected to fall because of a lower oil price and reduced oil production. Income tax revenues (Individual and Corporate) are forecast to fall because of the pandemic – lower economic activity reduces income which in turn reduces tax collections. The same reason can be given for the General Sales Tax.

Fiscal Year 2021 - 2022

The REC meeting on January 19, 2021 also revised the forecast for FY2021-2022. It projects an increase of 0.8% in Taxes, Licenses & Fees (TLF), compared to the projection for FY2020-2021, and a State General Fund that is 1.2% higher than the previous fiscal year.

	FY 2021-2022 Forecast (Million \$)	Annual Change (Million \$)	Annual Change (%)
Taxes, Licenses and Fees	11,985.6	212.3	0.8
Statutory Dedications	2,418.3	-40.3	-0.8
State General Fund	9,567.3	252.6	1.2

The following table shows revenue sources that are projected to increase by \$10 million or more during FY2021-2022:

Annual Revenue Increases Higher than \$10 Million

Revenue Source	Annual Change (Million \$)	Annual Change (%)
Individual Income Tax	139.0	3.8
Severance Tax	73.4	29.1
General Sales Tax	59.4	1.8
Motor Fuels and Special Fuels Tax	19.4	3.2
Excise License Tax (Insurance Premium Tax)	12.9	1.3

All of the revenue streams listed in the table above are projected to increase due to higher economic activity. This is especially true for the Individual Income Tax and the General Sales Tax. The Severance Tax collection is projected to rise with an anticipated increase in the oil price.

The following table ranks the revenue sources with the largest projected annual percentage declines during FY2021-2022:

Annual Revenue Decreases Greater than \$10 Million

Revenue Source	Annual Change (Million \$)	Annual Change (%)
Corporate Collections	-100.7	-20.9
Unknown Owners	-39.1	-72.3
Bond Reimbursements	-20.4	-68.9
Video Draw Poker	-16.7	-8.0
Vehicle Sales Tax	-12.1	-2.5
Quality Education Support Fund	-11.0	-28.3

Corporate Collections are projected to fall by about \$100 million, due to the pandemic that hit calendar year 2020. Reduced profits take time to trickle down to tax payments and the forecast reflects a conservative approach to this particular revenue stream. Unknown Owners will effectively “disappear” from the REC projections, given that the voters approved the constitutional reform that created the Unclaimed Property Permanent Trust Fund. Bond Reimbursements will be lower in years to come, due to early repayments by bond holders.

