

**COMPARATIVE STATEMENT OF OFFICIAL REVENUE FORECASTS AND ACTUAL REVENUE  
FISCAL YEARS 2011/2012 THROUGH 2017/2018 (IN MILLIONS)**

Revenue	ACTUAL 2011/12	ACTUAL 2012/13	FORECAST 2013/14 EOB	FORECAST 2013/14 Jan. 15, 2015	FORECAST 2014/15 Jan. 15, 2015	FORECAST 2015/16 Jan. 15, 2015	FORECAST 2016/17 Jan. 15, 2015	FORECAST 2017/18 Jan. 15, 2015
Alcoholic Beverage Tax	21.6	22.1	22.3	22.3	22.6	22.9	23.0	23.0
Beer Tax	35.4	34.9	35.6	35.6	35.6	35.6	35.6	35.6
Corporate Franchise Tax	-	-	-	-	-	-	-	-
Corporate Income Tax	-	-	-	-	-	-	-	-
Corporate Total	374.0	336.3	340.0	279.5	268.3	290.0	253.9	245.1
Gasoline and Special Fuels Tax	575.1	583.0	575.6	590.1	587.6	601.5	607.5	610.3
Gift Tax	(0.0)	0.0	-	-	-	-	-	-
Hazardous Waste Tax	3.1	3.3	3.0	3.2	3.2	3.1	3.1	3.0
Individual Income Tax	2,486.1	2,753.8	2,786.1	2,811.5	2,932.4	3,107.7	3,254.8	3,399.3
Inheritance Tax	(0.8)	(0.0)	1.0	1.0	1.0	1.0	1.0	1.0
Natural Gas Franchise Tax	4.9	1.6	2.9	1.7	1.7	1.7	1.7	1.7
Public Utilities	9.0	7.1	8.1	7.2	7.2	7.2	7.2	7.2
Auto Rental Excise	5.3	0.0	-	-	-	-	-	-
Sales Tax	2,580.6	2,581.9	2,656.8	2,609.9	2,645.8	2,669.7	2,693.6	2,716.8
Severance Tax	847.8	847.1	825.2	850.5	821.5	802.7	788.2	778.6
Supervision&Inspection Fees	7.9	8.0	8.1	8.1	8.1	8.1	8.1	8.1
Tobacco Tax	135.7	136.6	137.4	135.6	135.6	135.6	135.6	135.6
Unknown Owners	44.3	53.3	50.0	50.0	50.0	50.0	50.0	50.0
Miscellaneous Receipts	4.4	4.4	4.1	4.5	4.6	4.7	4.8	5.0
<b>TOTAL REVENUE DEPT</b>	<b>7,134.3</b>	<b>7,373.6</b>	<b>7,456.2</b>	<b>7,410.6</b>	<b>7,525.1</b>	<b>7,741.6</b>	<b>7,868.1</b>	<b>8,020.3</b>
Royalties	515.0	494.8	505.4	524.1	517.5	512.1	509.5	510.7
Rentals	12.9	13.7	12.5	13.7	13.7	13.7	13.7	13.7
Bonuses	21.0	15.2	12.0	15.2	15.2	15.2	15.2	15.2
Royalty Interest	2.9	3.1	2.5	3.1	3.1	3.1	3.1	3.1
<b>TOTAL MINERAL BOARD</b>	<b>551.9</b>	<b>526.9</b>	<b>532.4</b>	<b>556.2</b>	<b>549.6</b>	<b>544.2</b>	<b>541.6</b>	<b>542.8</b>
Interest on Investments	78.8	63.6	65.5	59.4	55.6	52.0	48.6	45.4
Interest Earnings (TTF)	0.8	0.7	0.8	0.8	0.8	0.8	0.8	0.8
Various Agency Receipts INA	39.6	73.5	41.3	41.3	185.0	198.9	198.6	198.1
Agency SGR Over-collections	24.3	25.5	25.0	25.0	25.0	25.0	25.0	25.0
Bond Reimbursements	85.6	39.7	33.2	33.3	33.3	33.3	33.3	33.3
Education Support Fund	47.1	58.1	48.3	58.9	59.6	60.4	61.1	61.9
Lottery	141.4	162.4	142.2	164.7	152.0	152.0	152.0	152.0
Land Based Casino	73.5	72.6	73.1	74.8	77.0	79.3	81.7	84.1
Tobacco Settlement	138.6	123.8	91.9	152.9	118.1	96.0	96.1	96.0
Provider Fees	105.9	110.0	106.9	123.4	123.4	123.4	123.4	123.4
<b>TOTAL TREASURY</b>	<b>735.6</b>	<b>729.9</b>	<b>628.1</b>	<b>734.4</b>	<b>829.8</b>	<b>821.0</b>	<b>820.6</b>	<b>820.1</b>
Excise License Tax	365.3	421.9	409.6	434.1	449.8	457.9	483.9	512.1
Insurance Fees	56.7	57.1	58.5	58.5	59.9	61.3	62.8	64.3
<b>TOTAL INSURANCE</b>	<b>422.0</b>	<b>478.9</b>	<b>468.0</b>	<b>492.6</b>	<b>509.6</b>	<b>519.2</b>	<b>546.7</b>	<b>576.4</b>
Misc Public Safety/ABP	12.4	12.4	12.6	12.5	12.6	12.6	12.7	12.8
Certificate of Title	23.2	24.0	21.4	24.5	25.0	25.5	26.1	26.6
Motor Vehicle License	124.2	112.7	106.2	94.0	95.1	96.2	97.4	98.5
Motor Vehicle Sales	322.8	355.6	379.0	366.1	380.1	386.9	393.4	407.7
Riverboat Gaming	359.2	363.8	357.0	367.8	367.8	367.8	367.8	367.8
Racetrack Slots	61.0	61.0	60.0	61.0	61.0	61.0	61.0	61.0
Video Poker	193.3	194.3	193.0	194.3	194.3	194.3	194.3	194.3
<b>TOTAL PUBLIC SAFETY</b>	<b>1,096.1</b>	<b>1,123.8</b>	<b>1,129.2</b>	<b>1,120.2</b>	<b>1,135.9</b>	<b>1,144.3</b>	<b>1,152.6</b>	<b>1,168.7</b>
<b>Total TAX, LICENSES &amp; FEES</b>	<b>9,939.8</b>	<b>10,233.1</b>	<b>10,213.8</b>	<b>10,314.0</b>	<b>10,550.0</b>	<b>10,770.3</b>	<b>10,929.5</b>	<b>11,128.3</b>

**COMPARATIVE STATEMENT OF OFFICIAL REVENUE FORECASTS AND ACTUAL REVENUE  
FISCAL YEARS 2011/2012 THROUGH 2017/2018 (IN MILLIONS)**

Dedications	ACTUAL 2011/12	ACTUAL 2012/13	FORECAST 2013/14 EOB	FORECAST 2013/14 Jan. 15, 2015	FORECAST 2014/15 Jan. 15, 2015	FORECAST 2015/16 Jan. 15, 2015	FORECAST 2016/17 Jan. 15, 2015	FORECAST 2017/18 Jan. 15, 2015
Trans Trust/fuels	460.1	466.4	460.5	472.0	470.1	481.2	486.0	488.2
Trans Trust/motor vehicle lic	47.3	47.3	45.5	41.5	40.7	41.2	41.7	42.2
Trans Trust/sales jet fuel	29.8	29.8	29.8	29.8	29.8	29.8	29.8	29.8
Trans Trust/interest & fees	28.4	28.1	26.8	28.6	26.8	26.8	26.8	26.8
TIME/fuels	115.0	116.6	115.1	118.0	117.5	120.3	121.5	122.1
H F #2/motor vehicle license	13.5	11.9	11.6	10.3	10.4	10.5	10.6	10.7
State Highway Improvement Fund	61.6	53.5	43.2	42.1	42.5	43.0	43.4	43.9
Parishes/severance	49.3	44.9	45.7	48.2	45.4	44.4	43.6	43.1
Forest Productivity	2.2	1.8	2.0	2.0	2.0	2.0	2.0	2.0
Parishes/royalties	51.0	54.1	50.5	52.4	51.7	51.2	51.0	51.1
DNR/AG Support Fund	9.8	1.6	1.9	1.6	1.6	1.6	1.6	1.6
Wetlands Conservation&Rst	30.8	30.4	30.1	31.0	30.3	29.9	29.5	29.5
Mineral Revenue Audit & Set	-	-	-	-	-	-	-	-
Education Support Fund	47.1	58.1	48.3	58.9	59.6	60.4	61.1	61.9
LA Econ Dev Port Dev Infra Fund	-	-	-	-	-	-	-	-
Workforce Develop Fd/sales	11.7	11.8	13.1	12.1	13.0	13.2	13.3	13.4
Tourism Promotion Dist/sal	22.0	22.1	22.8	22.3	22.7	22.9	23.1	23.4
Telecommunications Fund for the Deaf	-	-	-	1.0	1.0	1.0	1.0	1.0
2% Fire Insurance/excise lic	19.6	20.4	23.0	24.3	25.2	25.7	27.1	28.7
Fire Marshall/excise license	14.7	15.3	17.1	18.1	18.8	19.1	20.2	21.4
LSU Fireman Training /excise	2.9	3.1	3.4	3.6	3.7	3.8	4.0	4.3
Retirement Systems/insurance	56.7	57.1	58.5	58.5	59.9	61.3	62.8	64.3
ELT MATF Medicaid Managed Care	-	17.9	18.0	18.0	28.7	28.7	28.7	28.7
State Police Salary Fund	15.6	15.6	15.6	15.6	15.6	15.6	15.6	15.6
Video Poker	59.0	59.4	60.1	60.4	60.9	60.9	60.9	60.9
Racetrack Slots	32.4	32.5	32.8	33.0	33.0	33.0	33.0	33.0
Lottery	140.9	161.9	141.7	164.2	151.5	151.5	151.5	151.5
SELF Fund	150.2	150.1	150.1	153.2	155.4	157.7	160.1	162.6
Riverboat Gaming	56.4	57.4	52.4	57.4	57.4	57.4	57.4	57.4
Compulsive & Problem Gaming	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Budget Stabilization	-	-	-	-	-	356.0	-	-
Haz Waste Site	3.1	3.3	3.0	3.2	3.2	3.1	3.1	3.0
Supervision&Inspection Fees	7.9	8.0	8.1	8.1	8.1	8.1	8.1	8.1
Inspection Gasoline Fee	4.3	4.4	5.0	4.7	5.1	5.2	5.2	5.3
Louisiana & Tobacco Funds	138.6	136.5	104.5	165.3	130.5	108.4	108.5	108.5
Tobacco Tax Health Care Fund	39.1	38.8	39.8	38.5	39.3	39.3	39.3	39.3
Rapid Response Fund/Economic Dev	10.0	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	10.0
Unclaimed Property Leverage	15.0	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	10.0
GOZone Bond Reimb./Hospital Leases	-	37.9	29.2	29.3	-	-	-	-
Provider Fees	105.9	110.0	106.9	123.4	123.4	123.4	123.4	123.4
NOW Waiver Fund	-	-	-	-	-	-	-	-
<b>Total Dedications</b>	<b>1,874.3</b>	<b>1,955.5</b>	<b>1,863.2</b>	<b>1,998.1</b>	<b>1,932.4</b>	<b>2,285.1</b>	<b>1,942.6</b>	<b>1,954.2</b>
<b>GENERAL FUND REVENUE</b>	<b>8,064.5</b>	<b>8,277.6</b>	<b>8,350.6</b>	<b>8,315.9</b>	<b>8,617.6</b>	<b>8,485.2</b>	<b>8,986.9</b>	<b>9,174.1</b>
Fund Balance Transfer	-	-	-	-	-	-	-	-
<b>GENERAL FUND REVENUE (including Fund Balance Transfer)</b>	<b>8,064.5</b>	<b>8,277.6</b>	<b>8,350.6</b>	<b>8,315.9</b>	<b>8,617.6</b>	<b>8,485.2</b>	<b>8,986.9</b>	<b>9,174.1</b>

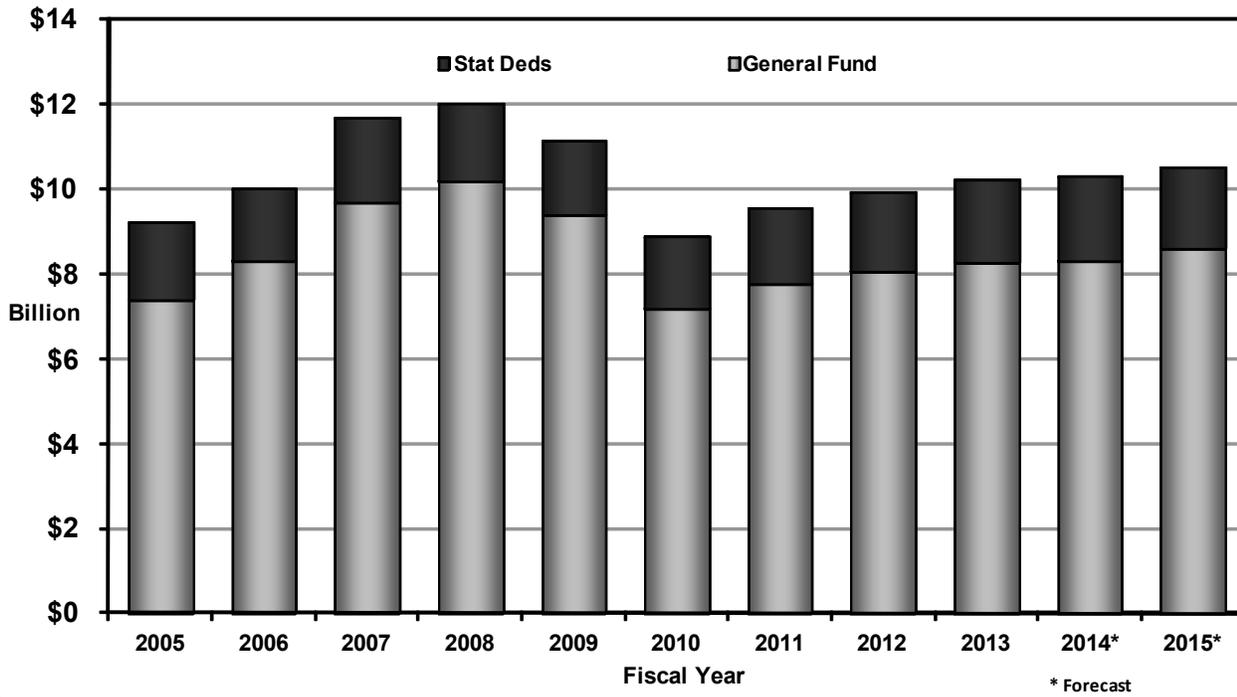
# ECONOMIC OUTLOOK

## LOUISIANA ECONOMIC FORECAST SUMMARY BY FISCAL YEAR ENDING JUNE 30

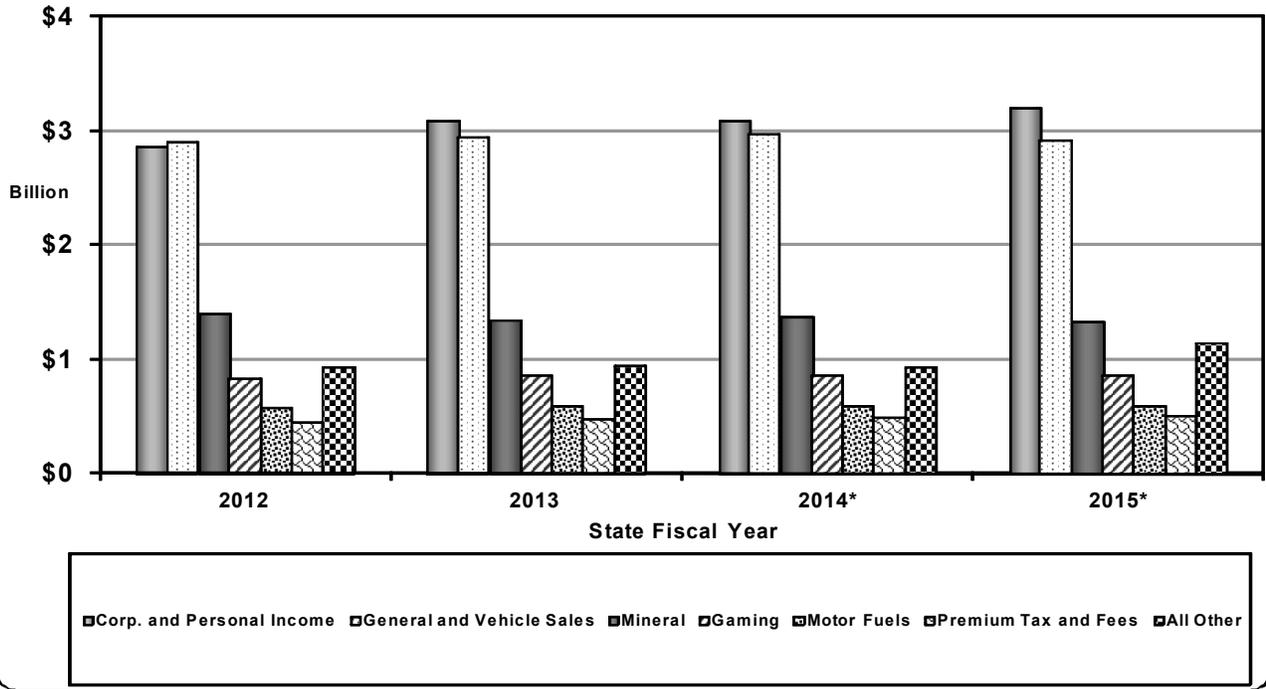
	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014*</u>	<u>FY 2015*</u>
<b>Macroeconomic Assumptions</b>						
Population (Thousand)	4,526.0	4,564.6	4,591.0	4,612.0	4,628.2	4,645.3
<i>% Change</i>	1.3%	0.9%	0.6%	0.5%	0.4%	0.4%
Louisiana Non-Agricultural Employment (Thousand)	1,885.8	1,891.2	1,914.6	1,936.9	1,967.2	1,996.8
<i>% Change</i>	-2.1%	0.3%	1.2%	1.2%	1.6%	1.5%
National Non-Agricultural Employment (Million)	129.7	130.6	132.6	134.8	137.1	139.9
<i>% Change</i>	-3.1%	0.6%	1.6%	1.6%	1.7%	2.1%
Louisiana Wages and Salaries (\$ Billion)	82.3	85.3	87.6	90.1	94.3	101.2
<i>% Change</i>	-1.8%	3.6%	2.8%	2.8%	4.6%	7.4%
National Wages and Salaries (\$ Billion)	6,281.4	6,525.9	6,768.0	7,037.3	7,325.6	7,901.0
<i>% Change</i>	-1.9%	3.9%	3.7%	4.0%	4.1%	7.9%
Inflation (Personal Consumption Deflator - Year 2005 = 100)	101.0	102.7	105.2	106.7	107.9	110.0
<i>% Change</i>	-7.2%	1.7%	2.4%	1.4%	1.1%	2.0%
Annual Change in U.S. Real Gross Domestic Product	0.1%	2.4%	2.4%	2.0%	2.8%	3.6%
<b>Mineral-Related Assumptions</b>						
Severance Crude Oil Price (\$/barrel)	68.4	85.7	109.3	105.0	99.8	95.8
<i>% Change</i>	-13.0%	25.4%	27.5%	-3.9%	-5.0%	-4.0%
Oil Production (Million Barrels)	67.4	68.3	70.8	71.9	72.9	71.9
<i>% Change</i>	-2.2%	1.4%	3.5%	1.7%	1.3%	-1.4%
Henry Hub Natural Gas Price (\$/MCF)	4.3	4.3	3.3	3.5	3.8	4.0
<i>% Change</i>	-33.1%	0.0%	-24.5%	6.2%	10.7%	5.5%
Natural Gas Severance Rate (¢/MCF)	33.1	16.4	16.4	14.8	11.8	15.4
Natural Gas Production (Million MCF)	1,794.4	2,598.7	3,081.0	2,714.1	2,325.8	2,258.9
<i>% Change</i>	30.0%	44.8%	18.6%	-11.9%	-14.3%	-2.9%

\* Forecast

### TAXES, LICENSES AND FEES



### TAXES, LICENSES & FEES Major Revenue Sources



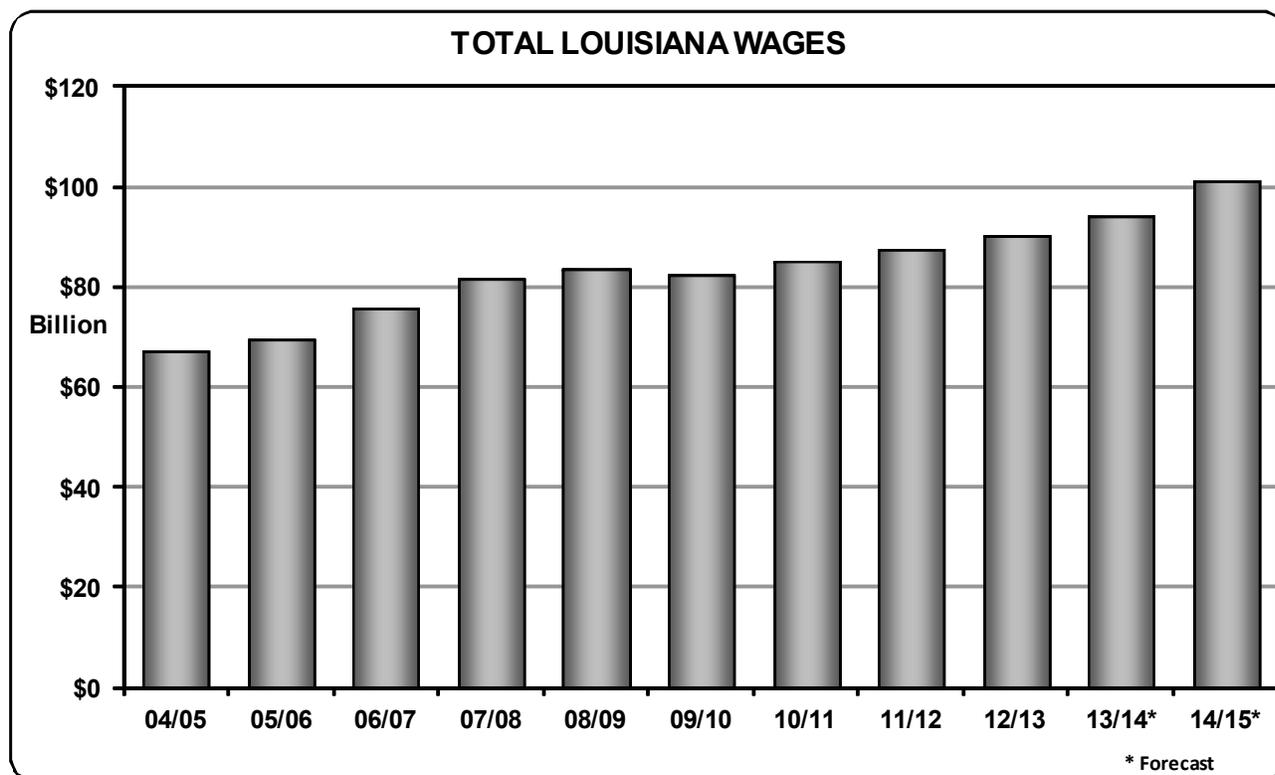
## Louisiana Employment and Wages

Over the fiscal years in the aftermath of Katrina, Louisiana non-farm employment had been steadily rising, in tune with national economic activity. However, the financial crisis from late 2008 and its subsequent recession put a stop to such increases. For fiscal year FY2009-2010 non-farm employment fell by about 2%, with very modest recovery in fiscal year FY2010-2011. FY2011-2012 showed an improvement of 2%, while fiscal year FY2012-2013 showed a bit slower growth of about 1.2%. The projection for FY2013-2014 and FY2014-2015 is that small recoveries are expected (1.6% and 1.5% respectively).

In the height of the economic crisis Louisiana nominal wages fell by 1.8% in FY2009-2010 and recovered 3.6%, 2.8% and 2.8% in FY2010-2011 and FY2011-2012 and FY2012-2013, respectively. Fiscal Years FY2013-2014 and FY2014-2015 a growth in nominal wages of 4.6% and 7.4% is projected by Moody's.

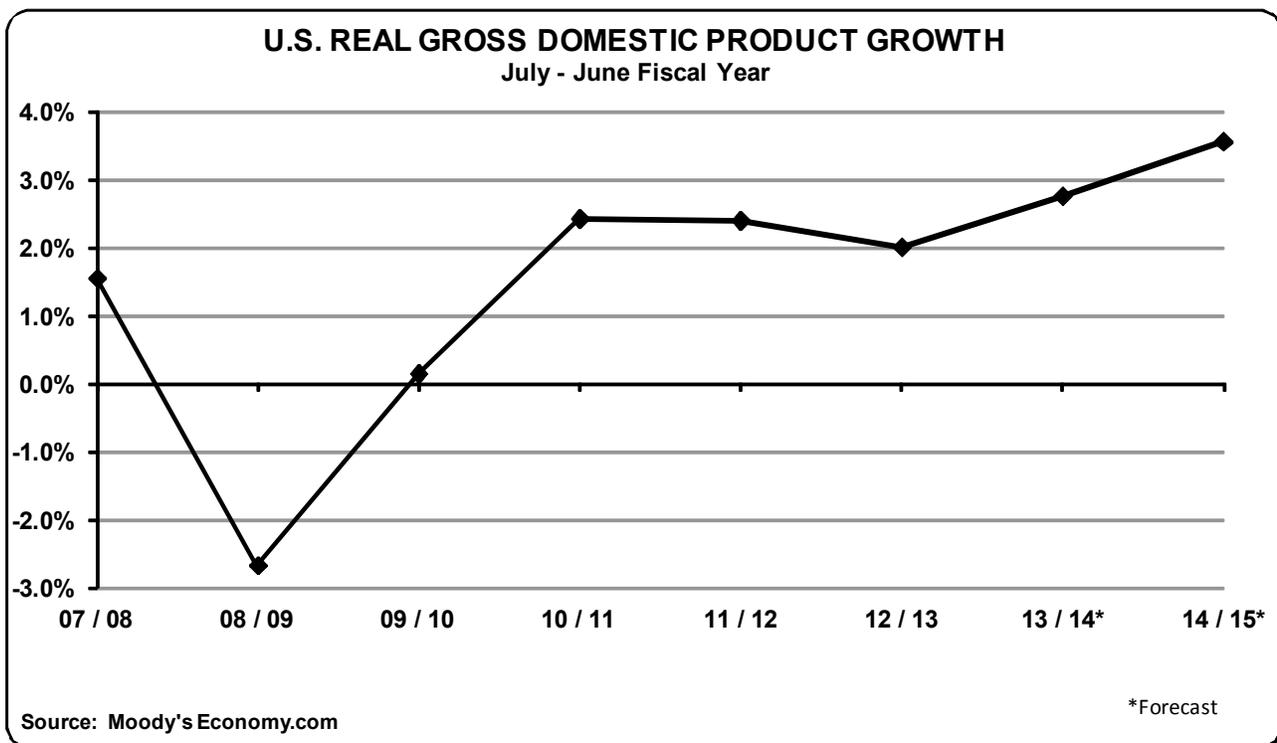
Louisiana Employment (Thousands, SA)	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14 forecast	FY 2014-15 forecast
<b>Statewide Nonfarm Employment</b>	<b>1,891</b>	<b>1,915</b>	<b>1,937</b>	<b>1,967</b>	<b>1,997</b>
<b>Goods Producing</b>	<b>313</b>	<b>320</b>	<b>328</b>	<b>341</b>	<b>352</b>
Natural Resources & Mining	52	55	54	56	57
Construction	122	123	132	141	149
Total Manufacturing	138	138	142	144	145
<b>Service Providing</b>	<b>1,578</b>	<b>1,595</b>	<b>1,609</b>	<b>1,626</b>	<b>1,645</b>
Trade, Transportation & Utilities	371	376	381	391	394
Information	24	24	25	25	26
Financial Activities	94	94	95	96	96
Professional & Business Services	195	200	205	207	208
Education & Health Services	274	280	284	282	286
Leisure & Hospitality	197	204	210	216	217
Other Services (except Public Administration)	63	64	62	63	65
Total Government	360	353	348	347	353

Source: Moody's Economy.com.



## U.S. Real Gross Domestic Product

The following is based upon the Moody's Economy.com data and forecast. The year 2009 was one of the worst years for the U.S. economy after World War II. The recession, which began late 2007, continued throughout 2008 and 2009. The National Bureau of Economic Research (NBER) Business Cycle Dating Committee has declared that the recession ended in the summer of 2009. U.S. real GDP fell by 2.7% during FY2008-2009, and close to 8 million jobs were lost since the economic downturn started. The national unemployment rate is now at about 6.7% and is widely expected remain at a level of around 7% for a protracted period of time before it recedes. During FY2009-2010 U.S. real GDP remained flat, growing at a pace of 0.1%. Fiscal years FY2010-2011 and FY2011-2012 presented modest growth rates of 2.4% for both years, while in FY2012-2013 growth slowed to about 2%. Projections by Moody's Economy.com indicate that for FY2013-2014 and FY2014-2015 the U.S. economy may grow by 2.8% and 3.6% respectively.



## Revenue Summary - Fiscal Year 2012-2013

Fiscal year FY2012-2013 saw a modest recovery in the tax collections. Taxes, Licenses and Fees (TLF) collections increased by 3.0%, and the State General Fund by 2.6%, compared to the previous fiscal year.

	<b>FY 2012-2013 Actual (Million \$)</b>	<b>Annual Change (Million \$)</b>	<b>Annual Change (%)</b>
Taxes, Licenses and Fees	10,233.1	293.3	3.0
Statutory Dedications	1,955.5	81.3	4.3
State General Fund	8,277.6	212.1	2.6

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

<b>Revenue Source</b>	<b>Annual Change (Million \$)</b>	<b>Annual Change (%)</b>
Individual Income Tax	267.7	10.8
Excise License Tax	56.6	15.5
Vehicle Sales Tax	32.8	10.2
Lottery Proceeds	21.0	14.9

The highest percentage increase was in the Excise License Tax, whose collection rose, in part, because of a tax base expansion. Vehicle Sales Tax revenue showed a strong increase as well, given the strength of cars and trucks sales. The Individual Income Tax had the highest increase in dollar terms, with an increase of close to \$270 million.

The next table ranks the revenue sources with \$10 million or more decrease during FY2012-2013:

### Annual Revenue Decreases Greater than \$10 Million

<b>Revenue Source</b>	<b>Annual Change (Million \$)</b>	<b>Annual Change (%)</b>
Bond Reimbursements	-45.9	-53.7
Corporate Collections	-37.7	-10.1
Royalties	-20.2	-3.9
Interest on the State General Fund	-15.3	-19.4

Corporate Collections did not perform as well as in the previous fiscal year, and its collection came in right at forecast. Royalties also saw a small decrease of about \$20 million. The Interest on the State General Fund fell again for FY2012-2013, given the low interest environment in the general economy.

## Revenue Summary - Fiscal Year 2013-2014

The Revenue Estimating Conference met on January 15, 2014 and adopted a forecast for fiscal year FY2013-2014 that projects an amount for Taxes, Licenses and Fees of \$10,314.0 million. This is an increase of about \$81 million compared to the actual collection of fiscal year FY2012-2013. The State General Fund (SGF) is projected to increase by close to \$39 million, compared to the actual SGF collection in FY2012-2013.

	FY 2013-2014 (Estimated) (Million \$)	Annual Change (Million \$)	Annual Change (%)
Taxes, Licenses and Fees	10,314.0	80.9	0.8
Statutory Dedications	1,998.1	41.6	2.1
State General Fund	8,315.9	39.3	0.5

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

### Annual Revenue Increases Greater than \$10 Million

Revenue Source	Annual Change (Million \$)	Annual Change (%)
Individual Income Tax	57.7	2.1
Lottery Proceeds	29.3	5.9
Tobacco Settlement	29.0	23.4
Severance Tax	25.3	0.4

As the economy very slowly recovers, tax revenue is projected to see some recovery as well. However, as one can see from the table, the increases are far from being significant (except for Tobacco Settlement, but that was due to bond refinancing). Therefore, growth of tax revenue collection is going on at a very slow pace, despite the fact that the economy is gradually recovering.

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The following table ranks the revenue sources with the largest projected annual percentage declines during Fiscal Year 2013-2014:

### Annual Revenue Decreases Greater than \$10 Million

Revenue Source	Annual Change (Million \$)	Annual Change (%)
Corporate Collections	-56.8	-16.9
Vehicle Licenses	-18.7	-16.6

The most significant projected decrease is in Corporate Collections, influenced in part by the Amnesty Program that the Louisiana Department of Revenue ran in the Fall of 2013. Vehicle Licenses are projected to decrease as well.

## Revenue Summary - Fiscal Year 2014-2015

The REC forecast for Fiscal Year 2014-2015 was also revised on January 15, 2014, and projects an increase in the State General Fund for the fiscal year, compared to the estimate for Fiscal Year 2013-2014.

	<b>FY 2014-2015 Forecast (Million \$)</b>	<b>Annual Change (Million \$)</b>	<b>Annual Change (%)</b>
Taxes, Licenses and Fees	10,550.0	236.0	2.3
Statutory Dedications	1,932.4	-65.7	-3.3
State General Fund	8,617.6	301.7	3.6

The following table shows revenue sources that are projected to increase by \$10 million or more during Fiscal Year 2014-2015:

### Annual Revenue Increases Higher than \$10 Million

<b>Revenue Source</b>	<b>Annual Change (Million \$)</b>	<b>Annual Change (%)</b>
Individual Income Tax	120.9	4.3
General Sales Tax	25.7	1.4
Vehicle Sales Tax	14.0	3.8

The increase projected in these revenues is linked to the expectation of a slow, but continual increase in economic activity; this is particularly true for the Individual Income Tax and both (General and Vehicle) Sales Taxes.

The following table ranks the revenue sources with the largest projected annual percentage declines and a \$10 million or more estimated decrease during Fiscal Year 2014-2015:

### Annual Revenue Decreases Greater or Equal to \$10 Million

<b>Revenue Source</b>	<b>Annual Change (Million \$)</b>	<b>Annual Change (%)</b>
Tobacco Settlement	-34.8	-22.8
Severance	-28.9	-3.4
Lottery Proceeds	-12.7	-7.7

Severance Tax collection is projected to drop because the price of crude oil is forecast to fall during Fiscal Year 2014-2015. Lottery Proceeds show a projected decrease, since during Calendar Year 2013 there were a few extraordinarily large jackpots that increased the sale of Lottery tickets above normal levels. The projected reduction in Lottery Proceeds for Fiscal Year 2014-2015 is meant to exhibit prudence that such a string of jackpots may not happen in Calendar Year 2014.

