



Commission on Government Forecasting and Accountability

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MONTHLY BRIEFING

For the Month Ended: DECEMBER 2024

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FORECASTING & ACCOUNTABILITY

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Economy: Illinois GDP by Metro Area

Benjamin L. Varner, Chief Economist

Last month, the Commission analyzed employment trends across Illinois metro areas, comparing them to pre-COVID-19 levels. This month, the Commission continues its examination of Illinois' economy at the metro level by exploring changes in real gross domestic product (GDP) since the pandemic. Real GDP is a comprehensive measure of economic activity, reflecting the total market value of all final goods and services produced within the United States in a given year, adjusted for inflation.

The Commission compared annual real GDP data from the U.S. Bureau of Economic Analysis for 2019 to 2023 across all U.S. metro areas. These areas were ranked based on their total growth during this period, and industry-specific GDP data was analyzed to provide further insights into the growth patterns of individual metro areas. The results indicated that Illinois metro areas generally experienced slower growth than most areas nationwide, with the Bloomington Metropolitan Statistical Area (MSA) experiencing the most significant decline in the country (explained below). Conversely, the Kankakee MSA saw the strongest growth among Illinois metro areas during this time period.

The table on the following page outlines changes in real GDP for Illinois metro areas compared to the U.S. average. Between 2019 and 2023, U.S. metro areas experienced an average real GDP growth of approximately 9.6%. The fastest-growing metro areas were concentrated in states like Florida, Texas, and the Mountain West, particularly Utah and Idaho. In contrast, the slowest-

ILLINOIS GDP BY METRO AREA

All Industry Total (Billions of chained 2017 dollars)

Metropolitan Statistical Area	2019	2020	2021	2022	2023	% Change 2019-2023	U.S. Rank (Out of 384)
Bloomington, IL	\$ 14.98	\$ 12.37	\$ 12.26	\$ 12.39	\$ 12.36	-17.4%	384
Carbondale-Marion, IL	\$ 5.73	\$ 5.48	\$ 5.59	\$ 5.80	\$ 5.91	3.0%	296
Champaign-Urbana, IL	\$ 11.60	\$ 11.41	\$ 11.84	\$ 12.19	\$ 12.60	8.5%	163
Chicago-Naperville-Elgin, IL-IN-WI	\$ 697.51	\$ 659.58	\$ 698.05	\$ 715.65	\$ 725.75	4.0%	268
Danville, IL	\$ 3.20	\$ 3.05	\$ 3.20	\$ 3.29	\$ 3.26	2.0%	312
Davenport-Moline-Rock Island, IA-IL	\$ 21.57	\$ 21.05	\$ 21.63	\$ 21.96	\$ 22.42	3.9%	270
Decatur, IL	\$ 6.47	\$ 6.29	\$ 6.90	\$ 7.04	\$ 7.02	8.5%	165
Kankakee, IL	\$ 6.27	\$ 6.16	\$ 6.89	\$ 7.04	\$ 7.04	12.2%	91
Peoria, IL	\$ 21.47	\$ 20.07	\$ 21.06	\$ 22.17	\$ 21.99	2.4%	309
Rockford, IL	\$ 16.15	\$ 14.52	\$ 15.08	\$ 15.75	\$ 15.71	-2.7%	367
St. Louis, MO-IL	\$ 169.46	\$ 165.71	\$ 175.80	\$ 180.22	\$ 184.76	9.0%	149
Springfield, IL	\$ 11.67	\$ 10.88	\$ 11.57	\$ 12.02	\$ 12.07	3.4%	287
United States (Metropolitan Portion)	\$ 18,642	\$ 18,239	\$ 19,388	\$ 19,897	\$ 20,436	9.6%	n/a

Bureau of Economic Analysis

growing metro areas were dispersed across the country, with a notable presence in the former manufacturing and industrial hubs centered on the Great Lakes known as the Rust Belt.

Among Illinois' 12 metro areas, only Kankakee outpaced this national average, with a growth rate of 12.2%. Kankakee's growth was driven by a surge in manufacturing, particularly nondurable goods manufacturing, which increased by more than 40% during this period as several companies expanded in the area. Kankakee ranked 91st among U.S. metro areas for GDP growth.

The median metro area grew by approximately 6.8%, with three additional Illinois metro areas surpassing this rate: St. Louis, Champaign-Urbana, and Decatur. The St. Louis MSA, which includes eight Illinois counties accounting for around 25% of the metro area's population, grew by 9.0%, ranking 149th nationally. This growth was driven by increases in Professional and Business Services (up 19.9%) and the Information industry (up 28.8%).

Champaign-Urbana and Decatur both experienced growth rates of 8.5%, ranking 163rd and 165th, respectively. Champaign-Urbana's growth was fueled by significant expansions in Educational Services, Health Care, and Social Assistance (up 37.3%), and Information (up 63.0%), which offset declines in Construction (-20.9%) and Finance and Insurance (-9.9%). Like Kankakee, Decatur's growth was largely due to a nearly 33% increase in nondurable goods manufacturing. Despite this positive trend, most other sectors of Decatur's economy experienced downturns.

Illinois' largest metro area, the Chicago-Naperville-Elgin MSA, saw a modest 4.0% growth between 2019 and 2023, ranking 268th in the nation. Professional and Business Services, particularly in professional, scientific, and technical services (up 17.4%), was the leading driver of growth, contributing nearly two-thirds of the metro area's expansion. Nondurable goods manufacturing contributed another 25% of the growth, increasing by nearly 19%. However, Finance and Insurance, which declined by 16.1%, and Construction, which fell by 13%, acted as a drag on Chicago's economy.

Five Illinois metro areas ranked in the bottom quartile for GDP growth (ranked 288th or higher): Bloomington (-17.4%), Rockford (-2.7%), Danville (2.0%), Peoria (2.4%), and Carbondale-Marion (3.0%). As previously mentioned, Bloomington was the worst-performing metro area in the country in terms of real GDP growth. However, this decline may not be as ominous as it appears. Bloomington's GDP suffered a significant drop in 2020, similar to many other areas, largely due to setbacks in the Finance and Insurance sector. Bloomington is home to the headquarters of two major insurance companies. The finance and insurance industry in Bloomington saw a sharp decline of 31.0% in 2020, followed by another 8.4% drop in 2021. Since then, the industry has remained relatively flat, while other sectors have rebounded.

While mixed financial results from companies in the insurance industry have contributed to Bloomington's poor GDP performance, corporate restructuring may also have played a role. The relocation of certain divisions to regional hubs could have impacted Bloomington's GDP without significantly affecting employment, as services provided by divisions at a company's headquarters or branches in a specific metro area are attributed to that area's GDP. Media reports from 2019 and 2020 noted such changes at Bloomington-based companies, although the exact economic impact on GDP remains unclear. Despite the sharp decline in the Finance and Insurance sector's GDP in Bloomington, employment data indicates that the sector saw a more modest decline of about 3% during the same period.

Overall, Illinois metro areas have lagged behind most of the nation in GDP growth since 2019, mirroring the State's overall economic performance. Illinois ranked as the fifth slowest-growing state during this period, with only four metro areas—Kankakee, St. Louis, Champaign-Urbana, and Decatur—outpacing the national median. Manufacturing, particularly in nondurable goods, was the key driver of growth for Kankakee and Decatur, while St. Louis and Champaign-Urbana benefited from expansions in the professional services, education, and information sectors. Conversely, the Finance and Insurance sector acted as a significant drag on the economies of Bloomington and Chicago, with Bloomington posting the sharpest GDP decline of any U.S. metro area. This trend aligns with last month's findings of slower employment recovery in Illinois metro areas, reflecting broader, long-term challenges in revitalizing the State's economy.

INDICATORS OF ILLINOIS ECONOMIC ACTIVITY

INDICATORS*	LATEST MONTH	PRIOR MONTH	A YEAR AGO
Unemployment Rate (Average) (Nov.)	5.3%	5.3%	4.7%
Inflation in Chicago (12-month percent change) (Nov.)	3.8%	3.5%	2.5%
	LATEST MONTH	CHANGE OVER PRIOR MONTH	CHANGE OVER A YEAR AGO
Civilian Labor Force (thousands) (Nov.)	6,546.9	0.1%	1.1%
Employment (thousands) (Nov.)	6,200.5	0.1%	0.5%
Nonfarm Payroll Employment (Nov.)	6,149,800	-3,400	42,600
New Car & Truck Registration (Nov.)	50,622	84.6%	49.1%
Single Family Housing Permits (Nov.)	779	-25.2%	-7.8%
Total Exports (\$ mil) (Oct.)	6,373.6	-7.0%	1.7%
Chicago Purchasing Managers Index (Dec.)	36.9	-8.2%	-21.8%
* Due to monthly fluctuations, trend best shown by % change from a year ago			

A Closer Look: Federal Sources

Anthony Bolton, Senior Revenue Analyst

As part of this and future monthly briefings, the Commission will include a series of articles providing a closer look at some of Illinois' prominent tax revenue sources. This series continues with a closer look at Illinois' Federal Sources Revenues.

Federal Sources Revenues refer to various revenues received by Illinois from the Federal government for a variety of purposes. In recent years, Illinois has received over \$4 billion/year in revenue for the State's General Funds. Significantly higher amounts are received for other non-General Funds areas. In FY 2024, a total of \$34.3 billion in federal dollars were received to fund a myriad of items, as discussed in further detail below.

History and Status of Federal Sources Revenues

As this is a broad category of revenue, it is necessary to note that Illinois has likely received at least some Federal revenues yearly since its initial statehood in 1818. However, as the Federal government has expanded into new areas of providing services and compensating Illinois for administering these services, this revenue source has grown substantially. Federal funding often "passes through" Illinois State government to lower units of government such as counties and municipalities. Funding that did not pass through and remains on the State government level is used for a variety of purposes to fund State government operations.

Federal dollars deposited into the State's General Funds cover certain State government funding areas such as Medicaid and SNAP (Supplemental Nutrition Assistance Program) benefits, among other significantly smaller disbursements. Revenues classified as All Appropriated Funds Revenues include

both General Funds and non-General Fund designations, and cover a wide variety of spending priorities across both state and local governments for such things as highway funding, certain medical reimbursements to counties/cities/hospitals, education grants/funding, and various grant-funded programs.

Funding from the US Departments of Treasury, Health and Human Services, Transportation, Agriculture, FEMA, Justice, EPA, Labor, Interior, Veterans' Administration, Education, and others all come into Illinois under this area. Many federal services are administered by the State of Illinois and various public/private entities. These entities are then reimbursed accordingly, accounting for much of the entirety of Federal Sources Revenue across both General Funds and All Appropriated Revenues. For example, funding for Medicaid, public assistance when purchasing groceries, payments for educational expenses, and interstate highway maintenance/construction all come from various agency dollars within the Federal government to reimburse Illinois' qualifying expenditures in these areas.

To incentivize increased state financial commitment to Medicaid, the federal government provides a certain level of "matching" dollars to states. This reimbursement rate (Federal Medicaid Assistance Percentage or FMAP) is often modified and was at an elevated level during the COVID-19 pandemic. While the minimum FMAP rate for a state is 50%, it can be significantly higher depending on various factors, such as average income levels of a particular state/territory. Currently, the FY 2025 Illinois FMAP rate is 51.38%. These current rates can be viewed on the Federal Register¹.

As highlighted in the table and graph on the following pages, Federal Source revenues have experienced a significant amount of volatility in recent years. This is due to the impacts of various Federal actions affecting the amount of funding to states and local governments. Within the last fifteen years, two of the most prominent examples of this are: the American Recovery and Reinvestment Act (ARRA) program and COVID funding/legislation. Regarding ARRA funding, Illinois initially received \$3.8 billion and \$3.0 billion in FY 2010 and FY 2011, with significantly decreased amounts disbursed in later years, ending with \$209 million in FY 2018. In total, Illinois received over \$11 billion from this particular federal program. In regard to COVID funding, Illinois has received a total of \$183.5 billion from January 2020 to the end of FY 2024.

A summary of information regarding these programs (ARRA and COVID funding) and their impacts on Illinois finances are included in annual CGFA Budget Summary publications available on the Commission's website. Further detailed information can be found on the Governor's Office of Management and Budget website (<https://budget.illinois.gov/>) and the Federal Funds Information for States website (<https://ffis.org/>).

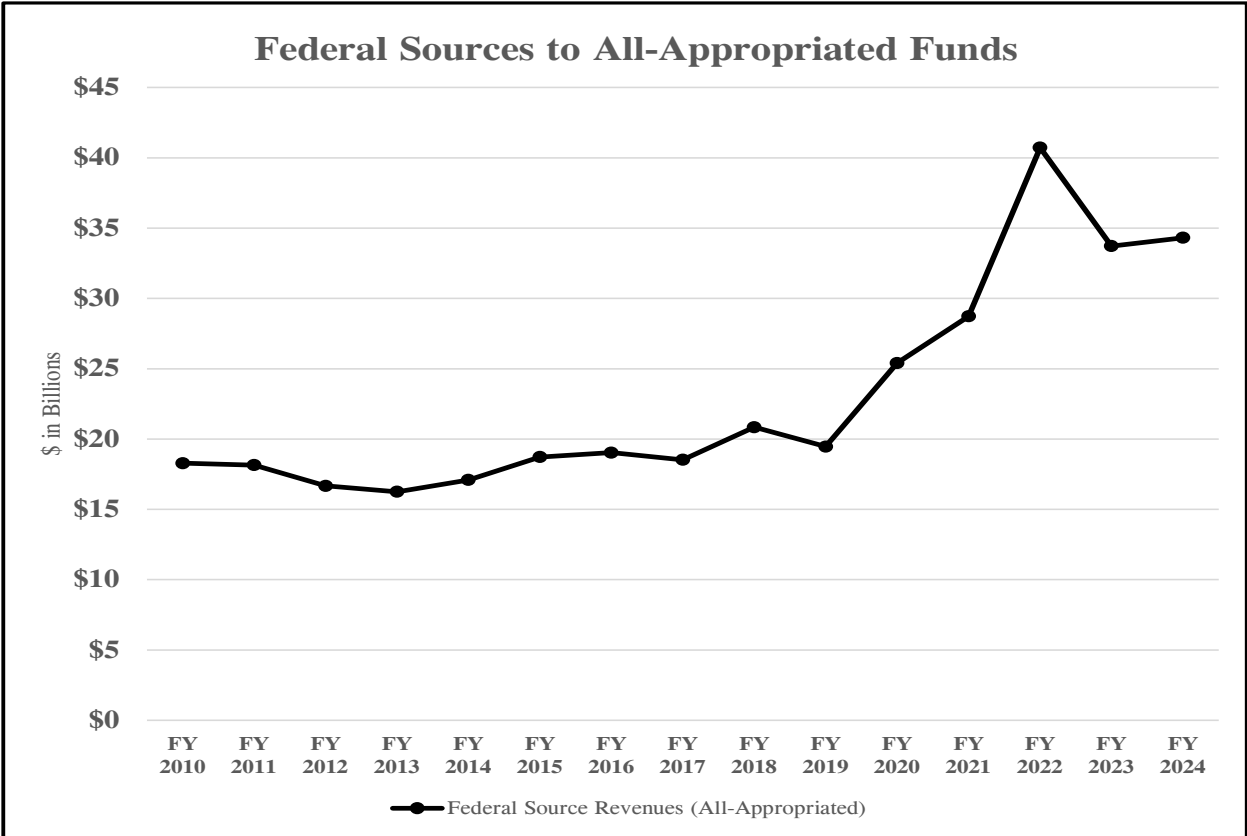
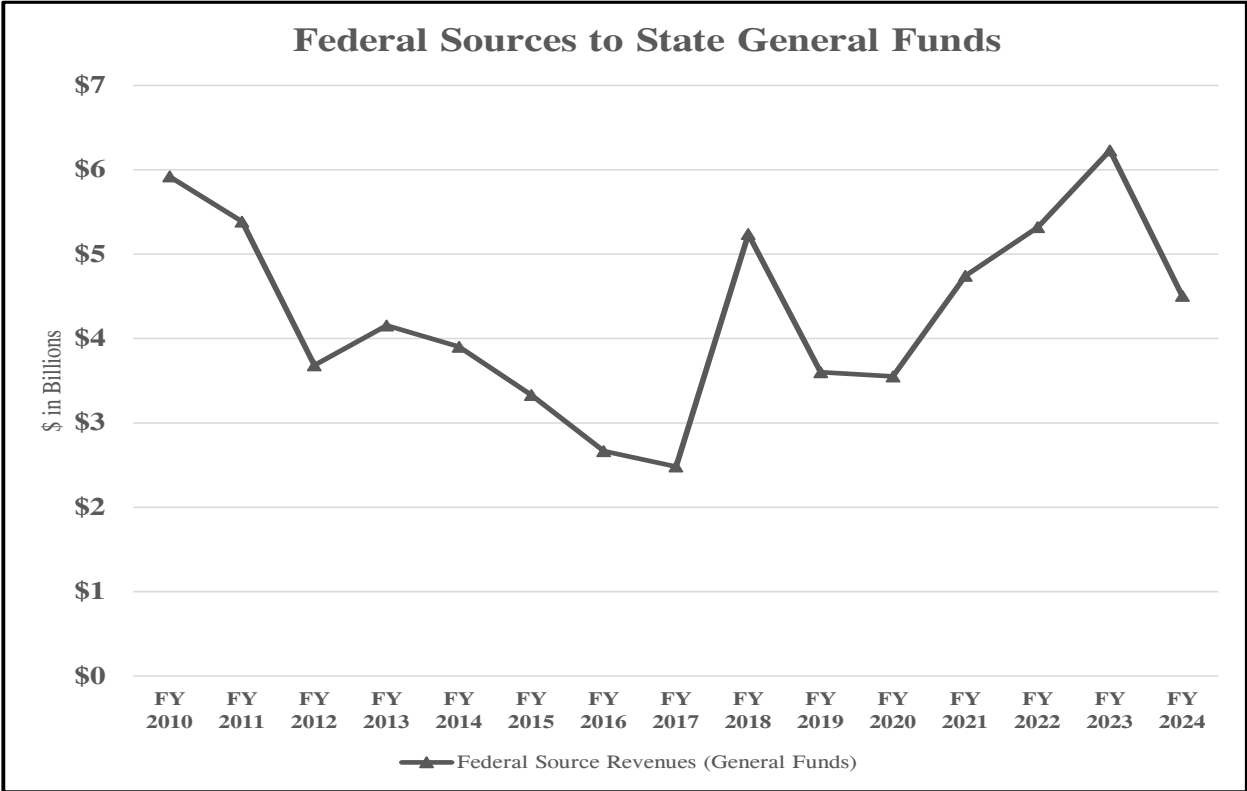
¹ <https://www.govinfo.gov/content/pkg/FR-2023-11-21/pdf/2023-25636.pdf>

15-Year Revenue History

Over the last decade, total revenue from Federal Sources has fluctuated dramatically, especially with the economic upheaval and legislative action during and in the wake of the COVID-19 pandemic. In the last fifteen years, General Funds revenues from Federal Sources have ranged from a low of \$2.483 billion in FY 2017 to a high of \$6.229 billion in FY 2023. In that same time, All Appropriated funds revenues hit their peak at \$40.723 billion in FY 2022, but has been as low as \$14.669 billion in FY 2012. A historic breakdown of Federal Source revenue is detailed in the following chart and graph.

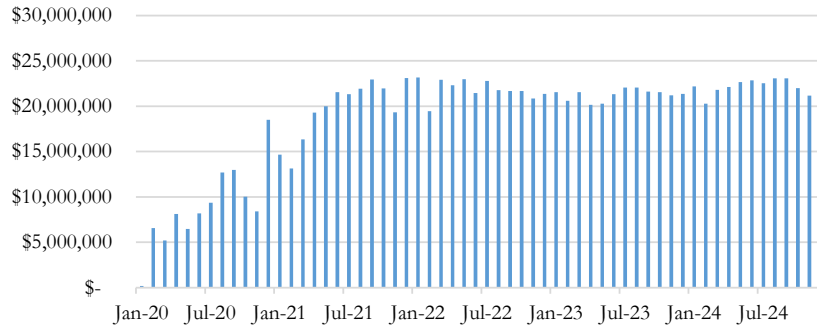
State Revenue History of Federal Sources <i>\$ in billions</i>				
Fiscal Year	General Funds Total	% Change	All- Appropriated Funds Total	% Change
FY 2010	\$5.920	-9.9%	\$18.284	11.6%
FY 2011	\$5.386	-9.0%	\$18.149	-0.7%
FY 2012	\$3.682	-31.6%	\$16.669	-8.2%
FY 2013	\$4.154	12.8%	\$16.252	-2.5%
FY 2014	\$3.903	-6.0%	\$17.095	5.2%
FY 2015	\$3.331	-14.7%	\$18.722	9.5%
FY 2016	\$2.665	-20.0%	\$19.033	1.7%
FY 2017	\$2.483	-6.8%	\$18.523	-2.7%
FY 2018	\$5.238	111.0%	\$20.840	12.5%
FY 2019	\$3.600	-31.3%	\$19.468	-6.6%
FY 2020	\$3.551	-1.4%	\$25.410	30.5%
FY 2021	\$4.744	33.6%	\$28.731	13.1%
FY 2022	\$5.320	12.1%	\$40.723	41.7%
FY 2023	\$6.229	17.1%	\$33.724	-17.2%
FY 2024	\$4.504	-27.7%	\$34.315	1.8%

Source: Illinois Comptroller's Traditional Budgetary Financial Report.



Cannabis Quarterly – 2nd Quarter FY 2025
Ally O'Malley, Revenue Analyst

MONTHLY CANNABIS EXCISE TAXES



Illinois State Comptroller

CANNABIS REGULATION FUND REVENUE

(\$ millions)

Revenue Source	FY24 Q2	FY25 Q2	\$ Change	% Change	FY24 YTD	FY25 YTD	\$ Change	% Change
State Cannabis Excise Taxes	\$64.1	\$67.6	\$3.5	5.4%	\$129.8	\$136.3	\$6.4	5.0%
Licenses and Registration Fees	\$1.3	\$2.0	\$0.7	51.6%	\$4.0	\$4.9	\$0.9	21.2%
Other Revenue	\$0.0	\$0.1	\$0.1	2206.3%	\$0.0	\$0.1	\$0.1	2436.6%
Total	\$65.4	\$69.7	\$4.2	6.5%	\$133.9	\$141.3	\$7.4	5.5%

Illinois State Comptroller, CGFA

CANNABIS REGULATION FUND EXPENDITURES

(\$ millions)

Object of Expenditure	FY24 Q2	FY25 Q2	\$ Change	% Change	FY24 YTD	FY25 YTD	\$ Change	% Change
Transfer - General Revenue Fund	\$20.7	\$21.1	\$0.4	1.8%	\$42.1	\$42.9	\$0.8	1.9%
Transfer - Professional Services	\$0.0	\$0.0	\$0.0	n/a	\$0.0	\$0.0	(\$0.0)	-100.0%
Transfer - Workers' Compensation Revolving	\$0.0	\$0.0	\$0.0	n/a	\$0.0	\$0.1	\$0.0	27.4%
Transfer - Criminal Justice Info Projects	\$14.8	\$15.1	\$0.3	1.8%	\$30.0	\$30.6	\$0.6	1.9%
Transfer - Drug Treatment	\$1.2	\$1.2	\$0.0	1.8%	\$2.4	\$2.4	\$0.0	1.9%
Transfer - DHS Community Services	\$11.8	\$12.0	\$0.2	1.8%	\$24.0	\$24.5	\$0.5	1.9%
Transfer - Local Government Distributive Fund	\$4.7	\$4.8	\$0.1	1.8%	\$9.6	\$9.8	\$0.2	1.9%
Transfer - Budget Stabilization	\$5.9	\$6.0	\$0.1	1.8%	\$12.0	\$12.2	\$0.2	1.9%
Transfer - Cannabis Expungement	\$0.7	\$0.7	\$0.0	0.0%	\$1.4	\$1.4	\$0.0	0.0%
Transfer Total	\$59.9	\$60.9	\$1.1	1.8%	\$121.7	\$123.9	\$2.3	1.9%
Operations - Agriculture	\$2.1	\$3.7	\$1.7	81.5%	\$2.7	\$5.0	\$2.3	82.7%
Operations - Commerce and Econ. Opportunity	\$0.2	\$0.2	\$0.0	7.4%	\$0.3	\$0.3	\$0.0	9.0%
Operations - Financial Professional Regulation	\$1.5	\$1.8	\$0.2	14.6%	\$2.6	\$2.9	\$0.2	8.8%
Operations - Public Health	\$0.0	\$0.0	\$0.0	n/a	\$0.0	\$0.0	\$0.0	n/a
Operations - Revenue	\$1.5	\$0.0	(\$1.5)	-100.0%	\$1.5	\$1.5	\$0.0	0.0%
Operations - State Police	\$0.7	\$0.9	\$0.2	34.4%	\$1.0	\$1.4	\$0.4	36.8%
Operations - Criminal Justice Information Authority	\$0.0	\$0.0	\$0.0	n/a	\$0.0	\$0.0	\$0.0	n/a
Operations Total	\$6.0	\$6.6	\$0.7	10.9%	\$8.2	\$11.1	\$2.9	35.5%
Grand Total	\$65.9	\$67.6	\$1.7	2.6%	\$129.9	\$135.0	\$5.2	4.0%

Illinois State Comptroller, CGFA

December Revenues See Significant Growth Due to Strong Month from Income Tax Receipts

Eric Noggle, Revenue Manager

Illinois' General Funds receipts in December rose \$327 million or +6.7% as compared to last December. The year-over-year growth improves to \$410 million or +8.6% on a base level when subtracting out "one-time" transfers. A strong month for Individual Income Tax receipts, with the help of revenue redistributions, capped off an overall positive, albeit slight, first half for revenues in FY 2025. Aiding this month's gains was one extra receipting day as compared to last December.

For the month, Personal Income Tax receipts grew a robust \$524 million or +20.8% on a gross basis. On a net basis, when removing distributions to the Road Fund and the Local Government Distributive Fund, the growth was \$445 million. While the extra receipting day contributed to this strong gain, much of the growth can be attributed to the second of five "true-up" adjustments that occurred in December. As discussed in the September Revenue Briefing, each of the five "true-up" installments results in a positive monthly adjustment of approximately \$258 million to the Personal Income Tax, a negative adjustment of -\$54 million from the Corporate Income Tax, and a -\$204 million adjustment from the Personal Property Replacement Tax (non-General Funds distribution). The first installment took place in September and the remaining three installments are anticipated to take place in March, April, and June, which are large business income tax revenue periods.

Corporate Income Tax receipts fell \$16 million on a gross basis, but eked out a \$2 million increase on a net basis. This slight net revenue gain would have been more pronounced without the negative adjustments from the aforementioned "true-up" adjustment.

The holiday shopping season propelled welcomed growth to Sales Tax receipts. For the month, Sales Tax gross receipts grew \$43 million or +4.1% in December. On a net basis, when removing distributions to the Road Fund and certain other transportation funds, this sales tax growth is adjusted higher to +\$72 million or +7.8%. This is now the third consecutive month of positive gains for this revenue line, which followed four consecutive months of year-over-year declines.

The remaining State sources combined to fall \$23 million for the month. The categorical decline is primarily because lower receipts from Insurance Taxes [-\$20 million]; Interest on State Funds & Investments [-\$19 million]; and the Estate Tax [-\$9 million] which offset the modest gains from Other Sources [+\$9 million]; the Public Utility Tax [+\$11 million]; and the Corporate Franchise Tax [+\$3 million].

In the Transfers In category, revenues increased a combined \$75 million. This was mainly due to an \$83 million increase in Other Transfers, stemming from a large transfer this month from the Capital Projects Fund to the General Revenue Fund. The new Sports Wagering Transfer also added \$14 million in December. These gains overshadowed the declines in Lottery Transfers [-\$20 million] and casino-related Gaming Transfers [-\$2 million]. Cannabis Transfers were effectively flat for the month.

Last December, a “one-time” transfer to the General Revenue Fund from the Grocery Tax Replacement Fund was received in the amount of approximately \$148 million. This was remaining monies set aside to fund local governments and their loss of revenues during the suspension of the 1% sales tax on groceries during FY 2023 under P.A. 102-0700. Because of the one-time nature of this transfer, the Commission chose to separate this transaction from other transfers and show it as “below the line” with other “non-base” revenue sources in the Commission’s provided tables. This is the reason for the comparative \$148 million decline listed in the detailed tables that follow.

After a strong receipting month in November, base Federal Sources were \$146 million lower this month. However, offsetting some of this decline was \$65 million in ARPA-related federal transfers to the General Revenue Fund. As done in past years, the Commission will label these particular federal dollars as “one-time” revenues and not include the funds as part of base receipts. The net result of the two “one-time” revenue components in this month’s calculation results in a net decline of \$83 million in Non-Base General Funds Revenues, as shown in the table below.

<i>Summary of Receipts</i>				
DECEMBER				
<i>FY 2024 vs. FY 2025</i>				
<i>(\$ millions)</i>				
Revenue Sources	Dec.	Dec.	\$	%
	FY 2024	FY 2025	CHANGE	CHANGE
Net Personal Income Tax	\$2,136	\$2,581	\$445	20.8%
Net Corporate Income Tax	\$769	\$756	(\$13)	-1.7%
Net Sales Tax	\$928	\$1,000	\$72	7.8%
All Other State Sources	\$255	\$232	(\$23)	-9.0%
Transfers In	\$148	\$223	\$75	50.7%
Federal Sources [base]	\$510	\$364	(\$146)	-28.6%
Base General Funds	\$4,746	\$5,156	\$410	8.6%
<i>Non-Base Gen Funds Revenues</i>	\$148	\$65	(\$83)	-56.1%
Total General Funds	\$4,894	\$5,221	\$327	6.7%

CGFA SOURCE: Office of the Comptroller: Some totals may not equal, due to rounding

3-Jan-25

DECEMBER
FY 2024 vs. FY 2025
(\$ millions)

Revenue Sources	Dec. FY 2024	Dec. FY 2025	\$ CHANGE	% CHANGE
State Taxes				
Personal Income Tax	\$2,514	\$3,038	\$524	20.8%
Corporate Income Tax (regular)	960	944	(16)	-1.7%
Sales Taxes	1,048	1,091	43	4.1%
Public Utility Taxes (regular)	53	64	11	20.8%
Cigarette Tax	17	17	0	0.0%
Liquor Gallonage Taxes	14	13	(1)	-7.1%
Estate Tax	54	45	(9)	-16.7%
Insurance Taxes and Fees	28	8	(20)	-71.4%
Corporate Franchise Tax & Fees	15	18	3	20.0%
Interest on State Funds & Investments	50	31	(19)	-38.0%
Cook County IGT	0	0	0	N/A
Other Sources	24	36	12	50.0%
Total State Taxes	\$4,777	\$5,305	\$528	11.1%
Transfers In				
Lottery	\$70	\$50	(\$20)	-28.6%
Gaming	27	25	(2)	-7.4%
Sports Wagering	0	14	14	N/A
Cannabis	9	9	0	0.0%
Refund Fund	0	0	0	N/A
Other	42	125	83	197.6%
Total Transfers In	\$148	\$223	\$75	50.7%
Total State Sources	\$4,925	\$5,528	\$603	12.2%
Federal Sources [base]	\$510	\$364	(\$146)	-28.6%
Total Federal & State Sources	\$5,435	\$5,892	\$457	8.4%
Nongeneral Funds Distributions/Direct Receipts:				
Refund Fund				
Personal Income Tax	(\$230)	(\$278)	(\$48)	20.9%
Corporate Income Tax	(134)	(\$132)	2	-1.5%
Local Government Distributive Fund				
Personal Income Tax	(148)	(179)	(31)	20.9%
Corporate Income Tax	(57)	(56)	1	-1.8%
Sales Tax Distributions				
Deposits into Road Fund	(52)	(66)	(14)	26.9%
Distribution to the PTF and DPTF	(68)	(25)	43	-63.2%
General Funds Subtotal [Base]	\$4,746	\$5,156	\$410	8.6%
Transfer of Excess PA 102-700 Funds to GRF	\$148	\$0	(\$148)	-100.0%
Prior Year Federal Matching Funds	\$0	\$0	\$0	N/A
ARPA Reimb. for Essential Gov't Services	\$0	\$65	\$65	N/A
Total General Funds	\$4,894	\$5,221	\$327	6.7%

CGFA SOURCE: Office of the Comptroller: Some totals may not equal, due to rounding

3-Jan-25

Year to Date

After this month's significant gains, FY 2025 revenues through December are now slightly ahead of last fiscal year's pace by \$35 million. This is a gain of only +0.1%. From a base perspective, when removing non-base General Funds Revenues from the calculation, State revenues are up \$751 million or +3.1%.

The primary reason for the positive first half is the surge in Personal Income Tax receipts so far in FY 2025. Through December, revenues are up an impressive +9.2%, which equates to growth of \$1.182 billion on a gross basis [+ \$1.004 billion on a net basis]. Again, the inclusion of "true-up" adjustments has greatly contributed to the magnitude of this growth. Corporate Income Tax receipts, on the other hand, have been negatively impacted by the adjustments and is the main reason that gross receipts are down \$332 million [-\$266 million on a net basis].

Despite the third consecutive month of gains in Sales Tax receipts, these revenues still trail last year's year-to-date gross receipt totals, though the declines are getting smaller. Through December, Sales Tax revenues are \$67 million behind last year's pace on a gross basis. However, when accounting for fewer non-general funds distributions to certain transportation funds in FY 2025, net receipts are \$64 million higher through the first half of the fiscal year.

In terms of All Other State Sources, revenues are \$175 million higher through December. This is mainly because of the first-half growth in Interest on State Funds & Investments [+ \$81 million] and Insurance Taxes [+ \$62 million]. Other sources with growth through December include Other Sources [+ \$36 million] and Public Utility Taxes [+ \$23 million]. Revenue sources in this category with declines over the first half of FY 2025 include the Estate Tax [- \$14 million]; Corporate Franchise Tax [- \$6 million]; the Cigarette Tax [- \$5 million]; and the Liquor Tax [- \$2 million].

In the category of Transfers In, receipts through December are \$246 million lower than last year. This is primarily because the Income Tax Refund Fund Transfer this fiscal year was \$302 million less than during FY 2024. Lottery Transfers also continue to trail last year's totals by \$55 million through December. These declines have offset year-over-year increases in Other Transfers [+ \$49 million]; Gaming Transfers [+ \$10 million]; Cannabis Transfers [+ \$1 million]; and the \$51 million in new transfers so far from Sports Wagering.

With December's declines, base Federal Sources are now only slightly above last December's first half totals by \$20 million. This base amount does not include the \$633 million in prior-year federal matching funds the State received in FY 2024 or the \$65 million in ARPA-related transfers received this month. Again, these receipts, as well as \$148 million in one-time transfers in FY 2024 from excess P.A. 102-700 funding, are shown by the Commission as non-base receipts at the bottom of the provided tables.

Summary of Receipts
GENERAL FUNDS RECEIPTS: THROUGH DECEMBER
 FY 2024 vs. FY 2025
 (\$ millions)

Revenue Sources	FY 2024	FY 2025	\$ CHANGE	% CHANGE
Net Personal Income Tax	\$10,934	\$11,938	\$1,004	9.2%
Net Corporate Income Tax	\$2,425	\$2,159	(\$266)	-11.0%
Net Sales Tax	\$5,468	\$5,532	\$64	1.2%
All Other State Sources	\$1,608	\$1,783	\$175	10.9%
Transfers In	\$1,453	\$1,207	(\$246)	-16.9%
Federal Sources [base]	\$2,052	\$2,072	\$20	1.0%
Base General Funds	\$23,940	\$24,691	\$751	3.1%
<i>Non-Base Gen Funds Revenues</i>	\$781	\$65	(\$716)	-91.7%
Total General Funds	\$24,721	\$24,756	\$35	0.1%

CGFA SOURCE: Office of the Comptroller: Some totals may not equal, due to rounding

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GENERAL FUNDS RECEIPTS: THROUGH DECEMBER

FY 2024 vs. FY 2025

(\$ millions)

Revenue Sources	FY 2024	FY 2025	\$ CHANGE	% CHANGE
State Taxes				
Personal Income Tax	\$12,868	\$14,050	\$1,182	9.2%
Corporate Income Tax (regular)	3,027	2,695	(332)	-11.0%
Sales Taxes	6,024	5,957	(67)	-1.1%
Public Utility Taxes (regular)	308	331	23	7.5%
Cigarette Tax	108	103	(5)	-4.6%
Liquor Gallonage Taxes	93	91	(2)	-2.2%
Estate Tax	335	321	(14)	-4.2%
Insurance Taxes and Fees	175	237	62	35.4%
Corporate Franchise Tax & Fees	107	101	(6)	-5.6%
Interest on State Funds & Investments	308	389	81	26.3%
Cook County IGT	0	0	0	N/A
Other Sources	174	210	36	20.7%
Total State Taxes	\$23,527	\$24,485	\$958	4.1%
Transfers In				
Lottery	\$420	\$365	(\$55)	-13.1%
Gaming	81	91	10	12.3%
Sports Wagering	0	51	51	N/A
Cannabis	54	55	1	1.9%
Refund Fund	555	253	(302)	-54.4%
Other	343	392	49	14.3%
Total Transfers In	\$1,453	\$1,207	(\$246)	-16.9%
Total State Sources	\$24,980	\$25,692	\$712	2.9%
Federal Sources [base]	\$2,052	\$2,072	\$20	1.0%
Total Federal & State Sources	\$27,032	\$27,764	\$732	2.7%
Nongeneral Funds Distributions/Direct Receipts:				
Refund Fund				
Personal Income Tax	(\$1,178)	(\$1,286)	(\$108)	9.2%
Corporate Income Tax	(424)	(377)	47	-11.1%
Local Government Distributive Fund				
Personal Income Tax	(756)	(826)	(70)	9.3%
Corporate Income Tax	(178)	(159)	19	-10.7%
Sales Tax Distributions				
Deposits into Road Fund	(287)	(349)	(62)	21.6%
Distribution to the PTF and DPTF	(269)	(76)	193	-71.7%
General Funds Subtotal [Base]	\$23,940	\$24,691	\$751	3.1%
Transfer of Excess PA 102-700 Funds to GRF	\$148	\$0	(\$148)	-100.0%
Prior Year Federal Matching Funds	\$633	\$0	(\$633)	-100.0%
ARPA Reimb. for Essential Gov't Services	\$0	\$65	\$65	N/A
Total General Funds	\$24,721	\$24,756	\$35	0.1%

CGFA SOURCE: Office of the Comptroller: Some totals may not equal, due to rounding

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