

October 5, 2023

The Honorable Greg Abbott, Governor  
The Honorable Dan Patrick, Lieutenant Governor  
The Honorable Dade Phelan, Speaker of the House  
Members of the 88th Legislature

Ladies and Gentlemen:

In accordance with Texas Government Code Section 403.0131, I hereby present the detailed tables for the revenue estimate I used to certify the General Appropriations Act for the 2024-25 biennium and other appropriations bills approved by the 88th Legislature. This revenue estimate also serves as the supplemental statement of revenue available for the 88th Legislature, Third Called Session, in accordance with Article III, Section 49a(a), Texas Constitution. The estimates in this document include actual revenue collections and disbursements through Aug. 31, 2023, and the estimated fiscal impact of all legislation passed by the 88th Legislature, Regular Session, as well as the Second Called Session.

After accounting for statutory transfers, balances on hand at the close of the 2022-23 biennium and expected revenue collections and adjustments, the state will have a total of \$194.57 billion in General Revenue-related funds available. This revenue will support general-purpose spending of \$176.28 billion for the 2024-25 biennium, resulting in an expected ending General Revenue-related certification balance of \$18.29 billion.

In fiscal 2024, the Economic Stabilization Fund (ESF) and State Highway Fund (SHF) each will receive \$3.06 billion in transfers from the General Revenue Fund from severance taxes collected in fiscal 2023 and a transfer of an estimated \$2.76 billion in fiscal 2025 from severance taxes collected in fiscal 2024. Additionally, in fiscal 2024 the ESF will receive a transfer of \$2.52 billion, half of the unencumbered and unobligated fiscal 2023 General Revenue Fund ending balance. After accounting for interest and investment earnings by the ESF, along with expenditures authorized by appropriations made in recent legislative sessions, we project a fiscal 2025 ending ESF balance of \$23.77 billion.



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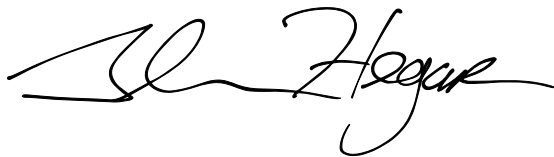
For well over a year now, consensus macroeconomic forecasts have indicated a recession this year or next. Despite sharply higher interest rates, household budgets stressed by inflation and adverse economic conditions among major trading partners, the national economy has continued to grow. Meanwhile, the Texas economy has outperformed the national economy, and the economic outlook included with this revenue estimate does not assume a recession in Texas.

The dangers to the economic outlook and the possibility of recession, however, are very real. Adverse factors that could still combine to spark recession include: as yet unknown longer term depressive effects of the restrictive monetary policy imposed by the Federal Reserve over the last year and a half; collapsing commercial real estate values and defaults threatening credit availability among regional banks; declining savings rates and rising credit card debt balances among lower and middle income households that may weaken consumer spending; slowing or nonexistent growth among major US trading partners, including a faltering Chinese economy with unemployment among younger people so high the government will no longer report it; and further threats to world food and energy supplies stemming from Russia's continuing war against Ukraine.

In view of the significant risks to the economic outlook, revenue is estimated conservatively for the 2024-25 biennium. It may well turn out that robust economic growth, and consequently revenue growth, will continue unabated. But it would not be prudent to simply assume that will be the case.

I will continue to monitor the Texas economy and state revenues closely and will keep you informed of any significant events as they arise.

Sincerely,



Glenn Hegar

Enclosure

cc: Jerry McGinty, Legislative Budget Board



# CERTIFICATION REVENUE ESTIMATE

The state of Texas will have an estimated \$194.57 billion available for general-purpose spending in the 2024-25 biennium, 24.8 percent more than in 2022-23. This figure represents the sum of the 2022-23 ending balance and tax and non-tax revenue collections in 2024-25, less revenue set aside for transfers to the Economic Stabilization Fund (ESF) and State Highway Fund (SHF) and adjustments to General Revenue-dedicated account balances. In all, the state is expected to collect \$359.42 billion for all state funds in 2024-25.

The state's tax system is the main source of General Revenue-related (GR-R) funding. Tax collections in 2024-25 will generate \$147.11 billion, while non-tax revenue sources will produce an additional \$19.91 billion. Factoring in the \$39.24 billion ending balance carried forward from 2022-23, these three sources will total \$206.26 billion. Against this amount, \$11.1 billion must be placed in reserve for future transfers to the ESF and SHF and \$584 million must be deducted for various adjustments to General Revenue-dedicated account balances (**Table 1**).

GR-R spending is expected to total \$176.28 billion in the 2024-25 biennium (**Table 2**). Subtracting this amount from the projected \$194.57 billion available for general-purpose spending leaves an estimated 2024-25 ending balance of \$18.29 billion (**Table 3**).

## Texas Economic Outlook

The Texas economy added 402,000 nonfarm jobs from August 2022 to August 2023, an increase of 3 percent, to reach 13,979,100. Texas added more new jobs than any other state over those 12 months.

Private-sector employment rose by 3 percent, while government employment (federal, state and local) grew by 2.8 percent. The state's rate of job growth was the highest among the 10 most populous states and the second highest among all states (behind Nevada). Employment growth is expected to be 1.5 percent in fiscal 2024 and 0.3 percent in 2025.

Texas real gross state product (GSP), after increasing by an estimated 4.8 percent in fiscal 2023, is projected to grow by 2.3 percent in 2024, led by increases in the wholesale trade, education and health services, and information industries. Real GSP is expected to grow by an additional 1.7 percent in 2025.

Texas nominal (current dollar) GSP increased by an estimated 6.9 percent in fiscal 2023, in part due to increases in the average price level. Nominal GSP is expected to grow by 4.1 percent in 2024. Note that changes in the prices of natural gas and, especially, oil can have significant effects on the growth rates of Texas nominal GSP. Removing the value of mining industry output, nominal GSP grew by 9.2 percent in 2023 and is projected to grow by 5.1 percent in 2024. Nominal GSP is expected to grow by 3.9 percent in 2025.

Texas personal income increased by 6.8 percent in fiscal 2023, following 5.7 percent growth in 2022. Personal income is projected to grow by 5.4 percent in 2024 and 5.1 percent in 2025.

The Texas unemployment rate averaged 4 percent in 2023, above the pre-pandemic 2019 average of 3.6 percent, but still low by historical standards (the 2003-22 average was 5.7 percent). The unemployment rate is expected to increase moderately over the biennium, to 4.1 percent in 2024 and to 4.5 percent in 2025.

In sum, after strong growth in 2023, the Texas economy (as measured by real GSP) is projected to slow somewhat in 2024 and 2025, although growth rates are expected to be higher than those of the U.S. as a whole in both of those years. Nominal GSP and personal income growth are expected to fall short of their 2010-2023 average growth rates (both of which were 5.5 percent) as the rate of inflation continues to fall. The unemployment rate is expected to increase modestly.

### The 2022-23 Ending Balance

The ending GR-R certification balance for 2022-23 was \$39.24 billion, after setting aside \$6.11 billion for constitutionally required transfers to the ESF and SHF from fiscal 2023 oil and natural gas severance tax collections and \$2.52 billion of the unencumbered balance in the General Revenue Fund (GR). As required by the Texas Constitution, at the end of each biennium the Comptroller must calculate the unencumbered balance in the GR Fund. On Aug. 31, 2023, the balance rose to such a level that the constitutional provision requiring one-half of the balance to be transferred to the ESF came into effect, and \$2.52 billion will be transferred into the ESF in fiscal 2024. The ending balance, in addition to estimated net revenue collections in the 2024-25 biennium, will be used to fund 2024-25 appropriations (**Table 3**).

### Transfers to the Economic Stabilization Fund and State Highway Fund

The ESF and SHF each should receive transfers of \$5.82 billion from oil production tax and natural gas production tax revenue over the two-year period 2024-25 (**Table A-8**). As required by the Texas Constitution, estimated transfers to the ESF and SHF have been deducted from available revenues and balances. In addition to the fiscal 2024 transfer of \$3.06 billion to each fund from 2023 tax collections, this estimate anticipates

that \$5.84 billion will be transferred to the SHF, and \$5.26 billion will be transferred to the ESF in 2025-26 (associated with 2024 and 2025 collections). After the 2025 transfer of severance taxes to the ESF, the balance is expected to reach \$23.77 billion based on current estimates of interest and investment income. This estimate also projects that the ESF cap of \$26.35 billion will be met in fiscal 2026, and therefore, the Comptroller would be required to decrease the amount of severance taxes available for transfer to the fund in fiscal 2026; \$582 million will be retained in GR and added to the amount available for certification.

Article VIII, Section 7-c (a) of the Texas Constitution provides that annual state sales tax revenue in excess of \$28 billion, up to a maximum of \$2.5 billion, is dedicated for public roadways other than toll roads. In both fiscal 2024 and 2025, \$2.5 billion is expected to be transferred to the SHF.

Article VIII, Section 7-c (b) of the Texas Constitution directs that 35 percent of motor vehicle sales, rental and use tax revenue exceeding \$5 billion be transferred to the SHF. In fiscal 2024, the transfer from motor vehicle sales and use taxes is projected to be \$674 million, with a transfer of \$724 million expected in fiscal 2025.

### Tax Revenue

The state's tax system is the main source of GR-R funding. Tax collections in the 2024-25 biennium are expected to total \$147.11 billion, a 6.1 percent increase from 2022-23 collections of \$138.63 billion. In 2024-25, tax collections are expected to be 88.1 percent of total net general revenues (**Table 1**).

Since 1988, state sales tax revenues have accounted for more than half of all state GR-R tax collections. In the 2024-25 biennium, sales tax collections, net of transfers to the SHF and the accounts of the Texas Parks and Wildlife Department and the Texas Historical Commission, are expected to be \$88.06 billion, accounting

for 59.9 percent of all GR-R tax collections. The motor vehicle sales and rental taxes (\$12.6 billion) and the oil production tax (\$12.55 billion) are the next largest sources of GR-R revenue for 2024-25.

**Sales and Use Taxes:** GR-R collections from the state sales tax were \$81.01 billion in the 2022-23 biennium, an increase of 28.5 percent from the pandemic-affected 2020-21 collections of \$63.05 billion. The GR-R amount for 2022-23 is net of \$5 billion allocated to the SHF, as required by the Texas Constitution. On an all funds basis, 2022-23 state sales tax collections were \$89.55 billion, up from \$70.12 billion in the previous biennium.

All funds sales tax revenue includes amounts deposited to the Tax Reduction and Excellence in Education Fund (TREE fund) collected from online marketplace providers, attributable to the requirement that they collect and remit tax as provided by House Bill (HB) 1525, 86th Legislature. Deposits to the TREE fund were \$2.96 billion in the 2022-23 biennium and are forecast to reach \$3.52 billion in 2024-25.

Sales tax collections continued their strong growth from fiscal 2022 into fiscal 2023, with the early months of the fiscal year exceeding the previous year's amounts by double digits. Sectors driven primarily by business spending, such as oil and natural gas mining, construction, wholesale trade and manufacturing, led the way in gains for most of the fiscal year, with remittances from the oil and natural gas mining sector coming in particularly strong. As the fiscal year progressed, collections remained above their year-ago totals but the margin began to shrink compared to the initial months of the fiscal year as the effects of lessening inflation and higher interest rates influenced remittances. For the 2024-25 biennium, GR-R sales tax revenue is forecast to grow by 8.7 percent, to \$88.1 billion. All funds sales tax revenue is forecast to reach \$97.2 billion, 8.5 percent more than the 2022-23 biennium.

**Franchise Tax:** Franchise tax collections grew rapidly in fiscal 2023, to \$6.82 billion, at an annual rate of 20.2 percent. For the 2022-23 biennium, total franchise tax collections were \$12.49 billion, 39.6 percent above 2020-21 collections. The 2024-25 biennial collections are estimated at \$13.69 billion, 9.6 percent above 2022-23 collections, reflecting slower growth as well as the effects of Senate Bill (SB) 3, 88th Legislature, Second Called Session.

Franchise tax collections are allocated to GR and to the Property Tax Relief Fund (PTRF). The GR amount is based on the Comptroller's estimate of the amount of revenue that would have accrued if the tax as it existed in fiscal 2007 had remained in effect. Any collections in excess of the estimate for the old tax are credited to the PTRF and used to help fund the Foundation School Program. For the 2024-25 biennium, the estimated GR-R amount is \$10.01 billion and the estimated amount for the PTRF is \$3.68 billion.

**Motor Vehicle Sales and Rental Taxes:** The Texas motor vehicle sales and use tax (including seller-financed sales) applies to the retail sales of new and used motor vehicles at a rate of 6.25 percent of the sale's total consideration. Also included in this group of related taxes are the motor vehicle rental tax (10 percent of gross receipts on rentals of 30 days or less, or 6.25 percent of gross receipts on rentals of 31 to 180 days) and the manufactured housing sales and use tax (5 percent of 65 percent of the sales price of a new manufactured home). Together, the GR-R collections from this entire group of motor vehicle-related taxes are expected to reach \$12.6 billion in the 2024-25 biennium, an increase of 4.2 percent from 2022-23 collections of \$12.09 billion.

Revenue collections from motor vehicle-related taxes are expected to continue to increase through the 2024-25 biennium, albeit at a slower pace than fiscal

2023, as post-COVID-19 pent-up demand dissipates amidst continued high prices and interest rates.

The GR-R amount for 2022-23 is net of revenue allocated to the SHF as required by the Texas Constitution, which dedicates 35 percent of the portion of annual motor vehicle sales and rental tax revenue collections in excess of \$5 billion to the SHF. An estimated \$1.4 billion of motor vehicle-related sales and rental taxes will be deposited to the SHF during the 2024-25 biennium. An estimated additional \$72 million from 2024-25 collections will be deposited outside of GR-R to the PTRF.

***Oil and Natural Gas Production Taxes:*** The taxes in this group consist of the oil production tax, levied at 4.6 percent of market value, and the natural gas production tax, levied at 7.5 percent of market value. Condensate from natural gas production is taxed at the oil tax rate, with the resulting tax receipts included in natural gas tax revenues. The fiscal 2022 average NYMEX oil market price was \$89.90 per barrel, 65 percent more than the 2021 average of \$54.49, as demand returned to normalcy since the COVID-19 pandemic lockdown in addition to the impact of the Ukraine war on global supplies. Prices pulled back in 2023 to an average of \$79.08, a decrease of 12 percent, as concerns of an economic slowdown persisted. Consequently, oil tax collections increased to \$6.36 billion in fiscal 2022, 84.4 percent more than collections of \$3.45 billion in fiscal 2021, before declining to \$5.93 billion in fiscal 2023. In fiscal 2024 and 2025, Texas oil production is expected to increase moderately, and market prices are expected to average \$79 in 2024 and \$85 in 2025. With higher production volumes than the previous biennium, oil tax collections are expected to increase, generating \$12.55 billion in the 2024-25 biennium, 2.1 percent more than the \$12.29 billion collected in 2022-23.

Natural gas production in Texas has been rising since 2005, initially with the development of the Barnett Shale and sequentially with the Eagle Ford Shale and the Permian Basin. Production is expected to continue to grow modestly due to the influx of casinghead gas from oil production in the Permian Basin and the Eagle Ford Shale.

Market prices for natural gas averaged \$4.77 per million BTUs in fiscal 2023, a 10.2 percent drop from the 2022 average of \$5.31. Prices rose in late fiscal 2022 in response to the supply disruption in Europe associated with the Ukraine war. However, prices reversed course at the beginning of 2023 as warm winters at home and in Europe induced high inventory levels.

As prices are expected to average \$2.75 per million BTUs in 2024 and \$3.00 in 2025, natural gas tax collections in the 2024-25 biennium are expected to be \$5.3 billion, 32.3 percent less than 2022-23 collections of \$7.82 billion.

***Insurance Taxes:*** As a result of increased economic activity related to the continued recovery from the COVID-19-related recession and increases in the price level, fiscal 2023 GR-R insurance tax collections (based on calendar year 2022 insurance premiums) were 30.2 percent higher than fiscal 2022 collections, the highest rate of increase seen since at least 2000. Fiscal 2022 collections were also up substantially from 2021 (by 15.7 percent). Combined 2022-23 collections were up 32.1 percent from the previous biennium.

Revenue is expected to increase further in fiscal 2024 (by 3.9 percent) but is projected to decline somewhat (by 1.1 percent) in 2025 from projected 2024 levels. Biennial revenue is projected to be \$8.39 billion, up 16.8 percent from the \$7.18 billion collected in 2022-23. The tax base is expected to grow throughout the biennium due to increases in the price level, population, property values and the volume of real estate sales. However, projected reductions in Medicaid



caseloads and associated premium tax revenue, as well as reductions in premium tax settlement amounts (the difference between actual tax owed and prepayments of that tax) due to slowing economic growth, are expected to offset any revenue gains from expansion of the tax base in fiscal 2025.

**Tobacco and Alcoholic Beverages Taxes:** Collections to all funds in the 2024-25 biennium from the taxes on cigarettes (at a tax rate of \$1.41 per pack), cigars (from 1 cent per 10 cigars to \$15 per 1,000 cigars) and other tobacco products (\$1.22 per ounce for snuff, chewing tobacco, roll-your-own tobacco and pipe tobacco) are expected to decline by 9.2 percent to \$2.2 billion from 2022-23 collections of \$2.43 billion, a trend that is consistent with recent fiscal periods. From 2024-25 collections, \$972 million is expected to be deposited to GR and \$1.23 billion to the PTRF.

Texas levies six alcoholic beverage taxes: the mixed beverage gross receipts tax (6.7 percent of the vendor's gross receipts); the mixed beverage sales tax (8.25 percent of the consumer's payment); and excise taxes on liquor (\$2.40 per gallon), beer (\$6 per barrel or 19.4 cents per gallon), wine (from 20.4 to 51.6 cents per gallon) and ale (19.8 cents per gallon). Effective Sept. 1, 2021, the beer tax was renamed malt beverage tax, and the malt liquor tax was repealed and replaced with the malt beverage tax, which includes malt liquor, ale and beer. Alcoholic beverage tax collections are deposited to GR. In 2024-25, collections are expected to grow by 11 percent to \$3.79 billion, compared to \$3.42 billion in 2022-23.

**Motor Fuel Taxes:** Taxes on motor fuels are levied at a rate of 20 cents per gallon for gasoline and diesel fuel, and at a rate of 15 cents per gallon on liquefied and compressed natural gas. Approximately 73 percent of collections from these taxes are deposited to the SHF, with the remaining 27 percent deposited to GR-R funds. GR-R collections from these taxes are estimated

to be \$2.1 billion in the 2024-25 biennium, an increase of 4.9 percent from 2022-23 collections of \$2 billion. The growth in 2024-25 GR-R collections is attributed to continued population growth and an economy continuing to recover from the COVID-19-related shutdowns and travel curtailments.

**Hotel Occupancy Tax:** The hotel occupancy tax is imposed on a person who pays for a hotel, motel or a similar facility at a state tax rate of 6 percent of the price paid for the room. Local taxing authorities are authorized to impose an additional hotel tax that is collected at the local level and is used for local governmental purposes. Fiscal 2023 was a year of steady growth in hotel tax collections, which reached \$778 million, an increase of 11.1 percent from the 2022 level of \$700 million. For the 2022-23 biennium, collections were \$1.48 billion. In 2024-25, collections are expected to reach \$1.67 billion, a 13 percent increase from 2022-23. This estimate is the result of higher prices per room and assumes business and leisure travel will continue to grow.

**Utility Taxes:** The utility taxes group has three separate taxes: the gas, electric and water utility tax, which accounts for about 80 percent of the group's tax collections; the public utility gross receipts assessment; and the gas utility pipeline tax. Collections from the utility taxes are deposited to GR, and in the 2022-23 biennium, total collections were \$1.18 billion, an increase of 16.2 percent from 2020-21. This growth is largely attributable to higher electricity prices that resulted from high natural gas prices that persisted through much of the biennium. In the 2024-25 biennium, revenue collections are expected to increase further due to sustained high electricity prices as well as projected increases in electricity use, resulting in growth of 6.3 percent from the 2022-23 biennium, to \$1.26 billion.

**Other Taxes:** This category includes the taxes on oil well services, coin-operated amusement machines, cement and combative sports admissions, as well as tax

refunds to employers of certain welfare recipients. Total GR-R collections for the category are estimated to be \$419 million in the 2024-25 biennium, 19.3 percent higher than 2022-23 collections of \$352 million. Most of the increase is related to higher oil well service tax collections.

## Non-Tax Revenue

In the 2024-25 biennium, the state's GR-R funds are expected to receive \$19.91 billion in non-tax revenue, 3.8 percent less than the \$20.68 billion collected in 2022-23. The major revenue sources are interest and investment income; licenses, fees, fines and penalties; state health service fees and rebates; net lottery proceeds; escheated estates; and settlements of claims.

**Interest and Investment Income:** This revenue category consists of the investment income received by the Available School Fund (ASF) from the Permanent School Fund (PSF) and interest earnings on state deposits. Traditionally the transfer from the PSF contributes more than 90 percent of this category; however, in fiscal 2023 due to the high balance of the GR fund and elevated treasury pool interest rates, interest earnings on the state deposits contributed 40 percent to the total collections.

The estimate for PSF transfers to the ASF is based on the allocations adopted by the State Board of Education and the School Land Board (SLB) for 2024-25. Combined distributions are expected to bring \$2.16 billion to the ASF in both fiscal year 2024 and 2025, a slight decrease of \$25 million or 0.6 percent from 2022-23. This estimate projects a significant reduction of the balance of the GR fund. Therefore, GR-R interest and investment income in the 2024-25 biennium is expected to be \$5.41 billion, a decrease of 9.2 percent from the \$5.95 billion collected in 2022-23.

**State Health Service Fees and Rebates:** Revenue from the federally mandated and state-supplemental

Medicaid vendor drug programs consists of rebates the state collects from drug manufacturers for drugs covered by state Medicaid programs. Based on revenue estimates from the Texas Health and Human Services Commission (HHSC), the GR-R portion of these funds and rebates is expected to total \$3.11 billion in the 2024-25 biennium, an increase of 4.1 percent from the \$2.99 billion received in 2022-23. This increase is mainly due to revisions in estimated future Medicaid premium credits, which are expected to remain high in the 2024-25 biennium, and higher future Federal Medical Assistance Percentages. The 2024-25 estimate is based on HHSC's forecast and assumptions for future Federal Medicaid Assistance Percentages as of April 2023.

**Net Lottery Proceeds:** This category primarily comprises revenue received from the sale of all Texas lottery games, less prize payouts administered by lottery retailers, a retailer commission of 5 percent and other items. Approximately 60 percent of net lottery proceeds are transferred to the Foundation School Account in GR to support public education in Texas. These transfers in the 2024-25 biennium are expected to total \$3.87 billion, a decrease of 2.9 percent from the \$3.99 billion transferred in 2022-23. The estimate assumes average jackpot levels in 2024-25, along with subdued growth in scratch-off games. While large jackpots on multi-state draw games (i.e., games in which customers select numbers for play, such as Powerball and Mega Millions) can result in substantially increased game sales and transfers for public education, their occurrence is random and unpredictable.

**Unclaimed Property and Escheated Estates:** The category's revenues are the proceeds from abandoned personal property such as checking accounts, savings accounts, certificates of deposit, safe deposit boxes, stocks, bonds, mutual funds, mineral proceeds and other types of property. In 2022-23 this revenue category increased by 39.4 percent compared to 2020-21, averaging a little



more than \$1 billion per year. Annual collections are estimated to remain near this level, resulting in \$2.12 billion in the 2024-25 biennium, a slight increase of 0.6 percent from 2022-23 collections of \$2.1 billion.

***Tobacco Suit Settlement Claims:*** In fiscal 1999, Texas began receiving regularly scheduled court settlement payments from tobacco product manufacturers. In the 2024-25 biennium, Texas tobacco settlement receipts are expected to total \$937 million, a 11.5 percent decline from the \$1.06 billion collected in 2022-23. Tobacco settlement payments have been affected negatively by the declining trend in national cigarette consumption, which has reduced the sales volume of the settling cigarette manufacturers and thereby lowered settlement payments.

## Revenue to All Funds

Revenue collections deposited to all funds are expected to total \$359.42 billion in the 2024-25 biennium, 3.2 percent less than the \$371.13 billion collected in 2022-23. In 2024-25, GR-R receipts are projected to total \$167.02 billion, 4.8 percent more than the 2022-23 total of \$159.31 billion.

Dedicated federal income in 2024-25 is expected to account for \$121.09 billion, 14.4 percent less than the \$141.45 billion received in 2022-23. This decrease is mainly due to a significant reduction of federal revenue associated with the Coronavirus Relief Fund (CRF), as the additional funding initially provided to states to

address the costs of COVID-19 starts to come to an end. In 2024-25, CRF is expected to receive \$11.76 billion in revenue, compared to the \$29.06 billion received in 2022-23. Most of the federal programs address disaster assistance, unemployment assistance, health and human services programs, nutrition assistance and housing programs.

A second large source of all funds revenue is the SHF share of motor fuel tax revenues; this fund is constitutionally dedicated to activities associated with the state highway system.

Total estimated revenues do not include certain local funds appropriated but not deposited into the State Treasury, but do include certain revenues deposited in the State Treasury but not appropriated, such as royalties deposited to the PSE.

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Note: This report contains estimates and projections that are based on available information, assumptions and estimates as of the date of the forecasts upon which they are based. Assumptions involve judgments about future economic and market conditions and events that are difficult to predict. Actual results could differ from those predicted, and the difference could be material.

The spreadsheets in this report are available in accessible data form (Excel) at <https://comptroller.texas.gov/transparency/reports/certification-revenue-estimate/2024-25/docs/cre-2024-25-data.xlsx>.

TABLE 1  
**General Revenue-Related Funds, by Source and Biennium**  
 (in millions of dollars)

<b>Tax Collections</b>	<b>2022-23</b>	<b>2024-25</b>	<b>Percent Change</b>
Sales Taxes	\$ 81,006	\$ 88,062	8.7%
Motor Vehicle Sales and Rental Taxes	12,089	12,598	4.2
Motor Fuel Taxes	2,003	2,101	4.9
Franchise Tax	8,745	10,009	14.4
Oil Production Tax	12,293	12,546	2.1
Insurance Taxes	7,184	8,395	16.8
Cigarette and Tobacco Taxes	1,059	972	(8.2)
Natural Gas Production Tax	7,820	5,296	(32.3)
Alcoholic Beverages Taxes	3,416	3,790	11.0
Hotel Occupancy Tax	1,478	1,670	13.0
Utility Taxes	1,182	1,256	6.3
Other Taxes	352	419	19.3
<b>Total Tax Collections</b>	<b>\$ 138,626</b>	<b>\$ 147,113</b>	<b>6.1%</b>
<b>Non-Tax Collections</b>			
Licenses, Fees, Fines, and Penalties	\$ 3,092	\$ 3,145	1.7%
State Health Service Fees and Rebates	2,985	3,107	4.1
Net Lottery Proceeds	3,986	3,870	(2.9)
Land Income	15	13	(11.5)
Interest and Investment Income	5,952	5,406	(9.2)
Settlements of Claims	1,148	1,007	(12.3)
Escheated Estates	2,103	2,115	0.6
Sales of Goods and Services	290	266	(8.3)
Other Revenue	1,113	979	(12.0)
<b>Total Non-Tax Collections</b>	<b>\$ 20,685</b>	<b>\$ 19,909</b>	<b>(3.8)%</b>
<b>Total Net Revenue</b>	<b>\$ 159,311</b>	<b>\$ 167,022</b>	<b>4.8%</b>
<b>Balances and Adjustments</b>			
Beginning Balance in Fund 1	\$ 10,771	\$ 38,802	
Beginning Balances in Funds 2 and 3	464	434	
Change in GR-Dedicated Account Balances	1,322	(584)	
Reserve for Transfer of Unencumbered and Unobligated General Revenue Fund Balance to the Economic Stabilization Fund	(2,521)	0	
Reserve for Transfer of Severance Taxes to the Economic Stabilization Fund	(6,694)	(5,260)	
Reserve for Transfer of Severance Taxes to the State Highway Fund	(6,694)	(5,842)	
<b>Total Balances and Adjustments</b>	<b>\$ (3,351)</b>	<b>\$ 27,550</b>	
<b>Total General Revenue-Related Funds Available for Certification</b>	<b>\$ 155,960</b>	<b>\$ 194,572</b>	<b>24.8%</b>

Note: The amount of severance taxes projected to be reserved in fiscal 2025 for transfer to the ESF is reduced by \$582 million because the ESF is expected to reach its constitutional cap with the severance tax transfer to the fund in fiscal 2026.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE 2  
**General Revenue-Related Spending in the 2024-25 Biennium**  
 (in millions of dollars)

General Appropriations Act*	\$144,130
Emergency Appropriations and Reductions, and Other Legislation Making Appropriations, net**	<u>16,003</u>
<b>Subtotal: Certified General-Revenue Related Appropriations***</b>	<b>\$160,133</b>
Fiscal Year End and Other Adjustments to Disbursements, net****	<u>16,145</u>
<b>Total</b>	<b><u><u>\$176,278</u></u></b>

\* Conference Committee Report for HB 1, 88th Legislature, Regular Session.

\*\* Includes methods of reclassification of appropriations made in HB 1, 88th Legislature, Regular Session.

\*\*\* The sufficient balance of the Economic Stabilization Fund for 2024-25, based on certified General Revenue-related appropriations, is \$11,209.33 million.

\*\*\*\* Includes reductions and increases in General Revenue costs as a result of: (1) revisions of estimated revenue to the Property Tax Relief and Tax Reduction and Excellence in Education Funds, and (2) adjustments to fiscal year end settle-up payments to the Texas Retirement System and other fiscal year end payments.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE 3

**General Revenue-Related Balances and Available Revenue**

(in millions of dollars)

**Fiscal 2024 Cash Balances**

Beginning General Revenue Fund Cash	\$ 48,375	
Less: Dedicated Oil Overcharge Account	(81)	
Less: Dedicated Lottery Account	(168)	
Less: Texas Enterprise Account	(454)	
Less: Statewide Electronic Filing Account	(34)	
Less: Governor's University Research Initiative Account	(95)	
Less: Constitutionally Dedicated Victims of Crime Accounts	(76)	
Less: Texas Military Revolving Account	(0)	
Less: Federal Elections Improvement Account	(24)	
Less: Broadband Development Account	(1)	
Less: Judicial and Court Personnel Training Fund Account	(7)	
Less: BP Oil Spill Fund Account	(0)	
Less: Reserve for Transfer of Severance Taxes to the Economic Stabilization and State Highway Funds	(6,112)	
Less: Reserve for Transfer of Unencumbered and Unobligated General Revenue Fund Balance to the Economic Stabilization Fund	(2,521)	
Beginning Balances in Funds 2 and 3	434	
<b>Balances Available for Certification</b>		<b>\$ 39,236</b>

**Fiscal 2024-25 Revenue**

Estimated Tax Collections	\$ 147,113	
Estimated Other Revenue	19,909	
<b>Total Estimated Net Revenue</b>		<b>\$ 167,022</b>

**Fiscal 2024-25 Other Adjustments**

Change in Dedicated General Revenue Account Balances	\$ (584)	
Reserve for Economic Stabilization and State Highway Funds Transfers	(11,101)	
		<u>\$ (11,686)</u>

**Total Fiscal 2024-25 Estimated Available Revenue and Balances** **\$ 194,572**

Less: Fiscal 2024-25 Estimated Expenditures (176,278)

**Fiscal 2024-25 Ending Certification Balance** **\$ 18,294**

Note: The amount of severance taxes projected to be reserved in fiscal 2025 for transfer to the ESF is reduced by \$582 million because the ESF is expected to reach its constitutional cap with the severance tax transfer to the fund in fiscal 2026.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE 4

**Texas Economic History and Outlook for Fiscal Years 2016 to 2025**

Fall 2023 Forecast

<b>TEXAS ECONOMY</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023*</b>	<b>2024*</b>	<b>2025*</b>
Real Gross State Product (Billion 2012 \$)	1,618	1,645	1,712	1,764	1,756	1,799	1,856	1,945	1,990	2,024
<i>Annual percent change</i>	<i>1.5</i>	<i>1.7</i>	<i>4.1</i>	<i>3.0</i>	<i>(0.5)</i>	<i>2.4</i>	<i>3.2</i>	<i>4.8</i>	<i>2.3</i>	<i>1.7</i>
Gross State Product (Billion Current \$)	1,570	1,644	1,780	1,849	1,798	1,969	2,296	2,454	2,556	2,655
<i>Annual percent change</i>	<i>(0.6)</i>	<i>4.8</i>	<i>8.2</i>	<i>3.9</i>	<i>(2.7)</i>	<i>9.5</i>	<i>16.6</i>	<i>6.9</i>	<i>4.1</i>	<i>3.9</i>
Personal Income (Billion Current \$)	1,291	1,363	1,458	1,544	1,616	1,727	1,826	1,951	2,055	2,159
<i>Annual percent change</i>	<i>(0.8)</i>	<i>5.6</i>	<i>7.0</i>	<i>5.9</i>	<i>4.7</i>	<i>6.9</i>	<i>5.7</i>	<i>6.8</i>	<i>5.4</i>	<i>5.1</i>
Nonfarm Employment (Thousands)	11,980	12,173	12,444	12,746	12,425	12,533	13,301	13,847	14,049	14,087
<i>Annual percent change</i>	<i>1.3</i>	<i>1.6</i>	<i>2.2</i>	<i>2.4</i>	<i>(2.5)</i>	<i>0.9</i>	<i>6.1</i>	<i>4.1</i>	<i>1.5</i>	<i>0.3</i>
Resident Population (Thousands)	27,782	28,156	28,487	28,831	29,184	29,511	29,963	30,476	30,946	31,363
<i>Annual percent change</i>	<i>1.6</i>	<i>1.3</i>	<i>1.2</i>	<i>1.2</i>	<i>1.2</i>	<i>1.1</i>	<i>1.5</i>	<i>1.7</i>	<i>1.5</i>	<i>1.3</i>
Unemployment Rate (Percent)	4.6	4.5	4.0	3.6	6.8	6.2	4.1	4.0	4.1	4.5
NYMEX Oil Price (\$ per Barrel)	41.40	48.77	60.58	59.62	45.46	54.49	89.90	79.08	79.00	85.00
NYMEX Natural Gas Price (\$ per Million BTUs)	2.30	3.04	2.89	2.99	2.09	2.65	5.31	4.77	2.75	3.00
<b>U.S. ECONOMY</b>										
Real Gross Domestic Product (Billion 2012 \$)	17,593	17,952	18,503	18,916	18,582	19,339	19,970	20,346	20,682	20,938
<i>Annual percent change</i>	<i>1.6</i>	<i>2.0</i>	<i>3.1</i>	<i>2.2</i>	<i>(1.8)</i>	<i>4.1</i>	<i>3.3</i>	<i>1.9</i>	<i>1.6</i>	<i>1.2</i>
Consumer Price Index (1982-84=100)	238.9	243.8	249.7	254.4	258.1	266.6	287.7	302.2	310.3	318.0
<i>Annual percent change</i>	<i>0.9</i>	<i>2.1</i>	<i>2.4</i>	<i>1.9</i>	<i>1.5</i>	<i>3.3</i>	<i>7.9</i>	<i>5.1</i>	<i>2.7</i>	<i>2.5</i>
Personal Consumption Expenditures Deflator (2012=100)	103.8	105.6	107.8	109.5	110.8	114.0	121.2	126.5	129.8	132.7
<i>Annual percent change</i>	<i>0.7</i>	<i>1.8</i>	<i>2.1</i>	<i>1.6</i>	<i>1.2</i>	<i>2.9</i>	<i>6.3</i>	<i>4.4</i>	<i>2.6</i>	<i>2.3</i>
Prime Interest Rate (Percent)	3.4	3.9	4.7	5.4	3.9	3.3	4.0	7.8	8.5	6.9

\* Estimated or projected

SOURCES: Glenn Hegar, Texas Comptroller of Public Accounts; and S&amp;P Global.

TABLE A-1

**Estimated General Revenue-Related Balances, Revenue, Disbursements, and Appropriation Authority**

	<b>Thousands of Dollars</b>	
	<b>2024</b>	<b>2025</b>
<b>Revenue and Beginning Fund Balances</b>		
General Revenue-Related Adjusted Fund Balance*	\$ 39,236,041	\$ 6,715,059
General Revenue-Related Revenue**	82,532,055	84,489,849
Adjustment to Dedicated Account Balances	(292,084)	(292,084)
<b>Total Revenue and Beginning Fund Balances</b>	<b><u>\$121,476,012</u></b>	<b><u>\$ 90,912,825</u></b>
<b>Probable Disbursements and Other Adjustments</b>		
Disbursements for Foundation School Programs	\$ 15,426,084	\$ 15,883,125
State Technology and Instructional Materials Disbursements	1,032,680	10,000
Other Probable Disbursements	92,774,593	51,151,821
Reserve for Transfer of Severance Taxes to the Economic Stabilization Fund	2,763,798	2,495,806
Reserve for Transfer of Severance Taxes to the State Highway Fund	2,763,798	3,078,020
<b>Total Probable Disbursements and Other Adjustments</b>	<b><u>\$114,760,953</u></b>	<b><u>\$ 72,618,772</u></b>
<b>Estimated Ending Certification Balance, August 31</b>	<b><u>\$ 6,715,059</u></b>	<b><u>\$ 18,294,053</u></b>
<b>Appropriation Authority</b>		
Prior-Year Authority	\$ 2,473,204	
Current-Year Authority	109,233,357	
<b>Total Appropriation Authority</b>	<b><u>\$111,706,561</u></b>	

\* Excludes constitutionally restricted accounts, dedicated lottery proceeds, oil overcharge and other general revenue-dedicated account balances that are not available for certification.

\*\* Excludes constitutionally restricted motor fuel, sales and motor vehicle sales taxes transfers to the State Highway Fund.

Note: The amount of severance taxes projected to be reserved in fiscal 2025 for transfer to the ESF is reduced by \$582 million because the ESF is expected to reach its constitutional cap with the severance tax transfer to the fund in fiscal 2026.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.



TABLE A-2

**Estimated General Revenue-Related Revenue and Balances Available for Certification**

	<b>Thousands of Dollars</b>	
	<b>2022-23</b>	<b>2024-25</b>
<b>Beginning Fund Balances</b>		
Consolidated General Revenue Fund Adjusted Balance	\$ 10,770,773	\$ 38,802,394
Available School Fund Balance	26,810	56,358
State Technology and Instructional Materials Fund Balance	437,309	377,289
<b>Total Beginning Fund Balances</b>	<b>\$ 11,234,891</b>	<b>\$ 39,236,041</b>
<b>Revenue</b>		
General Revenue Fund	\$150,808,412	\$158,693,074
Available School Fund	4,345,045	4,328,060
State Technology and Instructional Materials Fund	21,332	30,770
Foundation School Account	4,136,555	3,970,000
<b>Total Revenue</b>	<b>\$159,311,344</b>	<b>\$167,021,904</b>
<b>Other Adjustments</b>		
Change in General Revenue-Dedicated Account Balances	\$ 1,322,237	\$ (584,167)
Reserve for Transfer of Unencumbered and Unobligated General Revenue Fund Balance to the Economic Stabilization Fund	(2,520,778)	0
Reserve for Transfer of Severance Taxes to the Economic Stabilization Fund	(6,693,657)	(5,259,604)
Reserve for Transfer of Severance Taxes to the State Highway Fund	(6,693,657)	(5,841,818)
<b>Total Other Adjustments</b>	<b>\$(14,585,855)</b>	<b>\$(11,685,589)</b>
<b>Total General Revenue-Related Revenue and Balances</b>	<b>\$155,960,380</b>	<b>\$194,572,356</b>

Note: The amount of severance taxes projected to be reserved in fiscal 2025 for transfer to the ESF is reduced by \$582 million because the ESF is expected to reach its constitutional cap with the severance tax transfer to the fund in fiscal 2026.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-3  
**Estimated General Revenue-Related Funds Revenue**

Object Code	Description	Thousands of Dollars	
		2024	2025
<b>General Revenue Fund</b>			
3004	Motor Vehicle Sales and Use Tax	\$ 6,267,184	\$ 6,392,528
3005	Motor Vehicle Rental Tax	439,085	452,999
3007	Gasoline Tax	2,854,929	2,881,971
3008	Diesel Fuel Tax	1,018,163	1,034,105
3016	Motor Vehicle Sales and Use Tax—Seller Financed Motor Vehicles	182,476	185,213
3027	Driver Record Information Fees	6,200	6,700
3102	Limited Sales and Use Tax	46,009,241	47,391,065
3111	Boat and Boat Motor Sales and Use Tax	95,000	92,000
3114	Escheated Estates	1,025,000	1,090,000
3130	Franchise/Business Margins Tax	4,969,900	5,038,700
3139	Hotel Occupancy Tax	816,688	853,071
3175	Professional Fees	65,710	66,022
3186	Securities Fees	165,000	165,000
3201	Insurance Premium Taxes	4,060,780	4,007,431
3219	Insurance Maintenance Tax—Workers' Compensation Division and OIEC	47,398	48,346
3230	Public Utility Gross Receipts Assessment	76,293	78,227
3233	Gas, Electric and Water Utility Tax	496,872	518,866
3250	Mixed Beverage Gross Receipts Tax	712,100	748,200
3251	Mixed Beverage Sales Tax	871,800	915,900
3253	Liquor Tax	128,000	129,800
3258	Malt Beverage Tax	123,300	123,300
3275	Cigarette Tax	269,100	280,000
3278	Cigar and Tobacco Products Tax	212,329	210,637
3290	Oil Production Tax	6,008,777	6,536,952
3291	Natural Gas Production Tax	2,492,999	2,802,748
3849	Tobacco Suit Settlement Receipts	478,300	458,200
3854	Interest Other—General, Non-Program	2,640	2,640
3950	Allocations to General Revenue from Special Funds	0	71,129
3952	Allocation of Uncompensated Care and Disproportionate Share Revenues	237,041	237,041
	Other General Revenue Fund Revenue	4,498,824	3,867,863
3901	Less: Motor Fuel Taxes Allocation to State Highway Fund	(2,835,096)	(2,866,985)
3924	Less: Sporting Goods Sales Taxes Allocation to the TPWD and THC	(256,275)	(269,277)
3925	Less: Sales Taxes Allocation to State Highway Fund	(2,500,000)	(2,500,000)
3928	Less: Motor Vehicle Sales Taxes Allocation to State Highway Fund	(673,564)	(723,512)
	<b>Subtotal, General Revenue Fund</b>	<b>\$ 78,366,194</b>	<b>\$ 80,326,880</b>
<b>School Funds*</b>			
3851	Interest on State Deposits/Investments, General Non-Program	\$ 24,861	\$ 21,969
3910	Allocation from Permanent School Fund to Available School Fund	2,156,000	2,156,000
3922	State Gain from Lottery Proceeds	1,935,084	1,935,084
	Other School Funds Revenue	49,916	49,916
	<b>Subtotal, School Funds</b>	<b>\$ 4,165,861</b>	<b>\$ 4,162,969</b>
	<b>Total Estimated Net General Revenue-Related Funds</b>	<b>\$ 82,532,055</b>	<b>\$ 84,489,849</b>

\* Includes net revenue for the Available School Fund, the State Technology and Instructional Materials Fund, and the Foundation School Account.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-4  
**Estimated General Revenue-Dedicated Accounts Revenue**

Account Number	Account	Thousands of Dollars	
		2024	2025
9	Game, Fish, and Water Safety	\$ 155,517	\$ 154,859
27	Coastal Protection	311	21,125
64	State Parks	226,668	236,227
151	Clean Air	71,103	71,657
153	Water Resource Management	88,806	89,455
225	University of Houston Current	79,769	79,368
238	University of Texas at Dallas Current	74,538	76,076
242	Texas A&M University Current	115,288	116,059
244	University of Texas at Arlington Current	66,874	67,343
248	University of Texas at Austin Current	139,490	139,009
249	University of Texas at San Antonio Current	50,817	51,139
250	University of Texas at El Paso Current	25,880	25,821
255	Texas Tech University Current	61,622	61,578
258	University of North Texas Current	90,750	91,514
259	Sam Houston State University Current	27,518	27,747
421	Criminal Justice Planning	13,999	13,631
469	Compensation to Victims of Crime	61,420	60,113
549	Waste Management	52,626	53,720
550	Hazardous and Solid Waste Remediation Fees	35,293	36,452
655	Petroleum Storage Tank Remediation	17,827	18,025
5007	Commission on State Emergency Communications	22,312	22,624
5025	Lottery*	496,647	601,507
5050	9-1-1 Service Fees	27,549	27,549
5064	Volunteer Fire Department Assistance	23,673	23,669
5073	Fair Defense	33,913	32,987
5080	Quality Assurance	61,394	61,394
5094	Operating Permit Fees	42,800	42,800
5111	Designated Trauma Facility and EMS	96,395	98,499
5155	Oil and Gas Regulation and Cleanup	81,795	82,878
	Other Accounts	1,052,780	1,061,378
<b>Total Estimated General Revenue-Dedicated Accounts</b>		<b>\$3,395,374</b>	<b>\$3,546,203</b>

\* Net of proceeds to the Foundation School Account and other dedicated accounts.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-5  
**Estimated Federal Income, by Fund or Account**

Fund/Account Number	Fund or Account	Thousands of Dollars	
		2024	2025
1	General Revenue Fund	\$ 37,135,139	\$ 36,891,452
6	State Highway Fund	6,587,582	5,621,575
9	Game, Fish, and Water Safety Account	45,800	45,800
37	Federal Child Welfare Service Account	550,639	582,867
92	Federal Disaster Account	897,103	645,183
127	Community Affairs Federal Account	363,970	350,313
148	Federal Health, Education and Welfare Account	3,749,279	3,749,279
171	Federal School Lunch Account	2,700,000	2,700,000
222	Department of Public Safety Federal Account	1,850	1,850
224	Governor's Office Federal Projects Account	110,000	110,000
273	Federal Health and Health Lab Funding Excess Revenue Account	289,600	289,600
325	Coronavirus Relief Fund	8,933,786	2,822,298
421	Criminal Justice Planning Account	212,500	212,500
449	Texas Military Federal Account	74,769	74,769
469	Compensation to Victims of Crime Account	36,402	38,006
549	Waste Management Account	7,031	7,031
5026	Workforce Commission Federal Account	1,891,347	1,956,232
5091	Office of Rural Community Affairs Federal Account	67,401	67,401
	Other Funds and Accounts	312,678	955,380
<b>Total Estimated Federal Income</b>		<b><u>\$ 63,966,876</u></b>	<b><u>\$ 57,121,536</u></b>

Note: Totals may not sum because of rounding.  
 SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-6  
**Estimated Other Funds Revenue, by Fund or Account**

Fund/Account Number	Fund or Account	Thousands of Dollars	
		2024	2025
6	State Highway Fund	\$ 8,295,263	\$ 8,317,435
11	Available University Fund	1,442,268	1,543,081
193	Foundation School Account/Local Recapture--Attendance Credits	4,526,725	4,791,035
304	Property Tax Relief Fund	2,486,746	2,539,645
365	Texas Mobility Fund	387,111	390,305
573	Judicial Fund	81,065	80,435
	Disproportionate Share Revenue/State & Local Hospitals	6,966,720	7,145,855
	Appropriated Receipts	774,734	769,070
	Other Funds	7,161,653	6,664,229
<b>Total Estimated Other Funds Revenue</b>		<b><u>\$32,122,285</u></b>	<b><u>\$32,241,090</u></b>

Note: Excludes certain local funds that are appropriated but not deposited in the State Treasury, and deposits by semi-independent agencies. Includes certain state revenue deposited in the State Treasury but not appropriated. Excludes federal income.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

**TABLE A-7**  
**Estimated All Funds Revenue, Excluding Trust Funds**

Source	Thousands of Dollars	
	2024	2025
General Revenue-Related	\$ 82,532,055	\$ 84,489,849
General Revenue-Dedicated	3,395,374	3,546,203
Federal Income	63,966,876	57,121,536
Other Funds	32,122,285	32,241,090
<b>Total Estimated All Funds Revenue</b>	<b><u>\$182,016,590</u></b>	<b><u>\$177,398,678</u></b>

Note: Excludes local funds and deposits by semi-independent agencies. Includes certain state revenue deposited in the State Treasury but not appropriated.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.



TABLE A-8  
**Estimated Allocations and Transfers from the General Revenue Fund**

	Thousands of Dollars	
	2024	2025
<b>Allocations and Transfers to Other Funds</b>		
Available School Fund–Motor Fuel Taxes	\$ 951,917	\$ 962,644
State Highway Fund–Motor Fuel Taxes	2,835,096	2,866,985
State Highway Fund–Severance Taxes	3,056,163	2,763,798
State Highway Fund–Sales Taxes	2,500,000	2,500,000
State Highway Fund–Motor Vehicle Sales Taxes	673,564	723,512
County and Road District Highway Fund–Motor Fuel Taxes	7,300	7,300
Economic Stabilization Fund–Severance Taxes	3,056,163	2,763,798
Economic Stabilization Fund–Unencumbered and Unobligated GR Balance	2,520,778	0
Teacher Retirement System Trust Fund (excl. health insurance)	2,783,682	3,007,211
<b>Total Allocations and Transfers to Other Funds</b>	<b>\$ 18,384,662</b>	<b>\$ 15,595,248</b>
<b>Allocations and Transfers to General Revenue–Dedicated Accounts</b>		
Motor Fuel Allocation to Parks and Wildlife	\$ 20,325	\$ 20,518
Motor Fuel Enforcement Allocation	34,983	35,387
State Parks Account–Sporting Goods Sales Tax (SGST)	166,644	175,503
Texas Recreation and Parks Account–SGST	12,087	12,106
Parks and Wildlife Conservation Capital Account–SGST*	51,149	54,351
Large County and Municipal Recreation and Parks Account–SGST	8,454	8,468
Historic Sites Account–SGST	17,941	18,849
Foundation School Account–Occupation Taxes	3,315,449	3,520,074
Hotel Occupancy Tax–Economic Development	67,514	70,954
Hotel Occupancy Tax–Coastal Erosion Response	23,592	23,904
Alcoholic Beverage Taxes–Sexual Assault Program	15,839	16,641
Alcoholic Beverage Taxes–Specialty Court	15,839	16,641
Alcoholic Beverage Taxes–Texas Music Incubator	10,000	10,000
Texas Department of Insurance Operating Account–Insurance Maintenance Taxes and Fees	159,605	165,726
Rural Volunteer Fire Department Insurance Account–Sales Tax	2,530	2,659
<b>Total Allocations and Transfers to General Revenue-Dedicated Accounts</b>	<b>\$ 3,921,951</b>	<b>\$ 4,151,781</b>
<b>Total Allocations and Transfers from General Revenue</b>	<b>\$ 22,306,613</b>	<b>\$ 19,747,029</b>
<b>Details of the Economic Stabilization Fund - Cash Basis Reporting</b>		
<b>Total Beginning Balance**</b>	\$ 14,173,958	\$ 20,088,838
<b>Transfers, Interest and Investment Income</b>		
Oil Production Tax Transfer	2,024,689	2,053,840
Natural Gas Production Tax Transfer	1,031,474	709,958
Unencumbered and Unobligated GR Balance Transfer	2,520,778	0
Interest Income	153,425	104,787
Investment Income***	684,306	917,058
<b>Total Transfers and Interest Income</b>	<b>\$ 6,414,672</b>	<b>\$ 3,785,643</b>
<b>Appropriations</b>	499,791	102,000
<b>Total Ending Balance of ESF</b>	<b>\$ 20,088,838</b>	<b>\$ 23,772,481</b>

\* Allocation amount does not include the \$10 million unexpended balances transfer appropriated in HB 1, 88th Legislature, Regular Session.

\*\* The total beginning balance includes cash balance in the State Treasury and invested balance with Texas Treasury Safekeeping Trust Company. Invested balance and gain on those investments are based on the projected earnings as of September 2, 2023.

\*\*\* Investment income represents the change in fair value of invested assets due to market interest rates increase. It does not represent realized losses in the portfolio.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-9

**Available School Fund and State Technology and Instructional Materials Fund Estimated Balances, Revenue and Expenditures**

	Thousands of Dollars	
	2024	2025
<b>Beginning Cash Balances</b>		
Available School Fund	\$ 56,358	\$ 18,476
State Technology and Instructional Materials Fund	377,289	414,441
<b>Total Beginning Cash Balances</b>	<b>\$ 433,647</b>	<b>\$ 432,917</b>
<b>Estimated Revenue</b>		
<b>Available School Fund</b>		
Total Return Allocation from Permanent School Fund	\$ 2,156,000	\$ 2,156,000
Interest on State Deposits/Investments—General, Non-Program	8,526	7,534
Allocation from General Revenue Fund	951,917	962,644
<b>Total Estimated Available School Fund Revenue</b>	<b>\$ 3,116,443</b>	<b>\$ 3,126,178</b>
<b>State Technology and Instructional Materials Fund</b>		
Sale of Textbooks	\$ 0	\$ 0
Interest on State Deposits/Investments—General, Non-Program	16,335	14,435
Other Revenue	0	0
<b>Total Estimated State Technology and Instructional Materials Fund Revenue</b>	<b>\$ 16,335</b>	<b>\$ 14,435</b>
<b>Total Estimated Revenue and Beginning Cash Balances</b>	<b>\$ 3,566,425</b>	<b>\$ 3,573,530</b>
<b>Estimated Expenditures</b>		
State Technology and Instructional Materials*	\$ 1,032,680	\$ 10,000
Administration—State Technology and Instructional Materials Fund	3,580	3,720
Administration—Available School Fund	0	0
Per Capita Apportionment		
5,071,347 (prior year ADA) @ \$414	2,097,247	
5,095,452 (prior year ADA) @ \$610		3,109,928
<b>Total Estimated Expenditures</b>	<b>\$ 3,133,507</b>	<b>\$ 3,123,648</b>
<b>Ending Cash Balance</b>	<b>\$ 432,917</b>	<b>\$ 449,882</b>

\* Represents only state revenue.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts; and Legislative Budget Board.

TABLE A-10

**Foundation School Program and Other School Programs Funded Through State General Revenue-Related Funds, the Property Tax Relief and Tax Reduction and Excellence in Education Funds, and Local Funds**

	Thousands of Dollars	
	2024	2025
<b>Cost of Public School Programs</b>		
State Share of the Foundation School Program	\$ 25,757,936	\$ 26,353,309
State Share of Other School Programs	17,136	17,136
Local Recapture—Attendance Credits	4,526,725	4,791,035
Local Funds Assignment and Other Local Funds	22,730,528	22,951,935
<b>Total Cost of Public School Programs</b>	<b>\$ 53,032,324</b>	<b>\$ 54,113,415</b>
<b>Funding</b>		
<b>State Funds</b>		
Available School Fund	\$ 2,097,247	\$ 3,109,928
Foundation School Account—Opening Balance	3,303,650	0
Foundation School Account—Occupation Taxes	3,315,449	3,520,074
Foundation School Account—Lottery Proceeds	1,935,084	1,935,084
General Revenue	4,774,655	7,318,039
Property Tax Relief Fund	8,634,146	8,687,045
Tax Reduction and Excellence in Education Fund	1,714,841	1,800,275
<b>Total State Funds</b>	<b>\$ 25,775,071</b>	<b>\$ 26,370,445</b>
<b>Local Funds</b>		
Local Recapture—Attendance Credits	4,526,725	4,791,035
Local Funds Assignment and Other Local Funds	22,730,528	22,951,935
<b>Total Local Funds</b>	<b>\$ 27,257,253</b>	<b>\$ 27,742,970</b>
<b>Total State and Local Funding*</b>	<b>\$ 53,032,324</b>	<b>\$ 54,113,415</b>

**Sources of Property Tax Relief Fund Revenue**

	Thousands of Dollars	
	2024	2025
<b>Beginning Cash Balance</b>	\$ 0	\$ 0
<b>Revenue</b>		
3004 Motor Vehicle Sales and Use Tax	35,723	36,437
3130 Franchise/Business Margins Tax	1,825,500	1,854,900
3275 Cigarette Tax	582,100	605,600
3278 Cigar and Tobacco Products Tax	22,171	22,563
3851 Interest on State Deposits/Investments—General, Non-Program	21,252	20,145
<b>Total Revenue</b>	<b>2,486,746</b>	<b>2,539,645</b>
<b>Net Transfers</b>	6,147,400	6,147,400
<b>Appropriations</b>	8,634,146	8,687,045
<b>Ending Cash Balance</b>	<b>\$ 0</b>	<b>\$ 0</b>

\* The total cost of public school programs reflects the amounts appropriated in HB 1, 88th Legislature, Regular Session, to support the implementation of HB 3 and HB 1605, 88th Legislature, Regular Session, and the property tax relief initiated by SB 2, 88th Legislature, Second Called Session. The amount of recapture was not adjusted.

Note: Totals may not sum because of rounding.  
SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-11  
Sources of State Highway Fund Revenue

Object Code	Description	Thousands of Dollars	
		2024	2025
<b>State Revenue</b>			
3010	Motor Fuel Lubricants Sales Tax	\$ 38,000	\$ 39,000
3014	Motor Vehicle Registration Fees	1,714,302	1,768,506
3018	Special Vehicle Permits	112,980	114,675
3752	Sale of Publications/Advertising	4,423	4,467
3767	Supplies/Equipment/Services–Federal/Other	23,983	24,223
3851	Interest on State Deposits/Investments, General Non-Program	229,061	110,933
3901	Motor Fuel Taxes Allocation	2,835,096	2,866,985
3925	Sales Taxes Allocation	2,500,000	2,500,000
3928	Motor Vehicle Sales Taxes Allocation	673,564	723,512
3969	Severance Taxes Allocation	3,056,163	2,763,798
	Other Revenue	163,854	165,134
	<b>Total State Revenue</b>	<b>\$ 11,351,426</b>	<b>\$ 11,081,233</b>
<b>Federal Income</b>			
3001	Federal Receipts Matched–Transportation Programs*	\$ 6,587,582	\$ 5,621,575
	<b>Total Federal Income</b>	<b>\$ 6,587,582</b>	<b>\$ 5,621,575</b>
	<b>Total State Highway Fund Revenue</b>	<b>\$ 17,939,008</b>	<b>\$ 16,702,808</b>

\* The estimate for Federal Income is based on the Texas Department of Transportation’s August cash forecast.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-12  
**State Revenue, by Source and Fiscal Year**  
**General Revenue-Related**

	Thousands of Dollars			
	2022 Actual	2023 Actual	2024 Estimated	2025 Estimated
<b>Tax Collections</b>				
Sales Taxes	\$ 38,826,997	\$ 42,178,879	\$ 43,347,966	\$ 44,713,788
Motor Vehicle Sales and Rental Taxes	5,926,931	6,162,369	6,253,061	6,345,108
Motor Fuel Taxes	991,762	1,011,474	1,045,058	1,056,372
Franchise Tax	3,971,036	4,774,146	4,969,900	5,038,700
Oil Production Tax	6,361,687	5,931,042	6,008,777	6,536,952
Insurance Taxes	3,120,999	4,063,389	4,220,951	4,173,720
Cigarette and Tobacco Taxes	531,082	527,451	481,429	490,637
Natural Gas Production Tax	4,469,945	3,350,373	2,492,999	2,802,748
Alcoholic Beverages Taxes	1,643,972	1,771,635	1,854,100	1,936,100
Hotel Occupancy Tax	699,939	777,851	816,688	853,071
Utility Taxes	556,662	625,196	615,078	640,690
Other Taxes	135,430	216,201	203,734	215,665
<b>Total Tax Collections</b>	<b>\$ 67,236,442</b>	<b>\$ 71,390,006</b>	<b>\$ 72,309,741</b>	<b>\$ 74,803,551</b>
<b>Revenue By Source</b>				
Tax Collections	\$ 67,236,442	\$ 71,390,006	\$ 72,309,741	\$ 74,803,551
Licenses, Fees, Fines, and Penalties	1,539,510	1,552,876	1,574,733	1,569,816
State Health Service Fees and Rebates	1,259,708	1,725,687	1,760,188	1,347,150
Net Lottery Proceeds	1,906,985	2,079,111	1,935,084	1,935,084
Land Income	7,948	6,786	6,683	6,353
Interest and Investment Income	2,258,160	3,694,237	2,819,059	2,586,892
Settlements of Claims	565,955	582,301	513,767	493,667
Escheated Estates	1,011,742	1,090,933	1,025,000	1,090,000
Sales of Goods and Services	151,581	138,861	133,205	133,204
Other Revenue	534,784	577,730	454,595	524,132
<b>Total Net Revenue</b>	<b>\$ 76,472,815</b>	<b>\$ 82,838,529</b>	<b>\$ 82,532,055</b>	<b>\$ 84,489,849</b>

Note: Totals may not sum because of rounding.  
 SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-13

**Percent Change in State Revenue, by Source and Fiscal Year  
General Revenue-Related**

	<b>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Estimated</b>	<b>2025 Estimated</b>
<b>Tax Collections</b>				
Sales Taxes	20.4 %	8.6 %	2.8 %	3.2 %
Motor Vehicle Sales and Rental Taxes	8.8	4.0	1.5	1.5
Motor Fuel Taxes	(2.1)	2.0	3.3	1.1
Franchise Tax	25.2	20.2	4.1	1.4
Oil Production Tax	84.4	(6.8)	1.3	8.8
Insurance Taxes	15.7	30.2	3.9	(1.1)
Cigarette and Tobacco Taxes	(10.0)	(0.7)	(8.7)	1.9
Natural Gas Production Tax	185.0	(25.0)	(25.6)	12.4
Alcoholic Beverages Taxes	30.7	7.8	4.7	4.4
Hotel Occupancy Tax	43.5	11.1	5.0	4.5
Utility Taxes	3.3	12.3	(1.6)	4.2
Other Taxes	46.3	59.6	(5.8)	5.9
<b>Total Tax Collections</b>	<b>27.9 %</b>	<b>6.2 %</b>	<b>1.3 %</b>	<b>3.4 %</b>
<b>Revenue By Source</b>				
Tax Collections	27.9 %	6.2 %	1.3 %	3.4 %
Licenses, Fees, Fines, and Penalties	10.1	0.9	1.4	(0.3)
State Health Service Fees and Rebates	52.2	37.0	2.0	(23.5)
Net Lottery Proceeds	1.2	9.0	(6.9)	0.0
Land Income	119.0	(14.6)	(1.5)	(4.9)
Interest and Investment Income	32.5	63.6	(23.7)	(8.2)
Settlements of Claims	(20.7)	2.9	(11.8)	(3.9)
Escheated Estates	27.7	7.8	(6.0)	6.3
Sales of Goods and Services	7.9	(8.4)	(4.1)	(0.0)
Other Revenue	13.1	8.0	(21.3)	15.3
<b>Total Net Revenue</b>	<b>26.4 %</b>	<b>8.3 %</b>	<b>(0.4) %</b>	<b>2.4 %</b>

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.



TABLE A-14  
**State Revenue, by Source and Biennium**  
**General Revenue-Related**

	Thousands of Dollars		
	2020-21 Actual	2022-23 Actual	2024-25 Estimated
<b>Tax Collections</b>			
Sales Taxes	\$ 63,053,065	\$ 81,005,875	\$ 88,061,754
Motor Vehicle Sales and Rental Taxes	10,219,373	12,089,300	12,598,169
Motor Fuel Taxes	1,927,120	2,003,235	2,101,430
Franchise Tax	6,226,258	8,745,182	10,008,600
Oil Production Tax	6,678,479	12,292,730	12,545,729
Insurance Taxes	5,439,090	7,184,388	8,394,671
Cigarette and Tobacco Taxes	1,136,946	1,058,534	972,066
Natural Gas Production Tax	2,494,015	7,820,318	5,295,747
Alcoholic Beverages Taxes	2,382,766	3,415,607	3,790,200
Hotel Occupancy Tax	958,518	1,477,791	1,669,759
Utility Taxes	1,016,969	1,181,858	1,255,768
Other Taxes	230,907	351,631	419,399
<b>Total Tax Collections</b>	<b><u>\$ 101,763,505</u></b>	<b><u>\$ 138,626,448</u></b>	<b><u>\$ 147,113,292</u></b>
<b>Revenue By Source</b>			
Tax Collections	\$ 101,763,505	\$ 138,626,448	\$ 147,113,292
Licenses, Fees, Fines, and Penalties	2,838,028	3,092,386	3,144,549
State Health Service Fees and Rebates	1,812,979	2,985,395	3,107,338
Net Lottery Proceeds	3,540,218	3,986,096	3,870,168
Land Income	10,018	14,733	13,036
Interest and Investment Income	3,433,970	5,952,396	5,405,951
Settlements of Claims	1,308,177	1,148,256	1,007,434
Escheated Estates	1,508,021	2,102,676	2,115,000
Sales of Goods and Services	265,629	290,442	266,409
Other Revenue	1,007,516	1,112,514	978,727
<b>Total Net Revenue</b>	<b><u>\$ 117,488,061</u></b>	<b><u>\$ 159,311,344</u></b>	<b><u>\$ 167,021,904</u></b>

Note: Totals may not sum because of rounding.  
 SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-15  
**Percent Change in State Revenue, by Source and Biennium  
 General Revenue-Related**

	<b>2020-21 Actual</b>	<b>2022-23 Actual</b>	<b>2024-25 Estimated</b>
<b>Tax Collections</b>			
Sales Taxes	3.8 %	28.5 %	8.7 %
Motor Vehicle Sales and Rental Taxes	3.2	18.3	4.2
Motor Fuel Taxes	(3.1)	3.9	4.9
Franchise Tax	7.5	40.5	14.4
Oil Production Tax	(8.2)	84.1	2.1
Insurance Taxes	6.5	32.1	16.8
Cigarette and Tobacco Taxes	(1.6)	(6.9)	(8.2)
Natural Gas Production Tax	(20.0)	213.6	(32.3)
Alcoholic Beverages Taxes	(10.5)	43.3	11.0
Hotel Occupancy Tax	(22.5)	54.2	13.0
Utility Taxes	10.1	16.2	6.3
Other Taxes	(44.9)	52.3	19.3
<b>Total Tax Collections</b>	<b>1.5 %</b>	<b>36.2 %</b>	<b>6.1 %</b>
<b>Revenue By Source</b>			
Tax Collections	1.5 %	36.2 %	6.1 %
Licenses, Fees, Fines, and Penalties	0.4	9.0	1.7
State Health Service Fees and Rebates	(21.8)	64.7	4.1
Net Lottery Proceeds	21.8	12.6	(2.9)
Land Income	161.3	47.1	(11.5)
Interest and Investment Income	17.1	73.3	(9.2)
Settlements of Claims	15.2	(12.2)	(12.3)
Escheated Estates	13.4	39.4	0.6
Sales of Goods and Services	1.9	9.3	(8.3)
Other Revenue	0.5	10.4	(12.0)
<b>Total Net Revenue</b>	<b>2.1 %</b>	<b>35.6 %</b>	<b>4.8 %</b>

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-16  
**State Revenue, by Source and Fiscal Year**  
**All Funds, Excluding Trust Funds**

	Thousands of Dollars			
	2022 Actual	2023 Actual	2024 Estimated	2025 Estimated
<b>Tax Collections</b>				
Sales Taxes	\$ 42,971,904	\$ 46,581,072	\$ 47,862,082	\$ 49,327,182
Motor Vehicle Sales and Rental Taxes	6,449,088	6,821,747	6,962,348	7,105,057
Motor Fuel Taxes	3,783,904	3,832,081	3,880,154	3,923,357
Franchise Tax	5,672,908	6,820,183	6,795,400	6,893,600
Oil Production Tax	6,361,687	5,931,042	6,008,777	6,536,952
Insurance Taxes	3,121,923	4,064,627	4,221,880	4,174,643
Cigarette and Tobacco Taxes	1,210,716	1,218,337	1,085,700	1,118,800
Natural Gas Production Tax	4,469,945	3,350,373	2,492,999	2,802,748
Alcoholic Beverages Taxes	1,643,972	1,771,635	1,854,100	1,936,100
Hotel Occupancy Tax	699,939	777,851	816,688	853,071
Utility Taxes	556,662	625,196	615,078	640,690
Other Taxes	268,095	351,413	333,186	348,066
<b>Total Tax Collections</b>	<b>\$ 77,210,744</b>	<b>\$ 82,145,558</b>	<b>\$ 82,928,392</b>	<b>\$ 85,660,266</b>
<b>Revenue By Source</b>				
Tax Collections	\$ 77,210,744	\$ 82,145,558	\$ 82,928,392	\$ 85,660,266
Federal Income	72,738,692	68,707,041	63,966,876	57,121,536
Licenses, Fees, Fines, and Penalties	6,531,677	6,663,409	6,703,591	6,805,023
State Health Service Fees and Rebates	10,284,816	10,919,541	10,963,232	10,057,019
Net Lottery Proceeds	3,058,251	3,349,724	2,884,691	2,884,691
Land Income	4,311,840	3,797,418	3,087,051	3,301,656
Interest and Investment Income	2,438,013	4,200,937	3,363,703	3,124,731
Settlements of Claims	662,336	631,033	550,818	531,060
Escheated Estates	1,011,742	1,090,933	1,025,000	1,090,000
Sales of Goods and Services	314,129	307,928	291,730	292,889
Other Revenue	4,782,601	5,975,448	6,251,506	6,529,807
<b>Total Net Revenue</b>	<b>\$183,344,840</b>	<b>\$187,788,970</b>	<b>\$182,016,590</b>	<b>\$177,398,678</b>

Note: Excludes local funds and deposits by semi-independent agencies. Includes certain state revenues deposited in the State Treasury but not appropriated.  
 Note: Totals may not sum because of rounding.  
 SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-17

**Percent Change in State Revenue, by Source and Fiscal Year  
All Funds, Excluding Trust Funds**

	2022 Actual	2023 Actual	2024 Estimated	2025 Estimated
<b>Tax Collections</b>				
Sales Taxes	19.3 %	8.4 %	2.8 %	3.1 %
Motor Vehicle Sales and Rental Taxes	12.5	5.8	2.1	2.0
Motor Fuel Taxes	5.2	1.3	1.3	1.1
Franchise Tax	25.2	20.2	(0.4)	1.4
Oil Production Tax	84.4	(6.8)	1.3	8.8
Insurance Taxes	15.6	30.2	3.9	(1.1)
Cigarette and Tobacco Taxes	(13.4)	0.6	(10.9)	3.0
Natural Gas Production Tax	185.0	(25.0)	(25.6)	12.4
Alcoholic Beverages Taxes	30.7	7.8	4.7	4.4
Hotel Occupancy Tax	43.5	11.1	5.0	4.5
Utility Taxes	3.3	12.3	(1.6)	4.2
Other Taxes	35.7	31.1	(5.2)	4.5
<b>Total Tax Collections</b>	<b>25.6 %</b>	<b>6.4 %</b>	<b>1.0 %</b>	<b>3.3 %</b>
<b>Revenue By Source</b>				
Tax Collections	25.6 %	6.4 %	1.0 %	3.3 %
Federal Income	(11.2)	(5.5)	(6.9)	(10.7)
Licenses, Fees, Fines, and Penalties	2.9	2.0	0.6	1.5
State Health Service Fees and Rebates	51.4	6.2	0.4	(8.3)
Net Lottery Proceeds	3.5	9.5	(13.9)	0.0
Land Income	100.8	(11.9)	(18.7)	7.0
Interest and Investment Income	23.4	72.3	(19.9)	(7.1)
Settlements of Claims	(13.0)	(4.7)	(12.7)	(3.6)
Escheated Estates	27.7	7.8	(6.0)	6.3
Sales of Goods and Services	(2.2)	(2.0)	(5.3)	0.4
Other Revenue	(4.1)	24.9	4.6	4.5
<b>Total Net Revenue</b>	<b>7.5 %</b>	<b>2.4 %</b>	<b>(3.1) %</b>	<b>(2.5) %</b>

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-18  
**State Revenue, by Source and Biennium**  
**All Funds, Excluding Trust Funds**

	Thousands of Dollars		
	2020-21 Actual	2022-23 Actual	2024-25 Estimated
<b>Tax Collections</b>			
Sales Taxes	\$ 70,118,721	\$ 89,552,975	\$ 97,189,264
Motor Vehicle Sales and Rental Taxes	10,546,174	13,270,835	14,067,405
Motor Fuel Taxes	7,121,604	7,615,985	7,803,511
Franchise Tax	8,948,250	12,493,092	13,689,000
Oil Production Tax	6,678,479	12,292,730	12,545,729
Insurance Taxes	5,441,297	7,186,551	8,396,523
Cigarette and Tobacco Taxes	2,696,318	2,429,053	2,204,500
Natural Gas Production Tax	2,494,015	7,820,318	5,295,747
Alcoholic Beverages Taxes	2,382,766	3,415,607	3,790,200
Hotel Occupancy Tax	958,518	1,477,791	1,669,759
Utility Taxes	1,016,969	1,181,858	1,255,768
Other Taxes	450,193	619,508	681,252
<b>Total Tax Collections</b>	<b><u>\$ 118,853,302</u></b>	<b><u>\$ 159,356,302</u></b>	<b><u>\$ 168,588,658</u></b>
<b>Revenue By Source</b>			
Tax Collections	\$ 118,853,302	\$ 159,356,302	\$ 168,588,658
Federal Income	140,056,849	141,445,733	121,088,412
Licenses, Fees, Fines, and Penalties	12,588,177	13,195,086	13,508,614
State Health Service Fees and Rebates	14,291,533	21,204,357	21,020,251
Net Lottery Proceeds	5,346,281	6,407,974	5,769,382
Land Income	3,957,103	8,109,257	6,388,707
Interest and Investment Income	4,504,533	6,638,950	6,488,434
Settlements of Claims	1,385,593	1,293,369	1,081,878
Escheated Estates	1,508,021	2,102,676	2,115,000
Sales of Goods and Services	576,028	622,057	584,619
Other Revenue	9,005,354	10,758,049	12,781,313
<b>Total Net Revenue</b>	<b><u>\$ 312,072,774</u></b>	<b><u>\$ 371,133,810</u></b>	<b><u>\$ 359,415,268</u></b>

Note: Excludes local funds and deposits by semi-independent agencies. Includes certain state revenues deposited in the State Treasury but not appropriated.

Note: Totals may not sum because of rounding.

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.

TABLE A-19

**Percent Change in State Revenue, by Source and Biennium  
All Funds, Excluding Trust Funds**

	2020-21 Actual	2022-23 Actual	2024-25 Estimated
<b>Tax Collections</b>			
Sales Taxes	6.3 %	27.7 %	8.5 %
Motor Vehicle Sales and Rental Taxes	5.6	25.8	6.0
Motor Fuel Taxes	(4.0)	6.9	2.5
Franchise Tax	13.2	39.6	9.6
Oil Production Tax	(8.2)	84.1	2.1
Insurance Taxes	6.5	32.1	16.8
Cigarette and Tobacco Taxes	(1.3)	(9.9)	(9.2)
Natural Gas Production Tax	(20.0)	213.6	(32.3)
Alcoholic Beverages Taxes	(10.5)	43.3	11.0
Hotel Occupancy Tax	(22.5)	54.2	13.0
Utility Taxes	10.1	16.2	6.3
Other Taxes	(29.9)	37.6	10.0
<b>Total Tax Collections</b>	<b>3.4 %</b>	<b>34.1 %</b>	<b>5.8 %</b>
<b>Revenue By Source</b>			
Tax Collections	3.4 %	34.1 %	5.8 %
Federal Income	71.8	1.0	(14.4)
Licenses, Fees, Fines, and Penalties	(2.3)	4.8	2.4
State Health Service Fees and Rebates	(3.5)	48.4	(0.9)
Net Lottery Proceeds	12.8	19.9	(10.0)
Land Income	(8.2)	104.9	(21.2)
Interest and Investment Income	3.5	47.4	(2.3)
Settlements of Claims	16.4	(6.7)	(16.4)
Escheated Estates	13.4	39.4	0.6
Sales of Goods and Services	2.1	8.0	(6.0)
Other Revenue	21.3	19.5	18.8
<b>Total Net Revenue</b>	<b>25.8 %</b>	<b>18.9 %</b>	<b>(3.2) %</b>

SOURCE: Glenn Hegar, Texas Comptroller of Public Accounts.