



**Kavet, Rockler & Associates, LLC**  
*Economic and Public Policy Consulting*

1638 Taft Road  
Townshend, Vermont 05353-8893 U.S.A.  
Telephone: 802-433-1360  
Facsimile: 505-800-7085  
Cellular: 802-433-1111  
E-Mail: [tek@kavet.net](mailto:tek@kavet.net)  
Website: [www.kavetrockler.com](http://www.kavetrockler.com)

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# **January 2025 Economic Review and Revenue Forecast Update**

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Prepared for the  
State of Vermont  
Emergency Board and  
Legislative Joint Fiscal Office  
Virtual and Live Presentation Materials

(Charts enlarged to full page for virtual presentation viewing)

January 22, 2025

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# Economic Review and Revenue Forecast Update

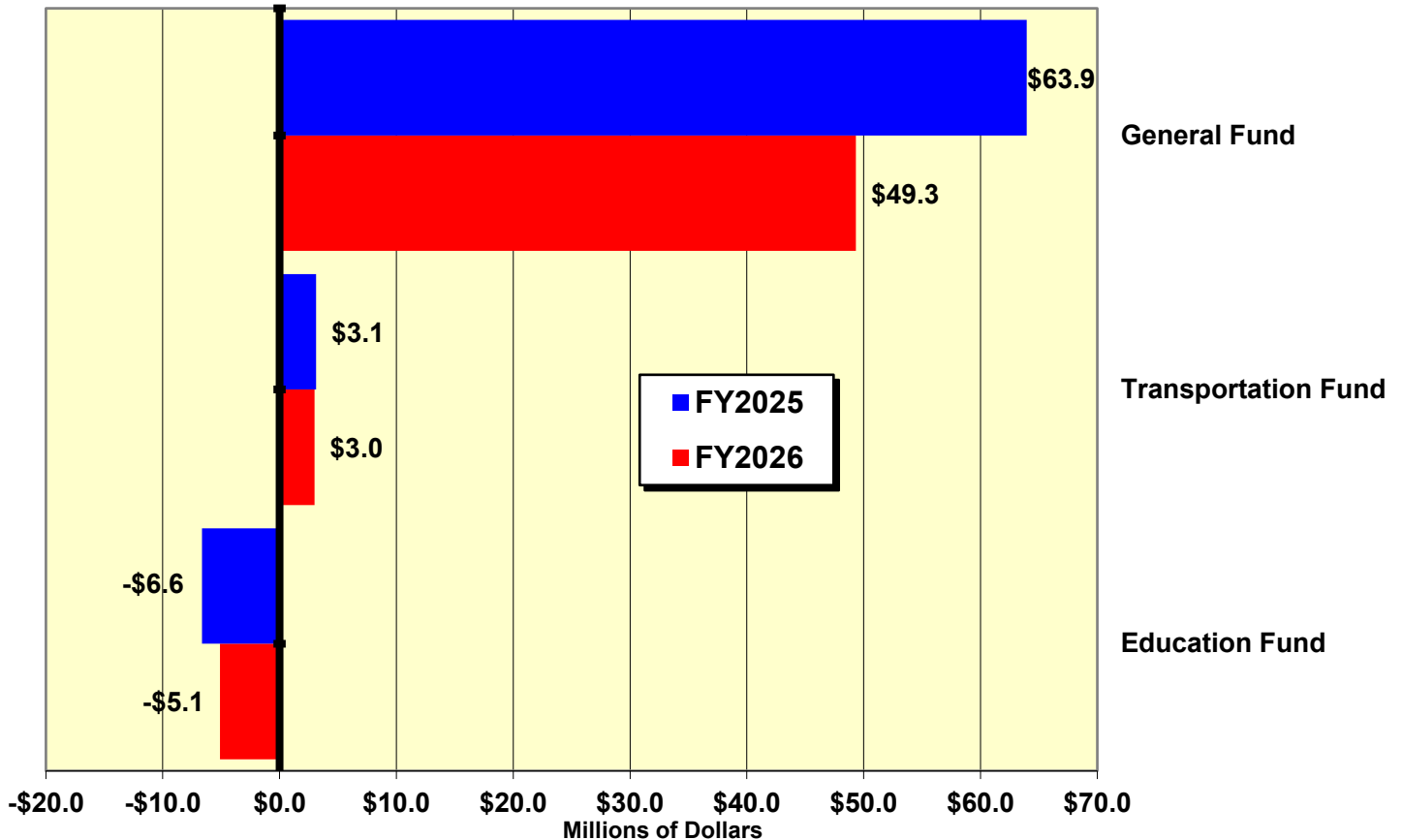
## January 2025

### Overview

*In voting for change, the electorate in November excoriated the economic policies of the Biden Administration, but rarely has the economy entered a new presidential term with such momentum. Despite two years of sustained high real interest rates, the economy has not significantly slowed, and roared through 2024 with recent unemployment at 4.1%, real GDP growth at 2.8%, inflation down to 2.4% (PCI basis), sturdy productivity gains, 48 consecutive months of job growth and the stock market posting multiple record highs.*

*This stellar economic performance has boosted State revenues slightly above expectations, except for a few underperforming new taxes, and kept total first half FY25 revenues across all three major funds 3.7% above July estimates. While FY26 will also benefit from this inertia, some of the proposed economic policies of the incoming administration could slow growth in FY27 and beyond. While it is too early to know exactly what these policies may be and when they may go into effect, the coming July economic and revenue update will have more specific quantitative information as these are clarified and implemented.*

### Recommended Net Revenue Changes from July 2024 Forecasts

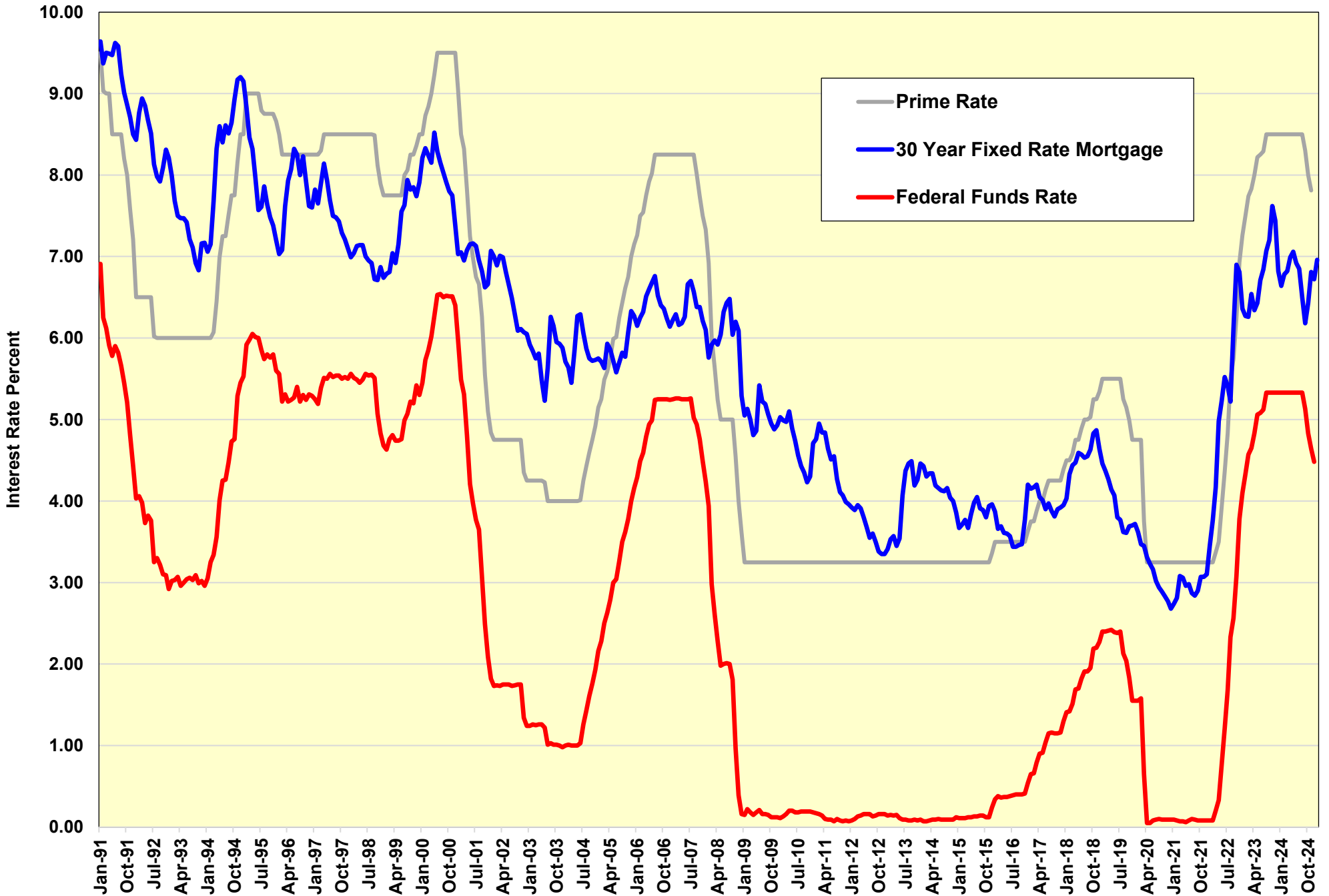


## **Economic, Fiscal and Monetary Policy Update**

- The aggregate economy entering 2025 is exceptional – and significantly better than forecast a year ago or even six months ago. Inflation was finally tame enough through August to warrant three Fed interest rate cuts totaling 100 basis points from September through December, providing fuel for stock market euphoria, if not huge or immediate reductions in most borrowing costs. Expected future rate cuts this year, however, may be among the first casualties of the new administration’s oft-broadcast economic policies, with concerns about their effects on inflation. While we are still expecting two (instead of four) rate cuts later this year, the Fed is now “on hold” and some are even discussing the possibility of rate hikes.
- The Trump Administration economic policies of greatest potential negative impact are widespread tariffs, mass deportations, reductions in immigration, and expanding deficits. All of these could exacerbate inflationary pressures. Given Republican majorities in both the House and Senate (though thin), each of these policies are expected to be implemented to some degree over the next four years, but policy details and implementation timing are both uncertain.
- Offsetting some of these impacts could be the elimination of inefficient federal regulations and near-term stimulus from the renewal and expansion of an array of tax cuts. Aside from negative inflationary impacts, if these tax cuts are not paid for through tax increases or reductions in spending, they will add to already massive U.S. deficits and could impact longer-term government borrowing costs and roil bond markets.
- Despite presenting challenges to the current U.S. economic trajectory, our baseline assessment (and hope) is that the policies ultimately enacted will not derail the current expansion, even if they slow output relative to its potential. Accordingly, near-term recession risks are relatively low.
- Labor markets in Vermont and the U.S. remain tight, despite slightly higher unemployment rates, declining quit rates and a shrinking (though still present) gap between the number of unemployed persons and the number of job openings. Year over year total nonfarm payroll job growth in Vermont has exceeded that in the U.S. during seven of the past eight months, a rare inversion last experienced 14 years ago.
- At 2.4%, Vermont still boasts the nation’s second lowest unemployment rate (as of November) and has been the lowest in New England for the past 20 months. Even unemployment rates in the three Northeast Kingdom counties most persistently afflicted by subaltern economic conditions are at rates well below the national average, with the 12-month average rate ending in November 2024 at only 3.6% in Orleans and 3.5% in Essex. Caledonia County was at 2.5% - lower than Lamoille, Windham, Rutland and Bennington. As always, Chittenden County posted the lowest rate, at 1.8%.

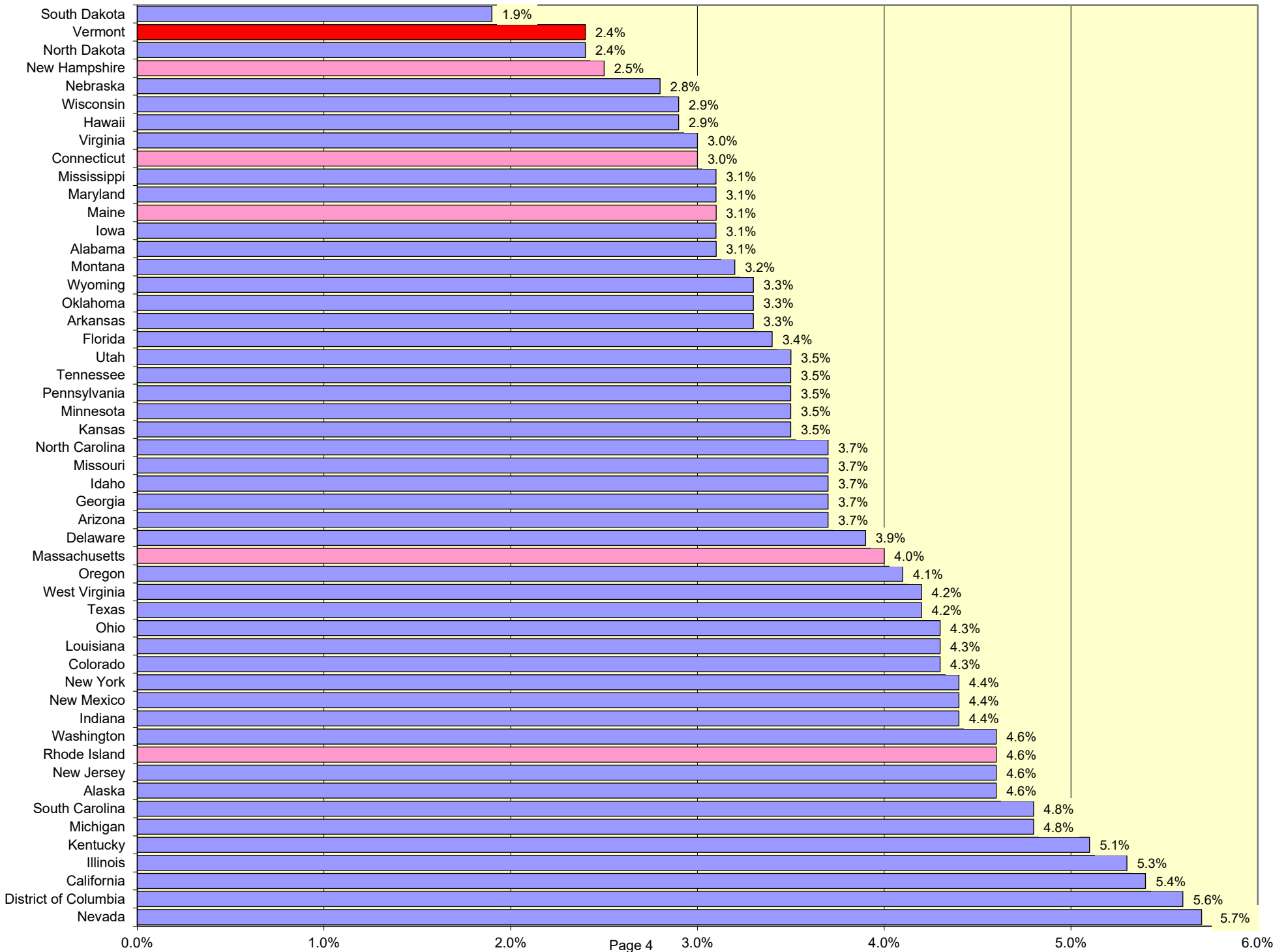
# The Fed Begins to Cut Interest Rates, But They Remain Highly Restrictive and There Will be Long Lags Before Full Economic Benefits Arrive

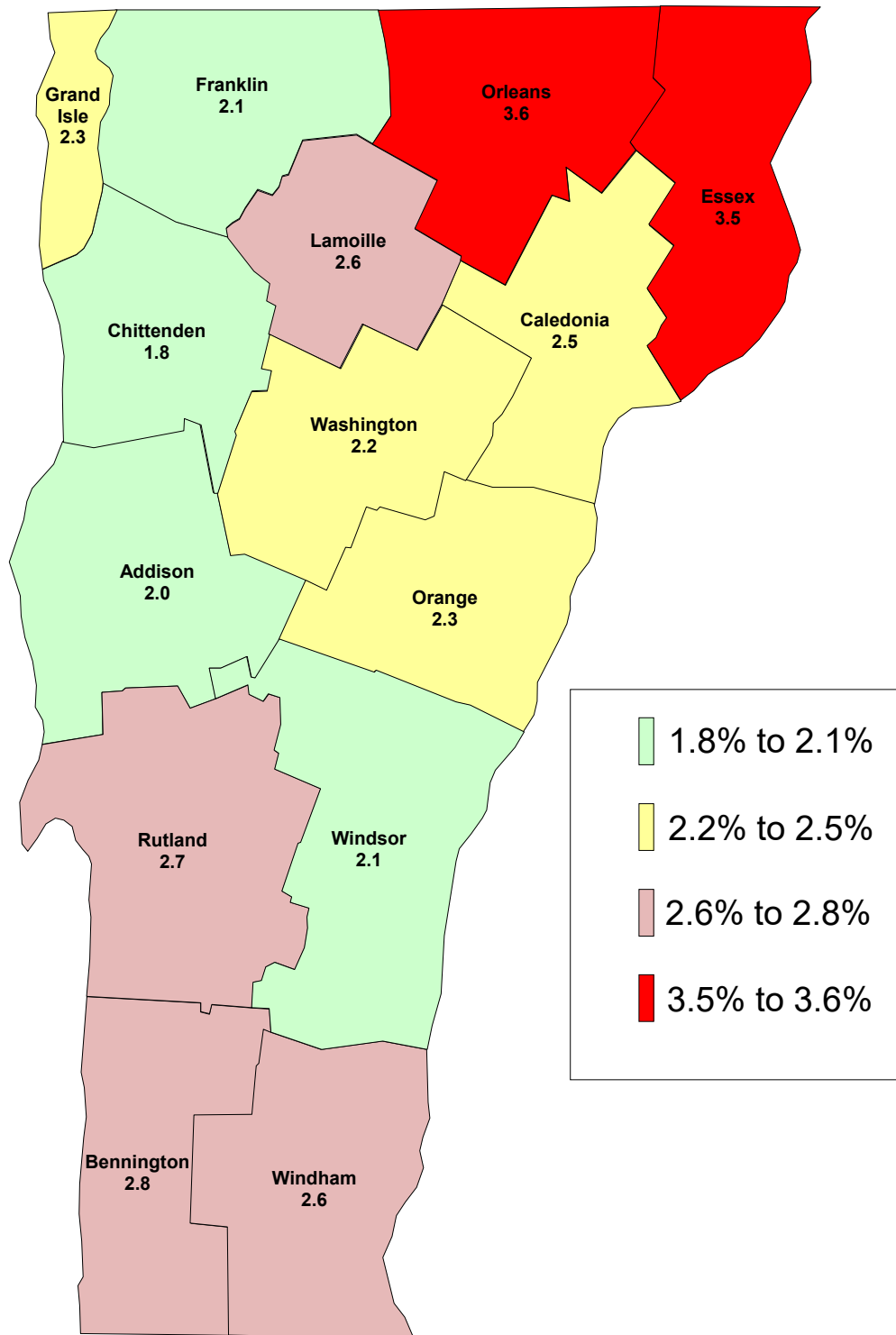
(Sources: Board of Governors of the Federal Reserve System, Freddie Mac)



# Unemployment Rate by State - November 2024

Seasonally Adjusted Data, Source: U.S. Bureau of Labor Statistics





# Vermont Unemployment Rates by County

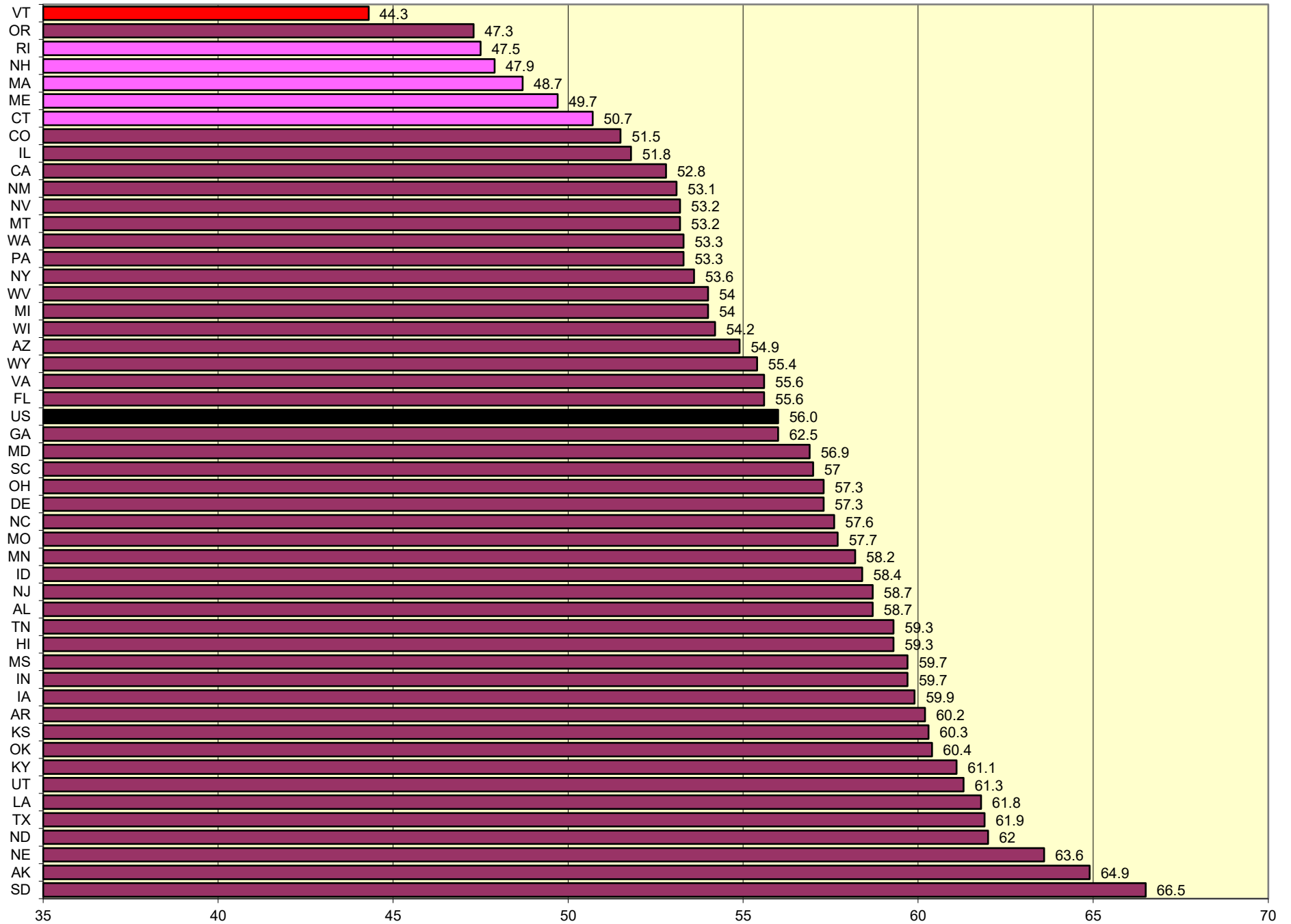
12 Month Average, December 2023 to November 2024

Source: U.S. Bureau of Labor Statistics

- New construction starts in Vermont through November were up 2% over the same period in 2024, with residential building up 30%, nonbuilding construction up 27% and nonresidential building down 52%. The drop in nonresidential building was entirely in the public sector, with large educational and dormitory projects in 2024 inflating last year's levels, while private nonresidential building was up 34% to date this year. Apartment building was the strongest residential component, with the dollar value of new starts up 39% and the number of dwelling units up 46%. Single family home starts were also up, with the value of new starts up 22% and the number of units up 19%. Nonbuilding construction starts have already exceeded their prior highest annual level, reaching more than \$510M in the first 11 months of 2024. With banked infrastructure and other Federal funding being released in large quantities this year and next, nonbuilding construction will likely reach new record highs in FY25 and FY26.
- Home price growth rates slowed in the third quarter of 2024, but some of the highest growth rates in the nation were in our region. The third through the eighth highest year over year growth rates were: NH at 9.4%, RI at 9.1%, CT at 9.0%, Vermont at 8.9%, NY at 8.5% and MA at 8.4%. ME was a few notches down, but still at a solid 7.1% rate. After experiencing slower growth earlier in this real estate cycle, the region is making up for it now. For the past three quarters, no state in the nation has experienced price declines, despite meteoric price increases since the pandemic and sky-high interest rates limiting demand. With many "would-be" sellers locked into low interest rates on existing mortgages, there is still a dearth of homes on the market and very thin transactions data behind the numbers. Despite the Fed lowering interest rates, the 30-year fixed-rate mortgage remains close to 7%. Without income growth to match recent home price growth, prices should flatten and even decline in some regions and time periods during the next several years.
- For the first time since 1957, the Census Bureau now estimates that in 2024, Vermont's population posted a year over year decline. The 2024 figure was not a surprise – our December 2023 forecasts missed the actual 2024 estimate by only 136 people (-0.021%) – but the Census revisions to prior years, including 2023, resulted in a small decline in 2024 (-215 people), instead of a small gain. It's important to note that the Census Bureau often revises data and this number could change again in the future. In the last revision, Census also revised the entire 10-year period from 2010 to 2019. This is also standard procedure with a new decennial census, but it doesn't usually take four years to get around to it – yet another casualty of the pandemic.
- As the building blocks for much of the economic analysis we do, we maintain a single age population database for Vermont and update this with estimates from the Census Bureau and Vermont Department of Health. With all the discussion about demographic issues in the State, it can be useful to view population through various age cohorts in understanding revenues and other economic metrics. For example, growth in older age cohorts in the State are sometimes cited as a future fiscal threat, since they are beyond working age and presumably would not be earning taxable income. In fact, per the chart on

# 2022 Fertility Rates

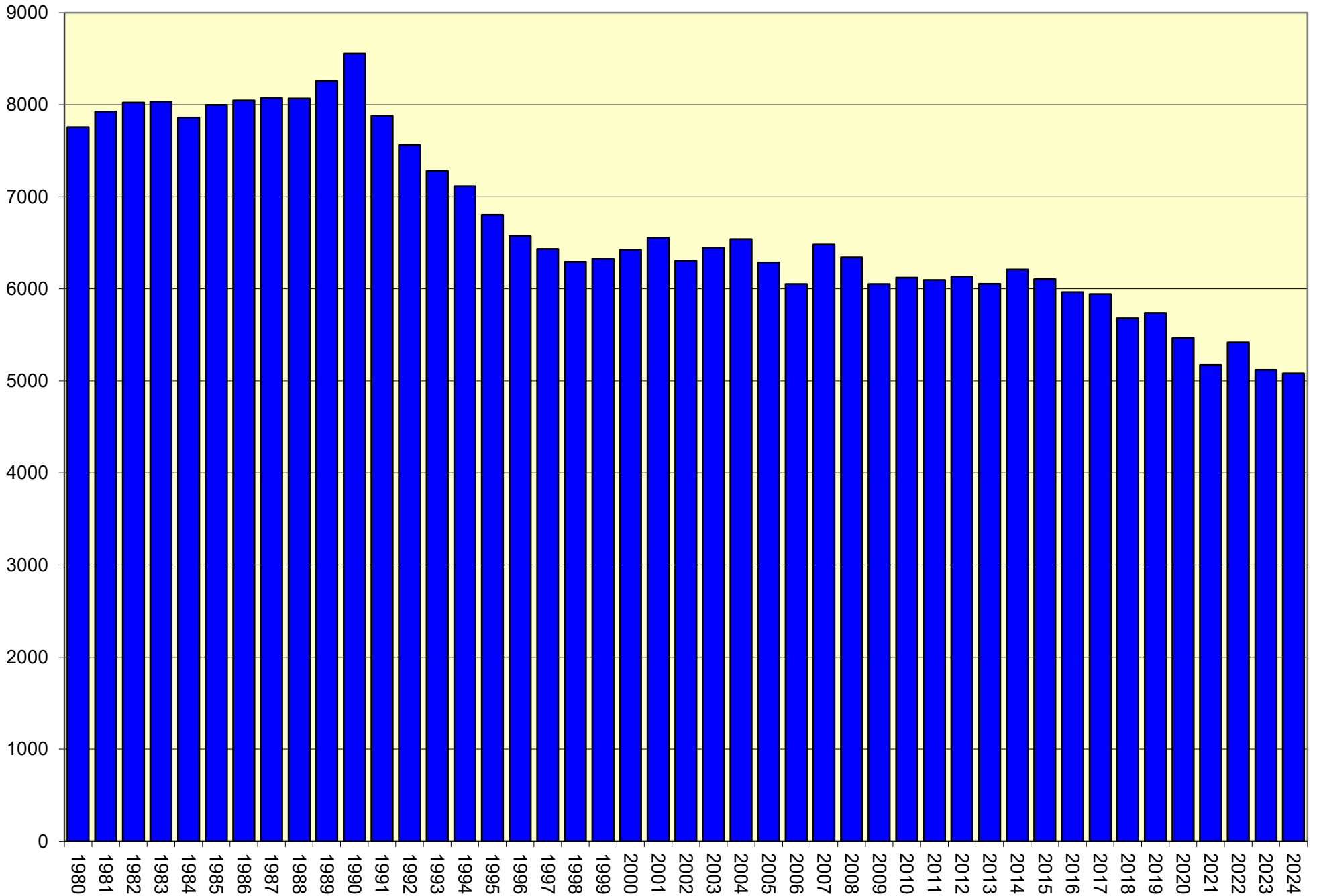
(Source: CDC/National Center for Health Statistics)



Births Per 1000 Females Age 15-44



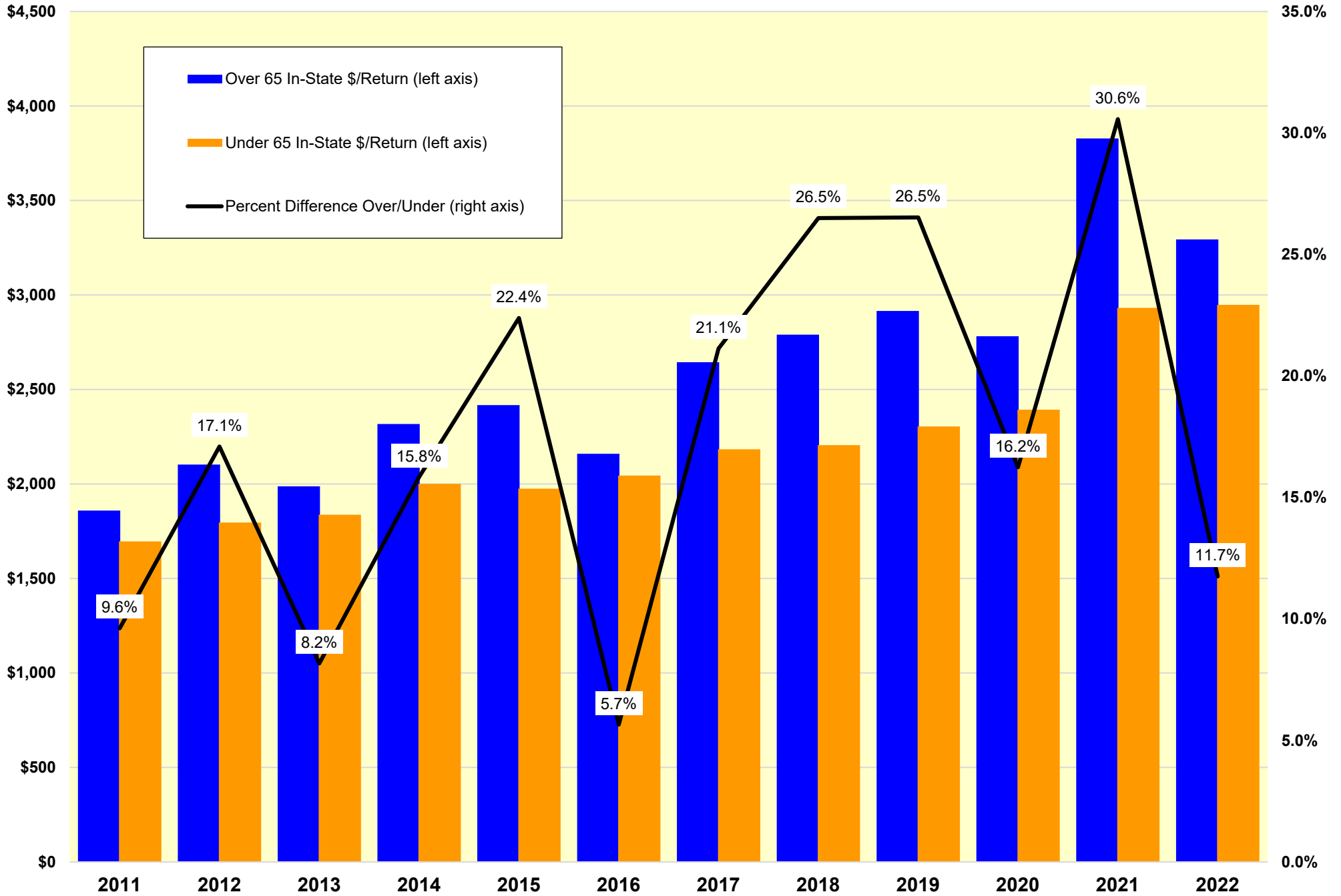
### Vermont Population - Age 0 (Births)



Sources: U.S. Census Bureau, Vermont Joint Fiscal Office and KRA Estimates

# A Fiscal Burden? Vermont Taxpayers Over 65 Years Old Consistently Pay More Income Tax Per Return Than Those Under 65

(Source: Vermont Department of Taxes, Tax Year Basis)



the preceding page, Vermonters over age 65 consistently pay more income tax per return than those under age 65 and rarely have children enrolled in K-12 education – the State’s largest single fiscal expense.

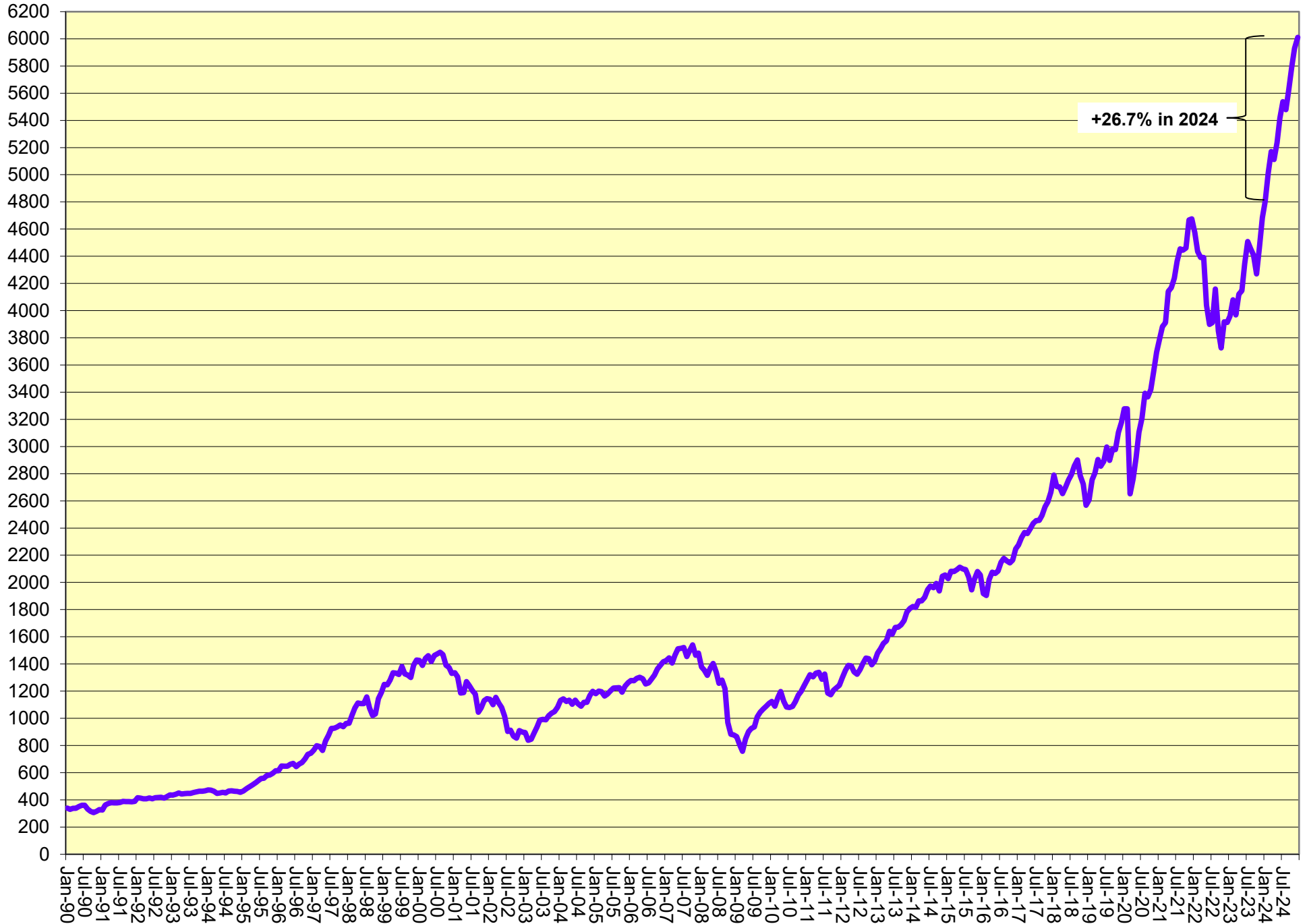
- Various other population charts for discussion purposes are included in the “Charts for Virtual Presentation and Discussion” section of this document starting on page 28.
- Economists have taken a lot of flak for hewing to aggregate data in describing and assessing the economy during the past election year. While aggregate economic indicators are undeniably exceptional, there is, of course, stark distributional variation in the benefits these measures reflect, with winners and losers for every metric cited. The huge gains in home prices are a boon to homeowners with substantial equity, but a bust for those trying to upgrade or buy a home for the first time. The stock market grew a phenomenal 26.7% in 2024, adding trillions of dollars in value, but 50% of these gains went to the wealthiest 1% of the population and more than 85% to the wealthiest 10% of the population. Per the below table, the bottom 50% of the population owns a mere 1% of all corporate equities and mutual funds.

<b>Shares of Net Worth Components Owned by the Bottom 50% of U.S. Households in the Third Quarter of 2024</b>													
Percent of Total, Source: Federal Reserve Board, Distribution of Household Wealth in the U.S since 1989													
Net worth	Assets	Real estate	Consumer durables	Corporate equities and mutual fund shares			Pension entitlements	Private businesses	Other assets	Liabilities	Home mortgages	Consumer credit	Other liabilities
2.4%	5.5%	10.1%	23.6%	1.0%	7.4%	1.1%	4.7%	30.9%	23.1%	51.3%	31.7%		

- To this 50% portion of the population, stock market gains mean nothing. This same wealth percentile, representing more than 66 million U.S. households, has a higher share of most other asset classes, but also holds higher shares of corresponding liabilities that reduce their share of net worth (assets minus liabilities) to a mere 2.4% of the U.S. total. For example, the bottom 50% holds 10.1% of all U.S. real estate property (mostly primary residences), representing \$4.87 trillion dollars, but also 23.1% of home mortgages, representing \$3.06 trillion dollars, leaving only \$1.81 trillion in net worth from their real estate holdings. The same is true for other asset classes, such as consumer durables, which is the largest net worth asset share (23.6%) the bottom 50% holds, and is valued at \$1.90 trillion. Unfortunately, consumer credit liabilities, some of which go to consumer durable purchases, total \$2.60 trillion (51.3% of all U.S. consumer credit) – more than the value of all consumer durables they own.
- There are other charts in the “Charts for Virtual Presentation and Discussion” section of this document starting on page 28 that are derived from the detailed database, “Distribution of Household Wealth in the U.S. Since 1989,” that is compiled and maintained by the Federal Reserve Board that illustrate the disparate economic and financial realities of various components of the U.S. population. The two charts on the following pages also illustrate some of these same variations in economic vantage points and how U.S. wealth and income inequality has grown over time. These data are important to State revenue

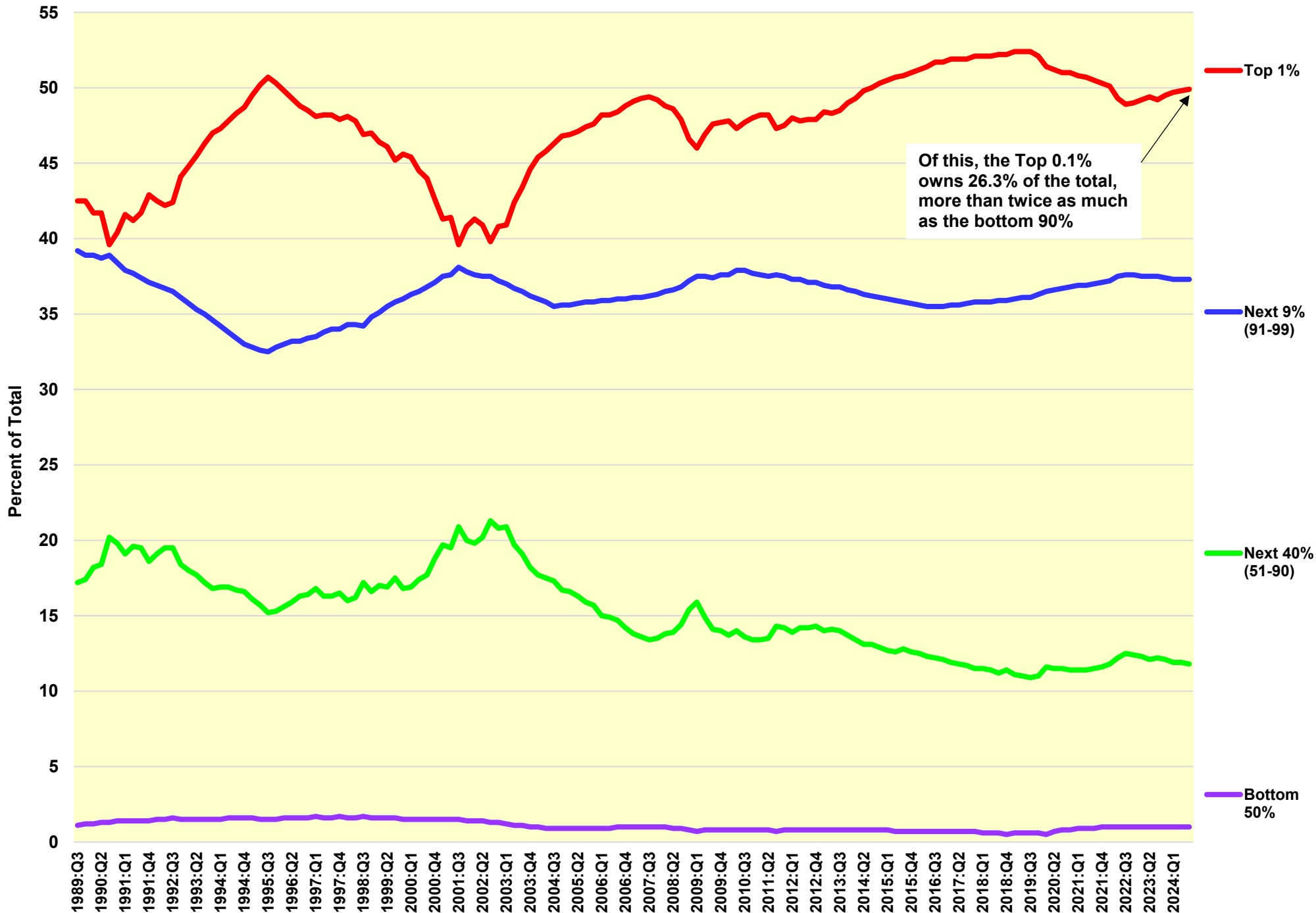
# An Extraordinary Year for Equity Markets, but Plenty of Room for Decline...

(Data Through November 2024, S&P 500 Monthly Average, Source: FRED data from S&P Global)



# Shares of Corporate Equities and Mutual Funds Owned by Percentiles of Household Wealth

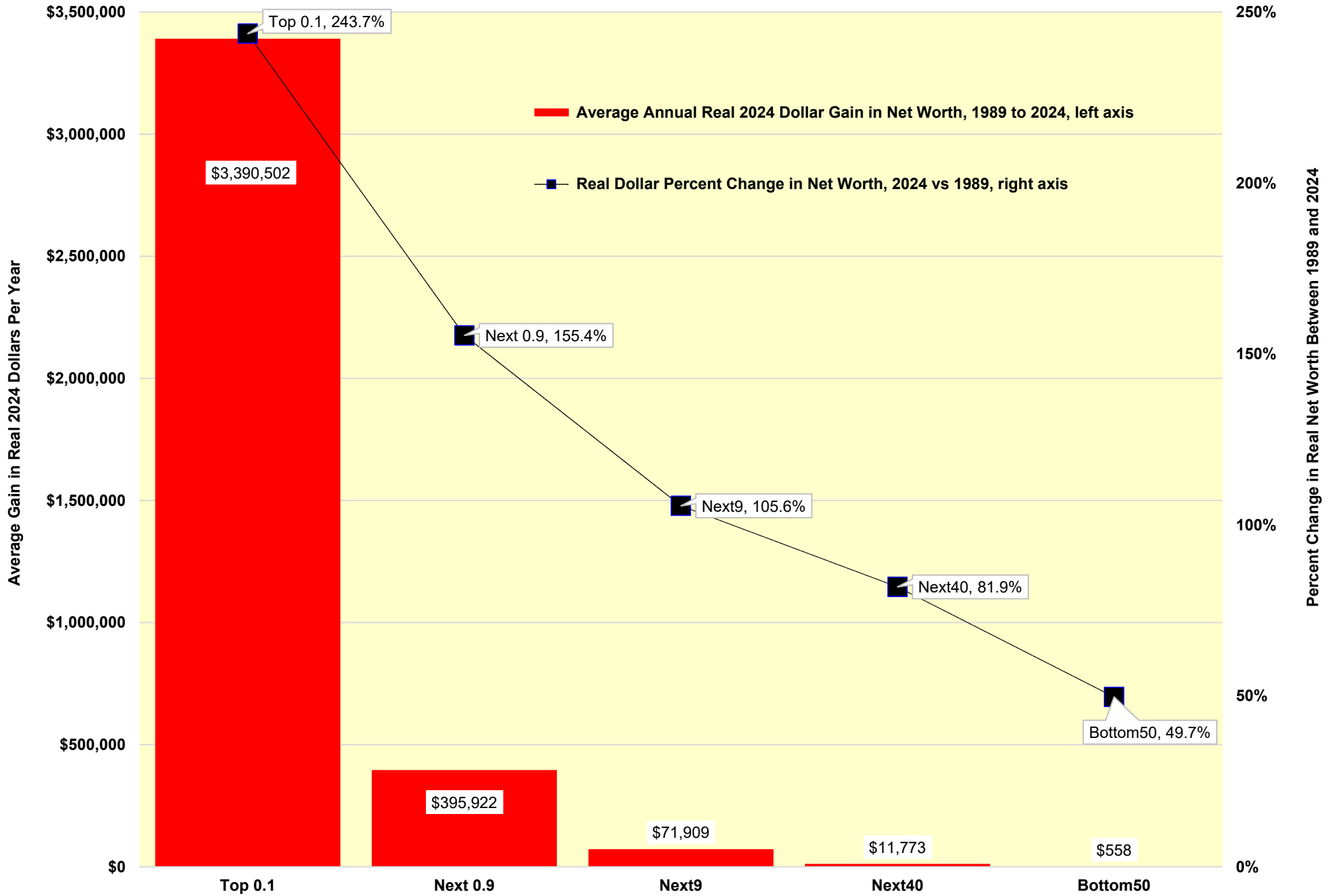
Source: Board of Governors of the Federal Reserve System



Of this, the Top 0.1% owns 26.3% of the total, more than twice as much as the bottom 90%

# Average Annual Real Gains in Household Net Worth by Wealth Percentile, 1989 to 2024

Source: Federal Reserve Board, Distribution of Household Wealth in the U.S since 1989



analyses across many revenue categories, including PI, S&U, Estate, PTT, MVP&U, Bank and others.

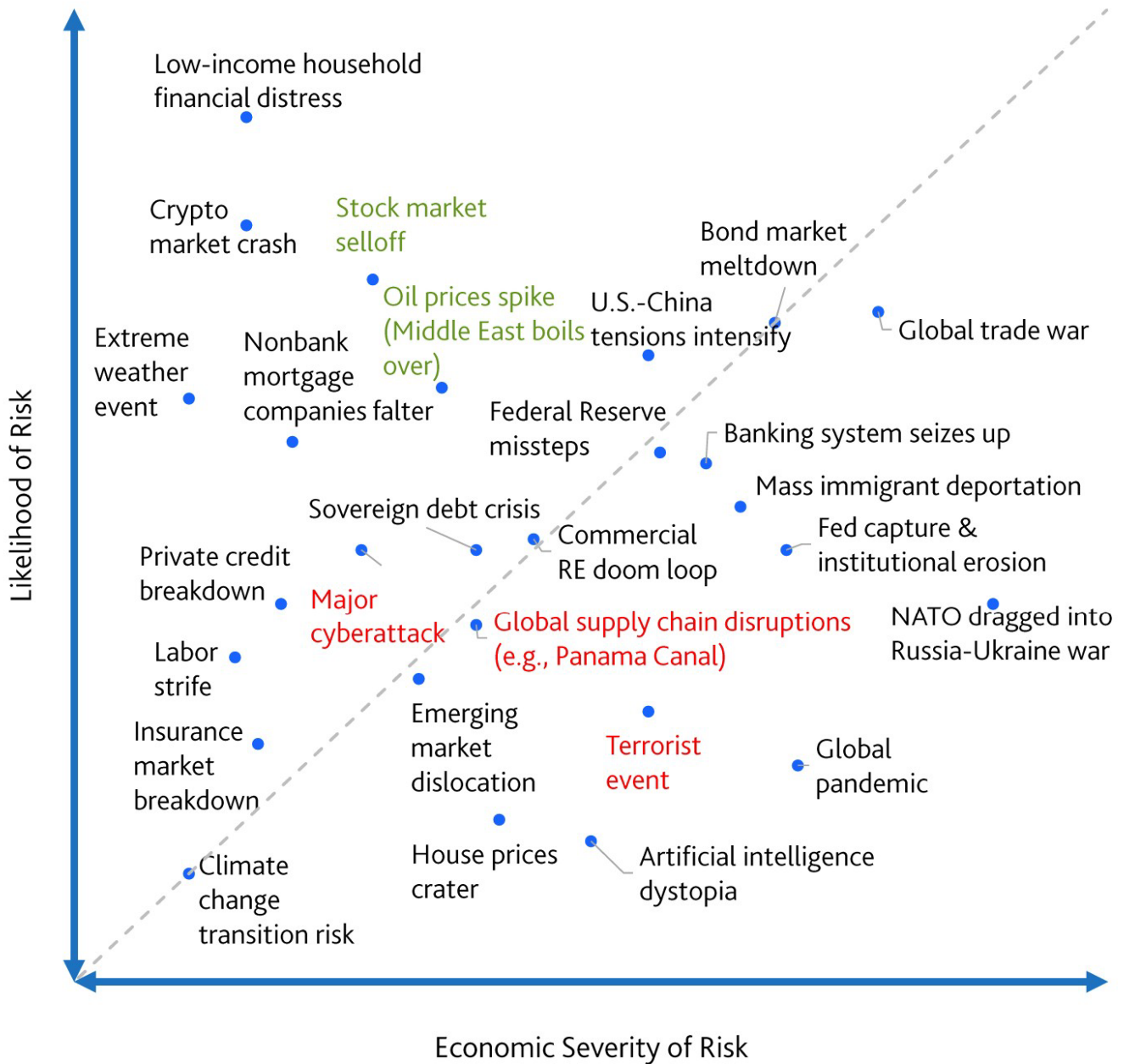
- It is important to again note that despite the absence of new federal fiscal stimulus, there is a huge pipeline of unspent federal funds parked in state bank accounts and not yet spent that will be powering economic activity throughout the nation. Vermont’s average FY24 \$2+ billion cash balance is loosely consistent with a total U.S. state cash reserve of more than \$1 trillion. As this is spent down – and much of it is required to be spent or dedicated by FY26 – it will act as a significant economic stimulus and offset to the Fed’s efforts to slow the economy and bring inflation down to a 2.0% rate. To date in FY25, Vermont has drawn down nearly \$400M of its cash balance for this purpose.
- There is considerable uncertainty regarding the exact policies the new administration will pursue and enact. With a narrowly divided Congress and plenty of hyperbole in the mix, only time will tell. While there are many downside risks (for a few, see the Moody’s Risk Matrix on the following page), the economy has a great deal going for it and may be able to power through policy mistakes, if not too severe, and still post a few wins.

### State Revenue Update

- Revenues in FY25 to date have been close to expectations, with a few large Corporate revenue events and broader strength in Personal Income flows that have lifted General Fund revenues about 6.0% above targets. The Education Fund has been slightly below target (-2.1%), due to weakness in the two large consumption taxes (Sales & Use and Meals & Rooms) that feed into the E-Fund, both of which had expanded taxes that appear to be underperforming, along with disappointing Lottery receipts. Through the first six months of FY25, the Transportation Fund is about 2.7% above targets, led by strong Motor Vehicle Purchase & Use tax revenue and no other major T-Fund revenue component that is below expectations.
- Per the below table, this revenue update represents relatively small changes to the prior July forecast, in the range of +1.8% to -0.1% of total revenue per year over the five-year horizon.

January 2025 vs. July 2024					
	FY2025	FY2026	FY2027	FY2028	FY2029
Education Fund	-\$6.6	-\$5.1	-\$9.2	-\$14.7	-\$20.5
Transportation Fund	\$3.1	\$3.0	\$2.2	\$1.1	\$0.6
General Fund	\$63.9	\$49.3	\$43.6	\$31.6	\$14.5
(Healthcare Only)	\$2.6	\$2.6	\$0.7	-\$0.8	-\$2.0
(General Fund Ex HC)	\$61.4	\$46.8	\$42.9	\$32.4	\$16.5
<b>Total Current Law</b>	<b>\$60.4</b>	<b>\$47.2</b>	<b>\$36.6</b>	<b>\$18.0</b>	<b>-\$5.4</b>
<b>Percent Change</b>	<b>1.8%</b>	<b>1.4%</b>	<b>1.0%</b>	<b>0.5%</b>	<b>-0.1%</b>

# MOODY'S MACROECONOMIC RISK MATRIX – JANUARY 16, 2025



**Note:** Changes in **red** are either an increase in the odds or severity of a risk. Changes in **green** reflect a decline in the probability or severity of an event occurring. Changes in **blue** represent a new risk.



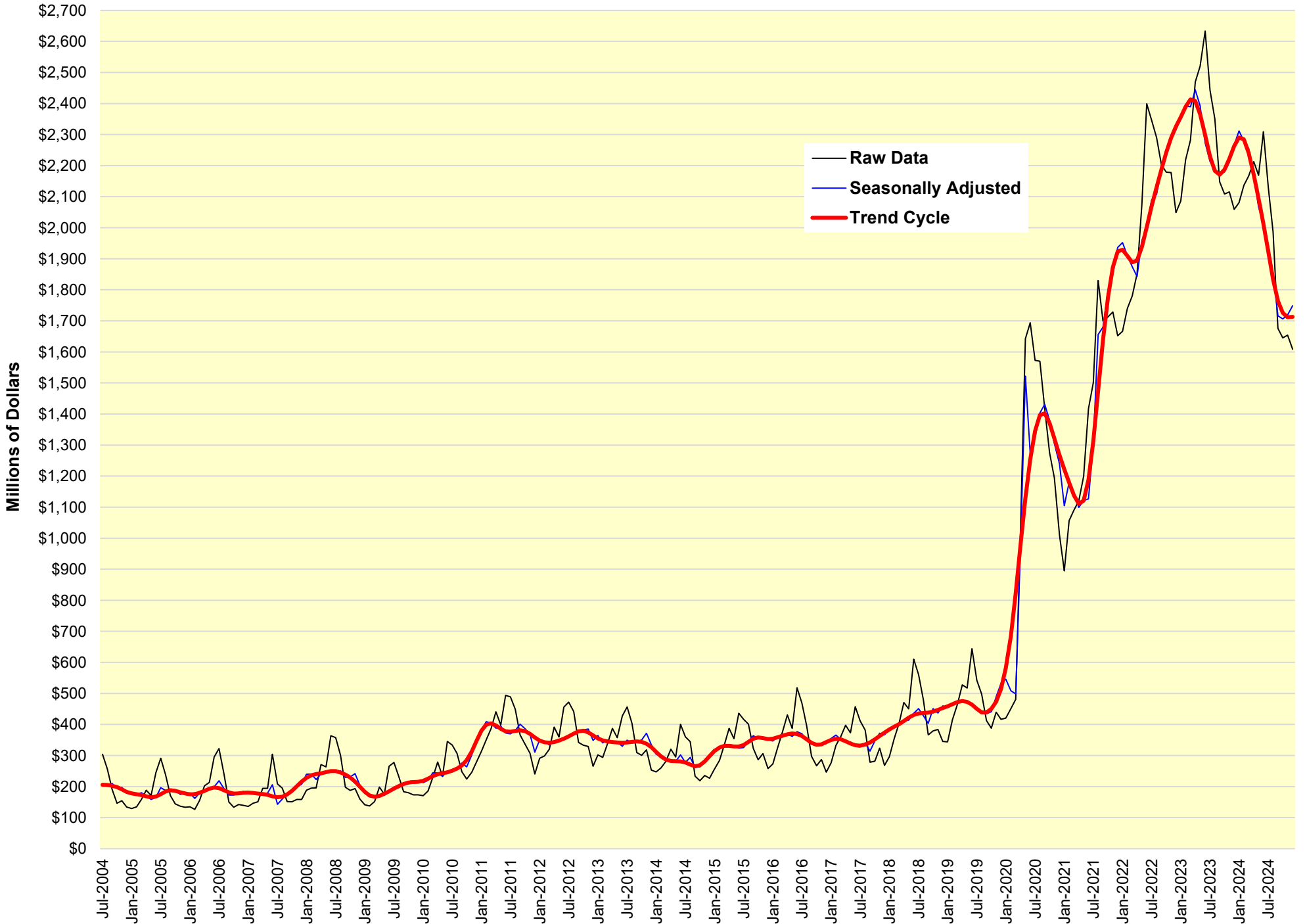
- Most of the General Fund upgrade derives from the re-estimation of Personal Income revenues. PI receipts are currently about \$22M over target to date and represent about half of the net General Fund upgrade - mostly in the Estimated payments component. Inflated asset prices are also a contributing factor in recent and expected future Personal Income revenue strength. With almost every class of asset experiencing extraordinary value growth, large capital gains liabilities are elevating tax payments, but also exacerbating revenue volatility.
- The Childcare payroll tax is still being carried on forecast Tables 1 and 1A as a theoretical value based on expected compliance and liabilities prior to enactment of this tax. Actual collections to date have been much lower than expected, but there is insufficient information at this time upon which to base modification of these projections. Through December, identified CCC collections posted in VTax have totaled about \$18M. Since most of these presumably align with first quarter liabilities, it is about \$5M below the theoretical first quarter total we estimated at about \$23M. There are many factors that could explain this variance, including payment timing, compliance and initial tax base estimation error. As the tax year closes and professionals prepare tax filings, there will be some true-ups for missed or late payments. Other payments are expected with the March and April corporate and personal income tax filing deadlines. Additional compliance and informational efforts are also ongoing at Tax that should heighten awareness of this tax liability and improve collection flows. Until this all happens, there will be considerable uncertainty regarding both CCC collections and General Fund Personal Income Withholding tax revenues. PIW revenues, however, have been on or above target (which includes a deduction for theoretical CCC revenues) for most of the year, so if there is a CCC shortfall, there should be an offsetting PIW above-budget surplus.
- Soaring asset prices have also led to an Estate tax upgrade in this forecast, with larger estates leading to larger liabilities. The revised FY25 estimate of Source Estate tax revenue at \$29.2M (up \$6.1M from July estimates), however, will only send \$28.875 to the Available General Fund, since it will exceed the revenue cap formula and allocate the balance to the Higher Education Fund.
- Despite solid aggregate U.S. consumer spending, the goods traditionally subject to Vermont's Sales & Use tax are not the fastest growing portion of expenditures. Also, as the population ages, there is a growing propensity to spend on services, most of which are untaxed, rather than taxable goods. All this has slowed the underlying growth rate in Sales & Use revenues. In order to offset this, during the last legislative session, the S&U tax base was extended to include faster growing segments such as the so-called "cloud tax" on prewritten software accessed remotely during the last legislative session. Unfortunately, we cannot ascertain the precise revenue effects of this new tax, but it is unlikely to be yielding as much as originally estimated – or at least as quickly as expected. Accordingly, we are phasing in the revenue yields from this expanded tax over a slightly longer period of time and will attempt to identify

any information the Tax Department may be able to provide that would indicate any issues associated with its uptake.

- The surcharge on short term rentals (STRs) is also yielding a bit less than originally expected to date. This also may be a timing issue, but it will slightly dampen FY25 M&R revenues going to the EFund. Unlike the S&U base, M&R tax base growth should be robust. Because Tax is tracking the STR surcharge separately, and we monitor this sector closely, we will know exactly what this will be yielding relative to projections. Of late, growth in this part of the hotel and rental rooms market has been subdued.
- A slight improvement in vehicle inventories combined with pent-up demand for new autos and trucks (esp.) has led to better than expected growth in FY25 Motor Vehicle Purchase & Use revenues. Despite high financing costs, sales have been strong through December, topping projections by about 5% and generating about \$3.5M, split between the T-Fund (2/3) and E-Fund (1/3). We may also be seeing some accelerated purchases now and in the coming months due to fears that threatened tariffs (especially if on Mexico and Canada) will raise new vehicle prices when enacted. According to the Peterson Institute for International Economics, the cost of a new vehicle could jump by as much as \$7,000 due to the tariffs. In comments submitted to the U.S. Commerce Department, insurance industry analysts and others testified that such tariffs could also raise prices for insurance premiums and auto repair costs.
- Interest income from the enormous cash balances associated with banked Federal stimulus and infrastructure programs, generated a record \$93M in FY24, with \$87.2M of it going to the General Fund and \$5.8M to the Education Fund. Although the State cash balance was expected to decline due to Federal requirements that most funds be used by FY26, the drawdown in the first half of FY25 was steeper than anticipated. This, along with lower lending yields will result in about \$6M less in FY25 Interest Income revenue than forecast in July.
- Property Transfer Tax revenues benefitted in the first half of FY25 from the large tax rate change in Act 181. Although we cannot isolate exact tax change effects at this time, it appears that it may have yielded significantly more than anticipated. As a result, the FY25 PTT projection has been raised by about \$4.3M, now representing a 42% increase from FY24, with smaller positive adjustments over the forecast horizon.
- Cigarette and Tobacco Products revenue in the Healthcare Fund finished FY24 3.2% below target (-\$2.3M), as e-cigarette revenue declined for the first time in its short history. E-cigarette revenues through the first half of FY25 lagged expectations again, however, Tobacco Products revenue was above target and now appears to be picking up some revenue from the booming nicotine pouch craze, led by the largest brand Zyn, with 73% of the market and owned by the tobacco giant Philip Morris International (PMI). PMI estimates it will sell 580 million cans of Zyn in 2024, up 51% from 2023. Zyn is six times more profitable than PMI's cigarette division and smoke-free products now account for nearly 40% of PMI's sales. In September, PMI announced it is investing \$800M in

# Average Monthly Vermont State Total Cash Balances

(Source: Office of the State Treasurer, JFO and KRA)



new or expanded Zyn factories in the U.S. to meet growing demand after product shortages were reported last summer. Total U.S. sales of nicotine pouches are expected to top \$2 billion in 2024, with scant use among adults and marketing concentrated towards younger audiences via social media platforms like TikTok, where “Zynfluencers” document their daily use of “lip pillows” and have even created a verb for their use: “#Zynning”. #ZYN reached 700 million views on TikTok alone in early 2024. The product marketing also highlights a wide variety of flavors – including berry, cinnamon, citrus, coffee, espressino, bellini and peppermint - designed to appeal to youth users. On January 16<sup>th</sup>, the FDA authorized the marketing of 20 ZYN nicotine pouch products after “extensive scientific review.” This will almost certainly accelerate marketing and use of these products in the coming years.

- Nicotine pouches are currently taxed as “new smokeless tobacco” at a rate of the greater of \$2.57 per ounce or, if in a package less than 1.2 ounces, \$3.08 per package. “New smokeless tobacco” is defined as “any tobacco product manufactured from, derived from, or containing tobacco that is not intended to be smoked, has a moisture content of less than 45 percent, or is offered in individual single-dose tablets or other discrete single-use units.” Currently Zyn is made using nicotine derived from tobacco leaves, however, synthetic nicotine is used in some nicotine pouches, such as Juice Head Pouches, 2ONE, Bidi Pouches, NIIN and Rush. Other manufacturers are exploring synthetic nicotine options. By the Vermont statutory definition, synthetic nicotine products are not subject to the NST tax because they are not derived from, nor do they contain, any tobacco. Accordingly, no CTT tax revenue from their sale is realized. Of even greater importance to potential revenue impacts, the levels of nicotine in these products can vary widely, with current options for Zyn pouches of 3mg or 6mg, but with international versions offering as much as 14mg per pouch. At the current NST tax rates, one ounce of Zyn (at 0.4 grams per pouch) would be about 70 pouches. Seventy Zyn pouches containing 6mg of nicotine each are considered to be the equivalent of about 21 packs of cigarettes. The Vermont CTT tax on these cigarette packs (at \$3.08 per pack) would be \$64.68 versus the one-ounce NST tax for 70 Zyn pouches of \$2.57. While other packaging options for nicotine pouches could raise or lower the State tax, most would still be well below the equivalent price of cigarettes. Losses from this type of substitution are expected to reduce overall Cigarette and Tobacco Products revenues by about \$1M in FY26 and grow steadily to about \$6M in FY29, relative to prior July 2024 estimates.
- The U.S. and Vermont macroeconomic forecasts upon which the revenue forecasts in this update are based are summarized in Tables A and B on the following two pages, and represent a consensus JFO and Administration forecast developed using internal JFO and Administration State economic models with input from Moody’s Analytics December 2024 projections and other major forecasting entities, including the Federal Reserve, EIA, CBO, IMF, The Conference Board and other private forecasting firms with whom we interact.

**TABLE A**  
**Comparison of Recent Consensus U.S. Macroeconomic Forecasts**  
**June 2023 through December 2024, Selected Variables, Calendar Year Basis**

	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b>Real GDP Growth</b>									
June 2023	2.3	-2.8	5.9	2.1	1.5	1.3	2.5	2.7	2.3
December 2023	2.5	-2.2	5.8	1.9	2.4	1.6	1.8	2.1	2.1
June 2024	2.5	-2.2	5.8	1.9	2.5	2.6	1.8	1.9	1.8
December 2024	2.6	-2.2	6.1	2.5	2.9	2.8	2.2	1.9	1.8
<b>S&amp;P 500 Growth (Annual Avg.)</b>									
June 2023	6.1	10.5	32.6	-3.9	6.7	3.9	3.0	5.0	6.0
December 2023	6.1	10.5	32.6	-3.9	4.5	6.5	2.5	4.6	6.3
June 2024	6.1	10.5	32.6	-3.9	4.5	17.5	3.2	4.5	6.1
December 2024	6.1	10.5	32.6	-3.9	4.5	26.7	10.5	3.5	2.5
<b>Employment Growth (Non-Ag)</b>									
June 2023	1.3	-5.8	2.9	4.3	2.2	0.9	0.7	0.7	0.6
December 2022	1.3	-5.8	2.9	4.3	2.3	0.7	0.4	0.5	0.6
June 2024	1.3	-5.8	2.9	4.3	2.3	1.6	0.9	0.5	0.4
December 2024	1.3	-5.8	2.9	4.3	2.3	1.6	0.9	0.5	0.4
<b>Unemployment Rate</b>									
June 2023	3.7	8.1	5.4	3.6	3.8	4.3	4.5	4.4	4.3
December 2022	3.7	8.1	5.4	3.6	3.6	3.9	4.0	4.0	4.0
June 2024	3.7	8.1	5.4	3.6	3.6	3.9	4.1	4.2	4.3
December 2024	3.7	8.1	5.4	3.6	3.6	4.0	4.2	4.3	4.3
<b>West Texas Int. Crude Oil \$/Bbl</b>									
June 2023	57	40	68	94	76	79	81	81	82
December 2023	57	40	68	94	78	79	83	84	84
June 2024	57	40	68	94	78	80	78	76	76
December 2024	57	40	68	94	78	77	69	68	67
<b>Prime Rate</b>									
June 2023	5.29	3.54	3.25	4.85	8.09	7.57	6.33	5.67	5.67
December 2023	5.29	3.54	3.25	4.85	8.20	8.28	7.33	6.36	6.12
June 2024	5.29	3.54	3.25	4.85	8.20	8.33	7.90	6.60	6.30
December 2024	5.29	3.54	3.25	4.85	8.20	8.33	7.90	6.60	6.37
<b>Consumer Price Index Growth</b>									
June 2023	1.8	1.3	4.7	8.0	4.3	3.1	2.6	2.5	2.5
December 2023	1.8	1.3	4.7	8.0	4.1	3.0	2.6	2.5	2.5
June 2024	1.8	1.3	4.7	8.0	4.1	3.3	2.6	2.5	2.4
December 2024	1.8	1.3	4.7	8.0	4.1	2.9	2.7	2.6	2.5
<b>Average Home Price Growth</b>									
June 2023	4.6	5.2	13.7	17.0	4.9	-1.3	-2.1	0.4	2.2
December 2023	4.6	5.2	13.7	16.9	5.4	0.1	-1.6	0.4	1.8
June 2024	4.6	5.2	13.7	16.8	5.8	4.7	2.7	1.1	-0.8
December 2024	4.6	5.2	13.7	16.7	5.7	5.4	1.2	0.5	1.5

**TABLE B**  
**Comparison of Consensus Administration and JFO Vermont State Forecasts**  
**June 2022 through December 2024, Selected Variables, Calendar Year Basis**

	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b>Real GSP Growth</b>									
June 2022	1.0	-4.2	3.5	2.4	1.8	2.3	2.5	2.5	2.4
December 2022	1.1	-2.9	5.1	2.7	0.5	1.5	2.5	2.6	2.4
June 2023	1.1	-2.9	5.1	2.8	1.6	1.2	2.1	2.5	2.4
December 2023	1.2	-2.7	4.8	2.2	1.5	1.1	1.2	1.8	1.9
June 2024	1.2	-2.7	4.8	2.2	1.3	2.1	1.5	1.5	1.6
December 2024	1.6	-3.3	4.6	3.1	1.4	2.1	1.6	1.3	1.4
<b>Population Growth</b>									
June 2022	0.3	0.3	0.5	0.3	0.3	0.3	0.3	0.2	0.2
December 2022	0.3	0.3	0.6	0.0	0.3	0.3	0.3	0.2	0.2
June 2023	0.0	-0.1	0.6	0.0	0.3	0.3	0.2	0.2	0.2
December 2023	0.0	-0.1	0.6	0.0	0.1	0.2	0.2	0.2	0.1
June 2024	0.0	-0.1	0.6	0.0	0.1	0.2	0.2	0.2	0.1
December 2024	0.2	0.2	0.7	0.1	0.1	-0.0	0.1	0.1	0.1
<b>Employment Growth</b>									
June 2022	0.1	-9.3	2.4	2.8	1.3	1.0	1.1	0.8	0.7
December 2022	0.1	-9.3	2.4	2.5	0.9	0.5	0.6	0.7	0.7
June 2023	0.1	-9.3	2.7	3.0	1.9	0.8	1.1	0.8	0.7
December 2023	0.1	-9.3	2.7	3.0	1.5	0.6	0.9	0.8	0.7
June 2024	0.1	-9.3	2.7	3.2	1.7	1.7	1.0	0.9	0.8
December 2024	0.1	-9.3	2.7	3.2	1.7	1.6	0.8	0.8	0.7
<b>Unemployment Rate</b>									
June 2022	2.3	5.6	3.4	2.5	2.6	2.8	3.1	3.2	3.4
December 2022	2.3	5.6	3.4	2.4	2.8	3.1	3.1	3.3	3.4
June 2023	2.1	5.7	3.7	2.6	2.7	3.1	3.2	3.3	3.4
December 2023	2.1	5.7	3.7	2.6	2.2	2.7	3.0	3.1	3.2
June 2024	2.1	5.6	3.6	2.3	2.0	2.6	3.1	3.2	3.3
December 2024	2.1	5.6	3.6	2.3	2.0	2.2	2.7	2.9	3.0
<b>Personal Income Growth</b>									
June 2022	3.4	6.7	4.5	2.2	5.2	5.0	4.6	4.4	4.2
December 2022	6.0	7.1	4.9	2.1	5.0	4.8	4.3	4.6	4.5
June 2023	6.0	7.1	4.9	2.4	5.6	5.2	4.5	4.2	4.3
December 2023	5.2	7.0	6.3	3.0	5.5	4.2	4.3	4.4	4.3
June 2024	5.2	7.0	6.3	3.0	5.5	5.0	4.5	4.4	4.3
December 2024	5.2	7.3	5.3	4.6	5.3	5.0	4.5	4.3	4.2
<b>Average Home Price Growth</b>									
June 2022	3.7	5.1	14.0	13.4	5.6	2.6	1.9	2.2	2.8
December 2022	3.7	5.1	14.1	17.8	5.9	1.4	-1.1	0.5	2.1
June 2023	3.7	5.1	14.0	18.2	6.7	0.3	-1.4	-0.3	1.9
December 2023	3.7	5.1	14.0	18.1	9.6	1.1	-1.5	-0.5	1.8
June 2024	3.8	5.1	14.0	18.0	10.6	6.9	2.5	-0.1	-0.6
December 2024	3.8	5.1	14.0	17.8	10.7	7.6	1.9	-0.5	-0.8

## **Methodological Notes and Other Comments**

- This analysis has benefited significantly from the input and support of Tax Department and Joint Fiscal Office personnel. In the Joint Fiscal Office, Emily Byrne, Chris Rupe, Pat Titterton, Ted Barnett, Nolan Langweil, Julia Richter and Sorsha Anderson have contributed to numerous policy and revenue impact analyses and coordinated JFO forecast production and related legislative committee support functions. They have also painstakingly organized and updated large tax and other databases in support of JFO revenue forecasting activities. In the Tax Department, Sharon Asay, Ian Kimmel, Selena MacDonald, Jake Feldman and Rebecca Sameroff provided important data and analytic contributions to many tax and revenue forecasts, including tax law change analyses and statistical and related background information associated with the detailed tax databases they oversee. In the Treasurer's Office, Jeremiah Breer, Dan Currier, Scott Baker, John Booth, Gavin Boyles and State Treasurer, Mike Pieciak provided essential information in analyzing and forecasting interest income. In the Department of Liquor and Lottery, Commissioner Knight and supporting analysts provided important data and insights into Lottery issues affecting current and future revenues. In the Transportation Department, Joel Collins provided both data and insights into Transportation Fund revenue categories. Our thanks to all of the above for their many contributions to this analysis.
- The analysis in support of JFO economic and revenue projections are based on statistical and econometric models, and professional analytic judgment. All models are based on 47 years of data for each of the 25 General Fund categories (three aggregates), 44 years of data for most of the Transportation Fund categories (one aggregate), and 25 to 46 years for each of the Education Fund categories. The analyses employed includes seasonal adjustment using U.S. Census Bureau X-13-ARIMA-SEATS and TRAMO-SEATS methods, various moving average techniques (such as Henderson Curves, etc.), Box-Jenkins ARIMA type models, pressure curve analysis, comparable-pattern analysis of monthly, quarterly and half year trends for current year estimation, and behavioral econometric forecasting models.
- Because the State does not currently fund an internal State or U.S. macro-economic model, this analysis relies primarily on semi-annual macroeconomic models from Moody's Analytics with consensus model adjustments made by JFO and Administration economists using a customized Moody's Vermont model prepared during the month preceding the revenue forecast. Dynamic and other input/output-based models for the State of Vermont, including those from Regional Economic Models, Inc. (REMI), Regional Dynamics, Inc. (REDYN), and IMPLAN are also maintained and managed by the JFO and KRA for use in selected economic impact and simulation analyses used herein.
- The Consensus JFO and Administration forecasts are developed following discussion, analysis and synthesis of independent revenue projections, econometric models and source data produced by Administration and Joint Fiscal Office economists.

**TABLE 1A - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
SOURCE GENERAL FUND REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2025**

**SOURCE G-FUND**

revenues are prior to all E-Fund allocations and other out-transfers; used for analytic and comparative purposes only

	<b>FY2021</b>	<b>%</b>	<b>FY2022</b>	<b>%</b>	<b>FY2023</b>	<b>%</b>	<b>FY2024</b>	<b>%</b>	<b>FY2025</b>	<b>%</b>	<b>FY2026</b>	<b>%</b>	<b>FY2027</b>	<b>%</b>
	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
<b>REVENUE SOURCE</b>														
Personal Income	\$1069.8	15.5%	\$1267.8	18.5%	\$1210.0	-4.6%	\$1243.1	2.7%	\$1296.4	4.3%	\$1333.5	2.9%	\$1369.6	2.7%
Sales and Use <sup>1</sup>	\$507.6	17.4%	\$545.2	7.4%	\$584.0	7.1%	\$595.2	1.9%	\$610.9	2.6%	\$628.7	2.9%	\$646.2	2.8%
Corporate	\$133.4	-9.8%	\$223.3	67.3%	\$281.4	26.0%	\$238.8	-15.1%	\$259.3	8.6%	\$248.5	-4.2%	\$258.3	3.9%
Meals and Rooms <sup>2</sup>	\$143.8	-12.1%	\$216.8	50.8%	\$237.7	9.6%	\$246.2	3.5%	\$261.8	6.4%	\$271.0	3.5%	\$279.9	3.3%
Liquor	\$28.7	32.8%	\$30.1	5.0%	\$30.8	2.1%	\$30.2	-1.8%	\$31.2	3.2%	\$31.8	1.9%	\$32.4	1.9%
Insurance	\$60.4	4.0%	\$65.7	8.7%	\$68.8	4.8%	\$75.6	9.8%	\$76.9	1.7%	\$78.4	2.0%	\$79.8	1.8%
Telephone (Discontinued as of FY26)	\$2.3	-28.8%	\$2.5	10.9%	\$2.4	-5.7%	\$2.6	9.4%	\$2.6	0.1%	\$0.0	NM	\$0.0	NM
Beverage	\$7.2	1.3%	\$7.0	-2.9%	\$7.3	3.1%	\$6.9	-4.4%	\$6.9	-1.0%	\$6.8	-1.7%	\$6.6	-1.9%
Estate	\$26.9	77.5%	\$14.0	-48.0%	\$18.6	33.1%	\$23.9	28.2%	\$29.2	22.3%	\$26.7	-8.6%	\$27.9	4.5%
Property	\$73.9	74.8%	\$77.7	5.1%	\$69.2	-10.9%	\$62.4	-9.9%	\$77.9	24.8%	\$80.6	3.5%	\$82.8	2.7%
Bank	\$13.9	14.6%	\$16.9	22.1%	\$17.8	4.9%	\$16.6	-6.6%	\$15.7	-5.4%	\$15.3	-2.5%	\$15.4	0.7%
Cannabis Excise	\$0.0	NM	\$0.0	NM	\$6.7	NM	\$17.4	158.5%	\$20.8	19.7%	\$22.5	8.2%	\$23.5	4.3%
Other Tax	\$0.7	74.6%	\$1.3	91.3%	\$1.4	11.7%	\$1.3	-9.5%	\$1.2	-5.3%	\$1.3	8.3%	\$1.4	3.8%
<b>Total Tax Revenue</b>	<b>\$2068.5</b>	<b>13.1%</b>	<b>\$2468.2</b>	<b>19.3%</b>	<b>\$2536.1</b>	<b>2.7%</b>	<b>\$2560.1</b>	<b>0.9%</b>	<b>\$2690.7</b>	<b>5.1%</b>	<b>\$2745.1</b>	<b>2.0%</b>	<b>\$2823.8</b>	<b>2.9%</b>
Business Licenses	\$1.3	13.9%	\$1.2	-4.4%	\$0.6	-54.5%	\$1.3	130.2%	\$1.25	-4.2%	\$1.28	2.4%	\$1.31	2.3%
Fees	\$42.7	-4.5%	\$42.2	-1.3%	\$45.6	8.1%	\$44.3	-3.0%	\$51.2	15.7%	\$53.3	4.1%	\$54.2	1.7%
Services	\$3.0	24.3%	\$2.8	-7.7%	\$3.7	33.2%	\$4.1	10.0%	\$4.0	-2.8%	\$4.1	2.5%	\$4.2	2.4%
Fines	\$3.1	-35.6%	\$3.3	7.5%	\$2.6	-21.1%	\$2.5	-6.8%	\$2.0	-18.7%	\$2.2	10.0%	\$2.4	9.1%
Interest	\$0.9	-77.9%	\$2.6	185.2%	\$56.9	2102%	\$93.0	63.4%	\$64.3	-30.9%	\$47.3	-26.4%	\$31.3	-33.8%
Lottery	\$32.5	21.2%	\$30.8	-5.2%	\$32.1	4.3%	\$36.0	12.1%	\$35.6	-1.1%	\$36.7	3.1%	\$37.7	2.7%
All Other <sup>3</sup>	\$0.5	-34.4%	\$1.0	96.4%	\$1.5	58.7%	\$0.6	-60.1%	\$1.1	80.4%	\$1.2	9.1%	\$1.3	8.3%
<b>Total Other Revenue</b>	<b>\$84.1</b>	<b>-0.8%</b>	<b>\$83.9</b>	<b>-0.2%</b>	<b>\$143.1</b>	<b>70.5%</b>	<b>\$181.7</b>	<b>27.0%</b>	<b>\$159.5</b>	<b>-12.3%</b>	<b>\$146.1</b>	<b>-8.4%</b>	<b>\$132.4</b>	<b>-9.4%</b>
<b>Healthcare Revenue<sup>4</sup></b>	<b>\$281.0</b>	<b>-1.3%</b>	<b>\$303.5</b>	<b>8.0%</b>	<b>\$319.3</b>	<b>5.2%</b>	<b>\$333.0</b>	<b>4.3%</b>	<b>\$351.6</b>	<b>5.6%</b>	<b>\$362.8</b>	<b>3.2%</b>	<b>\$374.0</b>	<b>3.1%</b>
<b>TOTAL GENERAL FUND</b>	<b>\$2433.6</b>	<b>10.7%</b>	<b>\$2855.6</b>	<b>17.3%</b>	<b>\$2998.5</b>	<b>5.0%</b>	<b>\$3074.8</b>	<b>2.5%</b>	<b>\$3201.8</b>	<b>4.1%</b>	<b>\$3254.0</b>	<b>1.6%</b>	<b>\$3330.1</b>	<b>2.3%</b>
<b>CHILDCARE TAX REVENUE</b>	<b>\$0.0</b>	<b>NM</b>	<b>\$0.0</b>	<b>NM</b>	<b>\$0.0</b>	<b>NM</b>	<b>\$0.0</b>	<b>NM</b>	<b>\$92.8</b>	<b>NM</b>	<b>\$98.6</b>	<b>6.2%</b>	<b>\$102.7</b>	<b>4.1%</b>

- 1) Includes Telecommunications Tax; includes \$3.76M transfer in FY08 to the T-Fund for prior years Jet Fuel tax processing error.
- 2) Reflects closure of Vermont Yankee in December of 2014, taxed per Act 143 of 2012 effective in FY13; Stated Electric Energy Tax revenues exclude appropriations to the Clean Energy Development Fund and E-Fund.
- 3) Includes \$2.3 million in one-time payments in FY2017 by tax software vendors for errors related to Personal Income tax deduction changes effective in tax year 2015.
- 4) Healthcare Related Taxes - Act 6 of 2019 (BAA) moved selected revenue sources from the State Health Care Resources Fund to the General Fund, effective in FY20. With the exception of the cigarette, tobacco products and vaping tax, which has historically been part of the General Fund forecast, the forecasts for the other Healthcare related taxes are provided by the a healthcare consensus forecasting group, which includes JFO, F&M and AHS staff. See Tables 1B and 1C for details.
- 5) Includes Clean Water Fund redirect consisting of 6% of total M&R collections
- 6) Series is discontinuous beginning in FY20 due to fund allocation changes associated with Act 73 of the 2019 Session.



**TABLE 1 - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
AVAILABLE GENERAL FUND REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2025**

**CURRENT LAW BASIS**

*including all Education Fund*

*allocations and other out-transfers*

	<b>FY2021</b>	<b>%</b>	<b>FY2022</b>	<b>%</b>	<b>FY2023</b>	<b>%</b>	<b>FY2024</b>	<b>%</b>	<b>FY2025</b>	<b>%</b>	<b>FY2026</b>	<b>%</b>	<b>FY2027</b>	<b>%</b>
	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
<b>REVENUE SOURCE</b>														
Personal Income	\$1069.8	15.5%	\$1267.8	18.5%	\$1210.0	-4.6%	\$1243.1	2.7%	\$1296.4	4.3%	\$1333.5	2.9%	\$1369.6	2.7%
Sales and Use <sup>1</sup>	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Corporate	\$133.4	-9.8%	\$223.3	67.3%	\$281.4	26.0%	\$238.8	-15.1%	\$259.3	8.6%	\$248.5	-4.2%	\$258.3	3.9%
Meals and Rooms	\$99.2	-14.5%	\$149.6	50.8%	\$164.0	9.6%	\$169.8	3.5%	\$175.3	3.2%	\$180.4	2.9%	\$186.3	3.3%
Liquor <sup>2</sup>	\$4.8	32.8%	\$5.0	5.0%	\$5.1	2.1%	\$5.0	-1.8%	\$5.2	3.2%	\$5.3	1.9%	\$5.4	1.9%
Insurance	\$60.4	4.0%	\$65.7	8.7%	\$68.8	4.8%	\$75.6	9.8%	\$76.9	1.7%	\$78.4	2.0%	\$79.8	1.8%
Telephone (Discontinued as of FY26)	\$2.3	-28.8%	\$2.5	10.9%	\$2.4	-5.7%	\$2.6	9.4%	\$2.6	0.1%	\$0.0	NM	\$0.0	NM
Beverage	\$7.2	1.3%	\$7.0	-2.9%	\$7.3	3.1%	\$6.9	-4.4%	\$6.9	-1.0%	\$6.8	-1.7%	\$6.6	-1.9%
Estate <sup>3</sup>	\$23.4	54.1%	\$14.0	-40.1%	\$18.6	33.1%	\$23.9	28.2%	\$28.9	20.9%	\$26.7	-7.5%	\$27.9	4.5%
Property	\$23.1	79.6%	\$24.3	5.3%	\$21.6	-11.2%	\$19.4	-10.2%	\$27.5	41.9%	\$28.5	3.6%	\$29.3	2.8%
Bank	\$13.9	14.6%	\$16.9	22.1%	\$17.8	4.9%	\$16.6	-6.6%	\$15.7	-5.4%	\$15.3	-2.5%	\$15.4	0.7%
Cannabis Excise	\$0.0	NM	\$0.0	NM	\$6.7	NM	\$0.0	-100.0%	\$0.0	NM	\$15.8	NM	\$16.4	4.3%
Other Tax	\$0.7	74.6%	\$1.3	91.3%	\$1.4	11.7%	\$1.3	-9.5%	\$1.2	-5.3%	\$1.3	8.3%	\$1.4	3.8%
<b>Total Tax Revenue</b>	<b>\$1438.1</b>	<b>10.4%</b>	<b>\$1777.4</b>	<b>23.6%</b>	<b>\$1805.1</b>	<b>1.6%</b>	<b>\$1803.0</b>	<b>-0.1%</b>	<b>\$1895.9</b>	<b>5.1%</b>	<b>\$1940.3</b>	<b>2.3%</b>	<b>\$1996.4</b>	<b>2.9%</b>
Business Licenses	\$1.3	13.9%	\$1.2	-4.4%	\$0.6	-54.5%	\$1.3	130.2%	\$1.3	-4.2%	\$1.3	2.4%	\$1.3	2.3%
Fees	\$42.7	-4.5%	\$42.2	-1.3%	\$45.6	8.1%	\$44.3	-3.0%	\$51.2	15.7%	\$53.3	4.1%	\$54.2	1.7%
Services	\$3.0	24.3%	\$2.8	-7.7%	\$3.7	33.2%	\$4.1	10.0%	\$4.0	-2.8%	\$4.1	2.5%	\$4.2	2.4%
Fines	\$3.1	-35.6%	\$3.3	7.5%	\$2.6	-21.1%	\$2.5	-6.8%	\$2.0	-18.7%	\$2.2	10.0%	\$2.4	9.1%
Interest	\$0.8	-75.5%	\$2.3	187.4%	\$51.2	2129%	\$87.2	70.5%	\$61.1	-29.9%	\$44.5	-27.2%	\$29.1	-34.6%
All Other <sup>4</sup>	\$0.5	-34.4%	\$1.0	96.4%	\$1.5	58.7%	\$0.6	-60.1%	\$1.1	80.4%	\$1.2	9.1%	\$1.3	8.3%
<b>Total Other Revenue</b>	<b>\$51.5</b>	<b>-9.9%</b>	<b>\$52.9</b>	<b>2.6%</b>	<b>\$105.2</b>	<b>99.1%</b>	<b>\$139.9</b>	<b>33.0%</b>	<b>\$120.7</b>	<b>-13.8%</b>	<b>\$106.6</b>	<b>-11.7%</b>	<b>\$92.5</b>	<b>-13.2%</b>
<b>Healthcare Revenue<sup>5</sup></b>	<b>\$278.1</b>	<b>-1.0%</b>	<b>\$299.3</b>	<b>7.6%</b>	<b>\$314.3</b>	<b>5.0%</b>	<b>\$327.5</b>	<b>4.2%</b>	<b>\$345.8</b>	<b>5.6%</b>	<b>\$356.8</b>	<b>3.2%</b>	<b>\$367.7</b>	<b>3.0%</b>
<b>TOTAL GENERAL FUND</b>	<b>\$1767.7</b>	<b>7.8%</b>	<b>\$2129.5</b>	<b>20.5%</b>	<b>\$2224.6</b>	<b>4.5%</b>	<b>\$2270.5</b>	<b>2.1%</b>	<b>\$2362.3</b>	<b>4.0%</b>	<b>\$2403.7</b>	<b>1.8%</b>	<b>\$2456.5</b>	<b>2.2%</b>
<b>CHILDCARE TAX REVENUE</b>	<b>\$0.0</b>	<b>NM</b>	<b>\$0.0</b>	<b>NM</b>	<b>\$0.0</b>	<b>NM</b>	<b>\$0.0</b>	<b>NM</b>	<b>\$92.8</b>	<b>NM</b>	<b>\$98.6</b>	<b>6.2%</b>	<b>\$102.7</b>	<b>4.1%</b>

- 1) Includes \$2.5M transfer to the T-Fund in FY08 for prior years Jet Fuel tax processing errors; Transfer to the Education Fund increases from 33.3% to 35.0% effective in FY14 and 35.0% to 36.0% effective in FY19.
- 2) Reflects closure of Vermont Yankee in December of 2014, taxed per Act 143 of 2012 effective in FY13;  
Stated Electric Energy Tax revenues exclude appropriations to the Clean Energy Development Fund and Education Fund.
- 3) Excludes transfer to the Higher Education Trust Fund of \$2.4M in FY05, \$5.2M in FY06 and \$11.0M in FY11.
- 4) Includes \$2.3 million in one-time payments in FY2017 by tax software vendors for errors related to Personal Income tax deduction changes effective in tax year 2015.
- 5) Healthcare Related Taxes - Act 6 of 2019 (BAA) moved selected revenue sources from the State Health Care Resources Fund to the General Fund, effective in FY20. With the exception of the cigarette, tobacco products and vaping tax, which has historically been part of the General Fund forecast, the forecasts for the other Healthcare related taxes are provided by the a healthcare consensus forecasting group, which includes JFO, F&M and AHS staff. See Tables 1B and 1C for details.
- 6) Series is discontinuous beginning in FY20 due to fund allocation changes associated with Act 73 of the 2019 Session.

**TABLE 1B - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
SOURCE HEALTHCARE REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2025**

**SOURCE HEALTHCARE<sup>1</sup>**

revenues are prior to all allocations  
and other out-transfers; used for  
analytic and comparative purposes only

	FY2021	%	FY2022	%	FY2023	%	FY2024	%	FY2025	%	FY2026	%	FY2027	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
<b>REVENUE SOURCE</b>														
Cigarette, Tobacco, E-Cig	\$77.5	8.6%	\$76.0	-1.9%	\$74.8	-1.5%	\$70.0	-6.5%	\$66.5	-5.0%	\$63.5	-4.5%	\$60.5	-4.7%
Claims Assessment	\$19.7	-4.7%	\$21.7	10.3%	\$23.0	5.7%	\$27.3	18.6%	\$28.6	5.0%	\$30.1	5.0%	\$31.6	5.0%
Employer Assessment	\$17.9	-11.4%	\$21.9	22.2%	\$24.9	13.9%	\$26.9	7.8%	\$30.7	14.2%	\$33.0	7.5%	\$34.7	5.0%
Hospital Provider Tax	\$143.7	-4.4%	\$161.5	12.4%	\$173.9	7.6%	\$192.4	10.6%	\$209.3	8.8%	\$219.8	5.0%	\$230.7	5.0%
Nursing Home Provider Tax	\$14.6	-1.0%	\$14.7	0.7%	\$14.6	-0.6%	\$14.4	-1.5%	\$14.4	0.4%	\$14.4	0.0%	\$14.4	0.0%
Home Health Provider Tax	\$5.8	4.1%	\$5.8	-0.3%	\$6.1	5.6%	\$0.0	-100.0%	\$0.0	NM	\$0.0	NM	\$0.0	NM
All Other HC Revenues	\$1.8	-3.6%	\$1.8	0.9%	\$2.0	6.2%	\$2.1	7.8%	\$2.0	-3.5%	\$2.1	3.4%	\$2.1	0.0%
<b>TOTAL HEALTHCARE</b>	<b>\$281.0</b>	<b>-1.3%</b>	<b>\$303.5</b>	<b>8.0%</b>	<b>\$319.3</b>	<b>5.2%</b>	<b>\$333.0</b>	<b>4.3%</b>	<b>\$351.6</b>	<b>5.6%</b>	<b>\$362.8</b>	<b>3.2%</b>	<b>\$374.0</b>	<b>3.1%</b>

**TABLE 1C - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
AVAILABLE HEALTHCARE REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2025**

**CURRENT LAW BASIS**

including all Education Fund  
allocations and other out-transfers

	FY2021	%	FY2022	%	FY2023	%	FY2024	%	FY2025	%	FY2026	%	FY2027	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
<b>REVENUE SOURCE</b>														
Cigarette, Tobacco, E-Cig	\$77.5	8.6%	\$76.0	-1.9%	\$74.8	-1.6%	\$70.0	-6.4%	\$66.5	-5.0%	\$63.5	-4.5%	\$60.5	-4.7%
Claims Assessment	\$16.4	-3.0%	\$17.6	7.3%	\$18.0	2.6%	\$21.8	21.0%	\$22.9	5.0%	\$24.0	5.0%	\$25.2	5.0%
Employer Assessment	\$18.4	-9.2%	\$21.9	19.2%	\$24.9	13.9%	\$26.9	7.8%	\$30.7	14.2%	\$33.0	7.5%	\$34.7	5.0%
Hospital Provider Tax	\$143.7	-4.4%	\$161.5	12.4%	\$173.9	7.6%	\$192.4	10.6%	\$209.3	8.8%	\$219.8	5.0%	\$230.7	5.0%
Nursing Home Provider Tax	\$14.6	-1.0%	\$14.7	0.7%	\$14.6	-0.6%	\$14.4	-1.5%	\$14.4	0.4%	\$14.4	0.0%	\$14.4	0.0%
Home Health Provider Tax	\$5.8	4.1%	\$5.8	-0.3%	\$6.1	5.6%	\$0.0	-100.0%	\$0.0	NM	\$0.0	NM	\$0.0	NM
All Other HC Revenues	\$1.8	-3.6%	\$1.8	0.9%	\$2.0	6.2%	\$2.1	7.8%	\$2.0	-3.5%	\$2.1	3.4%	\$2.1	0.0%
<b>TOTAL HEALTHCARE</b>	<b>\$278.1</b>	<b>-1.0%</b>	<b>\$299.3</b>	<b>7.6%</b>	<b>\$314.3</b>	<b>5.0%</b>	<b>\$327.5</b>	<b>4.2%</b>	<b>\$345.8</b>	<b>5.6%</b>	<b>\$356.8</b>	<b>3.2%</b>	<b>\$367.7</b>	<b>3.0%</b>

1) Healthcare Related Taxes - Act 6 of 2019 (BAA) moved selected revenue sources from the State Health Care Resources Fund to the General Fund, effective in FY20. With the exception of the cigarette, tobacco products and vaping tax, which has historically been part of the General Fund forecast, the forecasts for the other Healthcare related taxes are provided by the a healthcare consensus forecasting group, which includes JFO, F&M and AHS staff.

**TABLE 2A - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
SOURCE TRANSPORTATION FUND REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2025**

**SOURCE T-FUND**

revenues are prior to all E-Fund allocations  
and other out-transfers; used for  
analytic and comparative purposes only

	<b>FY2021</b>	<b>%</b>	<b>FY2022</b>	<b>%</b>	<b>FY2023</b>	<b>%</b>	<b>FY2024</b>	<b>%</b>	<b>FY2025</b>	<b>%</b>	<b>FY2026</b>	<b>%</b>	<b>FY2027</b>	<b>%</b>
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
<b>REVENUE SOURCE</b>														
Gasoline	\$67.3	-5.3%	\$71.9	6.9%	\$73.8	2.7%	\$71.5	-3.2%	\$71.3	-0.2%	\$70.7	-0.8%	\$70.3	-0.6%
Diesel****	\$17.9	0.2%	\$18.3	2.0%	\$17.6	-3.7%	\$17.8	1.2%	\$18.0	1.0%	\$17.9	-0.6%	\$17.8	-0.6%
Purchase and Use*	\$134.1	27.2%	\$137.1	2.3%	\$142.2	3.7%	\$144.9	1.9%	\$152.0	4.9%	\$157.5	3.6%	\$162.5	3.2%
Motor Vehicle Fees	\$87.6	4.7%	\$86.0	-1.9%	\$87.5	1.8%	\$93.6	6.9%	\$103.6	10.7%	\$104.3	0.7%	\$105.2	0.9%
Other Revenue**	\$20.5	-3.4%	\$20.3	-1.1%	\$21.4	5.3%	\$23.6	10.4%	\$26.7	13.1%	\$28.1	5.2%	\$27.3	-2.8%
<b>TOTAL TRANS. FUND</b>	<b>\$327.4</b>	<b>9.4%</b>	<b>\$333.5</b>	<b>1.9%</b>	<b>\$342.5</b>	<b>2.7%</b>	<b>\$351.3</b>	<b>2.6%</b>	<b>\$371.6</b>	<b>5.8%</b>	<b>\$378.5</b>	<b>1.9%</b>	<b>\$383.1</b>	<b>1.2%</b>

**TABLE 2 - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
AVAILABLE TRANSPORTATION FUND REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2025**

**CURRENT LAW BASIS**

including all Education Fund  
allocations and other out-transfers

	<b>FY2021</b>	<b>%</b>	<b>FY2022</b>	<b>%</b>	<b>FY2023</b>	<b>%</b>	<b>FY2024</b>	<b>%</b>	<b>FY2025</b>	<b>%</b>	<b>FY2026</b>	<b>%</b>	<b>FY2027</b>	<b>%</b>
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
<b>REVENUE SOURCE</b>														
Gasoline	\$67.3	-5.3%	\$71.9	6.9%	\$73.8	2.7%	\$71.5	-3.2%	\$71.3	-0.2%	\$70.7	-0.8%	\$70.3	-0.6%
Diesel	\$17.9	0.2%	\$18.3	2.0%	\$17.6	-3.7%	\$17.8	1.2%	\$18.0	1.0%	\$17.9	-0.6%	\$17.8	-0.6%
Purchase and Use <sup>1</sup>	\$89.4	27.2%	\$91.4	2.3%	\$94.8	3.7%	\$96.6	1.9%	\$101.3	4.9%	\$105.0	3.6%	\$108.3	3.2%
Motor Vehicle Fees	\$87.6	4.7%	\$86.0	-1.9%	\$87.5	1.8%	\$93.6	6.9%	\$103.6	10.7%	\$104.3	0.7%	\$105.2	0.9%
Other Revenue <sup>2</sup>	\$20.5	-3.4%	\$20.3	-1.1%	\$21.4	5.3%	\$23.6	10.4%	\$26.7	13.1%	\$28.1	5.2%	\$27.3	-2.8%
<b>TOTAL TRANS. FUND</b>	<b>\$282.7</b>	<b>7.0%</b>	<b>\$287.8</b>	<b>1.8%</b>	<b>\$295.1</b>	<b>2.5%</b>	<b>\$303.0</b>	<b>2.7%</b>	<b>\$320.9</b>	<b>5.9%</b>	<b>\$326.0</b>	<b>1.6%</b>	<b>\$328.9</b>	<b>0.9%</b>
<b>OTHER (TIB<sup>3</sup>)</b>														
TIB Gasoline	\$10.2	-19.5%	\$15.1	48.2%	\$20.1	32.6%	\$17.6	-12.6%	\$16.0	-9.0%	\$15.1	-5.3%	\$14.3	-5.4%
TIB Diesel and Other <sup>4</sup>	\$1.9	-4.5%	\$1.9	1.7%	\$2.2	13.6%	\$2.2	0.8%	\$2.2	-1.7%	\$2.1	-4.6%	\$2.0	-4.3%
<b>TOTAL OTHER (TIB)</b>	<b>\$12.1</b>	<b>-17.5%</b>	<b>\$17.1</b>	<b>40.8%</b>	<b>\$22.3</b>	<b>30.4%</b>	<b>\$19.8</b>	<b>-11.2%</b>	<b>\$18.2</b>	<b>-8.2%</b>	<b>\$17.2</b>	<b>-5.2%</b>	<b>\$16.3</b>	<b>-5.3%</b>

1) As of FY04, includes Motor Vehicle Rental tax revenue.

2) Beginning in FY07, includes Stabilization Reserve interest; FY08 data includes \$3.76M transfer from G-Fund for prior Jet Fuel tax processing errors and inclusion of this tax in subsequent years.

3) Transportation Infrastructure Bond revenues

4) Includes TIB Fund interest income; Includes FY17 adjustment of \$215,000 from reported TIB Diesel revenue to Diesel revenue due to a data entry error

**TABLE 3 - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
AVAILABLE EDUCATION FUND<sup>1</sup> REVENUE FORECAST UPDATE  
(Partial Education Fund Total - Includes Source General and Transportation Fund Allocations Only)  
Consensus JFO and Administration Forecast - January 2025**

**CURRENT LAW BASIS**

Source General and Transportation  
Fund taxes allocated to or associated  
with the Education Fund only

	<b>FY2021</b>	<b>%</b>	<b>FY2022</b>	<b>%</b>	<b>FY2023</b>	<b>%</b>	<b>FY2024</b>	<b>%</b>	<b>FY2025</b>	<b>%</b>	<b>FY2026</b>	<b>%</b>	<b>FY2027</b>	<b>%</b>
	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
<b>GENERAL FUND</b>														
Meals and Rooms	\$36.0	-12.1%	\$54.2	50.8%	\$59.4	9.6%	\$61.5	3.5%	\$71.2	15.7%	\$75.0	5.2%	\$77.4	3.3%
Sales & Use <sup>2</sup>	\$507.6	17.4%	\$545.2	7.4%	\$584.0	7.1%	\$595.2	1.9%	\$601.9	1.1%	\$619.0	2.8%	\$636.1	2.8%
Interest	\$0.1	-87.1%	\$0.3	169.1%	\$5.8	1892%	\$5.8	0.3%	\$3.2	-44.8%	\$2.8	-12.5%	\$2.2	-21.4%
Lottery	\$32.5	21.2%	\$30.8	-5.2%	\$32.1	4.3%	\$36.0	12.1%	\$35.6	-1.1%	\$36.7	3.1%	\$37.7	2.7%
<b>TRANSPORTATION FUND</b>														
Purchase and Use <sup>3</sup>	\$44.7	27.2%	\$45.7	2.3%	\$47.4	3.7%	\$48.3	1.9%	\$50.7	4.9%	\$52.5	3.6%	\$54.2	3.2%
<b>TOTAL EDUCATION FUND</b>	<b>\$620.9</b>	<b>15.8%</b>	<b>\$676.2</b>	<b>8.9%</b>	<b>\$728.77</b>	<b>7.8%</b>	<b>\$746.8</b>	<b>2.5%</b>	<b>\$762.6</b>	<b>2.1%</b>	<b>\$785.9</b>	<b>3.1%</b>	<b>\$807.6</b>	<b>2.7%</b>

1) Includes only General and Transportation Fund taxes allocated to the Education Fund.

This Table excludes all Education Fund property taxes, which are updated in October/November of each year and are the largest Education Fund tax sources.

2) Includes Telecommunications Tax; Includes \$1.25M transfer to T-Fund in FY08 for prior Jet Fuel Tax processing errors;

Transfer percentage from the General Fund increases from 33.3% to 35.0% effective in FY14 and to 100.0% beginning in FY19;

Includes Cannabis Sales tax revenues beginning in FY23 and the first 8-1/2 months of FY24, but then excludes them in FY25 and beyond

3) Includes Motor Vehicle Rental revenues, restated

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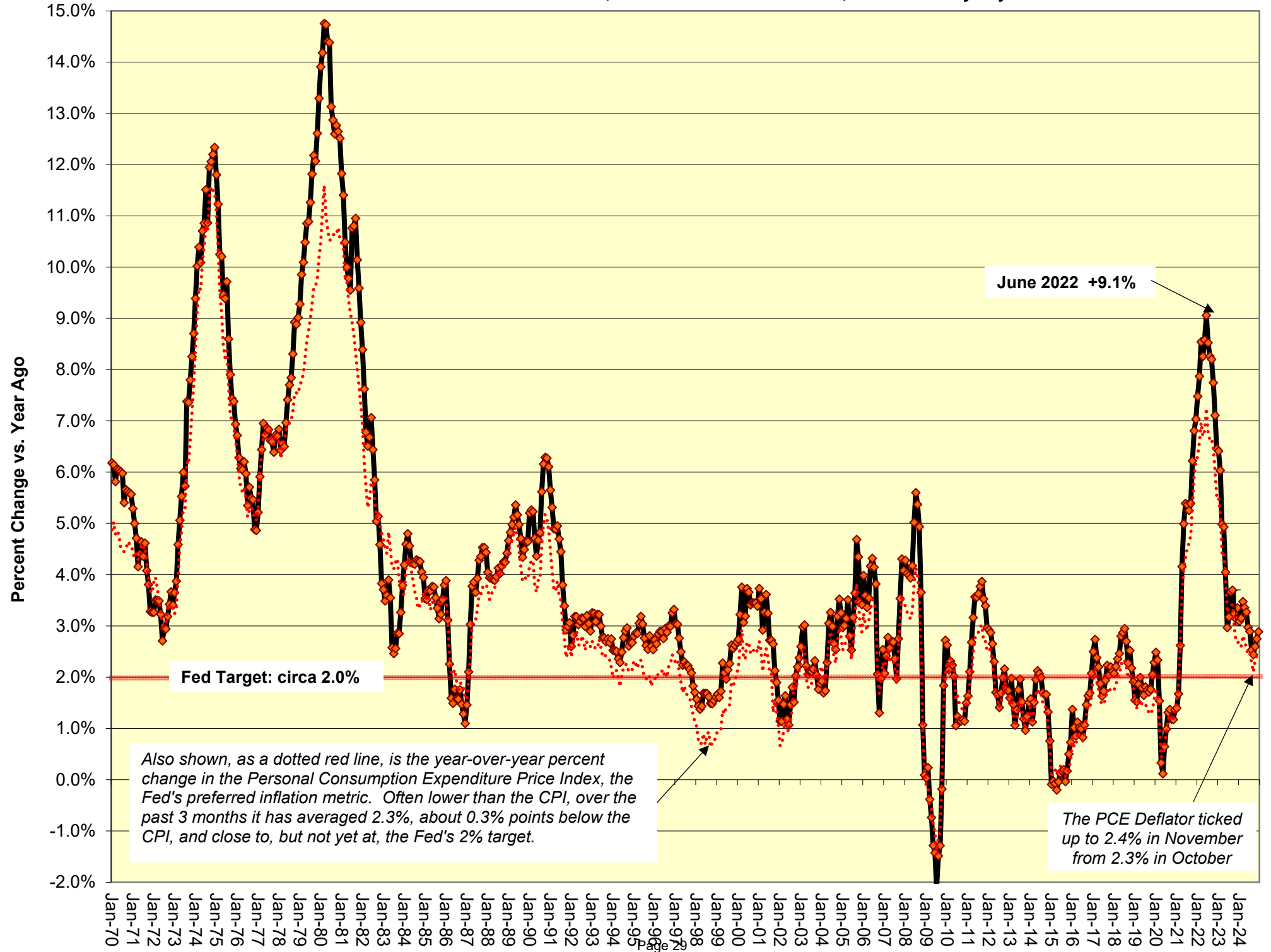
# **Charts for Virtual Presentation and Discussion**

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January 2025

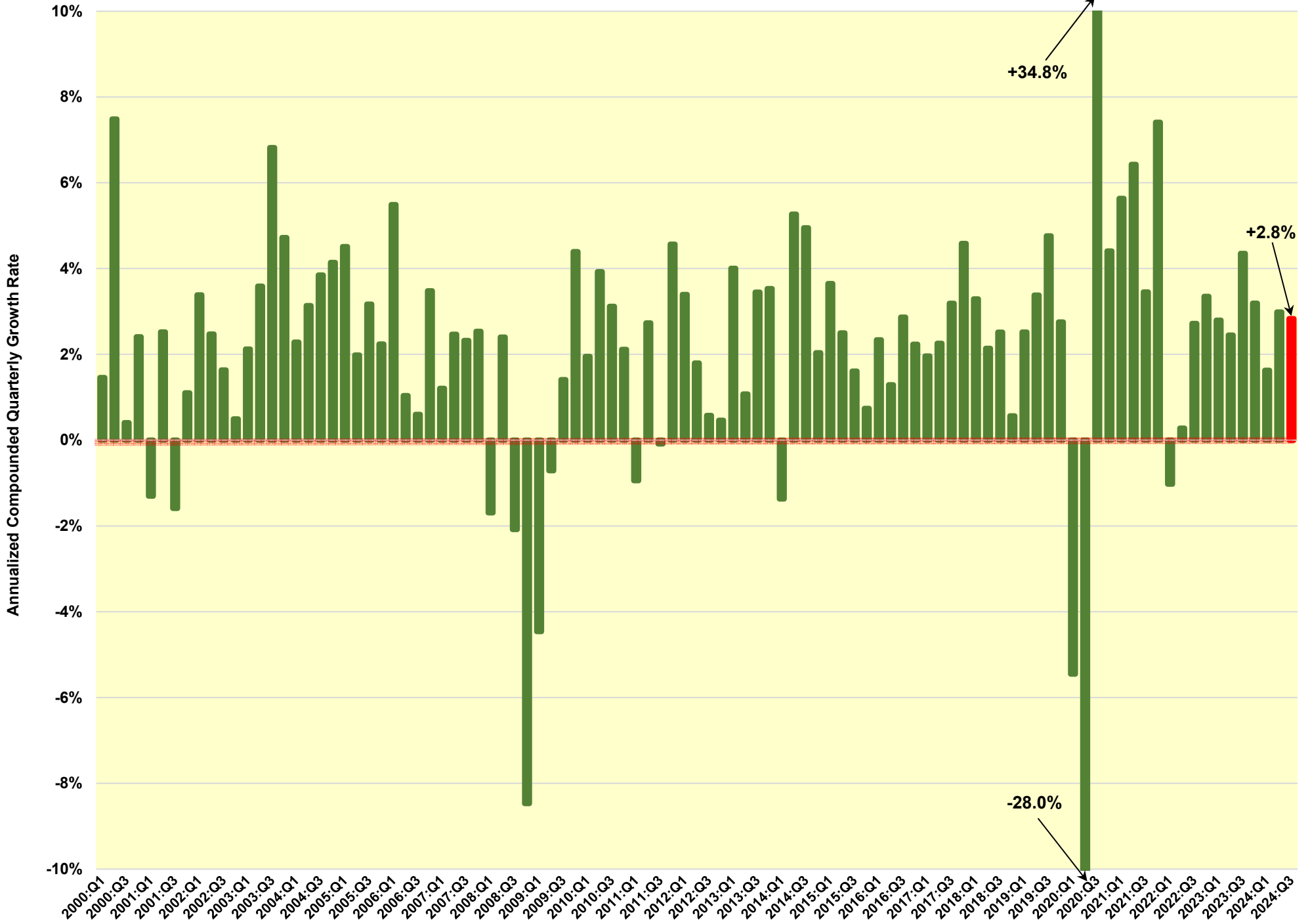
# Close Enough for a Few Rate Cuts in 2024, but Future Inflation Fears Put the Fed on Hold

PCE Deflator and CPI-U - All Items, Sources: U.S. BEA and BLS, Not Seasonally Adjusted



# Third Quarter 2024 Real GDP Maintains Robust Growth at 2.8%

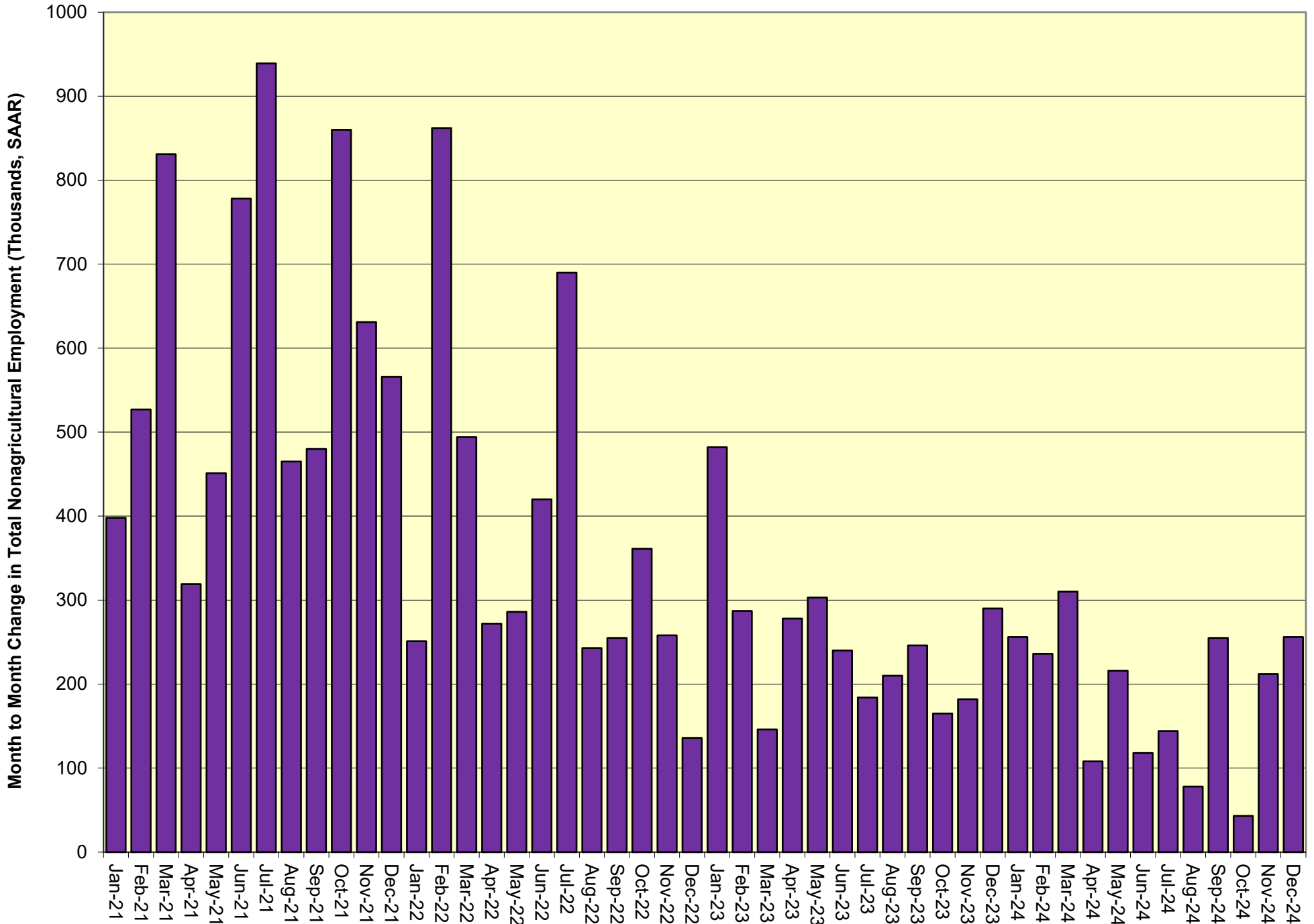
(Annualized Quarterly Growth in Chained Constant Dollar U.S. GDP, Source: U.S. BEA)



# Labor Markets Remain Resilient Amidst 48 Consecutive Months of Employment Growth

(Monthly Change in Total U.S. Payroll Employment, Seasonally-Adjusted)

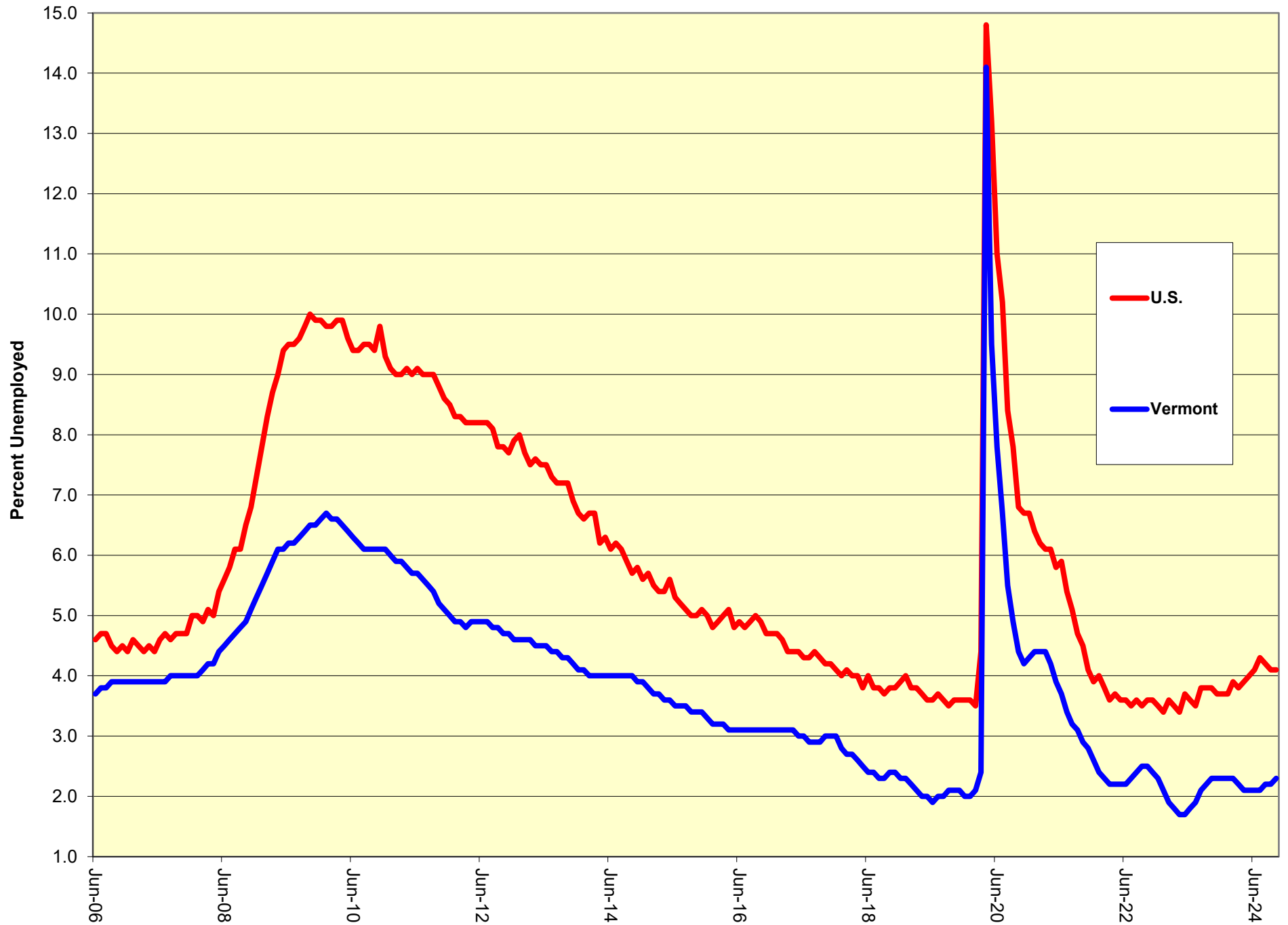
Source: U.S. Bureau of Labor Statistics





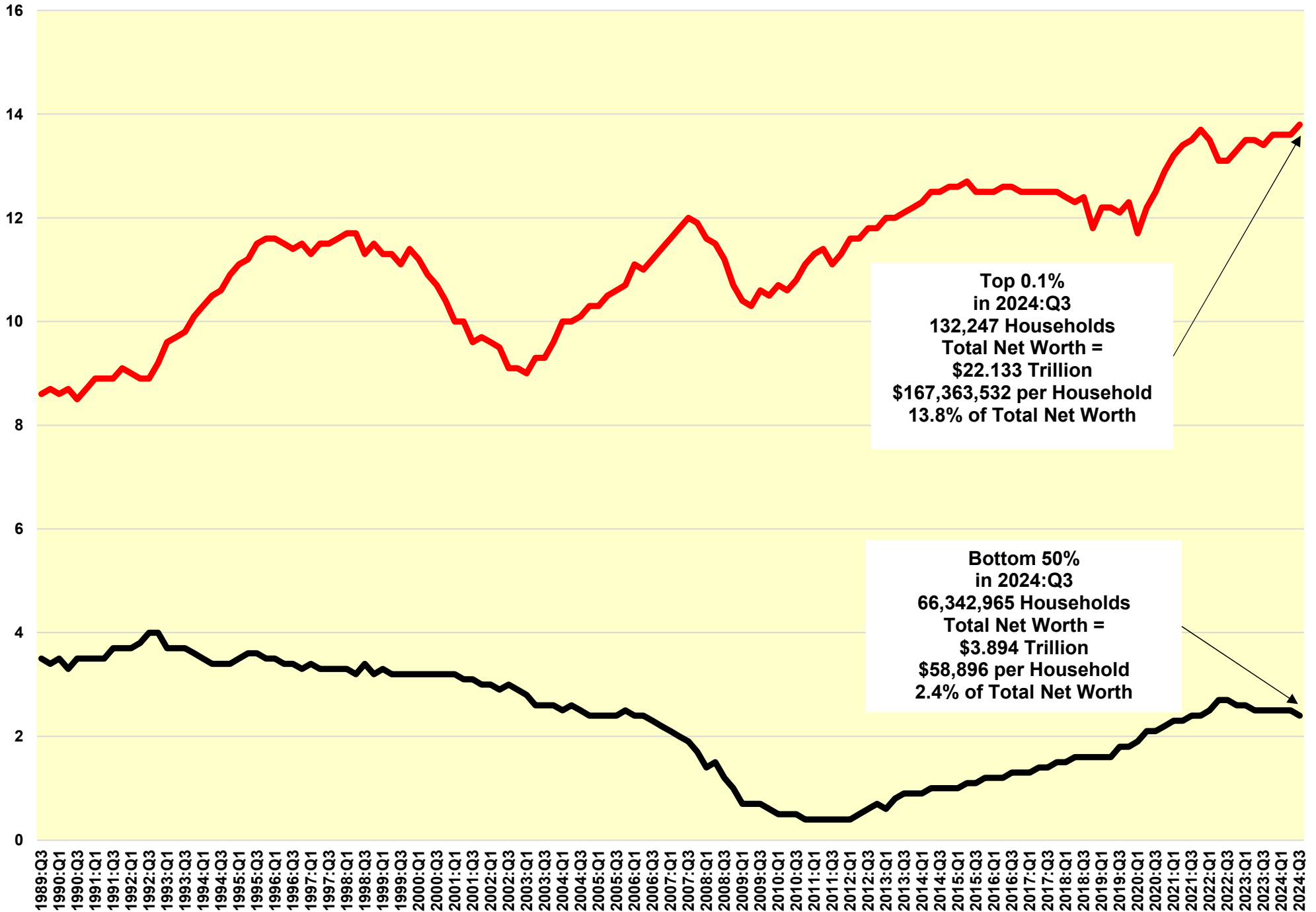
# Unemployment Rates Inch Up But Remain Near Historic Lows

(Seasonally adjusted data, Source: Bureau of Labor Statistics, U.S. Department of Labor)



# Shares of Total Net Worth for the Top 0.1% vs. the Bottom 50% of All U.S. Households

Source: Federal Reserve Board, Distribution of Household Wealth in the U.S. since 1989

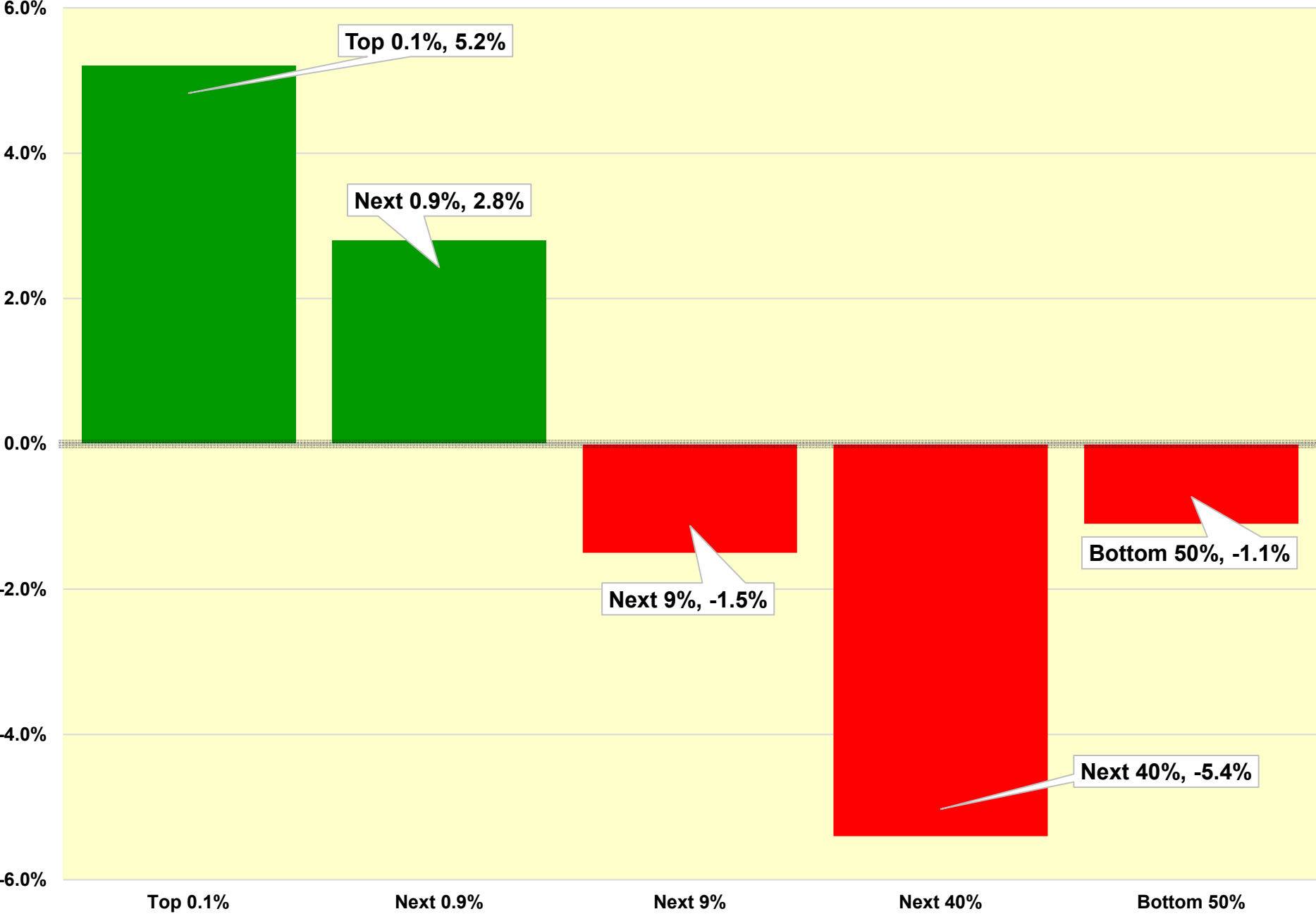


**Top 0.1%  
in 2024:Q3**  
132,247 Households  
Total Net Worth =  
\$22.133 Trillion  
\$167,363,532 per Household  
13.8% of Total Net Worth

**Bottom 50%  
in 2024:Q3**  
66,342,965 Households  
Total Net Worth =  
\$3.894 Trillion  
\$58,896 per Household  
2.4% of Total Net Worth

# Change in the Share of Average Household Net Worth Between 1989:Q3 and 2024:Q3 by Wealth Percentile Group

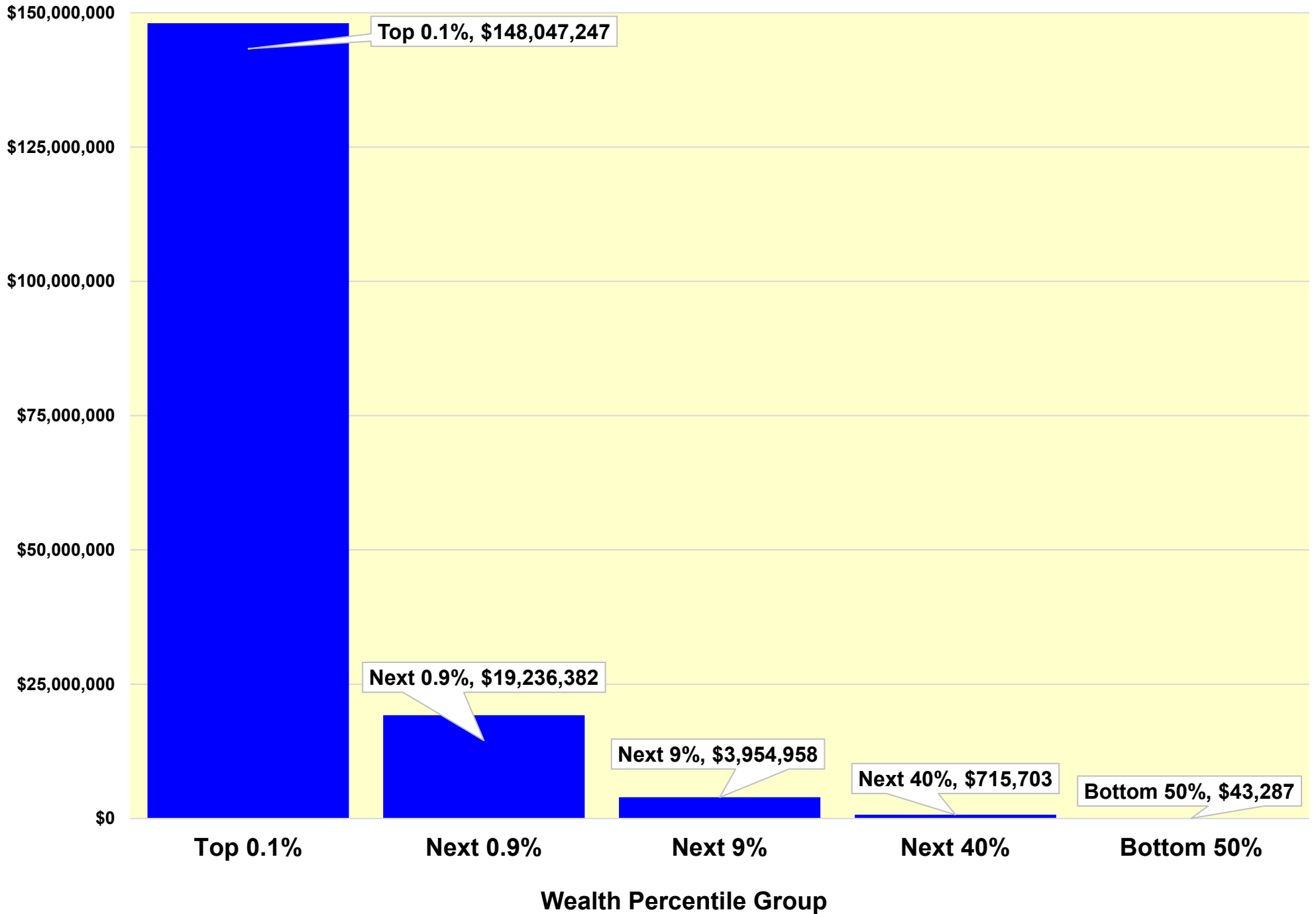
Source: Federal Reserve Board, Distribution of Household Wealth in the U.S since 1989



## Wealth Percentile Group

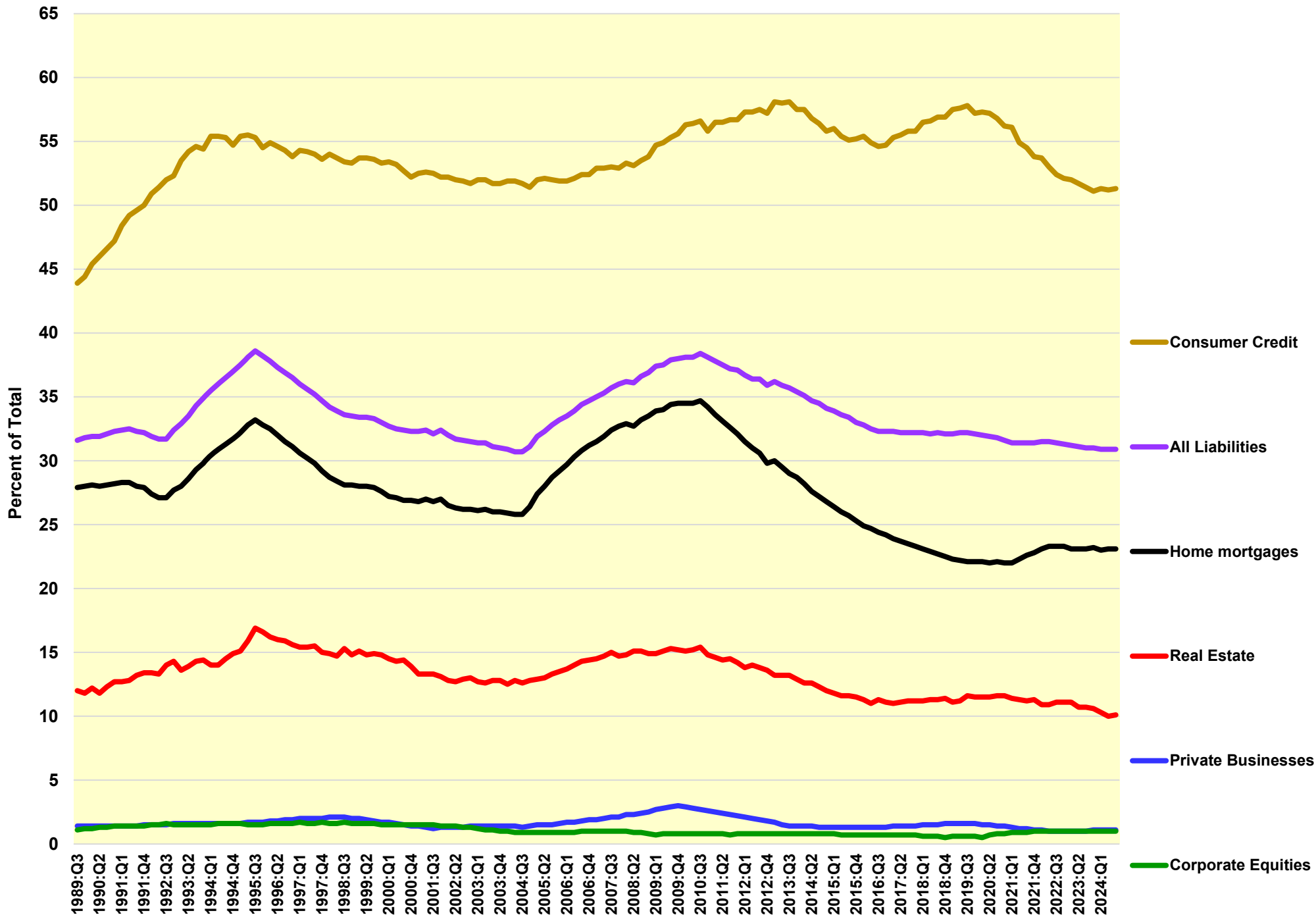
# Change in Average Household Net Worth Between 1989:Q3 and 2024:Q3 by Wealth Percentile Group

Source: Federal Reserve Board, Distribution of Household Wealth in the U.S since 1989



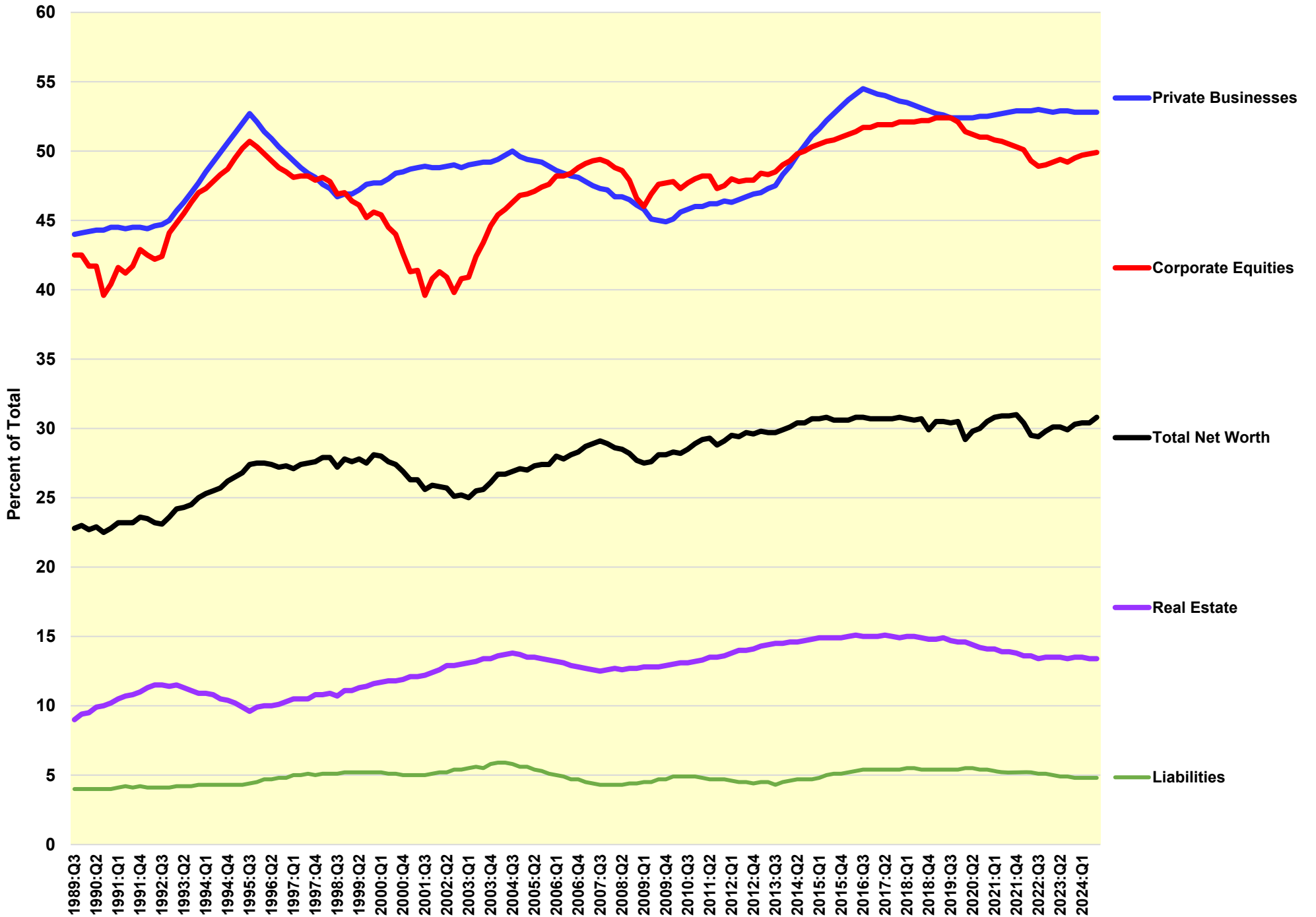
# Shares of Various Net Worth Categories Owned by the Bottom 50% of U.S. Households

Source: Board of Governors of the Federal Reserve System



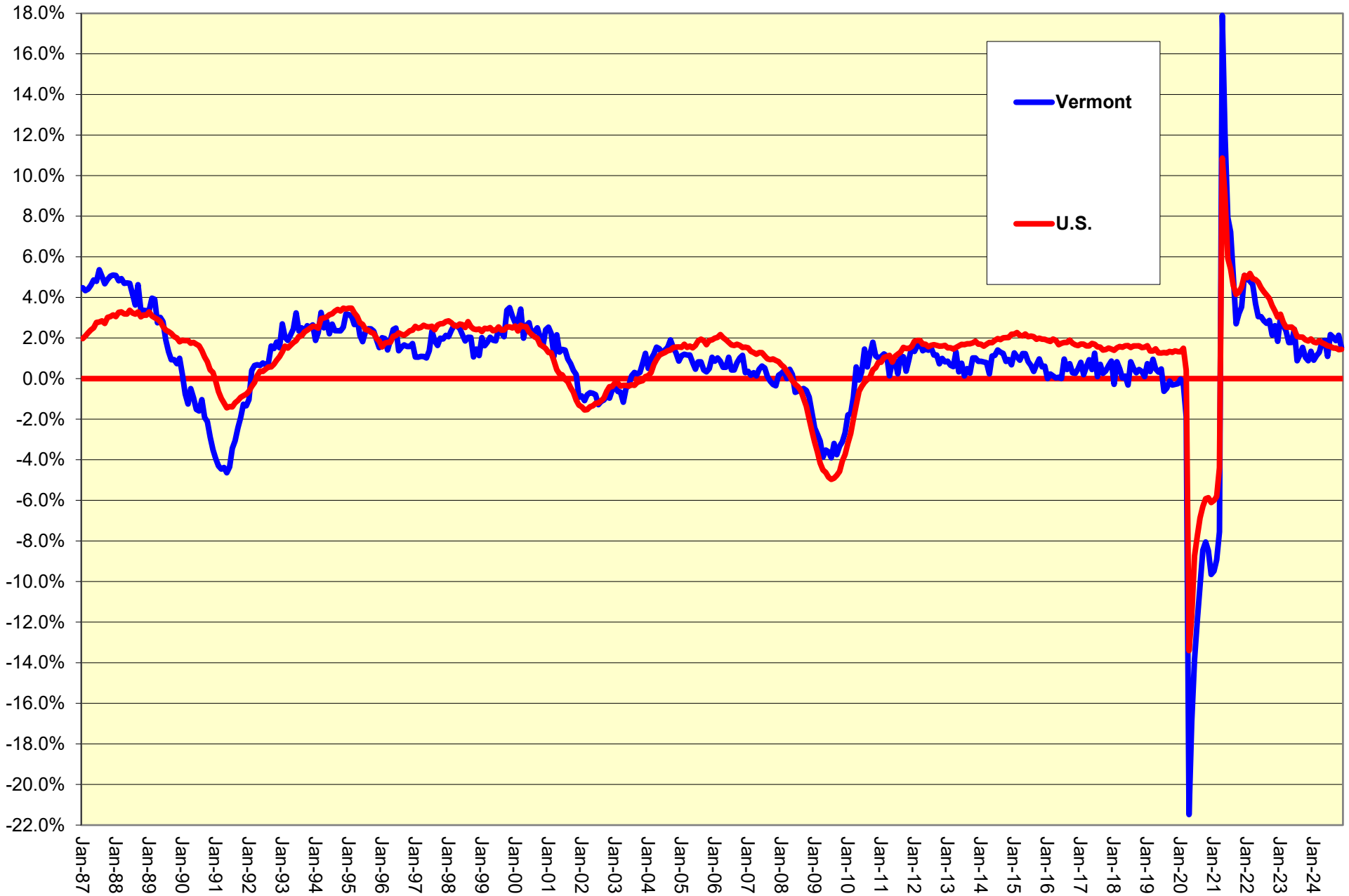
# Shares of Various Net Worth Categories Owned by the Wealthiest 1% of U.S. Households

Source: Board of Governors of the Federal Reserve System



# Recent Vermont Employment Growth Exceeds U.S. Growth for the First Time in 14 Years

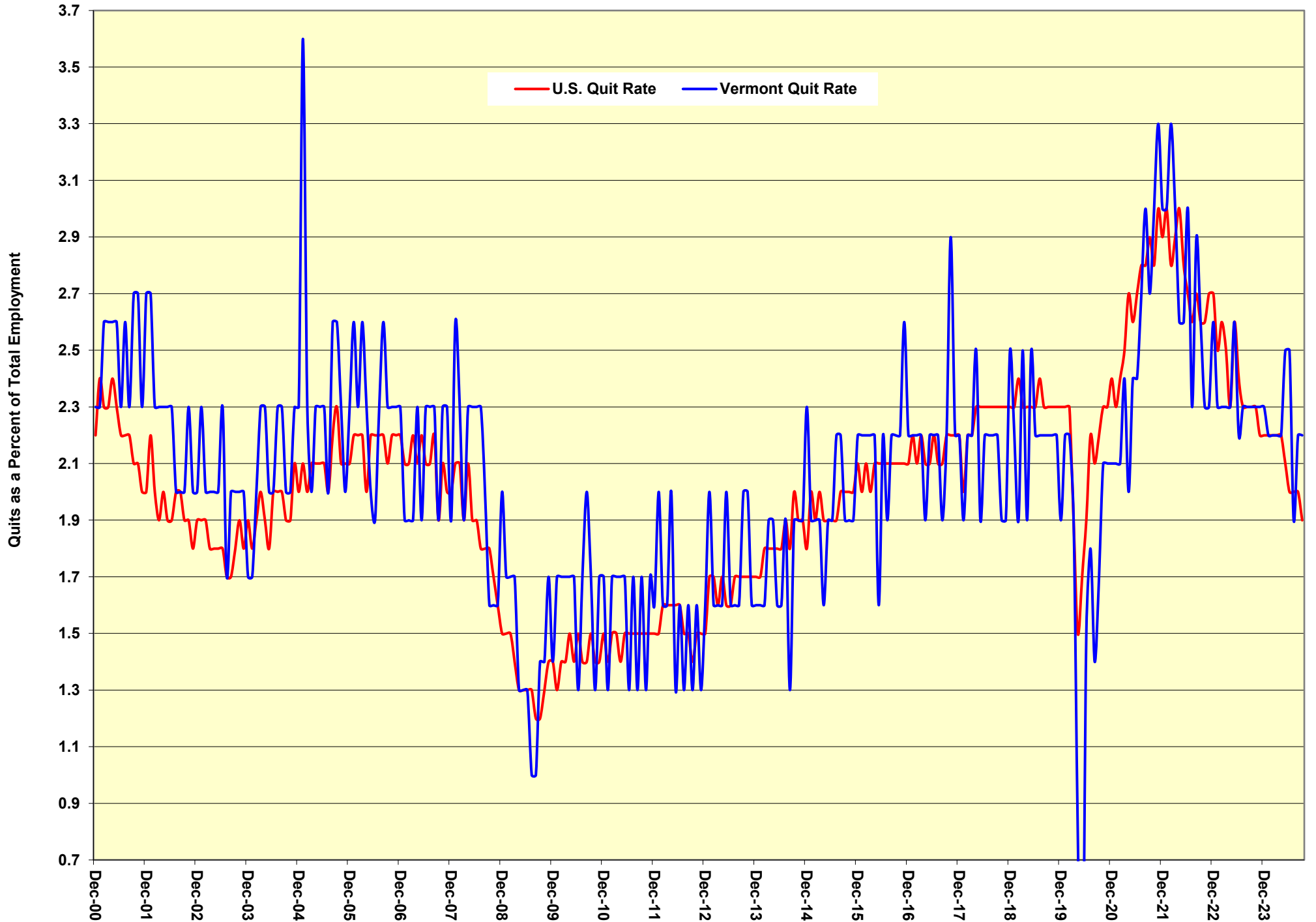
Total Nonagricultural Employment, Percent Change vs. Year Ago, Seasonally Adjusted Data



Source: Bureau of Labor Statistics, U.S. Department of Labor

# U.S. and VT Quit Rates Decline to More "Normal" Historical Levels as Labor Markets Soften

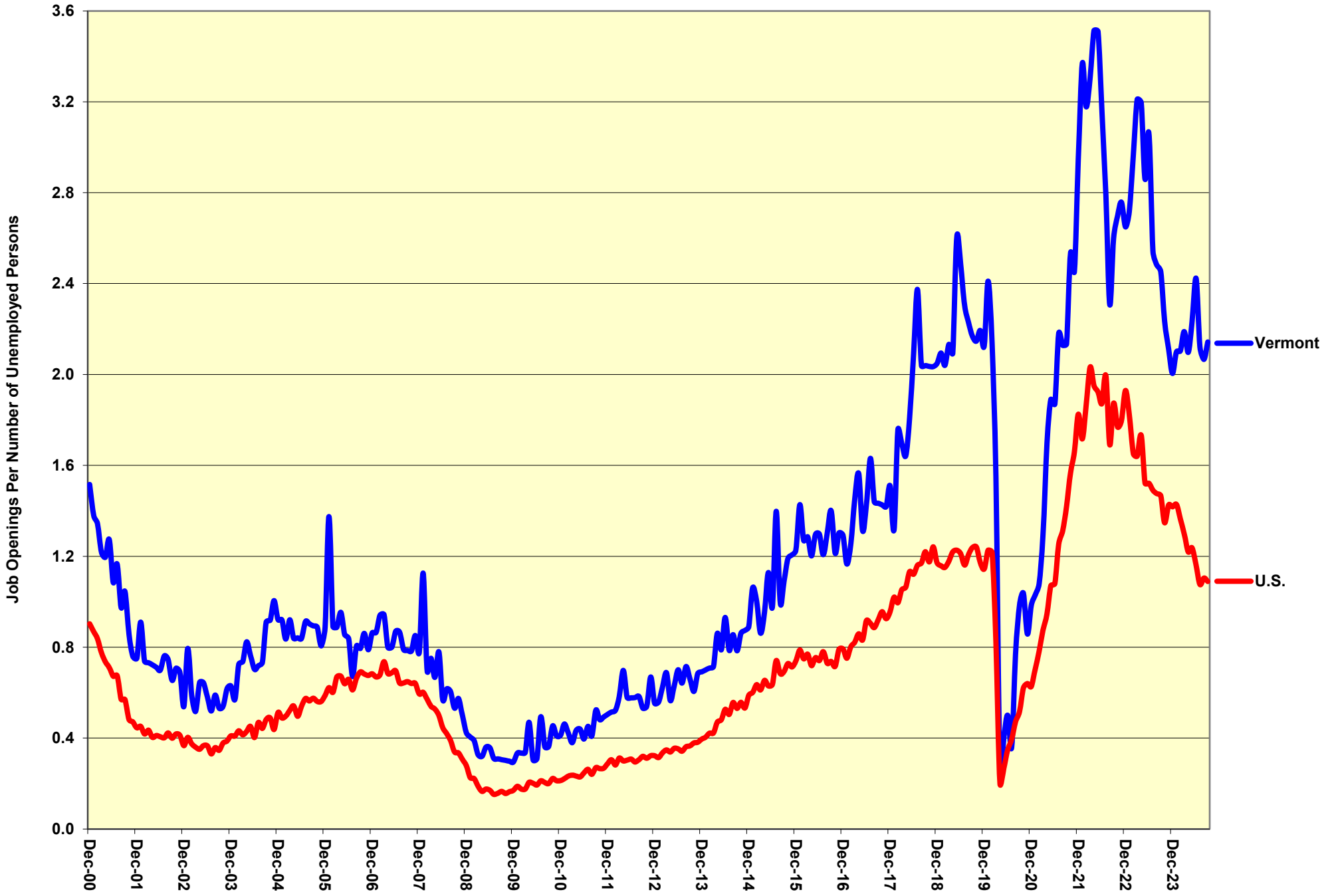
(Seasonally adjusted data, Source: Bureau of Labor Statistics, U.S. Department of Labor)





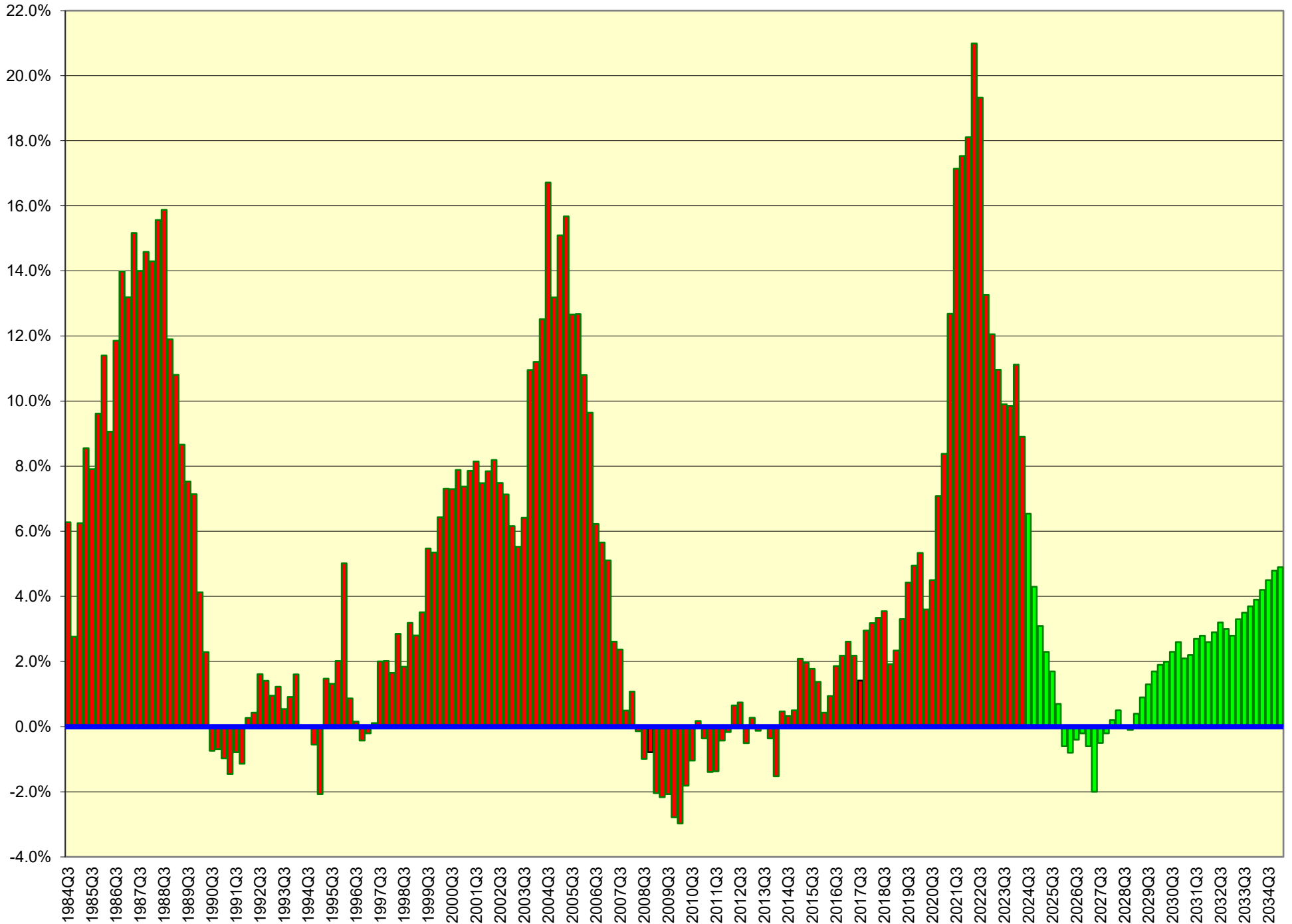
# With Two Job Openings for Every Unemployed Worker, Vermont Still Far Exceeds U.S. Ratio

(Seasonally adjusted data, Source: Bureau of Labor Statistics, U.S. Department of Labor)



# Vermont Home Price Growth Recedes from its Highest Rates Ever

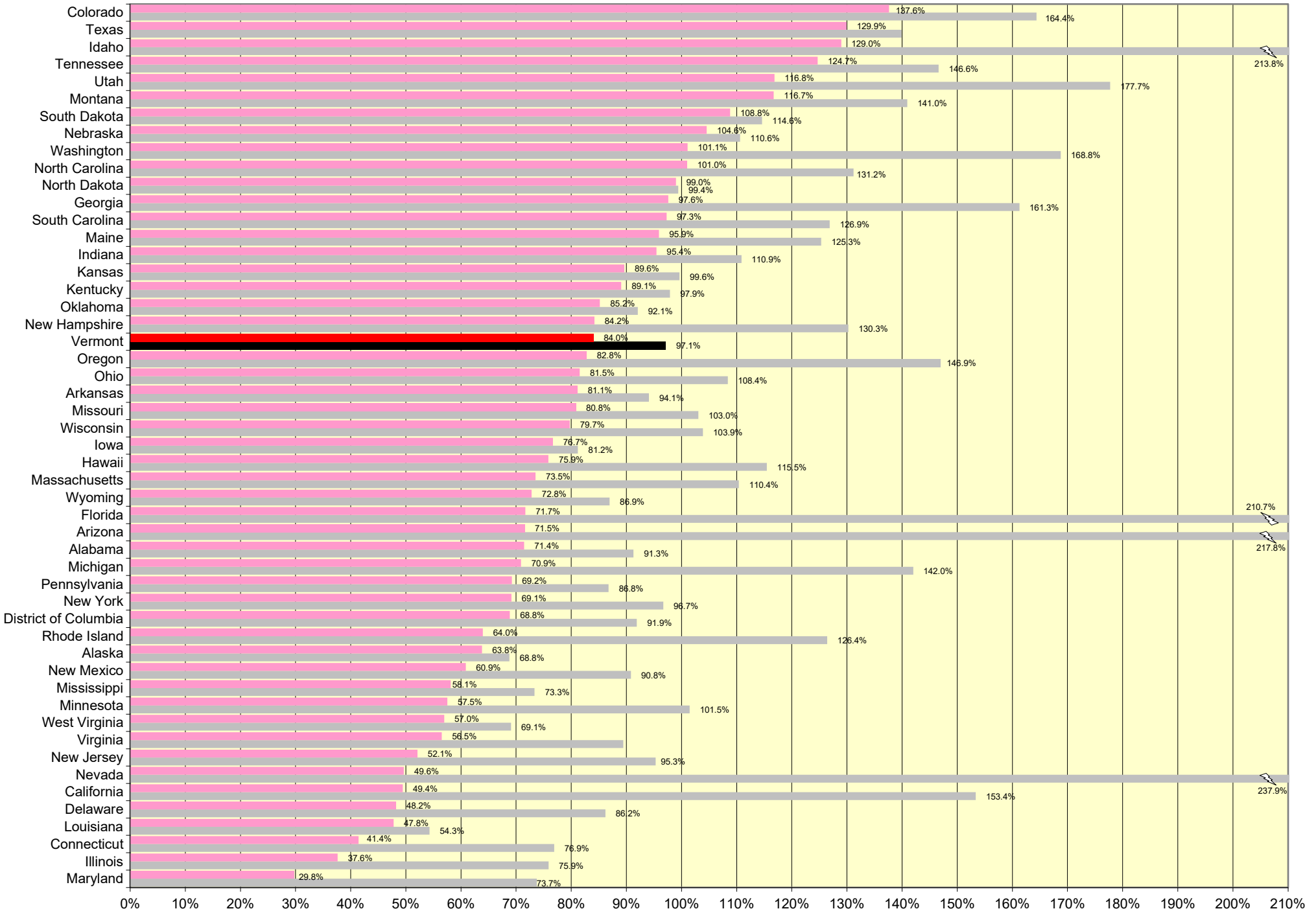
(FHFA Vermont Housing Price Index Percent Change Vs. Year Ago, Historical Data - Red, JFO Forecast Data - Green)



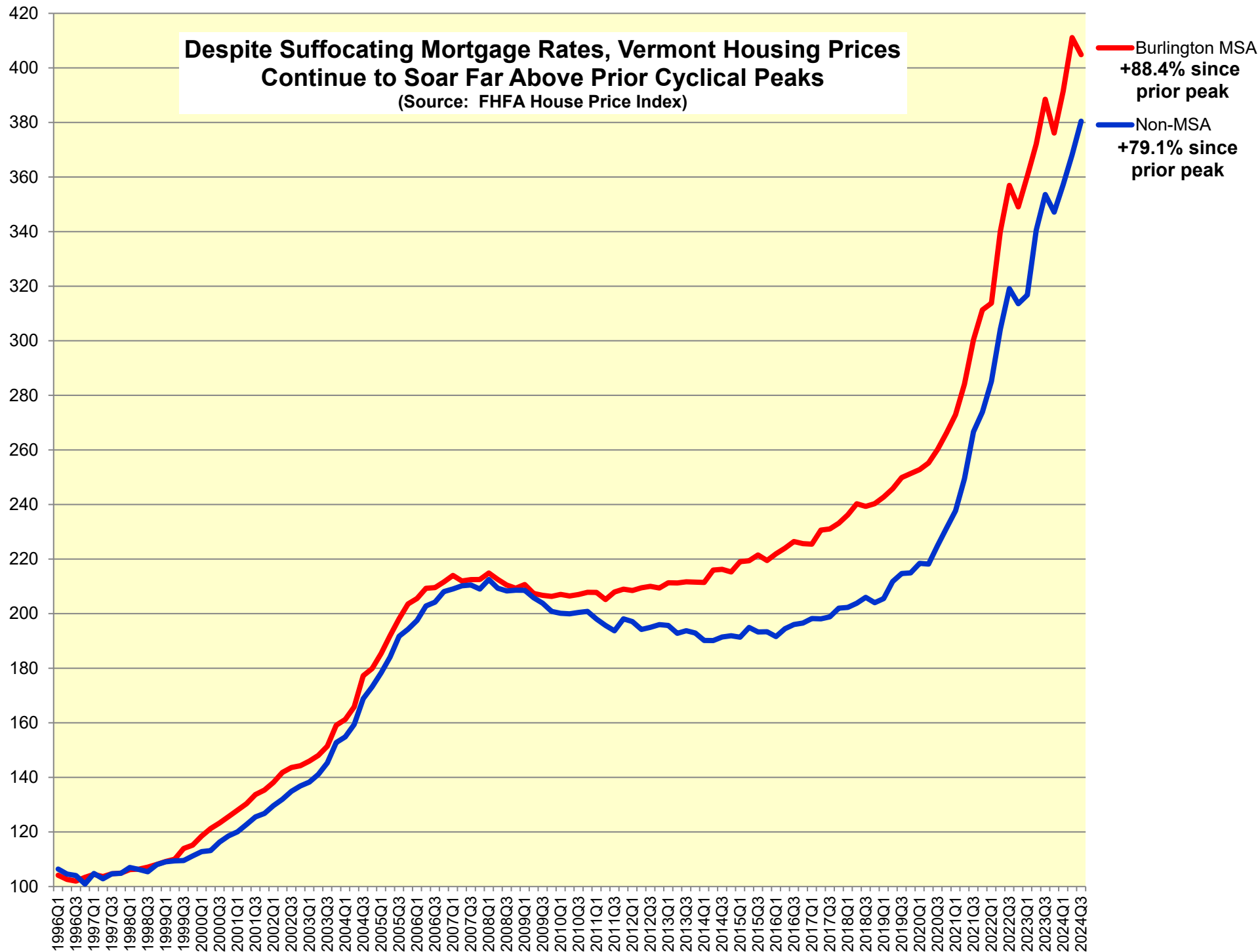
# Real Estate Update: Housing Values Relative to Last Peak (pink) and Trough (grey)

Percent Change, 2024Q3 vs. Peak Price by State Between 2005Q3 and 2009Q3 (Pink) and 2024Q3 vs. Trough Price Between 2009Q3 and 2014Q1 (Grey)

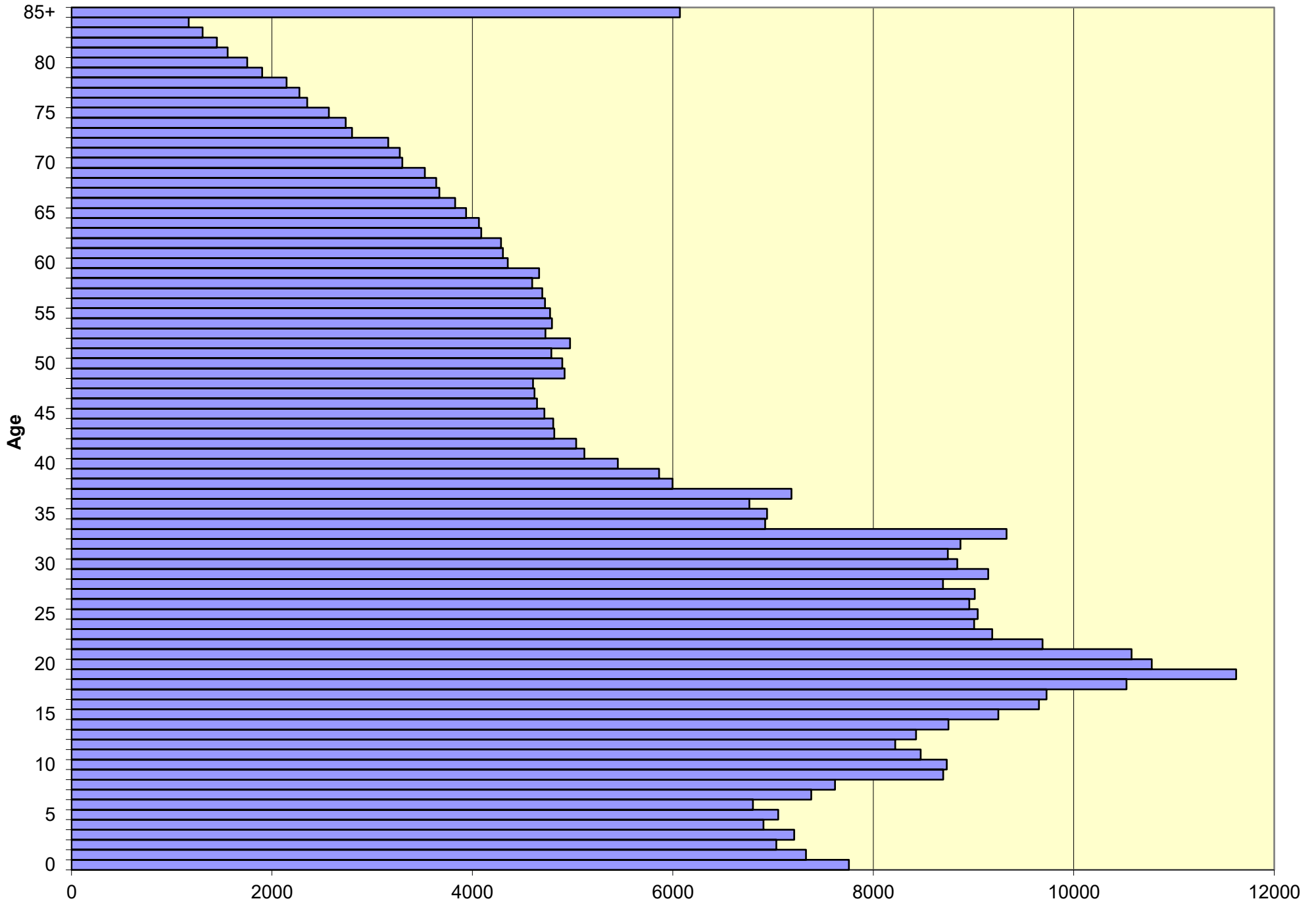
Source: FHFA House Price Index



FHFA Home Price Index, 1995Q1 = 100



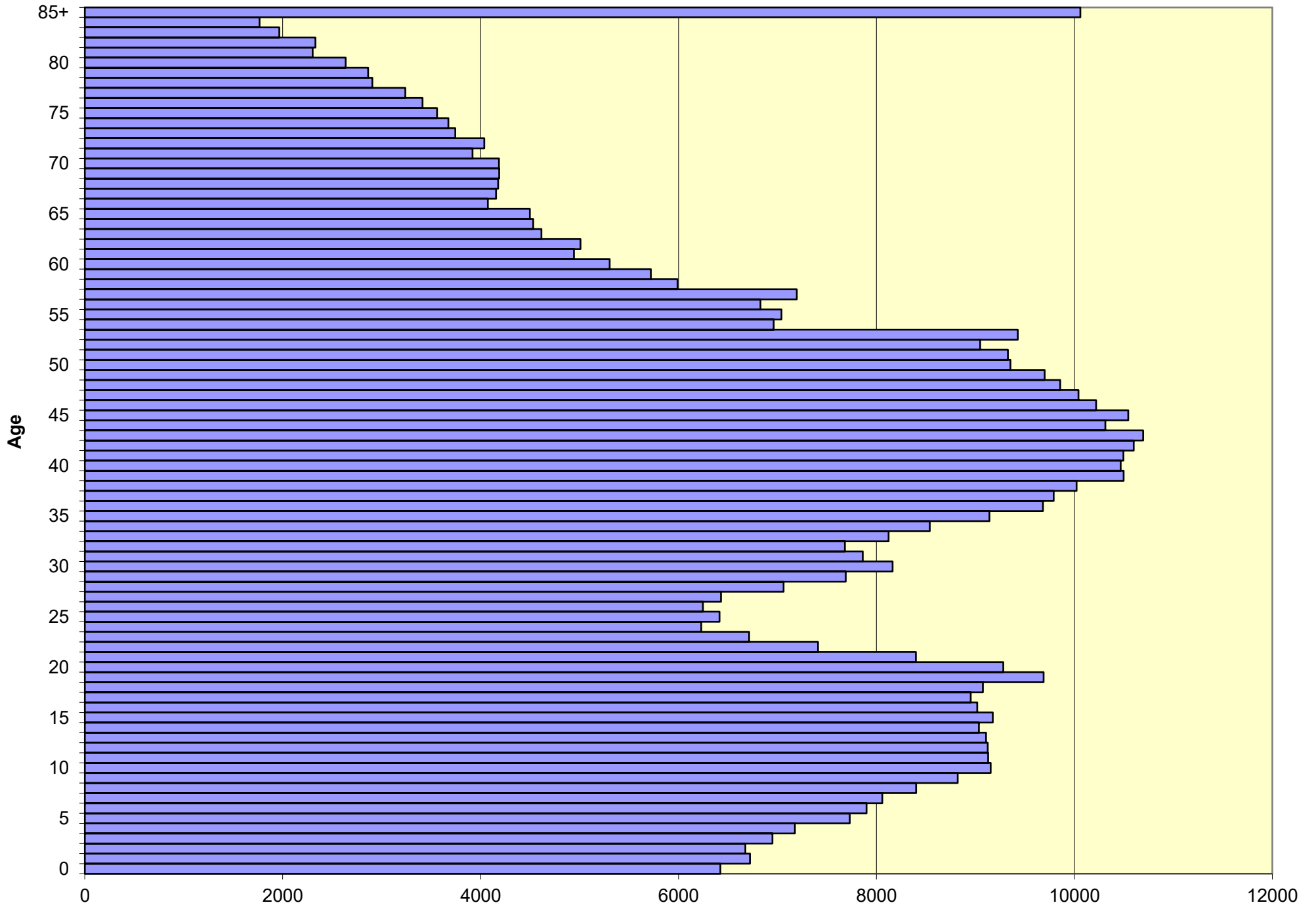
# Vermont Population by Age - July 1980



Number of Persons

Source: U.S. Census Bureau

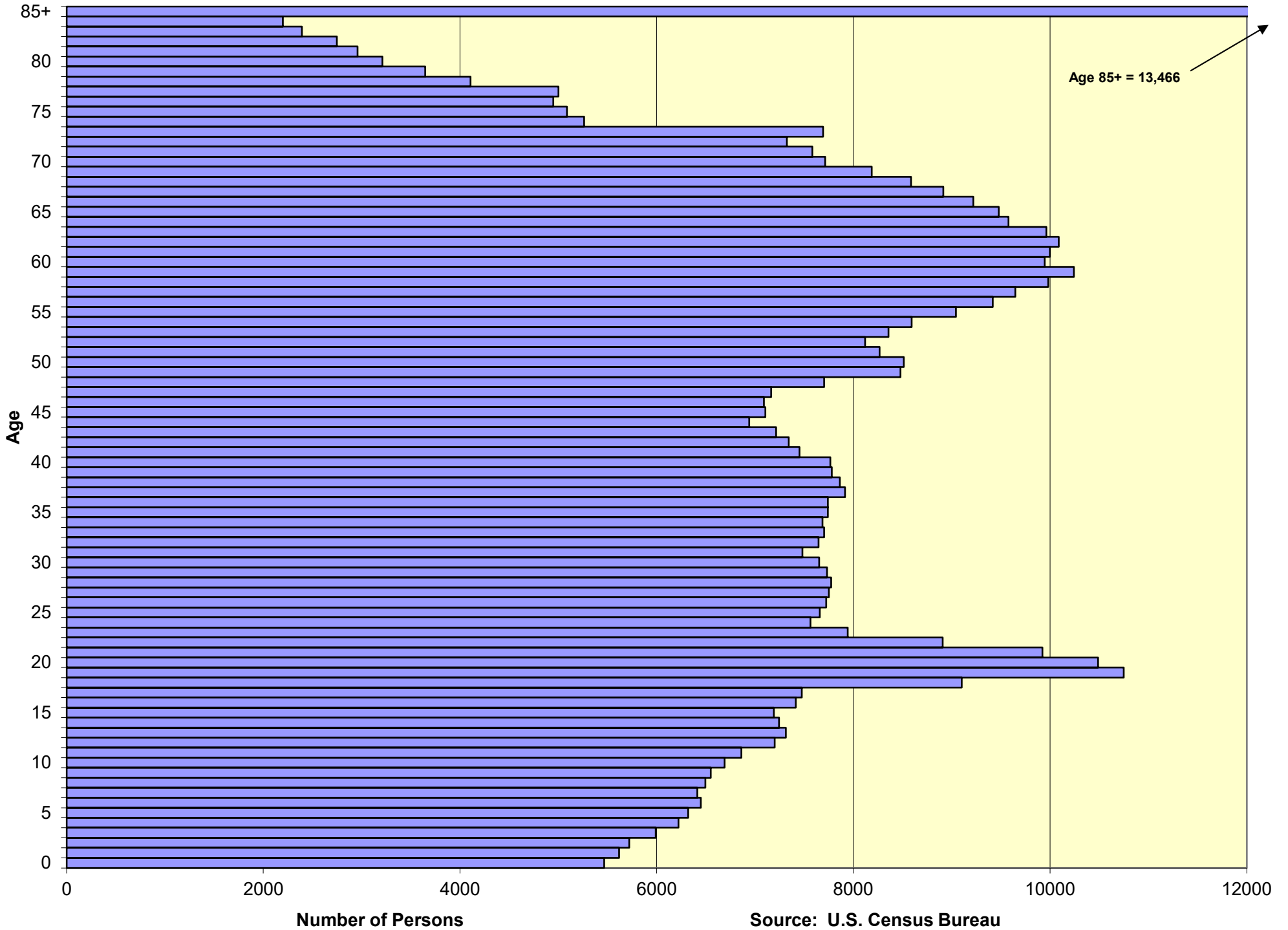
# Vermont Population by Age - July 2000



Number of Persons

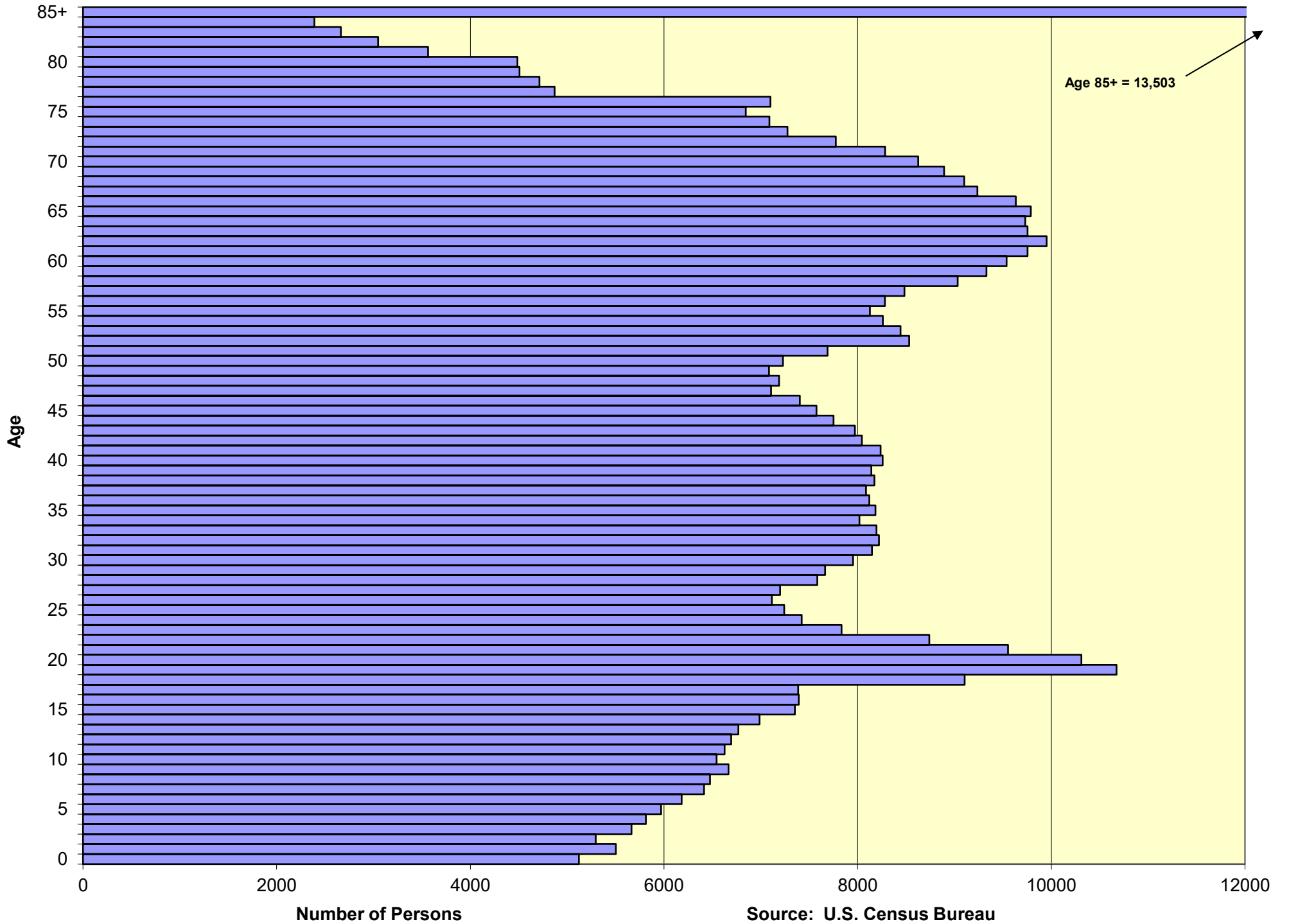
Source: U.S. Census Bureau

# Vermont Population by Age - July 2020



Source: U.S. Census Bureau

# Vermont Population by Age - July 2023

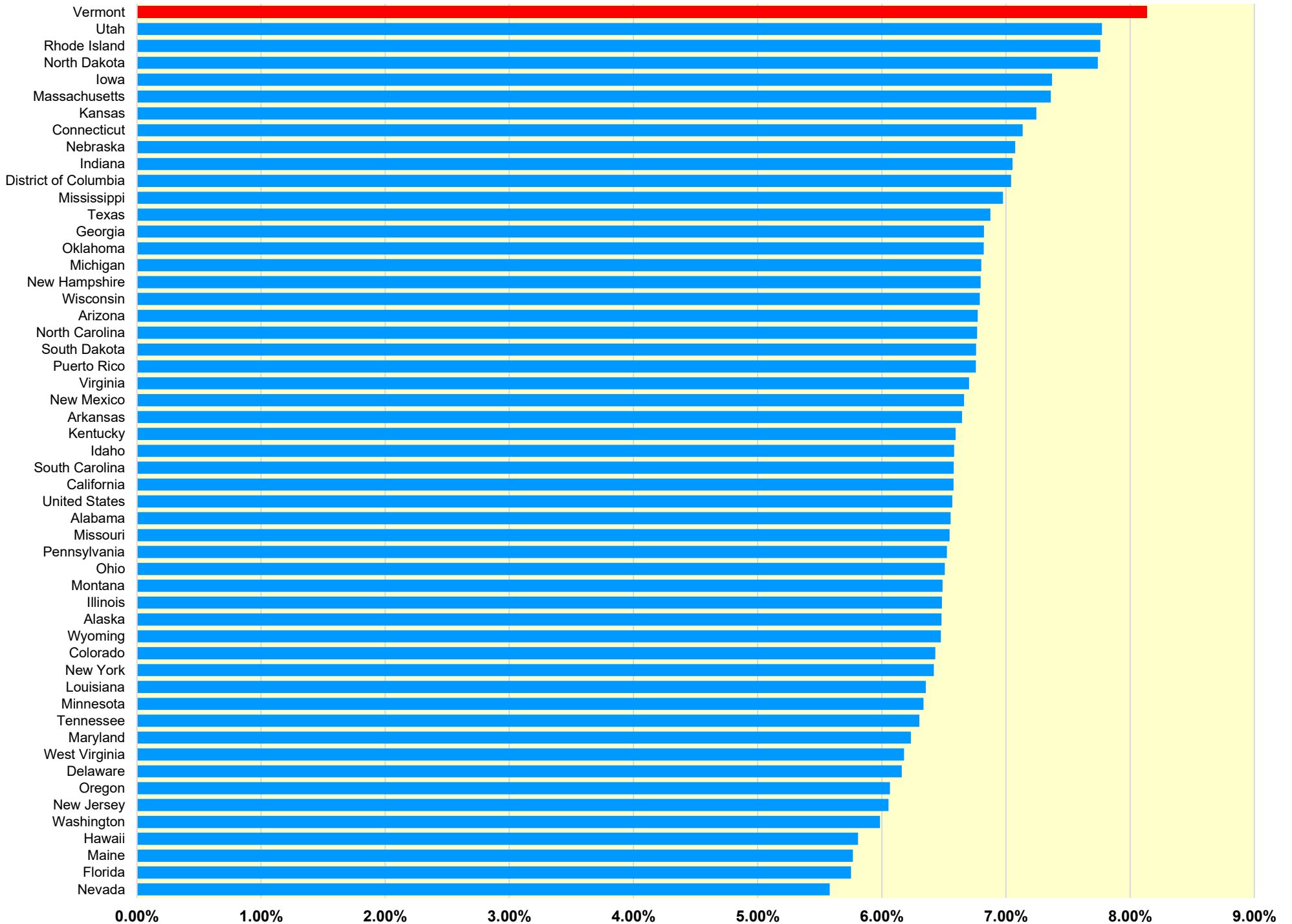


Source: U.S. Census Bureau



# Share of Total State Population Age 18-22 in 2018

(Source: U.S. Census Bureau)



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# Appendix A

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## Five Year Revenue Forecast Tables

January 2025

**TABLE 1A - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
SOURCE GENERAL FUND REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2025**

**SOURCE G-FUND**

revenues are prior to all E-Fund allocations  
and other out-transfers; used for  
analytic and comparative purposes only

	<b>FY2021</b>	<b>%</b>	<b>FY2022</b>	<b>%</b>	<b>FY2023</b>	<b>%</b>	<b>FY2024</b>	<b>%</b>	<b>FY2025</b>	<b>%</b>	<b>FY2026</b>	<b>%</b>	<b>FY2027</b>	<b>%</b>	<b>FY2028</b>	<b>%</b>	<b>FY2029</b>	<b>%</b>	<b>FY2030</b>	<b>%</b>
	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
<b>REVENUE SOURCE</b>																				
Personal Income	\$1069.8	15.5%	\$1267.8	18.5%	\$1210.0	-4.6%	\$1243.1	2.7%	\$1296.4	4.3%	\$1333.5	2.9%	\$1369.6	2.7%	\$1410.8	3.0%	\$1453.9	3.1%	\$1502.2	3.3%
Sales and Use <sup>1</sup>	\$507.6	17.4%	\$545.2	7.4%	\$584.0	7.1%	\$595.2	1.9%	\$610.9	2.6%	\$628.7	2.9%	\$646.2	2.8%	\$666.3	3.1%	\$688.0	3.3%	\$712.3	3.5%
Corporate	\$133.4	-9.8%	\$223.3	67.3%	\$281.4	26.0%	\$238.8	-15.1%	\$259.3	8.6%	\$248.5	-4.2%	\$258.3	3.9%	\$269.6	4.4%	\$283.5	5.2%	\$299.1	5.5%
Meals and Rooms <sup>3</sup>	\$143.8	-12.1%	\$216.8	50.8%	\$237.7	9.6%	\$246.2	3.5%	\$261.8	6.4%	\$271.0	3.5%	\$279.9	3.3%	\$289.7	3.5%	\$300.4	3.7%	\$311.8	3.8%
Liquor	\$28.7	32.8%	\$30.1	5.0%	\$30.8	2.1%	\$30.2	-1.8%	\$31.2	3.2%	\$31.8	1.9%	\$32.4	1.9%	\$33.0	1.9%	\$33.6	1.8%	\$34.2	1.8%
Insurance	\$60.4	4.0%	\$65.7	8.7%	\$68.8	4.8%	\$75.6	9.8%	\$76.9	1.7%	\$78.4	2.0%	\$79.8	1.8%	\$81.4	2.0%	\$83.1	2.1%	\$84.8	2.0%
Telephone (Discontinued as of FY26)	\$2.3	-28.8%	\$2.5	10.9%	\$2.4	-5.7%	\$2.6	9.4%	\$2.6	0.1%	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Beverage	\$7.2	1.3%	\$7.0	-2.9%	\$7.3	3.1%	\$6.9	-4.4%	\$6.9	-1.0%	\$6.8	-1.7%	\$6.6	-1.9%	\$6.5	-1.8%	\$6.4	-1.5%	\$6.3	-1.6%
Estate	\$26.9	77.5%	\$14.0	-48.0%	\$18.6	33.1%	\$23.9	28.2%	\$29.2	22.3%	\$26.7	-8.6%	\$27.9	4.5%	\$29.0	3.9%	\$30.1	3.8%	\$31.2	3.7%
Property	\$73.9	74.8%	\$77.7	5.1%	\$69.2	-10.9%	\$62.4	-9.9%	\$77.9	24.8%	\$80.6	3.5%	\$82.8	2.7%	\$86.0	3.9%	\$89.4	4.0%	\$93.5	4.6%
Bank	\$13.9	14.6%	\$16.9	22.1%	\$17.8	4.9%	\$16.6	-6.6%	\$15.7	-5.4%	\$15.3	-2.5%	\$15.4	0.7%	\$15.6	1.3%	\$15.8	1.3%	\$16.1	1.9%
Cannabis Excise	\$0.0	NM	\$0.0	NM	\$6.7	NM	\$17.4	158.5%	\$20.8	19.7%	\$22.5	8.2%	\$23.5	4.3%	\$24.3	3.6%	\$25.1	3.1%	\$25.8	2.8%
Other Tax	\$0.7	74.6%	\$1.3	91.3%	\$1.4	11.7%	\$1.3	-9.5%	\$1.2	-5.3%	\$1.3	8.3%	\$1.4	3.8%	\$1.4	3.7%	\$1.5	3.6%	\$1.5	3.4%
<b>Total Tax Revenue</b>	<b>\$2068.5</b>	<b>13.1%</b>	<b>\$2468.2</b>	<b>19.3%</b>	<b>\$2536.1</b>	<b>2.7%</b>	<b>\$2560.1</b>	<b>0.9%</b>	<b>\$2690.7</b>	<b>5.1%</b>	<b>\$2745.1</b>	<b>2.0%</b>	<b>\$2823.8</b>	<b>2.9%</b>	<b>\$2913.6</b>	<b>3.2%</b>	<b>\$3010.7</b>	<b>3.3%</b>	<b>\$3118.8</b>	<b>3.6%</b>
Business Licenses	\$1.3	13.9%	\$1.2	-4.4%	\$0.6	-54.5%	\$1.3	130.2%	\$1.25	-4.2%	\$1.28	2.4%	\$1.31	2.3%	\$1.34	2.3%	\$1.37	2.2%	\$1.40	2.2%
Fees	\$42.7	-4.5%	\$42.2	-1.3%	\$45.6	8.1%	\$44.3	-3.0%	\$51.2	15.7%	\$53.3	4.1%	\$54.2	1.7%	\$55.1	1.7%	\$56.1	1.8%	\$57.1	1.8%
Services	\$3.0	24.3%	\$2.8	-7.7%	\$3.7	33.2%	\$4.1	10.0%	\$4.0	-2.8%	\$4.1	2.5%	\$4.2	2.4%	\$4.3	2.4%	\$4.4	2.3%	\$4.5	2.3%
Fines	\$3.1	-35.6%	\$3.3	7.5%	\$2.6	-21.1%	\$2.5	-6.8%	\$2.0	-18.7%	\$2.2	10.0%	\$2.4	9.1%	\$2.6	8.3%	\$2.8	7.7%	\$3.0	7.1%
Interest	\$0.9	-77.9%	\$2.6	185.2%	\$56.9	2102%	\$93.0	63.4%	\$64.3	-30.9%	\$47.3	-26.4%	\$31.3	-33.8%	\$28.9	-7.7%	\$29.4	1.7%	\$30.1	2.4%
Lottery	\$32.5	21.2%	\$30.8	-5.2%	\$32.1	4.3%	\$36.0	12.1%	\$35.6	-1.1%	\$36.7	3.1%	\$37.7	2.7%	\$38.8	2.9%	\$39.9	2.8%	\$41.0	2.8%
All Other <sup>5</sup>	\$0.5	-34.4%	\$1.0	96.4%	\$1.5	58.7%	\$0.6	-60.1%	\$1.1	80.4%	\$1.2	9.1%	\$1.3	8.3%	\$1.4	7.7%	\$1.5	7.1%	\$1.6	6.7%
<b>Total Other Revenue</b>	<b>\$84.1</b>	<b>-0.8%</b>	<b>\$83.9</b>	<b>-0.2%</b>	<b>\$143.1</b>	<b>70.5%</b>	<b>\$181.7</b>	<b>27.0%</b>	<b>\$159.5</b>	<b>-12.3%</b>	<b>\$146.1</b>	<b>-8.4%</b>	<b>\$132.4</b>	<b>-9.4%</b>	<b>\$132.4</b>	<b>0.0%</b>	<b>\$135.5</b>	<b>2.3%</b>	<b>\$138.7</b>	<b>2.4%</b>
<b>Healthcare Revenue<sup>4</sup></b>	<b>\$281.0</b>	<b>-1.3%</b>	<b>\$303.5</b>	<b>8.0%</b>	<b>\$319.3</b>	<b>5.2%</b>	<b>\$333.0</b>	<b>4.3%</b>	<b>\$351.6</b>	<b>5.6%</b>	<b>\$362.8</b>	<b>3.2%</b>	<b>\$374.0</b>	<b>3.1%</b>	<b>\$386.1</b>	<b>3.2%</b>	<b>\$399.4</b>	<b>3.4%</b>	<b>\$414.2</b>	<b>3.7%</b>
<b>TOTAL GENERAL FUND</b>	<b>\$2433.6</b>	<b>10.7%</b>	<b>\$2855.6</b>	<b>17.3%</b>	<b>\$2998.5</b>	<b>5.0%</b>	<b>\$3074.8</b>	<b>2.5%</b>	<b>\$3201.8</b>	<b>4.1%</b>	<b>\$3254.0</b>	<b>1.6%</b>	<b>\$3330.1</b>	<b>2.3%</b>	<b>\$3432.2</b>	<b>3.1%</b>	<b>\$3545.6</b>	<b>3.3%</b>	<b>\$3671.6</b>	<b>3.6%</b>
<b>CHILDCARE TAX REVENUE</b>	<b>\$0.0</b>	<b>NM</b>	<b>\$0.0</b>	<b>NM</b>	<b>\$0.0</b>	<b>NM</b>	<b>\$0.0</b>	<b>NM</b>	<b>\$92.8</b>	<b>NM</b>	<b>\$98.6</b>	<b>6.2%</b>	<b>\$102.7</b>	<b>4.1%</b>	<b>\$106.7</b>	<b>3.8%</b>	<b>\$110.7</b>	<b>3.8%</b>	<b>\$114.8</b>	<b>3.7%</b>

- 1) Includes Telecommunications Tax; includes \$3.76M transfer in FY08 to the T-Fund for prior years Jet Fuel tax processing error.
- 2) Reflects closure of Vermont Yankee in December of 2014, taxed per Act 143 of 2012 effective in FY13; Stated Electric Energy Tax revenues exclude appropriations to the Clean Energy Development Fund and E-Fund.
- 3) Includes \$2.3 million in one-time payments in FY2017 by tax software vendors for errors related to Personal Income tax deduction changes effective in tax year 2015.
- 4) Healthcare Related Taxes - Act 6 of 2019 (BAA) moved selected revenue sources from the State Health Care Resources Fund to the General Fund, effective in FY20. With the exception of the cigarette, tobacco products and vaping tax, which has historically been part of the General Fund forecast, the forecasts for the other Healthcare related taxes are provided by the a healthcare consensus forecasting group, which includes JFO, F&M and AHS staff. See Tables 1B and 1C for details.
- 5) Includes Clean Water Fund redirect consisting of 6% of total M&R collections
- 6) Series is discontinuous beginning in FY20 due to fund allocation changes associated with Act 73 of the 2019 Session.

**TABLE 1 - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
AVAILABLE GENERAL FUND REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2025**

**CURRENT LAW BASIS**

*including all Education Fund*

*allocations and other out-transfers*

	<b>FY2021</b>	<b>%</b>	<b>FY2022</b>	<b>%</b>	<b>FY2023</b>	<b>%</b>	<b>FY2024</b>	<b>%</b>	<b>FY2025</b>	<b>%</b>	<b>FY2026</b>	<b>%</b>	<b>FY2027</b>	<b>%</b>	<b>FY2028</b>	<b>%</b>	<b>FY2029</b>	<b>%</b>	<b>FY2030</b>	<b>%</b>
	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
<b>REVENUE SOURCE</b>																				
Personal Income	\$1069.8	15.5%	\$1267.8	18.5%	\$1210.0	-4.6%	\$1243.1	2.7%	\$1296.4	4.3%	\$1333.5	2.9%	\$1369.6	2.7%	\$1410.8	3.0%	\$1453.9	3.1%	\$1502.2	3.3%
Sales and Use <sup>1</sup>	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Corporate	\$133.4	-9.8%	\$223.3	67.3%	\$281.4	26.0%	\$238.8	-15.1%	\$259.3	8.6%	\$248.5	-4.2%	\$258.3	3.9%	\$269.6	4.4%	\$283.5	5.2%	\$299.1	5.5%
Meals and Rooms	\$99.2	-14.5%	\$149.6	50.8%	\$164.0	9.6%	\$169.8	3.5%	\$175.3	3.2%	\$180.4	2.9%	\$186.3	3.3%	\$192.9	3.5%	\$200.0	3.7%	\$207.6	3.8%
Liquor <sup>2</sup>	\$4.8	32.8%	\$5.0	5.0%	\$5.1	2.1%	\$5.0	-1.8%	\$5.2	3.2%	\$5.3	1.9%	\$5.4	1.9%	\$5.5	1.9%	\$5.6	1.8%	\$5.7	1.8%
Insurance	\$60.4	4.0%	\$65.7	8.7%	\$68.8	4.8%	\$75.6	9.8%	\$76.9	1.7%	\$78.4	2.0%	\$79.8	1.8%	\$81.4	2.0%	\$83.1	2.1%	\$84.8	2.0%
Telephone (Discontinued as of FY26)	\$2.3	-28.8%	\$2.5	10.9%	\$2.4	-5.7%	\$2.6	9.4%	\$2.6	0.1%	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Beverage	\$7.2	1.3%	\$7.0	-2.9%	\$7.3	3.1%	\$6.9	-4.4%	\$6.9	-1.0%	\$6.8	-1.7%	\$6.6	-1.9%	\$6.5	-1.8%	\$6.4	-1.5%	\$6.3	-1.6%
Estate <sup>3</sup>	\$23.4	54.1%	\$14.0	-40.1%	\$18.6	33.1%	\$23.9	28.2%	\$28.9	20.9%	\$26.7	-7.5%	\$27.9	4.5%	\$29.0	3.9%	\$30.1	3.8%	\$31.2	3.7%
Property	\$23.1	79.6%	\$24.3	5.3%	\$21.6	-11.2%	\$19.4	-10.2%	\$27.5	41.9%	\$28.5	3.6%	\$29.3	2.8%	\$30.4	4.0%	\$31.7	4.1%	\$33.2	4.7%
Bank	\$13.9	14.6%	\$16.9	22.1%	\$17.8	4.9%	\$16.6	-6.6%	\$15.7	-5.4%	\$15.3	-2.5%	\$15.4	0.7%	\$15.6	1.3%	\$15.8	1.3%	\$16.1	1.9%
Cannabis Excise	\$0.0	NM	\$0.0	NM	\$6.7	NM	\$0.0	-100.0%	\$0.0	NM	\$15.8	NM	\$16.4	4.3%	\$17.0	3.6%	\$17.6	3.1%	\$18.0	2.8%
Other Tax	\$0.7	74.6%	\$1.3	91.3%	\$1.4	11.7%	\$1.3	-9.5%	\$1.2	-5.3%	\$1.3	8.3%	\$1.4	3.8%	\$1.4	3.7%	\$1.5	3.6%	\$1.5	3.4%
<b>Total Tax Revenue</b>	<b>\$1438.1</b>	<b>10.4%</b>	<b>\$1777.4</b>	<b>23.6%</b>	<b>\$1805.1</b>	<b>1.6%</b>	<b>\$1803.0</b>	<b>-0.1%</b>	<b>\$1895.9</b>	<b>5.1%</b>	<b>\$1940.3</b>	<b>2.3%</b>	<b>\$1996.4</b>	<b>2.9%</b>	<b>\$2060.1</b>	<b>3.2%</b>	<b>\$2129.0</b>	<b>3.3%</b>	<b>\$2205.7</b>	<b>3.6%</b>
Business Licenses	\$1.3	13.9%	\$1.2	-4.4%	\$0.6	-54.5%	\$1.3	130.2%	\$1.3	-4.2%	\$1.3	2.4%	\$1.3	2.3%	\$1.3	2.3%	\$1.4	2.2%	\$1.4	2.2%
Fees	\$42.7	-4.5%	\$42.2	-1.3%	\$45.6	8.1%	\$44.3	-3.0%	\$51.2	15.7%	\$53.3	4.1%	\$54.2	1.7%	\$55.1	1.7%	\$56.1	1.8%	\$57.1	1.8%
Services	\$3.0	24.3%	\$2.8	-7.7%	\$3.7	33.2%	\$4.1	10.0%	\$4.0	-2.8%	\$4.1	2.5%	\$4.2	2.4%	\$4.3	2.4%	\$4.4	2.3%	\$4.5	2.3%
Fines	\$3.1	-35.6%	\$3.3	7.5%	\$2.6	-21.1%	\$2.5	-6.8%	\$2.0	-18.7%	\$2.2	10.0%	\$2.4	9.1%	\$2.6	8.3%	\$2.8	7.7%	\$3.0	7.1%
Interest	\$0.8	-75.5%	\$2.3	187.4%	\$51.2	2129%	\$87.2	70.5%	\$61.1	-29.9%	\$44.5	-27.2%	\$29.1	-34.6%	\$26.6	-8.6%	\$26.8	0.8%	\$27.1	1.1%
All Other <sup>4</sup>	\$0.5	-34.4%	\$1.0	96.4%	\$1.5	58.7%	\$0.6	-60.1%	\$1.1	80.4%	\$1.2	9.1%	\$1.3	8.3%	\$1.4	7.7%	\$1.5	7.1%	\$1.6	6.7%
<b>Total Other Revenue</b>	<b>\$51.5</b>	<b>-9.9%</b>	<b>\$52.9</b>	<b>2.6%</b>	<b>\$105.2</b>	<b>99.1%</b>	<b>\$139.9</b>	<b>33.0%</b>	<b>\$120.7</b>	<b>-13.8%</b>	<b>\$106.6</b>	<b>-11.7%</b>	<b>\$92.5</b>	<b>-13.2%</b>	<b>\$91.3</b>	<b>-1.3%</b>	<b>\$93.0</b>	<b>1.8%</b>	<b>\$94.7</b>	<b>1.9%</b>
<b>Healthcare Revenue<sup>5</sup></b>	<b>\$278.1</b>	<b>-1.0%</b>	<b>\$299.3</b>	<b>7.6%</b>	<b>\$314.3</b>	<b>5.0%</b>	<b>\$327.5</b>	<b>4.2%</b>	<b>\$345.8</b>	<b>5.6%</b>	<b>\$356.8</b>	<b>3.2%</b>	<b>\$367.7</b>	<b>3.0%</b>	<b>\$379.5</b>	<b>3.2%</b>	<b>\$392.5</b>	<b>3.4%</b>	<b>\$406.9</b>	<b>3.7%</b>
<b>TOTAL GENERAL FUND</b>	<b>\$1767.7</b>	<b>7.8%</b>	<b>\$2129.5</b>	<b>20.5%</b>	<b>\$2224.6</b>	<b>4.5%</b>	<b>\$2270.5</b>	<b>2.1%</b>	<b>\$2362.3</b>	<b>4.0%</b>	<b>\$2403.7</b>	<b>1.8%</b>	<b>\$2456.5</b>	<b>2.2%</b>	<b>\$2530.9</b>	<b>3.0%</b>	<b>\$2614.5</b>	<b>3.3%</b>	<b>\$2707.2</b>	<b>3.5%</b>
<b>CHILDCARE TAX REVENUE</b>	<b>\$0.0</b>	<b>NM</b>	<b>\$0.0</b>	<b>NM</b>	<b>\$0.0</b>	<b>NM</b>	<b>\$0.0</b>	<b>NM</b>	<b>\$92.8</b>	<b>NM</b>	<b>\$98.6</b>	<b>6.2%</b>	<b>\$102.7</b>	<b>4.1%</b>	<b>\$106.7</b>	<b>3.8%</b>	<b>\$110.7</b>	<b>3.8%</b>	<b>\$114.8</b>	<b>3.7%</b>

1) Includes \$2.5M transfer to the T-Fund in FY08 for prior years Jet Fuel tax processing errors; Transfer to the Education Fund increases from 33.3% to 35.0% effective in FY14 and 35.0% to 36.0% effective in FY19.

2) Reflects closure of Vermont Yankee in December of 2014, taxed per Act 143 of 2012 effective in FY13;

Stated Electric Energy Tax revenues exclude appropriations to the Clean Energy Development Fund and Education Fund.

3) Excludes transfer to the Higher Education Trust Fund of \$2.4M in FY05, \$5.2M in FY06 and \$11.0M in FY11.

4) Includes \$2.3 million in one-time payments in FY2017 by tax software vendors for errors related to Personal Income tax deduction changes effective in tax year 2015.

5) Healthcare Related Taxes - Act 6 of 2019 (BAA) moved selected revenue sources from the State Health Care Resources Fund to the General Fund, effective in FY20. With the exception of the cigarette, tobacco products and vaping tax, which has historically been part of the General Fund forecast, the forecasts for the other Healthcare related taxes are provided by the a healthcare consensus forecasting group, which includes JFO, F&M and AHS staff. See Tables 1B and 1C for details.

6) Series is discontinuous beginning in FY20 due to fund allocation changes associated with Act 73 of the 2019 Session.

**TABLE 1B - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
SOURCE HEALTHCARE REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2025**

**SOURCE HEALTHCARE<sup>1</sup>**

revenues are prior to all allocations  
and other out-transfers; used for  
analytic and comparative purposes only

	FY2021	%	FY2022	%	FY2023	%	FY2024	%	FY2025	%	FY2026	%	FY2027	%	FY2028	%	FY2029	%	FY2030	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
<b>REVENUE SOURCE</b>																				
Cigarette, Tobacco, E-Cig	\$77.5	8.6%	\$76.0	-1.9%	\$74.8	-1.5%	\$70.0	-6.5%	\$66.5	-5.0%	\$63.5	-4.5%	\$60.5	-4.7%	\$57.8	-4.5%	\$55.5	-4.0%	\$53.9	-2.9%
Claims Assessment	\$19.7	-4.7%	\$21.7	10.3%	\$23.0	5.7%	\$27.3	18.6%	\$28.6	5.0%	\$30.1	5.0%	\$31.6	5.0%	\$33.1	5.0%	\$34.8	5.0%	\$36.5	5.0%
Employer Assessment	\$17.9	-11.4%	\$21.9	22.2%	\$24.9	13.9%	\$26.9	7.8%	\$30.7	14.2%	\$33.0	7.5%	\$34.7	5.0%	\$36.4	5.0%	\$38.2	5.0%	\$40.1	5.0%
Hospital Provider Tax	\$143.7	-4.4%	\$161.5	12.4%	\$173.9	7.6%	\$192.4	10.6%	\$209.3	8.8%	\$219.8	5.0%	\$230.7	5.0%	\$242.3	5.0%	\$254.4	5.0%	\$267.1	5.0%
Nursing Home Provider Tax	\$14.6	-1.0%	\$14.7	0.7%	\$14.6	-0.6%	\$14.4	-1.5%	\$14.4	0.4%	\$14.4	0.0%	\$14.4	0.0%	\$14.4	0.0%	\$14.4	0.0%	\$14.4	0.0%
Home Health Provider Tax	\$5.8	4.1%	\$5.8	-0.3%	\$6.1	5.6%	\$0.0	-100.0%	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
All Other HC Revenues	\$1.8	-3.6%	\$1.8	0.9%	\$2.0	6.2%	\$2.1	7.8%	\$2.0	-3.5%	\$2.1	3.4%	\$2.1	0.0%	\$2.1	0.0%	\$2.1	0.0%	\$2.1	0.0%
<b>TOTAL HEALTHCARE</b>	<b>\$281.0</b>	<b>-1.3%</b>	<b>\$303.5</b>	<b>8.0%</b>	<b>\$319.3</b>	<b>5.2%</b>	<b>\$333.0</b>	<b>4.3%</b>	<b>\$351.6</b>	<b>5.6%</b>	<b>\$362.8</b>	<b>3.2%</b>	<b>\$374.0</b>	<b>3.1%</b>	<b>\$386.1</b>	<b>3.2%</b>	<b>\$399.4</b>	<b>3.4%</b>	<b>\$414.2</b>	<b>3.7%</b>

**TABLE 1C - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
AVAILABLE HEALTHCARE REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2025**

**CURRENT LAW BASIS**

including all Education Fund  
allocations and other out-transfers

	FY2021	%	FY2022	%	FY2023	%	FY2024	%	FY2025	%	FY2026	%	FY2027	%	FY2028	%	FY2029	%	FY2030	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change	(Forecast)	Change
<b>REVENUE SOURCE</b>																				
Cigarette, Tobacco, E-Cig	\$77.5	8.6%	\$76.0	-1.9%	\$74.8	-1.6%	\$70.0	-6.4%	\$66.5	-5.0%	\$63.5	-4.5%	\$60.5	-4.7%	\$57.8	-4.5%	\$55.5	-4.0%	\$53.9	-2.9%
Claims Assessment	\$16.4	-3.0%	\$17.6	7.3%	\$18.0	2.6%	\$21.8	21.0%	\$22.9	5.0%	\$24.0	5.0%	\$25.2	5.0%	\$26.5	5.0%	\$27.8	5.0%	\$29.2	5.0%
Employer Assessment	\$18.4	-9.2%	\$21.9	19.2%	\$24.9	13.9%	\$26.9	7.8%	\$30.7	14.2%	\$33.0	7.5%	\$34.7	5.0%	\$36.4	5.0%	\$38.2	5.0%	\$40.1	5.0%
Hospital Provider Tax	\$143.7	-4.4%	\$161.5	12.4%	\$173.9	7.6%	\$192.4	10.6%	\$209.3	8.8%	\$219.8	5.0%	\$230.7	5.0%	\$242.3	5.0%	\$254.4	5.0%	\$267.1	5.0%
Nursing Home Provider Tax	\$14.6	-1.0%	\$14.7	0.7%	\$14.6	-0.6%	\$14.4	-1.5%	\$14.4	0.4%	\$14.4	0.0%	\$14.4	0.0%	\$14.4	0.0%	\$14.4	0.0%	\$14.4	0.0%
Home Health Provider Tax	\$5.8	4.1%	\$5.8	-0.3%	\$6.1	5.6%	\$0.0	-100.0%	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
All Other HC Revenues	\$1.8	-3.6%	\$1.8	0.9%	\$2.0	6.2%	\$2.1	7.8%	\$2.0	-3.5%	\$2.1	3.4%	\$2.1	0.0%	\$2.1	0.0%	\$2.1	0.0%	\$2.1	0.0%
<b>TOTAL HEALTHCARE</b>	<b>\$278.1</b>	<b>-1.0%</b>	<b>\$299.3</b>	<b>7.6%</b>	<b>\$314.3</b>	<b>5.0%</b>	<b>\$327.5</b>	<b>4.2%</b>	<b>\$345.8</b>	<b>5.6%</b>	<b>\$356.8</b>	<b>3.2%</b>	<b>\$367.7</b>	<b>3.0%</b>	<b>\$379.5</b>	<b>3.2%</b>	<b>\$392.5</b>	<b>3.4%</b>	<b>\$406.9</b>	<b>3.7%</b>

1) Healthcare Related Taxes - Act 6 of 2019 (BAA) moved selected revenue sources from the State Health Care Resources Fund to the General Fund, effective in FY20. With the exception of the cigarette, tobacco products and vaping tax, which has historically been part of the General Fund forecast, the forecasts for the other Healthcare related taxes are provided by the a healthcare consensus forecasting group, which includes JFO, F&M and AHS staff.

**TABLE 2A - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
SOURCE TRANSPORTATION FUND REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2025**

<b>SOURCE T-FUND</b> <i>revenues are prior to all E-Fund allocations and other out-transfers; used for analytic and comparative purposes only</i>	<b>FY2021</b> <i>(Actual)</i>	<b>%</b> <i>Change</i>	<b>FY2022</b> <i>(Actual)</i>	<b>%</b> <i>Change</i>	<b>FY2023</b> <i>(Actual)</i>	<b>%</b> <i>Change</i>	<b>FY2024</b> <i>(Actual)</i>	<b>%</b> <i>Change</i>	<b>FY2025</b> <i>(Forecast)</i>	<b>%</b> <i>Change</i>	<b>FY2026</b> <i>(Forecast)</i>	<b>%</b> <i>Change</i>	<b>FY2027</b> <i>(Forecast)</i>	<b>%</b> <i>Change</i>	<b>FY2028</b> <i>(Forecast)</i>	<b>%</b> <i>Change</i>	<b>FY2029</b> <i>(Forecast)</i>	<b>%</b> <i>Change</i>	<b>FY2030</b> <i>(Forecast)</i>	<b>%</b> <i>Change</i>
<b>REVENUE SOURCE</b>																				
Gasoline	\$67.3	-5.3%	\$71.9	6.9%	\$73.8	2.7%	\$71.5	-3.2%	\$71.3	-0.2%	\$70.7	-0.8%	\$70.3	-0.6%	\$69.7	-0.9%	\$69.0	-1.0%	\$68.0	-1.4%
Diesel****	\$17.9	0.2%	\$18.3	2.0%	\$17.6	-3.7%	\$17.8	1.2%	\$18.0	1.0%	\$17.9	-0.6%	\$17.8	-0.6%	\$17.6	-1.1%	\$17.5	-0.6%	\$17.4	-0.6%
Purchase and Use*	\$134.1	27.2%	\$137.1	2.3%	\$142.2	3.7%	\$144.9	1.9%	\$152.0	4.9%	\$157.5	3.6%	\$162.5	3.2%	\$167.6	3.1%	\$172.8	3.1%	\$178.0	3.0%
Motor Vehicle Fees	\$87.6	4.7%	\$86.0	-1.9%	\$87.5	1.8%	\$93.6	6.9%	\$103.6	10.7%	\$104.3	0.7%	\$105.2	0.9%	\$105.9	0.7%	\$106.8	0.8%	\$107.6	0.7%
Other Revenue**	\$20.5	-3.4%	\$20.3	-1.1%	\$21.4	5.3%	\$23.6	10.4%	\$26.7	13.1%	\$28.1	5.2%	\$27.3	-2.8%	\$27.9	2.2%	\$28.6	2.5%	\$29.3	2.4%
<b>TOTAL TRANS. FUND</b>	<b>\$327.4</b>	<b>9.4%</b>	<b>\$333.5</b>	<b>1.9%</b>	<b>\$342.5</b>	<b>2.7%</b>	<b>\$351.3</b>	<b>2.6%</b>	<b>\$371.6</b>	<b>5.8%</b>	<b>\$378.5</b>	<b>1.9%</b>	<b>\$383.1</b>	<b>1.2%</b>	<b>\$388.7</b>	<b>1.5%</b>	<b>\$394.7</b>	<b>1.5%</b>	<b>\$400.3</b>	<b>1.4%</b>

**TABLE 2 - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
AVAILABLE TRANSPORTATION FUND REVENUE FORECAST UPDATE  
Consensus JFO and Administration Forecast - January 2025**

<b>CURRENT LAW BASIS</b> <i>including all Education Fund allocations and other out-transfers</i>	<b>FY2021</b> <i>(Actual)</i>	<b>%</b> <i>Change</i>	<b>FY2022</b> <i>(Actual)</i>	<b>%</b> <i>Change</i>	<b>FY2023</b> <i>(Actual)</i>	<b>%</b> <i>Change</i>	<b>FY2024</b> <i>(Actual)</i>	<b>%</b> <i>Change</i>	<b>FY2025</b> <i>(Forecast)</i>	<b>%</b> <i>Change</i>	<b>FY2026</b> <i>(Forecast)</i>	<b>%</b> <i>Change</i>	<b>FY2027</b> <i>(Forecast)</i>	<b>%</b> <i>Change</i>	<b>FY2028</b> <i>(Forecast)</i>	<b>%</b> <i>Change</i>	<b>FY2029</b> <i>(Forecast)</i>	<b>%</b> <i>Change</i>	<b>FY2030</b> <i>(Forecast)</i>	<b>%</b> <i>Change</i>
<b>REVENUE SOURCE</b>																				
Gasoline	\$67.3	-5.3%	\$71.9	6.9%	\$73.8	2.7%	\$71.5	-3.2%	\$71.3	-0.2%	\$70.7	-0.8%	\$70.3	-0.6%	\$69.7	-0.9%	\$69.0	-1.0%	\$68.0	-1.4%
Diesel	\$17.9	0.2%	\$18.3	2.0%	\$17.6	-3.7%	\$17.8	1.2%	\$18.0	1.0%	\$17.9	-0.6%	\$17.8	-0.6%	\$17.6	-1.1%	\$17.5	-0.6%	\$17.4	-0.6%
Purchase and Use <sup>1</sup>	\$89.4	27.2%	\$91.4	2.3%	\$94.8	3.7%	\$96.6	1.9%	\$101.3	4.9%	\$105.0	3.6%	\$108.3	3.2%	\$111.7	3.1%	\$115.2	3.1%	\$118.7	3.0%
Motor Vehicle Fees	\$87.6	4.7%	\$86.0	-1.9%	\$87.5	1.8%	\$93.6	6.9%	\$103.6	10.7%	\$104.3	0.7%	\$105.2	0.9%	\$105.9	0.7%	\$106.8	0.8%	\$107.6	0.7%
Other Revenue <sup>2</sup>	\$20.5	-3.4%	\$20.3	-1.1%	\$21.4	5.3%	\$23.6	10.4%	\$26.7	13.1%	\$28.1	5.2%	\$27.3	-2.8%	\$27.9	2.2%	\$28.6	2.5%	\$29.3	2.4%
<b>TOTAL TRANS. FUND</b>	<b>\$282.7</b>	<b>7.0%</b>	<b>\$287.8</b>	<b>1.8%</b>	<b>\$295.1</b>	<b>2.5%</b>	<b>\$303.0</b>	<b>2.7%</b>	<b>\$320.9</b>	<b>5.9%</b>	<b>\$326.0</b>	<b>1.6%</b>	<b>\$328.9</b>	<b>0.9%</b>	<b>\$332.8</b>	<b>1.2%</b>	<b>\$337.1</b>	<b>1.3%</b>	<b>\$341.0</b>	<b>1.1%</b>
<b>OTHER (TIB<sup>3</sup>)</b>																				
TIB Gasoline	\$10.2	-19.5%	\$15.1	48.2%	\$20.1	32.6%	\$17.6	-12.6%	\$16.0	-9.0%	\$15.1	-5.3%	\$14.3	-5.4%	\$13.9	-2.9%	\$13.9	-0.1%	\$13.9	0.4%
TIB Diesel and Other <sup>4</sup>	\$1.9	-4.5%	\$1.9	1.7%	\$2.2	13.6%	\$2.2	0.8%	\$2.2	-1.7%	\$2.1	-4.6%	\$2.0	-4.3%	\$2.0	-2.5%	\$1.9	-3.6%	\$1.9	-1.1%
<b>TOTAL OTHER (TIB)</b>	<b>\$12.1</b>	<b>-17.5%</b>	<b>\$17.1</b>	<b>40.8%</b>	<b>\$22.3</b>	<b>30.4%</b>	<b>\$19.8</b>	<b>-11.2%</b>	<b>\$18.2</b>	<b>-8.2%</b>	<b>\$17.2</b>	<b>-5.2%</b>	<b>\$16.3</b>	<b>-5.3%</b>	<b>\$15.8</b>	<b>-2.8%</b>	<b>\$15.8</b>	<b>-0.6%</b>	<b>\$15.8</b>	<b>0.3%</b>

1) As of FY04, includes Motor Vehicle Rental tax revenue.  
2) Beginning in FY07, includes Stabilization Reserve interest; FY08 data includes \$3.76M transfer from G-Fund for prior Jet Fuel tax processing errors and inclusion of this tax in subsequent years.  
3) Transportation Infrastructure Bond revenues  
4) Includes TIB Fund interest income; Includes FY17 adjustment of \$215,000 from reported TIB Diesel revenue to Diesel revenue due to a data entry error

**TABLE 3 - STATE OF VERMONT  
LEGISLATIVE JOINT FISCAL OFFICE  
AVAILABLE EDUCATION FUND<sup>1</sup> REVENUE FORECAST UPDATE  
(Partial Education Fund Total - Includes Source General and Transportation Fund Allocations Only)  
Consensus JFO and Administration Forecast - January 2025**

**CURRENT LAW BASIS**

Source General and Transportation

Fund taxes allocated to or associated  
with the Education Fund only

	<b>FY2021</b>	<b>%</b>	<b>FY2022</b>	<b>%</b>	<b>FY2023</b>	<b>%</b>	<b>FY2024</b>	<b>%</b>	<b>FY2025</b>	<b>%</b>	<b>FY2026</b>	<b>%</b>	<b>FY2027</b>	<b>%</b>	<b>FY2028</b>	<b>%</b>	<b>FY2029</b>	<b>%</b>	<b>FY2030</b>	<b>%</b>
	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
<b>GENERAL FUND</b>																				
Meals and Rooms	\$36.0	-12.1%	\$54.2	50.8%	\$59.4	9.6%	\$61.5	3.5%	\$71.2	15.7%	\$75.0	5.2%	\$77.4	3.3%	\$80.1	3.5%	\$83.1	3.7%	\$86.2	3.8%
Sales & Use <sup>2</sup>	\$507.6	17.4%	\$545.2	7.4%	\$584.0	7.1%	\$595.2	1.9%	\$601.9	1.1%	\$619.0	2.8%	\$636.1	2.8%	\$655.8	3.1%	\$677.2	3.3%	\$701.2	3.5%
Interest	\$0.1	-87.1%	\$0.3	169.1%	\$5.8	1892%	\$5.8	0.3%	\$3.2	-44.8%	\$2.8	-12.5%	\$2.2	-21.4%	\$2.3	4.5%	\$2.6	13.0%	\$3.0	15.4%
Lottery	\$32.5	21.2%	\$30.8	-5.2%	\$32.1	4.3%	\$36.0	12.1%	\$35.6	-1.1%	\$36.7	3.1%	\$37.7	2.7%	\$38.8	2.9%	\$39.9	2.8%	\$41.0	2.8%
<b>TRANSPORTATION FUND</b>																				
Purchase and Use <sup>3</sup>	\$44.7	27.2%	\$45.7	2.3%	\$47.4	3.7%	\$48.3	1.9%	\$50.7	4.9%	\$52.5	3.6%	\$54.2	3.2%	\$55.9	3.1%	\$57.6	3.1%	\$59.3	3.0%
<b>TOTAL EDUCATION FUND</b>	<b>\$620.9</b>	<b>15.8%</b>	<b>\$676.2</b>	<b>8.9%</b>	<b>\$728.77</b>	<b>7.8%</b>	<b>\$746.8</b>	<b>2.5%</b>	<b>\$762.6</b>	<b>2.1%</b>	<b>\$785.9</b>	<b>3.1%</b>	<b>\$807.6</b>	<b>2.7%</b>	<b>\$832.8</b>	<b>3.1%</b>	<b>\$860.3</b>	<b>3.3%</b>	<b>\$890.7</b>	<b>3.5%</b>

1) Includes only General and Transportation Fund taxes allocated to the Education Fund.

This Table excludes all Education Fund property taxes, which are updated in October/November of each year and are the largest Education Fund tax sources.

2) Includes Telecommunications Tax; Includes \$1.25M transfer to T-Fund in FY08 for prior Jet Fuel Tax processing errors;

Transfer percentage from the General Fund increases from 33.3% to 35.0% effective in FY14 and to 100.0% beginning in FY19;

Includes Cannabis Sales tax revenues beginning in FY23 and the first 8-1/2 months of FY24, but then excludes them in FY25 and beyond

3) Includes Motor Vehicle Rental revenues, restated