



REVENUE FORECASTING COMMITTEE

April 26, 2011

**Maine Revenue Services
Economic Research Division**

Maine Revenue Services' Recommendations to the Revenue Forecasting Committee

	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>Biennium</u>	<u>FY2014</u>	<u>FY2015</u>	<u>Biennium</u>
Sales & Use and Service Provider Taxes	\$9,296,045	\$10,194,362	\$4,319,731	\$14,514,093	\$1,340,000	\$4,850,000	\$6,190,000
Individual Income Tax	\$27,338,000	\$7,403,000	(\$14,275,000)	(\$6,872,000)	(\$58,615,000)	(\$58,959,000)	(\$117,574,000)
Corporate Income Tax	(\$7,307,848)	(\$12,310,433)	(\$21,569,907)	(\$33,880,340)	(\$11,368,719)	(\$11,477,360)	(\$22,846,079)
Estate Tax	\$2,074,708	(\$5,113,157)	(\$7,654,008)	(\$12,767,165)	(\$7,930,794)	(\$7,487,090)	(\$15,417,884)
Real Estate Transfer Tax	\$423,000	\$0	\$0	\$0	\$0	\$0	\$0
Tax and Rent Program	\$1,401,352	\$4,901,385	\$5,308,362	\$10,209,747	(\$1,948,679)	(\$3,107,049)	(\$5,055,728)
Business Equipment Tax Exemption (BETE)	\$1,200,000	\$0	\$0	\$0	\$0	\$0	\$0
Business Equipment Tax Reimbursement (BETR)	(\$4,500,000)	\$0	\$0	\$0	\$0	\$0	\$0
Total Adjustments to Current Forecast	\$29,925,257	\$5,075,157	(\$33,870,822)	(\$28,795,665)	(\$78,523,192)	(\$76,180,499)	(\$154,703,691)
General Fund	\$28,458,947	\$4,810,811	(\$32,294,563)	(\$27,483,753)	(\$75,091,006)	(\$72,901,181)	(\$147,992,187)
Local Government Fund	\$1,466,310	\$264,346	(\$1,576,259)	(\$1,311,912)	(\$3,432,186)	(\$3,279,318)	(\$6,711,504)
Highway Fund (Motor Fuel Taxes)	(\$327,390)	\$493,313	\$2,131,017	\$2,624,330	\$1,338,067	(\$136,139)	\$1,201,928

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STATE OF MAINE

Undedicated Revenues - General Fund
 For the Ninth Month Ended March 31, 2011
 For the Fiscal Year Ending June 30, 2011
 Comparison to Budget

EXHIBIT I

	Month				Year to Date				Total Budgeted Fiscal Year Ending 6-30-2011
	Actual	Budget	Variance Over/(Under)	Percent Over/(Under)	Actual	Budget	Variance Over/(Under)	Percent Over/(Under)	
Sales and Use Tax	58,917,524	57,954,133	963,391	1.7%	621,733,677	608,798,610	12,935,067	2.1%	904,850,262
Service Provider Tax	4,035,682	4,413,292	(377,610)	(8.6%)	36,100,800	38,706,307	(2,605,507)	(6.7%)	57,814,486
Individual Income Tax	58,227,540	61,388,882	(3,161,342)	(5.1%)	913,278,257	891,109,109	22,169,148	2.5%	1,365,364,302
Corporate Income Tax	28,078,833	29,914,809	(1,835,976)	(6.1%)	144,138,126	145,584,417	(1,446,291)	(1.0%)	200,490,112
Cigarette and Tobacco Tax	11,349,515	10,331,483	1,018,032	9.9%	107,577,339	107,772,335	(194,996)	(0.2%)	146,209,555
Insurance Companies Tax	13,690,373	15,171,813	(1,481,440)	(9.8%)	26,213,430	27,782,323	(1,568,893)	(5.6%)	76,765,000
Estate Tax	8,915,234	3,165,000	5,750,234	181.7%	31,472,414	27,156,639	4,315,775	15.9%	42,978,079
Fines, Forfeits & Penalties	2,713,073	3,283,590	(570,517)	(17.4%)	21,591,086	24,426,687	(2,835,601)	(11.6%)	31,133,161
Income from Investments	15,730	(34,945)	50,675	(145.0%)	198,706	(212,030)	410,736	(193.7%)	27,332
Transfer from Lottery Commission	4,170,889	4,002,631	168,258	4.2%	36,919,341	39,025,689	(2,106,348)	(5.4%)	52,034,250
Transfers for Tax Relief Programs	(5,137,164)	(2,138,000)	(2,999,164)	140.3%	(109,682,595)	(107,896,284)	(1,786,311)	1.7%	(112,087,945)
Transfer to Municipal Revenue Sharing	(3,828,991)	(2,751,283)	(1,077,708)	39.2%	(69,380,482)	(67,194,784)	(2,185,698)	3.3%	(89,975,242)
Other Taxes and Fees	14,895,860	14,491,479	404,381	2.8%	99,653,123	96,356,680	3,296,443	3.4%	149,281,382
Other Revenues	7,883,563	4,907,387	2,976,176	60.6%	24,836,412	31,562,156	(6,725,744)	(21.3%)	59,089,977
Total Collected	203,927,661	204,100,271	(172,610)	(0.1%)	1,884,649,635	1,862,977,854	21,671,781	1.2%	2,883,974,711

NOTES: (1) Included in the above is \$3,828,991 for the month and \$69,380,482 year to date, that was set aside for Revenue Sharing with cities and towns.

(2) Figures reflect estimates of the Maine State Revenue Forecasting Committee approved in December 2010.

(3) This report has been prepared from preliminary month end figures and is subject to change.

STATE OF MAINE

Undedicated Revenues - General Fund
 For the Ninth Month Ended March 31, 2011 and 2010
 For the Fiscal Years Ending June 30, 2011 and 2010
 Comparison to Prior Year

	Month				Year to Date			
	Current Year	Prior Year	Variance Over/(Under)	Percent Over/(Under)	Current Year	Prior Year	Variance Over/(Under)	Percent Over/(Under)
Sales and Use Tax	58,917,524	57,088,534	1,828,990	3.2%	621,733,677	598,047,487	23,686,190	4.0%
Service Provider Tax	4,035,682	4,085,675	(49,994)	(1.2%)	36,100,800	36,664,812	(564,012)	(1.5%)
Individual Income Tax	58,227,540	51,811,689	6,415,851	12.4%	913,278,257	831,462,042	81,816,215	9.8%
Corporate Income Tax	28,078,833	26,899,368	1,179,465	4.4%	144,138,126	119,793,705	24,344,421	20.3%
Cigarette and Tobacco Tax	11,349,515	11,490,560	(141,045)	(1.2%)	107,577,339	109,935,291	(2,357,952)	(2.1%)
Insurance Companies Tax	13,690,373	14,915,860	(1,225,486)	(8.2%)	26,213,430	28,495,324	(2,281,893)	(8.0%)
Estate Tax	8,915,234	2,445,521	6,469,713	264.6%	31,472,414	20,547,396	10,925,017	53.2%
Fines, Forfeits & Penalties	2,713,073	3,545,516	(832,443)	(23.5%)	21,591,086	25,569,267	(3,978,181)	(15.6%)
Income from Investments	15,730	(46,623)	62,353	(133.7%)	198,706	139,474	59,232	42.5%
Transfer from Lottery Commission	4,170,889	4,214,997	(44,108)	(1.0%)	36,919,341	38,698,541	(1,779,199)	(4.6%)
Transfers for Tax Relief Programs	(5,137,164)	(1,792,965)	(3,344,199)	186.5%	(109,682,595)	(108,285,690)	(1,396,905)	1.3%
Transfer to Municipal Revenue Sharing	(3,828,991)	(3,542,107)	(286,884)	8.1%	(69,380,482)	(75,649,840)	6,269,358	(8.3%)
Other Taxes and Fees	14,895,860	13,058,576	1,837,284	14.1%	99,653,123	95,683,060	3,970,064	4.1%
Other Revenues	7,883,563	3,872,670	4,010,893	103.6%	24,836,412	20,835,888	4,000,525	19.2%
Total Collected	203,927,661	188,047,271	15,880,390	8.4%	1,884,649,635	1,741,936,756	142,712,879	8.2%

STATE OF MAINE

Undedicated Revenues - General Fund
 For the Ninth Month Ended March 31, 2011
 For the Fiscal Year Ending June 30, 2011
 Comparison to Budget

EXHIBIT III

	Month				Year to Date				Total Budgeted Fiscal Year Ending 6-30-2011
	Actual	Budget	Variance Over/(Under)	Percent Over/(Under)	Actual	Budget	Variance Over/(Under)	Percent Over/(Under)	
<u>Detail of Other Taxes & Fees</u>									
0100s All Others	4,555,961	4,045,297	510,664	12.6%	26,424,091	25,832,021	592,070	2.3%	30,317,934
0300s Aeronautical Gas Tax	18,772	18,593	179	1.0%	201,940	201,244	696	0.3%	262,918
0400s Alcohol Excise Tax	1,190,160	1,215,814	(25,654)	(2.1%)	12,826,164	12,558,978	267,186	2.1%	17,043,055
0700s Corporation Taxes	1,383,443	1,421,025	(37,582)	(2.6%)	3,637,191	3,443,641	193,550	5.6%	7,697,099
0800s Public Utilities	-	-	-	-	(24,852)	-	(24,852)	-	16,775,988
1000s Banking Taxes	2,609,620	2,101,419	508,201	24.2%	18,481,520	16,561,695	1,919,825	11.6%	22,865,980
1100s Alcoholic Beverages	528,008	355,400	172,608	48.6%	4,093,790	2,859,688	1,234,102	43.2%	4,270,138
1200s Amusements Tax	-	-	-	-	-	-	-	-	-
1300s Harness Racing Parimutual	833,876	726,429	107,447	14.8%	6,867,298	7,164,407	(297,109)	(4.1%)	10,588,118
1400s Business Taxes	1,691,155	1,447,621	243,534	16.8%	8,059,986	7,851,001	208,985	2.7%	12,625,645
1500s Motor Vehicle Licenses	358,734	371,768	(13,034)	(3.5%)	3,528,696	3,867,175	(338,479)	(8.8%)	4,795,515
1700s Inland Fisheries & Wildlife	480,969	637,746	(156,777)	(24.6%)	11,907,647	11,519,488	388,159	3.4%	17,420,998
1900s Other Licenses	1,245,162	2,150,367	(905,205)	(42.1%)	3,649,653	4,497,342	(847,689)	(18.8%)	4,617,994
Total Other Taxes & Fees	14,895,860	14,491,479	404,381	2.8%	99,653,124	96,356,680	3,296,444	3.4%	149,281,382
<u>Detail of Other Revenues</u>									
2200s Federal Revenues	3,620,295	1,071,379	2,548,916	237.9%	8,989,770	11,475,714	(2,485,944)	(21.7%)	14,689,850
2300s County Revenues	-	-	-	-	-	-	-	-	-
2400s Revenues from Cities and Towns	41,292	63,100	(21,808)	(34.6%)	154,456	215,900	(61,444)	(28.5%)	256,825
2500s Revenues from Private Sources	122,218	190,942	(68,724)	(36.0%)	1,166,204	1,348,272	(182,068)	(13.5%)	9,590,360
2600s Current Service Charges	2,439,016	2,612,452	(173,436)	(6.6%)	21,379,259	23,453,684	(2,074,425)	(8.8%)	32,369,184
2700s Transfers from Other Funds	1,660,742	967,014	693,728	71.7%	(7,044,259)	(5,974,590)	(1,069,669)	17.9%	598,082
2800s Sales of Property & Equipment	-	2,500	(2,500)	(100.0%)	190,982	1,043,176	(852,194)	(81.7%)	1,585,676
Total Other Revenues	7,883,563	4,907,387	2,976,176	60.6%	24,836,412	31,562,156	(6,725,744)	(21.3%)	59,089,977

NOTE: This report has been prepared from preliminary month end figures and is subject to change

STATE OF MAINE

Undedicated Revenues - General Fund
 For the Ninth Month Ended March 31, 2011 and 2010
 For the Fiscal Years Ending June 30, 2011 and 2010
 Comparison to Prior Year

EXHIBIT IV

	Month				Year to Date			
	Current Year	Prior Year	Variance Over/(Under)	Percent Over/(Under)	Current Year	Prior Year	Variance Over/(Under)	Percent Over/(Under)
<u>Detail of Other Taxes & Fees</u>								
0100s All Others	4,555,961	3,983,124	572,836	14.4%	26,424,091	24,072,058	2,352,032	9.8%
0300s Aeronautical Gas Tax	18,772	19,047	(275)	(1.4%)	201,940	198,619	3,321	1.7%
0400s Alcohol Excise Tax	1,190,160	1,246,312	(56,152)	(4.5%)	12,826,164	12,406,623	419,541	3.4%
0700s Corporation Taxes	1,383,443	1,476,389	(92,946)	(6.3%)	3,637,191	3,388,634	248,557	7.3%
0800s Public Utilities	-	-	-	-	(24,852)	67,504	(92,357)	(136.8%)
1000s Banking Taxes	2,609,620	2,975,520	(365,900)	(12.3%)	18,481,520	17,535,442	946,078	5.4%
1100s Alcoholic Beverages	528,008	501,474	26,535	5.3%	4,093,790	3,123,710	970,079	31.1%
1200s Amusements Tax	-	-	-	-	-	-	-	-
1300s Harness Racing Parimutual	833,876	717,710	116,166	16.2%	6,867,298	6,720,064	147,234	2.2%
1400s Business Taxes	1,691,155	1,394,857	296,298	21.2%	8,059,986	12,382,918	(4,322,932)	(34.9%)
1500s Motor Vehicle Licenses	358,734	405,222	(46,489)	(11.5%)	3,528,696	3,717,939	(189,243)	(5.1%)
1700s Inland Fisheries & Wildlife	480,969	298,461	182,508	61.1%	11,907,647	11,852,389	55,259	0.5%
1900s Other Licenses	1,245,162	40,460	1,204,702	2977.5%	3,649,653	217,158	3,432,495	1580.6%
Total Other Taxes & Fees	14,895,860	13,058,576	1,837,284	14.1%	99,653,124	95,683,060	3,970,064	4.1%
<u>Detail of Other Revenues</u>								
2200s Federal Revenues	3,620,295	50,031	3,570,264	7136.2%	8,989,770	7,840,356.76	1,149,413	14.7%
2300s County Revenues	-	-	-	-	-	-	-	-
2400s Revenues from Cities and Towns	41,292	22,563	18,729	83.0%	154,456	76,938.00	77,518	100.8%
2500s Revenues from Private Sources	122,218	251,511	(129,294)	(51.4%)	1,166,204	1,416,794.21	(250,591)	(17.7%)
2600s Current Service Charges	2,439,016	3,070,839	(631,823)	(20.6%)	21,379,259	#####	(2,996,712)	(12.3%)
2700s Transfers from Other Funds	1,660,742	477,726	1,183,016	247.6%	(7,044,259)	#####	5,880,502	(45.5%)
2800s Sales of Property & Equipment	-	-	-	-	190,982	50,587.60	140,395	277.5%
Total Other Revenues	7,883,563	3,872,670	4,010,893	103.6%	24,836,412	20,835,888	4,000,525	19.2%

NOTE: This report has been prepared from preliminary month end figures and is subject to change

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STATE OF MAINE

Undedicated Revenues - Highway Fund
 For the Ninth Month Ended March 31, 2011
 For the Fiscal Year Ending June 30, 2011
 Comparison to Budget

EXHIBIT V

	Month				Year to Date				Total Budgeted Fiscal Year Ending 6-30-2011
	Actual	Budget	Variance Over/(Under)	Percent Over/(Under)	Actual	Budget	Variance Over/(Under)	Percent Over/(Under)	
Fuel Taxes	15,597,536	16,272,973	(675,437)	(4.2%)	145,768,005	145,651,090	116,915	0.1%	215,873,796
Motor Vehicle Registration & Fees	7,144,419	5,264,370	1,880,049	35.7%	58,439,358	55,176,098	3,263,260	5.9%	78,047,070
Motor Vehicle Inspection Fees	154,585	216,700	(62,115)	(28.7%)	2,208,194	2,120,300	87,894	4.1%	2,952,500
Miscellaneous Taxes & Fees	82,316	79,205	3,111	3.9%	915,614	931,920	(16,306)	(1.7%)	1,325,823
Fines, Forfeits & Penalties	79,722	106,245	(26,523)	(25.0%)	893,157	963,748	(70,591)	(7.3%)	1,305,049
Earnings on Investments	7,325	7,844	(519)	(6.6%)	90,788	98,510	(7,722)	(7.8%)	122,038
All Other	302,655	572,145	(269,490)	(47.1%)	5,908,529	6,220,442	(311,913)	(5.0%)	8,102,531
Total Collected	23,368,557	22,519,482	849,075	3.8%	214,223,644	211,162,108	3,061,536	1.4%	307,728,807

NOTE: This report has been prepared from preliminary month end figures and is subject to change.

STATE OF MAINE

Undedicated Revenues - Highway Fund
 For the Ninth Month Ended March 31, 2011 and 2010
 For the Fiscal Years Ending June 30, 2011 and 2010
 Comparison to Prior Year

EXHIBIT VI

	Month				Year to Date			
	Current Year	Prior Year	Variance Over/(Under)	Percent Over/(Under)	Current Year	Prior Year	Variance Over/(Under)	Percent Over/(Under)
Fuel Taxes	15,597,536	16,182,069	(584,533)	(3.6%)	145,768,005	147,212,555	(1,444,550)	(1.0%)
Motor Vehicle Registration & Fees	7,144,419	5,462,761	1,681,658	30.8%	58,439,358	53,815,570	4,623,787	8.6%
Motor Vehicle Inspection Fees	154,585	204,305	(49,720)	(24.3%)	2,208,194	2,109,319	98,875	4.7%
Miscellaneous Taxes & Fees	82,316	97,386	(15,070)	(15.5%)	915,614	948,487	(32,872)	(3.5%)
Fines, Forfeits & Penalties	79,722	100,245	(20,523)	(20.5%)	893,157	1,147,155	(253,998)	(22.1%)
Earnings on Investments	7,325	16,147	(8,822)	(54.6%)	90,788	105,770	(14,982)	(14.2%)
All Other	302,655	529,917	(227,262)	(42.9%)	5,908,529	6,788,457	(879,928)	(13.0%)
Total Collected	23,368,557	22,592,829	775,728	3.4%	214,223,644	212,127,312	2,096,332	1.0%

NOTE: This report has been prepared from preliminary month end figures and is subject to change.

Economic Assumptions

Assumptions Used in Sales & Excise Model

- (1) Total Personal Income
- (2) Inflation (CPI-U)
- (3) Total Employment Growth
 - (a) Growth by Sector
- (4) Forecast of CPI for Energy Prices (Global Insights – March 2011)
- (5) Forecast of new passenger car & light truck registrations in Maine (Global Insights – March 2011)
- (6) Forecast of average price of new vehicle (Global Insight – March 2011)
- (7) Forecast of Personal Savings Rate (Global Insight – March 2011)

Assumptions Used in Individual Income Tax Model

- (8) Total Personal Income
 - (a) Growth by Component
- (9) Inflation (CPI-U)
- (10) Total Employment Growth
- (11) Unemployment Rate
- (12) 3-Month Treasury Bill Rate
- (13) 10-Year Treasury Note Rate

Assumptions Used in Corporate Income Tax Model

- (14) Inflation (CPI-U)
- (11) Total Employment Growth
 - (a) Growth by Sector
- (12) Forecast of Before-Tax Corporate Book Profits (Global Insight – March 2011)



U.S. EXECUTIVE SUMMARY

MARCH 2011

Will the Recovery Skid on Oil?

Forecast Highlights

- Most indicators were showing solid economic momentum before the Middle Eastern turmoil sent oil prices soaring.
- So long as oil supply disruptions do not spread beyond Libya, we expect the impact on U.S. economic growth to be small. But the risk of a damaging oil shock has clearly risen.
- Our GDP growth forecasts remain at 3.2% for 2011 and 2.9% for 2012. Fiscal tightening is the primary reason why growth slows in 2012.
- Surging oil and food prices are sending headline inflation higher, and there is some evidence that core inflation is moving off the floor. But wage inflation is very low.
- Budget flashpoints are still looming, in the extension of government funding due March 18, and the debt ceiling extension due after that. We assume that cuts in spending authority fall well short of House Republicans' demands for this year.
- We assume no further quantitative easing from the Federal Reserve beyond that already announced. We assume that the Fed begins to raise interest rates only in 2012.

The Forecast in Brief

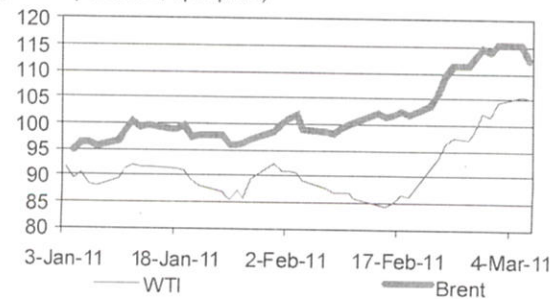
Events in the Middle East have raised the **specter of another oil shock**. The latest lurch upwards in oil prices to around \$105 for West Texas Intermediate oil (and \$116 for Brent) reflects an actual supply interruption from Libya and a risk premium reflecting the possibility of more serious disruptions elsewhere. Our baseline forecast assumes

that supply disruption does not spread beyond Libya, and that roughly \$10/barrel in risk premium comes out of the oil price quickly (we assume a \$94/barrel average price for WTI oil in the second quarter). For the year as a whole, we have moved our WTI assumption only marginally higher, from \$91 to \$93/barrel, and our GDP growth forecast remains at 3.2%. Less benign outcomes are clearly a major risk—we reiterate our rule of thumb that every \$10 added to the oil price knocks about 0.2 percentage point off the current-year growth rate. A worst case involving disruption to Saudi production would take us to \$200/barrel or higher, and would indeed derail the recovery.

Most indicators show the **economy carrying a good head of steam** into the oil shock. Manufacturing activity is surging, with exports and capital equipment spending picking up rapidly. Consumer spending growth has cooled, but the loss of momentum was probably exaggerated by January's bad weather. February was better for consumption—especially for vehicle sales. The economy is still not firing on all cylinders, though. House prices continue to decline, and sales and starts have not yet climbed off the floor; state and local government budget cuts continue to bite; and federal

Middle East Turmoil Sends Oil Prices Higher

(Dollars per barrel, spot price)



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MRS-10

spending cuts are on the way. We have assumed a compromise on the fiscal 2011 budget that falls well short of the steep cuts in discretionary spending authority (\$60 billion for FY 2011) demanded by House Republicans, but with the promise of further cuts next year. It may yet require a government shutdown to produce that compromise.

Job creation accelerated sharply in February, although it is hard to disentangle any underlying improvement from a better-weather bounce. We suspect that the payroll survey is underestimating the speed of the labor-market improvement, not least because the household survey is showing a more optimistic picture. The near-one-percentage-point decline in the **unemployment rate** since November (from 9.8% to 8.9%) is primarily due to faster job creation, not a shrinking labor force. We expect a more significant pickup in payroll employment during coming months (averaging just above 200,000 over the next 12 months). Getting the jobless rate down further should prove a slow process, though, since there are many workers outside the labor force ready to come back once they see jobs being created. We see the unemployment rate around 8.5% at the end of this year.

Poor weather has disrupted activity in the current quarter. Although most survey evidence shows solid momentum, there is now clearer evidence of the damage to economic growth from January's inclement weather (notably in retail sales and construction spending). As a result, we have marked down our estimate of first-quarter growth to 3.3%, from 4.1%. As the weather effect reverses, we have marked up our estimate of second-quarter growth to 4.2%, from 3.3%.

The **consumer** mood has improved, although we expect that upcoming readings on sentiment will show a hit from the surge in gasoline prices. Real consumer spending will not maintain the fourth quarter's 4.1% pace in the current quarter—we see just 2.5% growth—but that was depressed by the snowstorms that held back spending in January. A still-sluggish employment market, high debt levels, a weak housing market, and tight credit mean that this remains a modest consumer rebound by historical standards—all of the worries holding consumers back have not suddenly disappeared—but we do expect consumer spending growth of 3.0% in 2011, up from 1.8% in 2010.

Faster consumer spending growth is driving **light-vehicle sales** higher; we expect 13.3-million units to be sold in 2011, up from 11.5-million units in 2010. That is an upward revision from last month's 13.1-million forecast, reflecting the fast start to the year that has seen sales average 13.0 million units (annual rate) in January and February.

Housing remains a key downside risk for 2011. Sales and starts are still deeply depressed, and house prices began to decline again in the second half of 2010. There remains a fundamental oversupply, and we continue to pay the price for the homebuyer tax credit, which sucked sales into the first half of 2010 and temporarily propped up prices. We anticipate a further decline in prices of close to 5%. But it would likely take a steeper price decline than that to reignite a financial crisis. As employment growth picks up, we expect **housing starts to improve gradually, but only to 680,000 units in 2011, up from 585,000 in 2010.**

Capital equipment remains an important driver of GDP growth, although momentum did slow in the fourth quarter, when **business equipment and software spending** growth slowed to 5.5%, from 15.4% in the third. We think that this will prove to be merely a pause, and expect spending growth to reaccelerate to double-digit rates this year. Businesses are flush with cash and will want to address replacement needs neglected during the recession. The expanded investment incentives in the tax package will give an extra reason to spend.

On the **business structures** side, there are now some tentative signs that activity is stabilizing. The architects' billings index, a useful leading indicator, has regained the breakeven mark. Spending on buildings tumbled at a 21.1% annualized rate in the fourth quarter and another big decline is likely in the first quarter, exacerbated by bad weather. We then expect spending on buildings to flatten through the end of the year, before beginning a recovery in 2012. Some easing in natural gas drilling should occur over the course of 2011, reflecting high inventories and low prices, although that would still leave 2011 drilling higher on average than 2010.

In the **state and local government sector**, tax revenues are beginning to edge higher (thanks partly to tax hikes), but unresolved budget problems loom large. Support for

capital spending from the initial ARRA stimulus is still coming through, but federal support for current spending is winding down. Incoming state administrations are looking at spending cuts rather than tax increases to close looming budget gaps for fiscal 2012, which begins July 1. We expect real state and local government spending to decline 1.6% this calendar year and another 1.0% in calendar 2012.

The **federal budget deficit** narrowed slightly to \$1.3 trillion in fiscal 2010, from \$1.4 trillion in 2009, but the extra stimulus in December's tax package will widen the deficit to \$1.4 trillion again in 2011. Agreement on the tax package was reached relatively easily—because it involved giveaways, not tough decisions. At some point—probably after the 2012 elections—tough decisions will have to be made on both spending and taxes. But with some congressional Republicans seeking sharp spending cuts now (more than our forecast assumes), potential flashpoints loom, with the latest continuing resolution that funds the government expiring on March 18, and a vote on raising the debt ceiling expected sometime this spring.

Export growth improved in the fourth quarter, to 9.6% at an annual rate. Rapid growth in emerging markets and a weak dollar should keep export growth at roughly that pace during 2011. Imports plunged in the fourth quarter, making trade a huge plus for GDP growth. This decline partly reflected slower inventory building, and partly reflected an odd seasonal-adjustment procedure that drove measured oil imports way down during the fourth quarter. Imports will revive as inventory building gathers pace again, although the export surge is expected to be strong enough to make trade a net contributor to GDP growth in 2011.

Higher oil prices have driven the **dollar** down against the euro, as the markets have correctly viewed the European Central Bank as much more likely than the Fed to raise interest rates in response. But the still-unresolved debt crises in the Eurozone periphery mean that the euro is not a one-way bet. Over the full year 2011, we expect the dollar to move sideways against major currencies, on average, but to depreciate against emerging-market currencies. The **current-account deficit** shrank during the recession as import demand and oil prices plunged, but it is now creeping higher again. The deficit probably widened to 3.2% of

GDP in 2010 (from 2.7% in 2009), and should reach 3.6% of GDP this year.

Inflation is becoming more of a concern. A combination of higher gasoline prices and higher food prices is pointing to CPI inflation of around 2.5% this year. We also have evidence of higher core inflation, with some sellers feeling confident enough to pass on higher commodity costs. Crucially, though, we do not see higher wage inflation, with the unemployment rate still near 9%, and plenty of other potential workers not counted in the labor force. Unless wage inflation accelerates, we see any pickup in core inflation as limited.

Bond yields have been bouncing up and down in response to the news from the Middle East. Risk aversion rather than inflation fears has dominated, so yields have fallen whenever oil prices have spiked. Assuming that the Middle East calms down, the trend in yields is upwards. Although we see bond yields heading substantially higher over the long term, we think that it is too early for a major bear market to begin, because there is still plenty of slack in the U.S. economy and domestic inflation is still too distant a threat.

Federal Reserve chairman Ben Bernanke has said that downside risks to the recovery have receded and the risk of deflation has become negligible. Since these were the very risks that prompted the Fed to launch its second round of quantitative easing in November, that raises the question of whether it needs to implement the full \$600 billion in extra Treasury purchases. But the Fed has not hinted that it will stop short, and we continue to assume that the program expires on schedule in mid-2011. We still assume no interest rate hike until 2012. The Fed is not the European Central Bank, and it will not raise interest rates just because headline inflation is rising.

How Big of a Threat to the Recovery Is the Turmoil in the Middle East and North Africa?

Relatively peaceful revolutions in Tunisia and Egypt, and a much bloodier civil war in Libya, have been accompanied by mass protests in Bahrain, Yemen, Oman, Algeria, Jordan, Iraq, and Iran. While the rebellions sweeping across North Africa and the Middle East are bringing some momentous political changes, their consequences for oil prices and for the U.S. and the world economies are less

dramatic. The extent of disruptions to energy markets and the global economy will depend largely on what happens in the Persian Gulf region, especially in Saudi Arabia and Iran. So far, the actual disruptions have been relatively minor—representing around 1% of world oil demand. Nevertheless, fears of further disruptions have pushed oil prices to their highest levels since autumn 2008.

Turmoil in North Africa and the Middle East: More Dominoes to Fall? Ironically, the relatively peaceful resolutions of the political uprisings in Tunisia and Egypt have encouraged protests elsewhere. Tunisia's political situation will likely remain in flux, damaging tourism and lowering real GDP growth in that country. For Egypt, the process of moving to a more democratic government is just beginning and road could be quite bumpy. The turmoil has hurt tourism during the peak season, while labor strikes and outflows of expatriate workers have impaired business activity. The economic recovery will be gradual (and weaker than previously expected) as the country awaits presidential elections in September. The good news for the world economy is that oil supplies and trade flows were not disrupted by the events in these two countries.

Libya is a different matter altogether. The turmoil there has turned more violent and all bets are off as to how the burgeoning civil war will finally be resolved. There have been major disruptions to oil production and exports. Libya produced 1.6 million barrels per day of crude oil in January. This represents about 2% of world demand. Currently, more than half of this capacity is shut in. Since oil exports have provided 90% of government revenues, it would be in the interest of any new (or old) regime to restore production and exports quickly. In the meantime, oil production and growth are likely to take big hits (literally and figuratively).

There is a possibility of further unrest and significant instability in Bahrain, Yemen, Iraq, and Jordan. In Oman, protesters are likely to remain loyal to the monarchy, but will begin to demand greater political participation. Current regimes are expected to remain firmly in control in Algeria and Iran, as protest fatigue and government clampdowns there have worn down opposition movements.

The oil-rich countries in the region are at least risk because of higher living standards and increased payments to the

poorest segments of their populations. Saudi Arabia's King Abdullah recently announced a new social-support package of 135 billion riyal (US\$36 billion). Kuwait is distributing grants of 1,000 dinars (US\$3,559) to every citizen, along with free essential foods. Real GDP growth in Saudi Arabia, the United Arab Emirates, Kuwait, and Qatar could well be boosted by varying degrees because of increases in oil output to offset losses in Libyan production.

Crude Oil Prices: How Much Longer Will the "Fear Premium" Last? Current market prices include a geopolitical risk premium of \$10-15 per barrel, resulting in a dated Brent price of \$116 and a WTI price of \$105. The rise in oil prices since the beginning of February reflects the chaos in Libya and, more broadly, worries about potential instability in the region's other major oil-exporting countries. OPEC's spare capacity in February was 4.6 million barrels per day, most of it in Saudi Arabia. The Libyan shortfall will likely be replaced by lower-quality, heavier crude oil from Saudi Arabia and other OPEC members. If supply disruptions do not spread beyond Libya, the "fear premium" should decrease significantly over the next few months. IHS CERA projects average 2011 prices of \$100 for Brent and \$93 for WTI (an increase of \$2/barrel from last month's forecast). The forecast beyond 2011 is unchanged, with the WTI price rising to \$95 in 2012 and \$99 in 2013, as the spread between Brent and West Texas Intermediate narrows to about \$3 per barrel. Brent (representing a mix of crude oil streams from the North Sea) is currently a better guide to market conditions than WTI crude oil. Congestion problems at Cushing, Oklahoma—the delivery point for the WTI contract—have caused WTI to trade at a discount.

Worst-Case Scenario? Nevertheless, price risks are concentrated on the upside, reflecting the possibility that political upheavals will spread to other major oil producers. A disruption to Iranian production could push crude oil prices to the \$150-180/barrel range. A worst-case scenario would involve a loss of Saudi oil production, sending prices to \$200 or higher. Using rules of thumb developed by IHS Global Insight, oil prices around \$150/barrel (sustained for a year) would cut GDP growth by 1.0-1.5 percentage points—producing very weak growth, but probably no recession. But oil prices at or above \$200 would be enough to derail the U.S. and global recoveries. At this point, the

Model-Estimated Impacts of a \$10/Barrel Rise in Crude Oil Prices

(Percent difference from baseline unless otherwise noted)

	Year One	Year Two
Real GDP	-0.21	-0.52
Real Consumer Spending	-0.23	-0.51
Real Disposable Income	-0.40	-0.53
Consumer Price Index	0.46	0.52
Employment (Thousands)	-120	-410
Vehicle Sales (Thousand units)	-180	-270

probability of \$150/barrel oil, let alone \$200/barrel oil, is still relatively low.

Bottom Line. If oil supply disruptions do not spread beyond Libya, the risk premium in crude oil prices will drop in the weeks ahead and the impact on growth will be small. If, on the other hand, the turmoil spreads and oil prices rise to or above their 2008 levels, then all bets are off.

Key Forecast Assumptions

Fiscal Policy: Taxes. As far as is possible, our forecast incorporates December's tax package. However, we cannot fully incorporate the effects of enhanced depreciation allowances on pre-tax corporate profits and corporate taxes, because the retroactive 50% bonus depreciation (back to January 2010) will not be incorporated into the national income accounts data until the July 2011 revisions are released. We continue to assume that income taxes will rise, beginning in 2013 for high earners, but beginning in 2014 for all taxpayers.

Fiscal Policy: Spending Restraint. After a 3.9% increase in real defense spending during calendar 2010, we assume a 0.3% decline in 2011 and a sharper 4.1% drop in 2012, reflecting overseas contingency operations winding down. We assume that other real federal government spending on goods and services rises 1.3% in 2011, after a 6.6% jump in 2010, but then declines 1.2% in 2012 as the government tries to go beyond the administration's freeze and actually cut discretionary spending in nominal dollars. We assume nominal nondefense spending (excluding capital consumption) will be roughly flat for five years. We have assumed that federal government civilian pay will be frozen again in 2012, as in 2011.

Oil Price Projection Raised Slightly for 2011. We assume that oil prices (West Texas Intermediate) move back down into the \$90-95 range over the rest of the year, conditional on increasing stability in the Middle East. That yields a 2011 average price of \$93/barrel (above our February assumption of \$91). Our average 2012 price remains at \$95/barrel. We assume that gasoline prices average \$3.56/gallon in the second quarter.

Federal Reserve to Hold Rates Near Zero Until March 2012. The Fed has kept its federal funds target in the 0.00-0.25% range since December 2008. We assume that it completes the \$600-billion program of Treasury security purchases in mid-2011, as scheduled, but does not expand the program. We assume that it begins to tighten only in March 2012.

Dollar to Continue Sliding Against Emerging-Market Currencies. We see little net movement in the dollar against major currencies over the course of 2011, although the dollar/euro rate will probably remain volatile. The dollar has weakened against the euro so far this year, most recently in response to higher oil prices, but the euro remains vulnerable to further shock waves from the sovereign debt crisis. We assume that the euro slips to \$1.35 by mid-2011 and remains there at year-end, roughly where it closed 2010. For other key currencies, we assume year-end 2011 values of C\$1.02/U.S. dollar and 82 yen/U.S. dollar. We still see the dollar's long-run trend as downward, but more against emerging-market currencies than against major currencies. China has loosened its currency peg and we expect a gradual appreciation of the renminbi, amounting to 5.3% in 2011, after the 3.5% gain in 2010.

Global Growth Slower in 2011. Although we expect U.S. growth to be faster in 2011 than in 2010, growth in the rest of the world should be slower. We project GDP growth in the United States' major-currency trading partners to ease to 2.3% in 2011, from 2.6% in 2010. GDP growth for other important trading partners is projected to moderate to 5.4% in 2011, from 7.2% in 2010.

by Nariman Behraves and Nigel Gault

Risks to the Forecast

Despite the January weather disruptions, the U.S. economy seems to be moving ahead at a solid pace. Manufacturing, capital spending, and exports continue to post strong gains, while consumer spending is expected to strengthen after a brief weather-related January slowdown. Housing remains a major downside risk, and global financial conditions are not yet "all clear." Furthermore, the Middle Eastern turmoil is leading to an unwelcome surge in oil prices. Will the recovery skid on oil, or will underlying momentum help the economy accelerate toward sustainable growth?

In the optimistic scenario, a sustained recovery is well underway, with companies adding jobs, unemployment falling, and housing getting back on track more quickly than in the baseline. A quick resolution to the turmoil in the Middle East brings down oil prices, while lower food prices help to lessen the financial strain on consumers, boosting confidence and spending.

In the pessimistic scenario, surging oil and food prices combine with tight credit, a deeper decline in house prices, weak employment and wage growth, and sovereign debt issues in Europe to derail the U.S. recovery. This scenario assumes another blow to consumer and business confidence, a temporary government shutdown, and much slower foreign growth.

The Recovery Accelerates (20% Probability): In the optimistic scenario, the momentum building in the private sector continues and brings with it sustained economic growth. This scenario is driven primarily by a revival in private-sector confidence that leads to increases in both consumer spending and business investment (both residential and nonresidential). The optimistic simulation also assumes stronger growth in total factor productivity (which measures how technological progress augments economic growth). Higher productivity supports lower inflation and stronger income gains over the long term.

In this scenario, the rebellion in Libya is resolved quickly and without any damage to oil facilities. The new regime quickly resumes oil production and exports, relieving some of the pressure on global oil prices. As such, oil prices immediately fall below the baseline and remain lower over

the longer term because of more positive assumptions about oil supply.

In the short term, lower oil and food costs mean that prices rise more slowly than in the baseline. Consumer price inflation is 2.3% in 2011, compared with 2.5% in the baseline.

GDP growth averages 3.9% in 2011 and 4.0% in 2012 (compared with 3.2% and 2.9% in the baseline). Stock markets advance, and the S&P 500 trends 4.8% higher than the baseline in 2011. As a result of the stronger growth, long-term interest rates rise faster than in the baseline, but the Federal Reserve begins to raise rates during the third quarter of 2011, calming the bond market and bolstering confidence that inflation will remain subdued over the longer term.

With credit channels functioning more normally, business fixed investment rebounds 11.9% in 2011 (versus 9.1% in the baseline), while consumer spending grows 3.5% (3.0% in the baseline). Light-vehicle sales reach 14.0-million units in 2011 and 16.1-million units in 2012 (versus 13.3 million and 14.9 million in the baseline). The optimistic scenario also sees a stronger recovery in residential investment, with housing starts rising to 769,000 units in 2011 (680,000 in the baseline) and sales of existing homes much stronger.

The optimistic scenario assumes a stronger growth rate for global GDP across the forecast period, coupled with a stronger dollar, due primarily to lower oil prices and better short-term U.S. growth prospects. The higher dollar is a slight drag on GDP in the short run, but U.S. businesses continue to take advantage of growing demand in emerging markets. Exports increase 11.0% in 2011, compared with 9.5% in the baseline.

Taken together, these assumptions produce a much brighter economic outlook than the baseline. The unemployment rate falls immediately in the optimistic scenario, dropping below 8% by the end of 2011 and below 7% by the end of 2012. A stronger labor market combines with lower food and gasoline prices to boost consumer sentiment quickly, while industrial production rises 6.5% in 2011 and 5.1% in 2012 (versus 5.3% and 3.2% in the baseline).

In short, the optimistic alternative sees a quick resolution to turmoil in the Middle East and stronger, more stable U.S.

growth relative to the baseline, without adverse consequences for the long-term inflation outlook.

The Recovery Skids on Oil (20% Probability): In the pessimistic scenario, turmoil in the Middle East brings about a surge in oil prices that hits the U.S. economy at a bad time. Growth momentum slows early in the year and then turns negative during the summer.

The timing of higher oil and food prices could not be worse for the private sector. Households have no alternative but to cut other spending in the face of higher grocery and gasoline prices. Businesses, also facing higher input costs, are forced to cut all remaining costs, including payrolls. The downward pressure on wages lowers real income and further squeezes households. The blow to private-sector confidence is substantial, and acts as a major drag on real GDP growth. The housing sector also suffers from the poor consumer confidence, tight credit, and weak employment. As a result, demand for housing continues to decline and home prices plumb new depths.

This scenario assumes that Washington is unable to come to terms on the fiscal 2011 budget by March 18, resulting in a two-week government shutdown. This further reduces first-quarter GDP growth.

With headline price inflation soaring (due to higher energy and food prices) but unemployment rising and wage inflation weak, the Federal Reserve has no desire to tighten monetary policy. But high headline inflation inhibits any further easing.

In this scenario, the U.S. economy is not alone in its misery. Europe continues to languish, as tighter fiscal and monetary policies and no long-term solutions to the sovereign debt issue prevents a sustainable recovery. Food and oil inflation causes growth to stall in emerging economies. Furthermore, geopolitical tensions and heightened risk aversion send stock markets lower.

Weak employment, low incomes, and tight credit further reduce the demand for new and existing homes. This increases the oversupply of empty homes on the market, as foreclosures continue to rise and household formation slips further. Low demand and oversupply push housing prices lower, and the median price of existing homes falls 11%

below the baseline in 2012. Housing starts drop back to a low of 500,000 units in 2011 and rebound to only 810,000 units in 2012 (compared with an improvement to 680,000 units in 2011 and 1,090,000 units in 2012 in the baseline). Low housing prices, a weak stock market performance, and low incomes reduce household wealth and push consumer confidence halfway back to their Great Recession depths. As a result, households retrench and consumer spending plunges. Not least affected by this downturn are light-vehicle sales, which reach just 11.9-million units in 2011 and 12.7-million units in 2012 (versus 13.3 million and 14.9 million in the baseline).

In this scenario, higher oil prices lead to a weaker dollar and cause headline inflation to spike to 3.7% in 2011 (compared to 2.5% in the baseline). Core CPI inflation, however, remains under control at 1.5% in 2011 (compared with 1.4% in the baseline) as excess capacity in the labor market keeps wages in check. With oil prices declining from their summer-2011 peak, headline inflation falls back to 1.8% in 2012 (the same as in the baseline), giving no reason for any monetary tightening. Indeed, the Fed keeps the federal funds rate in the 0.00-0.25% target range until late 2012.

But when the economy eventually recovers from the latest setback, inflation quickly surges. The eventual release of pent-up demand creates production bottlenecks, as spare capacity proves to be insufficient to keep up. In addition, weak productivity growth, still-high energy prices, and a still-weakening dollar (as worries about the U.S. government's willingness and capacity to rein in the federal deficit reemerge) add to the inflationary pressure. The Fed reacts by rapidly raising interest rates. But its response is too late, and core CPI inflation shoots up to 2.8% by 2014. Monetary tightening eventually stabilizes core inflation at around 3%, but the Fed abandons its previous goal of 2%.

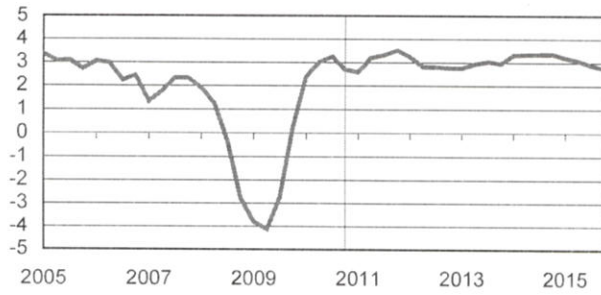
Over the longer term, the U.S. economy continues to suffer from "post-Great Recession" symptoms. Successive bouts of false starts followed by inflationary surges have a dramatic negative impact on consumer and business confidence. Productivity advances just 1.2% on average over the next decade, compared with 1.7% in the baseline.

by Gregory Daco and Erik Johnson

Forecast at a Glance

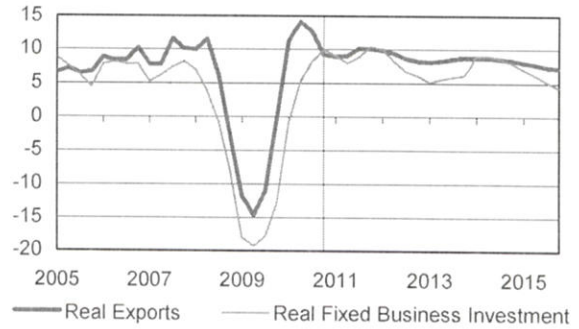
Sustained Growth Returns

(Real GDP, percent change from a year earlier)



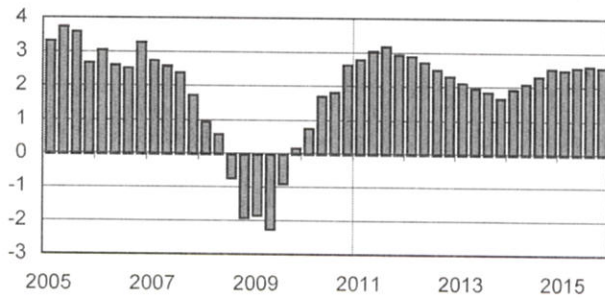
Exports Turned Quickly; Investment Follows

(Percent change from a year earlier)

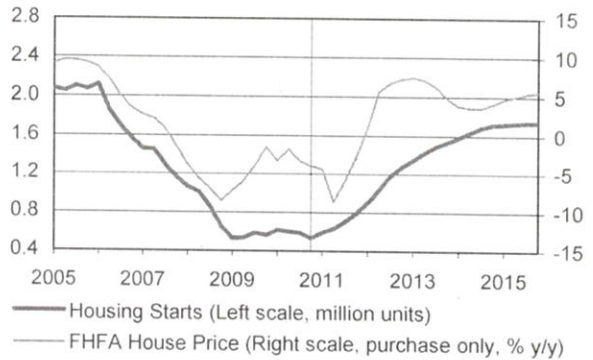


Consumer Spending Has Gained Momentum

(Real consumer spending, percent change from a year earlier)

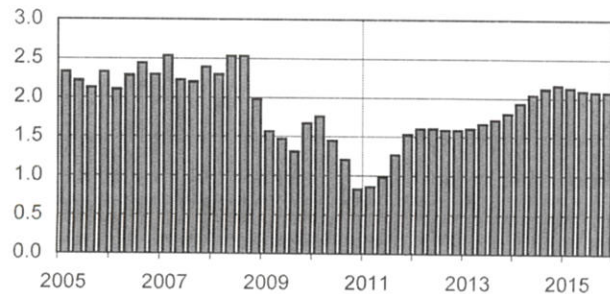


Housing Starts Bottoming Out



Core Inflation Has Hit Bottom

(Core consumption price index, percent change from a year earlier)



Fed Holds Rates Near 0% Until 2012

(Percent)

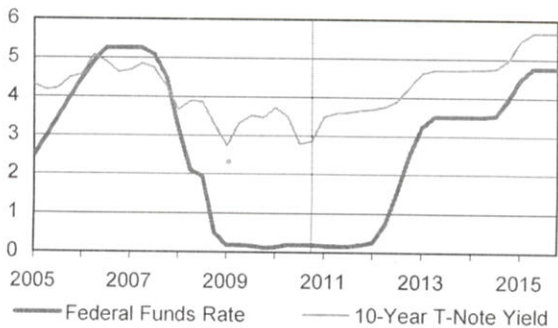


TABLE 1
Monthly Economic Indicators

	Jan. 2010	Feb. 2010	Jul. 2010	Aug. 2010	Sep. 2010	Oct. 2010	Nov. 2010	Dec. 2010	Jan. 2011	Feb. 2011	2008	2009	2010
Industrial Markets													
Industrial Prod. Total (2007=100.0)	90.5	90.5	93.5	93.6	93.9	93.8	94.1	95.2	95.1		96.7	87.7	92.7
Percent Change	1.0	0.0	0.9	0.1	0.3	0.0	0.3	1.2	-0.1		-3.3	-9.3	5.7
Percent Change Year Earlier	1.5	2.3	7.8	6.6	6.2	5.9	5.6	6.3	5.2				
Capacity Utilization, Manufacturing (%)	69.8	69.7	72.3	72.3	72.4	72.7	72.9	73.5	73.7		75.0	67.2	71.8
Unemployment Rate (%)	9.7	9.7	9.5	9.6	9.6	9.7	9.8	9.4	9.0	8.9	5.8	9.3	9.6
Payroll Employment (Mil.)	129.281	129.246	129.932	129.873	129.844	130.015	130.108	130.260	130.323	130.515	136.778	130.789	129.822
Change (Mil.)	-0.039	-0.035	-0.049	-0.059	-0.029	0.171	0.093	0.152	0.063	0.192	-0.809	-5.989	-0.967
Leading Indicator (1992=1.000)	1.067	1.072	1.090	1.091	1.099	1.101	1.113	1.122	1.123		1.010	1.013	1.092
Percent Change	0.5	0.5	0.2	0.1	0.7	0.2	1.1	0.8	0.1		-3.1	0.3	7.8
New Orders, Mfg. (Bil. \$)	406.3	408.0	411.1	411.3	423.7	420.7	426.1	432.0	445.6		451.7	371.3	416.1
Percent Change	3.0	0.4	0.5	0.0	3.0	-0.7	1.3	1.4	3.1		-1.0	-17.8	12.1
Inv. Chg., Mfg. & Trade (Bil. \$)	3.1	8.5	15.5	11.7	18.2	10.6	5.0	11.8			-8.3	-145.6	106.8
Merchandise Trade Bal. (Bil. \$)	-46.2	-50.7	-53.8	-57.8	-55.6	-49.6	-50.4	-52.5			-816.2	-503.6	-633.9
Consumer Markets													
Disposable Income (Bil. 2005\$)	10099	10107	10263	10291	10276	10296	10313	10328	10368		10043	10100	10239
Percent Change	-0.2	0.1	-0.2	0.3	-0.1	0.2	0.2	0.1	0.4		1.7	0.6	1.4
Personal Income (Bil. \$)	12324	12337	12559	12615	12612	12675	12708	12764	12897		12391	12175	12545
Percent Change	0.2	0.1	0.1	0.4	0.0	0.5	0.3	0.4	1.0		4.0	-1.7	3.0
Personal Saving Rate (%)	5.7	5.4	6.1	6.1	5.8	5.5	5.4	5.4	5.8		4.1	5.9	5.8
Consumer Expenditures (Bil. \$)	10183	10230	10322	10373	10404	10478	10512	10569	10593		10104	10001	10351
Percent Change	0.1	0.5	0.3	0.5	0.3	0.7	0.3	0.5	0.2		3.0	-1.0	3.5
Retail Sales (Bil. \$)	354.1	357.3	362.8	366.0	369.4	375.5	378.3	380.3	381.6		4409.4	4129.3	4397.9
Percent Change	0.2	0.9	0.5	0.9	0.9	1.6	0.8	0.5	0.3		-1.0	-6.4	6.5
Non-Auto. Retail Sales (Bil. \$)	294.6	298.7	300.1	303.2	305.6	308.2	310.8	311.8	312.7		3624.3	3439.4	3637.3
Percent Change	0.4	1.4	0.3	1.0	0.8	0.8	0.9	0.3	0.3		2.3	-5.1	5.8
New Light-Vehicle Sales (Mil.)	10.7	10.5	11.5	11.4	11.7	12.2	12.2	12.5	12.6	13.4	13.2	10.4	11.5
Housing Starts (Mil.)	0.612	0.605	0.550	0.614	0.601	0.533	0.548	0.520	0.596		0.900	0.554	0.585
New Home Sales (Mil.)	0.349	0.347	0.283	0.274	0.317	0.280	0.281	0.325	0.284		0.482	0.374	0.321
Existing Home Sales (Mil.)	5.090	5.020	3.860	4.240	4.410	4.380	4.640	5.220	5.360		4.894	5.149	4.918
Chg. Consumer Install. Credit (Bil. \$)	-2.1	-11.9	-5.5	-5.0	0.0	7.2	1.3	4.1	5.0		38.9	-111.7	-42.1
Prices and Wages													
CPI, All Urban Consumers	2.175	2.176	2.176	2.181	2.184	2.190	2.192	2.202	2.211		2.153	2.145	2.181
Percent Change Year Earlier	2.6	2.2	1.3	1.2	1.1	1.2	1.1	1.4	1.7		3.8	-0.3	1.6
Core Cons. Price Defl. (2005=100.0)	109.8	109.9	110.3	110.3	110.3	110.4	110.5	110.5	110.7		107.2	108.8	110.2
Percent Change Year Earlier	1.8	1.7	1.3	1.2	1.1	0.9	0.9	0.8	0.8		2.3	1.5	1.3
PPI, Finished Goods	1.789	1.782	1.786	1.797	1.802	1.813	1.825	1.841	1.855		1.772	1.727	1.800
Percent Change Year Earlier	4.7	4.4	4.0	3.2	3.9	4.3	3.5	4.1	3.7		6.4	-2.5	4.2
PPI, Industrial Commodities (NSA)	1.846	1.836	1.867	1.875	1.868	1.887	1.897	1.915	1.937		1.923	1.749	1.871
Percent Change Year Earlier	7.0	7.5	6.9	5.5	5.6	6.1	5.3	6.2	4.9		9.8	-9.1	7.0
Avg. Private Hourly Earnings (\$)	18.91	18.93	19.08	19.13	19.14	19.23	19.24	19.23	19.33	19.33	18.09	18.63	19.07
Percent Change Year Earlier	2.7	2.5	2.4	2.4	2.2	2.5	2.3	2.0	2.2	2.1	3.8	3.0	2.4
West Texas Int. Crude Oil (\$/bbl.)	78.21	76.42	76.18	76.82	75.31	81.90	84.14	89.04	89.42	89.58	99.61	61.69	79.41
Percent Change Year Earlier	87.4	95.1	18.9	8.1	8.4	8.0	7.8	19.8	14.3	17.2	37.8	-38.1	28.7
Henry Hub Spot Natural Gas (\$/mmbtu)	5.81	5.32	4.63	4.31	3.90	3.43	3.73	4.24	4.49	4.09	8.85	3.95	4.39
Percent Change Year Earlier	11.0	17.9	36.7	36.8	29.6	-14.7	0.9	-20.3	-22.6	-23.2	26.8	-55.4	11.1
Financial Markets													
Federal Funds Rate (%)	0.11	0.13	0.18	0.19	0.19	0.19	0.19	0.18	0.17	0.16	1.93	0.16	0.18
3-Month T-Bill Rate (%)	0.06	0.11	0.16	0.16	0.15	0.13	0.14	0.14	0.15	0.13	1.37	0.15	0.14
Commercial Bank Prime Rate (%)	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	5.09	3.25	3.25
Moody's Aaa Corp. Bond Yield (%)	5.26	5.35	4.72	4.49	4.53	4.68	4.87	5.02	5.04	5.22	5.63	5.31	4.94
10-Year Treasury Note Yield (%)	3.73	3.69	3.01	2.70	2.65	2.54	2.76	3.29	3.39	3.58	3.67	3.26	3.21
Conv. Mortgage Rate, FHLMC (%)	5.03	4.99	4.56	4.43	4.35	4.23	4.30	4.71	4.76	4.95	6.04	5.04	4.69
M1 Money Supply (Bil. \$)	1681	1703	1731	1752	1775	1784	1822	1832	1854		1433	1637	1744
Percent Change	-0.7	1.3	0.2	1.2	1.3	0.5	2.1	0.6	1.2		15.7	5.6	7.9
M2 Money Supply (Bil. \$)	8470	8537	8615	8661	8709	8748	8786	8816	8838		7817	8432	8629
Percent Change	-0.7	0.8	0.2	0.5	0.6	0.5	0.4	0.3	0.2		9.6	3.4	3.3
Trade-Weighted US\$, 18 Countries													
Morgan Guaranty Index (1990=100.0)	83.4	84.6	85.1	84.3	83.5	81.0	81.2	81.9	80.8	80.2	82.8	87.3	83.8
Percent Change	0.3	1.5	-1.9	-0.9	-0.9	-3.0	0.3	0.8	-1.3	-0.8	-3.5	5.4	-4.0
Percent Change Year Earlier	-7.5	-8.7	-1.6	-1.2	-1.1	-2.7	-1.9	-1.5	-3.0	-5.2			
Real Morgan Guaranty Index	86.8	87.9	88.6	88.0	86.8	83.5	83.7	84.5	82.9	82.1	82.5	91.2	86.8
Percent Change	0.2	1.3	-1.4	-0.7	-1.3	-3.8	0.2	0.9	-1.8	-1.0	-3.0	10.6	-4.8
Percent Change Year Earlier	-7.6	-9.0	-2.2	-1.6	-1.6	-3.6	-2.9	-2.5	-4.4	-6.6			

TABLE 2

Summary of the U.S. Economy

	2010:3	2010:4	2011:1	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3
Composition of Real GDP, Percent Change, Annual Rate													
Gross Domestic Product	2.6	2.8	3.3	4.2	3.0	3.6	2.1	2.6	3.0	3.4	2.1	3.3	3.3
Final Sales of Domestic Product	0.9	6.7	2.1	2.9	2.6	3.7	2.9	3.1	3.1	3.6	2.4	3.3	2.9
Total Consumption	2.4	4.1	2.5	3.2	2.9	3.2	2.4	2.5	2.1	2.4	1.6	1.8	1.6
Durables	7.6	21.0	9.2	6.2	5.6	7.5	5.8	6.2	3.3	5.5	4.8	4.3	2.1
Nondurables	2.5	4.8	1.6	3.0	3.0	2.9	1.5	1.6	1.7	1.4	0.7	1.1	1.1
Services	1.6	1.4	1.8	2.7	2.5	2.6	2.2	2.2	2.0	2.2	1.4	1.7	1.7
Nonresidential Fixed Investment	10.0	5.3	4.2	12.7	13.7	11.1	2.4	5.9	7.5	8.5	-1.3	7.9	8.9
Equipment & Software	15.4	5.5	10.6	17.5	18.6	16.3	4.4	7.8	9.1	10.3	-4.3	5.5	6.9
Information Processing Equipment	8.8	11.5	3.0	15.3	11.0	11.4	0.7	5.7	6.2	8.2	-2.5	5.5	7.2
Computers & Peripherals	1.3	18.0	6.6	38.1	17.4	17.8	-5.1	13.2	20.1	23.2	0.2	12.0	23.2
Communications Equipment	21.1	14.3	-6.6	19.3	21.9	23.1	5.7	10.0	7.0	9.7	-12.4	6.4	6.7
Industrial Equipment	6.9	10.9	25.9	22.4	23.0	20.3	2.9	7.0	5.6	7.2	-13.7	0.6	2.0
Transportation equipment	64.4	-25.4	34.3	14.7	56.4	35.4	34.5	18.9	27.3	16.7	6.8	7.4	8.7
Aircraft	150.5	-60.1	6.6	16.6	19.4	18.2	10.2	15.9	11.9	17.1	-3.1	5.6	7.2
Other Equipment	19.4	6.1	8.9	21.9	16.3	15.1	-3.2	6.4	7.2	14.8	-9.1	8.9	9.0
Structures	-3.5	4.5	-12.2	-0.3	-0.1	-4.5	-4.0	-0.6	1.9	2.1	10.0	16.5	16.0
Commercial & Health Care	-11.4	-14.4	-20.1	1.3	-1.0	5.6	7.1	14.1	5.5	10.2	28.0	37.1	34.5
Manufacturing	-39.4	-29.8	-13.4	-4.1	-10.6	-7.9	-3.9	10.5	16.1	18.1	27.1	37.1	27.4
Power & Communication	-26.6	81.9	-22.0	11.9	-2.7	-8.8	-12.7	-12.9	-4.8	-12.2	-5.5	-1.7	5.6
Mining & Petroleum	64.4	5.0	1.3	-9.8	7.1	-10.4	-9.3	-13.3	-9.1	-6.4	-3.1	4.6	2.3
Other	-15.4	-19.4	-9.0	2.8	-1.8	2.2	4.5	14.9	16.9	14.2	13.0	12.3	10.0
Residential Fixed Investment	-27.3	2.7	-1.2	12.8	13.7	20.6	24.1	37.5	39.1	33.6	21.8	19.6	13.6
Exports	6.7	9.6	10.1	9.7	10.9	9.4	9.3	7.8	8.1	7.9	8.7	8.5	9.2
Imports	16.8	-12.4	4.4	12.4	13.2	5.0	2.2	5.6	6.2	3.7	1.6	4.2	5.4
Federal Government	8.8	-0.2	-4.1	0.9	-2.0	-2.5	-4.1	-4.1	-3.6	-3.6	-3.0	-2.5	-2.2
State & Local Government	0.7	-2.4	-2.7	-1.3	-1.6	-2.5	-1.6	1.0	0.6	-1.0	0.6	2.0	1.6
Billions of Dollars													
Real GDP	13278.5	13370.1	13478.0	13616.9	13718.5	13839.8	13913.0	14001.9	14104.1	14223.9	14298.3	14414.2	14531.4
Nominal GDP	14745.1	14861.0	15037.3	15255.3	15466.9	15632.2	15777.7	15924.0	16104.5	16305.1	16463.1	16663.1	16866.4
Prices & Wages, Percent Change, Annual Rate													
GDP Deflator	2.1	0.4	1.4	1.7	2.6	0.7	1.6	1.1	1.6	1.6	1.8	1.6	1.6
Consumer Prices	1.4	2.6	5.1	1.0	2.0	2.0	1.7	1.4	2.3	1.9	1.9	2.1	2.1
Producer Prices, Finished Goods	1.1	7.2	10.6	4.0	-1.0	1.7	0.6	1.1	0.7	2.2	1.4	1.5	1.5
Employment Cost Index - Total Comp.	1.8	1.8	2.6	2.1	2.1	2.1	2.6	2.1	2.2	2.3	2.4	2.5	2.5
Other Key Measures													
Oil - WTI (\$ per barrel)	76.11	84.98	92.95	94.00	91.67	93.67	93.67	94.66	95.66	96.66	97.66	98.66	99.49
Productivity (%ch., saar)	2.3	2.6	2.3	1.1	0.6	0.7	-0.5	0.2	0.7	1.1	0.0	1.3	1.4
Total Industrial Production (%ch., saar)	6.2	3.2	6.8	5.1	4.9	3.8	2.2	2.4	3.0	3.5	3.5	4.2	4.3
Factory Operating Rate	72.4	73.0	74.4	75.5	76.5	77.1	76.9	77.0	77.4	77.8	77.5	78.0	78.6
Nonfarm Inven. Chg. (Bil. 2005 \$)	116.6	5.7	40.3	80.4	94.3	91.7	68.2	51.6	48.6	45.3	34.0	35.0	47.1
Consumer Sentiment Index	68.3	71.3	75.6	77.5	77.3	78.4	80.6	80.7	79.1	79.5	79.0	79.6	82.0
Light Vehicle Sales (Mil. units, saar)	11.56	12.31	12.90	12.84	13.39	13.93	14.41	14.83	15.08	15.42	15.74	16.03	16.10
Housing Starts (Mil. units, saar)	0.588	0.534	0.592	0.634	0.703	0.793	0.898	1.030	1.177	1.271	1.343	1.423	1.488
Exist. House Sales (Total, Mil. saar)	4.170	4.747	5.169	5.032	5.112	5.194	5.329	5.473	5.775	5.871	5.871	5.830	5.904
Unemployment Rate (%)	9.6	9.6	8.9	8.9	8.8	8.6	8.5	8.3	8.2	8.0	7.9	7.7	7.6
Payroll Employment (%ch., saar)	-0.2	0.8	1.2	1.8	1.8	2.0	2.1	1.9	1.9	2.2	1.8	2.1	2.4
Federal Surplus (Unified, nsa, bil. \$)	-290.2	-369.0	-524.8	-206.2	-321.1	-345.9	-386.6	-64.0	-239.2	-280.9	-309.4	9.5	-167.7
Current Account Balance (Bil. \$)	-508.9	-460.6	-550.4	-548.5	-548.5	-584.0	-540.3	-536.4	-542.6	-536.3	-539.9	-556.1	-562.1
Financial Markets, NSA													
Federal Funds Rate (%)	0.19	0.19	0.16	0.16	0.16	0.20	0.27	0.72	1.59	2.52	3.22	3.50	3.50
3-Month Treasury Bill Rate (%)	0.15	0.14	0.14	0.19	0.30	0.41	0.60	0.90	1.77	2.65	3.25	3.46	3.47
10-Year Treasury Note Yield (%)	2.79	2.86	3.49	3.58	3.61	3.65	3.69	3.75	3.91	4.27	4.62	4.70	4.70
30-Year Fixed Mortgage Rate (%)	4.45	4.42	4.89	5.00	5.01	5.05	5.10	5.16	5.32	5.69	6.05	6.13	6.13
S&P 500 Stock Index	1096	1204	1311	1320	1340	1365	1375	1395	1420	1440	1460	1478	1495
(Four-Quarter % change)	10.0	10.6	16.9	16.3	22.2	13.4	4.9	5.7	6.0	5.5	6.2	5.9	5.3
Exchange Rate, Major Trading Partners	0.905	0.870	0.860	0.860	0.872	0.873	0.870	0.881	0.889	0.892	0.893	0.890	0.887
(% change, annual rate)	-8.5	-14.4	-4.7	0.0	5.7	0.5	-1.4	5.3	3.6	1.4	0.3	-1.1	-1.4
Incomes													
Personal Income (% ch., saar)	2.5	3.9	7.8	5.5	5.2	4.1	0.7	4.5	4.7	5.0	4.2	5.0	4.8
Real Disposable Income (%ch., saar)	1.0	1.4	2.2	4.1	2.8	1.9	-2.6	2.6	1.8	2.4	-0.9	1.7	2.2
Saving Rate (%)	6.0	5.4	5.4	5.7	5.7	5.4	4.2	4.2	4.2	4.1	3.5	3.4	3.5
After-Tax Profits (Billions of \$)	1416	1357	1227	1196	1192	1179	1211	1215	1232	1260	1426	1435	1458
(Four-quarter % change)	27.2	10.4	-10.4	-13.5	-15.9	-13.1	-1.3	1.6	3.4	6.8	17.7	18.2	18.3

TABLE 3
Summary of the U.S. Economy

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Composition of Real GDP, Percent Change													
Gross Domestic Product	3.6	3.1	2.7	1.9	0.0	-2.6	2.8	3.2	2.9	2.9	3.3	3.0	2.8
Final Sales of Domestic Product	3.2	3.2	2.6	2.2	0.5	-2.1	1.4	3.0	3.1	3.0	3.2	3.1	2.8
Total Consumption	3.5	3.4	2.9	2.4	-0.3	-1.2	1.8	3.0	2.6	1.9	2.2	2.6	2.6
Durables	6.6	5.2	4.1	4.2	-5.2	-3.7	7.6	9.8	5.9	4.2	3.4	5.4	5.1
Nondurables	3.2	3.4	2.8	2.0	-1.1	-1.2	2.8	2.9	2.1	1.2	1.4	1.8	2.1
Services	2.9	3.0	2.7	2.2	0.9	-0.8	0.5	2.0	2.3	1.8	2.4	2.4	2.4
Nonresidential Fixed Investment	6.0	6.7	7.9	6.7	0.3	-17.1	5.6	9.1	7.7	5.7	8.6	5.6	3.9
Equipment & Software	7.7	8.5	7.4	3.7	-2.4	-15.3	15.1	13.7	10.6	4.7	6.6	3.8	3.2
Information Processing Equipment	9.4	7.3	8.3	8.9	6.1	0.2	13.3	9.8	6.9	4.3	6.1	6.6	6.2
Computers & Peripherals	11.4	11.7	23.1	14.0	13.3	-1.5	26.8	17.7	12.4	13.6	16.2	15.1	16.0
Communications Equipment	8.5	1.8	10.8	15.7	2.6	0.3	13.2	11.6	12.7	2.3	6.7	7.0	5.7
Industrial Equipment	-2.8	8.3	8.3	4.0	-4.2	-23.3	5.7	20.2	10.8	-0.7	3.6	2.1	1.3
Transportation equipment	15.6	11.9	8.1	-5.5	-23.0	-51.5	60.9	24.1	30.4	12.2	8.3	-7.9	-7.1
Aircraft	11.0	-12.5	-6.4	30.5	-4.2	-19.4	-3.0	2.1	14.9	7.0	5.9	4.0	2.9
Other Equipment	6.1	8.8	3.7	-0.7	-3.7	-22.3	9.1	13.8	8.1	4.8	9.3	8.4	4.7
Structures	1.1	1.4	9.2	14.1	5.9	-20.4	-13.8	-3.2	-1.7	9.1	15.3	11.0	6.0
Commercial & Health Care	2.5	-0.9	6.1	10.0	-3.7	-29.9	-25.4	-10.3	6.7	23.9	29.9	20.2	8.5
Manufacturing	4.9	17.3	10.3	18.2	24.5	7.6	-32.0	-18.9	0.6	24.5	21.9	13.4	10.5
Power & Communication	-17.0	-2.3	7.8	39.2	9.1	2.5	-9.5	1.8	-8.4	-4.3	7.5	4.8	-2.3
Mining & Petroleum	16.4	10.3	14.5	6.1	6.5	-35.5	26.5	8.4	-8.2	-3.0	1.0	-2.2	3.5
Other	1.4	-5.5	9.2	15.4	12.6	-18.7	-27.4	-8.9	7.2	13.0	11.9	11.2	7.8
Residential Fixed Investment	9.8	6.2	-7.3	-18.7	-24.0	-22.9	-3.0	2.8	26.5	24.3	11.6	4.8	0.9
Exports	9.5	6.7	9.0	9.3	6.0	-9.5	11.8	9.5	9.0	8.4	8.6	7.6	7.2
Imports	11.0	6.1	6.1	2.7	-2.6	-13.8	12.7	6.5	5.9	4.0	5.3	4.1	4.3
Federal Government	4.1	1.3	2.1	1.2	7.3	5.7	4.8	0.2	-3.1	-3.0	-1.9	-0.9	-0.2
State & Local Government	-0.2	-0.2	0.9	1.4	0.3	-0.9	-1.4	-1.6	-1.0	0.8	1.4	0.9	1.0
Billions of Dollars													
Real GDP	12263.8	12638.4	12976.3	13228.9	13228.9	12880.6	13245.6	13663.3	14060.7	14471.7	14954.2	15398.8	15832.3
Nominal GDP	11867.8	12638.4	13398.9	14061.8	14369.1	14119.1	14657.8	15347.9	16027.8	16766.7	17669.0	18542.3	19411.3
Prices & Wages, Percent Change													
GDP Deflator	2.8	3.3	3.3	2.9	2.2	0.9	1.0	1.5	1.5	1.6	2.0	1.9	1.8
Consumer Prices	2.7	3.4	3.2	2.9	3.8	-0.3	1.6	2.5	1.8	2.0	2.3	2.1	2.1
Producer Prices, Finished Goods	3.6	4.9	2.9	3.9	6.4	-2.5	4.2	4.8	1.0	1.5	1.8	1.4	1.6
Employment Cost Index - Total Comp.	3.8	3.1	2.9	3.1	2.9	1.5	1.8	2.1	2.2	2.4	2.7	2.8	2.9
Other Key Measures													
Oil - WTI (\$ per barrel)	41.47	56.56	66.12	72.18	99.76	61.77	79.45	93.07	95.16	99.02	102.27	106.20	110.06
Productivity (%ch.)	2.8	1.6	0.9	1.6	1.0	3.7	3.8	1.5	0.3	0.8	1.6	1.6	1.9
Total Industrial Production (%ch.)	2.3	3.2	2.2	2.7	-3.3	-9.3	5.7	5.3	3.2	3.6	4.0	3.3	3.1
Factory Operating Rate	76.2	78.5	79.1	79.6	75.0	67.2	71.8	75.9	77.3	78.3	80.0	80.5	81.0
Nonfarm Inven. Chg. (Bil. 2005 \$)	58.3	49.8	63.2	28.7	-39.0	-116.9	55.0	76.7	53.4	42.6	56.0	40.2	50.0
Consumer Sentiment Index	95.2	88.6	87.3	85.6	63.8	66.3	71.8	77.2	80.0	81.0	85.1	85.2	87.2
Light Vehicle Sales (Mil. units)	16.87	16.95	16.50	16.09	13.19	10.40	11.55	13.26	14.93	16.01	16.64	17.05	17.25
Housing Starts (Mil. units)	1.950	2.073	1.812	1.342	0.900	0.554	0.585	0.680	1.094	1.447	1.658	1.738	1.756
Exist. House Sales (Total, Mil. units)	6.727	7.076	6.516	5.675	4.894	5.149	4.918	5.127	5.612	5.896	6.265	6.479	6.409
Unemployment Rate (%)	5.5	5.1	4.6	4.6	5.8	9.3	9.6	8.8	8.3	7.7	7.0	6.4	6.0
Payroll Employment (%ch.)	1.1	1.7	1.8	1.1	-0.6	-4.4	-0.7	1.2	2.0	2.0	2.1	1.7	1.4
Federal Surplus (Unified, FY, bil. \$)	-412.8	-318.7	-248.2	-161.5	-454.8	-1415.7	-1294.2	-1421.1	-1035.7	-748.5	-653.7	-657.0	-733.1
Current Account Balance (Bil. \$)	-630.5	-747.6	-802.6	-718.1	-668.9	-378.4	-474.8	-557.9	-538.9	-555.7	-563.4	-568.4	-566.9
Financial Markets, NSA													
Federal Funds Rate (%)	1.35	3.21	4.96	5.02	1.93	0.16	0.18	0.17	1.28	3.43	3.62	4.68	4.8
3-Month Treasury Bill Rate (%)	1.36	3.13	4.72	4.38	1.40	0.15	0.14	0.26	1.48	3.41	3.61	4.54	4.60
10-Year Treasury Note Yield (%)	4.27	4.29	4.79	4.63	3.67	3.26	3.21	3.58	3.91	4.68	4.79	5.62	5.67
30-Year Fixed Mortgage Rate (%)	5.84	5.86	6.42	6.33	6.04	5.04	4.69	4.99	5.32	6.11	6.22	7.05	7.10
S&P 500 Stock Index	1131	1207	1311	1477	1221	947	1139	1334	1407	1487	1565	1653	1754
(Percent change)	17.3	6.8	8.6	12.7	-17.3	-22.5	20.3	17.1	5.5	5.7	5.3	5.6	6.1
Exchange Rate, Major Trading Partners	1.020	1.000	0.985	0.930	0.888	0.926	0.898	0.866	0.883	0.890	0.876	0.865	0.857
(Percent change)	-8.2	-1.9	-1.5	-5.6	-4.5	4.3	-3.0	-3.6	2.0	0.7	-1.5	-1.3	-1.0
Incomes													
Personal Income (% ch.)	6.0	5.5	7.5	5.7	4.0	-1.7	3.0	5.3	3.7	4.7	5.7	5.6	5.4
Real Disposable Income (%ch.)	3.4	1.3	4.0	2.3	1.7	0.6	1.4	2.5	1.2	1.4	3.2	3.4	3.2
Saving Rate (%)	3.4	1.4	2.4	2.1	4.1	5.9	5.8	5.6	4.2	3.6	4.3	4.9	5.4
After-Tax Profits (Billions of \$)	923	1228	1349	1293	1025	1062	1381	1199	1229	1451	1550	1477	1494
(Percent change)	40.0	33.0	9.9	-4.2	-20.7	3.6	30.1	-13.2	2.6	18.0	6.8	-4.7	1.1

TABLE 4

Alternative Scenarios of the U.S. Economy

	2010:4	2011:1	2011:2	2011:3	2011:4	2012:1	2010	2011	2012	2013	2014	2015	2016
The Recovery Accelerates (Prob. = 20%)													
Composition of Real GDP, Percent Change, Annual Rate													
Gross Domestic Product	2.8	4.2	5.3	5.0	5.0	3.4	2.8	3.9	4.0	3.5	3.6	3.1	3.0
Total Consumption	4.1	2.8	4.4	4.2	4.3	3.5	1.8	3.5	3.7	2.8	2.8	2.8	2.7
Nonresidential Fixed Investment	5.3	10.5	14.0	19.4	14.7	9.6	5.6	11.9	11.9	8.5	9.1	5.9	4.6
Residential Fixed Investment	2.7	3.7	27.8	26.3	28.8	26.1	-3.0	8.5	30.4	28.6	13.4	3.5	0.2
Exports	9.6	12.3	11.4	14.3	12.2	11.3	11.8	11.0	10.9	8.2	8.0	7.6	7.5
Imports	-12.4	7.2	16.1	17.3	9.7	7.7	12.7	8.7	9.8	6.4	6.1	3.9	4.2
Federal Government	-0.2	-4.1	0.9	-2.0	-2.5	-4.1	4.8	0.2	-3.1	-3.0	-1.9	-0.9	-0.2
State & Local Government	-2.4	-2.7	-1.3	-1.4	-2.0	-0.9	-1.4	-1.5	-0.4	1.2	1.6	0.9	0.9
Prices & Wages, Percent Change, Annual Rate													
Consumer Prices	2.6	5.1	0.3	1.8	1.5	1.5	1.6	2.3	1.5	1.7	1.8	1.8	1.9
Producer Prices, Finished Goods	7.2	10.3	2.1	-1.5	0.5	-0.1	4.2	4.2	0.2	0.9	1.2	1.1	1.3
Employment Cost Index - Total Comp.	1.8	2.9	2.4	2.6	2.5	2.9	1.8	2.3	2.6	2.6	2.8	3.0	3.3
Other Key Measures													
Oil - WTI (\$ per barrel)	84.98	92.65	90.00	87.10	86.30	85.50	79.45	89.01	85.75	87.20	89.34	94.97	98.92
Productivity (%ch., saar)	2.6	3.2	0.9	1.4	1.2	-0.2	3.8	1.9	0.6	1.1	1.9	2.0	2.3
Total Industrial Production (%ch., saar)	3.2	8.2	6.7	8.0	6.4	4.9	5.7	6.5	5.1	4.0	3.9	3.1	3.0
Nonfarm Inven. Chg. (Bil. 2005 \$)	5.7	45.7	92.9	120.0	128.8	113.0	55.0	96.8	90.8	61.7	64.7	42.8	50.2
Consumer Sentiment Index	71.3	75.9	83.4	84.3	88.3	89.0	71.8	83.0	87.9	90.0	91.9	91.0	92.5
Light Vehicle Sales (Mil. units, saar)	12.31	13.09	13.49	14.37	15.01	15.53	11.55	13.99	16.09	17.71	18.09	17.96	17.74
Housing Starts (Mil. units, saar)	0.534	0.619	0.710	0.823	0.924	1.052	0.585	0.769	1.245	1.671	1.889	1.938	1.940
Unemployment Rate (%)	9.6	8.9	8.6	8.3	7.9	7.7	9.6	8.4	7.3	6.5	5.8	5.3	5.1
Payroll Employment (%ch., saar)	0.8	1.2	2.8	2.5	2.6	3.0	-0.7	1.5	2.7	2.5	2.1	1.5	1.2
Federal Surplus (Unified, FY, bil. \$)	-369.0	-522.7	-200.3	-310.2	-332.7	-370.7	-1294.2	-1402.1	-971.2	-626.8	-482.5	-470.2	-558.8
Financial Markets, NSA													
Federal Funds Rate (%)	0.19	0.15	0.15	0.50	1.75	2.00	0.18	0.64	2.56	3.25	3.37	4.43	4.50
10-Year Treasury Note Yield (%)	2.86	3.55	4.00	4.50	4.50	4.50	3.21	4.14	4.44	4.19	4.23	5.08	5.15
Incomes													
Personal Income (% ch., saar)	3.9	8.0	6.5	6.4	5.7	2.2	3.0	5.8	4.9	5.0	5.6	5.2	5.2
After-Tax Profits (Four-qr.% change)	10.4	-9.1	-12.4	-12.8	-9.3	1.7	30.1	-10.9	4.6	18.6	4.5	-6.4	-0.2
The Recovery Skids on Oil (Prob. = 20%)													
Composition of Real GDP, Percent Change, Annual Rate													
Gross Domestic Product	2.8	1.8	1.7	-1.4	0.5	1.0	2.8	1.6	1.1	2.8	3.0	2.6	2.4
Total Consumption	4.1	1.8	0.3	-0.5	-0.1	0.8	1.8	1.7	0.6	1.3	1.9	2.3	2.3
Nonresidential Fixed Investment	5.3	2.3	6.6	3.8	2.4	-1.9	5.6	5.6	2.3	5.3	9.1	5.3	3.1
Residential Fixed Investment	2.7	-6.1	-13.1	-20.0	-3.5	18.1	-3.0	-8.8	14.1	32.4	13.9	7.2	2.6
Exports	9.6	9.7	6.5	5.8	2.6	5.7	11.8	7.7	5.3	7.2	7.6	5.9	5.9
Imports	-12.4	2.9	5.4	2.3	-6.7	-5.7	12.7	2.8	-1.5	3.3	5.0	3.7	3.9
Federal Government	-0.2	-11.4	10.9	-4.9	-2.9	-4.5	4.8	-0.3	-3.2	-3.3	-2.1	-1.0	-0.3
State & Local Government	-2.4	-2.8	-1.9	-2.9	-3.1	-3.2	-1.4	-2.0	-2.3	0.1	1.3	0.8	0.9
Prices & Wages, Percent Change, Annual Rate													
Consumer Prices	2.6	5.7	5.6	3.9	1.4	1.1	1.6	3.7	1.8	2.1	2.8	2.7	2.9
Producer Prices, Finished Goods	7.2	12.3	15.5	4.1	1.0	-0.3	4.2	7.9	1.4	1.3	2.5	2.1	2.4
Employment Cost Index - Total Comp.	1.8	2.4	1.5	1.6	1.5	1.9	1.8	1.8	1.8	2.3	2.9	3.2	3.6
Other Key Measures													
Oil - WTI (\$ per barrel)	84.98	96.30	123.06	130.38	126.70	122.01	79.45	119.11	115.80	111.73	114.77	118.71	122.58
Productivity (%ch., saar)	2.6	0.9	-0.5	-2.2	-0.1	0.1	3.8	0.5	0.0	1.0	1.1	1.1	1.4
Total Industrial Production (%ch., saar)	3.2	6.0	1.8	-0.6	-0.6	0.2	5.7	3.5	0.8	4.2	3.9	2.6	2.4
Nonfarm Inven. Chg. (Bil. 2005 \$)	5.7	34.7	52.1	35.6	17.7	-9.3	55.0	35.0	-5.4	45.9	48.8	29.7	37.5
Consumer Sentiment Index	71.3	74.2	67.7	65.7	67.3	68.3	71.8	68.7	69.0	72.0	76.9	79.7	80.0
Light Vehicle Sales (Mil. units, saar)	12.31	12.72	11.88	11.54	11.35	11.73	11.55	11.87	12.74	14.44	15.01	15.35	15.44
Housing Starts (Mil. units, saar)	0.534	0.567	0.491	0.423	0.505	0.614	0.585	0.496	0.807	1.247	1.510	1.641	1.668
Unemployment Rate (%)	9.6	9.0	9.2	9.3	9.4	9.6	9.6	9.2	9.5	9.0	8.2	7.7	7.3
Payroll Employment (%ch., saar)	0.8	1.0	0.5	-0.1	0.2	0.7	-0.7	0.6	0.6	1.6	2.1	1.8	1.4
Federal Surplus (Unified, FY, bil. \$)	-369.0	-507.2	-234.4	-345.9	-381.7	-431.9	-1294.2	-1456.4	-1212.7	-937.1	-902.6	-960.3	-1060.5
Financial Markets, NSA													
Federal Funds Rate (%)	0.19	0.16	0.16	0.16	0.16	0.16	0.18	0.16	0.37	3.67	5.31	5.87	6.00
10-Year Treasury Note Yield (%)	2.86	3.41	3.10	3.00	3.10	3.40	3.21	3.15	3.80	5.27	6.22	6.72	6.79
Incomes													
Personal Income (% ch., saar)	3.9	7.3	3.7	2.8	1.4	-1.1	3.0	4.3	1.8	4.5	6.6	6.2	6.4
After-Tax Profits (Four-qr.% change)	10.4	-11.8	-14.7	-24.4	-26.3	-13.0	30.1	-19.3	-1.9	25.1	6.7	-3.3	1.5

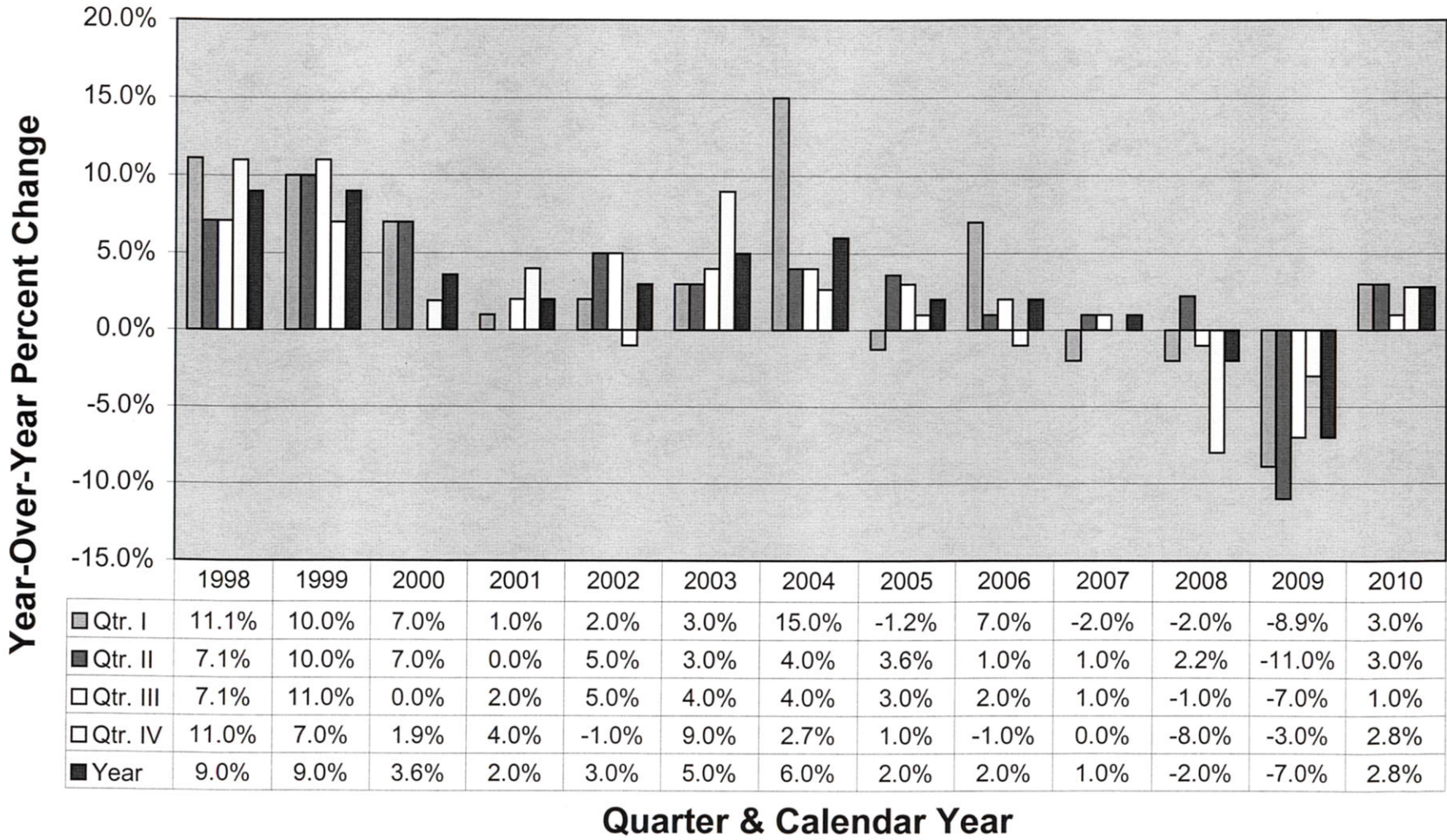
Short-Term Outlook for Maine**March 2011 Forecast**

	2010:1	2010:2	2010:3	2010:4	2011:1	2011:2	2011:3	2008	2009	2010	2011	2012
Establishment Employment (Place of Work, Thousands)												
Total Non-Agricultural	593.1	592.5	591.4	594.4	598.4	599.9	601.6	617.3	596.4	592.8	601.0	610.1
Pct. Ch. Ann. Rate	0.4	-0.4	-0.8	2.1	2.7	1.0	1.2	0.0	-3.4	-0.6	1.4	1.5
Manufacturing	51.1	50.8	50.4	51.1	51.5	51.5	51.8	58.8	52.3	50.9	51.7	53.2
Pct. Ch. Ann. Rate	1.3	-2.3	-2.8	5.7	2.5	0.3	2.4	-1.1	-11.0	-2.7	1.7	2.9
Durables	27.1	27.1	26.8	27.6	28.0	27.8	28.1	31.3	27.6	27.1	28.1	29.4
Wood Products	4.1	4.1	4.1	4.0	4.0	4.0	4.1	5.2	4.1	4.1	4.1	4.9
Machinery												
Comp. & Elec. Prod.	2.7	2.7	2.7	2.7	2.7	2.7	2.8	3.2	2.8	2.7	2.7	2.8
Transportation Equip.	8.2	8.3	8.3	8.4	8.4	8.5	8.6	9.3	8.3	8.3	8.6	9.1
Nondurables	24.0	23.7	23.6	23.5	23.5	23.7	23.7	27.5	24.7	23.7	23.6	23.8
Food Manufacturing												
Non-Manufacturing	542.0	541.7	540.9	543.3	546.9	548.4	549.8	558.6	544.1	542.0	549.3	556.9
Pct. Ch. Ann. Rate	0.3	-0.2	-0.6	1.7	2.7	1.1	1.0	0.1	-2.6	-0.4	1.4	1.4
Construction & Mining	26.7	26.8	26.8	27.6	28.1	28.1	27.9	32.0	27.5	27.0	27.9	27.8
Pct. Ch. Ann. Rate	-0.1	2.0	-0.5	13.1	6.5	-0.4	-1.9	-4.6	-13.8	-2.0	3.5	-0.4
Trade, Trans., & Utilities	117.2	117.0	116.9	116.6	117.8	118.2	118.4	124.9	118.9	116.9	118.4	121.2
Pct. Ch. Ann. Rate	-0.8	-0.7	-0.4	-0.9	4.1	1.5	0.7	-0.9	-4.8	-1.7	1.3	2.3
Wholesale Trade	19.0	19.0	18.9	19.1	19.0	19.2	19.5	20.8	19.5	19.0	19.3	20.0
Retail Trade	81.4	81.1	80.9	80.8	81.6	81.7	81.4	85.6	82.1	81.0	81.6	82.8
Trans. & Warehousing	15.0	15.1	15.2	14.9	15.4	15.6	15.8	16.6	15.5	15.1	15.7	16.6
Utilities	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.9	1.9	1.8	1.8	1.8
Information	9.1	9.1	9.2	9.1	9.1	9.2	9.3	10.5	9.2	9.1	9.2	9.6
Pct. Ch. Ann. Rate	5.3	-0.1	2.5	-3.0	-2.5	4.2	6.9	-6.3	-12.2	-1.1	1.1	3.7
Financial Activities	31.4	31.3	31.2	31.2	31.3	31.2	31.4	32.7	31.8	31.3	31.3	31.9
Pct. Ch. Ann. Rate	-1.7	-1.7	-0.4	-0.8	1.2	-0.1	1.3	-1.5	-2.7	-1.7	0.2	1.8
Finance & Insurance	24.8	24.8	24.8	24.7	24.8	24.8	24.9	25.6	25.1	24.8	24.8	25.2
Real Estate & Rental	6.6	6.5	6.4	6.4	6.5	6.5	6.5	7.0	6.7	6.5	6.5	6.7
Prof. & Business Svcs.	55.8	55.4	55.5	56.0	56.4	57.0	57.8	56.5	55.4	55.7	57.4	58.8
Pct. Ch. Ann. Rate	1.4	-3.1	0.8	3.7	3.2	4.3	5.3	4.9	-2.1	0.6	3.1	2.5
Prof, Scientific, & Tech Management	23.3	23.3	23.4	23.4	23.5	23.6	23.7	24.5	23.8	23.4	23.7	23.8
Admin & Waste Svcs	7.1	7.0	6.9	6.9	7.0	7.0	7.1	6.9	6.9	7.0	7.0	7.1
Admin & Waste Svcs	25.5	25.1	25.1	25.6	26.0	26.4	27.0	25.2	24.7	25.3	26.7	27.8
Educ & Health Services	118.7	118.6	118.7	119.7	121.0	121.4	122.0	117.5	118.6	118.9	121.8	123.9
Pct. Ch. Ann. Rate	-0.2	-0.2	0.5	3.3	4.5	1.4	1.7	1.2	0.9	0.3	2.4	1.7
Educational Services	19.6	19.6	19.6	20.0	20.3	20.3	20.3	19.4	19.4	19.7	20.3	20.0
Health Care	99.0	99.0	99.2	99.7	100.7	101.1	101.7	98.1	99.2	99.2	101.5	103.8
Leisure & Hospitality	59.5	59.4	59.7	61.1	61.3	61.5	61.6	60.2	59.3	59.9	61.6	62.4
Pct. Ch. Ann. Rate	1.1	-0.2	1.8	10.0	1.3	1.0	0.6	-0.2	-1.5	1.1	2.7	1.4
Arts, Entrtmnt, & Rec	8.0	7.9	7.9	7.9	8.0	8.0	8.0	8.3	8.0	8.0	8.0	8.1
Accom & Food Svcs	51.4	51.5	51.8	53.2	53.3	53.5	53.5	51.9	51.2	52.0	53.5	54.3
Other Services	19.7	19.6	19.7	20.0	20.0	20.1	20.1	19.9	19.7	19.8	20.1	20.2
Pct. Ch. Ann. Rate	-1.4	-2.0	2.8	5.5	0.2	1.1	0.6	0.0	-0.8	0.1	1.6	0.4
Government	103.9	104.5	103.2	101.9	101.9	101.7	101.4	104.4	103.6	103.3	101.6	101.1
Pct. Ch. Ann. Rate	1.9	2.2	-4.9	-4.9	0.2	-1.0	-1.1	0.2	-0.8	-0.3	-1.7	-0.4
Federal	15.3	16.9	15.3	14.6	14.6	14.6	14.5	14.6	14.9	15.5	14.5	14.1
State & Local	88.6	87.6	87.9	87.2	87.3	87.1	86.9	89.9	88.7	87.8	87.0	87.0
Resident Employment & Unemployment (Thousands)												
Total Employment	639.7	641.1	641.8	645.0	646.7	648.6	649.0	664.9	641.4	641.9	648.6	652.8
Pct. Ch. Ann. Rate	1.4	0.9	0.5	2.0	1.1	1.2	0.2	-0.2	-3.5	0.1	1.0	0.7
Labor Force	698.0	697.0	695.4	697.7	698.7	699.6	699.8	703.0	698.6	697.0	699.6	702.8
Labor Force Partic Rate	63.9	63.8	63.6	63.8	63.8	63.8	63.8	64.7	64.1	63.8	63.8	63.8
Number Unemployed	58.3	55.9	53.6	52.6	51.9	51.0	50.9	38.1	57.2	55.1	51.1	50.0
Unemployment Rate	8.4	8.0	7.7	7.5	7.4	7.3	7.3	5.4	8.2	7.9	7.3	7.1
Other Economic Indicators												
CPI (Ann. Pct. Ch.)	1.4	-0.8	1.0	2.7	5.2	1.1	2.1	3.9	0.7	1.5	2.5	1.9
Retail Sales (Bil \$)	19.9	20.1	20.3	20.9	21.4	21.7	21.9	20.1	19.1	20.3	21.8	22.9
New Car Regis. (Ths.)	47.1	45.3	47.6	49.9	52.5	51.7	52.5	50.7	45.2	47.4	52.5	54.8
Mfg. Ship. (Bil \$2\$)	8.6	8.7	8.8	9.0	9.1	9.2	9.3	8.9	8.8	8.8	9.2	9.6

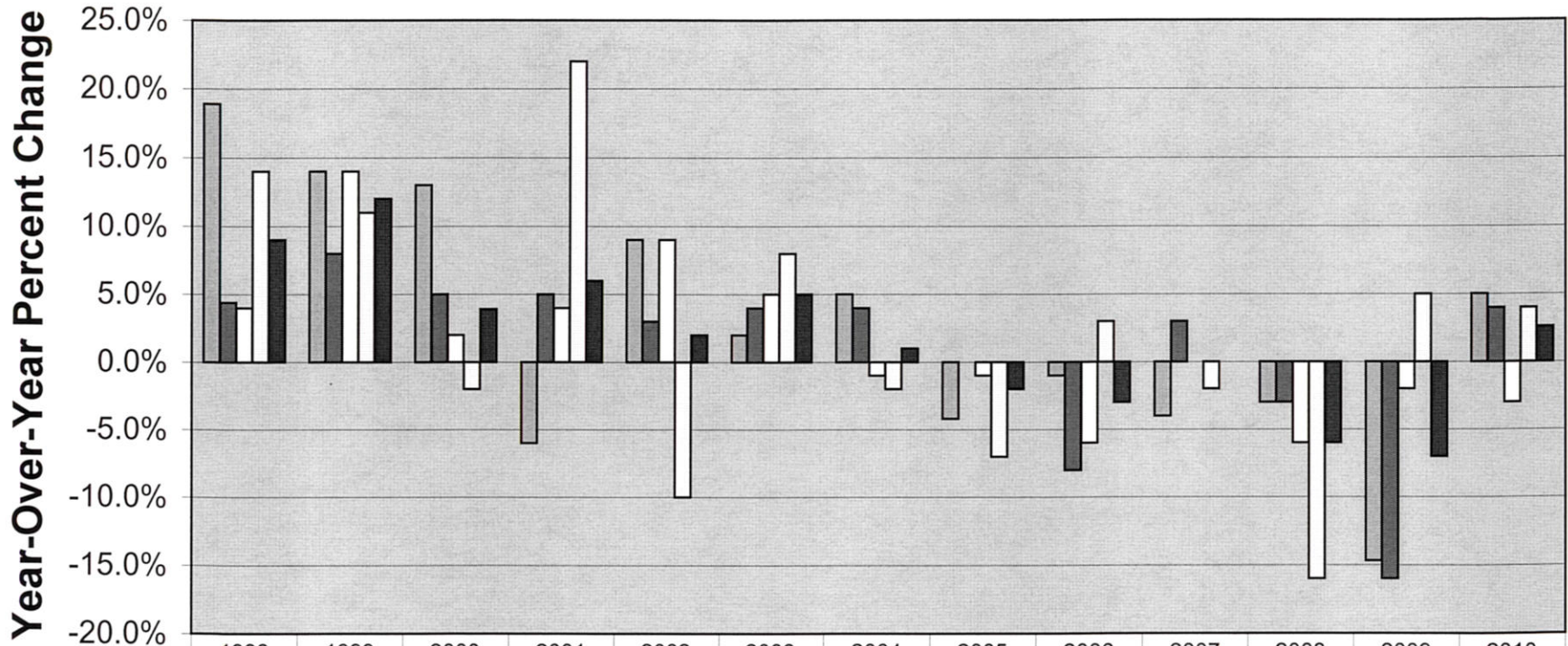
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Oil - WTI (\$ per barrel)	79.45	93.07	95.16	99.02	102.27	106.20
CPI	1.6%	2.5%	1.8%	2.0%	2.3%	2.1%
CPI - Fuels & Utilities	10.3%	10.5%	1.0%	3.5%	2.6%	1.6%
CPI - Fuel Oil	17.2%	19.7%	2.1%	2.5%	1.7%	1.6%
CPI - Electricity	0.1%	1.2%	1.3%	2.3%	4.0%	2.9%
CPI - Natural Gas	-2.0%	-7.1%	1.8%	7.1%	4.2%	1.2%
CPI - Motor Fuel	18.1%	18.1%	0.6%	3.5%	1.8%	1.1%
CPI - New Vehicles	2.1%	0.3%	0.9%	0.8%	1.1%	1.1%
Personal Saving Rate	5.8%	5.6%	4.2%	3.6%	4.3%	4.9%
Maine Population	1328.5	1329.2	1330.8	1333.2	1336.5	1340.5
ME Vehicle Registrations	47.4	52.5	54.8	56.9	58.2	58.8

Sales & Use Tax

Total Taxable Sales



Auto/Transportation Taxable Sales



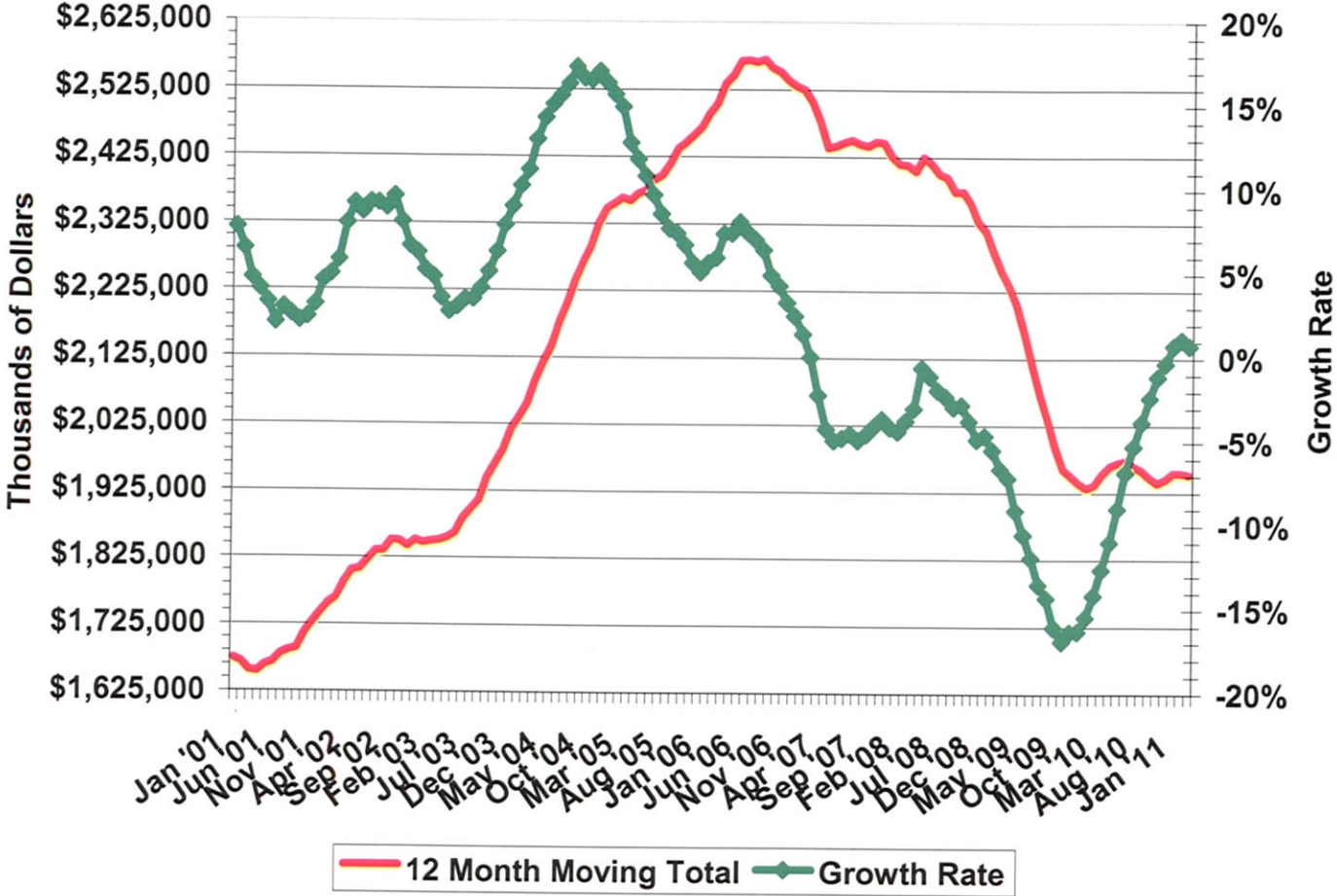
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
■ Qtr. I	18.9%	14.0%	13.0%	-6.0%	9.0%	2.0%	5.0%	-4.2%	-1.0%	-4.0%	-3.0%	-14.7%	5.0%
■ Qtr. II	4.4%	8.0%	5.0%	5.0%	3.0%	4.0%	4.0%	0.0%	-8.0%	3.0%	-3.0%	-16.0%	4.0%
□ Qtr. III	4.0%	14.0%	2.0%	4.0%	9.0%	5.0%	-1.0%	-1.0%	-6.0%	0.0%	-6.0%	-2.0%	-3.0%
□ Qtr. IV	14.0%	11.0%	-2.0%	22.0%	-10.0%	8.0%	-2.0%	-7.0%	3.0%	-2.0%	-16.0%	5.0%	4.0%
■ Year	9.0%	12.0%	3.9%	6.0%	2.0%	5.0%	1.0%	-2.0%	-3.0%	0.0%	-6.0%	-7.0%	2.6%

Quarter & Calendar Year

**Maine Revenue Services
Taxable Sales by Sector
In Thousands of Dollars**

	Feb. '11	% Ch.	Feb. '10	% Ch.	Feb. '09	Average Last 3 Mos. Vs. Last Yr. % Change	Moving Total Last 12 Mos. Vs. Prior % Change	YTD Growth CY'11 vs. '10 Thru. Feb. % Change
Building Supply	\$95,854	-2.3%	\$98,147	5.3%	\$93,239	1.9%	0.8%	-1.2%
Food Store	\$107,837	2.8%	\$104,909	-0.6%	\$105,519	1.7%	2.0%	2.1%
General Merchandise	\$191,534	-3.6%	\$198,692	4.9%	\$189,431	-1.4%	1.9%	-2.6%
Other Retail	\$123,759	2.2%	\$121,049	7.0%	\$113,174	4.1%	4.3%	2.7%
Auto/Transportation	\$233,565	8.3%	\$215,724	2.5%	\$210,427	6.8%	3.9%	9.2%
Restaurant	\$120,671	-1.6%	\$122,651	3.4%	\$118,587	0.0%	3.1%	-1.5%
Lodging	\$19,024	3.5%	\$18,385	0.3%	\$18,324	3.9%	8.3%	3.6%
Consumer Sales	\$892,243	1.4%	\$879,555	3.6%	\$848,701	2.3%	3.0%	2.0%
Business Operating	\$141,400	10.9%	\$127,525	-0.7%	\$128,373	7.7%	6.5%	9.9%
Total	\$1,033,644	2.6%	\$1,007,080	3.1%	\$977,074	3.0%	3.4%	3.0%

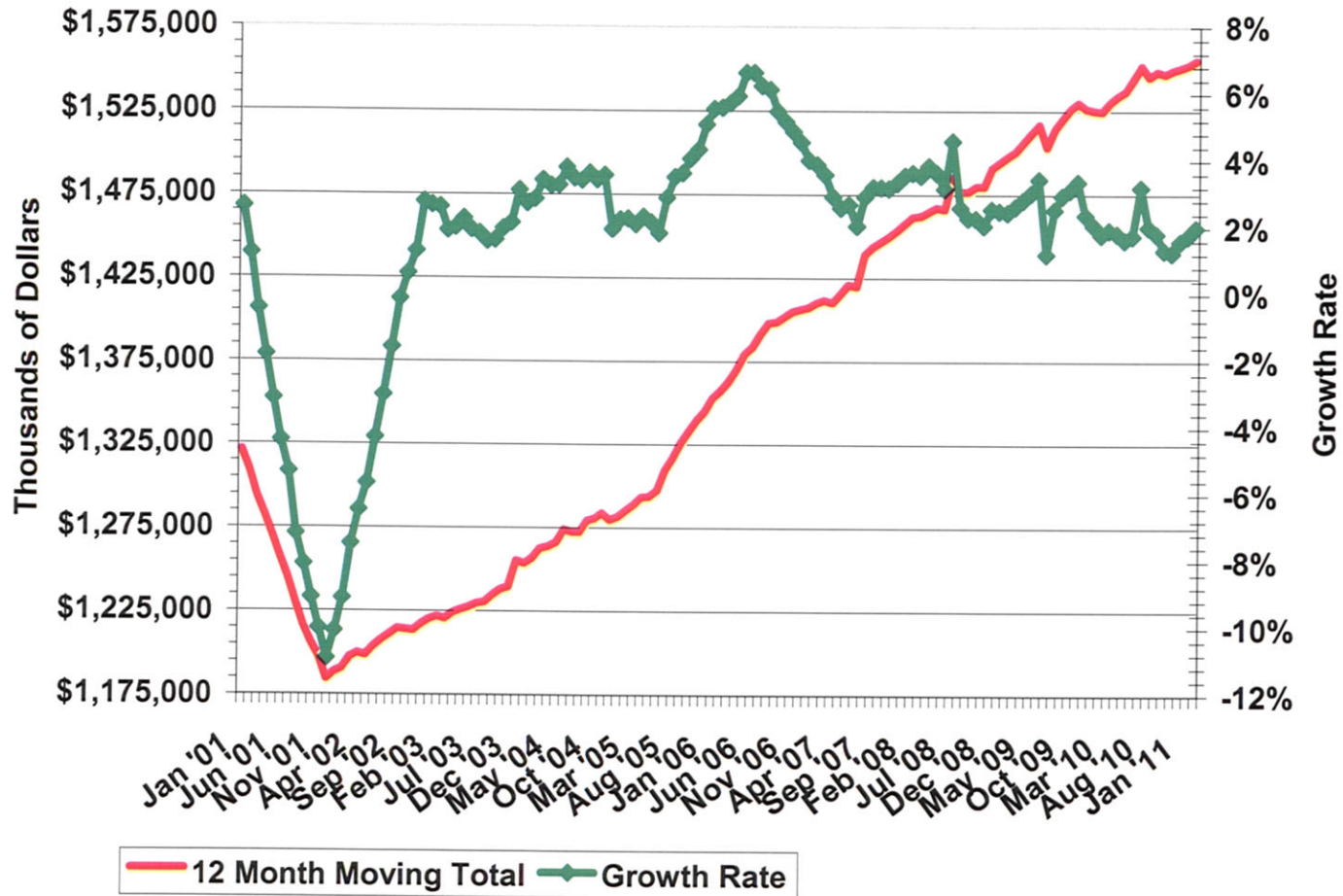
Building Supply Taxable Sales January 2001 to Date



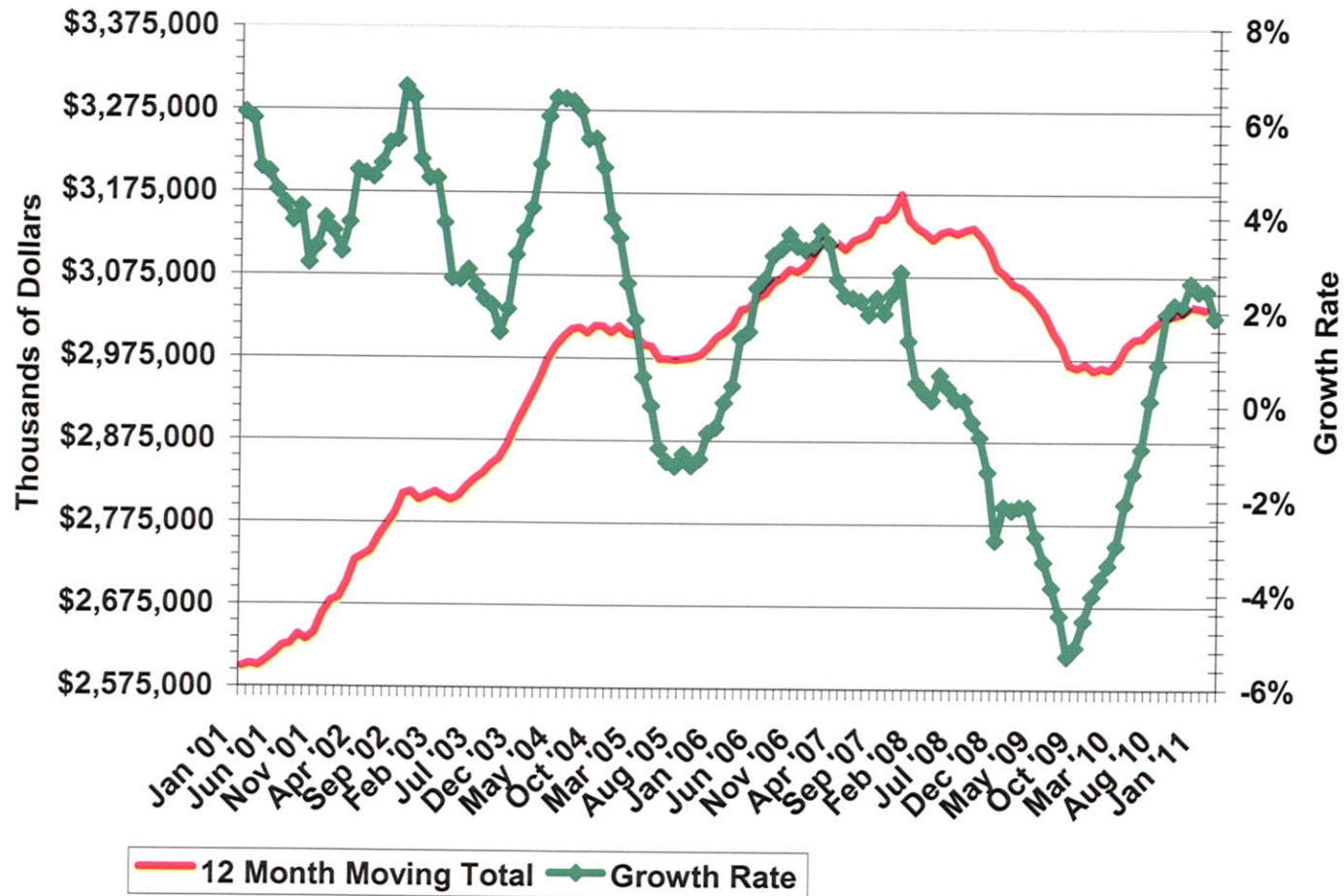
Building Supply Taxable Sales 12 Month Moving Average November 1986 to Date



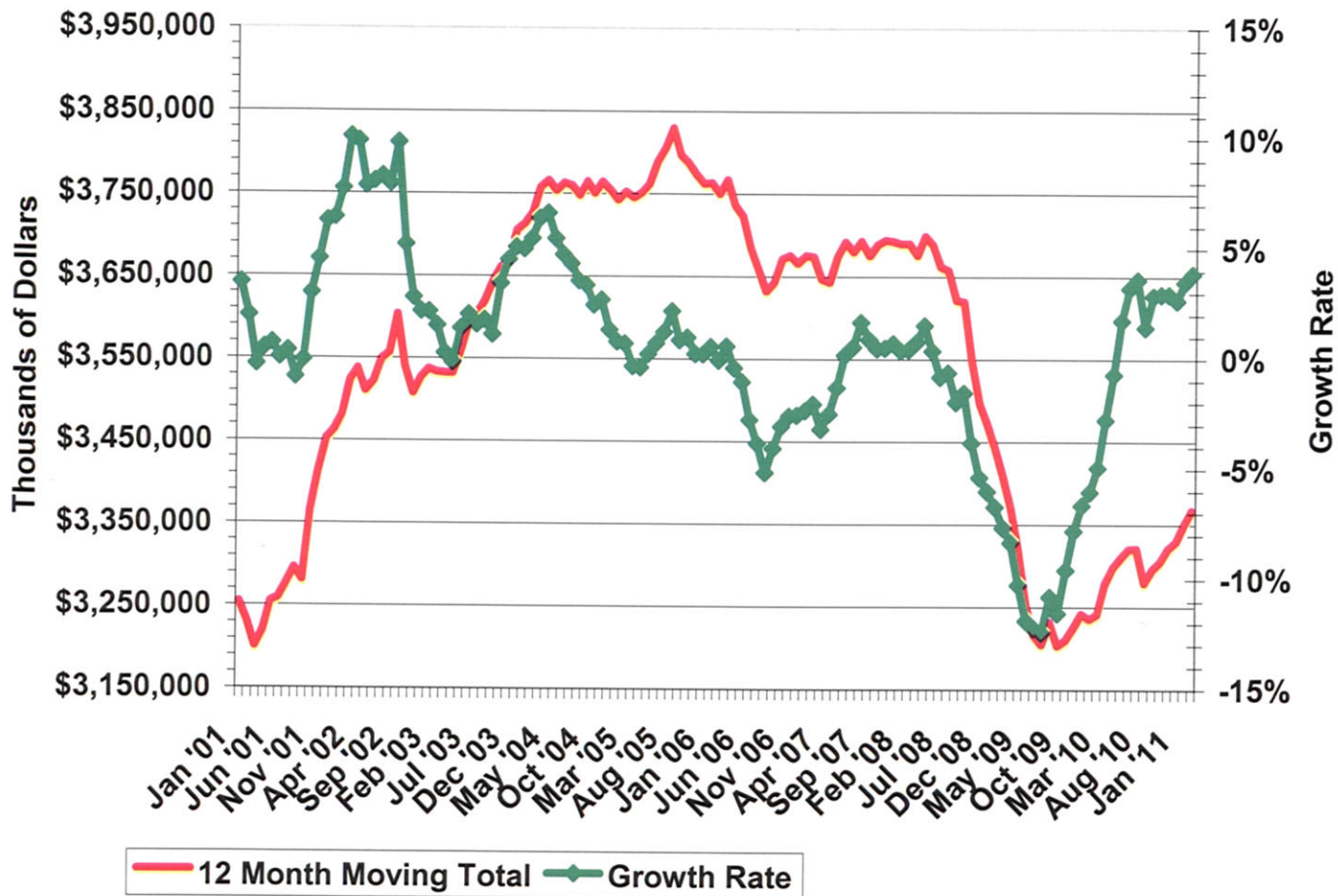
Food Store Taxable Sales January 2001 to Date



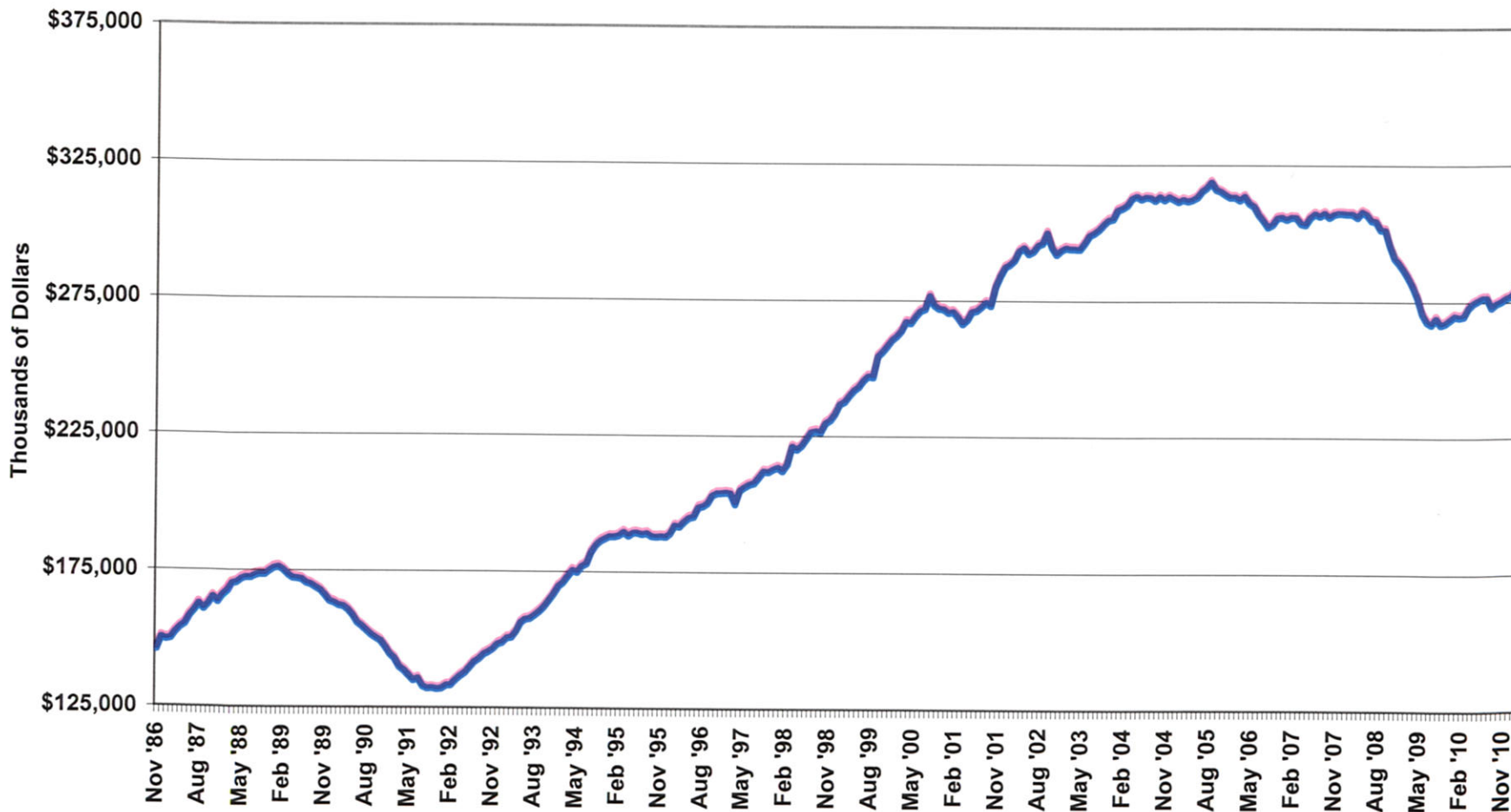
General Merchandise Taxable Sales January 2001 to Date



Auto/Transportation Taxable Sales January 2001 to Date

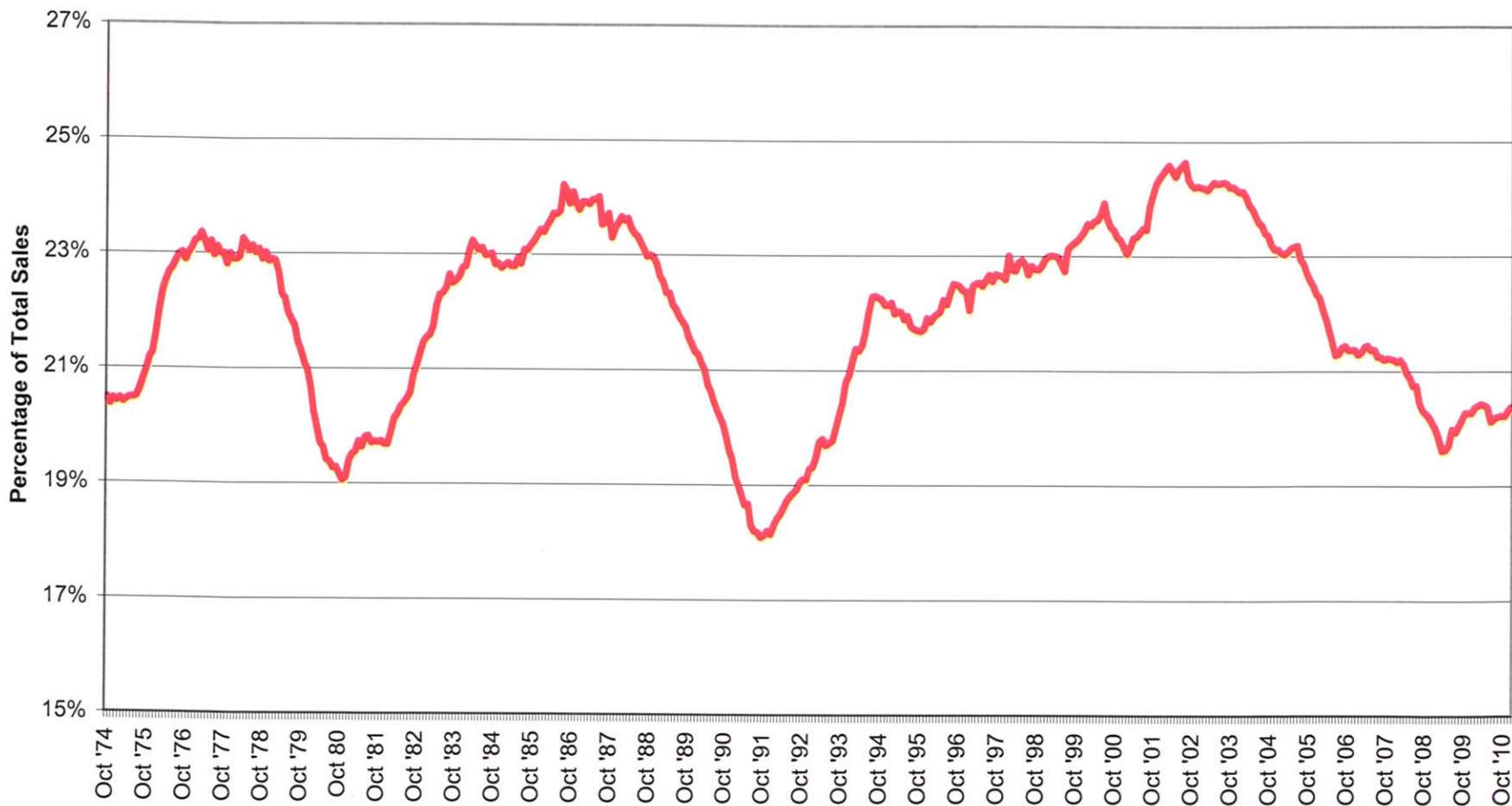


Auto/Transportation Taxable Sales 12 Month Moving Average November 1986 to Date



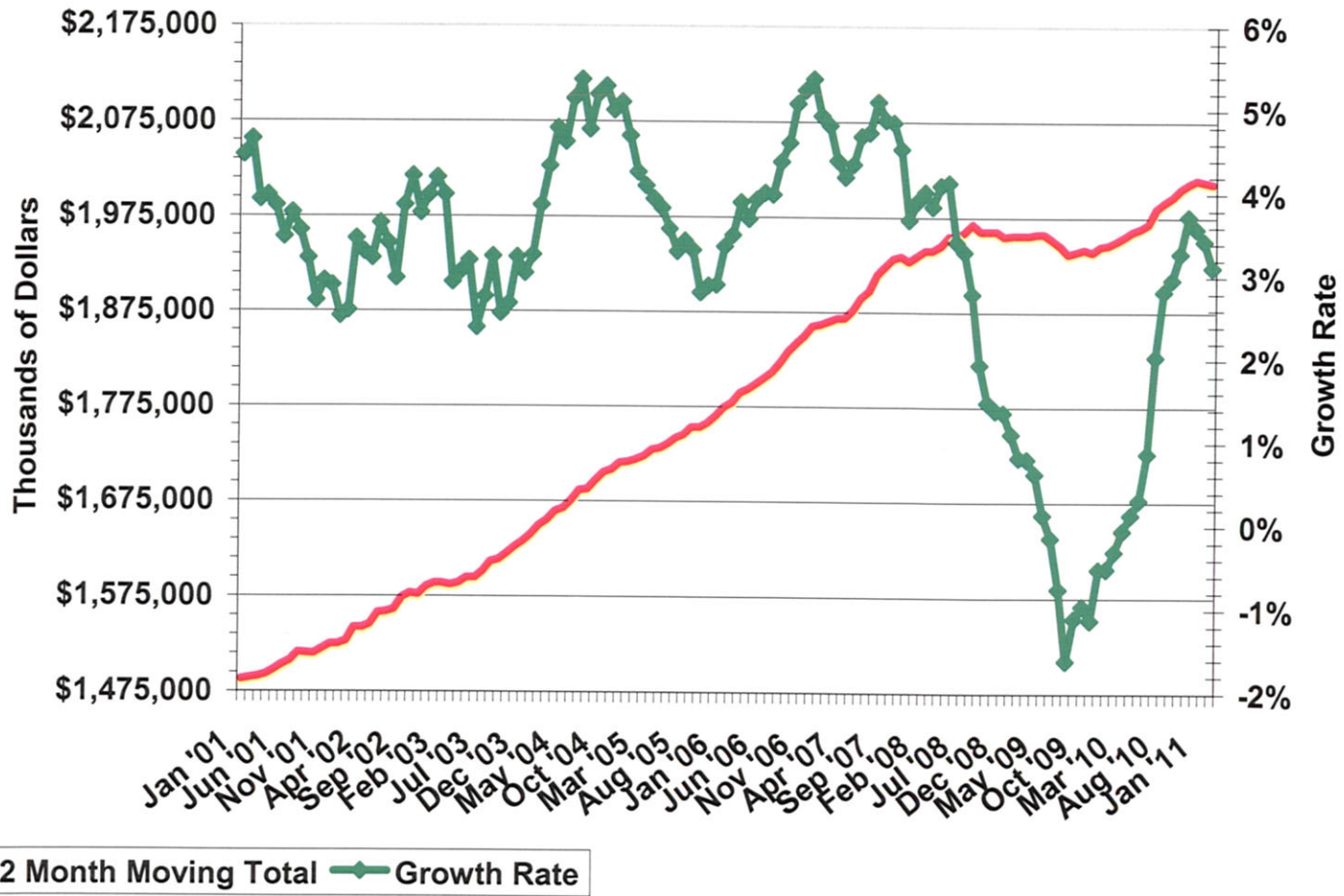
MRS-33

Auto/Transportation Sales as Percentage of Total Sales 12 Month Moving Total Dec. 1974 - Date



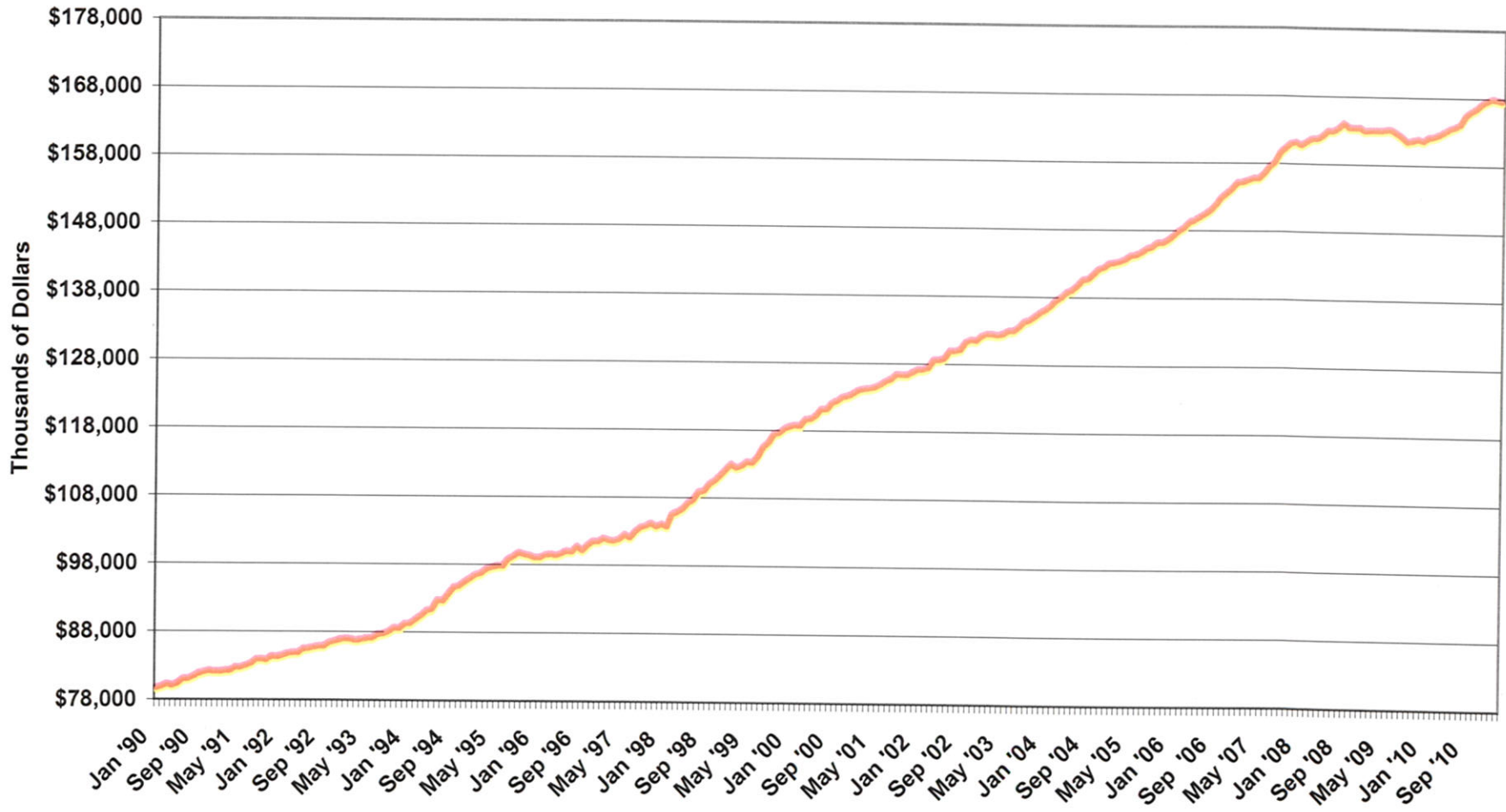
MRS-34

Restaurant Taxable Sales January 2001 to Date



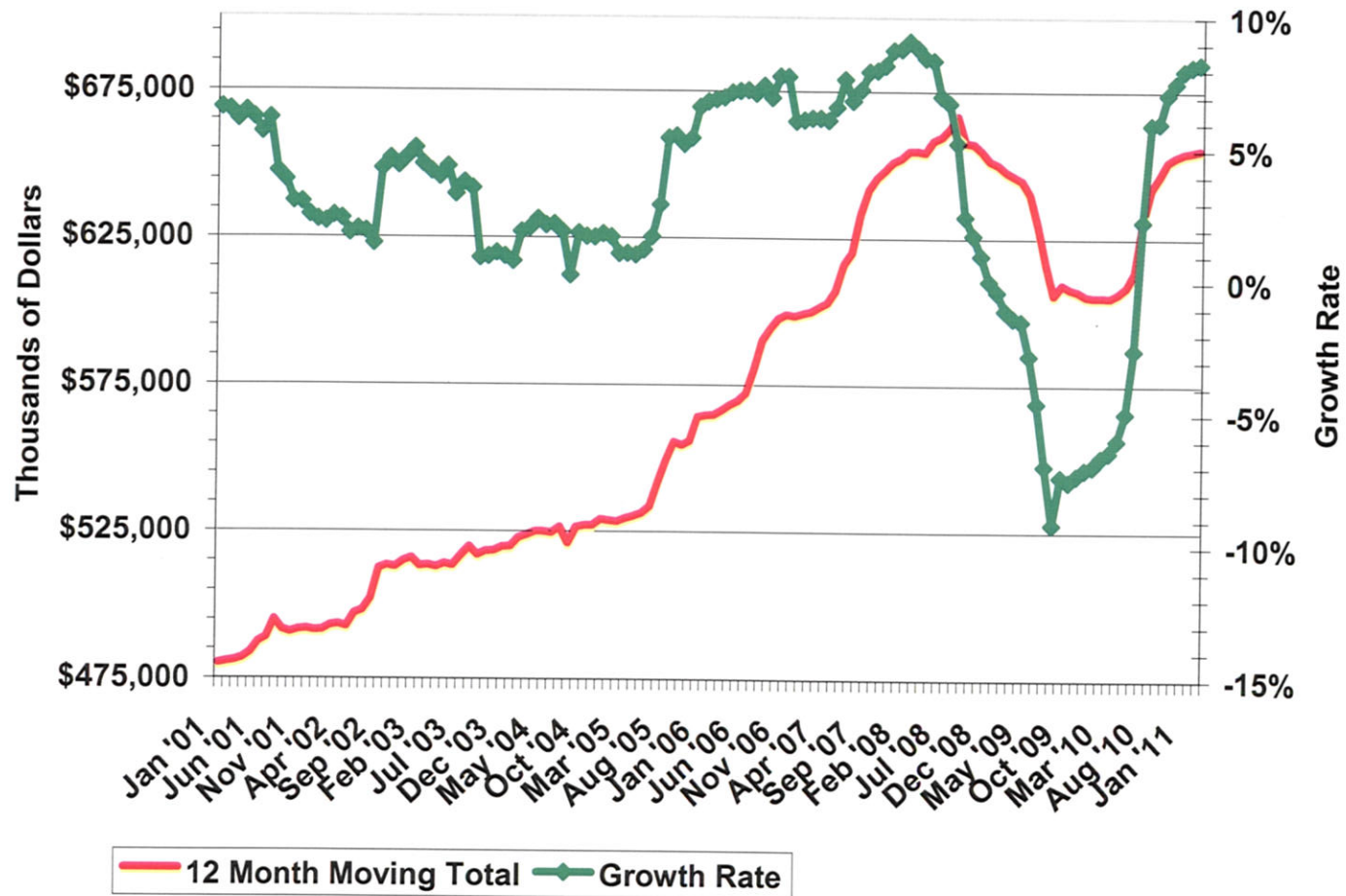
MRS-35

Restaurant Taxable Sales 12 Month Moving Average January 1990 to Date

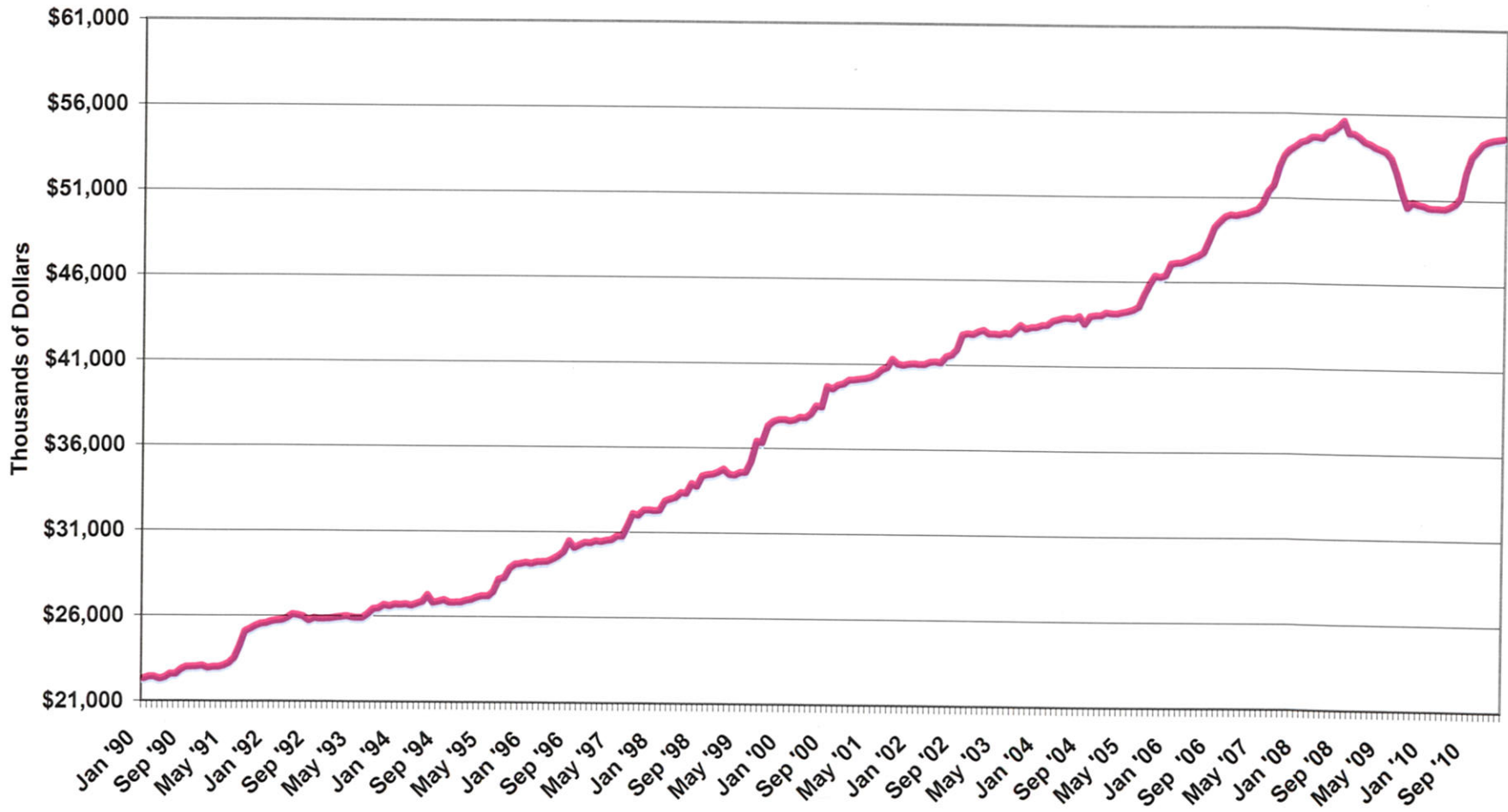


MRS-36

Lodging Taxable Sales January 2001 to Date

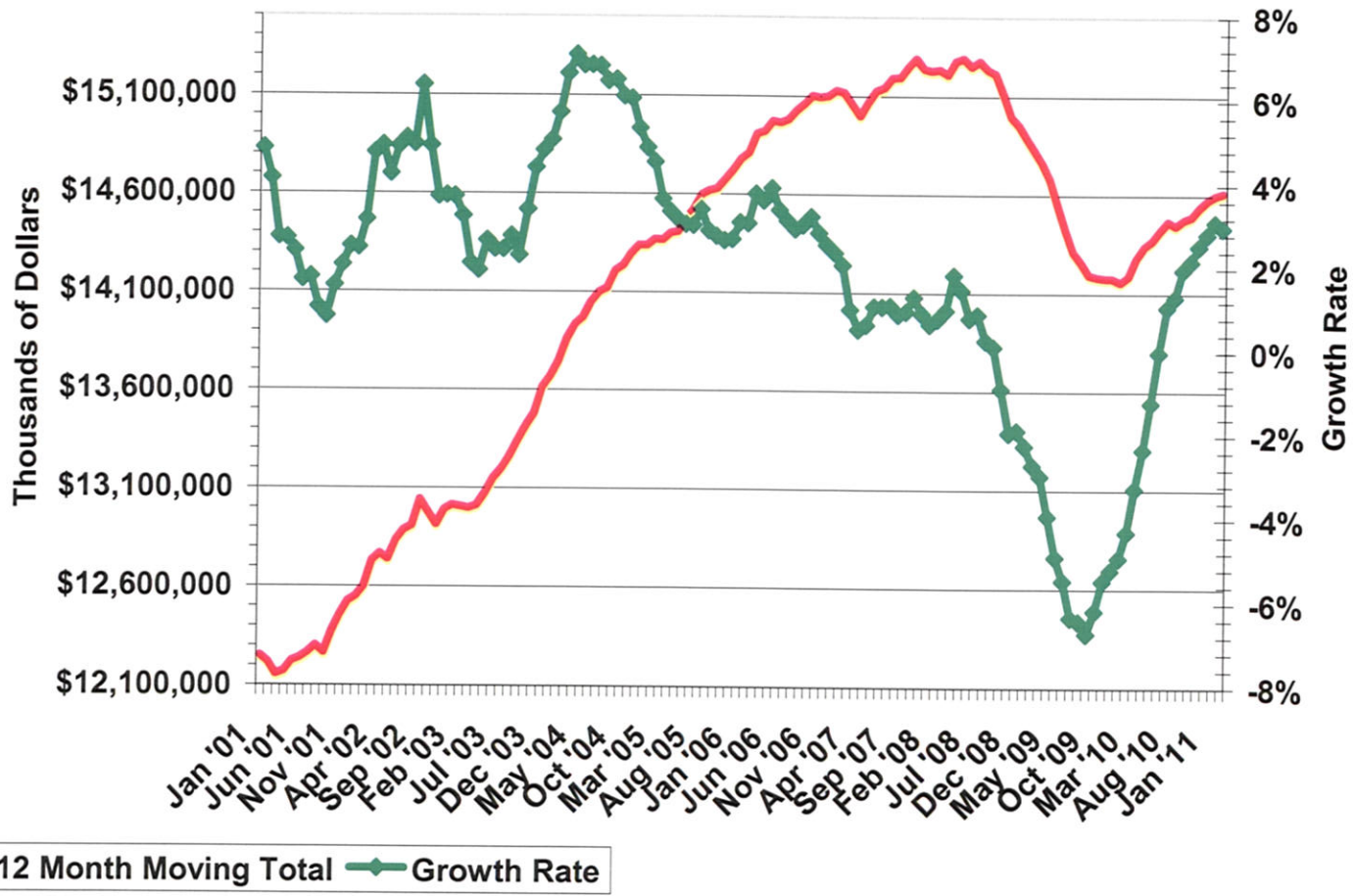


Lodging Taxable Sales 12 Month Moving Average January 1990 to Date

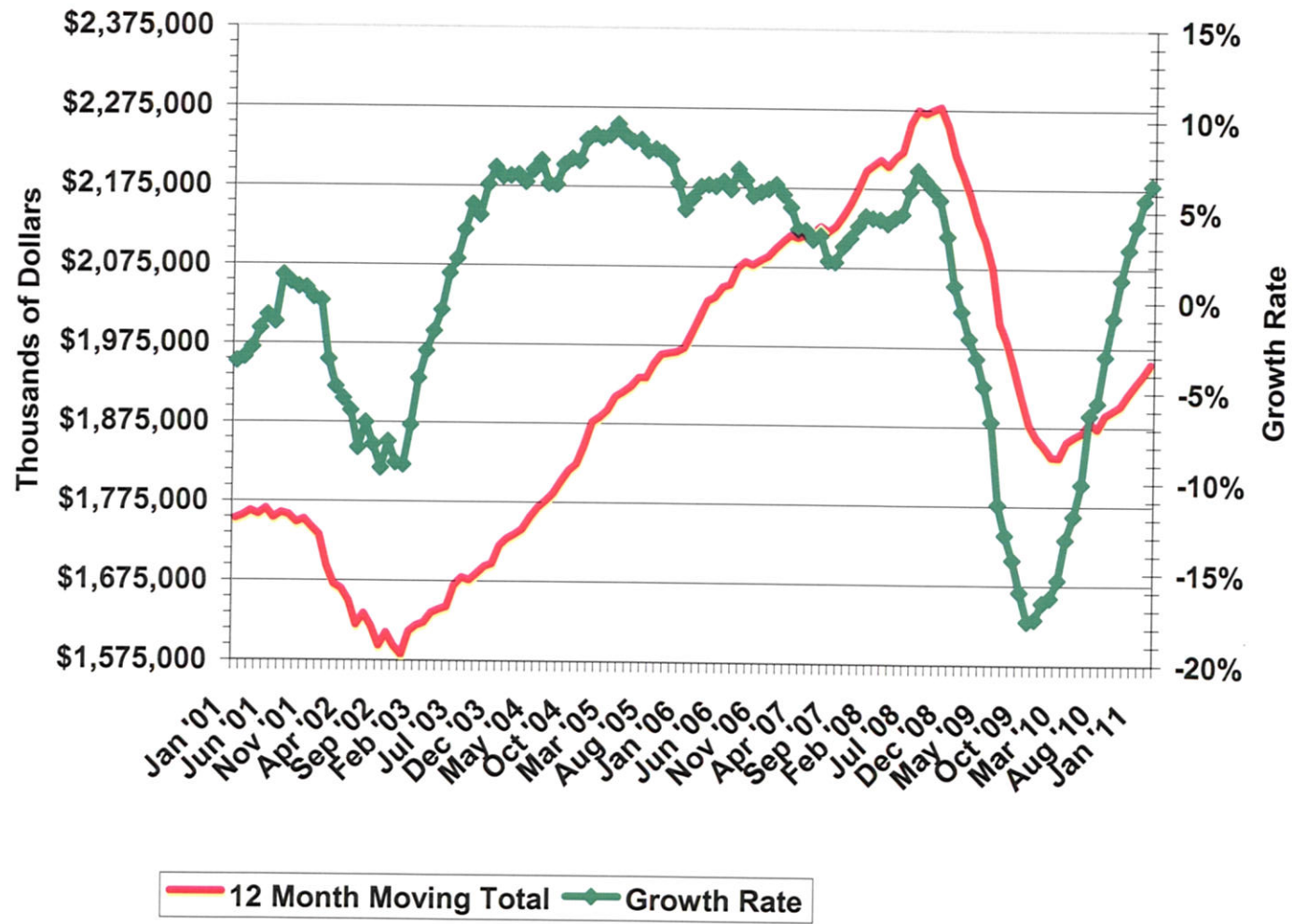


MRS-38

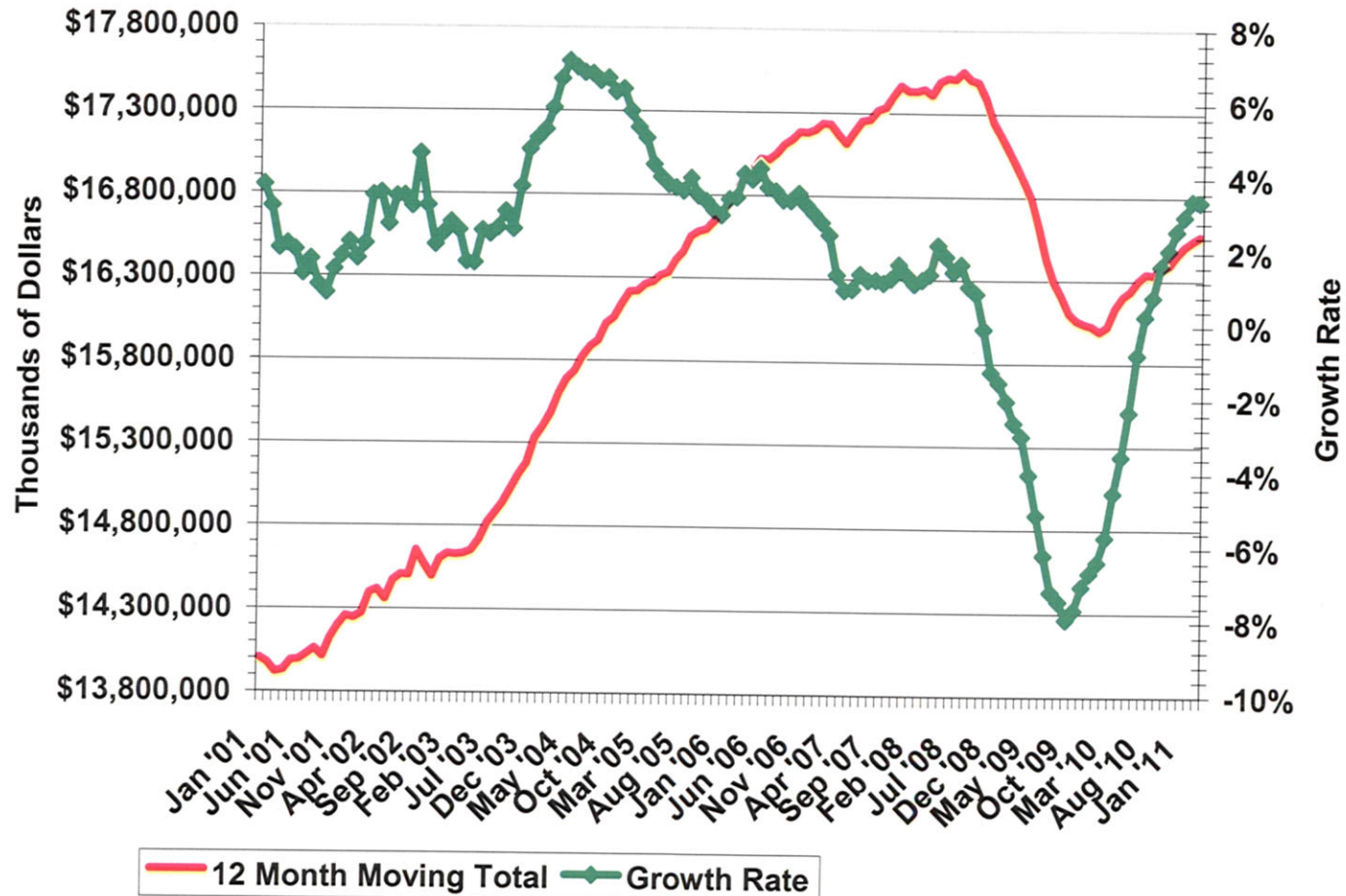
Total Consumer Taxable Sales January 2001 to Date



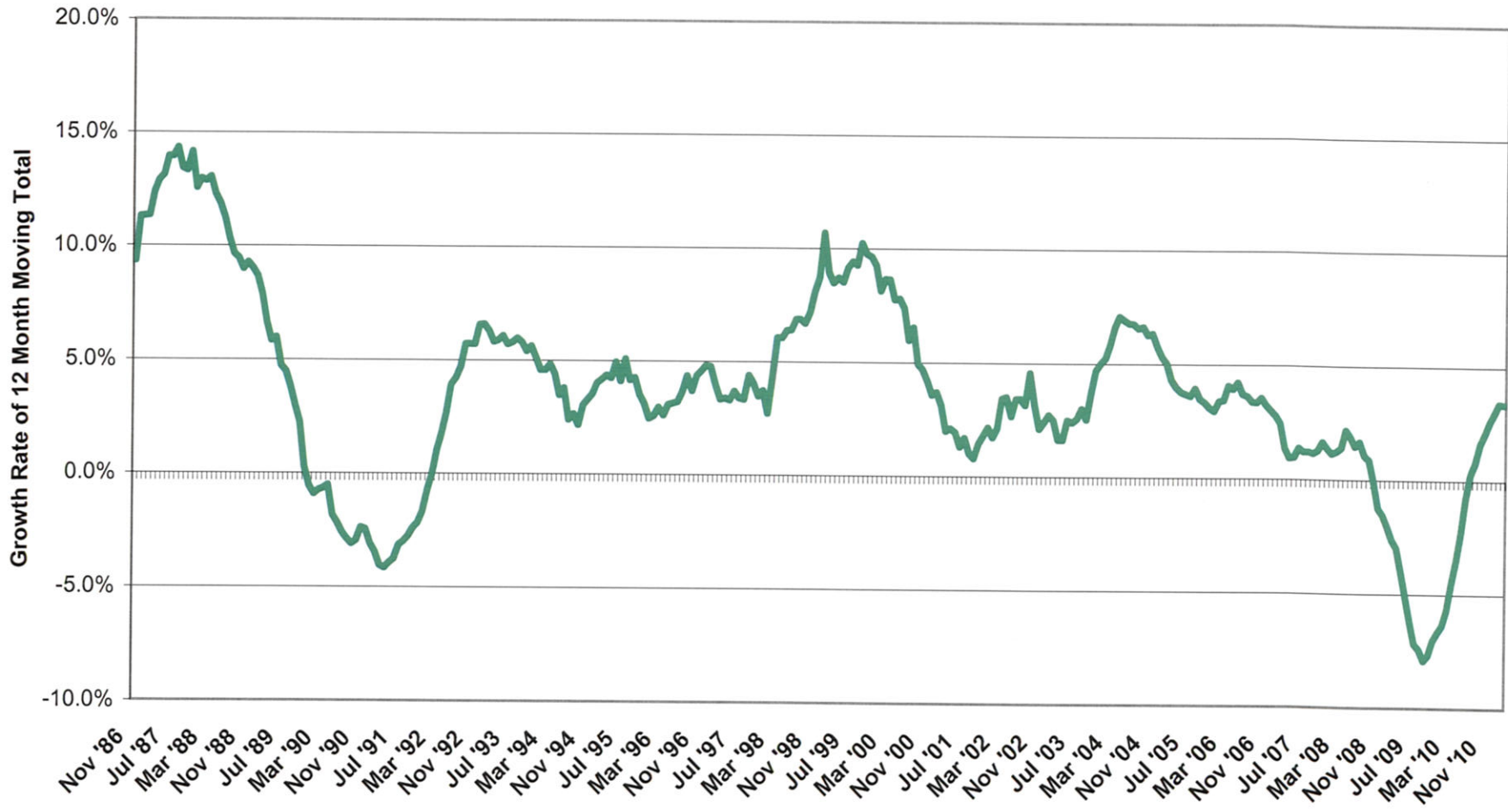
Business Operating Taxable Sales January 2001 to Date



Total Taxable Sales January 2001 to Date

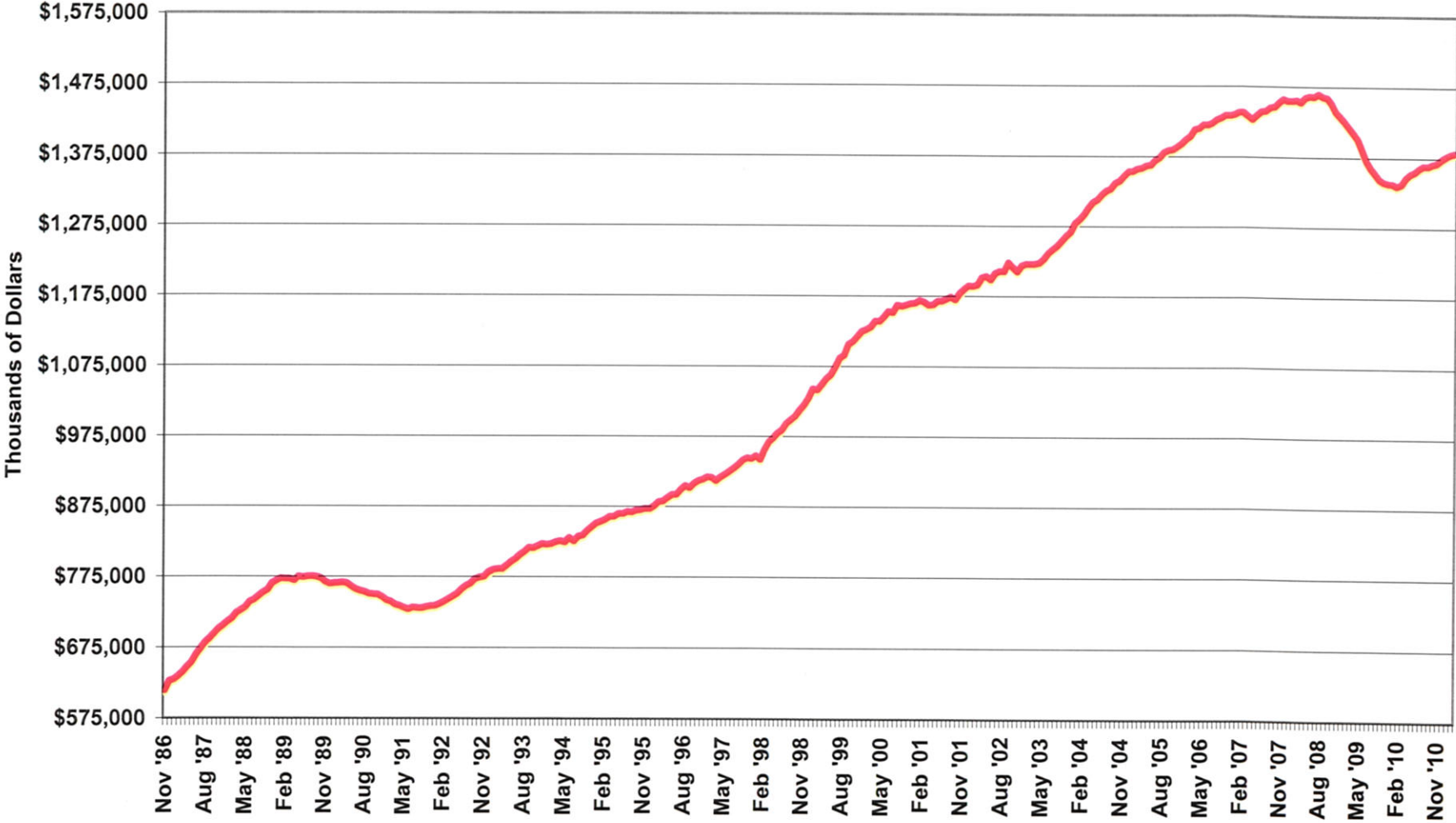


Total Maine Taxable Sales Growth Rate of 12 Month Moving Total November 1986 to Date

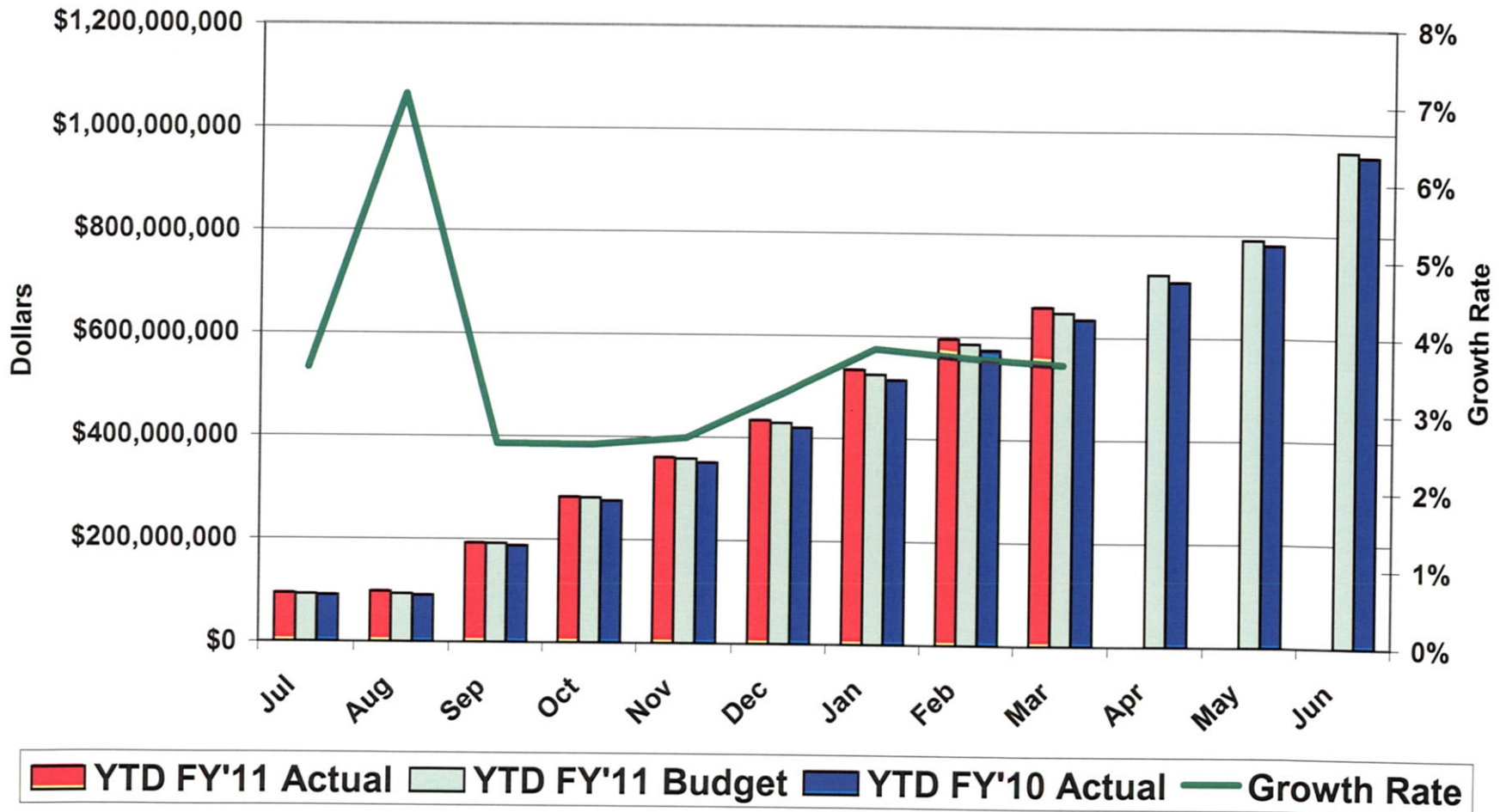


MRS-42

Total Maine Taxable Sales 12 Month Moving Average November 1986 to Date



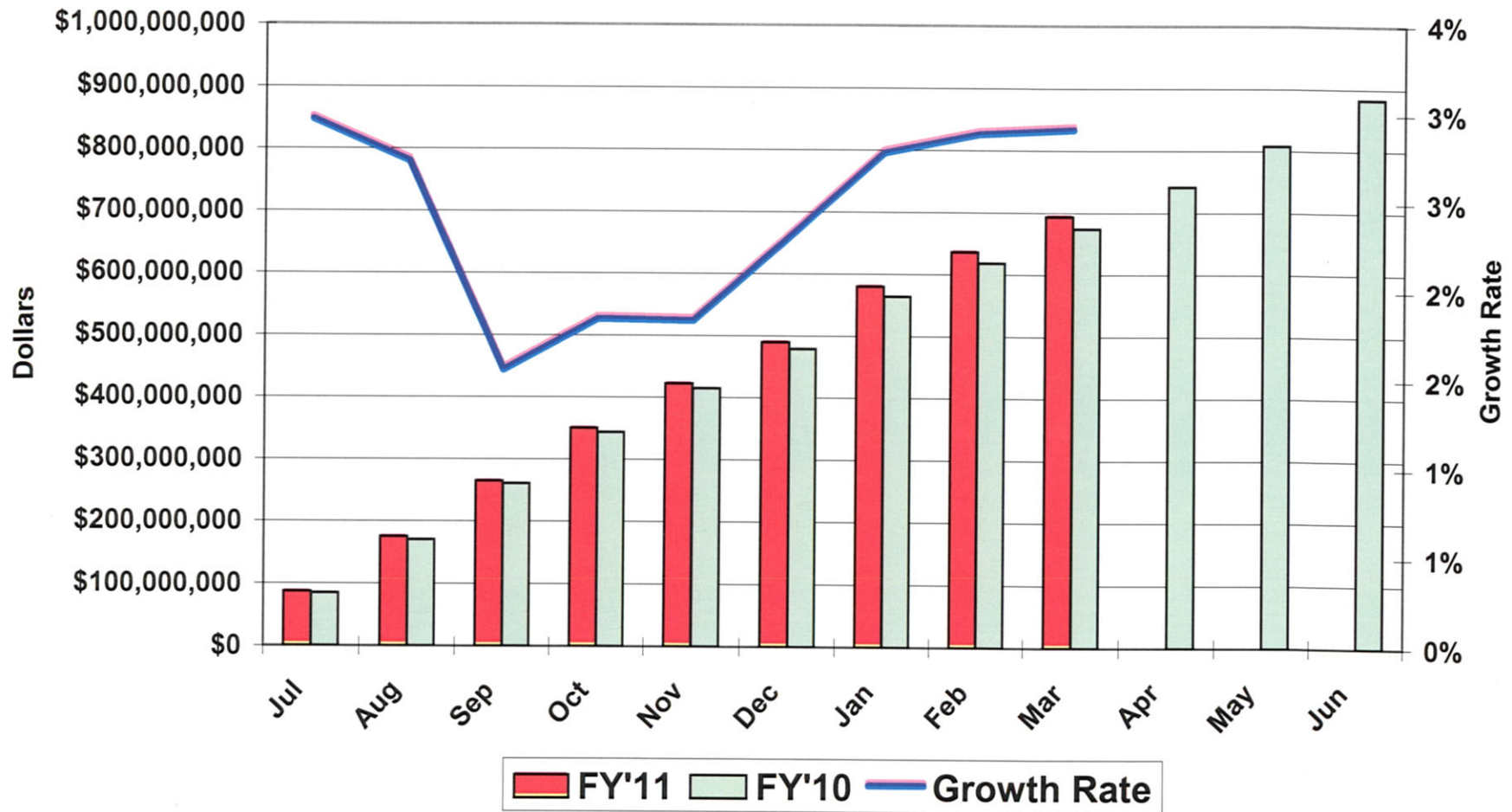
Sales & Service Provider Tax Revenue FY'11 Actual, Budget & FY'10 Actual



Maine Revenue Services
Sales & Use Tax and General Fund Service Provider Tax Revenue

Month	FY'11 Actual	FY'11 Budget	FY'10 Actual	FY'09 Actual	FY'11 Actual vs. Budget	FY'11 Budget vs. FY'10 Actual	FY'11 Actual vs. FY'10 Actual	FY'10 Actual vs. FY'09 Actual
Jul	\$93,652,239	\$91,778,579	\$90,437,714	\$102,939,388	2.0%	1.5%	3.6%	-12.1%
Aug	\$3,291,734	\$1,176,920	\$79,210	\$1,373,743	179.7%	1385.8%	4055.7%	-94.2%
Sep	\$94,609,737	\$98,013,078	\$96,228,300	\$103,435,596	-3.5%	1.9%	-1.7%	-7.0%
Oct	\$90,673,790	\$90,122,182	\$88,431,836	\$96,353,116	0.6%	1.9%	2.5%	-8.2%
Nov	\$77,669,432	\$76,875,822	\$75,400,830	\$81,320,814	1.0%	2.0%	3.0%	-7.3%
Dec	\$73,542,626	\$70,641,141	\$69,267,533	\$61,637,775	4.1%	2.0%	6.2%	12.4%
Jan	\$100,172,789	\$95,765,836	\$94,072,597	\$96,871,215	4.6%	1.8%	6.5%	-2.9%
Feb	\$61,268,924	\$60,763,934	\$59,620,070	\$62,041,109	0.8%	1.9%	2.8%	-3.9%
Mar	\$62,953,205	\$62,367,425	\$61,174,209	\$62,314,049	0.9%	2.0%	2.9%	-1.8%
Apr	\$0	\$74,882,161	\$73,523,849	\$68,807,350	-100.0%	1.8%	-100.0%	6.9%
May	\$0	\$68,333,387	\$72,693,333	\$67,783,755	-100.0%	-6.0%	-100.0%	7.2%
Jun	\$0	\$171,944,283	\$173,095,784	\$169,758,405	-100.0%	-0.7%	-100.0%	2.0%
Total	\$657,834,476	\$962,664,748	\$954,025,265	\$974,636,315	-31.7%	0.9%	-31.0%	-2.1%
YTD Mar.	\$657,834,476	\$647,504,917	\$634,712,299	\$668,286,805	1.6%	2.0%	3.6%	-5.0%

Sales Tax Cash Receipts Year-to-Date FY'11 & FY'10



Maine Revenue Services
Sales Tax Cash Receipts

	FY'11	FY'10	YTD FY'11	YTD FY'10	Growth Rate	YTD Growth Rate
Jul	\$86,997,781	\$84,490,717	\$86,997,781	\$84,490,717	3.0%	3.0%
Aug	\$88,026,199	\$85,879,571	\$175,023,980	\$170,370,288	2.5%	2.7%
Sep	\$89,669,490	\$90,272,558	\$264,693,470	\$260,642,846	-0.7%	1.6%
Oct	\$85,292,458	\$83,002,752	\$349,985,928	\$343,645,598	2.8%	1.8%
Nov	\$72,259,257	\$70,991,157	\$422,245,185	\$414,636,755	1.8%	1.8%
Dec	\$67,442,115	\$63,989,178	\$489,687,300	\$478,625,933	5.4%	2.3%
Jan	\$90,105,489	\$85,451,148	\$579,792,789	\$564,077,081	5.4%	2.8%
Feb	\$56,348,822	\$54,184,201	\$636,141,611	\$618,261,282	4.0%	2.9%
Mar	\$57,395,926	\$55,611,211	\$693,537,537	\$673,872,493	3.2%	2.9%
Apr	\$0	\$67,609,139	\$693,537,537	\$741,481,632	-100.0%	-6.5%
May	\$0	\$66,733,507	\$693,537,537	\$808,215,139	-100.0%	-14.2%
Jun	\$0	\$74,474,860	\$693,537,537	\$882,689,999	-100.0%	-21.4%

Maine Revenue Services
Model Sales Tax Revenue for Selected Categories from the April 2011 Forecast
 (millions of dollars)

Fiscal Years	2010	2011		2012		2013		2014		2015	
Personal Consumption											
Total motor vehicles	\$121.9	\$133.0	9.1%	\$143.75	8.1%	\$150.93	5.0%	\$156.98	4.0%	\$161.36	2.8%
New autos	\$53.76	\$58.65	9.1%	\$63.40	8.1%	\$66.57	5.0%	\$69.24	4.0%	\$71.17	2.8%
Used Autos	\$30.41	\$33.18	9.1%	\$35.87	8.1%	\$37.66	5.0%	\$39.17	4.0%	\$40.26	2.8%
Other motor vehicles	\$37.71	\$41.14	9.1%	\$44.48	8.1%	\$46.70	5.0%	\$48.57	4.0%	\$49.93	2.8%
Restaurants - consumer	\$139.02	\$138.77	-0.2%	\$143.60	3.5%	\$148.32	3.3%	\$152.67	2.9%	\$156.23	2.3%
Lodging - consumer	\$41.67	\$42.01	0.8%	\$45.83	9.1%	\$49.85	8.8%	\$53.68	7.7%	\$57.05	6.3%
Shoes	\$9.63	\$9.60	-0.3%	\$9.88	2.9%	\$10.15	2.7%	\$10.40	2.5%	\$10.59	1.8%
Women's clothing	\$37.68	\$37.72	0.1%	\$39.64	5.1%	\$41.57	4.9%	\$43.36	4.3%	\$44.86	3.5%
Men's clothing	\$22.92	\$22.94	0.1%	\$24.11	5.1%	\$25.28	4.9%	\$26.37	4.3%	\$27.28	3.5%
Jewelry and watches	\$12.92	\$12.98	0.5%	\$13.85	6.7%	\$14.74	6.4%	\$15.58	5.7%	\$16.30	4.6%
Toilet articles and preps	\$18.37	\$18.49	0.7%	\$20.03	8.3%	\$21.64	8.0%	\$23.17	7.1%	\$24.50	5.7%
Furniture	\$16.27	\$16.32	0.3%	\$17.34	6.3%	\$18.39	6.1%	\$19.36	5.3%	\$20.19	4.3%
Drugs	\$15.02	\$14.95	-0.5%	\$15.20	1.7%	\$15.43	1.5%	\$15.65	1.4%	\$15.82	1.1%
Personal consumption	\$694.33	\$705.51	1.6%	\$738.99	4.7%	\$771.80	4.4%	\$801.85	3.9%	\$826.42	3.1%
Business Intermediate	\$177.83	\$182.23	2.5%	\$188.86	3.6%	\$196.68	4.1%	\$206.60	5.0%	\$217.11	5.1%
Business Investment	\$81.87	\$84.39	3.1%	\$87.64	3.9%	\$90.94	3.8%	\$94.92	4.4%	\$99.42	4.7%

Economy.com
November 2010
CPI Urban Consumer

CY	Motor Fuels		
2009	202.1900		
2010	231.6300	14.56%	
2011	239.4300	3.37%	
2012	253.3500	5.81%	
2013	261.2600	3.12%	
2014	269.5500	3.17%	
2015	278.0700	3.16%	

CY	Fuel Oil		
2009	240.2000		
2010	282.8500	17.76%	
2011	294.8000	4.22%	
2012	309.6000	5.02%	
2013	322.0700	4.03%	
2014	333.7400	3.62%	
2015	345.4100	3.50%	

CY	Natural Gas		
2009	193.6300		
2010	191.9000	-0.89%	
2011	197.9500	3.15%	
2012	207.8800	5.02%	
2013	216.2600	4.03%	
2014	224.0900	3.62%	
2015	231.9300	3.50%	

CY	Electricity		
2009	192.7900		
2010	195.1300	1.21%	
2011	203.9000	4.49%	
2012	214.1400	5.02%	
2013	222.7600	4.03%	
2014	230.8300	3.62%	
2015	238.9100	3.50%	

Global Insights
April 2011
CPI Urban Consumer

CY	Motor Fuels		
2009	202.1900		
2010	238.7864	18.10%	
2011	282.0067	18.10%	
2012	283.6988	0.60%	
2013	293.6282	3.50%	
2014	298.9135	1.80%	
2015	302.2016	1.10%	

CY	Fuel Oil		
2009	240.2000		
2010	281.5144	17.20%	
2011	336.9727	19.70%	
2012	344.0492	2.10%	
2013	352.6504	2.50%	
2014	358.6455	1.70%	
2015	364.3838	1.60%	

CY	Natural Gas		
2009	193.6300		
2010	189.7574	-2.00%	
2011	176.2846	-7.10%	
2012	179.4577	1.80%	
2013	192.1992	7.10%	
2014	200.2716	4.20%	
2015	202.6749	1.20%	

CY	Electricity		
2009	192.7900		
2010	192.9828	0.10%	
2011	195.2986	1.20%	
2012	197.8375	1.30%	
2013	202.3877	2.30%	
2014	210.4832	4.00%	
2015	216.5872	2.90%	

CY	Savings Rate
2009	5.93%
2010	5.84%
2011	6.07%
2012	5.65%
2013	5.61%
2014	6.02%
2015	6.40%

Target motor vehicle sales
Forecasted Maine sales x average price

Calendar Year	Average price New Vehicle	New Vehicle Registrations	Price x Registrations	Growth Rate	CPI New Vehicles
2009	24,314	45,234	1,099,815,586		134.19
2010	24,129	43,536	1,050,489,313	-4.5%	135.63 1.07%
2011	24,134	46,584	1,124,250,865	7.0%	138.02 1.76%
2012	24,272	52,325	1,270,039,924	13.0%	135.72 -1.67%
2013	24,505	57,722	1,414,473,199	11.4%	132.35 -2.48%
2014	24,640	58,221	1,434,540,412	1.4%	132.04 -0.23%
2015	24,726	56,072	1,386,449,078	-3.4%	132.76 0.55%
					133.22 0.35%
Fiscal Year					Nov. 2010
2010			1,075,152,449		
2011			1,087,370,089	1.1%	
2012			1,197,145,395	10.1%	
2013			1,342,256,562	12.1%	
2014			1,424,506,806	6.1%	
2015			1,410,494,745	-1.0%	

CY	Savings Rate
2009	5.93%
2010	5.80%
2011	5.60%
2012	4.20%
2013	3.60%
2014	4.30%
2015	4.90%

Target motor vehicle sales
Forecasted Maine sales x average price

Calendar Year	Average price New Vehicle	New Vehicle Registrations	Price x Registrations	Growth Rate	CPI New Vehicles
2009	24,314	45,234	1,099,815,586		134.19
2010	24,825	47,400	1,176,685,756	7.0%	\$135.63 1.07%
2011	24,899	52,500	1,307,201,059	11.1%	\$138.89 0.30% 0.30%
2012	25,123	54,800	1,376,749,135	5.3%	\$140.14 0.90% 0.90%
2013	25,324	56,900	1,440,943,832	4.7%	\$141.26 0.80% 0.80%
2014	25,603	58,200	1,490,077,737	3.4%	\$142.82 1.10% 1.10%
2015	25,884	58,800	1,521,999,196	2.1%	\$144.39 1.10% 1.10%
Fiscal Year					Apr. 2011
2010			1,138,250,671		
2011			1,241,943,407	9.1%	
2012			1,341,975,097	8.1%	
2013			1,408,846,483	5.0%	
2014			1,465,510,784	4.0%	
2015			1,506,038,467	2.8%	

Sales & Use and Service Provider Taxes: Baseline Forecast FY11 - FY15

	FY08	FY09	Biennium	FY10	FY11	Biennium	FY12	FY13	Biennium	FY14	FY15	Biennium
Actuals & November, 2010 Forecast /1	\$1,035,157,942	\$974,636,315	\$2,009,794,257	\$954,025,264	\$962,664,748	\$1,916,690,012	\$1,005,031,489	\$1,054,799,223	\$2,059,830,712	\$1,101,703,902	\$1,137,768,097	\$2,239,471,999
Growth Rate	1.4%	-5.8%	-0.2%	-2.1%	0.9%	-4.6%	4.4%	5.0%	7.5%	4.4%	3.3%	8.7%
Technical Adjustments to Prior Forecast /2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Economic Assumptions /3	\$0	\$0	\$0	\$0	\$9,296,045	\$9,296,045	\$10,194,362	\$4,319,731	\$14,514,093	\$1,340,000	\$4,850,000	\$6,190,000
Total Adjustments to Prior Forecast	\$0	\$0	\$0	\$0	\$9,296,045	\$9,296,045	\$10,194,362	\$4,319,731	\$14,514,093	\$1,340,000	\$4,850,000	\$6,190,000
New Forecast	\$1,035,157,942	\$974,636,315	\$2,009,794,257	\$954,025,264	\$971,960,793	\$1,925,986,057	\$1,015,225,851	\$1,059,118,954	\$2,074,344,805	\$1,103,043,902	\$1,142,618,097	\$2,245,661,999
Growth Rate	1.4%	-5.8%	-0.2%	-2.1%	1.9%	-4.2%	4.5%	4.3%	7.7%	4.1%	3.6%	8.3%

1/ November, 2010 forecast with FY08, FY09, and FY10 actuals.

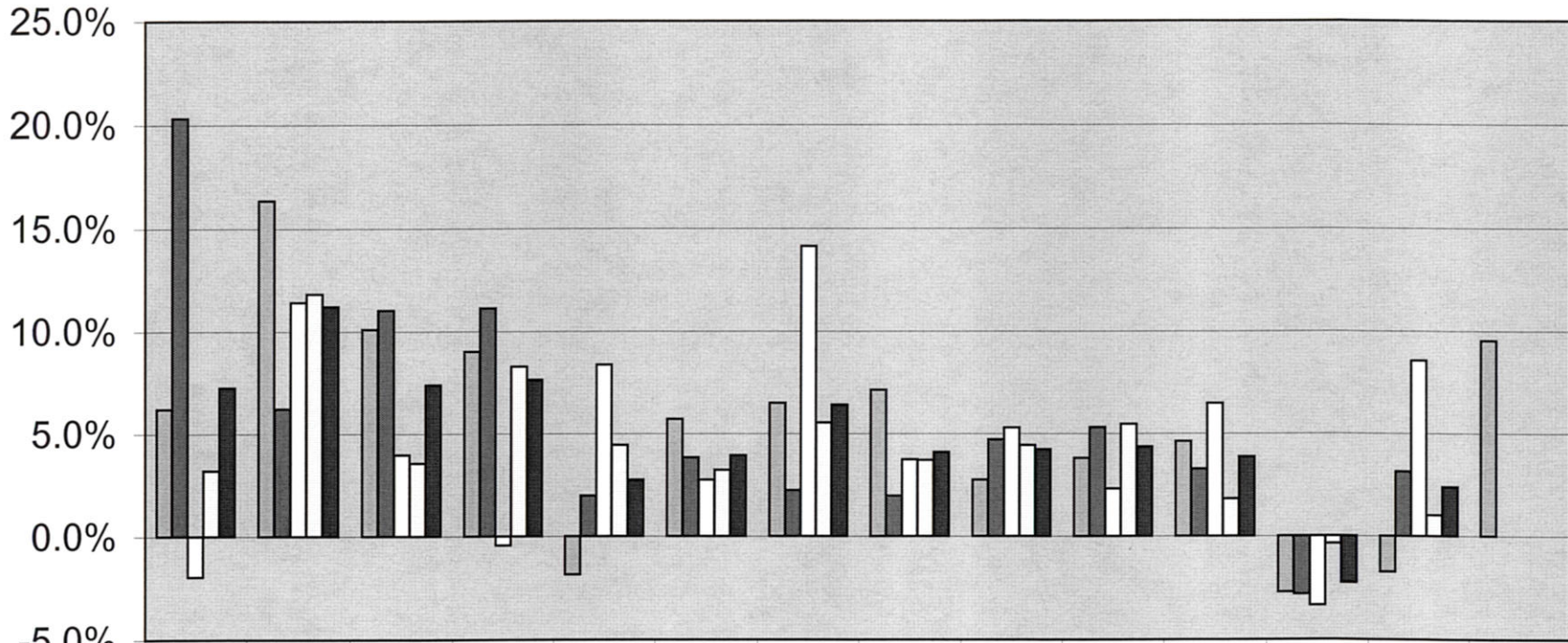
2/ Technical adjustments refer to all changes in the forecast that are not related to changes from new economic assumptions. Examples of technical changes may be new data, model updates and changes, and court cases that affect revenues.

3/ This line shows the incremental change in baseline revenues as a result of the new economic forecast released by the Consensus Economic Forecasting Committee. In addition, Global Insight's March 2011 forecast is used to estimate the impact of energy prices on sales tax receipts and to target automobile sales growth.

Individual Income Tax

Individual Income Tax Withholding

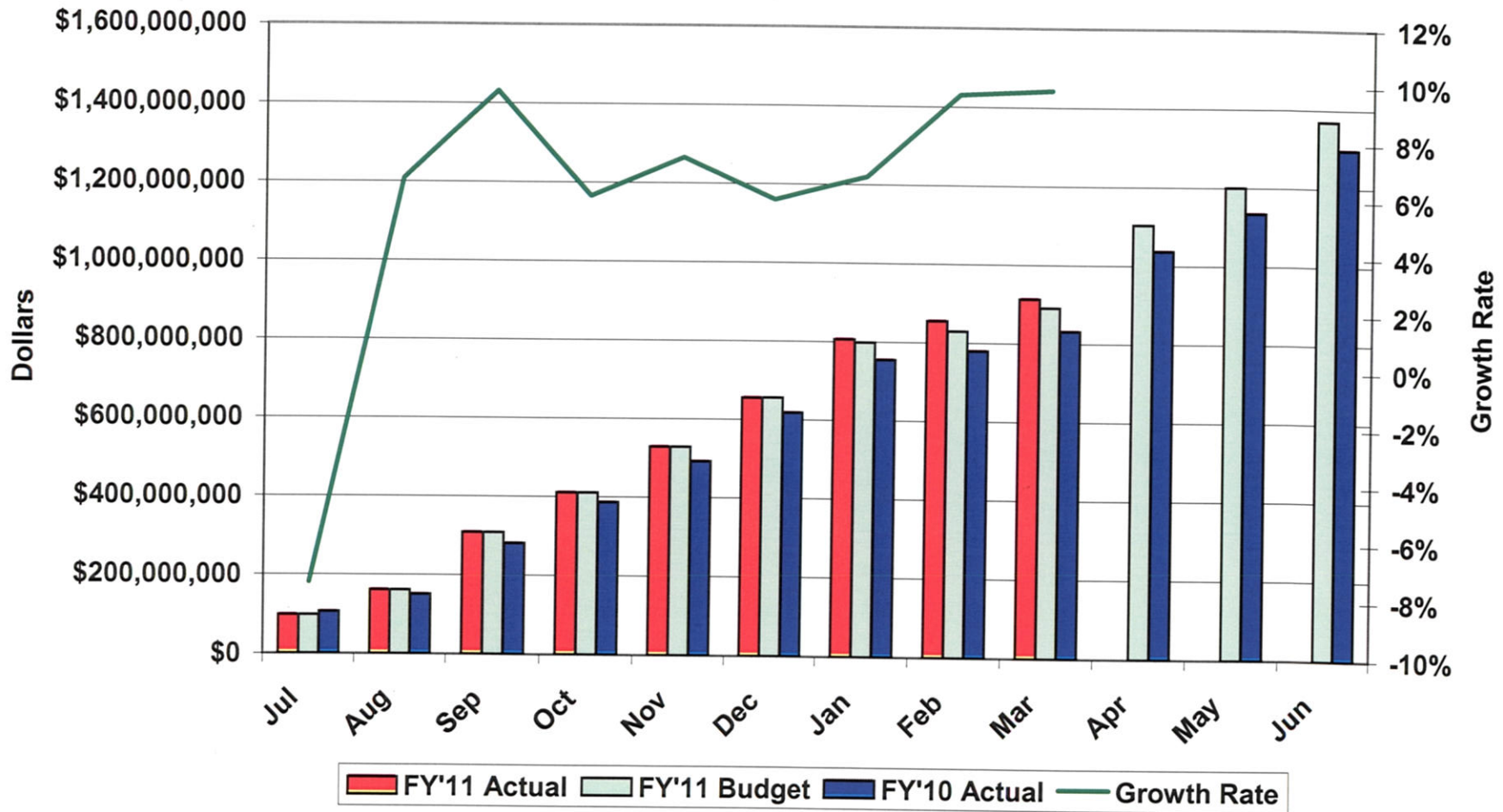
Year-Over-Year Percent Change



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
■ Qtr. I	6.2%	16.3%	10.1%	9.0%	-1.9%	5.7%	6.5%	7.1%	2.7%	3.8%	4.6%	-2.7%	-1.7%	9.5%
■ Qtr. II	20.3%	6.2%	11.0%	11.1%	2.0%	3.8%	2.2%	2.0%	4.7%	5.3%	3.3%	-2.8%	3.1%	
□ Qtr. III	-2.0%	11.4%	4.0%	-0.4%	8.4%	2.8%	14.1%	3.7%	5.3%	2.3%	6.5%	-3.3%	8.6%	
□ Qtr. IV	3.2%	11.8%	3.6%	8.3%	4.5%	3.2%	5.5%	3.7%	4.4%	5.5%	1.8%	-0.4%	1.0%	
■ Year	7.3%	11.2%	7.4%	7.6%	2.7%	3.9%	6.4%	4.1%	4.2%	4.4%	3.9%	-2.3%	2.4%	

Quarter & Calendar Year

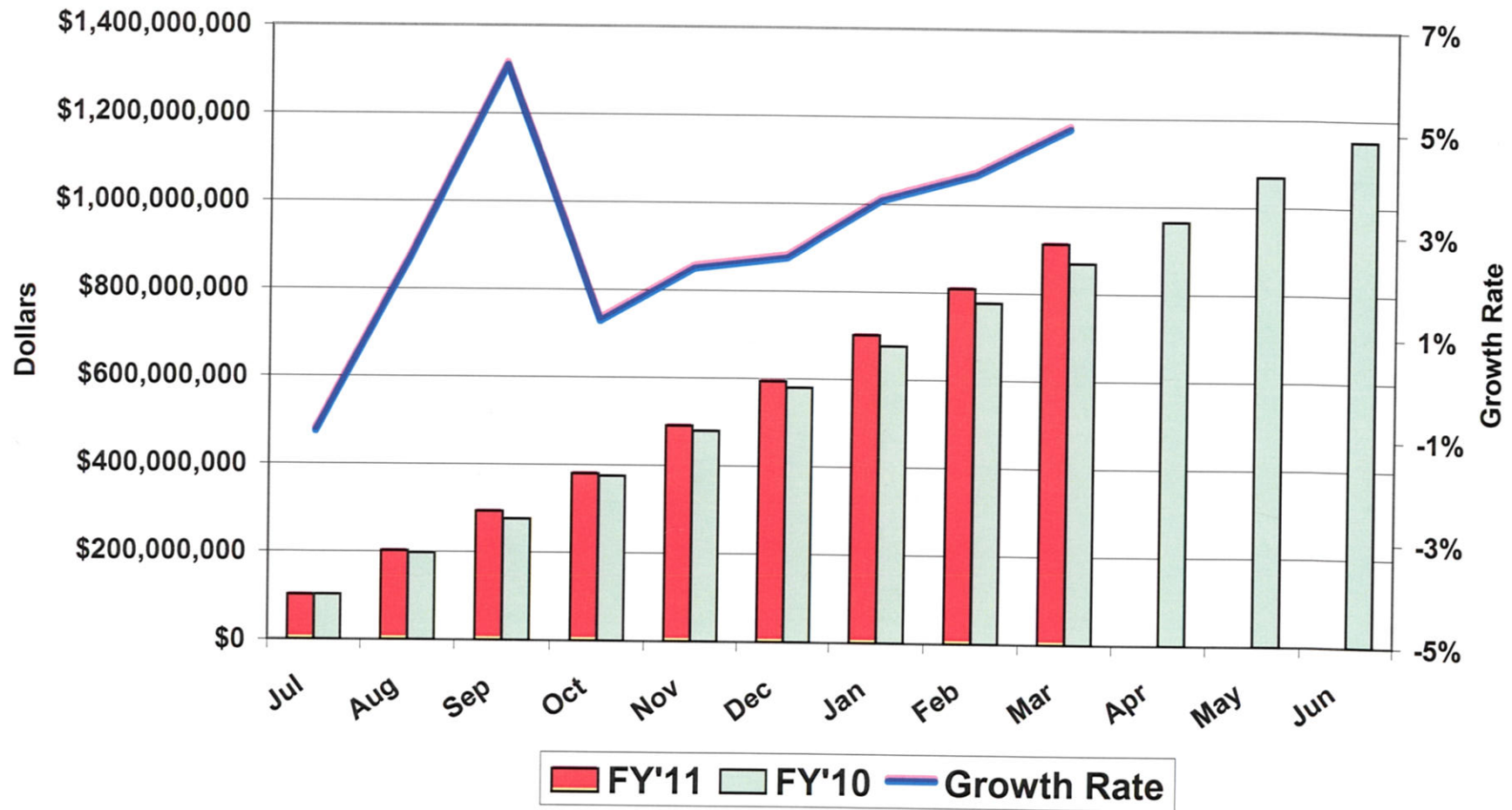
YTD Individual Income Tax Revenue FY'11 Actual, Budget & FY'10 Actual



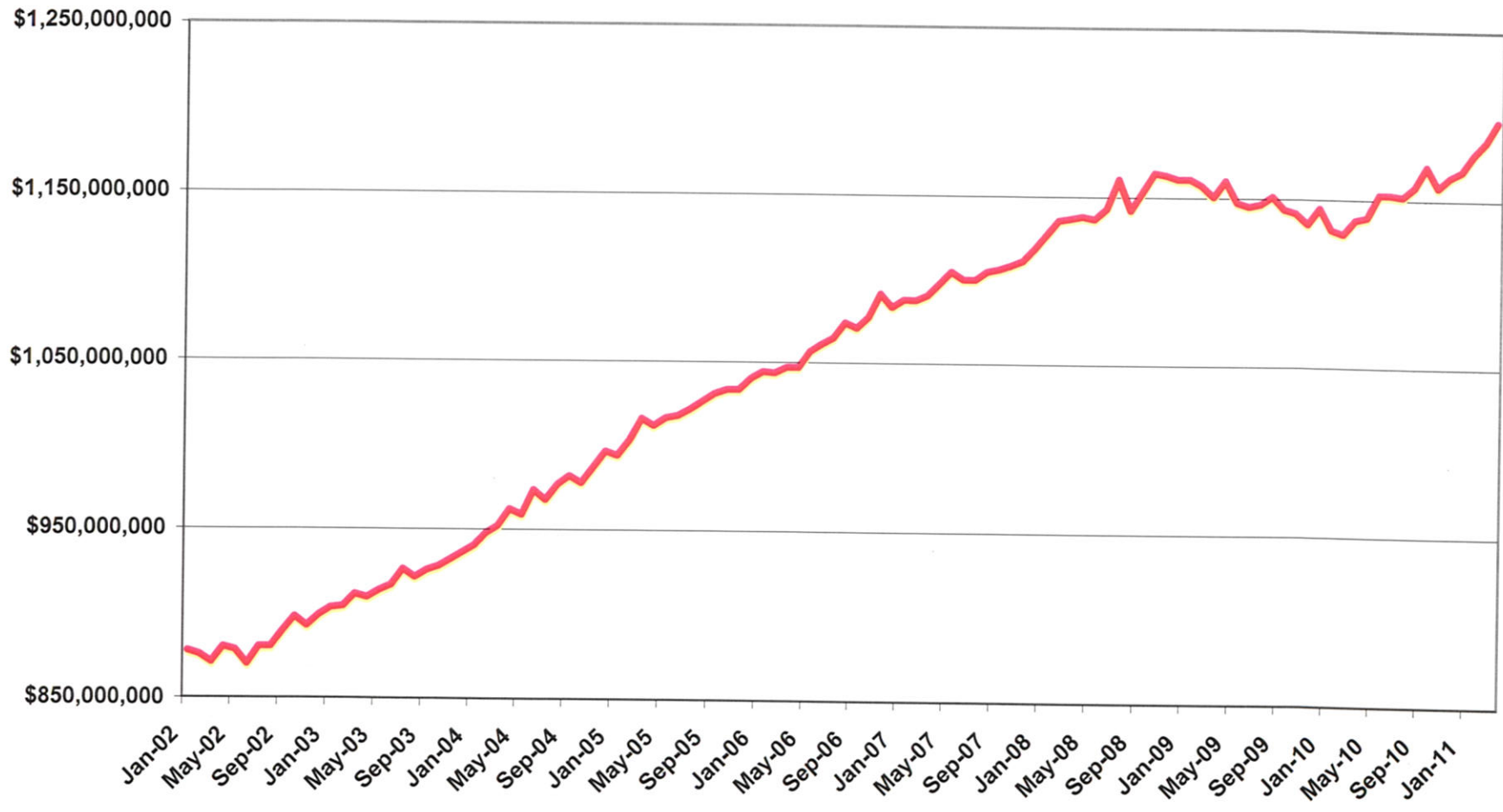
Maine Revenue Services
Individual Income Tax Revenue

	FY'11 Actual	FY'11 Budget	FY'10 Actual	FY'09 Actual	FY'11 Actual vs. Budget	FY'11 Budget vs. FY'10 Actual	FY'11 Actual vs. FY'10 Actual	FY'10 Actual vs. FY'09 Actual
Jul	\$98,048,928	\$98,048,927	\$106,011,021	\$113,031,239	0.0%	-7.5%	-7.5%	-6.2%
Aug	\$63,334,695	\$63,334,695	\$45,365,263	\$45,901,885	0.0%	39.6%	39.6%	-1.2%
Sep	\$147,084,980	\$147,084,980	\$129,859,317	\$159,967,180	0.0%	13.3%	13.3%	-18.8%
Oct	\$101,843,463	\$101,843,464	\$105,732,983	\$122,613,654	0.0%	-3.7%	-3.7%	-13.8%
Nov	\$118,528,722	\$118,528,722	\$105,446,274	\$107,137,039	0.0%	12.4%	12.4%	-1.6%
Dec	\$126,325,861	\$126,969,213	\$125,933,530	\$123,901,804	-0.5%	0.8%	0.3%	1.6%
Jan	\$151,418,936	\$142,640,642	\$137,027,470	\$164,474,825	6.2%	4.1%	10.5%	-16.7%
Feb	\$48,465,133	\$31,269,584	\$24,274,494	\$29,142,490	55.0%	28.8%	99.7%	-16.7%
Mar	\$58,227,540	\$61,388,882	\$51,811,689	\$36,021,026	-5.1%	18.5%	12.4%	43.8%
Apr	\$0	\$212,165,628	\$205,504,367	\$218,341,426	-100.0%	3.2%	-100.0%	-5.9%
May	\$0	\$97,561,306	\$97,904,539	\$82,135,878	-100.0%	-0.4%	-100.0%	19.2%
Jun	\$0	\$169,283,957	\$163,165,106	\$162,769,283	-100.0%	3.8%	-100.0%	0.2%
Total	\$913,278,258	\$1,370,120,000	\$1,298,036,053	\$1,365,437,729	-33.3%	5.6%	-29.6%	-4.9%
YTD Mar.	\$913,278,258	\$891,109,109	\$831,462,041	\$902,191,142	2.5%	7.2%	9.8%	-7.8%

1040 Withholding Year-to-Date FY'11 & FY'10

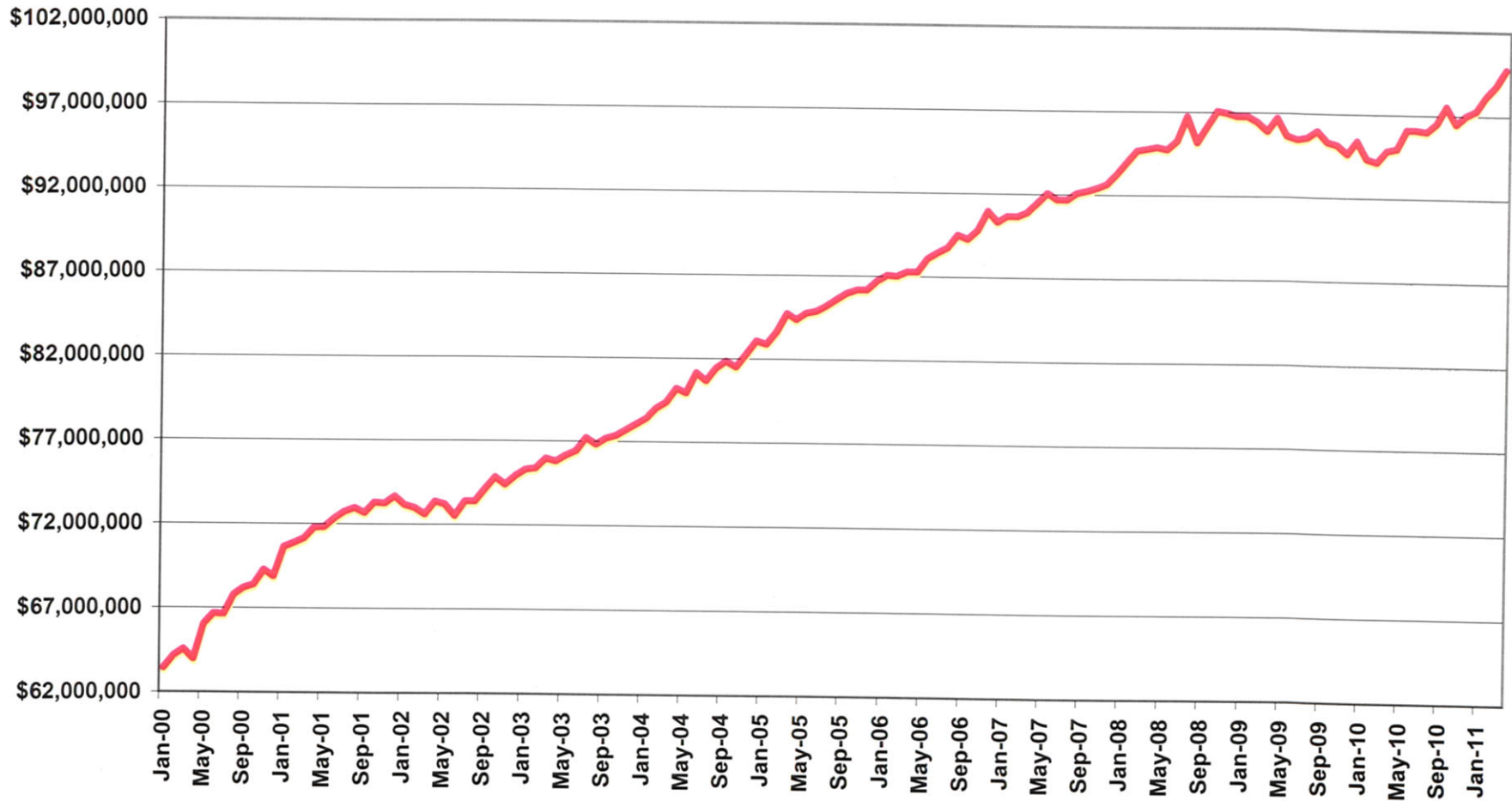


Withholding Tax Revenue 12 Month Moving Total

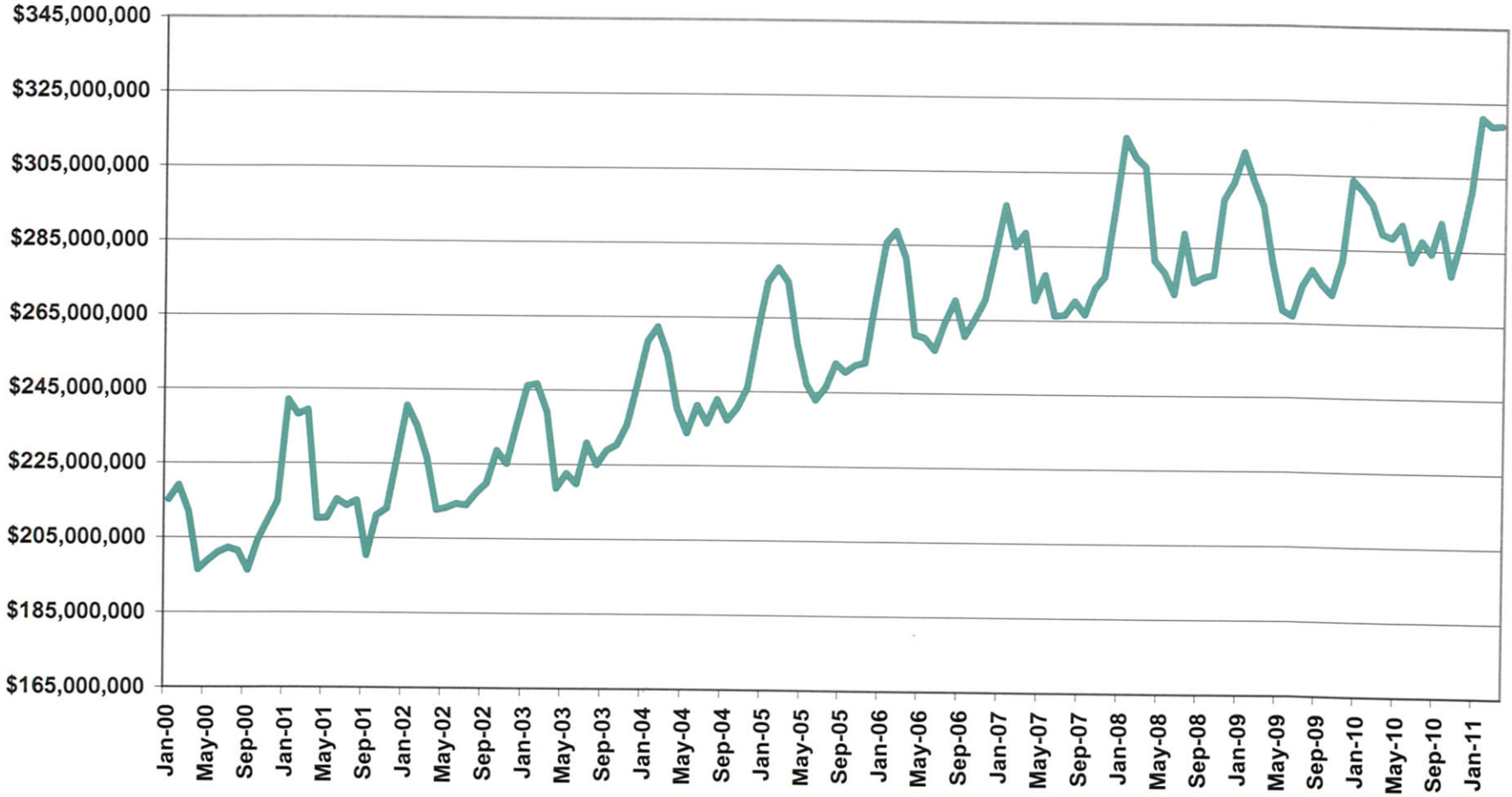


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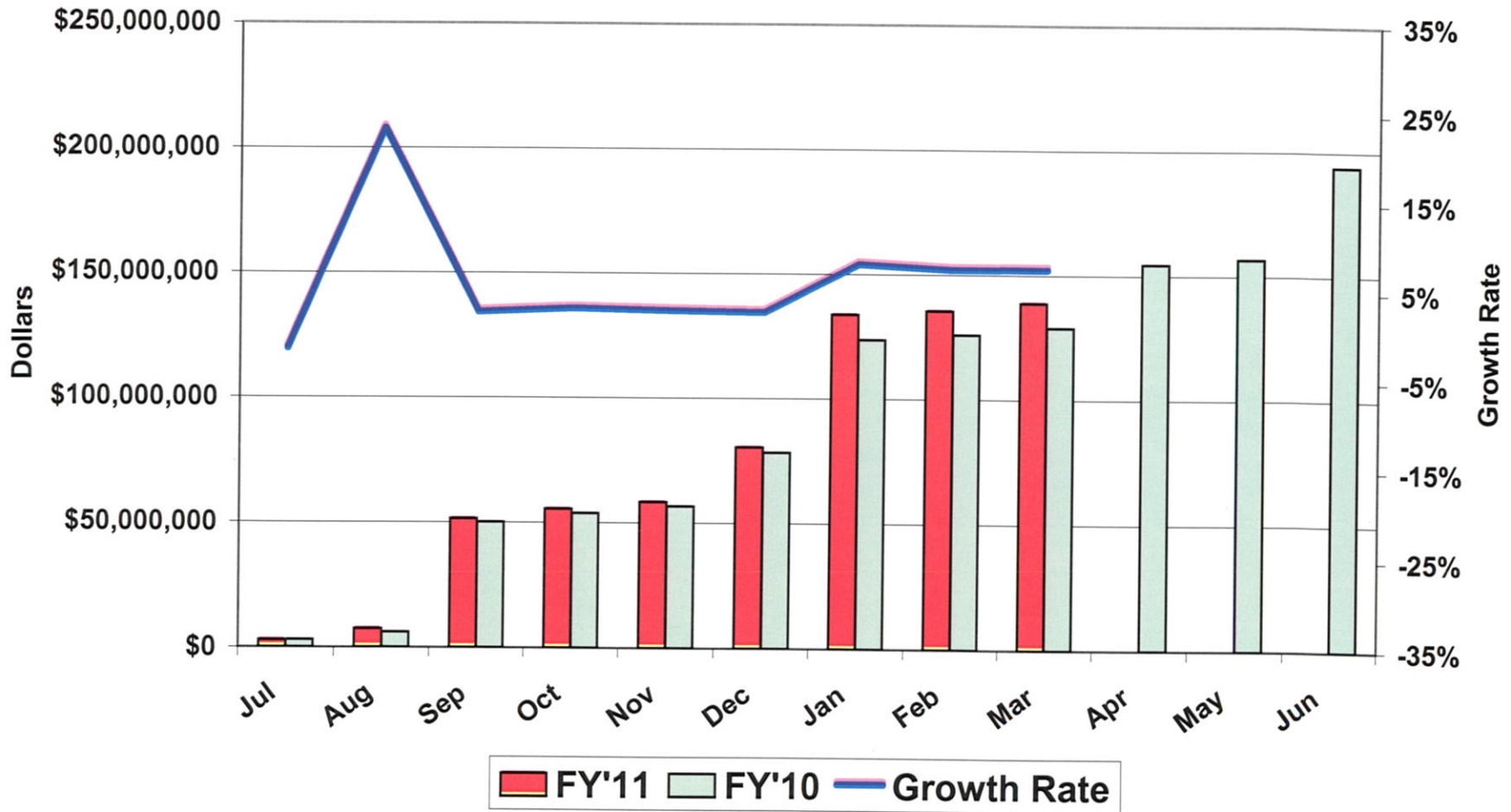
Withholding Tax Revenue 12 Month Moving Average



Withholding Tax Revenue 3 Month Moving Total

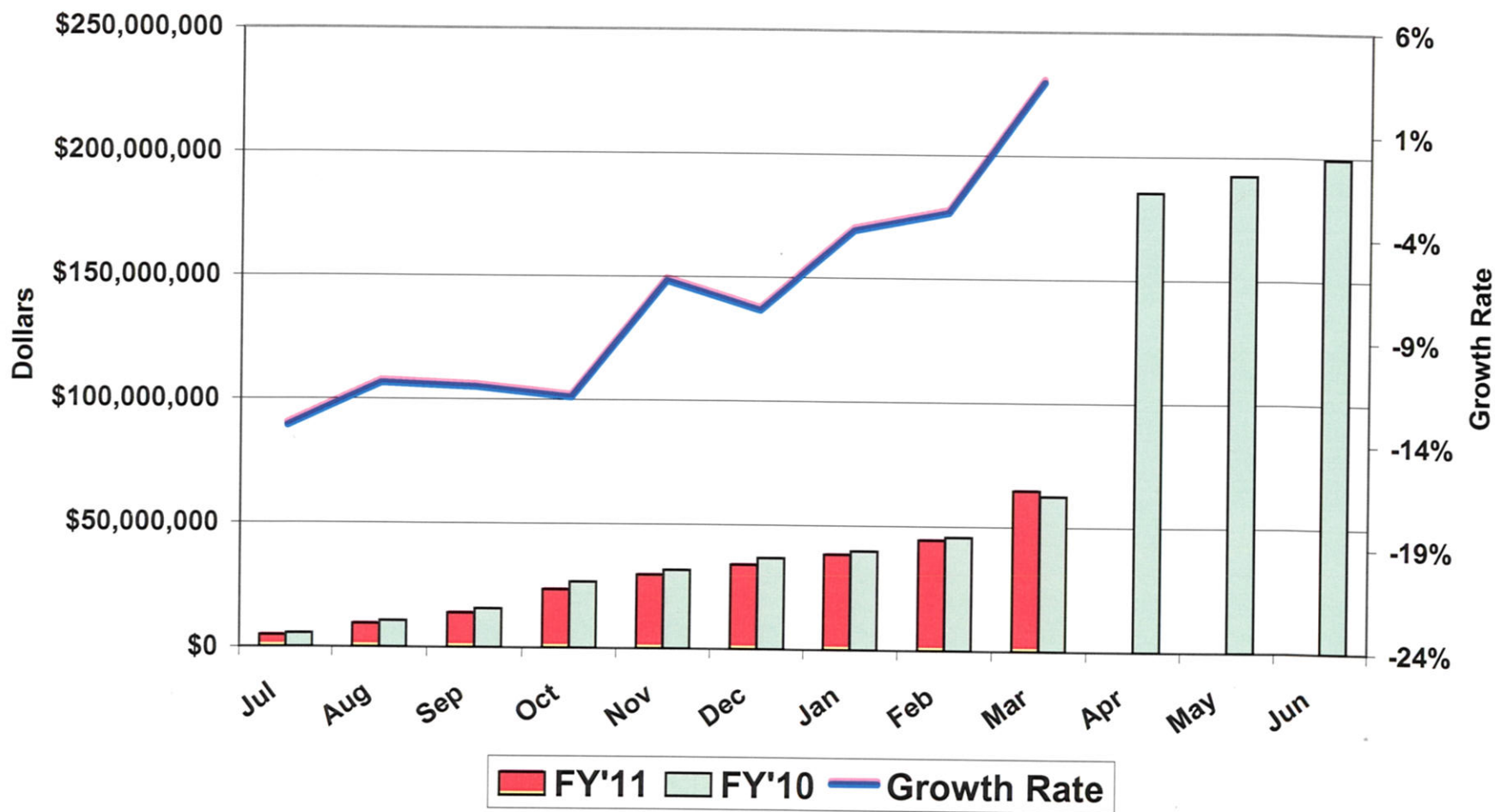


1040 Estimated Payments Year-to-Date FY'11 & FY'10



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1040 Final Payments Year-to-Date FY'11 & FY'10



MRS-61

Maine Revenue Services
Individual Income Tax Withholding, Estimated Payments and Final Payments

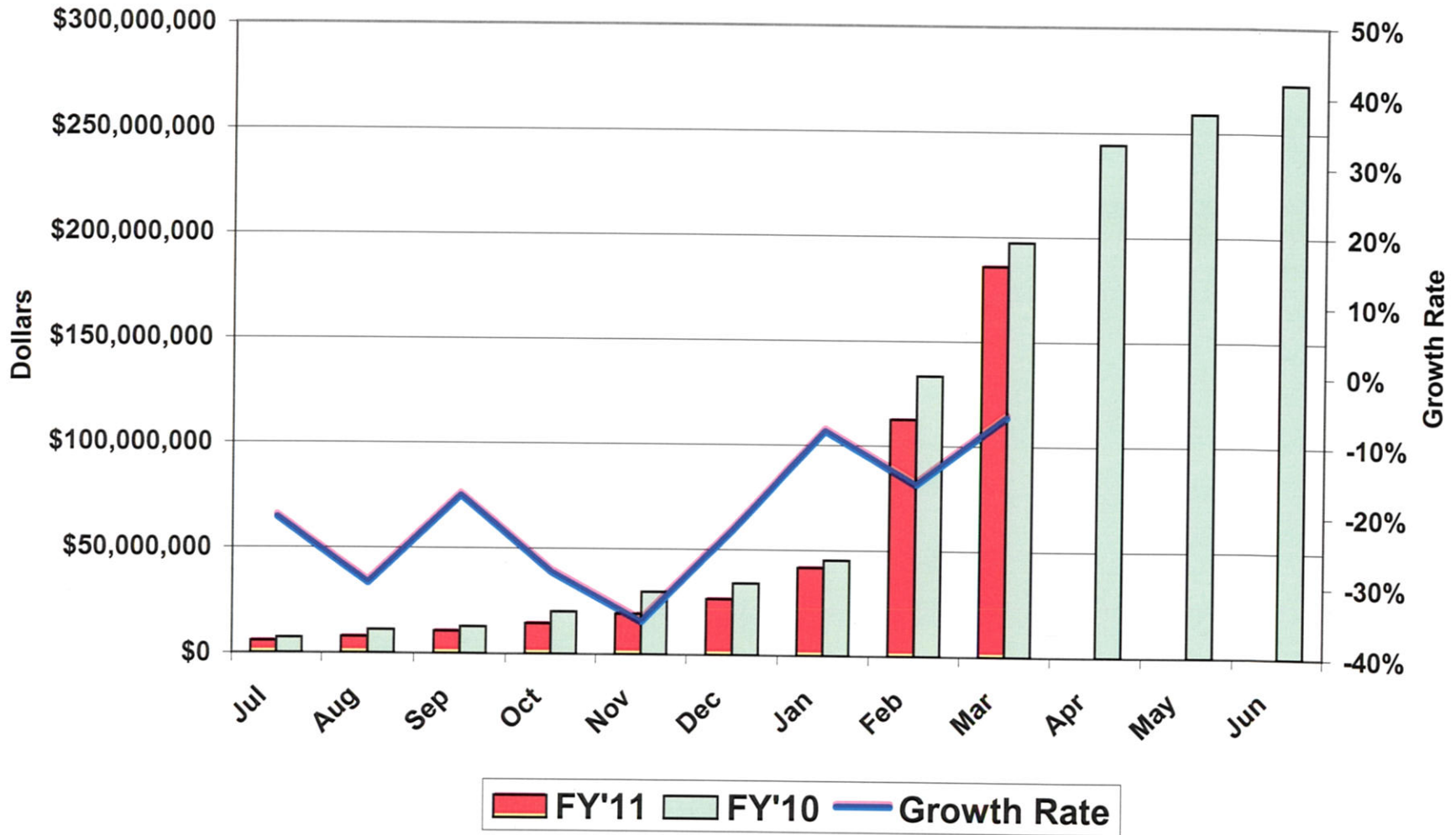
	1040 Withholding			1040 Estimated Payments			1040 Final Payments		
	FY'11	FY'10	Growth Rate	FY'11	FY'10	Growth Rate	FY'11	FY'10	Growth Rate
Jul	\$101,442,266	\$102,392,142	-0.9%	\$2,912,128	\$2,956,364	-1.5%	\$4,811,341	\$5,548,425	-13.3%
Aug	\$100,889,441	\$95,050,382	6.1%	\$4,535,459	\$3,087,352	46.9%	\$4,598,844	\$5,050,296	-8.9%
Sep	\$90,510,630	\$78,207,086	15.7%	\$43,992,895	\$44,087,371	-0.2%	\$4,435,367	\$5,029,186	-11.8%
Oct	\$87,144,620	\$99,646,470	-12.5%	\$4,014,872	\$3,678,147	9.2%	\$9,610,342	\$10,989,096	-12.5%
Nov	\$110,614,415	\$104,319,189	6.0%	\$2,842,036	\$2,875,966	-1.2%	\$6,137,621	\$4,932,766	24.4%
Dec	\$103,501,434	\$99,958,647	3.5%	\$22,065,876	\$21,572,623	2.3%	\$4,360,873	\$5,196,272	-16.1%
Jan	\$107,133,941	\$96,990,896	10.5%	\$53,483,396	\$45,512,531	17.5%	\$4,356,193	\$3,027,655	43.9%
Feb	\$108,313,830	\$100,668,726	7.6%	\$1,657,888	\$2,172,988	-23.7%	\$6,096,598	\$5,910,569	3.1%
Mar	\$103,762,892	\$91,965,223	12.8%	\$3,292,454	\$2,978,894	10.5%	\$20,221,047	\$16,709,204	21.0%
Apr	\$0	\$95,887,034	-100.0%	\$0	\$25,578,807	-100.0%	\$0	\$123,008,765	-100.0%
May	\$0	\$104,280,233	-100.0%	\$0	\$2,273,537	-100.0%	\$0	\$7,080,135	-100.0%
Jun	\$0	\$82,047,180	-100.0%	\$0	\$37,293,731	-100.0%	\$0	\$6,856,960	-100.0%

Year-To-Date

	1040 Withholding			1040 Estimated Payments			1040 Final Payments		
	FY'11	FY'10	Growth Rate	FY'11	FY'10	Growth Rate	FY'11	FY'10	Growth Rate
Jul	\$101,442,266	\$102,392,142	-0.9%	\$2,912,128	\$2,956,364	-1.5%	\$4,811,341	\$5,548,425	-13.3%
Aug	\$202,331,707	\$197,442,524	2.5%	\$7,447,587	\$6,043,716	23.2%	\$9,410,185	\$10,598,721	-11.2%
Sep	\$292,842,337	\$275,649,610	6.2%	\$51,440,482	\$50,131,087	2.6%	\$13,845,552	\$15,627,907	-11.4%
Oct	\$379,986,957	\$375,296,080	1.2%	\$55,455,354	\$53,809,234	3.1%	\$23,455,894	\$26,617,003	-11.9%
Nov	\$490,601,372	\$479,615,269	2.3%	\$58,297,390	\$56,685,200	2.8%	\$29,593,515	\$31,549,769	-6.2%
Dec	\$594,102,806	\$579,573,916	2.5%	\$80,363,266	\$78,257,823	2.7%	\$33,954,388	\$36,746,041	-7.6%
Jan	\$701,236,747	\$676,564,812	3.6%	\$133,846,662	\$123,770,354	8.1%	\$38,310,581	\$39,773,696	-3.7%
Feb	\$809,550,577	\$777,233,538	4.2%	\$135,504,550	\$125,943,342	7.6%	\$44,407,179	\$45,684,265	-2.8%
Mar	\$913,313,469	\$869,198,761	5.1%	\$138,797,004	\$128,922,236	7.7%	\$64,628,226	\$62,393,469	3.6%
Apr	\$913,313,469	\$965,085,795	-5.4%	\$138,797,004	\$154,501,043	-10.2%	\$64,628,226	\$185,402,234	-65.1%
May	\$913,313,469	\$1,069,366,028	-14.6%	\$138,797,004	\$156,774,580	-11.5%	\$64,628,226	\$192,482,369	-66.4%
Jun	\$913,313,469	\$1,151,413,208	-20.7%	\$138,797,004	\$194,068,311	-28.5%	\$64,628,226	\$199,339,329	-67.6%

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Individual Income Tax Refunds Year-to-Date FY'11 & FY'10



Maine Revenue Services
Individual Income Tax Refunds

	Month		Year-To-Date		Growth Rate
	FY'11	FY'10	FY'11	FY'10	
Jul	\$5,731,876	\$7,227,071	\$5,731,876	\$7,227,071	-21%
Aug	\$2,050,550	\$3,891,611	\$7,782,426	\$11,118,682	-30%
Sep	\$2,790,707	\$1,694,183	\$10,573,133	\$12,812,865	-17%
Oct	\$3,811,881	\$7,273,889	\$14,385,014	\$20,086,754	-28%
Nov	\$4,745,060	\$9,507,062	\$19,130,074	\$29,593,816	-35%
Dec	\$7,289,895	\$4,356,701	\$26,419,969	\$33,950,517	-22%
Jan	\$15,253,196	\$11,335,063	\$41,673,165	\$45,285,580	-8%
Feb	\$70,873,027	\$88,050,455	\$112,546,192	\$133,336,035	-16%
Mar	\$73,290,192	\$64,065,809	\$185,836,384	\$197,401,844	-6%
Apr	\$0	\$46,807,462	\$185,836,384	\$244,209,306	-24%
May	\$0	\$14,762,871	\$185,836,384	\$258,972,177	-28%
Jun	\$0	\$14,056,320	\$185,836,384	\$273,028,497	-32%

Individual Income Tax: Baseline Forecast FY11 - FY15

	FY08	FY09	Biennium	FY10	FY11	Biennium	FY12	FY13	Biennium	FY14	FY15	Biennium
Actuals & November, 2010 Forecast /1	\$1,558,032,664	\$1,365,437,729	\$2,923,470,393	\$1,298,036,055	\$1,365,364,302	\$2,663,400,357	\$1,466,558,381	\$1,545,715,946	\$3,012,274,327	\$1,670,667,036	\$1,762,107,942	\$3,432,774,978
Growth Rate	6.4%	-12.4%	3.3%	-4.9%	5.2%	-8.9%	7.4%	5.4%	13.1%	8.1%	5.5%	14.0%
Technical Adjustments /2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Economic Assumptions /3	\$0	\$0	\$0	\$0	\$27,338,000	\$27,338,000	\$7,403,000	(\$14,275,000)	(\$6,872,000)	(\$58,615,000)	(\$58,959,000)	(\$117,574,000)
Total Adjustments to Prior Forecast	\$0	\$0	\$0	\$0	\$27,338,000	\$27,338,000	\$7,403,000	(\$14,275,000)	(\$6,872,000)	(\$58,615,000)	(\$58,959,000)	(\$117,574,000)
New Forecast	\$1,558,032,664	\$1,365,437,729	\$2,923,470,393	\$1,298,036,055	\$1,392,702,302	\$2,690,738,357	\$1,473,961,381	\$1,531,440,946	\$3,005,402,327	\$1,612,052,036	\$1,703,148,942	\$3,315,200,978
Growth Rate	6.4%	-12.4%	3.3%	-4.9%	7.3%	-8.0%	5.8%	3.9%	11.7%	5.3%	5.7%	10.3%

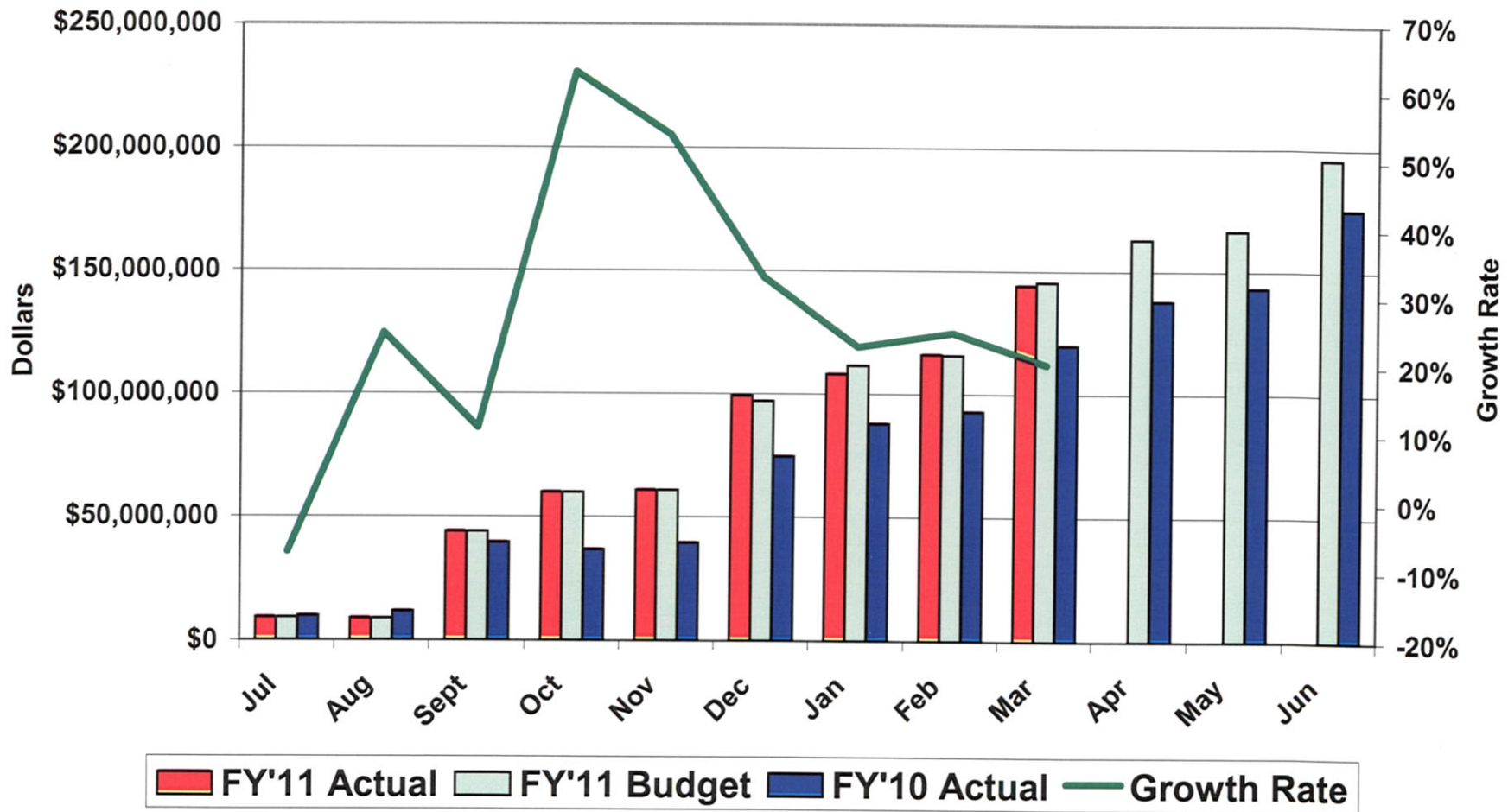
1/ November, 2010 forecast with FY08, FY09, FY10 actuals.

2/ Technical adjustments refer to all changes in the forecast that are not related to changes from new economic assumptions. Examples of technical changes may be new data, model updates and changes, and court cases that affect revenues.

3/ This line shows the incremental change in baseline revenues as a result of a new economic forecast.

Corporate Income Tax

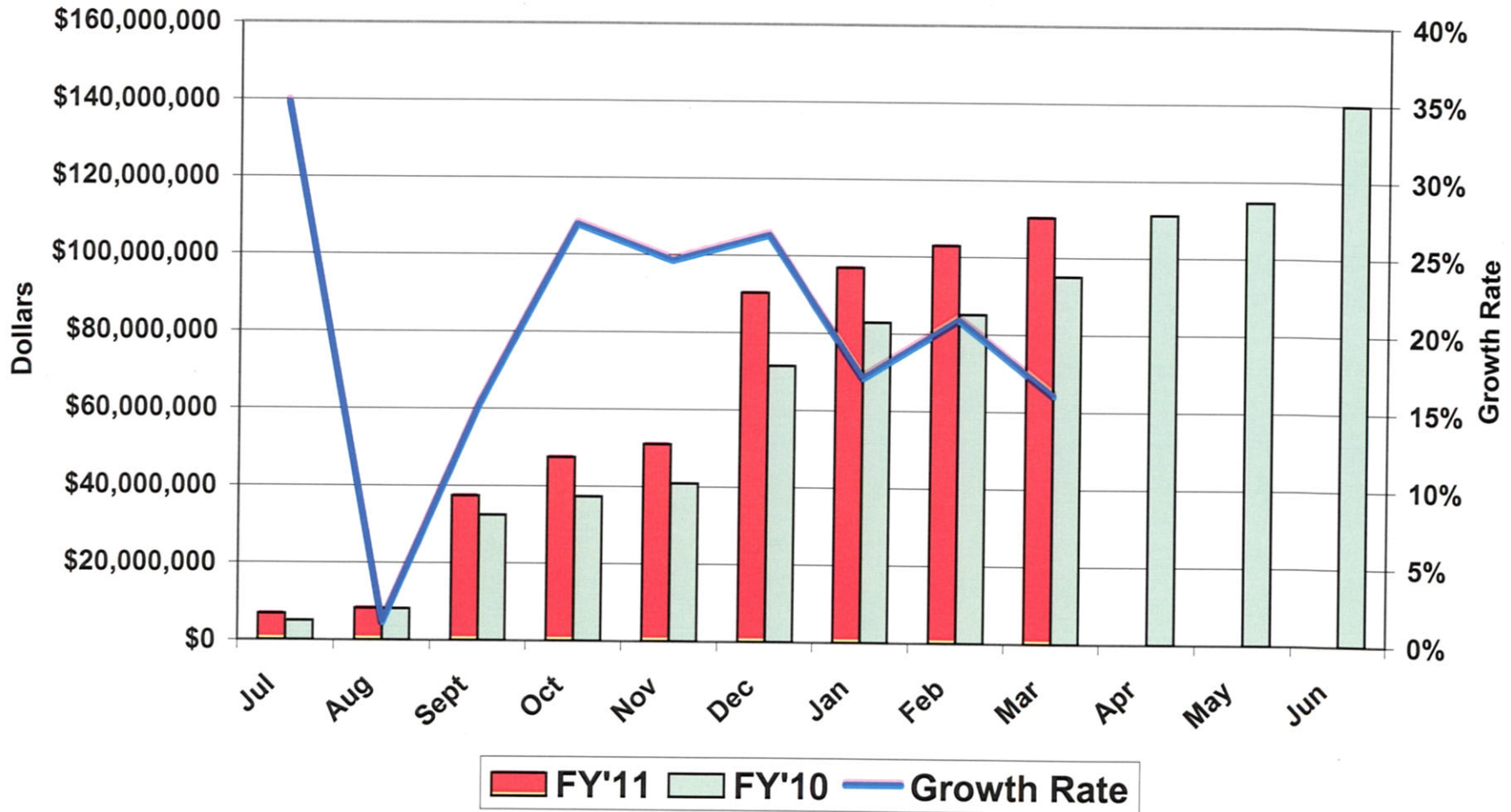
YTD Corporate Income Tax Revenue FY'11 Actual, Budget & FY'10 Actual



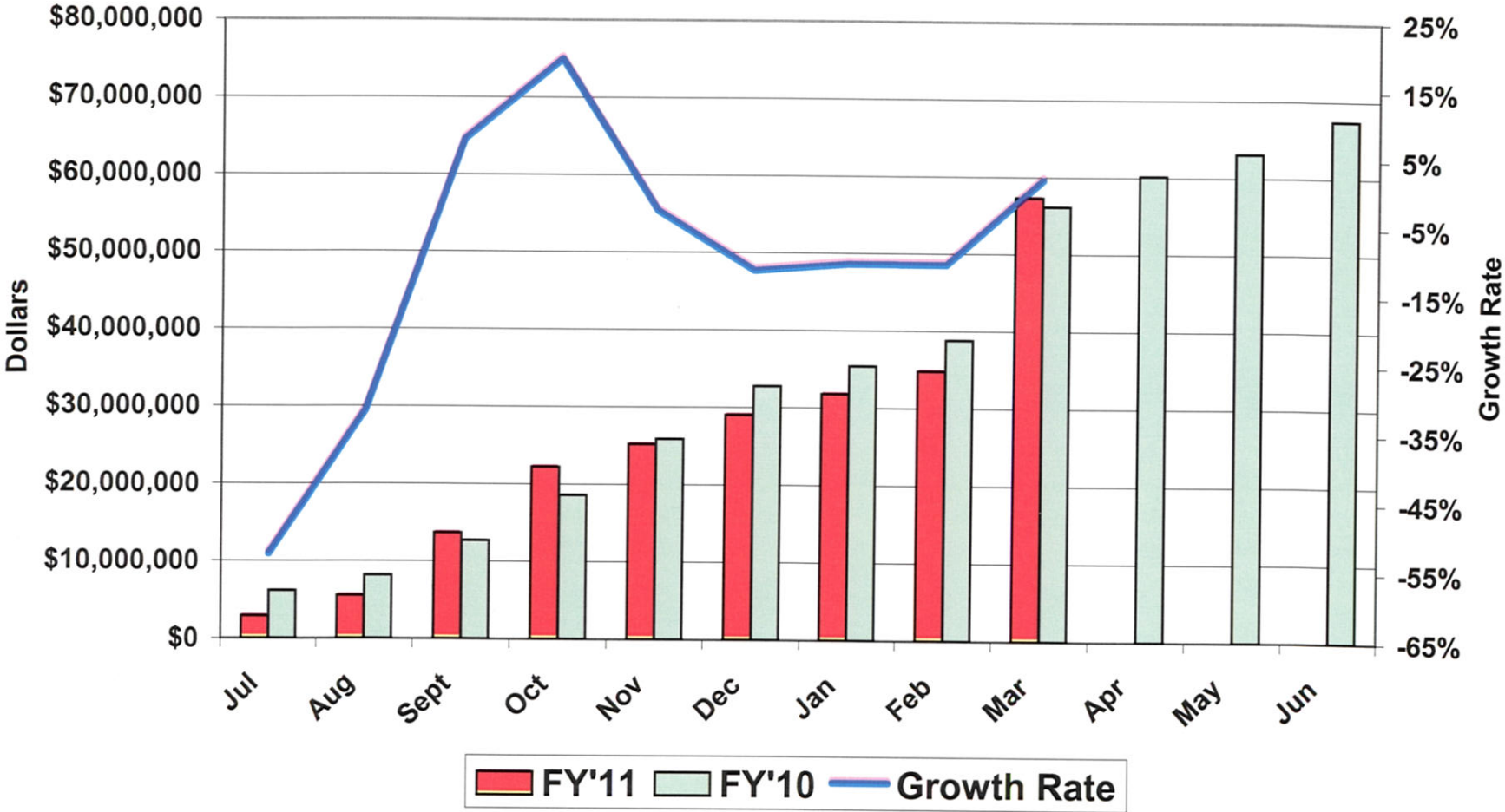
Maine Revenue Services
Corporate Income Tax Revenue

	FY'11 Actual	FY'11 Budget	FY'10 Actual	FY'09 Actual	FY'11 Actual vs. Budget	FY'11 Budget vs. FY'10 Actual	FY'11 Actual vs. FY'10 Actual	FY'10 Actual vs. FY'09 Actual
Jul	\$9,153,533	\$9,153,534	\$9,859,328	\$7,378,233	0.0%	-7.2%	-7.2%	33.6%
Aug	(\$331,146)	(\$331,145)	\$1,870,063	\$266,189	0.0%	117.7%	117.7%	602.5%
Sept	\$35,161,360	\$35,161,360	\$27,917,095	\$31,059,014	0.0%	25.9%	25.9%	-10.1%
Oct	\$15,924,564	\$15,924,564	(\$2,898,229)	\$5,221,720	0.0%	-649.5%	-649.5%	-155.5%
Nov	\$889,804	\$889,805	\$2,758,150	(\$7,895,916)	0.0%	-67.7%	-67.7%	-134.9%
Dec	\$38,379,059	\$36,208,439	\$35,072,462	\$32,625,706	6.0%	3.2%	9.4%	7.5%
Jan	\$8,873,796	\$14,508,339	\$13,358,756	\$4,476,047	-38.8%	8.6%	-33.6%	198.4%
Feb	\$8,008,323	\$4,154,712	\$4,956,712	(\$750,852)	92.8%	-16.2%	61.6%	-760.1%
Mar	\$28,078,833	\$29,914,809	\$26,899,368	\$20,033,722	-6.1%	11.2%	4.4%	34.3%
Apr	\$0	\$17,352,632	\$18,063,589	\$18,518,077	-100.0%	-3.9%	-100.0%	-2.5%
May	\$0	\$3,539,991	\$5,437,309	\$6,273,831	-100.0%	-34.9%	-100.0%	-13.3%
Jun	\$0	\$29,257,374	\$31,997,830	\$25,880,194	-100.0%	-8.6%	-100.0%	23.6%
Total	\$144,138,126	\$195,734,414	\$175,292,433	\$143,085,965	-26.4%	11.7%	-17.8%	22.5%
YTD Mar.	\$144,138,126	\$145,584,417	\$119,793,705	\$92,413,863	-1.0%	21.5%	20.3%	29.6%

Corporate Estimated Payments Year-to-Date FY'11 & FY'10



Corporate Final Payments Year-to-Date FY'11 & FY'10



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Maine Revenue Services

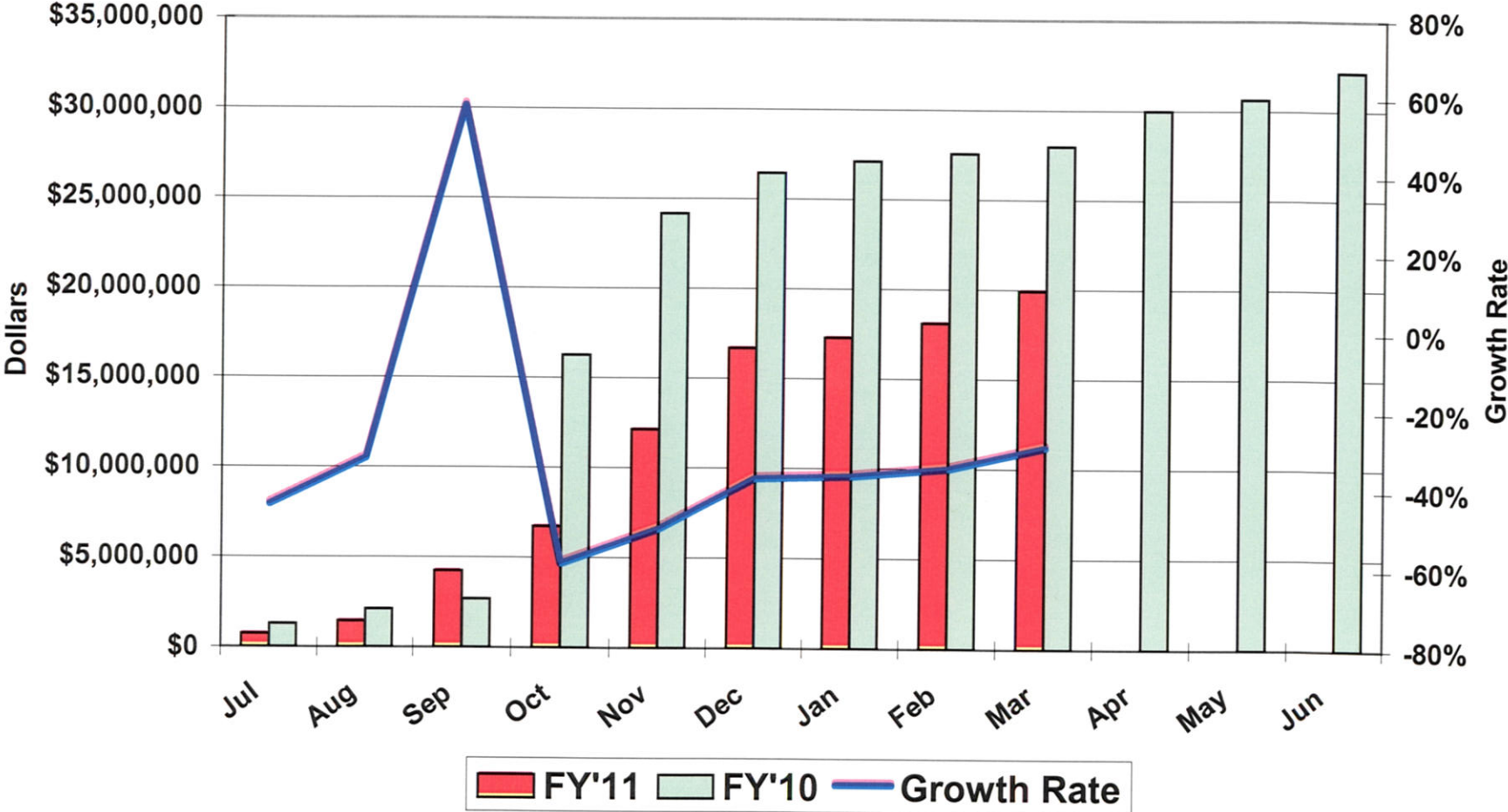
Corporate Income Tax Estimated Payments

	Month			Year-To-Date		
	FY'11	FY'10	Growth Rate	FY'11	FY'10	Growth Rate
Jul	\$6,798,750	\$5,042,059	34.8%	\$6,798,750	\$5,042,059	34.8%
Aug	\$1,486,452	\$3,149,785	-52.8%	\$8,285,202	\$8,191,844	1.1%
Sept	\$29,109,541	\$24,234,237	20.1%	\$37,394,743	\$32,426,081	15.3%
Oct	\$10,010,045	\$4,907,850	104.0%	\$47,404,788	\$37,333,931	27.0%
Nov	\$3,512,544	\$3,513,924	0.0%	\$50,917,332	\$40,847,855	24.7%
Dec	\$39,396,276	\$30,640,487	28.6%	\$90,313,608	\$71,488,342	26.3%
Jan	\$6,717,050	\$11,381,713	-41.0%	\$97,030,658	\$82,870,055	17.1%
Feb	\$5,832,832	\$2,198,055	165.4%	\$102,863,490	\$85,068,110	20.9%
Mar	\$7,511,250	\$10,033,754	-25.1%	\$110,374,740	\$95,101,864	16.1%
Apr	\$0	\$16,037,474	-100.0%	\$110,374,740	\$111,139,338	-0.7%
May	\$0	\$3,456,553	-100.0%	\$110,374,740	\$114,595,891	-3.7%
Jun	\$0	\$25,221,066	-100.0%	\$110,374,740	\$139,816,957	-21.1%

Corporate Income Tax Final Payments and Back Taxes

	Month			Year-To-Date		
	FY'11	FY'10	Growth Rate	FY'11	FY'10	Growth Rate
Jul	\$2,917,027	\$6,167,583	-52.7%	\$2,917,027	\$6,167,583	-52.7%
Aug	\$2,645,427	\$1,995,490	32.6%	\$5,562,454	\$8,163,073	-31.9%
Sept	\$8,115,909	\$4,541,832	78.7%	\$13,678,363	\$12,704,905	7.7%
Oct	\$8,522,993	\$5,891,348	44.7%	\$22,201,356	\$18,596,253	19.4%
Nov	\$2,974,235	\$7,267,481	-59.1%	\$25,175,591	\$25,863,734	-2.7%
Dec	\$3,862,102	\$6,887,467	-43.9%	\$29,037,693	\$32,751,201	-11.3%
Jan	\$2,731,165	\$2,660,099	2.7%	\$31,768,858	\$35,411,300	-10.3%
Feb	\$3,030,998	\$3,410,833	-11.1%	\$34,799,856	\$38,822,133	-10.4%
Mar	\$22,498,737	\$17,304,732	30.0%	\$57,298,593	\$56,126,865	2.1%
Apr	\$0	\$4,028,404	-100.0%	\$57,298,593	\$60,155,269	-4.7%
May	\$0	\$2,934,634	-100.0%	\$57,298,593	\$63,089,903	-9.2%
Jun	\$0	\$4,301,794	-100.0%	\$57,298,593	\$67,391,697	-15.0%

Corporate Income Tax Refunds Year-to-Date FY'11 & FY'10



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Maine Revenue Services
Corporate Income Tax Refunds

	Month		Year-to-Date		Growth Rate
	FY'11	FY'10	FY'11	FY'10	
Jul	\$728,868	\$1,295,880	\$728,868	\$1,295,880	-44%
Aug	\$708,461	\$815,027	\$1,437,329	\$2,110,907	-32%
Sep	\$2,802,057	\$573,795	\$4,239,386	\$2,684,702	58%
Oct	\$2,487,642	\$13,579,956	\$6,727,028	\$16,264,658	-59%
Nov	\$5,395,792	\$7,899,233	\$12,122,820	\$24,163,891	-50%
Dec	\$4,549,113	\$2,273,270	\$16,671,933	\$26,437,161	-37%
Jan	\$612,294	\$675,294	\$17,284,227	\$27,112,455	-36%
Feb	\$818,311	\$448,506	\$18,102,538	\$27,560,961	-34%
Mar	\$1,814,605	\$416,795	\$19,917,143	\$27,977,756	-29%
Apr	\$0	\$2,003,001	\$19,917,143	\$29,980,757	-34%
May	\$0	\$652,104	\$19,917,143	\$30,632,861	-35%
Jun	\$0	\$1,527,084	\$19,917,143	\$32,159,945	-38%

Corporate Income Tax: General Fund Baseline Forecast FY11 - FY15

	FY08	FY09	Biennium	FY10	FY11	Biennium	FY12	FY13	Biennium	FY14	FY15	Biennium
Actuals & November, 2010 Forecast /1	\$184,514,568	\$143,085,966	\$327,600,534	\$175,292,433	\$200,790,112	\$376,082,545	\$209,802,975	\$230,072,072	\$439,875,047	\$252,110,933	\$267,054,252	\$519,165,185
Growth Rate	0.4%	-22.5%	-11.9%	22.5%	14.5%	14.8%	4.5%	9.7%	17.0%	9.6%	5.9%	18.0%
Technical Adjustments to Prior Forecast /2	\$0	\$0	\$0	\$0	(\$7,307,848)	(\$7,307,848)	(\$6,258,884)	(\$9,912,492)	(\$16,171,375)	(\$10,556,773)	(\$11,477,360)	(\$22,034,132)
Economic Forecast /3	\$0	\$0	\$0	\$0	\$0	\$0	(\$6,051,549)	(\$11,657,415)	(\$17,708,964)	(\$811,947)	(\$608,517)	(\$1,420,464)
Total Adjustments to Prior Forecast	\$0	\$0	\$0	\$0	(\$7,307,848)	(\$7,307,848)	(\$12,310,433)	(\$21,569,907)	(\$33,880,340)	(\$11,368,719)	(\$12,085,877)	(\$23,454,596)
New Forecast	\$184,514,568	\$143,085,966	\$327,600,534	\$175,292,433	\$193,482,264	\$368,774,697	\$197,492,542	\$208,502,165	\$405,994,707	\$240,742,214	\$254,968,375	\$495,710,589
Growth Rate	0.4%	-22.5%	-11.9%	22.5%	10.4%	12.6%	2.1%	5.6%	10.1%	15.5%	5.9%	22.1%

1/ November, 2010 forecast with FY08, FY09 and FY10 actuals.

2/ Technical adjustments refer to all changes in the forecast that are not related to changes from new economic assumptions. Examples of technical changes may be new data, model updates and changes, and court cases that affect revenues.

3/ This line shows the incremental change in baseline revenues as a result of a new economic forecast. The new economic forecast is from Global Insight's March 2011 forecast of Corporate pre-tax profits.

Estate Tax

Estate Tax: General Fund Baseline Forecast FY11 - FY15

	FY08	FY09	Biennium	FY10	FY11	Biennium	FY12	FY13	Biennium	FY14	FY15	Biennium
Actuals & November, 2010 Forecast /1	\$39,890,577	\$31,819,188	\$71,709,765	\$31,209,840	\$42,978,079	\$74,187,919	\$41,061,512	\$49,370,677	\$90,432,189	\$54,924,035	\$56,950,563	\$111,874,598
Growth Rate	-27.2%	-20.2%	-44.9%	-1.9%	37.7%	3.5%	-4.5%	20.2%	21.9%	11.2%	3.7%	23.7%
Technical Adjustments to Prior Forecast /2	\$0	\$0	\$0	\$0	\$2,074,708	\$2,074,708	(\$5,113,157)	(\$7,654,008)	(\$12,767,165)	(\$7,930,794)	(\$7,487,090)	(\$15,417,884)
Economic Assumptions /3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Adjustments to Prior Forecast	\$0	\$0	\$0	\$0	\$2,074,708	\$2,074,708	(\$5,113,157)	(\$7,654,008)	(\$12,767,165)	(\$7,930,794)	(\$7,487,090)	(\$15,417,884)
New Forecast	\$39,890,577	\$31,819,188	\$71,709,765	\$31,209,840	\$42,978,079	\$74,187,919	\$35,948,355	\$41,716,669	\$77,665,024	\$46,993,241	\$49,463,473	\$96,456,714
Growth Rate	-27.2%	-20.2%	-44.9%	-1.9%	37.7%	3.5%	-16.4%	16.0%	4.7%	12.6%	5.3%	24.2%

1/ November, 2010 forecast with FY08, FY09 and FY10 actuals.

2/ Technical adjustments refer to all changes in the forecast that are not related to changes from new economic assumptions. Examples of technical changes may be new data, model updates and changes, and court cases that affect revenues.

3/ This line shows the incremental change in baseline revenues as a result of a new economic forecast. The new economic forecast is Global Insight's March 2011 forecast of Household Net Worth.

Other Taxes

Maine Revenue Services
 Real Estate Transfer Tax
 April 2011

	FY'11	FY'12	FY'13	FY'14	FY'15
General Fund					
Controlling Interest Transactions	\$423,000	\$0	\$0	\$0	\$0
MSHA - Maine Energy, Housing & Economic Recovery Fund	\$0	(\$1,318,041)	(\$1,316,212)	(\$1,319,197)	(\$1,316,356)
Maine State Housing Authority					
MSHA - Maine Energy, Housing & Economic Recovery Fund	\$0	\$1,318,041	\$1,316,212	\$1,319,197	\$1,316,356
Total	\$423,000	\$0	\$0	\$0	\$0

PERIOD	PRINCIPAL LAST PERIOD	THIS PERIOD ACCRETION	CURR PRINCIPAL OUTSTANDING	INTEREST PAYABLE	PRINCIPAL PAYABLE	DEBT SERVICE
07/11 - 06/12	49,600,000.00	0	49,600,000.00	1,608,040.82	2,710,000.00	4,318,040.82
07/12 - 06/13	46,890,000.00	0	46,890,000.00	1,561,212.02	2,755,000.00	4,316,212.02
07/13 - 06/14	44,135,000.00	0	44,135,000.00	1,499,196.96	2,820,000.00	4,319,196.96
07/14 - 06/15	41,315,000.00	0	41,315,000.00	1,426,356.36	2,890,000.00	4,316,356.36
07/15 - 06/16	38,425,000.00	0	38,425,000.00	1,339,212.50	2,980,000.00	4,319,212.50
07/16 - 06/17	35,445,000.00	0	35,445,000.00	1,249,812.50	3,070,000.00	4,319,812.50
07/17 - 06/18	32,375,000.00	0	32,375,000.00	1,157,712.50	3,160,000.00	4,317,712.50
07/18 - 06/19	29,215,000.00	0	29,215,000.00	1,071,237.50	3,245,000.00	4,316,237.50
07/19 - 06/20	25,970,000.00	0	25,970,000.00	976,000.00	3,340,000.00	4,316,000.00
07/20 - 06/21	22,630,000.00	0	22,630,000.00	865,700.00	3,450,000.00	4,315,700.00
07/21 - 06/22	19,180,000.00	0	19,180,000.00	754,400.00	3,565,000.00	4,319,400.00
07/22 - 06/23	15,615,000.00	0	15,615,000.00	638,537.50	3,680,000.00	4,318,537.50
07/23 - 06/24	11,935,000.00	0	11,935,000.00	518,937.50	3,800,000.00	4,318,937.50
07/24 - 06/25	8,135,000.00	0	8,135,000.00	328,937.50	3,990,000.00	4,318,937.50
07/25 - 06/26	4,145,000.00	0	4,145,000.00	174,875.00	4,145,000.00	4,319,875.00
07/26 - 06/27	0	0	0	0	0	0
07/27 - 06/28	0	0	0	0	0	0
07/28 - 06/29	0	0	0	0	0	0
07/29 - 06/30	0	0	0	0	0	0
07/30 - 06/31	0	0	0	0	0	0
07/31 - 06/32	0	0	0	0	0	0
07/32 - 06/33	0	0	0	0	0	0
07/33 - 06/34	0	0	0	0	0	0
07/34 - 06/35	0	0	0	0	0	0
07/35 - 06/36	0	0	0	0	0	0
07/36 - 06/37	0	0	0	0	0	0
07/37 - 06/38	0	0	0	0	0	0
07/38 - 06/39	0	0	0	0	0	0
07/39 - 06/40	0	0	0	0	0	0
07/40 - 06/41	0	0	0	0	0	0
07/41 - 06/42	0	0	0	0	0	0
07/42 - 06/43	0	0	0	0	0	0
07/43 - 06/44	0	0	0	0	0	0
07/44 - 06/45	0	0	0	0	0	0
07/45 - 06/46	0	0	0	0	0	0
07/46 - 06/47	0	0	0	0	0	0
07/47 - 06/48	0	0	0	0	0	0
07/48 - 06/49	0	0	0	0	0	0
				-----	-----	-----
			TOTAL	15,170,168.66	49,600,000.00	64,770,168.66
			LESS PAID	0	0	0
				-----	-----	-----
			OUTSTANDING	15,170,168.66	49,600,000.00	64,770,168.66

Highway Fund

Maine Revenue Services
Highway Fund Motor Fuel Tax Revenue Forecast

Gasoline Tax Revenue	FY'10	FY'11	FY'12	FY'13	FY'14	FY'15
FY'10 actual & current budget	\$177,377,553	\$175,495,891	\$178,995,140	\$183,468,408	\$189,501,909	\$195,896,157
Growth rate		-1.1%	2.0%	2.5%	3.3%	3.4%
Tax rate per gallon	\$0.295	\$0.295	\$0.300	\$0.304	\$0.311	\$0.320
Percentage increase in tax rate		0.0%	1.7%	1.5%	2.3%	2.6%
April 2011 forecast		\$175,068,405	\$179,027,608	\$184,565,080	\$189,777,881	\$194,503,672
Growth rate		-1.3%	2.3%	3.1%	2.8%	2.5%
Tax rate per gallon	\$0.295	\$0.295	\$0.300	\$0.307	\$0.313	\$0.319
Percentage increase in tax rate		0.0%	1.6%	2.5%	1.8%	2.0%
Variance		(\$427,486)	\$32,468	\$1,096,672	\$275,972	(\$1,392,485)

Special Fuel Tax Revenue	FY'10	FY'11	FY'12	FY'13	FY'14	FY'15
FY'10 actual & current budget	\$41,813,154	\$40,377,905	\$40,572,155	\$41,080,905	\$42,070,655	\$42,875,405
Growth rate		-3.4%	0.5%	1.3%	2.4%	1.9%
Tax rate per gallon	\$0.307	\$0.307	\$0.313	\$0.317	\$0.325	\$0.333
Percentage increase in tax rate		0.0%	1.7%	1.5%	2.3%	2.6%
April 2011 forecast		\$40,478,000	\$41,033,000	\$42,115,250	\$43,132,750	\$44,131,750
Growth rate		-3.2%	1.4%	2.6%	2.4%	2.3%
Tax rate per gallon	\$0.307	\$0.307	\$0.312	\$0.320	\$0.326	\$0.332
Percentage increase in tax rate		0.0%	1.6%	2.5%	1.8%	2.0%
Variance		\$100,095	\$460,845	\$1,034,345	\$1,062,095	\$1,256,345

Total Motor Fuel Tax Revenue	FY'10	FY'11	FY'12	FY'13	FY'14	FY'15
FY'10 actual & current budget	\$219,190,706	\$215,873,795	\$219,567,295	\$224,549,313	\$231,572,564	\$238,771,561
Growth rate		-1.5%	1.7%	2.3%	3.1%	3.1%
April 2011 forecast		\$215,546,405	\$220,060,608	\$226,680,330	\$232,910,631	\$238,635,422
Growth rate		-1.7%	2.1%	3.0%	2.7%	2.5%
Variance		(\$327,390)	\$493,313	\$2,131,017	\$1,338,067	(\$136,139)
Biennium		(\$327,390)		\$2,624,330		\$1,201,928

Maine Revenue Services

Motor Fuel Tax Revenue FY'10 Actual and FY'11 - '15 Forecast

April 2011

		FY'10	FY'11	FY'12	FY'13	FY'14	FY'15	
Gasoline Tax rate in cents per gallon		\$0.295	\$0.295	\$0.300	\$0.307	\$0.313	\$0.319	
Diesel Tax rate in cents per gallon		\$0.307	\$0.307	\$0.312	\$0.320	\$0.326	\$0.332	
Inflation adjustment			0.0%	1.6%	2.5%	1.8%	2.0%	
		FY'10	FY'11	FY'12	FY'13	FY'14	FY'15	
Net to the Highway Fund		\$177,377,553	\$175,068,405	\$179,027,608	\$184,565,080	\$189,777,881	\$194,503,672	
0329 TransCap Trust Fund - 7.5%	7.500%	\$14,217,338	\$14,194,736	\$14,515,752	\$14,964,736	\$15,387,396	\$15,770,568	7.500%
Net before transfer to TransCap Fund		\$191,594,891	\$189,263,140	\$193,543,360	\$199,529,817	\$205,165,276	\$210,274,240	
0330 Transfer \$100,000 to STAR Fund		\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	
Gross to the Highway Fund		\$191,694,891	\$189,363,140	\$193,643,360	\$199,629,817	\$205,265,276	\$210,374,240	97.499%
DIF&W and Snowmobile Fund	0.9045%	\$1,759,516	\$1,756,720	\$1,796,427	\$1,851,964	\$1,904,244	\$1,951,640	0.9045%
0334 General Fund - DIF&W - 14.93%		\$262,696	\$262,278	\$268,207	\$276,498	\$284,304	\$291,380	14.930%
0335 Snowmobile Trail Fund - 85.07%		\$1,496,820	\$1,494,442	\$1,528,221	\$1,575,466	\$1,619,940	\$1,660,260	85.070%
All-terrain Vehicles	0.1525%	\$296,657	\$296,186	\$302,880	\$312,244	\$321,058	\$329,049	0.1525%
0338 ATV Enforcement Fund- 50%		\$148,328	\$148,093	\$151,440	\$156,122	\$160,529	\$164,525	50.000%
0336 ATV Recreational Fund - 50%		\$148,328	\$148,093	\$151,440	\$156,122	\$160,529	\$164,525	50.000%
Motorboats	1.4437%	\$2,808,417	\$2,803,954	\$2,867,333	\$2,955,976	\$3,039,422	\$3,115,071	1.4437%
0339 Dept. of Marine Resources - 24.6%		\$690,870	\$689,773	\$705,364	\$727,170	\$747,698	\$766,308	24.600%
0337 Boating Facilities Fund - 75.4%		\$2,117,546	\$2,114,181	\$2,161,969	\$2,228,806	\$2,291,724	\$2,348,764	75.400%
Total Net Revenue		\$196,559,480	\$194,220,000	\$198,610,000	\$204,750,000	\$210,530,000	\$215,770,000	100.000%
0322 Gasoline Tax Refunds		(\$257,378)	(\$958,705)	(\$958,705)	(\$958,705)	(\$960,000)	(\$960,000)	
0333 Gasoline Shrinkage Allowance		(\$790,155)	(\$814,586)	(\$814,586)	(\$814,586)	(\$815,000)	(\$815,000)	
0321 Gross Gasoline Tax Revenue		\$197,607,013	\$195,993,291	\$200,383,291	\$206,523,291	\$212,305,000	\$217,545,000	
			-0.8%	2.2%	3.1%	2.8%	2.5%	
Special Fuel Tax								
Net to the Highway Fund		\$41,813,154	\$40,478,000	\$41,033,000	\$42,115,250	\$43,132,750	\$44,131,750	92.50%
0308 TransCap Trust Fund - 7.5%	7.500%	\$3,414,550	\$3,282,000	\$3,327,000	\$3,414,750	\$3,497,250	\$3,578,250	7.500%
Total Net Revenue		\$45,227,703	\$43,760,000	\$44,360,000	\$45,530,000	\$46,630,000	\$47,710,000	100.00%
0312 IFTA Refunds		(\$2,670,988)	(\$4,222,265)	(\$4,222,265)	(\$4,222,265)	(\$4,222,265)	(\$4,222,265)	
0325 Off-Highway Refunds		(\$4,116,934)	(\$4,200,000)	(\$4,200,000)	(\$4,200,000)	(\$4,200,000)	(\$4,200,000)	
0326 Interest Payments		\$245	\$0	\$0	\$0	\$0	\$0	
0311 Gross Special Fuel Tax Revenue		\$52,015,380	\$52,182,265	\$52,782,265	\$53,952,265	\$55,052,265	\$56,132,265	
			0.3%	1.1%	2.2%	2.0%	2.0%	
Total Net Motor Fuel Tax Revenue to the Highway Fund		\$219,190,706	\$215,546,405	\$220,060,608	\$226,680,330	\$232,910,631	\$238,635,422	
Total Net Motor Fuel Tax Revenue to All Funds		\$241,787,183	\$237,980,000	\$242,970,000	\$250,280,000	\$257,160,000	\$263,480,000	

Special Fuel Tax Revenue July through March 2011

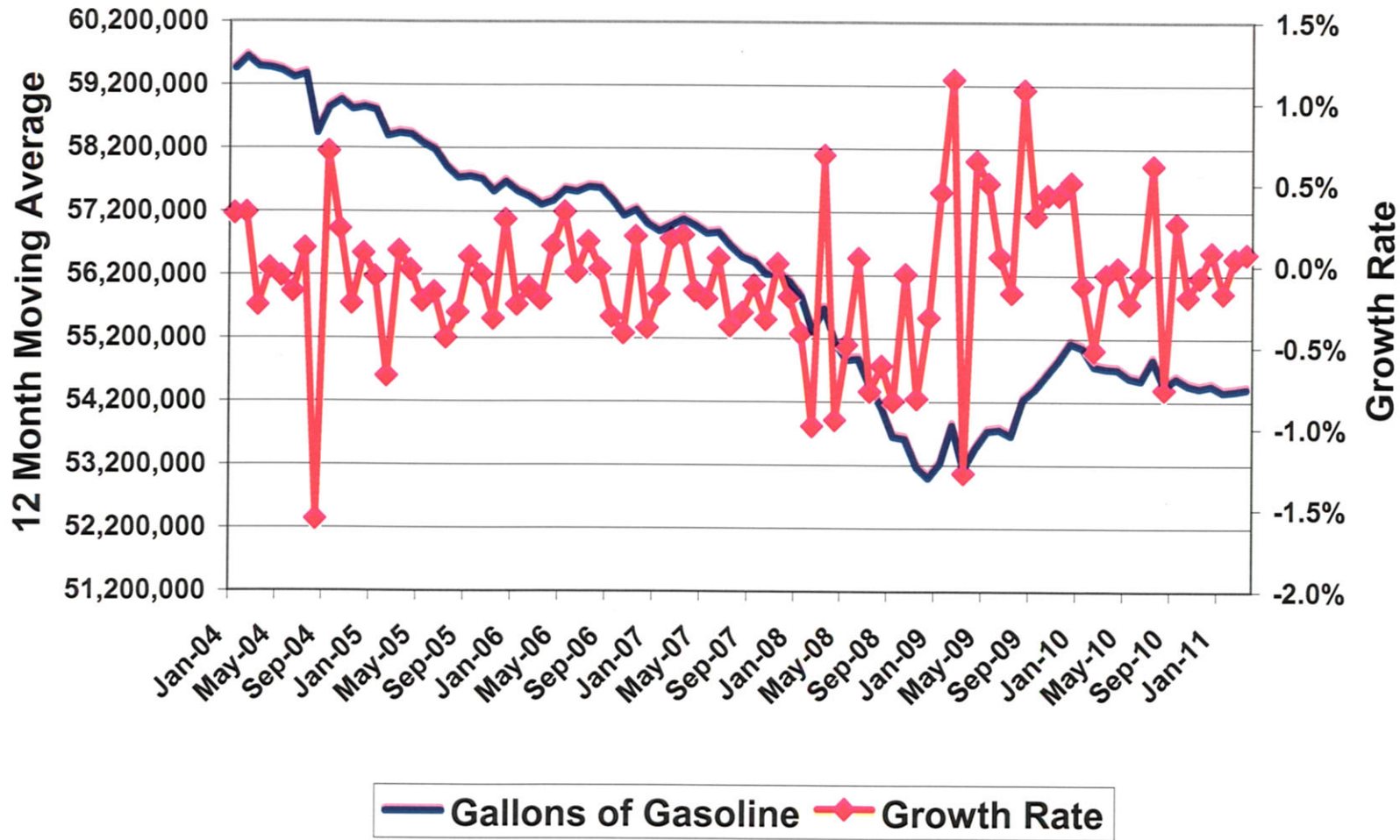
	Budget	Actual	
311	\$36,634,160	\$36,805,990	
308	(\$2,611,813)	(\$2,566,779)	
312	\$0	(\$2,982,417)	
325	(\$3,304,157)	(\$4,177,012)	
326	(\$3,373,645)	\$258	
Total	\$27,344,545	\$27,080,040	(\$264,505)

Gasoline Tax Revenue - July through March 2011

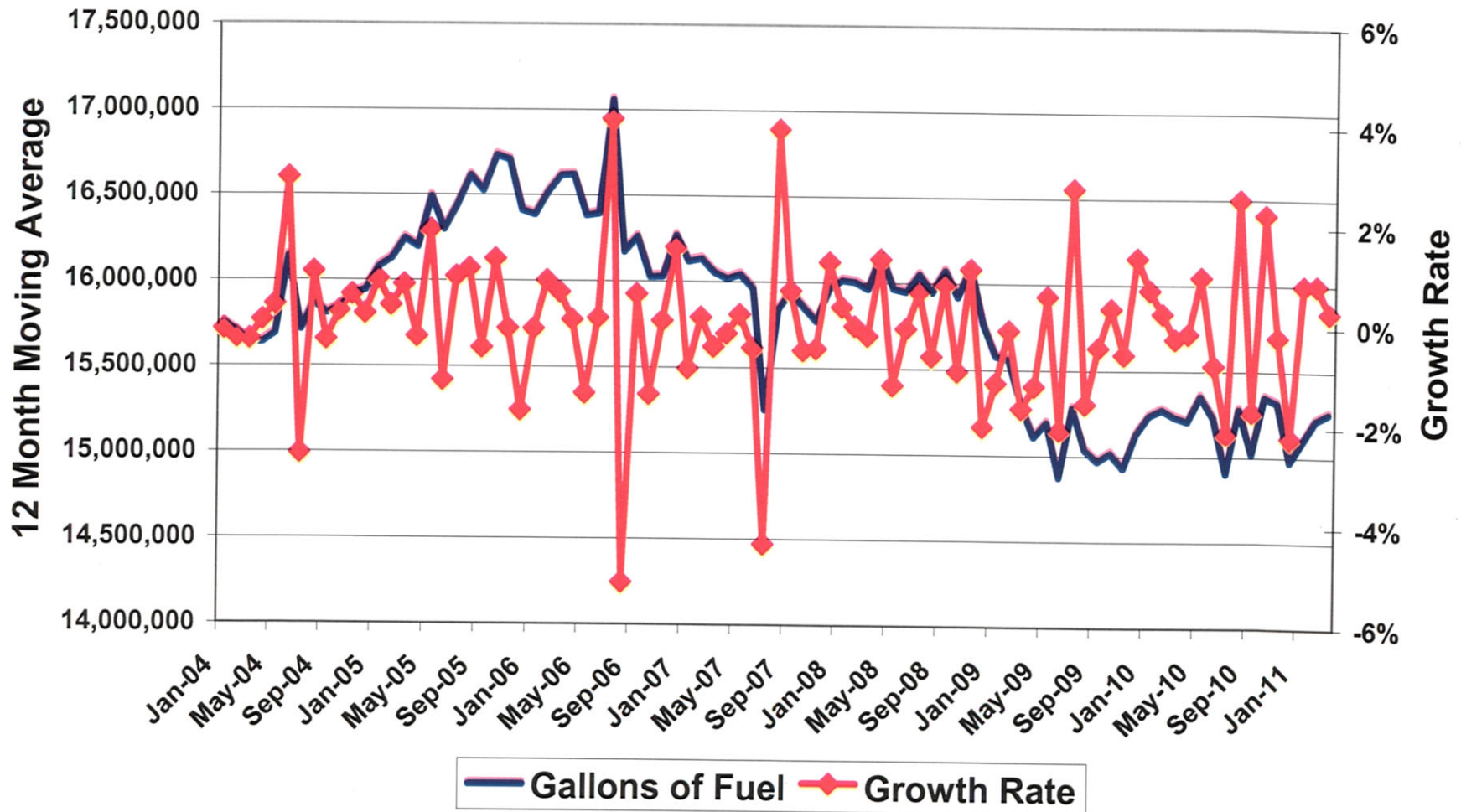
	Budget	Actual	
321	\$134,485,626	\$134,559,581	\$73,955
322	(\$712,355)	(\$292,162)	\$420,193
329	(\$10,889,720)	(\$10,927,441)	(\$37,721)
330	(\$100,000)	(\$100,000)	\$0
333	(\$750,393)	(\$812,648)	(\$62,255)
334	(\$201,244)	(\$201,940)	(\$696)
335	(\$1,146,667)	(\$1,150,638)	(\$3,971)
336	(\$113,630)	(\$114,023)	(\$393)
337	(\$1,622,187)	(\$1,627,804)	(\$5,617)
338	(\$113,630)	(\$114,023)	(\$393)
339	(\$529,255)	(\$531,087)	(\$1,832)
Total	\$118,306,545	\$118,687,815	\$381,270

Total Motor Fuel Tax Revenue \$116,765

Gallons of Gasoline Derived from Revenue Before Refunds



Gallons of Special Fuel Derived from Revenue Before Refunds



MRS-85

CPI-U Annual Average All Items
Actual and CEFC Forecast as of April 2011

2002	179.900	
2003	184.000	2.3%
2004	188.900	2.7% Adjust FY'06 motor fuel tax rates
2005	195.300	3.4% Adjust FY'07 motor fuel tax rates
2006	201.600	3.2% Adjust FY'08 motor fuel tax rates
2007	207.342	2.8% Adjust FY'09 motor fuel tax rates
2008	215.303	3.8% Adjust FY'10 motor fuel tax rates
2009	214.537	-0.4% Adjust FY'11 motor fuel tax rates
2010	218.056	1.6% Adjust FY'12 motor fuel tax rates
2011	223.507	2.5% Adjust FY'13 motor fuel tax rates
2012	227.531	1.8% Adjust FY'14 motor fuel tax rates
2013	232.081	2.0% Adjust FY'15 motor fuel tax rates
2014	237.419	2.3% Adjust FY'16 motor fuel tax rates
2015	242.405	2.1% Adjust FY'17 motor fuel tax rates

	Gas tax rate		Spec. Fuel Tax - Diesel Fuel	
FY'06	\$0.259000		\$0.270000	
FY'07	\$0.267806	3.4%	\$0.279180	3.4%
FY'08	\$0.276376	3.2%	\$0.288114	3.2%
FY'09	\$0.284114	2.8%	\$0.296181	2.8%
FY'10	\$0.294911	3.8%	\$0.307436	3.8%
FY'11	\$0.294911	0.0%	\$0.307436	0.0%
FY'12	\$0.299629	1.6%	\$0.312355	1.6%
FY'13	\$0.307120	2.5%	\$0.320164	2.5%
FY'14	\$0.312648	1.8%	\$0.325927	1.8%
FY'15	\$0.318901	2.0%	\$0.332445	2.0%

Rates rounded to the nearest 1/10th of a percent each year.

	Gas tax rate		Spec. Fuel Tax - Diesel Fuel	
FY'06	\$0.259		\$0.270	
FY'07	\$0.268	3.5%	\$0.279	3.3%
FY'08	\$0.276	3.1%	\$0.288	3.3%
FY'09	\$0.284	2.8%	\$0.296	2.8%
FY'10	\$0.295	3.8%	\$0.307	3.8%
FY'11	\$0.295	0.0%	\$0.307	0.0%
FY'12	\$0.300	1.6%	\$0.312	1.6%
FY'13	\$0.307	2.5%	\$0.320	2.5%
FY'14	\$0.313	1.8%	\$0.326	1.8%
FY'15	\$0.319	2.0%	\$0.332	2.0%