NEWS

TENNESSEE DEPARTMENT OF REVENUE
500 Deaderick Street – Andrew Jackson State Office Building – Nashville, TN 37242

NEWS RELEASE **February 10, 2003**

January 2003 collections of the Tennessee Department of Revenue were $807,641,231, an increase of $55,731,630 or 7.4 percent over January 2002 collections.

Sales and use tax collections were $556,289,928, up $82,083,538 or 17.3 percent over January 2002 collections. Tax rate increases accounted for 90% of the increased collections, with $70,512,955 due to the 1% tax increase and $3,282,184 due to the single article tax. Including tax changes from the 2002 session, the retail trade group was up 17.9 percent over collections from last year. Contributing to the rise were miscellaneous retail stores (up 28.5%), general merchandise stores (up 16.7%), auto dealers and service stations (up 22.8%), and furniture and home furnishings stores (up 24.5%). Sales tax receipts from the services group were up 17.5 percent over collections in January 2002, with business services (up 14.9%), hotels and lodging places (up 23.2%), and auto repair, services and parking (up 21.1%) accounting for the greatest portion of the rise. The non-retail, non-services group was up 19.6 percent, led by wholesale trade (up 34.5%) and manufacturing (up 22.2%).

Franchise and excise tax collections were $115,188,754, down $15,093,378 or 11.6 percent when compared to January 2002 collections. Separately, the franchise tax collections were $39,139,989, down $7,551,635 or 16.2 percent from last year. Excise tax collections were $76,048,765, a decrease of $7,541,743 or 9.0 percent from January 2002 net collections.

Privilege tax collections were $19,891,077, an increase of $1,931,563 or 10.8 percent over collections from the same period last year.

Tobacco tax collections rose by $1,667,095 or 23.0 percent over collections from the same period one year ago to a total of $8,932,188.

Gasoline tax collections were $47,767,579 in January 2003, $4,806,280 or 9.1 percent under January 2002 collections.

Motor vehicle fuel collections declined $4,352,269 or 34.1 percent from January 2002 levels to a total of $8,424,266.

Inheritance, gift and estate collections were $3,960,180, a decrease of $3,306,270 or 45.5 percent when compared to last year's collections.

When compared to the same period one year ago, motor vehicle registrations decreased $2,040,934 or 13.4 percent to $13,245,326.