

## DEFAC General Fund Revenue Worksheet

March-26 DEFAC Meeting	FY 2025 A Actual Collections	FY 2026				
		B DEFAC Dec-25	C % B over A	D DEFAC Mar-26	E % D over A	F \$ Increase D over B
Revenue Category						
<b>Personal Income Tax</b>	<b>2,718.2</b>	<b>2,821.3</b>	<b>3.8%</b>	<b>2,841.8</b>	<b>4.5%</b>	<b>20.5</b>
Less: Refunds	<u>(335.0)</u>	<u>(288.5)</u>	-13.9%	<u>(288.5)</u>	-13.9%	<u>0.0</u>
<b>PIT Less Refunds</b>	<b>2,383.2</b>	<b>2,532.8</b>	<b>6.3%</b>	<b>2,553.3</b>	<b>7.1%</b>	<b>20.5</b>
Franchise Tax	1,324.4	1,328.9	0.3%	1,328.9	0.3%	0.0
Limited Partnerships & LLC's	522.1	551.0	5.5%	551.0	5.5%	0.0
Subtotal Franchise + LP/LLC	1,846.5	1,879.9	1.8%	1,879.9	1.8%	0.0
Less: Refunds	<u>(20.2)</u>	<u>(22.0)</u>	9.0%	<u>(22.0)</u>	9.0%	<u>0.0</u>
Net Franchise + LP/LLC	1,826.3	1,857.9	1.7%	1,857.9	1.7%	0.0
<b>Business Entity Fees</b>	<b>171.4</b>	<b>171.0</b>	<b>-0.2%</b>	<b>171.0</b>	<b>-0.2%</b>	<b>0.0</b>
<b>Uniform Commercial Code</b>	<b>32.5</b>	<b>30.0</b>	<b>-7.7%</b>	<b>32.0</b>	<b>-1.5%</b>	<b>2.0</b>
Unclaimed Property	554.0	554.0	0.0%	554.0	0.0%	0.0
Less: Refunds	<u>(128.0)</u>	<u>(150.0)</u>	17.2%	<u>(168.0)</u>	31.2%	<u>(18.0)</u>
Unclaimed Prop Less Refunds	426.0	404.0	-5.2%	386.0	-9.4%	(18.0)
<b>Gross Receipts Tax</b>	<b>388.5</b>	<b>420.1</b>	<b>8.1%</b>	<b>437.1</b>	<b>12.5%</b>	<b>17.0</b>
<b>Lottery</b>	<b>230.0</b>	<b>248.4</b>	<b>8.0%</b>	<b>257.6</b>	<b>12.0%</b>	<b>9.2</b>
Corporation Income Tax	452.5	413.3	-8.7%	413.3	-8.7%	0.0
Less: Refunds	<u>(81.1)</u>	<u>(80.0)</u>	-1.3%	<u>(68.0)</u>	-16.1%	<u>12.0</u>
CIT Less Refunds	371.4	333.3	-10.3%	345.3	-7.0%	12.0
<b>Realty Transfer Tax</b>	<b>235.8</b>	<b>247.9</b>	<b>5.1%</b>	<b>247.9</b>	<b>5.1%</b>	<b>0.0</b>
<b>Cigarette Taxes</b>	<b>87.5</b>	<b>82.4</b>	<b>-5.8%</b>	<b>82.4</b>	<b>-5.8%</b>	<b>0.0</b>
Bank Franchise Tax	114.8	96.5	-15.9%	98.6	-14.1%	2.1
Insurance Taxes and Fees	100.3	84.2	-16.1%	83.3	-17.0%	(0.9)
Hospital Board and Treatment	23.5	21.4	-8.9%	21.4	-8.9%	0.0
<b>Public Utility Tax</b>	<b>36.0</b>	<b>35.2</b>	<b>-2.2%</b>	<b>36.5</b>	<b>1.4%</b>	<b>1.3</b>
<b>Alcoholic Beverage Tax</b>	<b>31.5</b>	<b>31.4</b>	<b>-0.3%</b>	<b>31.4</b>	<b>-0.3%</b>	<b>0.0</b>
<b>Dividends and Interest</b>	<b>165.5</b>	<b>188.4</b>	<b>13.8%</b>	<b>180.5</b>	<b>9.1%</b>	<b>(7.9)</b>
<b>Other Revenues</b>	<b>82.2</b>	<b>89.0</b>	<b>8.3%</b>	<b>89.0</b>	<b>8.3%</b>	<b>0.0</b>
Less: Other Refunds	<u>(12.2)</u>	<u>(17.0)</u>	39.8%	<u>(14.7)</u>	20.9%	2.3
<b>Net Receipts</b>	<b>6,694.3</b>	<b>6,856.9</b>	<b>2.4%</b>	<b>6,896.5</b>	<b>3.0%</b>	<b>39.6</b>

## DEFAC General Fund Revenue Worksheet

March-26 DEFAC Meeting	FY 2027					FY 2028				
	G DEFAC Dec-25	H % G over B	I DEFAC Mar-26	J % I over D	K \$ Increase I over G	L DEFAC Dec-25	M % L over G	N DEFAC Mar-26	O % N over I	P \$ Increase N over L
Revenue Category										
<b>Personal Income Tax</b>	<b>2,915.6</b>	<b>3.3%</b>	<b>2,920.1</b>	<b>2.8%</b>	<b>4.5</b>	<b>3,100.0</b>	<b>6.3%</b>	<b>3,087.9</b>	<b>5.7%</b>	<b>(12.1)</b>
Less: Refunds	<u>(267.3)</u>	-7.3%	<u>(267.3)</u>	-7.3%	<u>0.0</u>	<u>(268.9)</u>	0.6%	<u>(268.9)</u>	0.6%	<u>0.0</u>
<b>PIT Less Refunds</b>	<b>2,648.3</b>	<b>4.6%</b>	<b>2,652.8</b>	<b>3.9%</b>	<b>4.5</b>	<b>2,831.1</b>	<b>6.9%</b>	<b>2,819.0</b>	<b>6.3%</b>	<b>(12.1)</b>
Franchise Tax	1,328.9	0.0%	1,328.9	0.0%	0.0	1,328.9	0.0%	1,328.9	0.0%	0.0
Limited Partnerships & LLC's	557.0	1.1%	557.0	1.1%	0.0	557.0	0.0%	557.0	0.0%	0.0
Subtotal Franchise + LP/LLC	1,885.9	0.3%	1,885.9	0.3%	0.0	1,885.9	0.0%	1,885.9	0.0%	0.0
Less: Refunds	<u>(10.0)</u>	-54.5%	<u>(10.0)</u>	-54.5%	<u>0.0</u>	<u>(10.0)</u>	0.0%	<u>(10.0)</u>	0.0%	<u>0.0</u>
Net Franchise + LP/LLC	1,875.9	1.0%	1,875.9	1.0%	0.0	1,875.9	0.0%	1,875.9	0.0%	0.0
<b>Business Entity Fees</b>	<b>171.0</b>	<b>0.0%</b>	<b>171.0</b>	<b>0.0%</b>	<b>0.0</b>	<b>171.0</b>	<b>0.0%</b>	<b>171.0</b>	<b>0.0%</b>	<b>0.0</b>
<b>Uniform Commercial Code</b>	<b>30.0</b>	<b>0.0%</b>	<b>32.0</b>	<b>0.0%</b>	<b>2.0</b>	<b>30.0</b>	<b>0.0%</b>	<b>32.0</b>	<b>0.0%</b>	<b>2.0</b>
Unclaimed Property	554.0	0.0%	554.0	0.0%	0.0	525.0	-5.2%	525.0	-5.2%	0.0
Less: Refunds	<u>(130.0)</u>	-13.3%	<u>(130.0)</u>	-22.6%	<u>0.0</u>	<u>(130.0)</u>	0.0%	<u>(130.0)</u>	0.0%	<u>0.0</u>
Unclaimed Prop Less Refunds	424.0	5.0%	424.0	9.8%	0.0	395.0	-6.8%	395.0	-6.8%	0.0
<b>Gross Receipts Tax</b>	<b>432.2</b>	<b>2.9%</b>	<b>429.6</b>	<b>-1.7%</b>	<b>(2.6)</b>	<b>450.0</b>	<b>4.1%</b>	<b>450.0</b>	<b>4.7%</b>	<b>0.0</b>
<b>Lottery</b>	<b>252.6</b>	<b>1.7%</b>	<b>261.7</b>	<b>1.6%</b>	<b>9.1</b>	<b>256.4</b>	<b>1.5%</b>	<b>265.6</b>	<b>1.5%</b>	<b>9.2</b>
Corporation Income Tax	335.0	-18.9%	335.0	-18.9%	0.0	362.4	8.2%	362.4	8.2%	0.0
Less: Refunds	<u>(79.8)</u>	-0.3%	<u>(91.8)</u>	35.0%	<u>(12.0)</u>	<u>(80.0)</u>	0.3%	<u>(80.0)</u>	-12.9%	<u>0.0</u>
CIT Less Refunds	255.2	-23.4%	243.2	-29.6%	(12.0)	282.4	10.7%	282.4	16.1%	0.0
<b>Realty Transfer Tax</b>	<b>267.5</b>	<b>7.9%</b>	<b>267.5</b>	<b>7.9%</b>	<b>0.0</b>	<b>278.2</b>	<b>4.0%</b>	<b>278.2</b>	<b>4.0%</b>	<b>0.0</b>
<b>Cigarette Taxes</b>	<b>78.3</b>	<b>-5.0%</b>	<b>78.3</b>	<b>-5.0%</b>	<b>0.0</b>	<b>74.4</b>	<b>-5.0%</b>	<b>74.4</b>	<b>-5.0%</b>	<b>0.0</b>
Bank Franchise Tax	105.5	9.3%	104.5	6.0%	(1.0)	107.5	1.9%	106.7	2.1%	(0.8)
Insurance Taxes and Fees	102.1	21.3%	101.2	21.5%	(0.9)	92.8	-9.1%	91.9	-9.2%	(0.9)
Hospital Board and Treatment	21.4	0.0%	21.4	0.0%	0.0	21.0	-1.9%	21.0	-1.9%	0.0
<b>Public Utility Tax</b>	<b>33.3</b>	<b>-5.4%</b>	<b>34.5</b>	<b>-5.5%</b>	<b>1.2</b>	<b>32.6</b>	<b>-2.1%</b>	<b>33.8</b>	<b>-2.0%</b>	<b>1.2</b>
<b>Alcoholic Beverage Tax</b>	<b>31.4</b>	<b>0.0%</b>	<b>31.4</b>	<b>0.0%</b>	<b>0.0</b>	<b>31.4</b>	<b>0.0%</b>	<b>31.4</b>	<b>0.0%</b>	<b>0.0</b>
<b>Dividends and Interest</b>	<b>145.4</b>	<b>-22.8%</b>	<b>140.2</b>	<b>-22.3%</b>	<b>(5.2)</b>	<b>134.1</b>	<b>-7.8%</b>	<b>129.8</b>	<b>-7.4%</b>	<b>(4.3)</b>
<b>Other Revenues</b>	<b>90.6</b>	<b>1.8%</b>	<b>90.6</b>	<b>1.8%</b>	<b>0.0</b>	<b>92.1</b>	<b>1.7%</b>	<b>92.1</b>	<b>1.7%</b>	<b>0.0</b>
Less: Other Refunds	<u>(16.2)</u>	-4.7%	<u>(16.2)</u>	10.2%	0.0	<u>(16.9)</u>	4.3%	<u>(16.9)</u>	4.3%	<u>0.0</u>
<b>Net Receipts</b>	<b>6,948.5</b>	<b>1.3%</b>	<b>6,943.6</b>	<b>0.7%</b>	<b>(4.9)</b>	<b>7,139.0</b>	<b>2.7%</b>	<b>7,133.3</b>	<b>2.7%</b>	<b>(5.7)</b>

# Summary of Changes YTD

March-26

	<u>FY 2026</u>		<u>FY 2027</u>	
	<u>Amount</u>	<u>% Ch</u>	<u>Amount</u>	<u>% Ch</u>
June 2025 Estimate:	\$6,782.9		\$6,871.7	
Revenue Adjustments: Revenue Resolution	<u>0.0</u>	0.0%	<u>0.0</u>	0.0%
Revenue Resolution	<b>\$6,782.9</b>		<b>\$6,871.7</b>	
October Changes to Forecast:	(\$98.8)	-1.5%	(\$47.8)	-0.7%
December Changes to Forecast:	\$172.8	2.5%	\$124.6	1.8%
March Changes to Forecast:	\$39.6	0.6%	(\$4.9)	-0.1%
May Changes to Forecast:		0.0%		0.0%
June Changes to Forecast:		0.0%		0.0%
TOTAL CHANGES YTD vs. June DEFAC:				
<b>Bottom Line: TOTAL CHANGES YTD vs. Rev. Resolution &amp; other tax law changes</b> <span style="float: right; font-size: 2em; color: red;">★</span>				
	★ \$113.6	1.7%	\$71.9	1.0% ★
<b>Current Estimate:</b>	<b>\$6,896.5</b>		<b>\$6,943.6</b>	

**March 2026  
over  
December 2025**

		<u>FY 2026</u>	<u>FY 2027</u>
<b>WHERE WE STARTED</b>			
DEFAC Estimate:	Dec 25	\$6,856.9	\$6,948.5
<b>WHERE WE ARE NOW</b>			
Revenue Sub:	Mar 26	\$6,896.5	\$6,943.6
<b>\$\$ Change vs</b>	<b>Dec 25 DEFAC</b>	<b>\$39.6</b>	<b>(\$4.9)</b>
<b>% Change vs.</b>	<b>Dec 25 DEFAC</b>	<b>0.6%</b>	<b>-0.1%</b>
<b>Major Positive Changes in:</b>		<u>FY 2026</u>	<u>FY 2027</u>
Net PIT		\$20.5	Lottery \$9.1
Gross Receipts Tax		\$17.0	Net PIT \$4.5
Net CIT		\$12.0	Uniform Commercial Code \$2.0
Lottery		\$9.2	Public Utility Tax \$1.2
<b>Major Negative Changes in:</b>		<u>FY 2026</u>	<u>FY 2027</u>
Net Unclaimed Property		(\$18.0)	Net CIT (\$12.0)
Dividends and Interest		(\$7.9)	Dividends and Interest (\$5.2)
Insurance Taxes		(\$0.9)	Gross Receipts Tax (\$2.6)
			Bank Franchise Tax (\$1.0)

# Balance and Appropriations Worksheet

March-26

## FY 2026 EXPENDITURES

Total Spending Authority	\$8,752.0
Less: Continuing Appropriations & Encumbrances from FY 2026	(\$1,449.4)
Less: Reversions	<u>(\$100.0)</u>
<b>Total Expenditures</b>	<b>\$7,202.6</b>

## FY 2026 BALANCES

Total Expenditures	\$7,202.6
vs. FY 2026 Revenues	6,896.5
Operating Balance	(306.1)
Prior Year Cash Balance	2,925.3
Less: Budget Stabilization Fund (29 Del. C. § 6533(k))	<u>(\$469.3)</u>
Cumulative Cash Balance	2,149.9
Less: Continuing Appropriations & Encumbrances from FY 2026	(1,449.4)
Less: Budgetary Reserve Account	<u>(\$366.5)</u>
<b>Unencumbered Cash Balance 6/30</b>	<b>\$334.0</b>

## FY 2027 APPROPRIATION LIMITS

FY 2027 Revenue Estimate	\$6,943.6
Unencumbered Cash Balance from FY 2026	<u>\$334.0</u>
100% Appropriation Limit	\$7,277.6
98% Appropriation Limit	<u>\$7,132.0</u>
Prior 98% Appropriation Limit	\$7,098.0
Increase (Decrease) from Prior Meeting	\$34.0
October 2025 98% Appropriation Limit	\$6,733.0
Increase (Decrease) from October 2025	\$399.0

## FY 2026 BUDGET

Budget	\$6,580.8
Grants	\$98.3
Supplemental	\$406.0
<b>Total Appropriations</b>	<b>\$7,085.1</b>
Plus: Continuing Appropriations & Encumbrances from Prior Years	<u>\$1,666.9</u>
<b>Total Spending Authority</b>	<b>\$8,752.0</b>

## \*FY 2026 RESERVES\*

2% Set Aside	\$144.6
Budget Reserve Account	\$366.5
Budget Stabilization Fund	<u>\$469.3</u>
<b>Reserves</b>	<b>\$980.4</b>
Revenue Resolution (Gross)	\$7,330.9
<b>Reserve Ratio</b>	<b>13.4%</b>

# DEFAC FORECAST SUMMARY

\$ Amounts in Millions

March-26

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## ECONOMIC OUTLOOK

- Employment and income forecasts somewhat weaker
- Two rate cuts still expected, but later this year
- Significant risk and uncertainty from the war but unlikely, at this point, to lead to a recession

	Average	Annual % Change		
	<u>FY23-25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>
GDP	2.6	2.5	2.3	2.0
US Employment	1.8	0.3	0.3	0.3
DE Employment	2.1	0.9	0.7	0.3

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## REVENUE UPDATE

	<u>FY 25</u>	<u>FY26 (Est)</u>	<u>FY27 (Est)</u>	<u>FY28 (Est)</u>
<b>NET GENERAL FUND</b>	\$6,694.3	\$6,896.5	\$6,943.6	\$7,133.3
<b>ANNUAL GROWTH RATES</b>	0.9%	3.0%	0.7%	2.7%

## MAJOR CHANGES SINCE LAST MEETING

	<u>FY 26</u>		<u>FY 27</u>
Personal Income Tax	\$20.5	CIT Refunds	(\$12.0)
Unclaimed Property Refunds	(\$18.0)	Lottery	\$9.1
Gross Receipts Tax	\$17.0	Dividends and Interest	(\$5.2)
<b>TOTAL CHANGE</b>	<b>\$39.6</b>	<b>TOTAL CHANGE</b>	<b>(\$4.9)</b>

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## EXPENDITURE UPDATE

### FY 26 Estimate

\$7,202.6

## COMPARISON VERSUS

	<u>\$ Change</u>	<u>% Change</u>
DEFAC's last meeting	(\$15.7)	-0.2%
FY 2025 Actual Expenditures	\$277.3	4.0%

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### Appropriation Limit

## FY 27 BUDGET OUTLOOK

\$7,132.0

## COMPARISON VERSUS

	<u>\$ Change</u>	<u>% Change</u>
DEFAC's last meeting	\$34.0	0.5%
Since Governor's FY 27 Recommended Budget (Dec.)	\$34.0	0.5%
Current Budget (FY 26)	\$551.2	8.4%