

Commission on Government Forecasting and Accountability  
FY 2026 and FY 2027  
May '26 Revised Estimates



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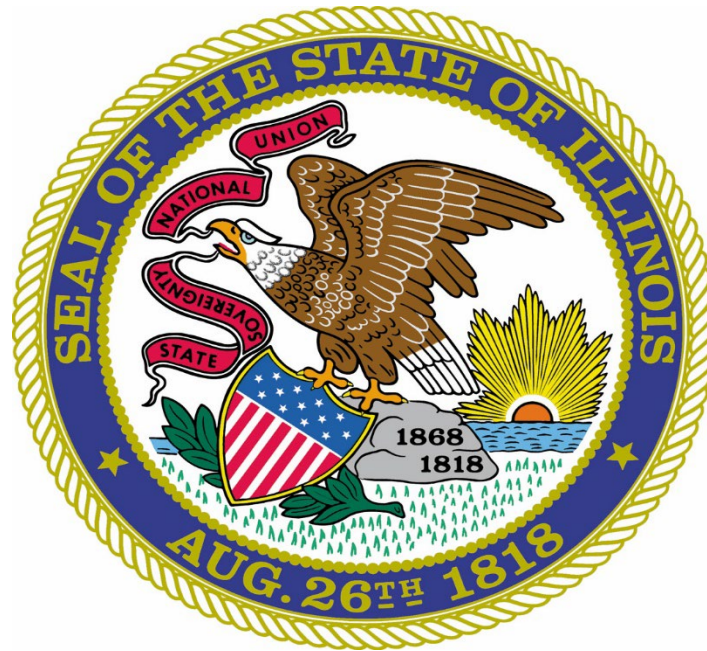
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# GENERAL FUNDS REVENUE



**FY 2026 General Funds Revenue Year-to-Date Performance**  
**vs. Enacted Budget Revenue Assumptions**

<i>General Funds Revenues</i>				
<i>FY 2025 Actuals vs. FY 2026 Enacted Budget Revenue Assumptions</i>				
<i>(\$ millions)</i>				
<b>Revenue Sources</b>	<b>FY 2025 Actuals</b>	<b>FY 2026 Revenue Assumptions</b>	<b>\$ Change</b>	<b>% Change</b>
Personal Income Taxes [Net]	\$28,174	\$28,420	\$246	0.9%
Corporate Income Taxes [Net]	\$4,729	\$5,238	\$509	10.8%
Sales Tax [Net]	\$10,574	\$10,717	\$143	1.4%
All Other State Sources	\$4,232	\$3,954	(\$278)	-6.6%
Transfers In	\$2,510	\$2,768	\$258	10.3%
Federal Sources [Base]	\$3,715	\$4,200	\$485	13.1%
<b>General Funds Subtotal [Base]</b>	<b>\$53,933</b>	<b>\$55,297</b>	<b>\$1,364</b>	<b>2.5%</b>
<b>Non-Base Revenues</b>	<b>\$65</b>	<b>\$0</b>	<b>(\$65)</b>	<b>-100.0%</b>
<b>Total General Funds Revenues</b>	<b>\$53,998</b>	<b>\$55,297</b>	<b>\$1,299</b>	<b>2.4%</b>

\*Source: GOMB: <https://budget.illinois.gov/> Note: Some totals may not equal, due to rounding.

- The Enacted Budget anticipated revenues totaling nearly \$55.3 billion. This amount is approximately \$1.3 billion or 2.4% above FY 2025 actuals.

# FY 2026 General Funds Performance through April

*Summary of Receipts*

## **GENERAL FUNDS RECEIPTS: THROUGH APRIL**

*FY 2025 vs. FY 2026*

*(\$ millions)*

<b>Revenue Sources</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>\$ CHANGE</b>	<b>% CHANGE</b>
Net Personal Income Tax	\$23,713	\$24,704	\$991	4.2%
Net Corporate Income Tax	\$3,862	\$3,600	(\$262)	-6.8%
Net Sales Tax	\$8,792	\$8,914	\$122	1.4%
All Other State Sources	\$3,262	\$3,601	\$339	10.4%
Transfers In	\$1,940	\$2,573	\$633	32.6%
Federal Sources [base]	\$3,214	\$3,169	(\$45)	-1.4%
<b>Base General Funds</b>	<b>\$44,783</b>	<b>\$46,561</b>	<b>\$1,778</b>	<b>4.0%</b>
<i>Non-Base Gen Funds Revenues</i>	\$65	\$3	(\$62)	-95.4%
<b>Total General Funds</b>	<b>\$44,848</b>	<b>\$46,564</b>	<b>\$1,716</b>	<b>3.8%</b>

CGFA SOURCE: Office of the Comptroller: Some totals may not equal, due to rounding

8-May-26

- With only two months of FY 2026 remaining, General Funds receipts are currently \$1.716 billion above last year's year-to-date totals through April. This represents growth of 3.8%.
- The year-to-date gains reflect positive growth in the Personal Income Tax, Sales Tax, All Other State Sources, and Transfers In, which have more than offset declines in the Corporate Income Tax and Federal Sources.

## FY 2026 CGFA General Funds Revised Estimate (May '26)

- Because of the strong year-to-date performance in the first part of the fiscal year, the Commission increased its outlook for FY 2026 General Funds revenues by \$686 million, or 1.2%, in March to \$55.983 billion. Since that time, revenues have generally performed in line with expectations.
- Updated information, however, has resulted in several modest adjustments – both positive and negative – across certain revenue categories (shown below). **Consequently, the FY 2026 forecast has been revised downward by a net \$75 million to \$55.908 billion.** This represents an adjustment of only -0.1%.
- Even with this adjustment, the revised forecast of \$55.908 billion remains \$611 million above the enacted budget revenue assumption of \$55.297 billion.

<b>FY 2026 Revenue Estimates</b>					
<b>FY 2026 CGFA March '26 vs FY 2026 CGFA Revised May '26</b>					
<i>(\$ millions)</i>					
	FY 2026 Enacted Budget Rev Assumptions	FY 2026 CGFA March '26	FY 2026 CGFA Revised May '26	\$ Change	% Change
<b>Revenue Sources</b>					
Personal Income Taxes [Net]	\$28,420	\$29,081	\$29,228	\$147	0.5%
Corporate Income Taxes [Net]	\$5,238	\$4,401	\$4,401	\$0	0.0%
Sales Tax [Net]	\$10,717	\$10,795	\$10,731	(\$64)	-0.6%
All Other State Sources	\$3,954	\$4,511	\$4,570	\$59	1.3%
Transfers In	\$2,768	\$3,177	\$3,125	(\$52)	-1.6%
Federal Sources	\$4,200	\$4,016	\$3,850	(\$166)	-4.1%
<b>General Funds Subtotal [Base]</b>	<b>\$55,297</b>	<b>\$55,981</b>	<b>\$55,905</b>	<b>(\$76)</b>	<b>-0.1%</b>
Transfers to Repay Payroll Borrowing	\$0	\$2	\$3	\$1	50.0%
<b>Total General Funds Revenues</b>	<b>\$55,297</b>	<b>\$55,983</b>	<b>\$55,908</b>	<b>(\$75)</b>	<b>-0.1%</b>
<b>Change from Enacted Budget:</b>		<b>\$686</b>	<b>\$611</b>	<b>(\$75)</b>	

Budget Source: <https://budget.illinois.gov/> Note: Some totals may not equal, due to rounding.

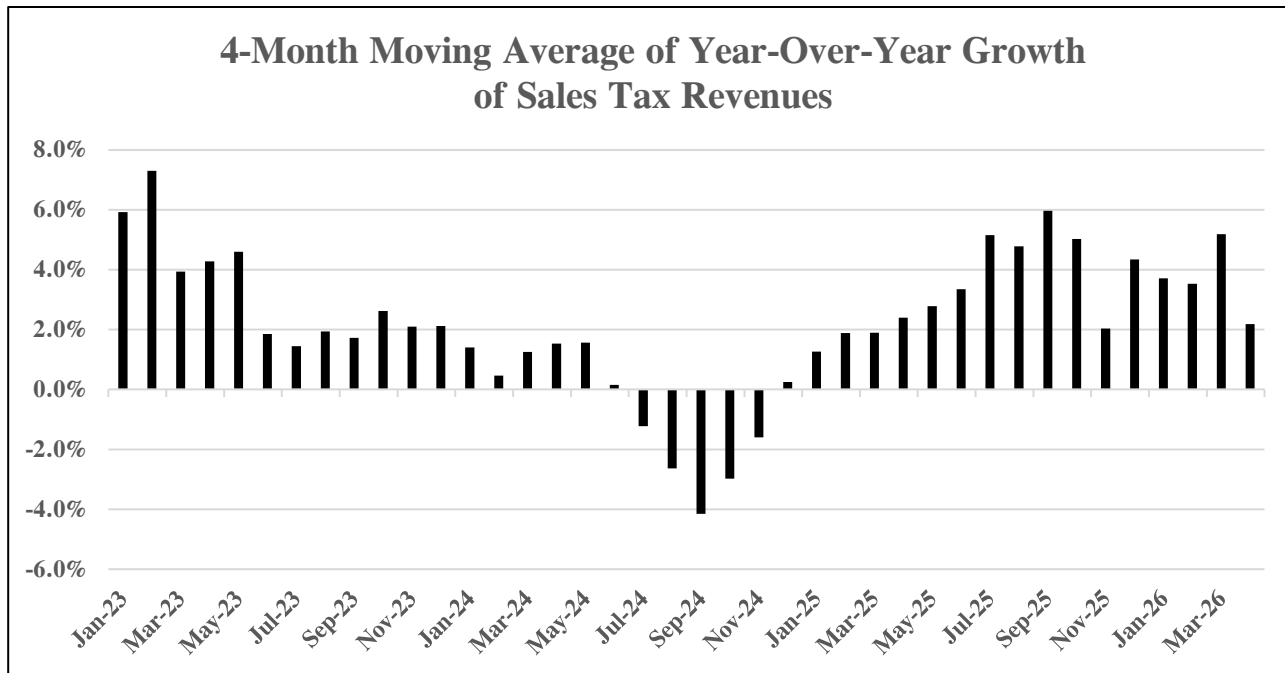
**FY 2026 Revenue Estimates**  
**FY 2026 CGFA March '26 vs FY 2026 CGFA Revised May '26**  
(\$ millions)

	FY 2026 Enacted Budget Rev Assumptions	FY 2026 CGFA March '26	FY 2026 CGFA Revised May '26	\$ Change	% Change
<b>Revenue Sources</b>					
<b>State Taxes</b>					
Personal Income Tax	\$33,446	\$34,225	\$34,390	\$165	0.5%
Corporate Income Tax (regular)	\$6,538	\$5,494	\$5,494	\$0	0.0%
Sales Taxes	\$12,113	\$12,263	\$12,222	(\$41)	-0.3%
Public Utility (regular)	\$686	\$700	\$710	\$10	1.4%
Cigarette Tax	\$183	\$175	\$178	\$3	1.7%
Liquor Gallonage Taxes	\$178	\$167	\$167	\$0	0.0%
Estate Tax	\$600	\$830	\$830	\$0	0.0%
Insurance Taxes & Fees	\$475	\$659	\$659	\$0	0.0%
Corporate Franchise Tax & Fees	\$183	\$202	\$202	\$0	0.0%
Interest on State Funds & Investments	\$600	\$730	\$765	\$35	4.8%
Cook County Intergovernmental Transfer	\$244	\$244	\$244	\$0	0.0%
Other Sources	<u>\$805</u>	<u>\$804</u>	<u>\$815</u>	<u>\$11</u>	<u>1.4%</u>
<b>Total State Taxes</b>	\$56,051	\$56,493	\$56,676	\$183	0.3%
<b>Transfers In</b>					
Lottery	\$802	\$823	\$810	(\$13)	-1.6%
Gaming	\$178	\$262	\$255	(\$7)	-2.7%
Sports Wagering	\$281	\$390	\$375	(\$15)	-3.8%
Cannabis	\$122	\$108	\$108	\$0	0.0%
Refund Fund	\$450	\$700	\$700	\$0	0.0%
Other	<u>\$935</u>	<u>\$894</u>	<u>\$877</u>	<u>(\$17)</u>	<u>-1.9%</u>
<b>Total Transfers In</b>	\$2,768	\$3,177	\$3,125	(\$52)	-1.6%
<b>Total State Sources</b>	\$58,819	\$59,670	\$59,801	\$131	0.2%
<b>Federal Sources [Base]</b>	<u>\$4,200</u>	<u>\$4,016</u>	<u>\$3,850</u>	<u>(\$166)</u>	<u>-4.1%</u>
<b>Total Federal &amp; State Sources</b>	\$63,019	\$63,686	\$63,651	(\$35)	-0.1%
<b>Nongeneral Funds Distribution:</b>					
<b>Refund Fund</b>					
Personal Income Tax [9.15% '26]	(\$3,060)	(\$3,132)	(\$3,143)	(\$11)	0.4%
Corporate Income Tax [14.0% '26]	(\$915)	(\$769)	(\$769)	\$0	0.0%
<b>Local Government Distributive Fund</b>					
Personal Income Tax	(\$1,966)	(\$2,012)	(\$2,019)	(\$7)	0.3%
Corporate Income Tax	(\$385)	(\$324)	(\$324)	\$0	0.0%
<b>Sales Tax Distributions</b>					
Sales Tax Deposits into Road Fund	(\$695)	(\$647)	(\$656)	(\$9)	1.4%
Sales Tax Distribution to the PTF and DPTF	(\$701)	(\$821)	(\$835)	(\$14)	1.7%
<b>General Funds Subtotal [Base]</b>	<b>\$55,297</b>	<b>\$55,981</b>	<b>\$55,905</b>	<b>(\$76)</b>	<b>-0.1%</b>
Transfers to Repay Payroll Borrowing	\$0	\$2	\$3	\$1	50.0%
<b>Total General Funds Revenues</b>	<b>\$55,297</b>	<b>\$55,983</b>	<b>\$55,908</b>	<b>(\$75)</b>	<b>-0.1%</b>
<b>Change from Enacted Budget:</b>		<b>\$686</b>	<b>\$611</b>	<b>(\$75)</b>	

Budget Source: <https://budget.illinois.gov/> Note: Some totals may not equal, due to rounding.

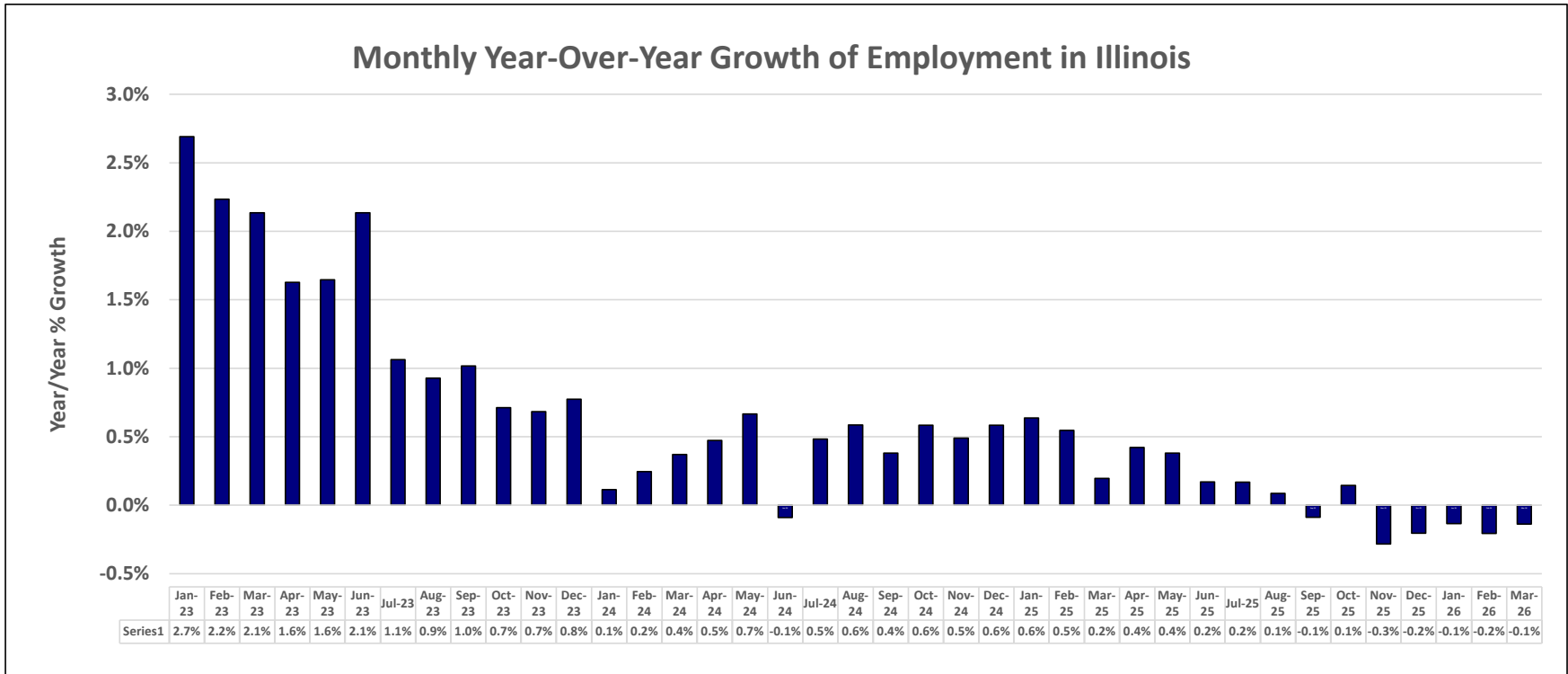
## General Funds Revenue Outlook – Factors Considered

- After slowing in the post-pandemic period that followed the stimulus-supported months of the pandemic, Sales Tax performance rebounded during 2025.
- This growth provided a solid start to FY 2026 in terms of Sales Tax base growth, with gross receipts rising 5.1% in the first half of the fiscal year.
- While sales tax receipts remain higher than a year ago, receipts appear to be slowing.
- Weaker sales tax performance is important to watch as this could lead to reduced corporate profits and job cuts, thereby negatively affecting tax receipts from the State's largest revenue sources: the sales tax, personal income tax, and the corporate income tax.



## CGFA Revenue Outlook – Factors Considered (cont...)

- **Change in Employment Levels**
  - Monthly year-over-year percentage change values for Illinois employment have noticeably slowed from previous elevated levels (see below), and have entered negative territory for five of the last six months, albeit with minor declines.
  - If employment levels were to continue to slow and/or decline, this would have a direct impact on income tax revenues.



## CGFA Revenue Outlook – Factors Considered (cont...)

- **Change in Wage Levels**
  - More than offsetting the stagnant employment numbers has been growth in wages.
  - Monthly year-over-year percentage change values for Illinois wages have trended much higher over the past year (see below). This has been good news for Personal Income Tax receipts.
  - While stronger wage growth helps boost income tax receipts, excessive wage growth could contribute to inflationary pressures.



## FY 2027 CGFA General Funds Revised Estimate (May '26)

- The Commission is lowering its FY 2027 revenue estimate by \$190 million to \$55.335 billion. While noteworthy, this is, a reduction of only 0.3% from the prior forecast. The changes are summarized below:
  - **Personal Income Tax:** A positive adjustment of \$160 million is made to the FY 2027 forecast, reflecting the modest increase in the FY 2026 outlook due to solid performance.
  - **Sales Tax:** The combination of slower growth in recent months and increased geopolitical and economic uncertainty has led CGFA to modestly reduce its FY 2027 forecast by a net \$67 million.
  - **All Other State Sources:** An improved outlook for several small sources, especially Interest Income, has prompted the Commission to increase the forecast for this category of revenues by a net \$133 million.
  - **Transfers In:** Weaker growth in recent months to certain transfers, combined with an expected sizeable drop in the Income Tax Refund Fund Transfer has lowered this category's forecast by \$345 million.
  - **Federal Sources:** A negative adjustment of \$71 million in FY 2027 reflects CGFA's similar change to the FY 2026 forecast due to weaker-than-expected receipts so far this fiscal year.

FY 2027 Revenue Estimates				
FY 2027 CGFA March '26 vs FY 2027 CGFA Revised May '26				
(\$ millions)				
Revenue Sources	FY 2027 CGFA March '26	FY 2027 CGFA Revised May '26	\$ Change	% Change
Personal Income Taxes [Net]	\$28,959	\$29,119	\$160	0.6%
Corporate Income Taxes [Net]	\$4,432	\$4,432	\$0	0.0%
Sales Tax [Net]	\$10,942	\$10,875	(\$67)	-0.6%
All Other State Sources	\$4,237	\$4,370	\$133	3.1%
Transfers In	\$2,884	\$2,539	(\$345)	-12.0%
Federal Sources	\$4,071	\$4,000	(\$71)	-1.7%
<b>General Funds Subtotal [Base]</b>	<b>\$55,525</b>	<b>\$55,335</b>	<b>(\$190)</b>	<b>-0.3%</b>
Transfers to Repay Payroll Borrowing	\$0	\$0	\$0	N/A
<b>Total General Funds Revenues</b>	<b>\$55,525</b>	<b>\$55,335</b>	<b>(\$190)</b>	<b>-0.3%</b>

Note: Some totals may not equal, due to rounding.

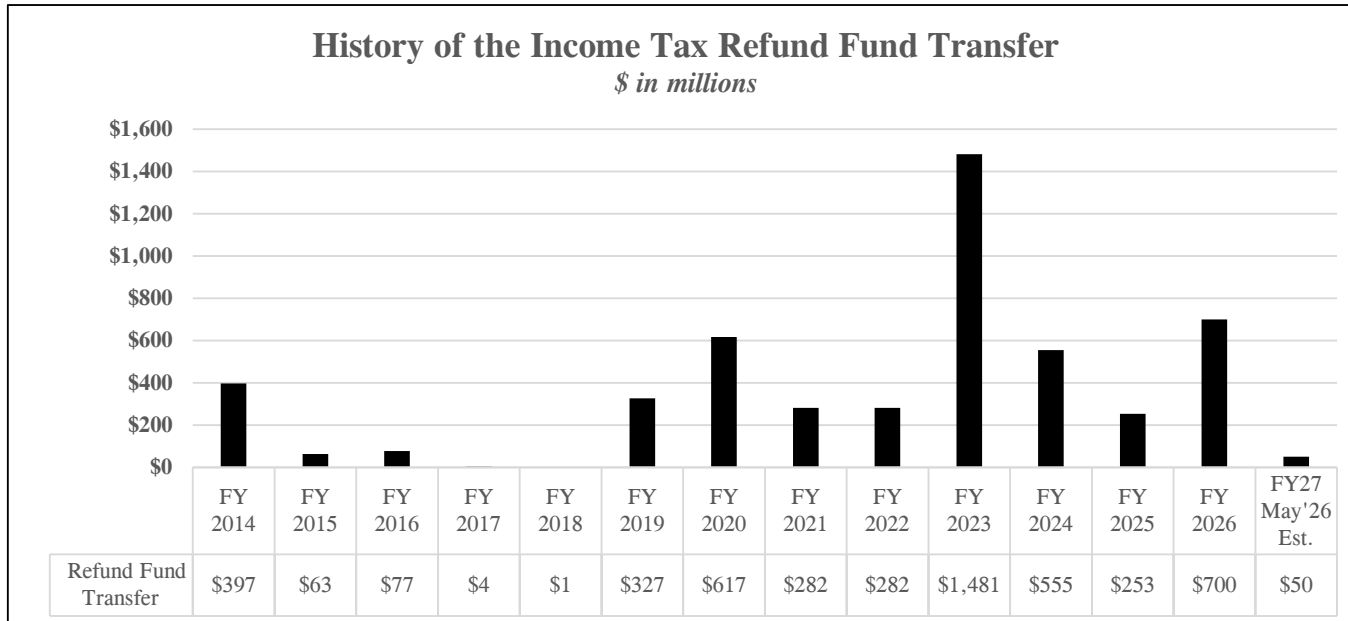
**FY 2027 Revenue Estimates**  
**FY 2027 CGFA March '26 vs FY 2027 CGFA Revised May '26**  
(\$ millions)

	FY 2027 CGFA March '26	FY 2027 CGFA Revised May '26	\$ Change	% Change
<b>Revenue Sources</b>				
<b>State Taxes</b>				
Personal Income Tax	\$34,080	\$34,258	\$178	0.5%
Corporate Income Tax (regular)	\$5,533	\$5,533	\$0	0.0%
Sales Taxes	\$12,617	\$12,575	(\$42)	-0.3%
Public Utility (regular)	\$695	\$705	\$10	1.4%
Cigarette Tax	\$165	\$166	\$1	0.6%
Liquor Gallonage Taxes	\$165	\$165	\$0	0.0%
Estate Tax	\$685	\$685	\$0	0.0%
Insurance Taxes & Fees	\$675	\$675	\$0	0.0%
Corporate Franchise Tax & Fees	\$170	\$170	\$0	0.0%
Interest on State Funds & Investments	\$600	\$700	\$100	16.7%
Cook County Intergovernmental Transfer	\$244	\$244	\$0	0.0%
Other Sources	<u>\$838</u>	<u>\$860</u>	<u>\$22</u>	<u>2.6%</u>
<b>Total State Taxes</b>	<b>\$56,467</b>	<b>\$56,736</b>	<b>\$269</b>	<b>0.5%</b>
<b>Transfers In</b>				
Lottery	\$827	\$820	(\$7)	-0.8%
Gaming	\$283	\$275	(\$8)	-2.8%
Sports Wagering	\$400	\$385	(\$15)	-3.8%
Cannabis	\$107	\$107	\$0	0.0%
Refund Fund	\$350	\$50	(\$300)	-85.7%
Other	<u>\$917</u>	<u>\$902</u>	<u>(\$15)</u>	<u>-1.6%</u>
<b>Total Transfers In</b>	<b>\$2,884</b>	<b>\$2,539</b>	<b>(\$345)</b>	<b>-12.0%</b>
<b>Total State Sources</b>	<b>\$59,351</b>	<b>\$59,275</b>	<b>(\$76)</b>	<b>-0.1%</b>
<b>Federal Sources [Base]</b>	<b>\$4,071</b>	<b>\$4,000</b>	<b>(\$71)</b>	<b>-1.7%</b>
<b>Total Federal &amp; State Sources</b>	<b>\$63,422</b>	<b>\$63,275</b>	<b>(\$147)</b>	<b>-0.2%</b>
<b>Nongeneral Funds Distribution:</b>				
<b>Refund Fund</b>				
Personal Income Tax [9.15% '27]	(\$3,118)	(\$3,129)	(\$11)	0.4%
Corporate Income Tax [14.0% '27]	(\$775)	(\$775)	\$0	0.0%
<b>Local Government Distributive Fund</b>				
Personal Income Tax	(\$2,003)	(\$2,010)	(\$7)	0.3%
Corporate Income Tax	(\$326)	(\$326)	\$0	0.0%
<b>Sales Tax Distributions</b>				
Sales Tax Deposits into Road Fund	\$0	\$0	\$0	N/A
Sales Tax Distribution to the PTF and DPTF	(\$1,675)	(\$1,700)	(\$25)	1.5%
<b>General Funds Subtotal [Base]</b>	<b>\$55,525</b>	<b>\$55,335</b>	<b>(\$190)</b>	<b>-0.3%</b>
Transfers to Repay Payroll Borrowing	\$0	\$0	\$0	N/A
<b>Total General Funds Revenues</b>	<b>\$55,525</b>	<b>\$55,335</b>	<b>(\$190)</b>	<b>-0.3%</b>

Note: Some totals may not equal, due to rounding.

## Income Tax Refund Fund Transfer Volatility

- The Income Tax Refund Fund was created to have a portion of income tax revenues set aside to pay the tax refunds owed to taxpayers after processing their final tax payments. In recent years, this set-aside rate has been 9.15% of Personal Income Tax receipts and 14% of Corporate Income Tax receipts.
- By law, anything remaining in the Income Tax Refund Fund at the end of the fiscal year is to be transferred to the General Revenue Fund the following fiscal year. This transfer amount has ranged from a high of \$1.481 billion in FY 2023 to a transfer low of only \$1 million in FY 2018 (see below).
- In the FY 2026 enacted budget, a transfer amount of \$450 million was assumed. However, due to an increase in receipts at the end of FY 2025, the actual transfer amount was \$700 million. This \$350 million increase is a significant factor why FY 2026 totals are estimated to rise \$611 million above the assumed budget totals.
- For FY 2027, in March, CGFA assumed a transfer amount of \$350 million, which is less than the 10-yr average of \$450 million. However, following the April filing period, the DoR stated that they estimate that **the FY 2027 transfer amount may be only \$50 million**. CGFA adjusted its May '26 forecast accordingly.



## CGFA May '26 Revised Estimates: FY 2026 vs. FY 2027

- The CGFA FY 2027 Revised estimate of \$55.335 billion is \$573 million lower than the CGFA FY 2026 Revised estimate of \$55.908 billion. The primary reasons for this decline include:
  - A \$586 million decrease in Transfers In, mainly due to the anticipated \$650 million drop in the Income Tax Refund Fund Transfer (see previous slide).
  - A \$200 million decrease in All Other State Sources as revenues from the Estate Tax and Interest Income are expected to fall back somewhat from their above-average levels of FY 2026, while many other revenue sources will continue their stagnant or declining trends.
  - A \$109 million decrease in the Personal Income Tax (net). Despite an expected increase in base revenues, Personal Income Tax net receipts are expected to be lower in FY 2027, mainly due the significant year-over-year change in the annual “true-up” adjustment (see next slide).
  - Sales Tax net receipts are expected to only rise \$144 million as a higher portion of tax receipts will be distributed to certain transportation funds in FY 2027 as compared to FY 2026.

CGFA Revenue Estimates for FY 2026 and FY 2027				
May 2026				
(\$ millions)				
	FY 2026	FY 2027	\$	%
<u>Revenue Sources</u>	<u>CGFA Revised</u>	<u>CGFA Revised</u>	<u>Change</u>	<u>Change</u>
	<u>May '26</u>	<u>May '26</u>		
Personal Income Taxes [Net]	\$29,228	\$29,119	(\$109)	-0.4%
Corporate Income Taxes [Net]	\$4,401	\$4,432	\$31	0.7%
Sales Tax [Net]	\$10,731	\$10,875	\$144	1.3%
All Other State Sources	\$4,570	\$4,370	(\$200)	-4.4%
Transfers In	\$3,125	\$2,539	(\$586)	-18.8%
Federal Sources	\$3,850	\$4,000	\$150	3.9%
<b>General Funds Subtotal [Base]</b>	<b>\$55,905</b>	<b>\$55,335</b>	<b>(\$570)</b>	<b>-1.0%</b>
Transfers to Repay Payroll Borrowing	\$3	\$0	(\$3)	-100.0%
<b>Total General Funds Revenues</b>	<b>\$55,908</b>	<b>\$55,335</b>	<b>(\$573)</b>	<b>-1.0%</b>
<b>Change from FY26 Enacted Budget:</b>	<b>\$611</b>	<b>\$38</b>		

Note: Some totals may not equal, due to rounding.

## Impact of “True-Up” Adjustments

Each year, the Department of Revenue reviews prior-year business-related income tax collections and adjusts upcoming fiscal year revenues to ensure compliance with statutory allocations. The results of this “true-up” adjustment over the past several fiscal years are shown in the table below.

- During FY 2026, the Personal Income Tax is receiving a positive adjustment of \$806M, while negative adjustments are being applied to the Corporate Income Tax (-\$181M) and PPRT (-\$625M).
- In FY 2027, the Corporate Income Tax will receive a positive adjustment (+\$204M), while slight negative adjustments will be applied to the Personal Income Tax (-\$135M) and the PPRT (-\$69M).
- While the adjustments in FY 2027 will be noticeably lower than recent years, the year-over-year change in FY 2027 is significant. **The Personal Income will receive \$941 million less than FY 2026.**
- From an overall net impact perspective, **the General Funds will receive \$492 million less in “true-up” adjustments in FY 2027 than it did in FY 2026** (shown in yellow row below).

True-Up Adjustments of Business-Related Income Taxes							
<i>\$ in millions</i>							
	FY 2024	FY 2025	FY24 vs FY25 Diff	FY 2026	FY25 vs FY26 Diff	FY 2027	FY26 vs FY27 Diff
<b>Personal Income Tax (Gross)</b>	\$1,077	\$1,289	\$212	<b>\$806</b>	-\$483	<b>-\$135</b>	<b>-\$941</b>
<b>Corporate Income Tax (Gross)</b>	-\$259	-\$268	-\$9	<b>-\$181</b>	\$87	<b>\$204</b>	<b>\$385</b>
<b>Replacement Tax (PPRT)</b>	-\$818	-\$1,022	-\$203	<b>-\$625</b>	\$396	<b>-\$69</b>	<b>\$556</b>
<b>Total</b>	\$0	\$0	\$0	<b>\$0</b>	\$0	<b>\$0</b>	\$0
<b>General Funds Net Impact*</b>	<b>\$708</b>	<b>\$881</b>	<b>\$173</b>	<b>\$540</b>	<b>-\$341</b>	<b>\$48</b>	<b>-\$492</b>
* The General Funds Net total subtracts out the PPRT totals as well as non-general income tax distributions to the Refund Fund and the LGDF. Note: The annualized amount is adjusted in five equal installments, typically in the months of Sep, Dec, Mar, Apr, and Jun.							

## FY 2026 Revised Estimate Comparison CGFA (May '26) vs GOMB (May '26)

- In May 2026, the Governor's Office of Management and Budget (GOMB) released its revised outlook for FY 2026 General Funds, with a FY 2026 total estimate of \$55.673 billion.
- The Commission's revised May 2026 estimate of \$55.908 billion is \$235 million or 0.4% above GOMB's May 2026 revised forecast for FY 2026. A breakdown of this difference is shown in the table below.

FY 2026 Revenue Estimates				
GOMB Revised (May'26) vs. CGFA Revised (May'26)				
<i>(\$ millions)</i>				
<u>Revenue Sources</u>	<u>FY 2026</u> <u>GOMB Revised</u> <u>May '26</u>	<u>FY 2026</u> <u>CGFA Revised</u> <u>May '26</u>	<u>\$</u> <u>Change</u>	<u>%</u> <u>Change</u>
Personal Income Taxes [Net]	\$29,156	\$29,228	\$72	0.2%
Corporate Income Taxes [Net]	\$4,401	\$4,401	\$0	0.0%
Sales Tax [Net]	\$10,730	\$10,731	\$1	0.0%
All Other State Sources	\$4,451	\$4,570	\$119	2.7%
Transfers In	\$3,136	\$3,125	(\$11)	-0.4%
Federal Sources	\$3,800	\$3,850	\$50	1.3%
<b>General Funds Subtotal [Base]</b>	<b>\$55,673</b>	<b>\$55,905</b>	<b>\$232</b>	<b>0.4%</b>
<b>General Funds Non-Base Subtotal</b>	<b>\$0</b>	<b>\$3</b>	<b>\$3</b>	<b>N/A</b>
<b>Total General Funds Revenues</b>	<b>\$55,673</b>	<b>\$55,908</b>	<b>\$235</b>	<b>0.4%</b>

Source for GOMB figures: <https://budget.illinois.gov/> Note: Some totals may not equal, due to rounding.

## FY 2027 Revised Estimate Comparison CGFA (May '26) vs GOMB (May '26)

- GOMB projects FY 2027 General Funds revenues totaling \$55.883 billion. The Commission's FY 2027 estimate of \$55.335 billion is \$548 million below the GOMB Budget Book estimate.
- However, the Commission's forecast is based strictly on current law. GOMB's FY 2027 projection incorporates approximately \$728 million in net revenue adjustments that would require statutory changes.
- When those proposed enhancements are removed, GOMB's current-law estimate falls below the Commission's projection, making the CGFA forecast effectively \$180 million higher on a comparable basis.

FY 2027 General Funds Revenues CGFA [May '26] vs GOMB [May '26] with & without Proposed Adjustments (\$ millions)						
		Without Proposed Revenue Adjustments			Including Proposed Revenue Adjustments	
<u>Revenue Sources</u>	FY 2027 CGFA Revised May '26	FY 2027 GOMB Revised May '26	CGFA vs GOMB Difference	Value of Proposed Adjustments	FY 2027 GOMB Revised May '26	CGFA vs GOMB Difference
Personal Income Taxes [Net]	\$29,119	\$29,341	(\$222)	\$60	\$29,401	(\$282)
Corporate Income Taxes [Net]	\$4,432	\$4,246	\$186	\$269	\$4,515	(\$83)
Sales Tax [Net]	\$10,875	\$10,671	\$204	\$79	\$10,750	\$125
All Other State Sources	\$4,370	\$4,342	\$28	\$0	\$4,342	\$28
Transfers In	\$2,539	\$2,680	(\$141)	\$320	\$3,000	(\$461)
Federal Sources	\$4,000	\$3,875	\$125	\$0	\$3,875	\$125
<b>General Funds Subtotal [Base]</b>	<b>\$55,335</b>	<b>\$55,155</b>	<b>\$180</b>	<b>\$728</b>	<b>\$55,883</b>	<b>(\$548)</b>
<b>General Funds Non-Base Subtotal</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total General Funds Revenues</b>	<b>\$55,335</b>	<b>\$55,155</b>	<b>\$180</b>	<b>\$728</b>	<b>\$55,883</b>	<b>(\$548)</b>

Budget Source: <https://budget.illinois.gov/> Note: Some totals may not equal, due to rounding.

## Revenue Adjustments Assumed in GOMB's FY 2027 Forecast

**The net value of the revenue adjustments included in GOMB's FY 2027 forecast is approximately \$728 million. Below is a breakdown of the Governor's proposals, which would require a change to State law.**

- **\$60 million** net increase in the Personal Income Tax by lowering the percentage of net of refund receipts that are distributed to the Local Government Distributive Fund.
- **\$269 million** net increase in Corporate Income Tax receipts by placing a cap on the amount of net operating losses that a company can deduct in a tax year.
- **\$79 million** from redirecting the State share of Sales Tax receipts from the sale of candy, soft drinks, and grooming products from the Capital Projects Fund to the General Funds during FY 2027.
- **\$120 million** by realigning the taxing structure on Illinois casinos to what was in place prior to the enactment of P.A. 101-0648 (gaming expansion bill).
- **\$200 million** from creating a fee for social media companies that collect consumer data and sell to third-party buyers. The amount of the fee would be between \$0.10 and \$0.20 per active user, depending on the number of users per month of that particular company.

## Overview

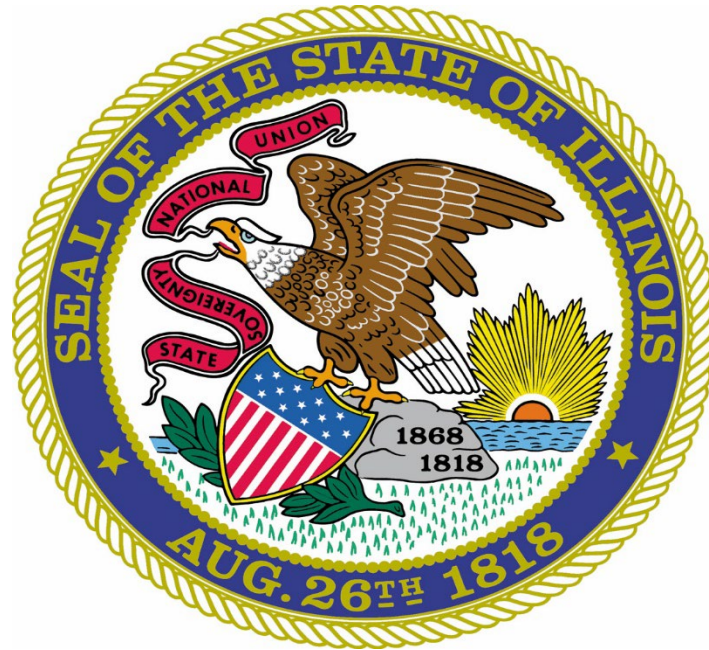
### **CGFA's revised May '26 FY 2026 estimate of \$55.908 billion is:**

- A downward adjustment of \$75 million as compared to the CGFA March '26 FY 2026 estimate of \$55.983 billion; a difference of -0.1%
- \$611 million above the FY 2026 enacted budget revenue assumption of \$55.297 billion.
- \$235 million above the GOMB May '26 forecast of \$55.673 billion.

### **CGFA's revised May '26 FY 2027 estimate of \$55.335 billion is:**

- A downward adjustment of \$190 million as compared to the CGFA March '26 FY 2027 estimate of \$55.525 billion; a difference of only -0.3%.
- \$573 million below the CGFA revised May '26 FY 2026 estimate of \$55.908 billion;
- \$38 million above the FY 2026 enacted budget revenue assumption of \$55.297 billion.
- \$548 million below the GOMB revised May '26 forecast of \$55.883 billion, which includes approximately \$728 million in proposed revenue adjustments. The CGFA estimate is based on current law and does not include these proposed adjustments.
- \$180 million above the GOMB May '26 adjusted forecast of \$55.155 billion, if adjusting out approximately \$728 million in proposed revenue adjustments to make it a "current law" comparison. This is a difference of only -0.3%.

# APPENDIX



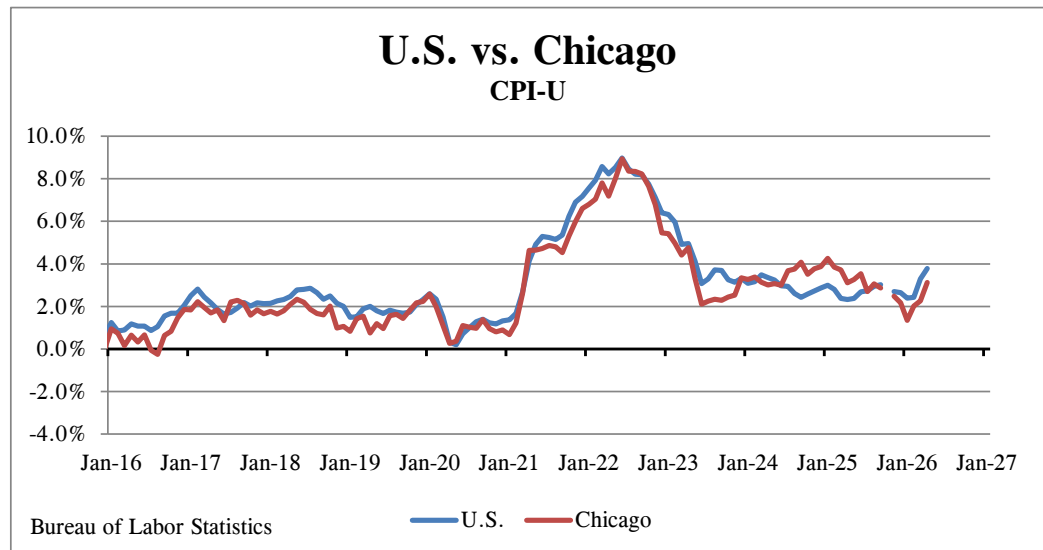
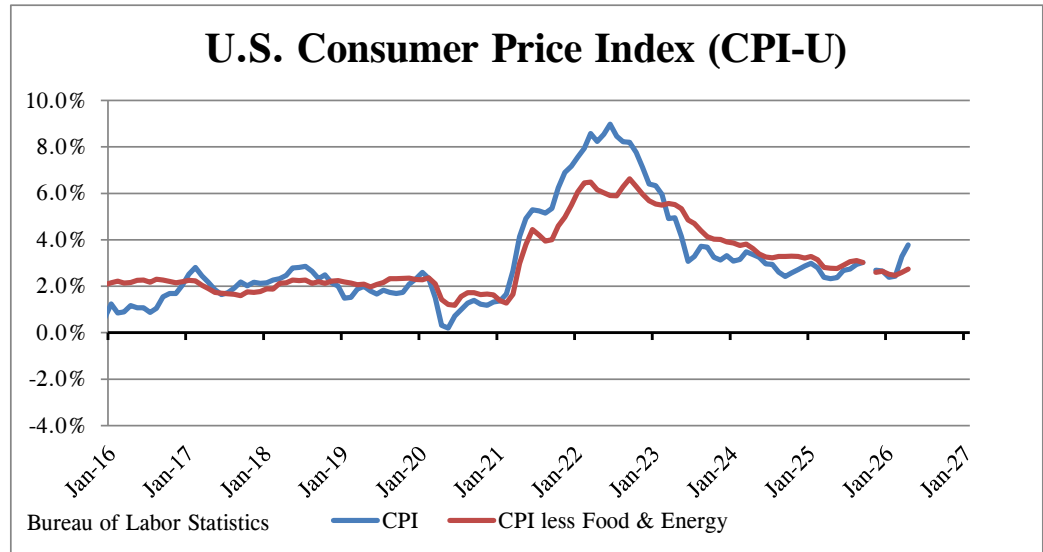
# DETAILED GENERAL FUNDS REVENUE HISTORY FY 2018 - FY 2027 est.

(\$ millions)

Revenue Sources	Actual Receipts FY 2018	Actual Receipts FY 2019	Actual Receipts FY 2020	Actual Receipts FY 2021	Actual Receipts FY 2022	Actual Receipts FY 2023	Actual Receipts FY 2024	Actual Receipts FY 2025	May '26 Estimate FY 2026	May '26 Estimate FY 2027
<b>State Taxes</b>										
Personal Income Tax	\$20,784	\$22,604	\$21,657	\$26,350	\$29,137	\$27,889	\$30,134	\$33,154	\$34,390	\$34,258
Corporate Income Tax (regular)	2,607	3,026	2,596	4,450	6,831	7,318	6,525	5,904	5,494	5,533
Sales Taxes	8,256	8,897	8,691	9,799	10,984	11,589	11,710	11,794	12,222	12,575
Public Utility Taxes (regular)	896	863	831	752	750	751	695	716	710	705
Cigarette Tax	344	361	267	281	254	235	204	191	178	166
Liquor Gallonage Taxes	172	172	177	177	183	181	179	173	167	165
Estate Tax	358	388	283	450	603	503	627	603	830	685
Insurance Taxes and Fees	432	396	361	480	455	492	486	574	659	675
Corporate Franchise Tax & Fees	207	247	210	322	216	225	202	197	202	170
Interest on State Funds & Investments	79	145	137	57	30	407	654	741	765	700
Cook County Intergovernmental Transfer	244	244	244	244	244	244	244	244	244	244
Other Sources	679	710	761	339	443	590	677	793	815	860
<b>Total State Taxes</b>	<b>\$35,058</b>	<b>\$38,053</b>	<b>\$36,215</b>	<b>\$43,701</b>	<b>\$50,130</b>	<b>\$50,424</b>	<b>\$52,337</b>	<b>\$55,084</b>	<b>\$56,676</b>	<b>\$56,736</b>
<b>Transfers In</b>										
Lottery	719	731	630	777	820	726	877	777	810	820
Gaming	272	269	195	0	140	157	158	186	255	275
Sports Wagering	0	0	0	0	0	0	0	203	375	385
Cannabis	0	0	18	71	115	111	114	113	108	107
Refund Fund	1	327	617	282	282	1,481	555	253	700	50
Other	1,185	708	971	420	735	773	846	978	877	902
<b>Total Transfers In</b>	<b>\$2,177</b>	<b>\$2,035</b>	<b>\$2,431</b>	<b>\$1,550</b>	<b>\$2,092</b>	<b>\$3,248</b>	<b>\$2,550</b>	<b>\$2,510</b>	<b>\$3,125</b>	<b>\$2,539</b>
<b>Total State Sources</b>	<b>\$37,235</b>	<b>\$40,088</b>	<b>\$38,646</b>	<b>\$45,251</b>	<b>\$52,222</b>	<b>\$53,672</b>	<b>\$54,887</b>	<b>\$57,594</b>	<b>\$59,801</b>	<b>\$59,275</b>
<b>Federal Sources</b>	<b>\$5,238</b>	<b>\$3,600</b>	<b>\$3,551</b>	<b>\$4,744</b>	<b>\$4,584</b>	<b>\$3,802</b>	<b>\$3,893</b>	<b>\$3,715</b>	<b>\$3,850</b>	<b>\$4,000</b>
<b>Total Federal &amp; State Sources</b>	<b>\$42,473</b>	<b>\$43,688</b>	<b>\$42,197</b>	<b>\$49,995</b>	<b>\$56,806</b>	<b>\$57,474</b>	<b>\$58,780</b>	<b>\$61,309</b>	<b>\$63,651</b>	<b>\$63,275</b>
<b>Nongeneral Funds Distribution:</b>										
<b>Refund Fund</b>										
Personal Income Tax	(\$2,037)	(\$2,193)	(\$2,058)	(\$2,372)	(\$2,696)	(\$2,580)	(\$2,758)	(\$3,031)	(\$3,143)	(\$3,129)
Corporate Income Tax	(457)	(470)	(370)	(625)	(1,026)	(1,062)	(914)	(827)	(769)	(775)
<b>Local Government Distributive Fund</b>										
Personal Income Tax	(1,022)	(1,175)	(1,128)	(1,453)	(1,602)	(1,559)	(1,771)	(1,949)	(2,019)	(2,010)
Corporate Income Tax	(133)	(167)	(145)	(262)	(398)	(429)	(384)	(348)	(324)	(326)
<b>Sales Tax Distributions</b>										
Deposits into Road Fund	0	0	0	0	(132)	(484)	(570)	(698)	(656)	0
Distribution to the PTF and DPTF	(446)	(488)	(436)	(431)	(618)	(654)	(675)	(522)	(835)	(1,700)
<b>General Funds Subtotal [Base]</b>	<b>\$38,378</b>	<b>\$39,195</b>	<b>\$38,060</b>	<b>\$44,852</b>	<b>\$50,334</b>	<b>\$50,707</b>	<b>\$51,708</b>	<b>\$53,933</b>	<b>\$55,905</b>	<b>\$55,335</b>
Change from Prior Year	\$8,973	\$817	(\$1,135)	\$6,792	\$5,482	\$373	\$1,001	\$2,225	\$1,972	(\$570)
Percent Change	30.5%	2.1%	-2.9%	17.8%	12.2%	0.7%	2.0%	4.3%	3.7%	-1.0%
Transfers to Repay Payroll Borrowing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
Transfer of Excess P.A. 102-700 Funds to GRF	\$0	\$0	\$0	\$0	\$0	\$0	\$248	\$0	\$0	\$0
Prior Year Federal Matching Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$633	\$0	\$0	\$0
ARPA Reimb. for Essential Gov't Services	\$0	\$0	\$0	\$0	\$736	\$1,064	\$0	\$65	\$0	\$0
SLFRF Allocation Transfer	\$0	\$0	\$0	\$0	\$0	\$1,363	\$0	\$0	\$0	\$0
Short-Term Borrowing/MLF	\$0	\$0	\$1,198	\$1,998	\$0	\$0	\$0	\$0	\$0	\$0
Treasurer's Investments	\$0	\$750	\$400	\$400	\$0	\$0	\$0	\$0	\$0	\$0
Interfund Borrowing	\$533	\$250	\$462	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Income Tax Bond Fund Transfer	\$2,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer to Commitment Human Services	\$40	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total General Funds</b>	<b>\$41,451</b>	<b>\$40,195</b>	<b>\$40,120</b>	<b>\$47,250</b>	<b>\$51,070</b>	<b>\$53,134</b>	<b>\$52,589</b>	<b>\$53,998</b>	<b>\$55,908</b>	<b>\$55,335</b>
Change from Prior Year	\$12,046	(\$1,256)	(\$75)	\$7,130	\$3,820	\$2,064	(\$545)	\$1,409	\$1,910	(\$573)
Percent Change	41.0%	-3.0%	-0.2%	17.8%	8.1%	4.0%	-1.0%	2.7%	3.5%	-1.0%

# Consumer Price Index (CPI)

- Recent geopolitical tensions in the Middle East, particularly involving Iran and the Strait of Hormuz, have placed upward pressure on global oil prices and heightened inflation concerns.
- U.S. CPI rose to 3.8% year-over-year in April, up from 2.4% in February and the highest inflation rate since May 2023. Core CPI also edged higher to 2.7%, suggesting inflation pressures extended beyond energy prices alone.
- Energy prices remained the primary driver of the increase. The gasoline index rose approximately 28% year-over-year in April and increased sharply on a monthly basis. Shelter costs also remained elevated and continued to contribute significantly to overall inflation.
- As of April, economic forecasters had expected inflation to rise to approximately 3.7% in May before moderating later in the year toward the low-to-mid 3% range. However, CPI has already reached 3.8% year-over-year in April, exceeding those earlier expectations.



## Consensus Forecast

- The Consensus Forecasts – USA report from Consensus Economics summarizes economic outlooks for the United States from various economic forecasters monthly.

These include:

- Banks and Econometric Firms (Wells Fargo/Moody’s Analytics)
- Professional Business Associations (National Association of Home Builders)
- Academic Institutions (Univ. of Michigan/Georgia State Univ.)
- Individual Businesses (Eaton Corporation/Ford Motor Company)

The following table shows the economic forecasts along with historical data for relevant economic indicators.

<b>U.S. ECONOMIC FORECASTS</b>					
The forecasts presented are the mean forecast from 28 economic forecasters.					
Economic Indicator	2023 Actual	2024 Actual	2025 Actual	2026 Forecast	2027 Forecast
Real GDP*	2.9%	2.8%	2.1%	2.1%	2.0%
Nominal GDP*	6.7%	5.3%	5.0%	5.4%	4.5%
Real Disposable Personal Income*	5.7%	2.9%	1.7%	1.4%	2.2%
Real Personal Consumption*	2.6%	2.9%	2.6%	1.8%	1.9%
Real Government Consumption and Investment*	3.5%	3.8%	1.1%	1.1%	0.9%
Real Business Investment*	7.3%	2.9%	4.1%	4.0%	3.4%
Nominal Pre-Tax Corporate Profits*	7.6%	5.1%	7.3%	7.4%	4.1%
Consumer Prices*	4.1%	3.0%	2.7%	3.2%	2.4%
Core PCE Prices (excluding Food/Energy)*	4.2%	2.9%	2.8%	3.0%	2.4%
Producer Prices*	1.6%	1.2%	2.0%	3.4%	1.9%
Employment Costs*	4.5%	3.9%	3.5%	3.4%	3.4%
Auto & Light Truck Sales (inc. imports) mn units	15.5	15.9	16.2	15.7	16.1
Housing Starts, mn units	1.42	1.37	1.36	1.35	1.38
Unemployment Rate (Ave. %)	3.6%	4.0%	4.3%	4.5%	4.4%

\*average % change over previous calendar year,  
Source: Consensus Economics, April 2026

# Illinois Forecast

## ILLINOIS FORECASTS -- APRIL 2026

(Calendar Years, Q4/Q4 for Annual Rates)

	2022	2023	2024	2025	2026	2027
	Actual	Actual	Actual	Actual	Est.	Est.
<b>Real Gross State Product (Billions 2017\$)</b>	876.9	893.5	902.8	920.2	931.5	946.1
% Change	0.8%	1.9%	1.0%	1.9%	1.2%	1.6%
<b>Total Employment (1,000's)</b>	6,073.9	6,117.8	6,153.4	6,154.0	6,131.3	6,120.4
% Change	2.5%	0.7%	0.6%	0.0%	-0.4%	-0.2%
<b>Population (1,000's)</b>	12,606.2	12,668.1	12,714.6	12,712.0	12,686.6	12,648.6
% Change	-0.4%	0.5%	0.4%	0.0%	-0.2%	-0.3%
<b>Personal Income (Billions \$)</b>	877.9	923.7	960.2	1,002.4	1,053.2	1,110.7
% Change	4.4%	5.2%	3.9%	4.4%	5.1%	5.5%
<b>Private Housing Starts (1,000's)</b>	18.7	17.4	19.8	15.0	17.3	17.5
% Change	-10.9%	-7.1%	14.2%	-24.4%	15.6%	1.2%
<b>Unemployment Rate Average % (Q4)</b>	4.5	4.8	4.9	4.5	5.2	5.4
S&P GLOBAL						