

Dept. of Administration: Report highlights unprecedented surplus and moderate state revenue increase for future fiscal years

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Madison, Wis. - A report released today by the Wisconsin Department of Administration (DOA) estimates state revenues are expected to moderately increase over the next biennium, with a record-high surplus and an all-time high Budget Stabilization Fund. DOA projects a gross general fund balance of \$6.576 billion at the end of the current fiscal year. This record-setting figure does not include the roughly \$1.734 billion currently in the state's budget stabilization ("rainy day") fund.

State general fund balances for the next biennium are estimated to be \$8.421 billion at the end of the 2023-24 fiscal year and \$9.757 billion at the end of the 2024-25 fiscal year.

In addition, the report released today notes that the most recent budget which Governor Evers signed provided nearly \$1 billion in income tax relief for Wisconsin families and individuals with low to middle incomes, and even after significantly reducing individual income taxes, overall state tax revenues continued to increase by over \$975 million in FY 2021-22.

"Wisconsin is currently in the strongest financial position we've ever been with unemployment at historic lows and a strong pandemic recovery that has helped new businesses open on Main Streets in every county," said Governor Tony Evers. "We're working hard to build an economy that works for everyone, and this unprecedented surplus presents an unprecedented opportunity to make critical

investments in Wisconsinites and the future of our state.”

Revenue forecasts, based on current state and federal tax laws, include:

- \$744.2 million in state tax revenue increases in FY 2022-23 (3.6 percent increase over FY21-22) for a total revenue estimate of \$21.293 billion
- \$323.9 million in state tax revenue increase in FY 2023-24 (1.5 percent increase over FY22-23) for a total revenue estimate of \$21.617 billion, and
- \$855.1 million in state tax revenue increase in FY 2024-25 (4.0 percent increase over FY23-24) for a total revenue estimate of \$22.472 billion.

“Exceptional fiscal management, a positive GAAP balance, and a record high surplus are good news for Wisconsin as we get ready to close out 2022 and put the pandemic in the rear view,” said DOA Secretary-designee Kathy Blumenfeld. “Our financial outlook is strong, as is our Administration’s leadership and commitment to ensure a prosperous and resilient Wisconsin that works for all.”

The [DOA report](#) includes a detailed fiscal overview of state agency budget requests that were submitted to Governor Evers for consideration in his 2023-2025 executive budget. The Governor has directed most state agencies to submit biennial budget requests that did not seek to increase GPR-funded expenditures in future fiscal years. The 2023-2025 Executive Budget will be released in early 2023.

The full copy of the report is [available here](#).