

Arkansas' economy continues to outperform its forecasts, according to the most recent revenue report.

The December revenue report, released today (Tuesday) by the Department of Finance and Administration, shows the state's net available general revenue totaled \$530.3 million for December, which is 7.3% above forecast, but \$17.2 million or - 3.1% below last year's amount.

Michael Pakko with the Arkansas Economic Development Institute says one area of the economy that continues to see success is in sales and use tax collections. The December amount totaled \$229.7 million

NEWS06**:28****"...above forecast"**

"Sales and use tax collections continue to be stronger than we had anticipated largely due to some of the stimulus programs that help to keep purchasing power in people's hands and allow them to continue to spend. So that's been something of a surprise. Consumer spending has boosted sales and use tax collections. They were about 2.1% ahead of last year, which was about 2.3% above forecast.

Pakko said one possible explanation for the increase in sales and use collection could be on how Arkansans are choosing to spend their money in the middle of a pandemic.

NEWS07**:23****"...other categories"**

"What we've found is that people are spending less on things that are obviously restricted like dining out, other forms of entertainment, going to the movies, the theater, things like that. But people are spending more on groceries, on food made at home, spending more on home improvement supplies and a number of other categories.

Despite the ongoing recession and continued unemployment holding back the economy, Pakko says that consumer confidence has not been impacted the way it normally would, with Arkansans still spending as opposed to holding onto their earnings.