

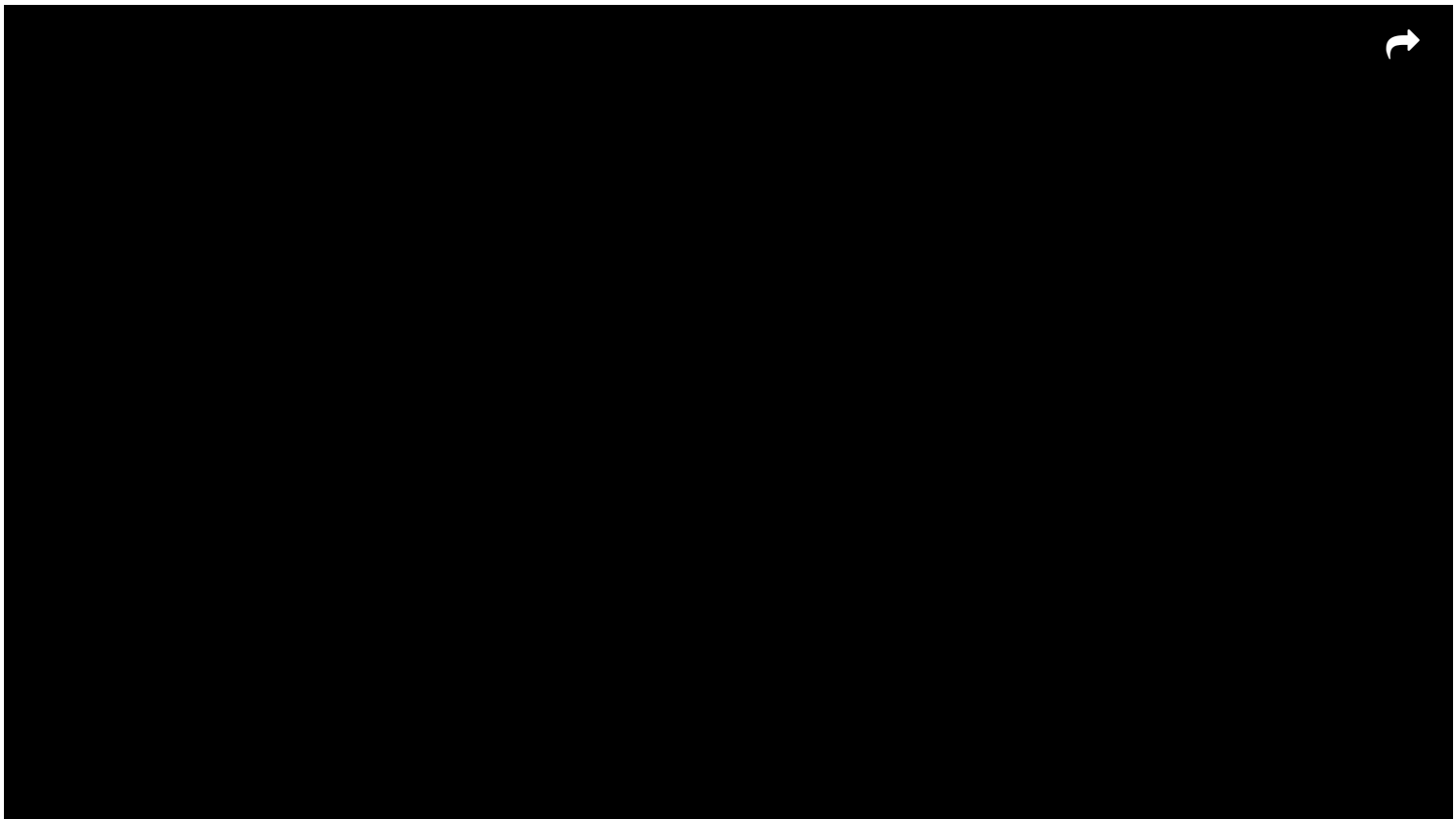


POLITICS & GOVERNMENT

Coronavirus in NC means ‘doggone scary’ tax revenue forecast and big hit to the budget

BY DAWN BAUMGARTNER VAUGHAN

MAY 26, 2020 07:26 PM , UPDATED MAY 27, 2020 09:49 AM



Beginning on March 3, 2020, with the first reported case of COVID-19 in Wake County, the coronavirus has spread across North Carolina. Here's a look at the cumulative number of cases by day as reported by NC DHHS and county health departments.

BY KEVIN KEISTER

RALEIGH

Grim. That’s how one state lawmaker described the revenue forecast for North Carolina.

The latest state revenue forecast released this past week [shows a \\$4 billion hit](#) over the next two years for North Carolina, The News & Observer previously reported. On Tuesday, state lawmakers got a closer look during a joint budget meeting between the House and Senate.

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“Pretty grim picture we’re looking at,” said [Rep. Donny Lambeth](#), a Forsyth County Republican. “Some might say it’s even doggone scary.”

Barry Boardman, the General Assembly’s legislative economist, said there is still uncertainty in the forecast, which will be updated again in August. With the income tax filing and payment deadline extended until July 15, because of the coronavirus pandemic, the state doesn’t know yet how much that loss will be.

Then, Boardman said, they’ll have a better understanding of how reopening is going.

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Sen. Harry Brown, a Jacksonville Republican who chairs the [Senate Appropriations Committee](#) that determines the budget, said they’re going to have to say “no” a lot in the coming months.

“It’s going to mean saying ‘no’ to a whole lot of people, so you need to understand that as we move forward,” Brown told fellow lawmakers.

It’s not clear yet who — and what budget items — will be told “no.”

Emma Turner, with the legislative fiscal research division, said sales tax is the largest driver for this year’s revenue reduction because so many businesses have been closed since March. The largest driver next year will be income tax, she said.

Turner said people continue to spend during recessions to buy necessary items, so the sales tax drop won’t be as large as income tax.

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But if a second wave of COVID-19 cases later this year leads to businesses shutting down again, she said that would have an additional “significant impact” on sales tax revenue for the state.

Lambeth said lawmakers are working on spending packages now to bring to the chambers’ committees in the coming weeks.

“Because it is such a tight fiscal year, we’re going to have to be very fiscally prudent, and any dollars we spend, we spend on absolutely necessary expenses,” he said.



The state of North Carolina is under a stay-at-home order in response the COVID-19 pandemic. JEFF SINER
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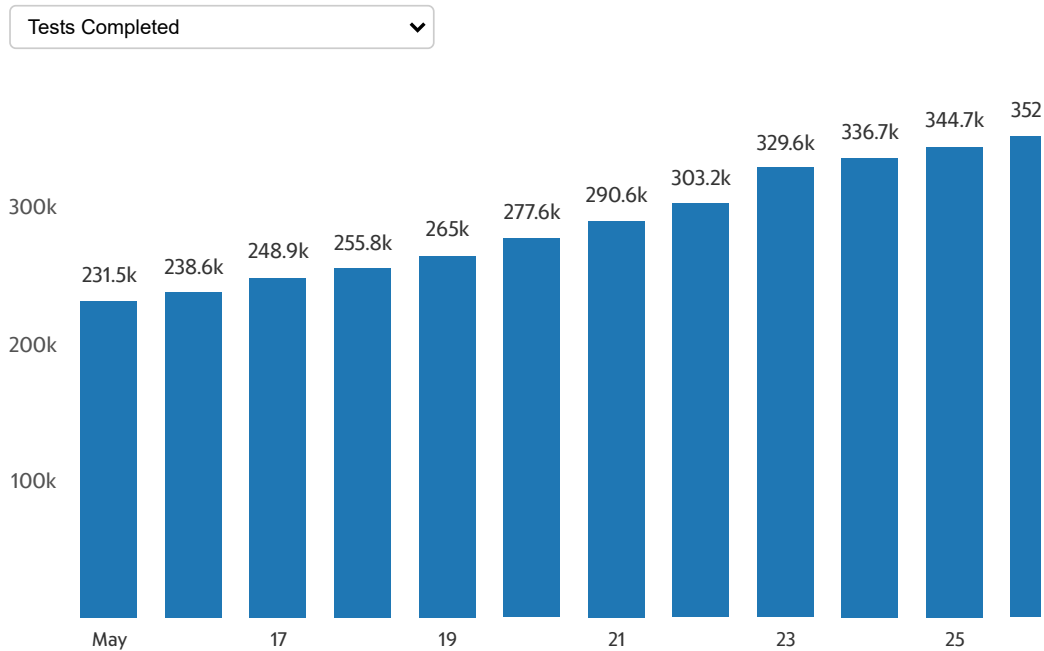
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UPDATED MAY 26, 2020 04:59 PM

North Carolina hits new high of coronavirus hospitalizations since

NC CORONAVIRUS TESTING

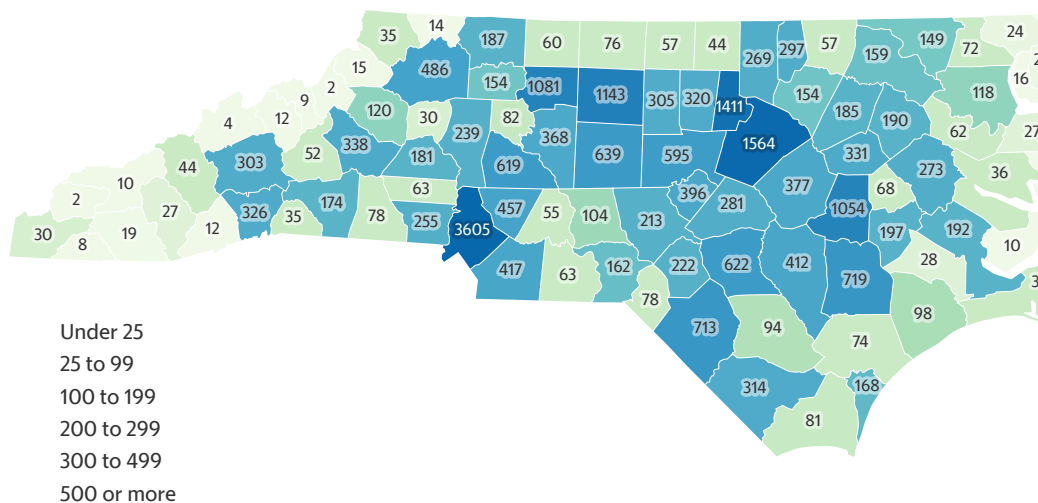
The chart below show the change in the number of tests each day, the number of new cases each day and how they compare. Select variables from the dropdown menu for more information.



Source: N&O analysis of NC DHHS data • [Get the data](#)

NC CORONAVIRUS CASES

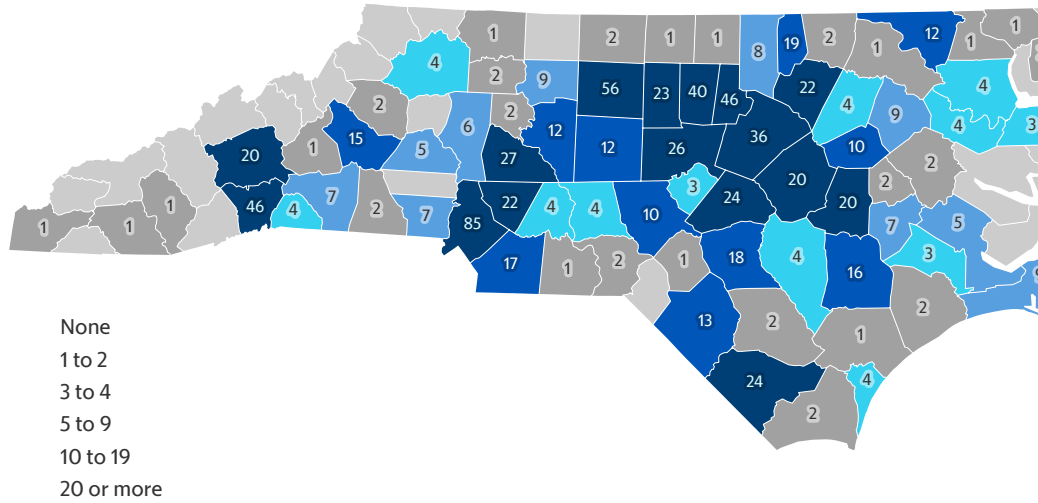
Number of reported coronavirus cases by county as reported by NC DHHS and county health departments. Figures for the number of people who have recovered after testing positive are not available. Not all cases of COVID-19 are tested, so this does not represent the total number of people who have or had the virus.



Case totals for the following counties include state and federal prisons where positive tests have been reported: Granville, Greene, Halifax, Hertford, Johnston, Pasquotank, Wayne.

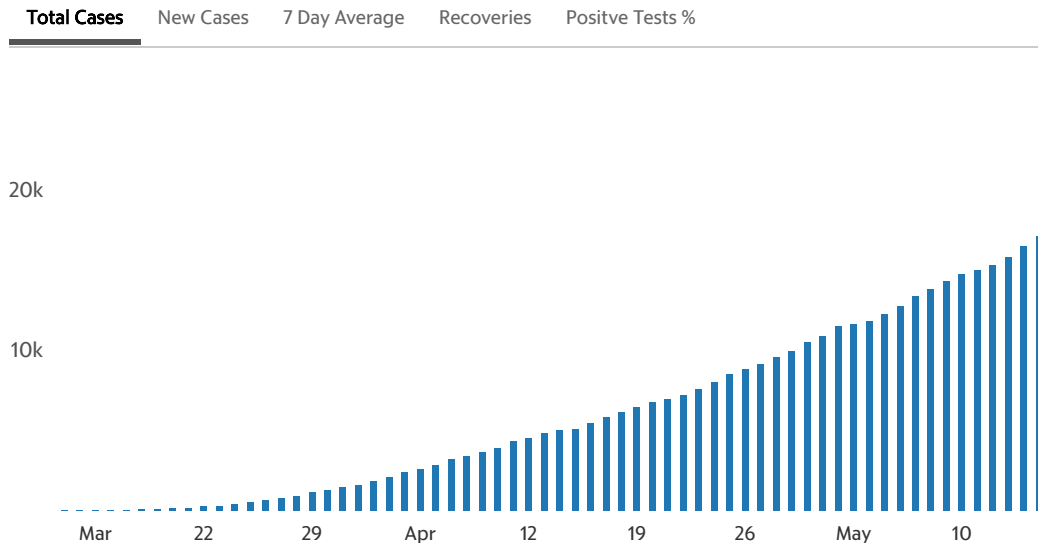
NC CORONAVIRUS DEATHS

Number of reported deaths due to COVID-19 by county as reported by NC DHHS and county health departments. Figures for the number of people who have recovered after testing positive are not available.



CORONAVIRUS CASES BY DAY

"Total Cases" shows the cumulative number of cases over time. "New Cases" shows the number of new cases by day. "7-Day Rolling Average" shows a 7-day average of new cases in order to account for the lag-time of how cases are reported by county health departments to the state. We flatten the curve by reducing the number of new cases per day.



Data is from the NC DHHS daily updates and does not reflect the total case count as reported throughout the day by The News & Observer, which compiles case counts directly from county health departments. Figures for the number of people who have recovered after testing positive are not available. Not all cases of COVID-19 are tested, so this does not represent the total number of people who have or had the virus.

