

**COMPARATIVE STATEMENT OF OFFICIAL REVENUE FORECASTS AND ACTUAL REVENUE
FISCAL YEARS 2008/2009 THROUGH 2014/2015 (IN MILLIONS)**

Revenue	ACTUAL 2008/09	ACTUAL 2009/10	FORECAST 2010/11 EOB	FORECAST 2010/11 Mar. 7, 2011	FORECAST 2011/12 Mar. 7, 2011	FORECAST 2012/13 Mar. 7, 2011	FORECAST 2013/14 Mar. 7, 2011	FORECAST 2014/15 Mar. 7, 2011
Alcoholic Beverage Tax	19.6	19.7	19.0	20.0	20.3	20.5	20.7	20.9
Beer Tax	37.3	35.8	36.5	36.0	36.4	36.8	37.2	37.6
Corporate Franchise Tax	212.7	-	-	-	-	-	-	-
Corporate Income Tax	612.5	-	-	-	-	-	-	-
Corporate Total	825.2	174.8	371.8	200.0	255.0	246.6	293.9	343.9
Gasoline and Special Fuels Tax	590.5	588.0	594.0	607.0	613.0	621.0	627.0	633.0
Gift Tax	1.8	0.2	-	-	-	-	-	-
Hazardous Waste Tax	3.6	2.8	3.0	3.0	3.1	3.1	3.2	3.3
Individual Income Tax	2,966.1	2,212.3	2,466.2	2,620.5	2,815.2	3,008.8	3,201.2	3,368.0
Inheritance Tax	3.2	1.4	1.3	0.7	0.5	0.5	0.5	0.3
Natural Gas Franchise Tax	4.0	1.4	2.5	2.0	2.0	2.5	3.0	3.5
Public Utilities	16.1	5.0	5.0	2.5	3.5	4.0	4.5	5.0
Auto Rental Excise	5.2	4.7	5.0	5.5	6.0	-	-	-
Sales Tax	2,762.5	2,362.5	2,402.0	2,583.2	2,671.9	2,764.4	2,856.4	2,936.5
Severance Tax	870.3	777.5	742.0	758.8	792.8	807.2	819.6	840.1
Supervision&Inspection Fees	8.8	7.2	7.0	8.0	8.5	8.0	8.5	9.0
Tobacco Tax	147.3	136.5	133.8	137.1	136.5	124.1	123.7	123.1
Unknown Owners	27.0	36.2	36.0	34.0	34.0	34.0	34.0	34.0
Miscellaneous Receipts	6.5	5.0	6.5	6.1	6.1	6.1	6.1	6.1
TOTAL REVENUE DEPT	8,295.2	6,371.0	6,831.6	7,024.4	7,404.8	7,687.6	8,039.5	8,364.3
Royalties	517.2	418.4	504.2	465.3	473.6	515.7	546.2	556.5
Rentals	20.5	21.1	19.7	19.5	19.9	21.7	22.9	23.4
Bonuses	134.1	27.1	36.8	29.0	34.1	37.1	39.3	40.1
Royalty Interest	1.9	3.4	3.0	3.0	3.0	3.0	3.1	2.9
TOTAL MINERAL BOARD	673.7	470.0	563.7	516.8	530.6	577.5	611.5	622.9
Interest on Investments	169.0	157.3	134.0	113.0	101.7	91.5	82.4	74.1
Interest Earnings (TTF)	6.8	1.9	2.0	2.0	2.0	2.0	2.0	2.0
Various Agency Receipts INA	45.8	59.3	44.3	44.8	44.8	44.8	44.8	44.8
Agency SGR Over-collections	20.4	21.4	20.4	19.8	19.8	19.8	19.8	19.8
Bond Reimbursements	4.0	3.8	4.0	4.0	4.0	4.0	4.0	4.0
Education Support Fund	69.0	51.0	50.0	50.0	55.0	55.0	60.0	60.0
Lottery	132.1	137.9	126.7	134.2	130.5	130.3	130.3	130.3
Land Based Casino	81.9	75.2	75.5	74.1	75.0	76.0	77.0	78.0
Tobacco Settlement	74.1	62.8	61.0	61.7	60.7	60.5	63.7	64.9
Provider Fees	110.3	107.9	106.1	106.1	106.1	106.1	106.1	106.1
TOTAL TREASURY	713.3	678.5	624.0	609.7	599.6	590.0	590.1	584.0
Excise License Tax	320.8	356.6	372.3	397.8	402.0	420.0	443.0	467.0
Insurance Fees	54.8	54.9	55.8	55.9	55.9	55.9	55.9	55.9
TOTAL INSURANCE	375.6	411.5	428.1	453.7	457.9	475.9	498.9	522.9
Misc Public Safety/ABP	11.0	12.8	9.3	9.4	10.5	11.3	11.7	11.9
Certificate of Title	23.2	20.2	21.7	19.5	21.8	23.7	24.5	24.9
Motor Vehicle License	106.1	98.8	102.1	99.4	109.0	120.5	129.7	133.0
Motor Vehicle Sales	308.3	247.1	267.3	267.3	298.9	324.2	335.6	340.6
Riverboat Gaming	374.8	357.7	354.5	359.0	363.0	367.0	371.9	376.8
Racetrack Slots	62.1	58.7	60.0	58.7	59.5	60.5	61.5	62.5
Video Poker	212.1	192.5	190.0	195.5	198.9	202.2	206.1	209.1
TOTAL PUBLIC SAFETY	1,097.7	987.8	1,004.9	1,008.8	1,061.6	1,109.4	1,141.0	1,158.8
Total TAX, LICENSES & FEES	11,155.5	8,918.8	9,452.4	9,613.4	10,054.5	10,440.5	10,881.0	11,253.0

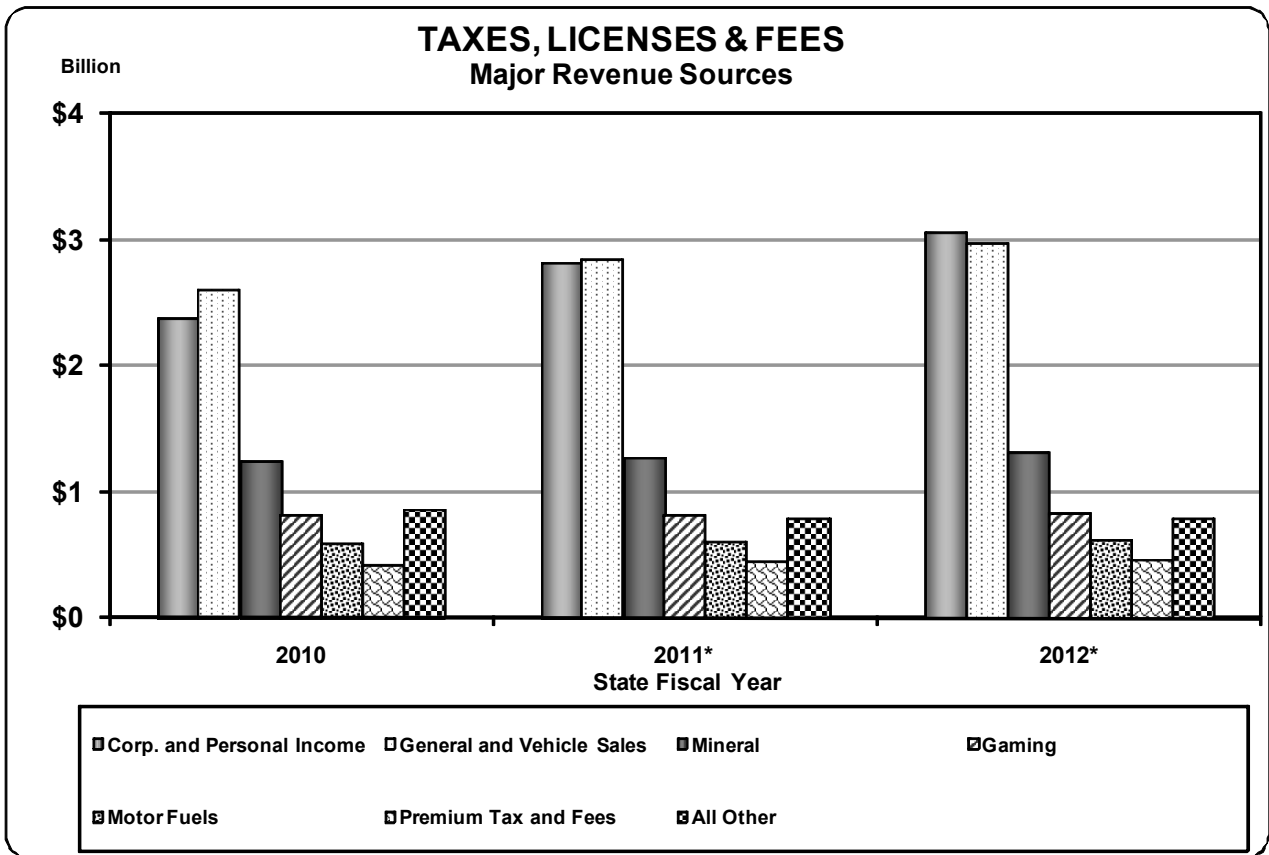
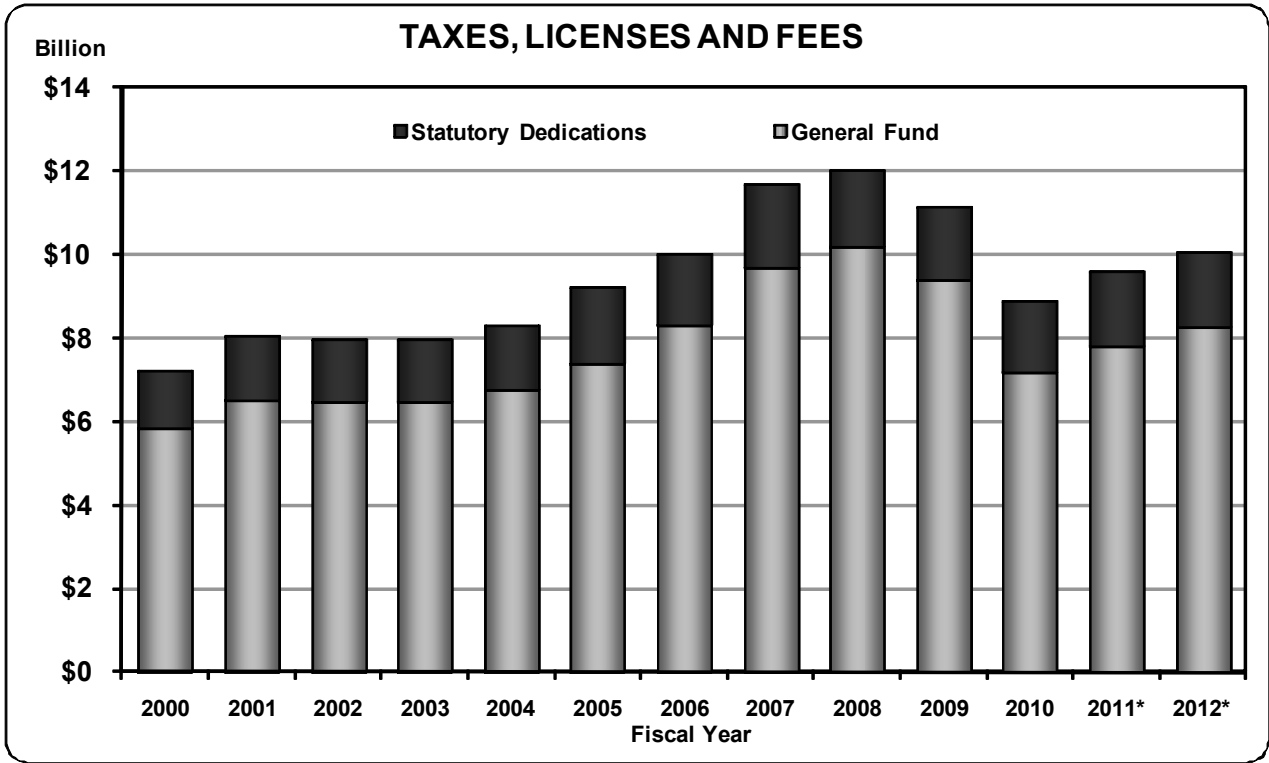
**COMPARATIVE STATEMENT OF OFFICIAL REVENUE FORECASTS AND ACTUAL REVENUE
FISCAL YEARS 2008/2009 THROUGH 2014/2015 (IN MILLIONS)**

Dedications	ACTUAL 2008/09	ACTUAL 2009/10	FORECAST 2010/11 EOB	FORECAST 2010/11 Mar. 7, 2011	FORECAST 2011/12 Mar. 7, 2011	FORECAST 2012/13 Mar. 7, 2011	FORECAST 2013/14 Mar. 7, 2011	FORECAST 2014/15 Mar. 7, 2011
Trans Trust/fuels	472.4	470.4	475.2	485.6	490.4	496.8	501.6	506.4
Trans Trust/motor vehicle lic	43.0	43.4	43.9	42.7	46.9	51.8	55.8	57.2
Trans Trust/sales jet fuel	9.7	29.8	29.8	29.8	29.8	29.8	29.8	29.8
Trans Trust/interest & fees	37.1	29.8	32.3	29.9	29.9	29.9	29.9	29.9
TIME/fuels	118.1	117.6	118.8	121.4	122.6	124.2	125.4	126.6
H F #2/motor vehicle license	10.7	10.6	11.6	10.5	11.6	12.8	13.7	14.1
State Highway Improvement Fund	14.5	27.5	19.4	27.7	30.4	33.6	36.2	37.1
Parishes/severance	42.2	44.0	37.1	42.5	44.4	45.2	45.9	47.0
Forest Productivity	2.6	2.2	2.6	2.2	2.2	2.2	2.2	2.2
Parishes/royalties	51.2	41.5	50.4	46.5	47.4	51.6	54.6	55.7
DNR/AG Support Fund	1.6	2.2	2.6	2.6	2.6	2.6	2.6	2.6
Wetlands Conservation&Rst	33.9	32.8	29.2	28.6	29.5	30.6	31.5	32.0
Mineral Revenue Audit & Set.	-	-	-	-	-	-	-	-
Education Support Fund	69.0	51.0	50.0	50.0	55.0	55.0	60.0	60.0
LA Econ Dev Port Dev Infra Fund	-	-	-	-	-	-	-	-
Workforce Develop Fd/sales	13.4	11.1	11.9	12.6	12.8	13.4	14.0	14.3
Tourism Promotion Dist/sal	24.5	21.0	20.0	22.8	23.8	24.7	25.5	26.2
2% Fire Insurance/excise lic	16.6	18.0	19.3	19.3	19.5	20.4	21.5	22.7
Fire Marshall/excise license	13.7	13.2	15.9	15.9	16.1	16.8	17.7	18.7
LSU Fireman Training /excise	2.7	2.5	3.2	3.2	3.2	3.4	3.6	3.8
Retirement Systems/insurance	54.8	54.9	55.8	55.9	55.9	55.9	55.9	55.9
State Police Salary Fund	15.6	15.6	15.6	15.6	15.6	15.6	15.6	15.6
Video Poker	61.5	58.4	59.0	60.8	61.7	62.6	63.6	64.4
Racetrack Slots	28.7	29.9	27.5	28.5	28.5	28.6	28.6	28.7
Lottery	131.6	137.4	126.2	133.7	130.0	129.8	129.8	129.8
SELF Fund	161.9	151.5	151.2	150.7	152.5	154.4	156.4	158.5
Riverboat Gaming	57.9	55.9	55.5	56.7	57.4	58.0	58.8	59.5
Compulsive & Problem Gaming	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Budget Stabilization	-	-	-	-	-	-	-	-
Haz Waste Site	3.6	2.8	3.0	3.0	3.1	3.1	3.2	3.3
Supervision&Inspection Fees	8.8	7.2	7.0	8.0	8.5	8.0	8.5	9.0
Inspection Gasoline Fee	5.5	4.9	5.3	5.3	5.2	5.4	5.5	5.5
Louisiana & Tobacco Funds	74.1	62.8	61.0	61.7	60.7	60.5	63.7	64.9
Tobacco Tax Health Care Fund	42.2	38.5	39.6	39.7	39.5	39.4	39.2	39.1
Rapid Response Fund/Economic Dev	8.8	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Rapid Response Fund/Workforce	10.0	9.9	10.0	10.0	10.0	10.0	10.0	10.0
Unclaimed Property Leverage	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Capitol Tech	-	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Provider Fees	110.3	107.9	106.1	106.1	106.1	106.1	106.1	106.1
NOW Waiver Fund	-	-	-	15.3	-	-	-	-
Total Dedications	1,769.7	1,744.1	1,733.5	1,782.3	1,790.3	1,819.7	1,853.9	1,874.1
GENERAL FUND REVENUE	9,385.8	7,174.7	7,718.9	7,831.1	8,264.2	8,620.8	9,027.0	9,378.9
Fund Balance Transfer	-	-	-	86.2	-	-	-	-
GENERAL FUND REVENUE (including Fund Balance Transfer)	9,385.8	7,174.7	7,718.9	7,917.3	8,264.2	8,620.8	9,027.0	9,378.9

ECONOMIC OUTLOOK

LOUISIANA ECONOMIC FORECAST SUMMARY BY FISCAL YEAR END JUNE 30

	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>
Macroeconomic Assumptions					
Population (Thousand)	4,423.5	4,469.7	4,511.9	4,528.9	4,544.6
<i>% Change</i>	2.3%	1.0%	0.9%	0.4%	0.3%
Louisiana Non-Agricultural Employment (Thousand)	1,930.6	1,926.6	1,890.0	1,917.1	1,965.5
<i>% Change</i>	2.2%	-0.2%	-1.9%	1.4%	2.5%
National Non-Agricultural Employment (Million)	137.7	133.9	130.0	131.1	134.2
<i>% Change</i>	0.6%	-2.8%	-3.0%	0.9%	2.4%
Louisiana Wages and Salaries (\$ Billion)	81.5	83.7	82.4	85.9	92.1
<i>% Change</i>	7.8%	2.7%	-1.6%	4.2%	7.3%
National Wages and Salaries (\$ Billion)	6,530.5	6,403.2	6,307.2	6,548.2	6,972.8
<i>% Change</i>	4.4%	-1.9%	-1.5%	3.8%	6.5%
Inflation (Personal Consumption Deflator - Year 2005 = 100)	107.5	109.1	110.4	111.7	113.6
<i>% Change</i>	3.3%	1.5%	1.3%	1.2%	1.7%
Annual Change in U.S. Real Gross Domestic Product	-1.3%	-4.2%	-0.6%	2.1%	2.5%
Mineral-Related Assumptions					
Severance Crude Oil Price (\$/barrel)	83.84	78.58	68.36	84.65	84.68
<i>% Change</i>	36.3%	-6.3%	-13.0%	23.8%	0.0%
Oil Production (Million Barrels)	77.1	68.9	67.8	67.5	66.4
<i>% Change</i>	0.4%	-10.7%	-1.7%	-0.4%	-1.6%
Henry Hub Natural Gas Price (\$/mmbtu)	8.28	5.93	4.25	4.22	4.68
<i>% Change</i>	20.7%	-28.4%	-28.4%	-0.7%	10.9%
Natural Gas Severance Rate (¢/MCF)	26.9	28.8	33.1	16.4	16.3
Natural Gas Production (Million MCF)	1,373.6	1,380.3	1,782.5	2,251.7	2,625.7
<i>% Change</i>	1.5%	0.5%	29.1%	26.3%	16.6%



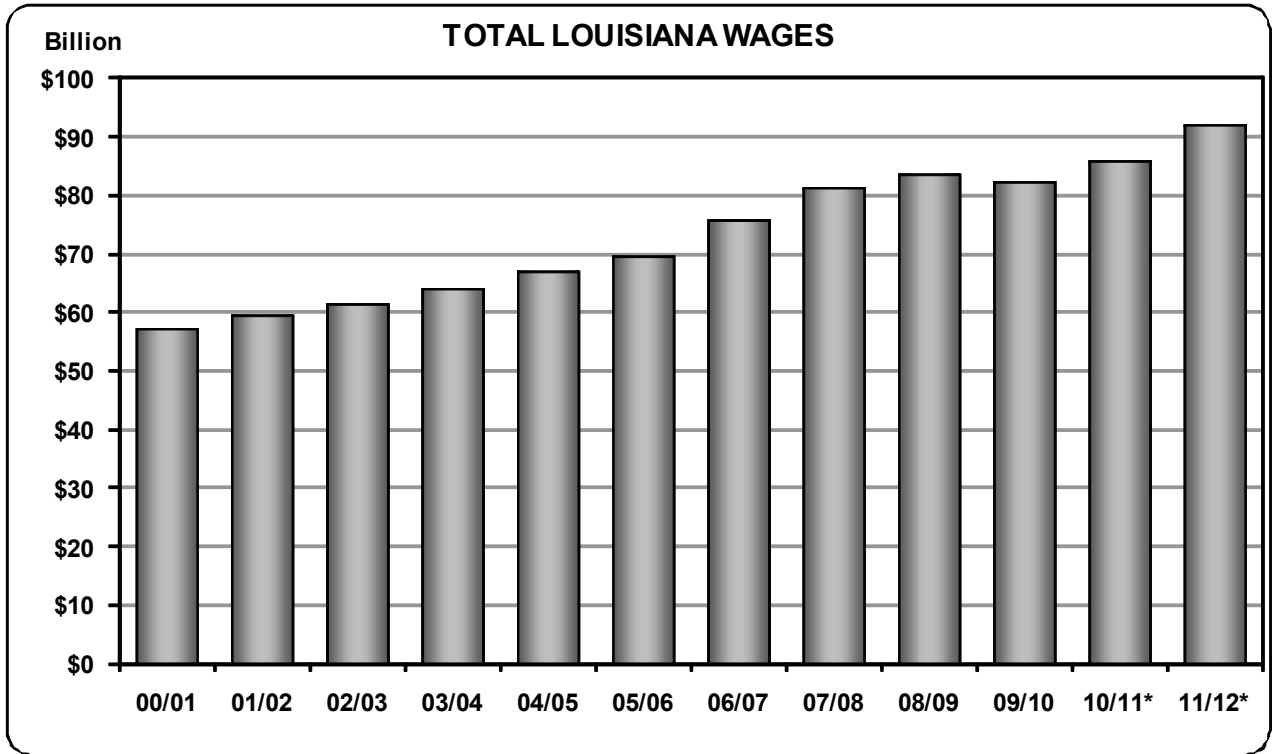
Louisiana Employment and Wages

Over the fiscal years in the aftermath of Katrina, Louisiana non-farm employment had been steadily rising, in tune with national economic activity. However, the financial crisis from late 2008 and its subsequent recession put a stop to such increases. For fiscal year FY2009/10 non-farm employment fell by about 1.9%, with recoveries forecasted for fiscal years FY2010/11 and FY2011/12 (increases of 1.4% and 2.5%, respectively).

Louisiana nominal wages grew annually by 2.7% in FY 2008/09, but fell by 1.6% in FY2009/10. For fiscal years FY2010/11 and FY2011/12 the growth in nominal wages is anticipated to be 4.2% and 7.3%, respectively.

Louisiana Employment (Thousands, SA)	FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11 forecast	FY 2011/12 forecast
Statewide Nonfarm Employment	1,931	1,927	1,890	1,917	1,966
Goods Producing	342	337	313	319	326
Natural Resources & Mining	53	54	49	52	55
Construction	133	134	126	127	126
Total Manufacturing	156	148	138	139	144
Service Providing	1,588	1,590	1,577	1,598	1,650
Trade, Transportation & Utilities	385	378	366	372	380
Information	28	26	24	25	26
Financial Activities	95	93	89	88	90
Professional & Business Services	204	201	192	198	208
Education & Health Services	252	262	271	282	295
Leisure & Hospitality	195	195	196	199	208
Other Services (except Public Administration)	68	67	69	69	71
Total Government	360	368	369	366	373

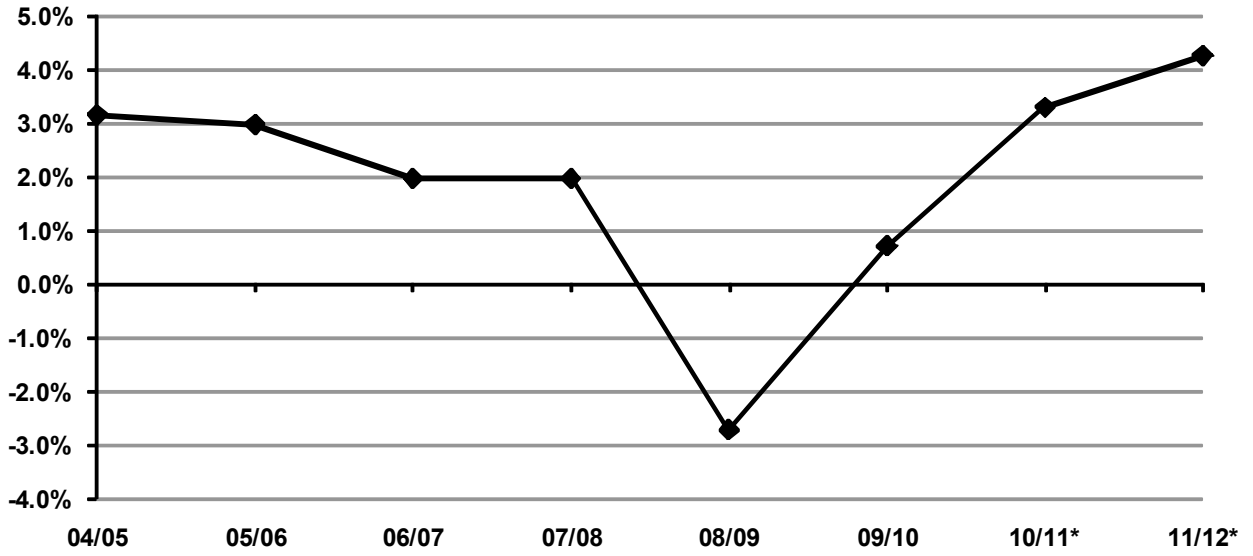
Source: Moody's Economy.com.



U.S. Real Gross Domestic Product

The following is based upon the Moody's Economy.com data and forecast. The year 2009 is one of the worst years for the U.S. economy after World War II. The recession, which began late 2007, continued throughout 2008 and 2009. The National Bureau of Economic Research (NBER) Business Cycle Dating Committee has declared that the recession ended in the summer of 2009. U.S. real GDP fell by 2.8% during FY2008/09, and close to 7 million jobs were lost since the economic downturn started. The national unemployment rate is now at about 9.0% and is widely expected remain at that level for a protracted period of time before it recedes. During FY2009/10 U.S. real GDP remained fairly flat, growing at a pace of 0.7%. Projections by Moody's forecasting service Economy.com show that for fiscal years FY2010/11 and FY2011/12 the U.S. economy may grow by 3.3% and 4.2% respectively.

U.S. REAL GROSS DOMESTIC PRODUCT GROWTH
July - June Fiscal Year



Source: Moody's Economy.com

Revenue Summary - Fiscal Year 2009/10

As the U.S. economy entered into a recession late 2007, economic activity slowed down in Louisiana as well, and with it tax revenue collection. During FY2009/10 Taxes, Licenses and Fees collections fell by 20% and State General Fund revenue shrank by about 23.6%.

	FY 2009/10 Actual (Million \$)	Annual Change (Million \$)	Annual Change (%)
Taxes, Licenses and Fees	8,919.9	-2,235.6	-20.0
Statutory Dedications	1,745.1	-24.6	-1.4
State General Fund	7,174.8	-2,211.0	-23.6

The following table displays the revenue sources that showed an increase of at least \$10 million over the prior fiscal year:

Annual Revenue Increases Greater than \$10 Million

Revenue Source	Annual Change (Million \$)	Annual Change (%)
Excise License	35.8	11.2
Various Agency Receipts	13.5	29.5

Unfortunately, there were not too many sources that showed an increase of revenue of \$10 million or more. The Excise License tax (tax on insurance premia) was on such revenue stream. The other item that showed an increase was Various Agency Receipts, but that was due to a bond issue, which was credited to one of the components of VAR.

The next table ranks the revenue sources with the largest annual percentage declines and a \$50 million or more decrease during FY2009/10:

Annual Revenue Decreases Greater than \$50 Million

Revenue Source	Annual Change (Million \$)	Annual Change (%)
Individual Income Tax	-753.7	-25.4
Corporate Franchise & Income Tax	-650.5	-78.8
Sales Tax	-400.0	-14.5
Bonuses	-107.0	-79.8
Royalties	-98.1	-19.1
Severance	-92.9	-10.7
Vehicle Sales Tax	-61.22	-19.9

The recession that followed the financial crisis took a toll on some of the most important revenue streams of the state, the Individual Income tax (whose collection fell by a quarter, compared to the previous fiscal year), corporate collections (a decrease close to 80%), General Sales Tax (a fall of 14%), and the Vehicle Sales Tax (a decrease of 20%). Severance Tax was not exempted from the fall in collections, with a decrease higher than 10%.

Revenue Summary - Fiscal Year 2010/11

The March 7, 2011 REC adopted a forecast for fiscal year FY2010/11 that projected an amount for Taxes, Licenses and Fees of \$9,613.5 million. Compared to the actual TLF collection for FY2009/10, the forecasted amount represents an increase of about \$693 million, or 7.8%.

	FY 2010/11 (Estimated) (Million \$)	Annual Change (Million \$)	Annual Change (%)
Taxes, Licenses and Fees	9,613.5	693.6	7.8
Statutory Dedications	1,767.1	23.0	1.3
State General Fund	7,831.1	656.4	9.1

The following table ranks the revenue sources with the largest percentage growth and a \$10 million or higher increase over the prior fiscal year:

Annual Revenue Increases Greater than \$25 Million

Revenue Source	Annual Change (Million \$)	Annual Change (%)
Individual Income Tax	408.2	18.5
Sales Tax	220.7	9.3
Royalties	46.9	11.2
Excise License Tax	41.2	11.6
Corporate Franchise & Income Tax	25.2	14.4

As the economy slowly recovers, it is projected that tax revenue will see a recovery as well. The strength of such recovery is yet to be seen. The biggest increases (in dollar terms) are projected to be in the two most important taxes of the state, the Individual Income Tax and the General Sales Tax. Both are expected to increase in collections, because of the expected recovery in economic activity.

The following table ranks the revenue sources with the largest projected annual percentage declines and a \$50 million or more estimated decrease during Fiscal Year 2009/10:

Annual Revenue Decreases Greater than \$10 Million

Revenue Source	Annual Change (Million \$)	Annual Change (%)
Interest Earnings (SGF)	-44.3	-28.2
Severance Tax	-18.7	-2.4
Various Agency Receipts	-14.45	-24.4

Interest earnings on the State General Fund are expected to decline, given the low interest environment the national economy is experiencing now for some time, since the start of the recession. Severance tax collections have been falling, because production volumes of oil and natural gas in the taxed areas have been falling over the last few years.

Revenue Summary - Fiscal Year 2011/12

The March 7, 2011 Revenue Estimating Conference (REC) projects a modest increase in the state general fund for FY2011/12, compared to the projection for the previous fiscal year. The modest increase can be explained by a slow, but steady increase in economic activity over the coming year.

	FY 2011/12 Forecast (Million \$)	Annual Change (Million \$)	Annual Change (%)
Taxes, Licenses and Fees	10,054.5	441.0	4.6
Statutory Dedications	1,790.3	23.2	1.3
State General Fund	8,264.2	433.1	5.5

The following table shows revenue sources that are projected to increase by \$25 million or more during Fiscal Year 2010/11:

Annual Revenue Increases Higher than \$25 Million			
Revenue Source		Annual Change (Million \$)	Annual Change (%)
Individual Income Tax	194.7		7.4
Royalties	76.8		15.2
Corporate Franchise & Income Tax	55.0		27.5

The increase projected in these revenues is linked to the expectation of a slow, but continual increase in economic activity, and in the case of royalties, the increase in the oil price.

The following table ranks the revenue sources with the largest projected annual percentage declines and a \$10 million or more estimated decrease during Fiscal Year 2010/11:

Annual Revenue Decreases Greater or Equal to \$10 Million			
Revenue Source		Annual Change (Million \$)	Annual Change (%)
Interest Earnings (SGF)	-11.3		-10.0

Interest earnings on state general fund investments are estimated to be lower, as interest rates continue to be at historic lows.