



STATE OF ILLINOIS
EXECUTIVE OFFICE OF THE GOVERNOR
GOVERNOR'S OFFICE OF MANAGEMENT AND BUDGET

MARCH 13, 2026

February 2026 Report on the Fiscal Year 2026 Budget

In accordance with 20 ILCS 3005/7.4, this report contains information regarding General Funds revenues, General Funds expenditures, and appropriation line transfers in excess of 2 percent in a fiscal year.

Year-to-Date General Funds Revenues

Budgeted figures below reflect the forecast published in October 2025.

General Funds Monthly Revenues					
Through February 2026					
(\$ millions)					
	February FY25 Actual	February FY26 Budgeted*	February FY26 Actual	Budgeted vs Actual	
				Dollar Variation	Percent Variation
Individual Income Tax	\$ 1,688	\$ 1,722	\$ 1,815	\$ 93	5.4%
Corporate Income Tax	\$ 81	\$ 84	\$ 63	\$ (20)	(24.3%)
Sales Tax	\$ 720	\$ 731	\$ 717	\$ (14)	(2.0%)
Public Utility	80	78	75	\$ (2)	(3.1%)
Cigarette	10	10	12	\$ 3	27.9%
Inheritance	57	61	63	\$ 2	4.0%
Liquor	10	11	9	\$ (2)	(17.3%)
Insurance	30	24	90	\$ 66	275.4%
Corporate Franchise	9	8	21	\$ 13	168.3%
Investment Income	50	38	90	\$ 52	137.0%
Cook County IGT	94	94	98	\$ 4	4.7%
Other	30	34	35	\$ 1	4.1%
TOTAL STATE REVENUES	\$ 2,859	\$ 2,894	\$ 3,090	\$ 196	6.8%
Federal Revenues	\$ 299	\$ 334	\$ 329	\$ (5)	(1.6%)
Transfers In	\$ 135	\$ 143	\$ 173	\$ 31	21.5%
Lottery	66	66	75	\$ 9	14.2%
Gaming	5	6	6	\$ (0)	(3.3%)
Adult-Use Cannabis	10	10	9	\$ (1)	(13.2%)
Sports Wagering	22	26	52	\$ 26	101.4%
Other	32	35	31	\$ (4)	(10.2%)
TOTAL BASE REVENUES	\$ 3,293	\$ 3,371	\$ 3,591	\$ 220	6.5%
Transfer to Repay Payroll					
Borrowing	\$ -	\$ -	\$ -	\$ -	0.0%
TOTAL REVENUES	\$ 3,293	\$ 3,371	\$ 3,591	\$ 220	6.5%

General Funds Year-to-Date Revenues					
Through February 2026					
(\$ millions)					
	FY25 YTD Actual	FY26 YTD Budgeted*	FY26 YTD Actual	Budgeted vs Actual	
				Dollar Variation	Percent Variation
Individual Income Tax	\$ 16,219	\$ 16,640	\$ 16,904	\$ 264	1.6%
Corporate Income Tax	\$ 2,402	\$ 2,326	\$ 2,244	\$ (81)	(3.5%)
Sales Tax	\$ 7,116	\$ 7,179	\$ 7,203	\$ 24	0.3%
Public Utility	485	469	473	3	0.7%
Cigarette	127	116	118	1	1.3%
Inheritance	403	460	618	158	34.3%
Liquor	120	116	116	(0)	(0.2%)
Insurance	335	364	449	85	23.2%
Corporate Franchise	125	116	136	20	17.0%
Investment Income	519	486	528	42	8.7%
Cook County IGT	150	150	154	4	3.0%
Other	297	283	280	(4)	(1.3%)
TOTAL STATE REVENUES	\$ 28,298	\$ 28,704	\$ 29,220	\$ 515	1.8%
Federal Revenues	\$ 2,908	\$ 2,958	\$ 2,671	\$ (287)	(9.7%)
Transfers In	\$ 1,591	\$ 2,047	\$ 2,240	\$ 194	9.5%
Lottery	506	523	552	30	5.7%
Gaming	126	163	185	22	13.3%
Adult-Use Cannabis	75	75	70	(4)	(6.0%)
Sports Wagering	101	192	238	46	23.7%
Other	783	1,094	1,195	101	9.2%
TOTAL BASE REVENUES	\$ 32,797	\$ 33,708	\$ 34,133	\$ 425	1.3%
Transfer to Repay Payroll					
Borrowing	\$ -	\$ -	\$ 2	\$ 2	0.0%
TOTAL REVENUES	\$ 32,797	\$ 33,707	\$ 34,134	\$ 427	1.3%

Source: Illinois Office of the Comptroller and Governor's Office of Management and Budget

*Budgeted figures are based on historical averages as well as information from the Department of Revenue on estimated timing of certain tax deposit.

General Funds Revenue Revision

On February 18, 2026, the Fiscal Year 2027 Proposed Budget included an updated General Funds revenue forecast for Fiscal Year 2026 shown below. While revenues generally met expectations, the fiscal year to date performance for corporate income taxes and federal sources deposited into the General Funds is slightly behind while other sources are slightly ahead, prompting a review of the forecast. Corporate income taxes have been hampered by declining corporate profits and by the negative impacts from H.R. 1. For more details, see [Update to the October 2025 Economic and Fiscal Policy Report: Federal Updates](#). Details on the revision are included in the table below. These revisions consider actual receipts through January 31, 2026.

General Funds Revenue Revision					
Fiscal Year 2026					
(\$ millions)					
	October 2025 Estimate	February 2026 Estimate Revision	Dollar Variation	Percent Variation	
Individual Income Tax	\$ 28,167	\$ 28,686	\$ 519	1.8%	
Corporate Income Tax	\$ 4,510	\$ 4,314	\$ (196)	(4.3%)	
Sales Tax	\$ 10,872	\$ 10,827	\$ (45)	(0.4%)	
Public Utility	692	707	15	2.2%	
Cigarette	174	174	0	0.0%	
Inheritance	600	789	189	31.5%	
Liquor	178	169	(9)	(5.1%)	
Insurance	500	571	71	14.2%	
Corporate Franchise	183	167	(16)	(8.7%)	
Investment Income	658	658	0	0.0%	
Cook County IGT	244	244	0	0.0%	
Other	838	797	(41)	(4.9%)	
TOTAL STATE REVENUES	\$ 47,616	\$ 48,102	\$ 486	1.0%	
Federal Revenues	\$ 4,200	\$ 4,016	\$ (184)	(4.4%)	
Transfers In	\$ 3,032	\$ 3,107	\$ 75	2.5%	
Lottery	802	815	13	1.6%	
Gaming	190	250	60	31.6%	
Adult-Use Cannabis	119	117	(2)	(1.7%)	
Sports Wagering	322	322	0	0.0%	
Other	1,599	1,603	4	0.3%	
TOTAL REVENUES	\$ 54,848	\$ 55,225	\$ 377	0.7%	
Payroll Cashflow Borrowing	\$ -	\$ 2	\$ 2	0.0%	
TOTAL REVENUES WITH PAYROLL BORROWING	\$ 54,848	\$ 55,228	\$ 380	0.7%	

Fiscal Year 2026

Through January 2026, individual income (IIT), inheritance and insurance taxes were modestly ahead of forecasted levels, while corporate income (CIT) and federal sources were behind. Overall, the FY26 forecast was revised upwards by \$380 million.

- IIT was revised upwards in FY26 by \$519 million which reflects the overperformance through the end of January.
- CIT was revised down \$196 million, the second such revision this fiscal year. Based on a review of CIT collections, it is not believed that the shortfall will be caught up as corporate profits, the basis of CIT receipts, have struggled throughout the fiscal year.
- Sales taxes, which are assessed on the purchase price of goods, was revised downwards by \$45 million. Receipts have been impacted by on-going changes to global trade and declines in consumer confidence.

- Federal sources, which are mainly reimbursements from the federal government for state Medicaid and Medicaid waiver spending, were behind \$184 million through the end of January. It is estimated that this shortfall will not be made up with remaining draws in FY26.
- Other sources like investment income, inheritance, insurance and Casino transfers are exceeding their values year-to-date.

Year-to-Date General Funds Expenditures

Note: Budgeted figures below reflect the forecast for spending from General Funds appropriations for fiscal year 2026. Budgeted monthly expenditures were determined by analyzing historical data on the timing of vouchers presented. Public Act 103-0588 allows the Illinois Office of the Comptroller (IOC) to request from the State retirement systems additional pension vouchers for a given month over the required 1/12th of the certified pension payment amount. This pension “pre-payment” allows the retirement systems to pay annuitants directly and to keep the investment for longer, thereby potentially accruing additional investment returns. While this flexibility does allow the IOC to prepay state pension payments similar to their current ability to prepay interfund transfers to support Medicaid and Group Insurance, it does not allow them to make annual pension contributions above the certified amount for a fiscal year. Because the timing of prepayments are unknown, budgeted expenditures for the fiscal year will continue to reflect a 1/12th payment of the annual certified amount.

General Funds Monthly Expenditures					
Through February 2026					
(\$ millions)					
	February FY25 Actual	February FY26 Budgeted*	February FY26 Actual	Budgeted vs Actual	
				Dollar Variation	Percent Variation
Healthcare and Family Services	\$ 843	\$ 849	\$ 856	\$ 7	0.8%
State Board of Education	\$ 880	\$ 923	\$ 910	\$ (13)	(1.4%)
Retirement Systems	\$ 1,536	\$ 878	\$ 1,044	\$ 166	19.0%
Chicago Teacher's Pension System	\$ 28	\$ 30	\$ 58	\$ 28	95.4%
Dept of Human Services	\$ 616	\$ 671	\$ 577	\$ (94)	(14.0%)
Department on Aging	\$ 163	\$ 189	\$ 168	\$ (21)	(11.3%)
Department of Corrections	\$ 142	\$ 169	\$ 189	\$ 21	12.2%
Group Insurance (CMS)	\$ 190	\$ 169	\$ 400	\$ 231	136.7%
Higher Education	\$ 206	\$ 217	\$ 219	\$ 3	1.3%
Other Agencies	\$ 397	\$ 448	\$ 373	\$ (74)	(16.6%)
Total	\$ 5,002	\$ 4,541	\$ 4,795	\$ 253	5.6%

General Funds Year-to-Date Expenditures					
Through February 2026					
(\$ millions)					
	FY25 YTD Actual	FY26 YTD Budgeted*	FY26 YTD Actual	Budgeted vs Actual	
				Dollar Variation	Percent Variation
Healthcare and Family Services	\$ 5,284	\$ 4,682	\$ 4,669	\$ (13)	(0.3%)
State Board of Education	\$ 5,719	\$ 5,997	\$ 5,936	\$ (61)	(1.0%)
Retirement Systems	\$ 7,260	\$ 6,146	\$ 7,445	\$ 1,299	21.1%
Chicago Teacher's Pension System	\$ 183	\$ 208	\$ 247	\$ 40	19.3%
Dept of Human Services	\$ 3,618	\$ 3,973	\$ 3,824	\$ (149)	(3.7%)
Department on Aging	\$ 776	\$ 906	\$ 906	\$ 1	0.1%
Department of Corrections	\$ 914	\$ 1,060	\$ 960	\$ (100)	(9.4%)
Group Insurance (CMS)	\$ 1,522	\$ 1,183	\$ 1,625	\$ 442	37.4%
Higher Education	\$ 1,854	\$ 1,920	\$ 1,641	\$ (279)	(14.5%)
Other Agencies	\$ 2,297	\$ 2,622	\$ 2,571	\$ (51)	(1.9%)
Total	\$ 29,427	\$ 28,696	\$ 29,826	\$ 1,130	3.9%

Source: Illinois Office of the Comptroller and Governor's Office of Management and Budget

Note: Lapse period spending is not included in this table. Amounts reflect only vouchers presented from FY26 appropriations.

Appropriation Line Transfers

Each fiscal year, State agencies receive individual appropriations from specific funds for specific purposes. Examples of these would be individual appropriations for expenses such as personal services (payroll), equipment, commodities or printing. The State Finance Act (30 ILCS 105/13.2) authorizes agencies to transfer up to 2 percent of their aggregate operational and lump sum appropriation, as defined in statute, among operational line items as long as the appropriations are shifted from within the same fund. For fiscal year 2026, this limit was increased to 4 percent.

The below table discloses all fiscal year 2026 transfers between appropriation lines exceeding 2 percent.

Appropriation Line Transfers									
Through February 2026									
Agency	Fund	From Line	To Line	Date	Amount	Total Transferred YTD	2% Transfer Limit	4% Transfer Limit	
There are no transfer from FY26 appropriations that exceed the 2% limit.									

Appendix

Appendix A - Reporting Requirements Related to this Report

(20 ILCS 3005/7.4)

Sec. 7.4. Monthly revenue reporting. No later than the 15th day following the end of each month, the Office shall prepare and publish a written report including, at a minimum, the following information:

- (1) year-to-date general funds revenues as compared to anticipated revenues;
- (2) year-to-date general funds expenditures as compared to the then current fiscal year budget as enacted; and
- (3) any transfer between budget lines pursuant to Section 13.2 of the State Finance Act exceeding 2%.

(Source: P.A. 103-588, eff. 6-5-24.)