



Massachusetts Department of Revenue

Briefing Book FY2020 Consensus Revenue Estimate Hearing

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Introduction

This Briefing Book was created by the Department of Revenue (DOR) and is intended to provide you with DOR’s current tax revenue estimates for FY19 and FY20 and relevant background information.

During FY18, the Massachusetts economy performed well with lower unemployment rate and robust growth in real GSP and personal income. The state tax revenue collections were also strong, well above benchmark. Looking forward, the national and Massachusetts economies are expected to continue the robust growth in FY19 but start to slow down in FY20 as the effects of tax cut fade and the Fed raises interest rates. International factors, such as the US-China trade conflicts, global economic slowdown, add to uncertainties on state economic and tax revenue forecasts.

Our FY19 and FY20 revenue forecasts are based on tax collections through November 2018 and the economic projections provided by *Moody’s Economy.com* and *IHS Markit* (formerly known as *Global Insight*). The forecasts have been adjusted for legislatively mandated tax changes. The table below summarizes the Department’s current tax revenue forecasts for FY19 and FY20.

FY19 and FY20 Department of Revenue Tax Revenue Projections
(in \$ Billions)

	<u>FY19</u> <u>Projections</u>	<u>% Growth</u> <u>Actual</u> <u>from FY18</u>	<u>% Growth</u> <u>Baseline</u> <u>from FY18</u>	<u>FY20</u> <u>Projections</u>	<u>% Growth</u> <u>Actual</u> <u>from FY19</u>	<u>% Growth</u> <u>Baseline</u> <u>from FY19</u>	<u>% Growth</u> <u>Actual</u> <u>from current</u> <u>FY19</u> <u>Benchmark</u>
Current Benchmark	\$28.392	2.2%	2.0%	N/A	N/A	N/A	N/A
Economy.com	\$28.744	3.5%	3.3%	\$29.384	2.2%	3.1%	3.5%
Global Insight	\$28.648	3.1%	2.9%	\$29.217	2.0%	2.9%	2.9%
Midpoint	\$28.696	3.3%	3.1%	\$29.301	2.1%	3.1%	3.2%

FY18 Results

- FY18 tax collections totaled \$27.787 billion, up \$2.126 billion, or 8.3% from FY17.
- FY18 “baseline” tax collections (i.e., growth adjusted for the impact of tax law and administrative changes) were also up 8.3% from FY17.
- Excluding \$11 million in “tax-related” settlements & judgments exceeding \$10 million each, FY18 tax collections totaled \$27.776 billion, \$1.115 billion above the final FY18 revenue estimate of \$26.661 billion. The surplus reflected mostly stronger than expected performance in non-withheld (investment, pass-through, interest/dividend, capital gains, etc.) personal income tax collections, withholding tax collections, corporate and business tax collections, and “all other” tax collections (mostly estate tax), partly offset by less than expected sales and use taxes collections. Capital gains tax revenues were estimated to be up 42.4% in FY18 compared to FY17, and totaled about \$1.687 billion based on the returns data and tax collections data.
 - FY18 personal income tax collections totaled \$16.240 billion, up 10.6% actual and 10.4% baseline. Withholding increased 6.4% baseline; income tax from cash estimated payments, which included tax on capital gains, interest and dividends, and unincorporated business income, increased 31.7% baseline; refunds were up 11.6% baseline; income tax payments with returns and bills increased 10.3% baseline.
 - FY18 sales tax was \$6.454 billion, up 3.9% actual and 3.6% baseline. Regular sales tax totaled \$4.433 billion, up 3.7% baseline; meals tax totaled \$1.154 billion, up 4.3% baseline; and motor vehicle sales tax totaled \$866 million, up 1.6% baseline.
 - FY18 corporate and business tax collections of \$2.761 billion for the year were up 10.6% actual and 12.9% baseline, compared with the baseline growth of 1.9% from FY16 to FY17.
 - All other tax collections totaled \$2.321 billion for FY18, up 4.9% actual and 4.6% baseline.

FY19 Summary

- The FY19 consensus revenue estimate assumed FY19 revenue collections of \$27.594 billion, which was revised to \$28.392 billion when the FY19 budget was enacted, reflecting actual growth of 2.2% and baseline growth of 2.0% from FY18 collections. This estimate was kept unchanged by the Executive Office for Administration and Finance (A&F) On October 15, 2018.
- Through November 2018, FY19 tax collections totaled \$10.746 billion, up \$829 million, or 8.4% actual and 7.9% baseline compared to the same five-month period in FY18, \$423 million above the November year-to-date benchmark (excluding tax related settlements & judgments exceeding \$10 million each, which totaled \$39 million year-to-date). Specifically:
 - Year-to-date withholding is up 3.5% actual and 4.0% baseline.
 - Year-to-date income tax estimated payments are up 16.3% actual and 15.8% baseline.
 - Year-to-date sales tax collections are up 5.5% actual and 4.9% baseline.
 - Year-to-date corporate and business tax collections are up 20.5% actual and 18.5% baseline.
- The Massachusetts economy is forecasted to grow strongly during the last three quarters of FY19.
 - Real Gross State Product is projected to grow by 3.3% to 3.5%.
 - Massachusetts payroll employment is projected to grow by 1.8%, and wages and salaries are projected to grow by 4.7% to 5.7%.
 - Retail sales are projected to grow by 4.8% to 5.4%.

FY19 Summary

- With respect to capital gains tax, DOR forecasts that fiscal year 2019 capital gains tax will decrease by 2.2% to 4.1% compared with fiscal year 2018, to about \$1.618 billion to \$1.651 billion, and decrease further by about 2.8%-5.2% in fiscal year 2020, to \$1.534 billion to \$1.604 billion (see page 23 and 24).
- Employing economic forecasts from IHS Markit, Moody's economy.com, and DOR's capital gains tax projections, FY19 tax revenue is projected at \$28.648 billion to \$28.744 billion, \$256 million to \$351 million above the FY19 estimate of \$28.392 billion. Included in these forecasts is an adjustment for the impact of tax law changes and revenue initiatives, which are expected to result in a net revenue gain of \$54 million in FY19.

FY20 Summary

- The national economy is forecasted to slow down in FY20. The U.S. real Gross Domestic Product (GDP) is forecasted to grow 3.0% to 3.1% in FY19, but 1.9% to 2.4% in FY20.

- The two forecast vendors project the economy for FY20 as follows:
 - Projections for Massachusetts employment range from a year-over-year growth of 0.9% to 1.2% in FY20, compared to growth of 1.8% in FY19, and Massachusetts wages and salary projections range from growth of 4.8% to 5.8% in FY20, compared to growth of 4.8%-5.4% in FY19;
 - Massachusetts personal income is forecasted to grow 4.6% to 4.8% in FY20, compared to growth of 4.4%-4.8% in FY19;
 - Nationally, corporate profits are forecasted to grow by 3.0% to 4.4% in FY20, compared to growth of 4.9%-5.7% in FY19;
 - The stock market as measured by the S&P 500 index is forecasted to grow -2.8% to 2.0% in CY2019, compared to growth of 12.8%-13.3% in CY2018.

- Employing the economic growth assumptions from Economy.com and IHS Markit, FY20 tax revenue is projected to be \$29.217 billion to \$29.384 billion, reflecting 2.9% to 3.5% growth over current FY19 benchmark of \$28.392 billion. The midpoint of the forecast range for FY20 revenue is \$29.301 billion, a growth of 3.2% from FY19 benchmark. Included in these forecasts is an adjustment for the impact of tax law changes and revenue initiatives, which are expected to result in an offset of \$255 million in FY20. Please note that these forecasts assume part B income tax rate reduction from 5.10% to 5.05% effective January 1, 2019, and from 5.05% to 5.00% effective January 1, 2020.

Recent Revenue Trends

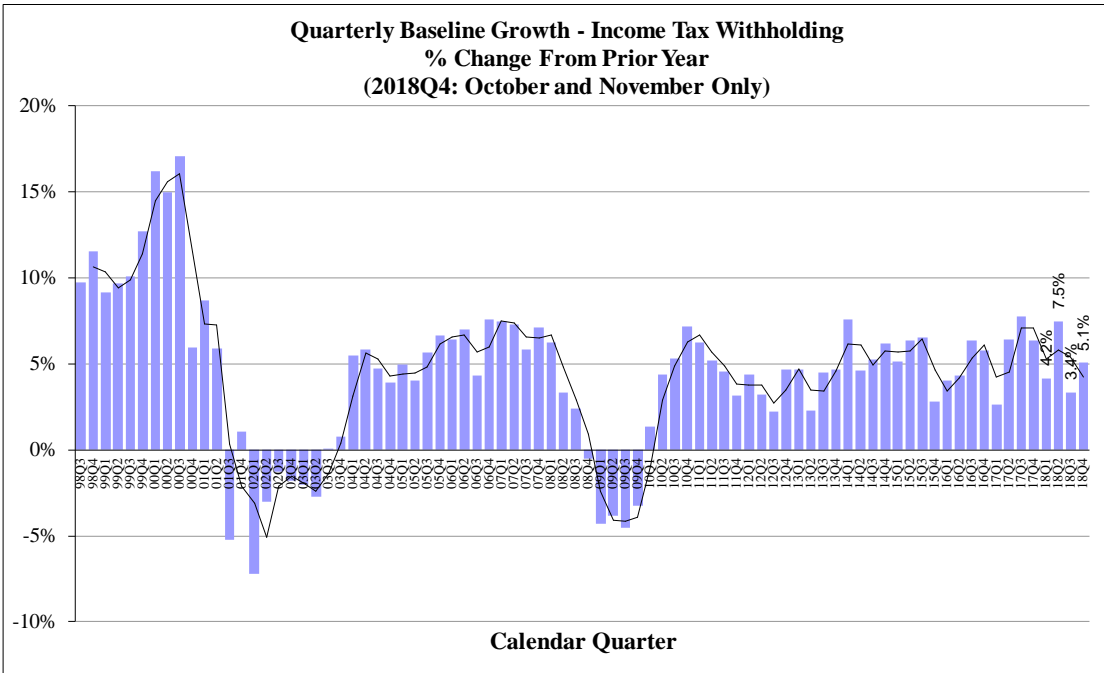
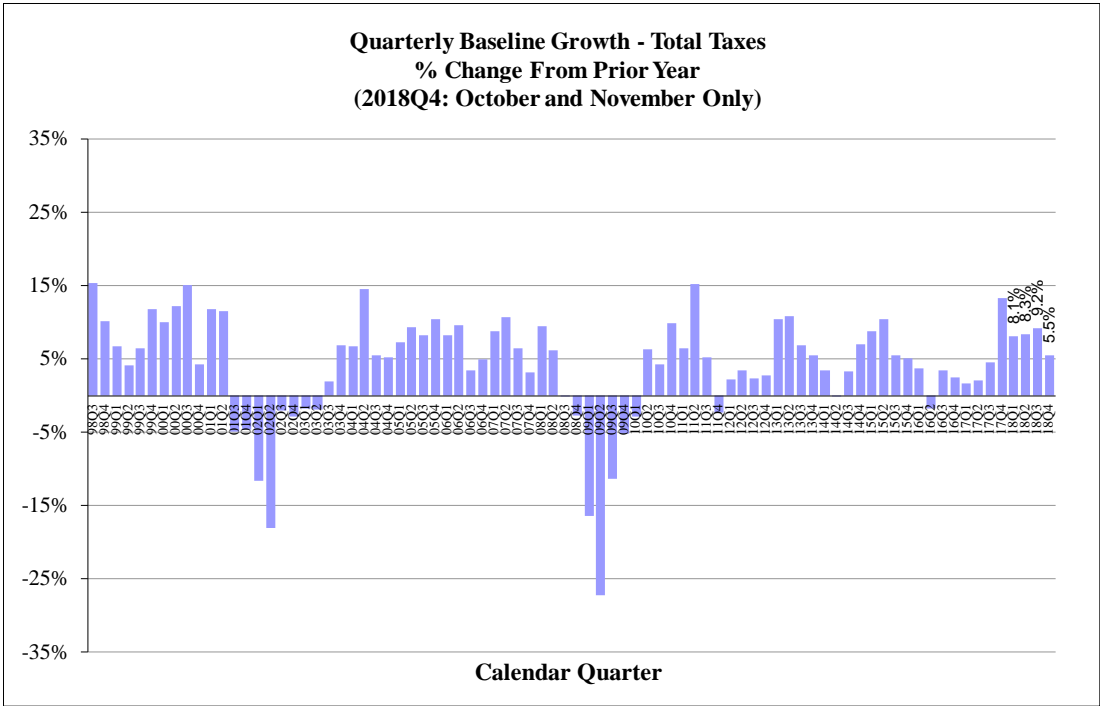
- **Two Measures of Tax Revenue Growth:**
 - Actual growth - growth in actual collections over two periods.
 - Baseline growth - growth had there been no tax law or administrative changes that affected tax collections. Baseline growth also adjusts for fluctuations in the timing of tax collections. Baseline growth is a better measure of the change in the underlying tax base and the economy.

FY2019 Year-to-Date Collections Through November 2018 (in \$ millions)					
	11/2018 FY19 YTD Collections	11/2018 FY19 YTD \$ Change	11/2018 FY19 YTD Actual % Change	11/2018 FY19 YTD Baseline % Change	FY19 YTD \$ Above/(Below) Benchmark Based on FY19 Estimate of \$28.392 Billion
Income - Total	5,909	352	6.3%	6.3%	73
Income Withholding	5,118	172	3.5%	4.0%	(3)
Income Est. Payments (Cash)	749	105	16.3%	15.8%	35
Income Returns/Bills	298	40	15.4%	11.8%	16
Net Income Refunds	256	(36)	-12.3%	-6.7%	(25)
Sales & Use - Total	2,844	148	5.5%	4.9%	37
Sales - Regular	1,933	106	5.8%	5.0%	25
Sales - Meals	545	25	4.9%	4.8%	1
Sales - Motor Vehicles	367	17	4.8%	4.4%	11
Corporate & Business - Total	861	146	20.5%	18.5%	123
All Other	1,132	183	19.3%	17.5%	190
Total Tax Collections	10,746	829	8.4%	7.9%	423
<i>The figures above exclude Tax-Related Settlements & Judgments exceeding \$10 million each. The certified total for these was \$0 million in November 2018, and \$38.7 million year-to-date through November.</i>					

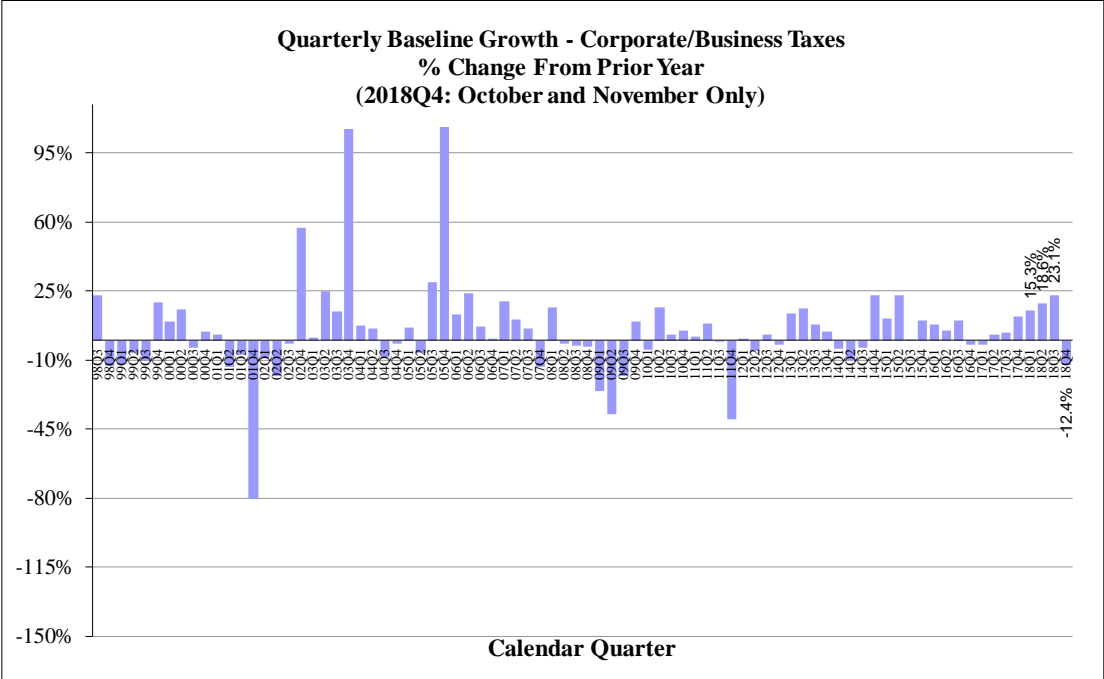
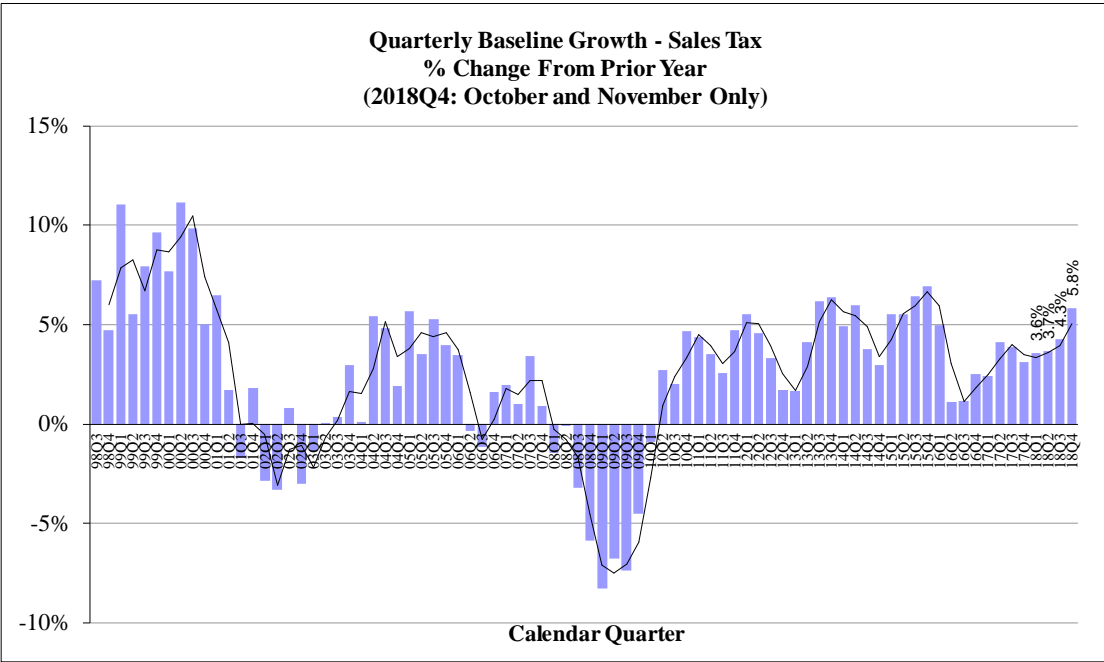
Recent Revenue Trends

- **Withholding**
 - Withholding has grown moderately so far in FY19, with baseline collections up 4.0% through November 2018, after having increased by 6.4% baseline in FY18.
- **Income Tax Estimated Payments (Cash)**
 - Income tax estimated payments (cash) have increased by 15.8% baseline so far in FY19, after having increased by 31.7% baseline in FY18.
- **Sales Tax**
 - Sales tax collections are up 4.9% baseline FY19 year-to-date. Regular sales tax is up by 5.0% baseline. Meals tax is up 4.8% baseline. Motor vehicle sales tax is up 4.4% baseline.
- **Corporate and Business Excise**
 - National corporate profits declined (1.4% year over year) in FY18 after a moderately increase in FY17. Corporate and business tax collections grew strongly in the first five months of FY19, with a baseline growth of 18.5% through November 2018 (partly reflecting the impact of the federal tax reform), compared with an increase of 12.9% baseline in FY18.

Recent Revenue Trends



Recent Revenue Trends



The U.S. Economy

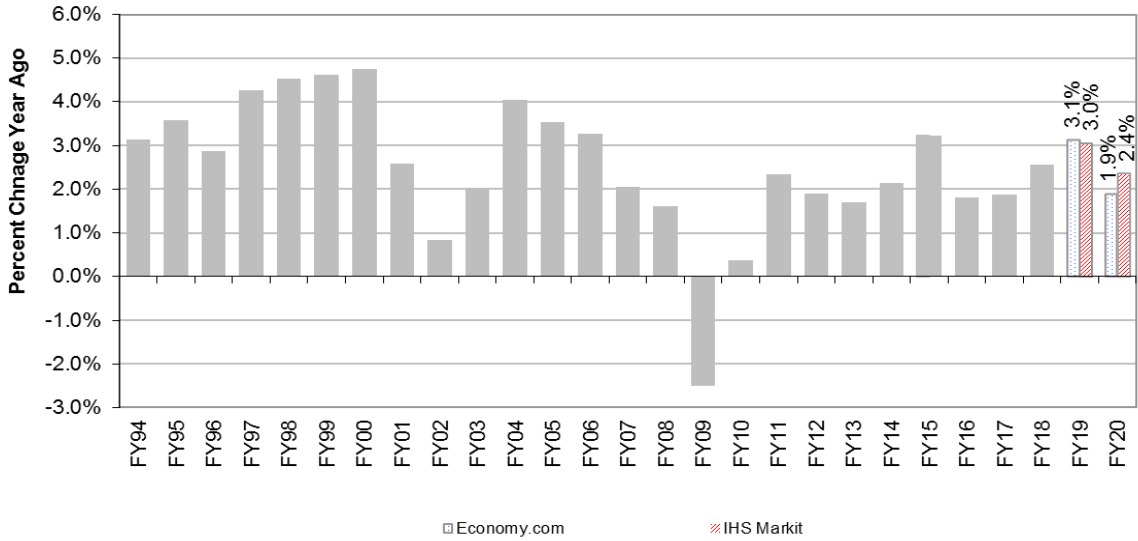
- DOR employs national and Massachusetts state economic forecasts from IHS Markit and Moody's Economy.com.
- The growth of the national real GDP is forecasted to be 3.0% - 3.1% in FY2019 and 1.9% - 2.4% in FY2020. As the effects of the federal tax reform fade and the Federal Reserve raises interest rates, the economic growth is expected to slow down. International factors such as the trade conflicts between U.S. and other countries, global economic slowdown, also can have a negative impact on economic growth.
- The labor market tightness has increased continually in calendar year 2018. According to the data from the U.S. Bureau of Labor Statistics, U.S. nonfarm payroll employment rose by more than 2.5 million in October 2018 compared to October 2017. The unemployment rate, which was 3.7% in October 2018, is forecasted to be 3.6% in FY2019 and 3.4% in FY2020. The labor force participation rate was 62.9% in October 2018, 0.2 percentage point higher compared to October 2017.
- Home sales slowed in 2018 due to factors including shortage of construction labor and land, rising mortgage interest rates and housing prices, etc. According to the U.S. Census Bureau and the U.S. Department of Housing & Urban Development, in October 2018, new-home sales decreased by 12.0% and housing inventory increased from 5.6 to 7.4 months of supply, compared to October 2017. According to the National Association of Realtors, existing-home sales decreased by 5.1% in October 2018, compared to the same period of last year, with median price increasing 3.8%. During the same period, housing inventory of existing homes increased slightly from 3.9 to 4.3 months of supply.

The U.S. Economy

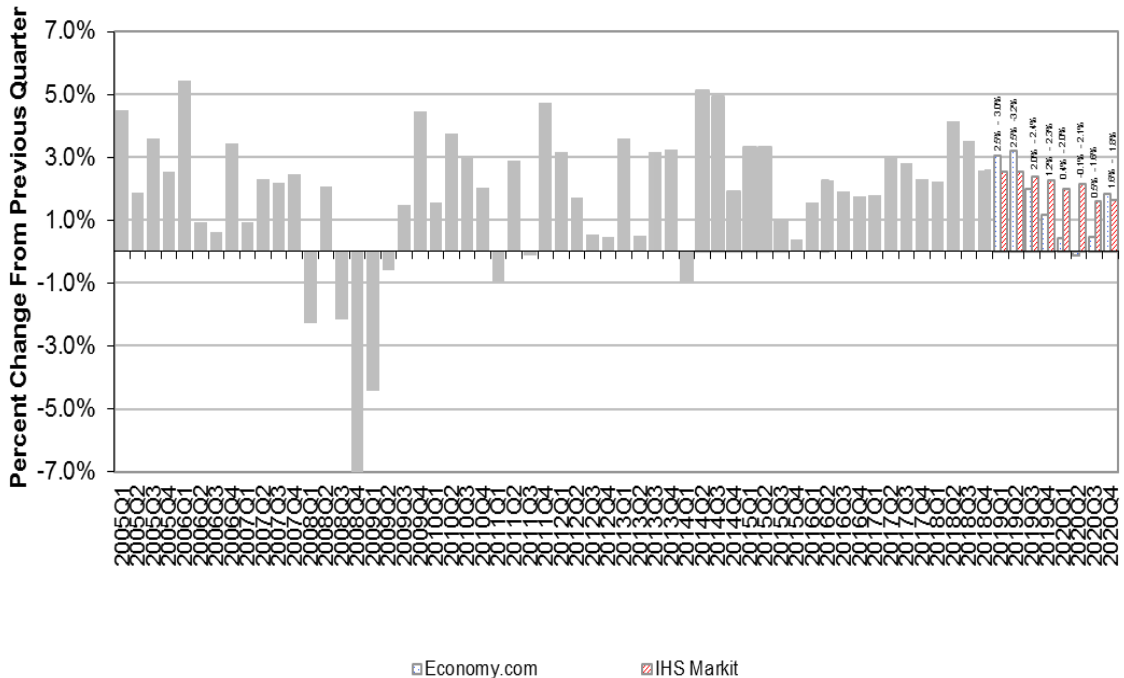
- It is widely anticipated that the Federal Reserve will continue to raise interest rates in the next couple of years. Other short-term interest rates will be influenced by that and increase accordingly. The Federal funds rate is forecasted to be 2.3% in FY2019, and 3.2% - 3.3% in FY2020. The bank prime rate is forecasted to be around 5.4% in FY2019 and 6.3% - 6.4% in FY2020.
- US corporate profits before tax is forecasted to grow 7.4% - 7.7% during the last three quarters of FY2019, compared to the same period of FY2018. The annual growth of the corporate profits before tax is predicted to be 4.9% - 5.7% in FY2019 and 3.0% - 4.4% in FY2020.
- The stock market, as measured by the S&P 500 index, is forecasted to grow by 12.8% to 13.3% in CY2018 but change by -2.8% to 2.0% in CY2019.

The U.S. Economy

Real U.S. GDP Growth, FY1994-2020

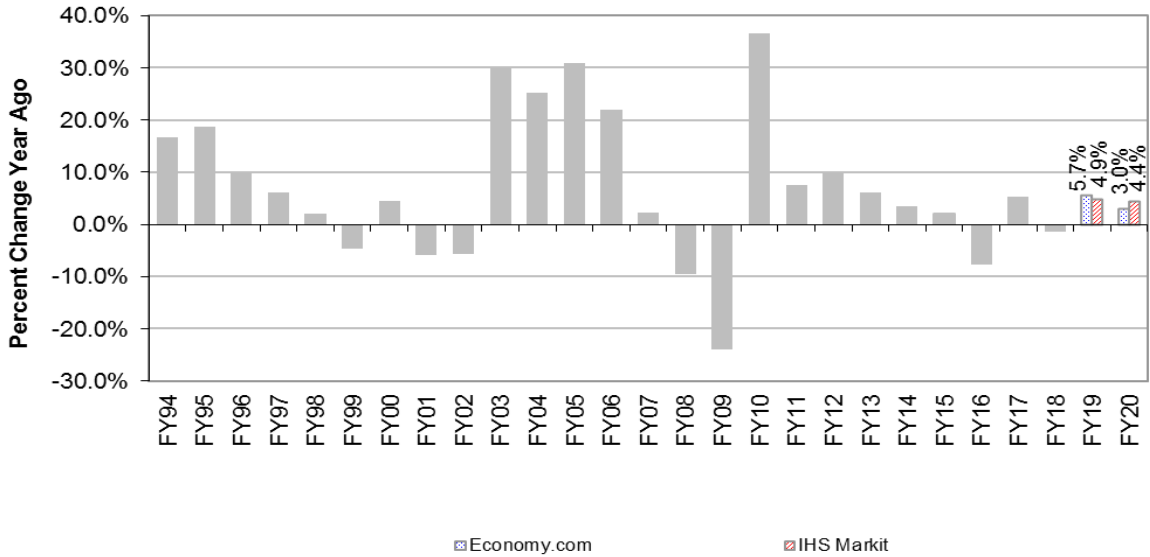


Annualized Quarterly Growth in U.S. Real GDP (Change from Previous Quarter, Annualized)

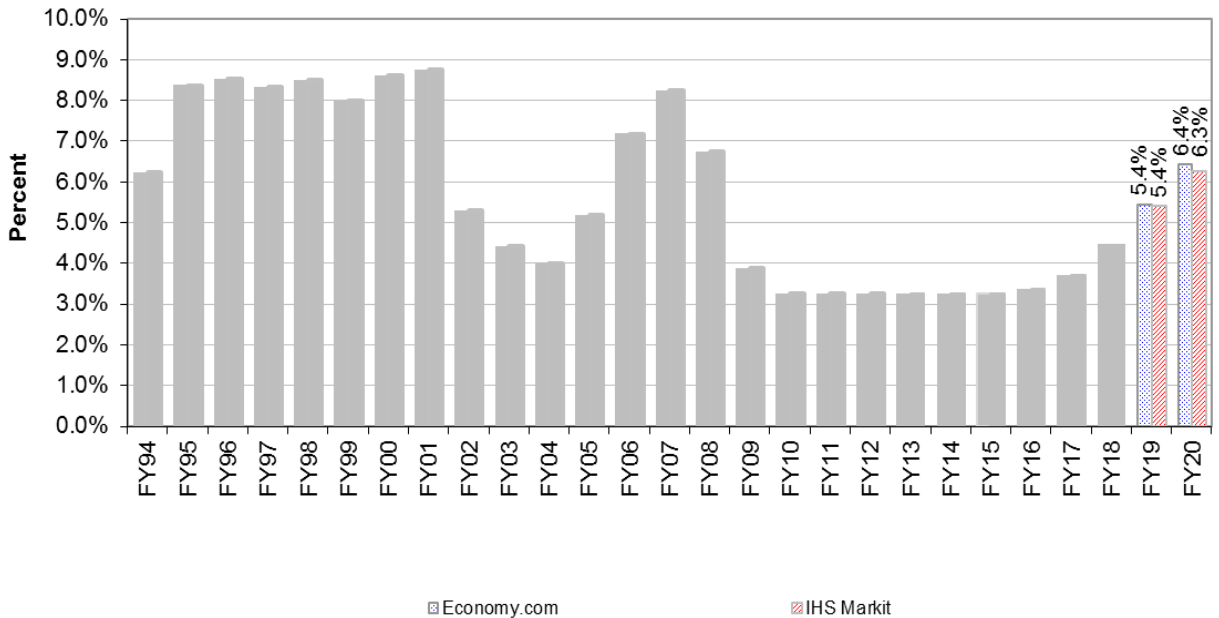


The U.S. Economy

Business Profits are Predicted to Grow Moderately



Interest Rates Will Continue to Increase (Bank Prime Rate FY94-20)



The Massachusetts Economy

The forecast assumptions and summary for the Massachusetts economy are as follows:

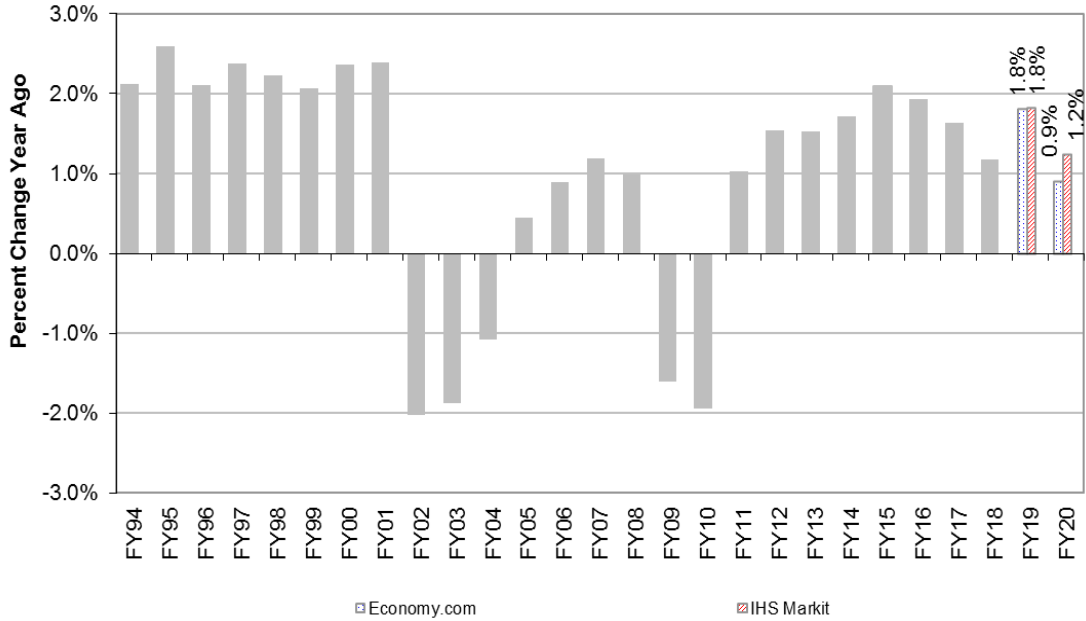
- Massachusetts economic performance is generally in line with the national economy performance, though there are differences in details.
- The state real GDP growth will probably be slightly higher than the U.S. real GDP growth in FY2019 but slower after that. The real state GDP growth rates are forecasted to be 3.3% - 3.4% in FY2019 and 1.8% - 2.3% in FY2020.
- The state labor market has been strengthened and outperformed the national labor market continuously. According to the Bureau of Labor Statistics (BLS), from October 2017 to October 2018, Massachusetts added 64,400 nonfarm jobs. The state employment is forecasted to grow by 1.8% in FY2019 and 0.9% - 1.2% in FY2020. Consistently, the state unemployment rate was 3.5% in October 2018, which is the 30th consecutive month that it has been under 4.0%. The state unemployment rate is forecasted to be 3.3% - 3.5% in FY2019 and 3.0% - 3.4% in FY2020. The labor force participation rate was 68% in October 2018, 2.6 percentage points increase compared to October 2017. That confirms the improved strength of state employment.
- Massachusetts wage and salary disbursements grew by 5.1% in FY2018 while the growth rate in FY2017 was 4.3%. The growth of state wage and salary disbursements is forecasted to be 4.8% - 5.4% in FY2019 and 4.8% - 5.8% in FY2020. The growth of the state's personal income is forecasted to be 4.4% - 4.8% in FY2019 and 4.6% - 4.8% in FY2020.
- The state's retail sales growth is forecasted to be 4.4% - 4.6% in FY2019 and 3.4% - 4.6% in FY2020.

The Massachusetts Economy

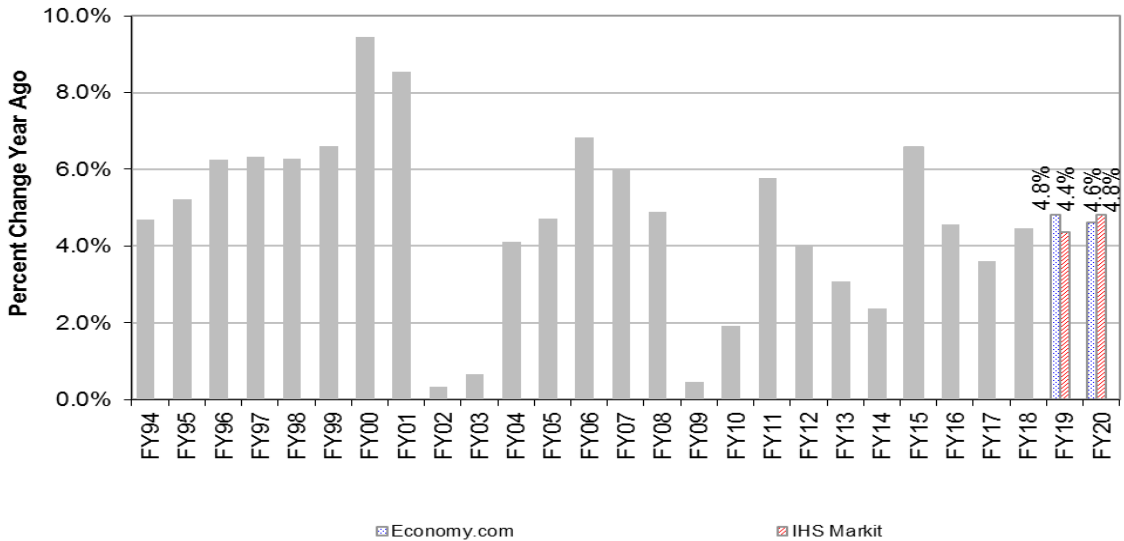
- Massachusetts housing market followed a similar trend as the national market recently (lower sales, higher prices, and tight inventory). According to Massachusetts Association of Realtors(MAR), single-family home sales decreased by 3.5% in October 2018, compared to last October, with median price rising 5.4%. Year to date, single-family home sales declined 1.9% while median price increased 6.4%. Condominium sales also decreased by 2.0% this October from last October, with median price increasing 4.1%. Year to date, Condominium sales decreased 0.5% while median price increased 8.3%. The levels of housing inventory for both types of homes were low in October, with 3.2 months of supply for single-family homes and 2.5 months of supply for condominiums.

The Massachusetts Economy

Massachusetts Employment Forecasts

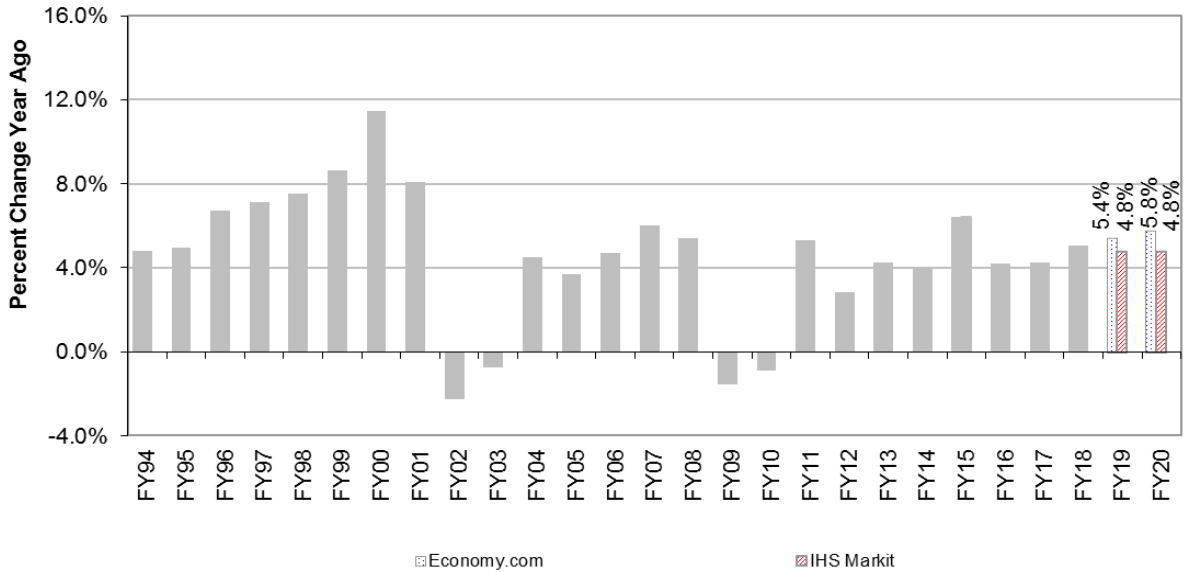


Massachusetts Personal Income Forecasts

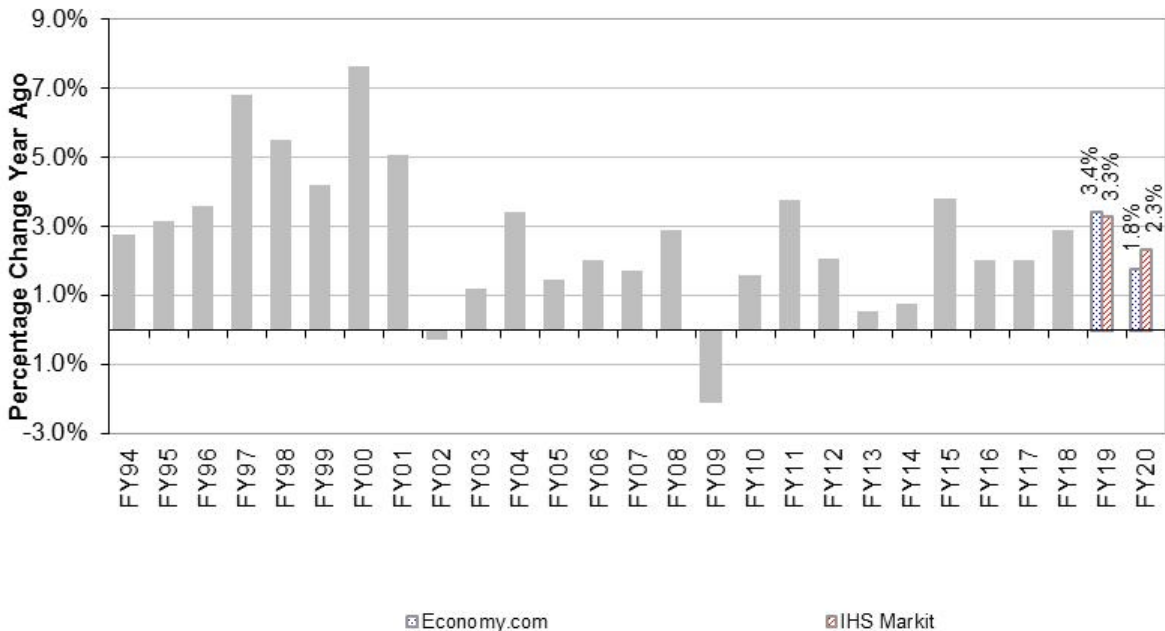


The Massachusetts Economy

Massachusetts Wages and Salaries Forecasts



Massachusetts Real Gross State Product (GSP) Growth FY94-20



U.S and Massachusetts Economic Forecast Table

(Percent Change from Prior Fiscal Year)

							Actual or Forecast	Forecasts forward				
							FY2019 Q1	FY2019 Q2-Q4	FY 2019	FY 2020	FY 2021	FY 2022
		FY 2014	FY 2015	FY 2016	FY 2017	FY 2018						
US economic variables												
Real GDP												
	IHS Markit	2.1%	3.2%	1.8%	1.9%	2.6%	3.0%	3.0%	3.0%	2.4%	1.8%	1.5%
	Economy.com(Moodys)	2.1%	3.2%	1.8%	1.9%	2.6%	3.0%	3.2%	3.1%	1.9%	1.1%	3.0%
Corporate Profits												
	IHS Markit	3.5%	2.0%	-7.8%	5.3%	-1.4%	-2.1%	7.4%	4.9%	4.4%	2.6%	3.2%
	Economy.com(Moodys)	3.5%	2.0%	-7.8%	5.3%	-1.4%	-0.1%	7.7%	5.7%	3.0%	6.0%	7.9%
S&P500 (Calendar year)												
	IHS Markit	19.1%	17.5%	6.8%	1.5%	17.0%	N.A.	N.A.	13.3%	2.0%	2.6%	1.3%
	Economy.com(Moodys)	19.1%	17.5%	6.8%	1.5%	17.0%	N.A.	N.A.	12.8%	-2.8%	-5.2%	9.4%
Unemployment Rate												
	IHS Markit	6.8%	5.7%	5.0%	4.7%	4.1%	3.8%	3.5%	3.6%	3.4%	3.5%	3.7%
	Economy.com(Moodys)	6.8%	5.7%	5.0%	4.7%	4.1%	3.8%	3.5%	3.6%	3.4%	4.4%	4.9%
Bank Prime Rate												
	IHS Markit	3.3%	3.3%	3.4%	3.7%	4.5%	5.0%	5.5%	5.4%	6.3%	6.5%	6.5%
	Economy.com(Moodys)	3.3%	3.3%	3.4%	3.7%	4.5%	5.0%	5.6%	5.4%	6.4%	6.4%	6.1%
Federal Funds Rate												
	IHS Markit	0.1%	0.1%	0.3%	0.6%	1.4%	1.9%	2.4%	2.3%	3.2%	3.4%	3.4%
	Economy.com(Moodys)	0.1%	0.1%	0.3%	0.6%	1.4%	1.9%	2.5%	2.3%	3.3%	3.3%	3.0%
Massachusetts economic variables												
Real Gross State Product												
	IHS Markit	0.7%	3.7%	2.0%	2.3%	2.8%	3.2%	3.3%	3.3%	2.3%	1.8%	1.3%
	Economy.com(Moodys)	0.8%	3.8%	2.1%	1.8%	3.0%	3.3%	3.5%	3.4%	1.8%	0.9%	2.9%
Wages & Salaries												
	IHS Markit	3.9%	6.4%	4.2%	4.3%	5.1%	4.9%	4.7%	4.8%	4.8%	4.5%	4.3%
	Economy.com(Moodys)	3.9%	6.4%	4.2%	4.3%	5.1%	4.8%	5.7%	5.4%	5.8%	2.6%	2.9%
Personal Income												
	IHS Markit	2.4%	6.6%	4.6%	3.6%	4.5%	4.5%	4.3%	4.4%	4.8%	4.5%	4.2%
	Economy.com(Moodys)	2.4%	6.6%	4.6%	3.6%	4.5%	4.4%	4.9%	4.8%	4.6%	3.2%	4.1%
Employment												
	IHS Markit	1.7%	2.1%	1.9%	1.6%	1.2%	1.8%	1.8%	1.8%	1.2%	0.7%	0.3%
	Economy.com(Moodys)	1.7%	2.1%	1.9%	1.6%	1.2%	1.8%	1.8%	1.8%	0.9%	-0.2%	0.4%
Retail Sales												
	IHS Markit	4.0%	3.8%	2.4%	4.1%	5.7%	6.1%	4.8%	4.4%	3.4%	3.2%	3.5%
	Economy.com(Moodys)	2.8%	3.5%	2.6%	3.2%	2.6%	2.3%	5.4%	4.6%	4.6%	2.0%	4.4%
Unemployment Rate												
	IHS Markit	6.3%	5.2%	4.3%	3.8%	3.5%	3.6%	3.2%	3.3%	3.0%	3.2%	3.4%
	Economy.com(Moodys)	6.3%	5.2%	4.3%	3.8%	3.5%	3.6%	3.4%	3.5%	3.4%	4.2%	4.6%

Note: For S&P500, the numbers are by calendar year with one-year lag.

FY19 and FY20 Tax Revenue Projections

FY19 and FY20 Tax Revenue Projections Based on Economic Forecasts of Moody's Economy.com and Global Insight

(in \$ Billions)

	<u>FY19 Projections</u>	<u>\$ Growth from FY18</u>	<u>% Growth Actual from FY18</u>	<u>% Growth Baseline from FY18</u>	<u>FY20 Projections</u>	<u>\$ Growth from FY19</u>	<u>% Growth Actual from FY19</u>	<u>% Growth Baseline from FY19</u>	<u>% Growth Actual from current FY19 Benchmark</u>
Current Benchmark	\$28.392	\$0.62	2.2%	2.0%	N/A	N/A	N/A	N/A	N/A
Economy.com	\$28.744	\$0.97	3.5%	3.3%	\$29.384	\$0.640	2.2%	3.3%	3.5%
Global Insight	\$28.648	\$0.87	3.1%	2.9%	\$29.217	\$0.569	2.0%	3.0%	2.9%
Midpoint	\$28.696	\$0.92	3.3%	3.1%	\$29.301	\$0.605	2.1%	3.1%	3.2%

FY19 and FY20 Tax Revenue Projections

FY19 Year To Date Baseline Growth; Forecasts for Remainder of FY19 and FY20

	FY18 Baseline Growth	FY19 YTD Baseline Growth	Baseline Growth Remainder of FY19		FY20 Baseline Growth				
					Economy.com		Global Insight		Midpoint
					vs. FY19 updated Forc	vs. FY19 Benchmark	vs. FY19 updated Forc	vs. FY19 Benchmark	vs. FY18 Benchmark
Income Total	10.4%	6.3%	2.9%	2.7%	4.2%	4.9%	3.9%	4.5%	4.7%
<i>Income Withholding</i>	6.4%	4.0%	5.0%	4.4%	4.8%	5.0%	4.2%	4.0%	4.5%
Sales - Regular	3.7%	5.0%	4.5%	3.5%	4.0%	5.0%	3.0%	3.4%	4.2%
Sales - Meals	4.3%	4.8%	5.4%	4.3%	5.2%	5.8%	4.2%	4.2%	5.0%
Sales - Motor Vehicle	1.6%	4.4%	3.1%	1.7%	0.4%	2.6%	0.5%	1.9%	2.3%
Sales - Total	3.6%	4.9%	4.4%	3.4%	3.7%	4.8%	2.9%	3.4%	4.1%
Corporate & Business	12.9%	18.5%	5.3%	2.8%	2.5%	4.9%	3.6%	4.2%	4.6%
Other Tax Revenue	4.6%	17.5%	-4.8%	-4.3%	-3.7%	0.6%	-3.2%	1.5%	1.1%
Total Tax Revenue	8.5%	7.9%	2.9%	2.3%	3.3%	4.5%	3.0%	3.9%	4.2%

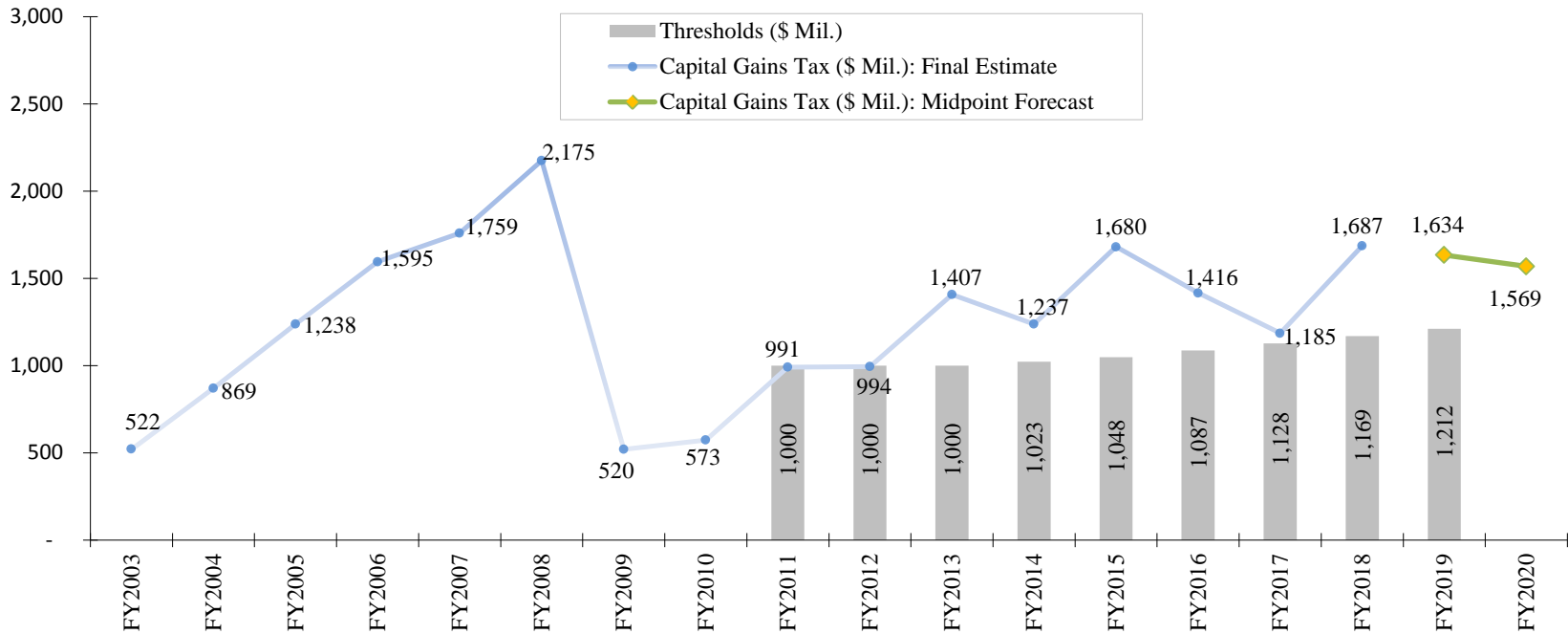
FY19 and FY20 Tax Revenue Projections

FY18 Actual Tax Revenue Collections, FY19 and FY20 Tax Revenue Forecasts (in \$ millions) Forecasts for Remainder of FY19 and FY20.

	FY18 Actual	----- FY 2019 -----			----- FY 2020 -----		
		Current Benchmark	Economy.com	Global Insight	Economy.com	Global Insight	Midpoint
Withholding	12,732	13,229	13,255	13,208	13,756	13,627	13,691
Capital Gains	1,687	1,601	1,618	1,651	1,534	1,604	1,569
Other Income	1,821	1,803	1,871	1,869	1,910	1,898	1,904
Total Income Tax	16,240	16,632	16,743	16,727	17,199	17,129	17,164
Sales: Regular	4,433	4,635	4,681	4,655	4,893	4,819	4,856
Sales: Meals	1,154	1,207	1,214	1,207	1,269	1,249	1,259
Sales: Motor Vehicles	866	878	898	890	901	894	898
Sales Total	6,454	6,720	6,793	6,752	7,063	6,963	7,013
Corporate & Business	2,761	2,742	2,805	2,760	2,766	2,748	2,757
Other Tax Revenue	2,321	2,298	2,403	2,409	2,357	2,377	2,367
Total Tax Revenue	27,776	28,392	28,744	28,648	29,384	29,217	29,301

FY19 and FY20 Tax Revenue Projections

Massachusetts Capital Gains Taxes and Thresholds by Fiscal Year (\$Millions)



(*) Capital gains tax Certifications began in FY2011. Thresholds were \$1 billion from FY11 through FY2013; the thresholds began to grow in FY2014 by a statutory change.

FY19 and FY20 Tax Revenue Projections

Actual and Baseline Tax Revenue Growth, FY1981-FY2020
 (FY19 Are Forecasts Based on Average of 2 Vendors; FY20 are average Forecasts from FY19 Benchmark)

