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For Immediate Release
May 11, 2009

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GENERAL FUND AND ROAD FUND RECEIPTS
FOR APRIL 2009

General Fund receipts declined 12.1 percent
Road Fund receipts declined 4.2 percent

FRANKFORT, KY (Monday, May 11, 2009) – The Office of State Budget Director reported today that April's General Fund receipts were down 12.1 percent compared to April of last year. Total revenues for the month were \$826.7 million, compared to \$940.6 million during April 2008. Through the first 10 months of the fiscal year, receipts are down 1.6 percent. Through the first 9 months of the fiscal year, receipts were flat compared to a year earlier.

The November 2008 revised revenue forecast by the Commonwealth's Consensus Revenue Forecasting Group, as modified by legislation, called for a 2.1 percent decline for the entire fiscal year. Receipts can decline only 4.6 percent over the last two months of the fiscal year in order to hit the official estimate.

Road Fund receipts for April totaled \$108.7 million, a 4.2 percent decrease from April 2008 levels. Year-to-date receipts are down 6.5 percent.

State Budget Director Mary Lassiter noted how quickly the revenue situation has changed. "While the 12.1 percent decline in April General Fund collections is significant, it was anticipated that the fourth fiscal quarter of FY09 would be negative due to the significant growth in the same quarter last year. The General Fund went from essentially flat in March to an overall

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year-to-date rate of decline of 1.6 percent in a single month. This volatility highlights the seriousness of the overall budget situation and how consequential receipts will be in the remaining two months of the fiscal year.”

Among the major accounts:

- Sales and use tax receipts were up 1.1 percent for the month and are up 0.2 percent for the year.
- Corporation income tax receipts were off 12.2 percent for the month and are down 36.6 percent for the year.
- Individual income tax collections fell 23.7 percent in April and are down 3.5 percent thus far in FY09.
- Property tax collections decreased 16.1 percent for the month and are up 2.1 percent through the first 10 months of the fiscal year.
- Cigarette tax receipts increased 46.1 percent in April but are down 1.3 percent for the year. The floor stocks tax that was part of the law changes in tobacco products brought in an additional \$7.3 million in April.
- Coal severance tax receipts increased 18.7 percent in April and 29.3 percent year-to-date.

Road Fund receipts fell 4.2 percent in April with collections of \$108.7 million. The officially revised Road Fund estimates, as modified by legislation, call for a decline in revenues of 2.7 percent for the fiscal year. Based on year-to-date tax collections, revenues would need to increase 16.6 percent for the remainder of FY09 to meet the estimate. April was the fourteenth consecutive month that the Road Fund has declined as motor vehicle usage tax receipts continue to hamper Road Fund growth. Year-to-date receipts in that account, the 6 percent tax on the sale of vehicles, are \$61.9 million less than at this time a year ago.

Among the accounts, motor fuels increased 7.1 percent and has posted annual growth of 1.6 percent in the first 10 months of FY09. Motor vehicle usage revenue was off 26.4 percent in April and has fallen 18.3 percent this year. License and privilege receipts grew 4.8 percent in April but have fallen 4.1 percent through the first 10 months of the fiscal year.

Lassiter commented that a request has been issued to the Consensus Forecasting Group for an official revision of FY 10 General Fund and Road Fund revenue estimates, and that planning estimates have been requested for both funds for FY 11 and FY 12. The meeting dates for the Consensus Forecasting Group have been set by the Legislative Research Commission for May 18 and 29.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	<u>2009</u>	<u>APRIL</u> <u>2008</u>	<u>% Change</u>	<u>FY 2009</u>	<u>JULY THROUGH APRIL</u> <u>FY 2008</u>	<u>% Change</u>
TOTAL GENERAL FUND	\$826,719,328	\$940,569,590	-12.1%	\$7,043,795,951	\$7,157,068,001	-1.6%
Tax Receipts	\$804,537,672	\$922,732,683	-12.8%	\$6,790,701,549	\$6,905,967,843	-1.7%
Sales and Gross Receipts	\$274,768,958	\$260,442,825	5.5%	\$2,778,732,464	\$2,766,820,970	0.4%
Beer Consumption	575,816	520,866	10.5%	5,341,990	5,367,961	-0.5%
Beer Wholesale	4,068,718	3,710,434	9.7%	42,459,912	40,572,109	4.7%
Cigarette	20,033,813	13,713,773	46.1%	140,331,282	142,243,192	-1.3%
Distilled Spirits Case Sales	3,599	7,903	-54.5%	84,603	86,193	-1.8%
Distilled Spirits Consumption	350,239	781,940	-55.2%	8,337,643	8,587,742	-2.9%
Distilled Spirits Wholesale	836,162	2,013,770	-58.5%	21,682,631	21,972,683	-1.3%
Insurance Premium	(218,887)	(128,867)	---	85,818,988	88,973,618	-3.5%
Pari-Mutuel	339,428	574,840	-41.0%	2,747,026	3,216,214	-14.6%
Race Track Admission	0	0	---	196,579	181,075	8.6%
Sales and Use	234,928,374	232,361,277	1.1%	2,394,070,544	2,390,365,032	0.2%
Wine Consumption	101,197	176,876	-42.8%	1,894,848	1,962,082	-3.4%
Wine Wholesale	524,223	878,174	-40.3%	9,827,407	9,916,146	-0.9%
Telecommunications Tax	4,738,256	5,069,141	-6.5%	50,860,282	45,988,476	10.6%
Other Tobacco Products	1,220,480	762,698	60.0%	7,811,157	7,388,446	5.7%
Floor Stock Tax	7,267,539	0	---	7,267,573	0	---
License and Privilege	\$57,704,674	\$54,618,998	5.6%	\$480,471,064	\$388,607,388	23.6%
Alc. Bev. License Suspension	43,250	82,000	-47.3%	307,050	732,310	-58.1%
Coal Severance	25,851,165	21,778,541	18.7%	243,781,802	188,499,737	29.3%
Corporation License	495,960	659,599	-24.8%	8,808,305	2,853,811	208.7%
Corporation Organization	0	4,500	-100.0%	34,065	240,691	-85.8%
Occupational Licenses	11,492	13,279	-13.5%	152,896	102,733	48.8%
Oil Production	375,006	894,799	-58.1%	7,473,891	7,706,268	-3.0%
Race Track License	0	0	---	301,875	194,510	55.2%
Bank Franchise Tax	121,360	1,082,340	-88.8%	73,171,644	71,375,052	2.5%
Driver License Fees	52,907	39,780	33.0%	491,229	504,265	-2.6%
Minerals Severance	704,110	1,031,443	-31.7%	11,097,178	13,690,575	-18.9%
Natural Gas Severance	1,995,737	2,586,414	-22.8%	38,209,380	25,625,466	49.1%
Limited Liability Entity	28,053,687	26,446,305	6.1%	96,641,749	77,081,970	25.4%
Income	\$436,272,868	\$568,212,876	-23.2%	\$2,978,940,437	\$3,200,437,510	-6.9%
Corporation	20,961,135	23,872,665	-12.2%	211,887,897	334,154,413	-36.6%
Individual	415,311,733	544,340,211	-23.7%	2,767,052,540	2,866,283,096	-3.5%
Property	\$26,730,337	\$31,844,117	-16.1%	\$485,612,817	\$475,720,853	2.1%
Building & Loan Association	18,413	12,355	49.0%	242,391	247,856	-2.2%
General - Real	4,160,305	3,757,710	10.7%	237,654,850	232,690,933	2.1%
General - Tangible	18,660,727	20,734,142	-10.0%	186,574,278	181,469,645	2.8%
Omitted & Delinquent	2,759,241	5,852,602	-52.9%	19,754,349	24,720,050	-20.1%
Public Service	1,114,454	1,478,575	-24.6%	40,216,925	35,544,549	13.1%
Other	17,197	8,732	96.9%	1,170,025	1,047,820	11.7%
Inheritance	\$4,536,596	\$4,653,742	-2.5%	\$34,481,092	\$43,830,838	-21.3%
Miscellaneous	\$4,524,239	\$2,960,126	52.8%	\$32,463,675	\$30,550,284	6.3%
Legal Process	2,222,508	1,904,964	16.7%	20,110,555	20,248,695	-0.7%
T. V. A. In Lieu Payments	2,279,819	1,055,161	116.1%	12,292,680	10,279,021	19.6%
Other	21,912	0	---	60,439	22,569	167.8%
Nontax Receipts	\$22,389,572	\$20,548,863	9.0%	\$250,136,996	\$247,109,695	1.2%
Departmental Fees	3,218,496	2,682,170	20.0%	26,302,867	25,308,289	3.9%
PSC Assessment Fee	5,305	1,940	173.4%	9,379,484	10,673,484	-12.1%
Fines & Forfeitures	2,658,504	2,297,927	15.7%	24,516,285	23,719,194	3.4%
Interest on Investments	98,634	100,949	-2.3%	2,448,942	1,211,858	102.1%
Lottery	17,000,000	16,000,000	6.3%	158,500,000	155,761,591	1.8%
Sale of NOx Credits	0	41,250	-100.0%	0	9,576,850	-100.0%
Miscellaneous	(591,367)	(575,374)	---	28,989,419	20,858,429	39.0%
Redeposit of State Funds	(\$207,916)	(\$2,711,955)	---	\$2,957,406	\$3,990,463	-25.9%

2. ROAD FUND REVENUE

	<u>2009</u>	<u>APRIL 2008</u>	<u>% Change</u>	<u>FY 2009</u>	<u>JULY THROUGH APRIL FY 2008</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$108,735,138	\$113,492,097	-4.2%	\$984,131,021	\$1,052,886,046	-6.5%
Tax Receipts-	\$105,230,959	\$109,660,520	-4.0%	\$957,030,727	\$1,017,639,793	-6.0%
Sales and Gross Receipts	\$80,601,309	\$86,166,907	-6.5%	\$793,668,458	\$847,246,088	-6.3%
Motor Fuels Taxes	54,857,869	51,202,639	7.1%	516,480,679	508,147,209	1.6%
Motor Vehicle Usage	25,743,440	34,964,268	-26.4%	277,187,779	339,098,879	-18.3%
License and Privilege	\$24,629,650	\$23,493,612	4.8%	\$163,362,269	\$170,393,705	-4.1%
Motor Vehicles	19,664,952	18,464,399	6.5%	79,785,424	83,018,056	-3.9%
Motor Vehicle Operators	1,403,018	1,262,710	11.1%	13,017,222	12,738,317	2.2%
Weight Distance	2,467,033	1,748,888	41.1%	60,962,343	65,749,555	-7.3%
Truck Decal Fees	387,663	309,048	25.4%	513,483	369,406	39.0%
Other Special Fees	706,983	1,708,567	-58.6%	9,083,797	8,518,371	6.6%
Nontax Receipts	\$3,092,913	\$3,753,787	-17.6%	\$25,804,915	\$33,699,350	-23.4%
Departmental Fees	1,687,441	2,043,587	-17.4%	15,875,594	16,847,818	-5.8%
In Lieu of Traffic Fines	80,628	90,179	-10.6%	801,846	938,361	-14.5%
Investment Income	1,272,151	1,545,151	-17.7%	8,663,183	15,127,954	-42.7%
Miscellaneous	52,692	74,869	-29.6%	464,293	785,216	-40.9%
Redeposit of State Funds	\$413,638	\$640,369	-35.4%	\$708,746	\$700,594	1.2%

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