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GENERAL FUND AND ROAD FUND RECEIPTS
FOR MAY 2009

General Fund receipts fell 2.7 percent
Road Fund receipts fell 10.3 percent

FRANKFORT, KY (Wednesday, June 10, 2009) – The Office of State Budget Director reported today that May's General Fund receipts were down 2.7 percent compared to May of last year. Total revenues for the month were \$617.4 million, compared to \$634.3 million during May 2008. Through the first 11 months of the fiscal year, receipts are down 1.7 percent.

The official revenue estimate calls for a 2.1 percent decline for the entire fiscal year. To meet the revenue estimate, receipts would need to decline 6.0 percent or \$52.1 million, over the last month of the fiscal year compared to June, 2008.

Road Fund receipts for May totaled \$99.3 million, a 10.3 percent decrease from May 2008 levels. Year-to-date receipts are down 6.9 percent.

State Budget Director Mary Lassiter noted that General Fund receipts are declining due to recessionary impacts, consistent with the prognosis set forth in the May 2009 discussions of the Consensus Forecasting Group. "Most of our major revenue sources are now trending decidedly negative due to the underlying recession. With one month of collections remaining in the fiscal year, we are managing resources closely to ensure maintenance of critical governmental services in a declining tax revenue environment."

Among the major accounts:

- Sales and use tax receipts were down 4.2 percent for the month and are down 0.2 percent for the year.
- Corporation income tax receipts were -\$8.8 million for the month and are down 38.8 percent for the year.
- Individual income tax collections fell 6.2 percent in May and are down 3.7 percent thus far in FY09.
- Property tax collections decreased 1.8 percent for the month and are up 1.9 percent through the first 11 months of the fiscal year.
- Cigarette tax receipts increased 51.0 percent in May and are up 3.3 percent for the year as a result of the recent tax increase. The floor stocks tax brought in an additional \$4.7 million in May.
- Coal severance tax receipts increased 9.8 percent in May and are up 27.2 percent year-to-date.

Road Fund receipts fell 10.3 percent in May with collections of \$99.3 million. The official Road Fund estimates 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 46.4 percent for the final month of FY09 to meet the estimate. May was the fifteenth consecutive month that the Road Fund has declined as motor vehicle usage tax receipts continue to fall. Year-to-date collections in that account are \$80.1 million less than at this time a year ago. Lassiter predicted that “an FY09 shortfall in the Road Fund is a foregone conclusion. We will continue to closely prioritize all expenditures and make necessary adjustments until vehicle sales improve and the motor fuels taxes rebound to more traditional levels”.

Among the accounts, motor fuels decreased 3.8 percent and has posted annual growth of 1.2 percent in the first 11 months of FY09. Motor vehicle usage revenue was off 22.8 percent in May and has fallen 18.7 percent this year. License and privilege receipts fell 2.4 percent in May and are off 3.9 percent through the first 11 months of the fiscal year.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	2009	MAY 2008	% Change	FY 2009	JULY THROUGH MAY FY 2008	% Change
TOTAL GENERAL FUND	\$617,403,254	\$634,310,716	-2.7%	\$7,661,199,205	\$7,791,378,716	-1.7%
Tax Receipts	\$592,189,036	\$610,316,749	-3.0%	\$7,382,890,585	\$7,516,284,593	-1.8%
Sales and Gross Receipts	\$298,229,369	\$293,801,229	1.5%	\$3,076,961,833	\$3,060,622,199	0.5%
Beer Consumption	566,255	563,314	0.5%	5,908,245	5,931,275	-0.4%
Beer Wholesale	4,617,178	4,326,660	6.7%	47,077,090	44,898,769	4.9%
Cigarette	20,708,031	13,715,003	51.0%	161,039,313	155,958,194	3.3%
Distilled Spirits Case Sales	15,397	9,718	58.4%	100,000	95,911	4.3%
Distilled Spirits Consumption	1,537,595	972,665	58.1%	9,875,238	9,560,408	3.3%
Distilled Spirits Wholesale	4,179,060	2,541,159	64.5%	25,861,692	24,513,842	5.5%
Insurance Premium	23,149,947	24,710,929	-6.3%	108,968,935	113,684,547	-4.1%
Pari-Mutuel	1,180,748	1,532,702	-23.0%	3,927,774	4,748,916	-17.3%
Race Track Admission	34,081	28,690	18.8%	230,660	209,765	10.0%
Sales and Use	228,331,109	238,405,991	-4.2%	2,622,401,653	2,628,771,023	-0.2%
Wine Consumption	316,613	205,899	53.8%	2,211,461	2,167,981	2.0%
Wine Wholesale	1,604,212	1,062,441	51.0%	11,431,620	10,978,588	4.1%
Telecommunications Tax	5,487,979	4,998,935	9.8%	56,348,261	50,987,411	10.5%
Other Tobacco Products	1,823,603	727,124	150.8%	9,634,760	8,115,571	18.7%
Floor Stock Tax	4,677,559	0	---	11,945,133	0	---
License and Privilege	\$30,369,416	\$28,010,272	8.4%	\$510,840,480	\$416,617,660	22.6%
Alc. Bev. License Suspension	25,250	34,000	-25.7%	332,300	766,310	-56.6%
Coal Severance	24,926,106	22,709,922	9.8%	268,707,909	211,209,659	27.2%
Corporation License	219,593	(856,201)	---	9,027,899	1,997,610	351.9%
Corporation Organization	0	3,113	-100.0%	34,065	243,804	-86.0%
Occupational Licenses	27,543	16,445	67.5%	180,439	119,178	51.4%
Oil Production	446,410	1,322,875	-66.3%	7,920,302	9,029,143	-12.3%
Race Track License	48,350	40,000	20.9%	350,225	234,510	49.3%
Bank Franchise Tax	(65,965)	16,445	-501.1%	73,105,679	71,391,497	2.4%
Driver License Fees	45,540	48,214	-5.5%	536,768	552,479	-2.8%
Minerals Severance	683,946	1,131,021	-39.5%	11,781,125	14,821,596	-20.5%
Natural Gas Severance	2,001,571	2,395,674	-16.5%	40,210,951	28,021,140	43.5%
Limited Liability Entity	2,011,071	1,148,764	75.1%	98,652,820	78,230,734	26.1%
Income	\$236,629,141	\$259,118,197	-8.7%	\$3,215,569,579	\$3,459,555,707	-7.1%
Corporation	(8,790,848)	(2,478,360)	---	203,097,049	331,676,054	-38.8%
Individual	245,419,989	261,596,557	-6.2%	3,012,472,530	3,127,879,653	-3.7%
Property	\$22,493,672	\$22,900,121	-1.8%	\$508,106,489	\$498,620,974	1.9%
Building & Loan Association	878,979	839,147	4.7%	1,121,370	1,087,003	3.2%
General - Real	2,869,272	2,635,007	8.9%	240,524,122	235,325,940	2.2%
General - Tangible	10,447,828	17,185,301	-39.2%	197,022,105	198,654,947	-0.8%
Omitted & Delinquent	8,096,100	2,211,761	266.0%	27,850,449	26,931,812	3.4%
Public Service	201,397	27,443	633.9%	40,418,321	35,571,991	13.6%
Other	95	1,461	-93.5%	1,170,120	1,049,281	11.5%
Inheritance	\$2,469,592	\$3,522,656	-29.9%	\$36,950,684	\$47,353,494	-22.0%
Miscellaneous	\$1,997,845	\$2,964,275	-32.6%	\$34,461,520	\$33,514,559	2.8%
Legal Process	1,977,099	1,907,065	3.7%	22,087,654	22,155,760	-0.3%
T. V. A. In Lieu Payments	20,747	1,055,161	-98.0%	12,313,427	11,334,182	8.6%
Other	0	2,049	-100.0%	60,439	24,617	145.5%
Nontax Receipts	\$24,666,103	\$21,928,023	12.5%	\$274,803,099	\$269,037,718	2.1%
Departmental Fees	3,050,685	2,978,248	2.4%	29,353,551	28,286,537	3.8%
PSC Assessment Fee	12,036	1,607	---	9,391,519	10,675,090	-12.0%
Fines & Forfeitures	2,271,172	2,142,625	6.0%	26,787,456	25,861,819	3.6%
Interest on Investments	70,306	95,890	-26.7%	2,519,247	1,307,747	92.6%
Lottery	20,000,000	15,500,000	29.0%	178,500,000	171,261,591	4.2%
Sale of NOx Credits	0	1,752,600	-100.0%	0	11,329,450	-100.0%
Miscellaneous	(738,095)	(542,946)	---	28,251,325	20,315,483	39.1%
Redeposit of State Funds	\$548,115	\$2,065,944	---	\$3,505,521	\$6,056,406	-42.1%

2. ROAD FUND REVENUE

	<u>2009</u>	<u>MAY</u> <u>2008</u>	<u>% Change</u>	<u>FY 2009</u>	<u>JULY THROUGH MAY</u> <u>FY 2008</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$99,283,513	\$110,631,059	-10.3%	\$1,083,414,534	\$1,163,517,105	-6.9%
Tax Receipts-	\$97,377,497	\$107,289,744	-9.2%	\$1,054,408,224	\$1,124,929,537	-6.3%
Sales and Gross Receipts	\$71,866,710	\$81,161,132	-11.5%	\$865,535,168	\$928,407,220	-6.8%
Motor Fuels Taxes	46,545,758	48,370,116	-3.8%	563,026,437	556,517,325	1.2%
Motor Vehicle Usage	25,320,952	32,791,016	-22.8%	302,508,731	371,889,895	-18.7%
License and Privilege	\$25,510,787	\$26,128,612	-2.4%	\$188,873,056	\$196,522,317	-3.9%
Motor Vehicles	9,516,038	5,273,512	80.4%	89,301,462	88,291,568	1.1%
Motor Vehicle Operators	1,241,964	1,295,825	-4.2%	14,259,186	14,034,143	1.6%
Weight Distance	13,498,910	17,951,430	-24.8%	74,461,253	83,700,984	-11.0%
Truck Decal Fees	297,760	374,144	-20.4%	811,243	743,550	9.1%
Other Special Fees	956,115	1,233,701	-22.5%	10,039,912	9,752,072	3.0%
Nontax Receipts	\$2,001,101	\$3,266,446	-38.7%	\$27,806,016	\$36,965,796	-24.8%
Departmental Fees	1,302,484	1,602,780	-18.7%	17,178,078	18,450,598	-6.9%
In Lieu of Traffic Fines	81,137	84,092	-3.5%	882,983	1,022,453	-13.6%
Investment Income	562,723	1,510,972	-62.8%	9,225,906	16,638,926	-44.6%
Miscellaneous	54,756	68,602	-20.2%	519,049	853,819	-39.2%
Redeposit of State Funds	\$0	\$0	---	\$708,746	\$700,594	---

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