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GENERAL FUND AND ROAD FUND RECEIPTS
FOR NOVEMBER 2009

General Fund receipts grew 2.4 percent
Road Fund receipts fell 0.5 percent

FRANKFORT, KY (Thursday, December 10, 2009) – State Budget Director Mary Lassiter reported today that General Fund receipts grew 2.4 percent in November compared to last year. Total revenues for the month were \$722.3 million, compared to \$705.2 million during November 2008. So far this fiscal year (FY10), the General Fund has fallen 3.6 percent.

Road Fund receipts for November totaled \$102.8 million, a decrease of 0.5 percent from November 2008 levels, and 2.7 percent less for the year-to-date compared to FY09.

Lassiter noted that even though November General Fund receipts grew for the first time in 11 months, major concerns remain regarding the revenue outlook in the current year. “While we are glad to see some positive growth in receipts, the fall months are particularly vulnerable to irregular collections of one-time revenues” she said. “Combining the two largest sources of receipts, sales and individual income taxes, collections fell 0.7 percent -- so that remains a major concern. The Consensus Forecasting Group will weigh this latest information on December 21st and decide upon the official revenue projections we will use to balance the budget this year.”

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The current official General Fund revenue estimate for FY10 calls for revenue to fall 1.5 percent compared to FY09 actual receipts. Based on November's results, General Fund revenues can fall 0.1 percent for the remainder of the fiscal year and still meet the official estimate.

Among the major accounts:

- Individual income tax receipts declined 3.5 percent due to lower withholding and declaration payments, and are down 6.9 percent for the year.
- Sales tax revenues grew 2.7 percent, partially attributable to timing irregularities, but are down 5.1 percent year-to-date.
- Corporation income tax receipts increased \$7.1 million, but have declined 37.1 percent for the year.
- Cigarette tax revenues grew 83.1 percent due to increased tax rates and are up 74.2 percent for the year.
- Property tax receipts grew 5.6 percent in November, but just 0.5 percent for the year.
- Coal severance tax revenues fell 21.8 percent in continuance of the recent trend of lower coal prices, and are down 12.1 percent year-to-date.
- Lottery revenues remained flat in November and are up 2.0 percent for the year.

The Road Fund declined slightly in November, falling 0.5 percent with revenues of \$102.8 million. The official Road Fund revenue estimate calls for a 4.3 percent reduction in receipts for the entire fiscal year (FY10). Based on year-to-date collections, revenues can fall 5.5 percent for the remainder of the fiscal year to meet the estimate.

Lassiter said, "November motor vehicle usage tax receipts were refreshingly strong, growing nearly 23.0 percent. We are glad to see that consumers are beginning to purchase more vehicles; it's a positive sign." The strong showing in the motor vehicle usage tax account is partially attributable to the trade-in allowance that was passed in HB3 during the 2009 Special Session. Kentucky vehicle purchasers have now saved over \$5.0 million in taxes due to this credit, which has helped rejuvenate a very sluggish market for car sales in Kentucky.

Among the accounts:

- Motor fuels collections grew 0.3 percent and are up 1.8 percent for the year.
- Motor vehicle usage collections increased 22.7 percent, but still are 5.1 percent less than last year at this time.
- License and privilege tax receipts fell 15.8 percent and are down 8.1 percent for the year.
- Nontax receipts fell 56.5 percent or \$1.5 million and are down 31.0 percent year-to-date

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	NOVEMBER			JULY THROUGH NOVEMBER		
	2009	2008	% Change	FY 2010	FY 2009	% Change
TOTAL GENERAL FUND	\$722,346,360	\$705,151,690	2.4%	\$3,343,173,312	\$3,469,698,945	-3.6%
Tax Receipts	\$683,273,465	\$674,701,533	1.3%	\$3,205,524,596	\$3,353,595,020	-4.4%
Sales and Gross Receipts	\$260,667,307	\$245,437,008	6.2%	\$1,401,904,772	\$1,408,394,113	-0.5%
Beer Consumption	1,195,082	574,869	107.9%	3,477,895	2,925,334	18.9%
Beer Wholesale	3,162,011	4,375,292	-27.7%	22,374,174	23,544,095	-5.0%
Cigarette	21,699,034	11,852,572	83.1%	118,321,909	67,929,120	74.2%
Distilled Spirits Case Sales	9,461	9,697	-2.4%	45,384	46,117	-1.6%
Distilled Spirits Consumption	929,879	949,291	-2.0%	4,497,039	4,547,891	-1.1%
Distilled Spirits Wholesale	2,456,255	2,618,300	-6.2%	11,441,025	11,646,305	-1.8%
Insurance Premium	250	114,919	-99.8%	40,106,754	40,633,809	-1.3%
Pari-Mutuel	170,894	498,498	-65.7%	(1,230,356)	1,624,975	-175.7%
Race Track Admission	23,939	0	---	116,922	138,117	-15.3%
Sales and Use	222,665,100	216,880,626	2.7%	1,158,133,284	1,220,820,832	-5.1%
Wine Consumption	201,852	247,678	-18.5%	980,370	972,700	0.8%
Wine Wholesale	1,028,432	1,186,261	-13.3%	4,912,195	5,102,953	-3.7%
Telecommunications Tax	5,286,727	5,367,112	-1.5%	29,574,262	24,731,408	19.6%
Other Tobacco Products	1,809,627	761,893	137.5%	8,981,354	3,730,456	140.8%
Floor Stock Tax	28,765	0	---	172,560	0	---
License and Privilege	\$26,695,669	\$38,134,840	-30.0%	\$173,682,699	\$183,457,381	-5.3%
Alc. Bev. License Suspension	39,600	45,900	-13.7%	136,325	147,300	-7.5%
Coal Severance	20,328,742	25,988,770	-21.8%	108,006,512	122,898,374	-12.1%
Corporation License	236,481	416,397	-43.2%	1,108,185	3,230,746	-65.7%
Corporation Organization	21,920	6,655	229.4%	123,650	34,050	263.1%
Occupational Licenses	14,510	16,155	-10.2%	69,039	93,126	-25.9%
Oil Production	490,234	676,607	-27.5%	2,913,316	5,676,743	-48.7%
Race Track License	46,175	0	---	159,200	180,375	-11.7%
Bank Franchise Tax	(289,954)	1,329,672	---	(1,073,318)	(5,062,838)	---
Driver License Fees	50,858	58,804	-13.5%	257,371	266,986	-3.6%
Minerals Severance	1,484,567	1,519,122	-2.3%	6,317,828	6,911,166	-8.6%
Natural Gas Severance	1,663,321	5,952,438	-72.1%	7,454,774	21,720,746	-65.7%
Limited Liability Entity	2,609,215	2,124,320	22.8%	48,209,816	27,360,607	76.2%
Income	\$263,628,629	\$265,918,583	-0.9%	\$1,388,030,392	\$1,518,773,405	-8.6%
Corporation	3,693,511	(3,403,425)	---	53,987,321	85,879,189	-37.1%
Individual	259,935,118	269,322,009	-3.5%	1,334,043,071	1,432,894,215	-6.9%
Property	\$126,055,217	\$119,377,161	5.6%	\$210,006,026	\$208,962,859	0.5%
Building & Loan Association	0	4,072	---	91,143	209,366	-56.5%
General - Real	91,446,891	81,691,989	11.9%	91,544,596	83,083,398	10.2%
General - Tangible	29,272,402	35,465,196	-17.5%	68,470,513	82,780,595	-17.3%
Omitted & Delinquent	(4,118,087)	(1,210,261)	---	10,933,877	9,996,486	9.4%
Public Service	9,454,009	3,427,248	175.8%	38,274,943	32,309,390	18.5%
Other	2	(1,084)	---	690,953	583,624	18.4%
Inheritance	\$3,125,145	\$2,441,259	28.0%	\$17,444,992	\$18,087,245	-3.6%
Miscellaneous	\$3,101,497	\$3,392,682	-8.6%	\$14,455,716	\$15,920,018	-9.2%
Legal Process	1,901,355	2,252,559	-15.6%	9,721,269	10,458,959	-7.1%
T. V. A. In Lieu Payments	1,200,142	1,139,910	5.3%	4,733,954	5,453,222	-13.2%
Other	0	214	-100.0%	493	7,837	-93.7%
Nontax Receipts	\$38,713,981	\$29,476,418	31.3%	\$136,295,149	\$115,497,389	18.0%
Departmental Fees	1,306,210	3,084,842	-57.7%	10,006,248	11,177,876	-10.5%
PSC Assessment Fee	6,962	(167)	---	8,222,714	9,351,239	-12.1%
Fines & Forfeitures	2,433,738	2,333,981	4.3%	13,077,928	12,242,759	6.8%
Interest on Investments	82,085	341,123	-75.9%	360,678	1,846,625	-80.5%
Lottery	16,500,000	16,500,000	0.0%	76,500,000	75,000,000	2.0%
Sale of NOx Credits	0	0	---	601,430	0	---
Miscellaneous	18,384,985	7,216,638	154.8%	27,526,152	5,878,890	368.2%
Redeposit of State Funds	\$358,914	\$973,739	-63.1%	\$1,353,567	\$606,536	123.2%

2. ROAD FUND REVENUE

	<u>2009</u>	<u>NOVEMBER</u>		<u>JULY THROUGH NOVEMBER</u>		<u>% Change</u>
		<u>2008</u>	<u>% Change</u>	<u>FY 2010</u>	<u>FY 2009</u>	
TOTAL STATE ROAD FUND	\$102,786,219	\$103,260,145	-0.5%	\$495,287,121	\$508,829,709	-2.7%
Tax Receipts-	101,413,627	100,596,554	0.8%	\$485,259,380	\$494,699,178	-1.9%
Sales and Gross Receipts	\$79,733,024	\$74,843,906	6.5%	\$412,199,592	\$415,157,896	-0.7%
Motor Fuels Taxes	54,158,120	53,994,320	0.3%	268,465,617	263,666,700	1.8%
Motor Vehicle Usage	25,574,904	20,849,586	22.7%	143,733,975	151,491,196	-5.1%
License and Privilege	\$21,680,603	\$25,752,647	-15.8%	\$73,059,787	\$79,541,282	-8.1%
Motor Vehicles	5,287,808	5,977,055	-11.5%	28,123,437	27,994,540	0.5%
Motor Vehicle Operators	1,314,198	1,398,376	-6.0%	6,887,940	6,994,450	-1.5%
Weight Distance	13,439,008	17,355,993	-22.6%	34,227,945	40,059,300	-14.6%
Truck Decal Fees	3,943	11,115	-64.5%	43,649	73,468	-40.6%
Other Special Fees	1,635,646	1,010,108	61.9%	3,776,816	4,419,525	-14.5%
Nontax Receipts	\$1,136,945	\$2,613,130	-56.5%	\$9,596,144	\$13,916,610	-31.0%
Departmental Fees	700,891	1,315,071	-46.7%	6,943,474	8,591,463	-19.2%
In Lieu of Traffic Fines	0	66,050	-100.0%	306,666	402,586	-23.8%
Investment Income	377,121	1,154,174	-67.3%	2,045,136	4,629,925	-55.8%
Miscellaneous	58,933	77,835	-24.3%	300,867	292,637	2.8%
Redeposit of State Funds	\$235,647	\$50,461	367.0%	\$431,597	\$213,920	101.8%

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