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GENERAL FUND AND ROAD FUND RECEIPTS
FOR AUGUST 2010

General Fund receipts rose 3.3 Percent
Road Fund receipts rose 9.5 percent

FRANKFORT, KY (Friday, September 10, 2010) - State Budget Director Mary Lassiter reported today that General Fund receipts rose 3.3 percent in August compared to last year. Total revenues for the month were \$642.6 million, compared to \$622.4 million during August 2009. So far this fiscal year (FY11), the General Fund has increased 3.9 percent.

Road Fund receipts for August totaled \$127.5 million, an increase of 9.5 percent from August 2009 levels.

Lassiter noted that "We are glad to see that the General Fund is experiencing revenue growth, especially in the income and sales taxes. This is a good sign, however, significant revenue growth is budgeted. While we are just two months into the fiscal year, if collections don't accelerate over the next few months we will have concerns about our ability to meet the official revenue forecast."

The official revenue estimate for FY11 calls for revenue to increase 4.2 percent compared to FY10 actual receipts. Based on revenues collected through August, General Fund revenues need to grow 4.3 percent for the remainder of the fiscal year to meet the official estimate.

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Among the major accounts:

- Individual income tax receipts increased 5.0 percent primarily due to strong withholding payments and are up 4.2 percent for the year.
- Sales tax revenues rose 1.4 percent in August and have increased 4.8 percent in the first two months of the fiscal year.
- Corporation income tax collections fell 72.5 percent due to weak declaration payments. Year-to-date collections are down 36.1 percent.
- Cigarette tax collections grew by 2.3 percent in August but have declined 1.7 percent for the year.
- Property tax receipts fell 18.1 percent and are off 15.0 percent for the year.
- Coal severance tax collections increased 22.6 percent. Year-to-date collections are up 10.9 percent.
- Lottery revenues were unchanged in August at \$14.5 million but are up 1.8 percent for the year.

Road Fund revenue posted another strong month in August, increasing 9.5 percent with revenues of \$127.5 million. The official Road Fund revenue estimate calls for a 4.9 percent increase in receipts for entire FY11. Based on year-to-date collections, revenues must grow 3.6 percent for the remainder of the fiscal year to meet the estimate.

Lassiter noted that motor fuels tax collections continue to sustain the rapid Road Fund growth due both to an increase in the tax rate as well as gallons of fuel purchased.

Among the accounts:

- Motor fuels revenues grew 20.7 percent and are up 18.9 percent for the year.
- Motor vehicle usage collections increased 0.7 percent in August. Year-to-date collections have increased 1.4 percent.
- License and privilege tax collections rose 1.9 percent in August and are up 2.6 percent for the first two months of the fiscal year.
- Nontax receipts fell \$1.1 million, or 46.1 percent in August. Through two months, revenues in this account are off 6.8 percent.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	AUGUST			JULY THROUGH AUGUST		
	2010	2009	% Change	FY 2011	FY 2010	% Change
TOTAL GENERAL FUND	\$642,648,243	\$622,405,665	3.3%	\$1,291,347,437	\$1,242,858,046	3.9%
Tax Receipts	\$624,027,738	\$599,034,876	4.2%	\$1,245,908,280	\$1,194,043,055	4.3%
Sales and Gross Receipts	\$276,121,284	\$271,400,451	1.7%	\$582,891,770	\$561,443,332	3.8%
Beer Consumption	606,811	592,213	2.5%	1,196,097	1,174,457	1.8%
Beer Wholesale	4,875,319	4,940,467	-1.3%	9,938,820	9,897,892	0.4%
Cigarette	24,596,879	24,054,949	2.3%	47,215,625	48,027,611	-1.7%
Distilled Spirits Case Sales	(336,499)	8,257	---	(325,428)	18,963	---
Distilled Spirits Consumption	785,948	822,062	-4.4%	1,889,851	1,893,057	-0.2%
Distilled Spirits Wholesale	1,964,822	2,043,807	-3.9%	4,687,304	4,751,068	-1.3%
Insurance Premium	398,457	110,087	261.9%	454,686	196,684	131.2%
Pari-Mutuel	137,818	(407,688)	---	1,822,950	(68,472)	---
Race Track Admission	0	53	-100.0%	86,736	92,698	-6.4%
Sales and Use	234,374,771	231,225,108	1.4%	498,627,328	475,643,772	4.8%
Wine Consumption	188,413	186,344	1.1%	395,785	397,781	-0.5%
Wine Wholesale	1,292,382	964,150	34.0%	2,324,651	1,985,879	17.1%
Telecommunications Tax	5,418,809	4,965,987	9.1%	10,892,649	13,667,493	-20.3%
Other Tobacco Products	1,801,681	1,835,162	-1.8%	3,651,211	3,645,403	0.2%
Floor Stock Tax	15,671	59,493	-73.7%	33,505	119,045	-71.9%
License and Privilege	\$44,942,423	\$28,410,556	58.2%	\$83,357,822	\$63,046,610	32.2%
Alc. Bev. License Suspension	40,225	14,500	177.4%	54,600	49,850	9.5%
Coal Severance	25,092,143	20,460,260	22.6%	48,193,216	43,438,171	10.9%
Corporation License	2,979,817	(68,193)	---	3,385,311	962,464	251.7%
Corporation Organization	16,832	3,860	336.1%	16,862	80,035	-78.9%
Occupational Licenses	5,036	10,894	-53.8%	24,971	24,479	2.0%
Oil Production	633,467	595,662	6.3%	1,195,952	1,212,011	-1.3%
Race Track License	0	0	---	105,000	112,500	-6.7%
Bank Franchise Tax	1,472,285	(198,347)	---	1,439,439	(219,532)	---
Driver License Fees	53,001	54,241	-2.3%	110,123	106,892	3.0%
Minerals Severance	1,421,582	1,034,259	37.4%	2,807,232	2,328,314	20.6%
Natural Gas Severance	3,384,789	1,612,354	109.9%	4,177,240	3,282,378	27.3%
Limited Liability Entity	9,843,246	4,891,068	101.2%	21,847,876	11,669,047	87.2%
Income	\$274,042,141	\$265,552,176	3.2%	\$531,927,998	\$514,489,717	3.4%
Corporation	1,689,458	6,144,851	-72.5%	6,260,585	9,794,619	-36.1%
Individual	272,352,683	259,407,325	5.0%	525,667,412	504,695,099	4.2%
Property	\$22,122,987	\$27,000,222	-18.1%	\$36,675,195	\$43,135,639	-15.0%
Building & Loan Association	(53,180)	(64)	---	(53,180)	91,143	---
General - Real	40,341	27,746	45.4%	(5,785)	57,940	---
General - Tangible	4,319,307	6,461,781	-33.2%	12,559,479	14,122,671	-11.1%
Omitted & Delinquent	4,666,418	2,996,227	55.7%	10,451,151	7,445,178	40.4%
Public Service	13,149,965	17,421,960	-24.5%	13,723,395	21,326,035	-35.6%
Other	136	92,572	-99.9%	136	92,673	-99.9%
Inheritance	\$3,895,597	\$3,578,460	8.9%	6,315,155	\$6,919,439	-8.7%
Miscellaneous	\$2,903,306	\$3,093,011	-6.1%	\$4,740,341	\$5,008,317	-5.4%
Legal Process	1,698,133	1,952,608	-13.0%	3,514,421	3,867,915	-9.1%
T. V. A. In Lieu Payments	1,200,142	1,139,910	5.3%	1,200,142	1,139,910	5.3%
Other	5,031	493	920.7%	25,778	493	5129.9%
Nontax Receipts	\$18,082,420	\$23,027,738	-21.5%	\$44,747,527	\$48,220,990	-7.2%
Departmental Fees	1,614,052	2,679,863	-39.8%	4,600,824	5,919,534	-22.3%
PSC Assessment Fee	162,202	2,698,186	-94.0%	8,866,743	8,204,329	8.1%
Fines & Forfeitures	2,080,475	2,307,154	-9.8%	4,330,407	5,261,627	-17.7%
Interest on Investments	66,043	71,985	-8.3%	136,746	134,925	1.3%
Lottery	14,500,000	14,500,000	0.0%	29,000,000	28,500,000	1.8%
Sale of NOx Credits	0	227,750	-100.0%	22,513	227,750	-90.1%
Miscellaneous	(340,351)	542,799	-162.7%	(2,209,706)	(27,174)	---
Redeposit of State Funds	\$538,085	\$343,051	56.9%	691,630	\$594,001	16.4%

2. ROAD FUND REVENUE

	<u>2010</u>	<u>AUGUST</u> <u>2009</u>	<u>% Change</u>	<u>FY 2011</u>	<u>JULY THROUGH AUGUST</u> <u>FY 2010</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$127,502,432	\$116,468,899	9.5%	\$229,777,254	\$206,883,403	11.1%
Tax Receipts	\$126,248,502	\$114,261,417	10.5%	\$224,946,686	\$203,004,318	10.8%
Sales and Gross Receipts	\$102,407,163	\$90,871,489	12.7%	\$192,133,332	\$171,037,823	12.3%
Motor Fuels Taxes	65,792,526	54,509,915	20.7%	126,872,003	106,686,633	18.9%
Motor Vehicle Usage	36,614,637	36,361,574	0.7%	65,261,329	64,351,190	1.4%
License and Privilege	\$23,841,339	\$23,389,928	1.9%	\$32,813,354	\$31,966,495	2.6%
Motor Vehicles	7,150,632	6,581,749	8.6%	11,757,636	10,954,843	7.3%
Motor Vehicle Operators	1,341,051	1,454,573	-7.8%	2,730,369	2,832,484	-3.6%
Weight Distance	14,502,254	14,780,979	-1.9%	16,540,171	17,069,462	-3.1%
Truck Decal Fees	10,642	10,424	2.1%	25,397	27,067	-6.2%
Other Special Fees	836,760	562,202	48.8%	1,759,780	1,082,639	62.5%
Nontax Receipts	\$1,253,885	\$2,325,832	-46.1%	\$3,634,454	\$3,900,682	-6.8%
Departmental Fees	873,628	1,332,204	-34.4%	3,046,915	2,783,421	9.5%
In Lieu of Traffic Fines	64,660	77,144	-16.2%	129,868	151,750	-14.4%
Investment Income	315,547	885,283	-64.4%	316,921	885,283	-64.2%
Miscellaneous	50	31,202	-99.8%	140,750	80,228	75.4%
Redeposit of State Funds	\$45	(\$118,350)	---	1,196,114	(\$21,597)	---

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