



**Office of State Budget Director**

284 Capitol Annex, 702 Capitol Avenue  
Frankfort, Kentucky 40601

**Steven L. Beshear**  
Governor

(502) 564-7300  
FAX: (502) 564-6684  
Internet: [osbd.ky.gov](http://osbd.ky.gov)

**Mary Lassiter**  
State Budget Director

Governor's Office for Policy and Management  
Governor's Office for Economic Analysis  
Governor's Office for Policy Research

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**Contact: Mary Lassiter**  
**Greg Harkenrider**  
**502-564-7300**

**GENERAL FUND AND ROAD FUND RECEIPTS**  
**FOR SEPTEMBER 2010**

***General Fund receipts rose 5.3 Percent***  
***Road Fund receipts rose 13.8 percent***

**FRANKFORT, KY (Friday, October 8, 2010)** - State Budget Director Mary Lassiter reported today that General Fund receipts rose 5.3 percent in September compared to last year. Total revenues for the month were \$763.7 million, compared to \$725.6 million during September 2009. So far this fiscal year (FY11), the General Fund has grown 4.4 percent.

Road Fund receipts for September totaled \$108.9 million, an increase of 13.8 percent from September 2009 levels.

The official consensus General Fund revenue estimate for FY11 calls for revenue to grow 4.2 percent compared to FY10 actual receipts. Based on September's results, General Fund revenues must increase 4.1 percent for the remainder of the fiscal year to meet the official estimate.

Lassiter noted that General Fund receipts have posted two consecutive quarters of growth as revenues slowly emerge from the recessionary climate. "Even though the economic recovery has not been as robust as originally anticipated, revenues have begun to post solid gains over prior-year totals, especially the corporation taxes. Employment and wage growth will be the key elements going forward, as progress in these areas will likely determine the sustainability of the recent recovery in state revenues," she said. "The revenue growth we are seeing was projected and is budgeted. We hope we continue to see improvement in the economy."

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Among the major accounts:

- Individual income tax receipts increased 3.3 percent due primarily to strength in withholding receipts. Year-to-date collections are up 3.8 percent.
- Sales tax revenues grew only 0.2 percent in September but have increased 3.4 percent for the year.
- Corporation income tax receipts increased 62.2 percent and have grown 42.5 percent in the first three months of the year.
- Cigarette tax revenues declined 16.7 percent and are off 7.0 percent for the first three months of the fiscal year.
- Property tax collections fell 12.0 percent in September and are down 14.1 percent for the year.
- Coal severance tax revenue grew 5.3 percent. Receipts year-to-date are up 9.0 percent.
- Lottery revenues were up 3.2 percent. For the first quarter, collections are up 2.3 percent.

Road Fund receipts surged again in September, growing 13.8 percent with revenues of \$108.9 million. The official Road Fund revenue estimate calls for a 4.9 percent increase in receipts for the entire fiscal year (FY11). Based on year-to-date collections, revenues must grow 2.6 percent for the remainder of the fiscal year to meet the estimate.

Lassiter said, “Motor fuels taxes continue to be the engine for growth in Road Fund receipts but, like the General Fund, the first half of the fiscal year is projected to post higher growth due to the pattern of revenues in the prior fiscal year”.

Among the accounts:

- Motor fuels tax collections grew 19.2 percent in September and are up 19.0 percent for the year.
- Motor vehicle usage collections increased 1.7 percent. Year-to-date collections have grown 1.5 percent.
- License and privilege tax receipts grew 25.1 percent on the strength of weight distance taxes. For the first three months of the fiscal year, receipts are up 7.3 percent.
- Nontax receipts grew 4.0 percent in September but are down 2.8 percent for the year.

KENTUCKY STATE GOVERNMENT REVENUE  
**1. GENERAL FUND REVENUE**

	SEPTEMBER			JULY THROUGH SEPTEMBER		
	2010	2009	% Change	FY 2011	FY 2010	% Change
<b>TOTAL GENERAL FUND</b>	<b>\$763,748,358</b>	<b>\$725,595,404</b>	<b>5.3%</b>	<b>\$2,055,095,794</b>	<b>\$1,968,453,450</b>	<b>4.4%</b>
<b>Tax Receipts</b>	<b>\$744,285,582</b>	<b>\$705,055,119</b>	<b>5.6%</b>	<b>\$1,990,193,861</b>	<b>\$1,899,098,174</b>	<b>4.8%</b>
Sales and Gross Receipts	\$286,761,066	\$286,708,737	0.0%	\$869,652,836	\$848,152,069	2.5%
Beer Consumption	595,940	559,833	6.4%	1,792,037	1,734,290	3.3%
Beer Wholesale	4,884,736	4,546,002	7.5%	14,823,556	14,443,895	2.6%
Cigarette	21,785,687	26,161,020	-16.7%	69,001,313	74,188,631	-7.0%
Distilled Spirits Case Sales	8,922	8,238	8.3%	(316,506)	27,201	---
Distilled Spirits Consumption	877,988	816,786	7.5%	2,767,839	2,709,843	2.1%
Distilled Spirits Wholesale	2,217,714	2,053,674	8.0%	6,905,018	6,804,743	1.5%
Insurance Premium	29,218,560	27,489,230	6.3%	29,673,246	27,685,914	7.2%
Pari-Mutuel	122,386	(1,482,439)	---	1,945,337	(1,550,912)	---
Race Track Admission	0	0	---	86,736	92,698	-6.4%
Sales and Use	218,602,165	218,251,707	0.2%	717,229,493	693,895,478	3.4%
Wine Consumption	206,760	182,499	13.3%	602,545	580,280	3.8%
Wine Wholesale	1,054,125	901,130	17.0%	3,378,775	2,887,009	17.0%
Telecommunications Tax	5,260,966	5,393,362	-2.5%	16,153,615	19,060,855	-15.3%
Other Tobacco Products	1,918,454	1,810,999	5.9%	5,569,665	5,456,403	2.1%
Floor Stock Tax	6,664	16,694	-60.1%	40,169	135,740	-70.4%
License and Privilege	\$50,987,289	\$45,068,966	13.1%	\$134,345,111	\$108,115,576	24.3%
Alc. Bev. License Suspension	44,650	18,500	141.4%	99,250	68,350	45.2%
Coal Severance	24,646,636	23,405,017	5.3%	72,839,852	66,843,188	9.0%
Corporation License	18,430	(283,932)	---	3,403,741	678,533	401.6%
Corporation Organization	2,550	21,695	-88.2%	19,412	101,730	-80.9%
Occupational Licenses	8,130	16,838	-51.7%	33,102	41,317	-19.9%
Oil Production	625,630	631,497	-0.9%	1,821,582	1,843,509	-1.2%
Race Track License	0	0	---	105,000	112,500	-6.7%
Bank Franchise Tax	1,049,577	53,782	1851.6%	2,489,017	(165,750)	---
Driver License Fees	54,941	50,071	9.7%	165,064	156,963	5.2%
Minerals Severance	1,170,064	1,298,718	-9.9%	3,977,297	3,627,032	9.7%
Natural Gas Severance	959,232	994,662	-3.6%	5,136,472	4,277,040	20.1%
Limited Liability Entity	22,407,447	18,862,118	18.8%	44,255,323	30,531,165	45.0%
Income	\$383,674,845	\$348,977,878	9.9%	\$915,602,843	\$863,467,596	6.0%
Corporation	63,640,773	39,246,652	62.2%	69,901,358	49,041,270	42.5%
Individual	320,034,073	309,731,227	3.3%	845,701,485	814,426,326	3.8%
Property	\$14,950,307	\$16,998,557	-12.0%	\$51,625,502	\$60,134,196	-14.1%
Building & Loan Association	0	0	---	(53,180)	91,143	---
General - Real	(678,183)	76,863	---	(683,968)	134,803	---
General - Tangible	9,741,557	8,220,807	18.5%	22,301,036	22,343,478	-0.2%
Omitted & Delinquent	4,864,355	5,910,713	-17.7%	15,315,505	13,355,891	14.7%
Public Service	786,237	2,195,663	-64.2%	14,509,632	23,521,697	-38.3%
Other	236,341	594,511	-60.2%	236,477	687,184	-65.6%
Inheritance	\$5,017,852	\$4,249,457	18.1%	\$11,333,007	\$11,168,896	1.5%
Miscellaneous	\$2,894,222	\$3,051,525	-5.2%	\$7,634,563	\$8,059,842	-5.3%
Legal Process	1,694,080	1,911,615	-11.4%	5,208,501	5,779,530	-9.9%
T. V. A. In Lieu Payments	1,200,142	1,139,910	5.3%	2,400,284	2,279,819	5.3%
Other	0	0	---	25,778	493	---
<b>Nontax Receipts</b>	<b>\$19,587,358</b>	<b>\$20,213,535</b>	<b>-3.1%</b>	<b>\$64,334,885</b>	<b>\$68,434,525</b>	<b>-6.0%</b>
Departmental Fees	1,238,174	1,579,319	-21.6%	5,838,998	7,498,852	-22.1%
PSC Assessment Fee	2,761	5,828	-52.6%	8,869,505	8,210,157	8.0%
Fines & Forfeitures	1,979,190	2,223,849	-11.0%	6,309,597	7,485,475	-15.7%
Interest on Investments	53,837	64,796	-16.9%	190,583	199,721	-4.6%
Lottery	16,000,000	15,500,000	3.2%	45,000,000	44,000,000	2.3%
Sale of NOx Credits	0	233,030	-100.0%	22,513	460,780	-95.1%
Miscellaneous	313,396	606,714	-48.3%	(1,896,310)	579,540	---
Redeposit of State Funds	(\$124,582)	\$326,750	---	\$567,048	\$920,751	-38.4%

**2. ROAD FUND REVENUE**

	<u>SEPTEMBER</u>			<u>JULY THROUGH SEPTEMBER</u>		
	<u>2010</u>	<u>2009</u>	<u>% Change</u>	<u>FY 2011</u>	<u>FY 2010</u>	<u>% Change</u>
<b>TOTAL STATE ROAD FUND</b>	<b>\$108,905,439</b>	<b>\$95,732,702</b>	<b>13.8%</b>	<b>\$338,682,693</b>	<b>\$302,616,105</b>	<b>11.9%</b>
Tax Receipts-	106,393,021	93,139,711	14.2%	\$331,339,707	\$296,144,029	11.9%
Sales and Gross Receipts	\$95,987,871	\$84,824,083	13.2%	\$288,121,203	\$255,861,906	12.6%
Motor Fuels Taxes	66,137,961	55,484,267	19.2%	193,009,964	162,170,900	19.0%
Motor Vehicle Usage	29,849,910	29,339,816	1.7%	95,111,239	93,691,006	1.5%
License and Privilege	\$10,405,150	\$8,315,628	25.1%	\$43,218,504	\$40,282,123	7.3%
Motor Vehicles	6,142,863	6,068,347	1.2%	17,900,500	17,023,190	5.2%
Motor Vehicle Operators	1,421,454	1,410,472	0.8%	4,151,824	4,242,956	-2.1%
Weight Distance	2,214,257	318,097	596.1%	18,754,429	17,387,559	7.9%
Truck Decal Fees	8,870	2,370	274.3%	34,267	29,437	16.4%
Other Special Fees	617,705	516,342	19.6%	2,377,485	1,598,981	48.7%
Nontax Receipts	\$2,419,927	\$2,325,818	4.0%	\$6,054,380	\$6,226,500	-2.8%
Departmental Fees	1,990,519	1,781,062	11.8%	5,037,434	4,564,483	10.4%
In Lieu of Traffic Fines	63,105	74,231	-15.0%	192,973	225,982	-14.6%
Investment Income	165,031	427,723	-61.4%	481,952	1,313,006	-63.3%
Miscellaneous	201,272	42,802	370.2%	342,021	123,030	178.0%
Redeposit of State Funds	\$92,492	\$267,172	-65.4%	\$1,288,606	\$245,576	424.7%

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