



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

Mary E. Lassiter
State Budget Director

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

For Immediate Release
September 9, 2011

Contact: Mary Lassiter
Greg Harkenrider
502-564-7300

GENERAL FUND AND ROAD FUND RECEIPTS
FOR AUGUST 2011

General Fund receipts fell 3.0 percent
Road Fund receipts rose 5.4 percent

FRANKFORT, KY – Friday (September 9, 2011) - State Budget Director Mary Lassiter reported today that General Fund receipts fell 3.0 percent in August compared to last year. Total revenues for the month were \$623.3 million, compared to \$642.6 million during August 2010. The General Fund has increased 1.9 percent through the first two months of Fiscal Year 2012 (FY12).

Road Fund receipts for August totaled \$134.4 million, an increase of 5.4 percent from August 2010 levels, and have grown 4.0 percent year-to-date.

Lassiter noted that the decline in August receipts interrupted a streak of 15 months where General Fund receipts had increased over the prior year. "The uncertainty in the U.S. economy appears to be impacting Kentucky's tax receipts. Aside from some minor timing differences in the property taxes, growth in the major taxes tapered off in August. While one month doesn't make a trend, we will closely examine September receipts to see if the August decline is indicative of underlying weakness."

The official revenue estimate for FY12 calls for revenue to increase 1.3 percent compared to FY11 actual receipts. Based on August results, General Fund revenues need to grow 1.2 percent for the remainder of the fiscal year to meet the official revenue estimate.

-more-

Among the major accounts:

- Individual income tax receipts decreased 2.1 percent primarily due to weak withholding payments, but have grown 4.4 percent year-to-date.
- Sales tax revenues rose 1.6 percent, and have grown 4.3 percent for the first two months of the year.
- Corporation income tax receipts fell \$3.2 million in August.
- Cigarette tax collections fell 7.9 percent, and have declined 9.3 percent year-to-date.
- Property tax collections fell 23.6 percent in August, and 48.5 percent for the first two months of the year.
- Coal severance tax collections increased 0.6 percent, and have grown 9.0 percent year-to-date.
- Lottery revenues grew 3.4 percent to \$15.0 million in August, and have grown 3.4 percent for the year.

Road Fund revenues in August increased 5.4 percent with revenues of \$134.4 million, posting growth for 14 consecutive months. The official Road Fund revenue estimate calls for a 0.2 percent increase in receipts for the entire fiscal year (FY12). Based on year-to-date collections, revenues can decline 0.7 percent for the remainder of the fiscal year to meet the official estimate.

Among the accounts:

- Motor fuels receipts grew 4.4 percent, and have grown 4.1 percent year-to-date.
- Motor vehicle usage collections increased 10.5 percent in August, posting 10.0 percent growth for the first two months of the year.
- License and privilege tax receipts fell 3.3 percent in August and 4.6 percent year-to date.
- Nontax receipts rose \$1.1 million, but have declined 5.9 percent for the first two months of the fiscal year.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	<u>AUGUST</u>			<u>JULY THROUGH AUGUST</u>		
	<u>2011</u>	<u>2010</u>	<u>% Change</u>	<u>FY 2012</u>	<u>FY 2011</u>	<u>% Change</u>
TOTAL GENERAL FUND	\$623,318,087	\$642,648,243	-3.0%	\$1,316,500,887	\$1,291,347,437	1.9%
Tax Receipts	\$603,594,440	\$624,027,738	-3.3%	\$1,274,799,328	\$1,245,908,280	2.3%
Sales and Gross Receipts	\$278,917,269	\$276,121,284	1.0%	\$601,134,111	\$582,891,770	3.1%
Beer Consumption	514,074	606,811	-15.3%	1,128,317	1,196,097	-5.7%
Beer Wholesale	4,711,305	4,875,319	-3.4%	10,078,150	9,938,820	1.4%
Cigarette	22,655,951	24,596,879	-7.9%	42,888,233	47,215,625	-9.2%
Distilled Spirits Case Sales	7,615	(336,499)	---	19,438	(325,428)	---
Distilled Spirits Consumption	741,454	785,948	-5.7%	1,910,378	1,889,851	1.1%
Distilled Spirits Wholesale	1,803,893	1,964,822	-8.2%	4,763,026	4,687,304	1.6%
Insurance Premium	403,517	398,457	1.3%	426,405	454,686	-6.2%
Pari-Mutuel	134,085	137,818	-2.7%	435,009	1,822,950	---
Race Track Admission	154	0	---	82,477	86,736	-4.9%
Sales and Use	238,141,748	234,374,771	1.6%	520,317,202	498,627,328	4.3%
Wine Consumption	193,186	188,413	2.5%	419,672	395,785	6.0%
Wine Wholesale	1,001,937	1,292,382	-22.5%	2,137,451	2,324,651	-8.1%
Telecommunications Tax	6,824,943	5,418,809	25.9%	12,800,662	10,892,649	17.5%
Other Tobacco Products	1,776,366	1,801,681	-1.4%	3,716,284	3,651,211	1.8%
Floor Stock Tax	7,042	15,671	-55.1%	11,406	33,505	-66.0%
License and Privilege	\$37,057,486	\$44,942,423	-17.5%	\$82,210,246	\$83,357,822	-1.4%
Alc. Bev. License Suspension	16,050	40,225	-60.1%	36,350	54,600	-33.4%
Coal Severance	25,253,313	25,092,143	0.6%	52,528,387	48,193,216	9.0%
Corporation License	523,460	2,979,817	---	500,562	3,385,311	-85.2%
Corporation Organization	0	16,832	-100.0%	0	16,862	-100.0%
Occupational Licenses	13,224	5,036	162.6%	19,273	24,971	-22.8%
Oil Production	783,893	633,467	23.7%	1,635,998	1,195,952	36.8%
Race Track License	0	0	---	95,000	105,000	-9.5%
Bank Franchise Tax	(926,073)	1,472,285	---	(836,083)	1,439,439	---
Driver License Fees	50,615	53,001	-4.5%	104,401	110,123	-5.2%
Minerals Severance	1,514,896	1,421,582	6.6%	2,852,188	2,807,232	1.6%
Natural Gas Severance	2,167,545	3,384,789	-36.0%	4,102,760	4,177,240	-1.8%
Limited Liability Entity	7,660,563	9,843,246	-22.2%	21,171,409	21,847,876	-3.1%
Income	\$264,894,588	\$274,042,141	-3.3%	\$560,212,854	\$531,927,998	5.3%
Corporation	(1,631,398)	1,689,458	---	11,324,370	6,260,585	80.9%
Individual	266,525,986	272,352,683	-2.1%	548,888,484	525,667,412	4.4%
Property	\$16,897,093	\$22,122,987	-23.6%	\$18,900,516	\$36,675,195	-48.5%
Building & Loan Association	0	(53,180)	---	(2,299)	(53,180)	---
General - Real	32,107	40,341	-20.4%	26,883	(5,785)	---
General - Tangible	9,841,725	4,319,307	127.9%	18,021,787	12,559,479	43.5%
Omitted & Delinquent	5,642,471	4,666,418	20.9%	(1,086,407)	10,451,151	---
Public Service	1,380,674	13,149,965	-89.5%	1,940,438	13,723,395	-85.9%
Other	115	136	-15.4%	115	136	-15.4%
Inheritance	\$3,151,990	\$3,895,597	-19.1%	6,695,465	\$6,315,155	6.0%
Miscellaneous	\$2,676,015	\$2,903,306	-7.8%	\$5,646,136	\$4,740,341	19.1%
Legal Process	1,541,282	1,698,133	-9.2%	3,376,670	3,514,421	-3.9%
T. V. A. In Lieu Payments	1,134,733	1,200,142	-5.5%	2,269,466	1,200,142	89.1%
Other	0	5,031	-100.0%	0	25,778	-100.0%
Nontax Receipts	\$19,558,568	\$18,082,420	8.2%	\$40,936,904	\$44,747,527	-8.5%
Departmental Fees	1,106,862	1,614,052	-31.4%	2,064,395	4,600,824	-55.1%
PSC Assessment Fee	933,606	162,202	475.6%	5,422,200	8,866,743	-38.8%
Fines & Forfeitures	2,455,878	2,080,475	18.0%	4,688,889	4,330,407	8.3%
Interest on Investments	148,343	66,043	124.6%	199,943	136,746	46.2%
Lottery	15,000,000	14,500,000	3.4%	30,000,000	29,000,000	3.4%
Sale of NOx Credits	0	0	---	0	22,513	-100.0%
Miscellaneous	(86,121)	(340,351)	-74.7%	(1,438,523)	(2,209,706)	---
Redeposit of State Funds	\$165,079	\$538,085	-69.3%	764,655	\$691,630	10.6%

2. ROAD FUND REVENUE

	<u>2011</u>	<u>AUGUST</u>		<u>JULY THROUGH AUGUST</u>		<u>% Change</u>
		<u>2010</u>	<u>% Change</u>	<u>FY 2012</u>	<u>FY 2011</u>	
TOTAL STATE ROAD FUND	\$134,407,864	\$127,502,432	5.4%	\$239,078,639	\$229,777,254	4.0%
Tax Receipts	\$132,193,695	\$126,248,502	4.7%	\$235,190,804	\$224,946,686	4.6%
Sales and Gross Receipts	\$109,135,458	\$102,407,163	6.6%	\$203,893,386	\$192,133,332	6.1%
Motor Fuels Taxes	68,659,112	65,792,526	4.4%	132,073,307	126,872,003	4.1%
Motor Vehicle Usage	40,476,346	36,614,637	10.5%	71,820,079	65,261,329	10.0%
License and Privilege	\$23,058,237	\$23,841,339	-3.3%	\$31,297,418	\$32,813,354	-4.6%
Motor Vehicles	7,389,187	7,150,632	3.3%	13,023,109	11,757,636	10.8%
Motor Vehicle Operators	1,317,121	1,341,051	-1.8%	2,612,214	2,730,369	-4.3%
Weight Distance	13,355,333	14,502,254	-7.9%	14,302,272	16,540,171	-13.5%
Truck Decal Fees	12,653	10,642	18.9%	26,633	25,397	4.9%
Other Special Fees	983,943	836,760	17.6%	1,333,191	1,759,780	-24.2%
Nontax Receipts	\$2,350,719	\$1,253,885	87.5%	\$3,420,421	\$3,634,454	-5.9%
Departmental Fees	2,216,104	873,628	153.7%	3,225,654	3,046,915	5.9%
In Lieu of Traffic Fines	66,272	64,660	2.5%	124,852	129,868	-3.9%
Investment Income	4,779	315,547	-98.5%	6,351	316,921	-98.0%
Miscellaneous	63,564	50	127028.6%	63,564	140,750	-54.8%
Redeposit of State Funds	(\$136,550)	\$45	---	467,413	\$1,196,114	-60.9%

An electronic version of this report is available for viewing and downloading in PDF format at the Office of the State Budget Director's web site. To access this report, set your browser to <http://www.osbd.ky.gov>.