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GENERAL FUND AND ROAD FUND RECEIPTS
FOR FEBRUARY 2013

General Fund receipts decrease 5.2 percent
Road Fund receipts increase 3.1 percent

FRANKFORT, KY (March 11, 2013) - The Office of State Budget Director reported today that February's General Fund receipts fell 5.2 percent compared to February of last year, a decline of \$29.6 million. Total revenues for the month were \$544.5 million, compared to \$574.1 million during February 2012. Receipts have now grown 2.9 percent for the first eight months of FY13.

The official enacted estimate calls for 2.4 percent revenue growth for FY13. To meet the official revenue estimate, receipts must grow 1.4 percent over the last four months of the fiscal year.

State Budget Director Jane Driskell noted that a decline in individual income tax receipts accounted for the majority of the down turn in General Fund collections but the drop was anticipated and due to timing issues. "The individual income tax fell sharply in February, primarily due to efforts by Kentucky's Department of Revenue to fulfill refund requests in a timely manner. In January there was a slowdown in refund requests submitted by taxpayers due to the IRS delaying acceptance of electronically-filed tax returns. This situation reversed itself in February, causing a sharp increase in the processing of refunds and lower net receipts for the income tax. In a broader sense, we remain cautiously optimistic the General Fund is performing at levels predicted by the Consensus Forecasting Group."

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Among the major accounts:

- Sales and use tax receipts increased 0.7 percent for the month but have declined 0.3 percent year-to-date. Sales tax receipts continue to decline.
- Corporation income tax receipts rose 41.1 percent in February and have increased 8.5 percent for the year.
- Individual income tax collections fell 14.1 percent in February and have grown 6.6 percent though the first eight months of FY13.
- Property tax collections increased 40.8 percent and are up 8.0 percent year-to-date.
- Cigarette tax receipts fell 14.4 percent for the month and have fallen 5.9 percent year-to-date.
- Coal severance tax receipts declined 24.5 percent and are down 24.4 percent through the first eight months of the fiscal year.

Road Fund receipts for February totaled \$122.3 million, a 3.1 percent increase over February 2012 levels. Year-to-date receipts for FY13 are up 3.2 percent. The official Road Fund revenue estimate calls for an increase in revenues of 3.9 percent for the fiscal year. Based on year-to-date tax collections, revenues must increase 5.2 percent for the remainder of FY13 to meet the estimate. Motor fuels tax receipts rose 5.7 percent and have grown 4.9 percent over the first eight months of the year. Motor vehicle usage revenue increased 4.4 percent year-over-year, and license and privilege receipts fell 5.0 percent. The current interim estimates predicted a slight revenue shortfall in the Road Fund, and the release of the January receipts and the February report are in line with those interim projections.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	2013	FEBRUARY 2012	% Change	FY 2013	JULY THROUGH FEBRUARY FY 2012	% Change
TOTAL GENERAL FUND	\$544,529,271	\$574,137,318	-5.2%	\$6,039,601,420	\$5,868,684,174	2.9%
Tax Receipts	\$519,785,083	\$550,283,077	-5.5%	\$5,817,980,862	\$5,667,443,857	2.7%
Sales and Gross Receipts	\$255,666,011	\$257,561,920	-0.7%	\$2,390,792,162	\$2,401,043,677	-0.4%
Beer Consumption	467,416	391,969	19.2%	4,135,763	3,962,353	4.4%
Beer Wholesale	3,988,859	3,213,656	24.1%	35,876,751	35,480,179	1.1%
Cigarette	16,755,715	19,564,244	-14.4%	154,856,706	164,635,708	-5.9%
Distilled Spirits Case Sales	8,287	6,954	19.2%	83,100	79,209	4.9%
Distilled Spirits Consumption	808,881	680,085	18.9%	8,128,293	7,678,807	5.9%
Distilled Spirits Wholesale	2,035,542	1,724,947	18.0%	21,385,341	19,993,500	7.0%
Insurance Premium	27,029,122	30,656,911	-11.8%	69,259,397	71,284,111	-2.8%
Pari-Mutuel	183,009	116,214	57.5%	2,708,006	1,562,308	73.3%
Race Track Admission	0	0	---	126,070	156,430	-19.4%
Sales and Use	194,662,791	193,307,034	0.7%	2,021,148,965	2,026,554,895	-0.3%
Wine Consumption	216,880	177,276	22.3%	1,946,711	1,852,374	5.1%
Wine Wholesale	1,092,851	845,114	29.3%	10,085,877	9,635,675	4.7%
Telecommunications Tax	6,637,802	5,158,858	28.7%	46,565,996	43,705,697	6.5%
Other Tobacco Products	1,777,477	1,710,773	3.9%	14,471,278	14,442,171	0.2%
Floor Stock Tax	1,379	7,884	-82.5%	13,907	20,260	-31.4%
License and Privilege	\$33,051,567	\$42,618,023	-22.4%	\$319,025,674	\$359,508,338	-11.3%
Alc. Bev. License Suspension	28,692	20,825	37.8%	258,125	176,025	46.6%
Coal Severance	18,012,712	23,868,877	-24.5%	158,648,121	209,836,655	-24.4%
Corporation License	(89,652)	(142,299)	---	(524,470)	129,145	---
Corporation Organization	1,688	1,980	-14.7%	88,287	33,289	165.2%
Occupational Licenses	6,304	15,295	-58.8%	44,745	62,073	-27.9%
Oil Production	917,616	2,336,722	-60.7%	7,057,527	7,707,270	-8.4%
Race Track License	0	0	---	196,711	202,875	-3.0%
Bank Franchise Tax	6,873,404	7,523,650	-8.6%	10,385,013	10,357,701	0.3%
Driver License Fees	49,498	51,946	-4.7%	417,367	400,520	4.2%
Minerals Severance	635,189	733,818	-13.4%	9,253,788	10,830,862	-14.6%
Natural Gas Severance	1,385,702	596,371	132.4%	8,771,823	16,466,685	-46.7%
Limited Liability Entity	5,230,415	7,610,837	-31.3%	124,428,637	103,305,238	20.4%
Income	\$189,555,199	\$218,543,924	-13.3%	\$2,562,673,465	\$2,400,788,359	6.7%
Corporation	4,774,289	3,384,495	41.1%	215,886,899	198,955,057	8.5%
Individual	184,780,910	215,159,429	-14.1%	2,346,786,566	2,201,833,302	6.6%
Property	\$36,643,811	\$26,017,077	40.8%	\$494,391,864	\$457,903,043	8.0%
Building & Loan Association	0	0	---	(15,820)	(46,134)	---
General - Real	11,321,980	9,469,717	19.6%	248,250,625	241,193,523	2.9%
General - Tangible	19,843,592	11,751,591	68.9%	170,836,135	159,226,707	7.3%
Omitted & Delinquent	3,814,941	2,481,373	53.7%	27,480,449	13,020,856	111.0%
Public Service	1,336,541	2,057,260	-35.0%	46,709,649	43,460,828	7.5%
Other	326,758	257,136	27.1%	1,130,825	1,047,263	8.0%
Inheritance	\$3,162,986	\$2,696,856	17.3%	\$26,025,899	\$25,856,493	0.7%
Miscellaneous	\$1,705,510	\$2,845,277	-40.1%	\$25,071,798	\$22,343,947	12.2%
Legal Process	1,691,691	1,682,975	0.5%	13,007,158	12,992,854	0.1%
T. V. A. In Lieu Payments	0	1,134,988	-100.0%	12,037,078	9,302,161	29.4%
Other	13,819	27,314	-49.4%	27,562	48,931	-43.7%
Nontax Receipts	\$23,670,016	\$23,102,060	2.5%	\$219,095,851	\$199,181,563	10.0%
Departmental Fees	3,150,613	2,938,454	7.2%	15,254,032	15,392,372	-0.9%
PSC Assessment Fee	422	55	664.0%	13,077,018	5,437,974	140.5%
Fines & Forfeitures	2,096,920	2,018,464	3.9%	19,190,079	16,391,179	17.1%
Income on Investments	(49,605)	41,705	---	1,110,522	520,131	113.5%
Lottery	18,000,000	18,000,000	0.0%	137,266,568	137,000,000	0.2%
Sale of NOx Credits	0	7,500	-100.0%	27,604	20,000	38.0%
Miscellaneous	471,664	95,882	391.9%	33,170,028	24,419,907	35.8%
Redeposit of State Funds	\$1,074,172	\$752,182	42.8%	\$2,524,708	\$2,058,753	22.6%

2. ROAD FUND REVENUE

	<u>2013</u>	<u>FEBRUARY</u>	<u>% Change</u>	<u>JULY THROUGH FEBRUARY</u>		<u>% Change</u>
		<u>2012</u>		<u>FY 2013</u>	<u>FY 2012</u>	
TOTAL STATE ROAD FUND	\$122,293,231	\$118,664,773	3.1%	\$967,784,307	\$938,045,903	3.2%
Tax Receipts-	\$120,368,024	\$116,804,375	3.1%	\$951,119,725	\$923,396,968	3.0%
Sales and Gross Receipts	\$96,533,441	\$91,714,723	5.3%	\$824,728,449	\$793,531,201	3.9%
Motor Fuels Taxes	64,730,430	61,251,830	5.7%	555,137,318	529,322,210	4.9%
Motor Vehicle Usage	31,803,011	30,462,893	4.4%	269,591,131	264,208,991	2.0%
License and Privilege	\$23,834,584	\$25,089,652	-5.0%	\$126,391,276	\$129,865,767	-2.7%
Motor Vehicles	7,400,512	7,804,343	-5.2%	50,321,677	57,049,315	-11.8%
Motor Vehicle Operators	1,329,836	1,359,093	-2.2%	10,595,562	10,401,661	1.9%
Weight Distance	13,625,387	15,952,161	-14.6%	56,047,618	55,865,947	0.3%
Truck Decal Fees	770	3,702	-79.2%	40,604	86,702	-53.2%
Other Special Fees	1,478,078	(29,646)	---	9,385,816	6,462,141	45.2%
Nontax Receipts	\$1,331,995	\$1,576,758	-15.5%	\$13,179,610	\$13,337,935	-1.2%
Departmental Fees	692,059	1,330,373	-48.0%	9,723,090	11,769,904	-17.4%
In Lieu of Traffic Fines	59,906	64,387	-7.0%	471,899	500,094	-5.6%
Income on Investments	545,245	145,039	275.9%	2,605,707	461,489	464.6%
Miscellaneous	34,786	36,959	-5.9%	378,915	606,448	-37.5%
Redeposit of State Funds	\$593,212	\$283,640	109.1%	\$3,484,972	\$1,311,000	165.8%

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