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GENERAL FUND AND ROAD FUND RECEIPTS
FOR OCTOBER 2013

General Fund receipts fell 0.4 percent
Road Fund receipts fell 6.4 percent

State Budget Director Jane Driskell reported today that October's General Fund receipts fell 0.4 percent compared to last year. Total revenues for the month were \$722.5 million, compared to \$725.5 million during October 2012. Receipts have increased 2.4 percent for the first four months of the fiscal year, and need to grow 1.6 percent over the final eight months of FY14 to achieve the official revenue estimate of \$9,523.9 million.

Driskell noted that the major revenue accounts continue to perform well, especially the sales and use tax which increased at a 5.3 percent pace in October and has now grown at a healthy 3.0 percent through the first four months of FY14. "Despite the small decline in aggregate General Fund revenues in October, the major accounts performed well and revenues are slightly ahead of pace to meet the budgeted total. A decline in property tax receipts obscured a very solid month of collections, but our largest revenue sources are well positioned to hit or slightly exceed the official estimates. Property tax receipts always exhibit some volatility in the fall months as a large percentage of total annual receipts are concentrated in a short collection period."

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Among the major accounts,

- Corporation income tax receipts increased 4.4 percent in October and have grown 31.1 percent in FY14.
- Individual income tax collections rose 1.1 percent in October. Receipts are up 2.7 percent for the first four months of FY14.
- Sales and use tax receipts rose 5.3 percent in October and are up 3.0 for the year. The sales tax has rebounded nicely following a decline in sales tax receipts in FY13.
- Property tax collections decreased 46.7 percent in October, and are down 25.6 percent year-to-date. The bulk of all property tax receipts accrue between November and January, so we expect these accounts to rebound.
- Cigarette tax receipts fell 4.8 percent in October and are down 2.8 percent for the first four months of the fiscal year.
- Coal severance tax receipts increased 5.4 percent but are down 15.5 percent year-to-date. Severance receipts increased for only the second time in the previous 20 months.
- Lottery revenues grew 12.6 percent in October and are up 3.3 percent for the year.

Road Fund receipts for October totaled \$127.2 million, a 6.4 percent decrease from October 2012 levels. Year-to-date Road Fund receipts have grown 6.1 percent. Based on year-to-date collections, Road Fund receipts must increase 4.6 percent to meet the official FY14 estimate of \$1,568.2 million.

Motor vehicle usage tax receipts declined 15.6 percent for the month but have grown 5.1 percent year-to-date. Motor fuels taxes decreased 1.3 percent in October and have now grown 7.9 percent for the year.

Driskell noted that the October Road Fund decline should be viewed in conjunction with the steep increase in September. “Motor vehicle usage tax receipts increased 31.3 percent in September because of an additional week of collections, and our expectation was to see a correction in October. Road Fund performance has been very solid through the first four months of FY14, but growth in the second half of FY14 will prove more challenging as the tax rate on motor fuels will be adjusted downward by 1.5 cents per gallon beginning in January.”

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	2013	OCTOBER 2012	% Change	FY 2014	JULY THROUGH OCTOBER FY 2013	% Change
TOTAL GENERAL FUND	\$722,528,721	\$725,505,560	-0.4%	\$2,996,900,091	\$2,926,502,873	2.4%
Tax Receipts	\$688,082,067	\$693,562,206	-0.8%	\$2,887,552,168	\$2,818,526,946	2.4%
Sales and Gross Receipts	\$310,122,716	\$297,468,664	4.3%	\$1,236,036,385	\$1,204,016,405	2.7%
Beer Consumption	554,236	425,617	30.2%	2,199,876	2,155,501	2.1%
Beer Wholesale	5,221,809	3,768,663	38.6%	20,851,798	17,952,876	16.1%
Cigarette	19,080,291	20,041,763	-4.8%	78,401,477	80,640,406	-2.8%
Distilled Spirits Case Sales	9,936	5,133	93.6%	41,345	38,968	6.1%
Distilled Spirits Consumption	953,637	870,782	9.5%	3,971,158	3,886,334	2.2%
Distilled Spirits Wholesale	2,642,460	2,350,102	12.4%	10,742,094	9,780,304	9.8%
Insurance Premium	9,630,555	10,761,411	-10.5%	43,180,163	41,388,399	4.3%
Pari-Mutuel	(310,965)	218,148	---	521,248	1,653,896	-68.5%
Race Track Admission	7,872	867	808.1%	101,265	81,484	24.3%
Sales and Use	263,732,356	250,339,486	5.3%	1,041,841,477	1,011,066,175	3.0%
Wine Consumption	219,134	206,472	6.1%	997,201	872,625	14.3%
Wine Wholesale	1,142,165	1,045,442	9.3%	4,628,176	4,385,254	5.5%
Telecommunications Tax	5,499,779	5,765,425	-4.6%	21,483,072	22,864,841	-6.0%
Other Tobacco Products	1,741,656	1,667,665	4.4%	7,077,179	7,243,600	-2.3%
Floor Stock Tax	(2,206)	1,687	---	(1,144)	5,744	---
License and Privilege	\$37,687,055	\$41,826,188	-9.9%	\$152,467,111	\$161,657,159	-5.7%
Alc. Bev. License Suspension	35,923	46,067	-22.0%	122,115	119,433	2.2%
Coal Severance	17,686,325	16,772,250	5.4%	69,014,936	81,694,607	-15.5%
Corporation License	31,637	1,508	1997.3%	289,275	(493,075)	---
Corporation Organization	7,969	3,496	128.0%	16,184	43,744	-63.0%
Occupational Licenses	10,274	8,248	24.6%	54,509	23,243	134.5%
Oil Production	874,886	865,582	1.1%	4,327,658	3,416,366	26.7%
Race Track License	30,000	875	3328.6%	125,000	95,875	30.4%
Bank Franchise Tax	1,029,137	94,779	985.8%	2,208,794	(969,638)	---
Driver License Fees	57,678	46,974	22.8%	220,403	217,171	1.5%
Minerals Severance	1,741,460	1,475,587	18.0%	6,362,442	4,999,175	27.3%
Natural Gas Severance	706,942	1,164,300	-39.3%	5,670,439	3,912,726	44.9%
Limited Liability Entity	15,474,823	21,346,522	-27.5%	64,055,355	68,597,531	-6.6%
Income	\$316,319,610	\$312,663,880	1.2%	\$1,398,291,676	\$1,327,489,251	5.3%
Corporation	10,267,485	9,832,267	4.4%	160,975,841	122,779,005	31.1%
Individual	306,052,125	302,831,613	1.1%	1,237,315,835	1,204,710,246	2.7%
Property	\$17,351,383	\$32,557,595	-46.7%	\$73,164,801	\$98,293,639	-25.6%
Building & Loan Association	0	0	---	5,753	4,180	37.6%
General - Real	5,329,233	2,095,565	154.3%	5,357,839	1,803,147	197.1%
General - Tangible	9,692,370	14,543,822	-33.4%	38,567,211	42,741,875	-9.8%
Omitted & Delinquent	(2,031,272)	(4,299,376)	-52.8%	5,311,855	14,271,139	-62.8%
Public Service	4,022,324	19,702,792	-79.6%	18,958,466	38,692,443	-51.0%
Other	338,729	514,791	-34.2%	4,963,677	780,855	535.7%
Inheritance	\$3,704,588	\$3,440,975	7.7%	\$17,339,267	\$12,828,201	35.2%
Miscellaneous	\$2,896,715	\$5,604,904	-48.3%	\$10,252,927	\$14,242,291	-28.0%
Legal Process	1,482,108	1,541,076	-3.8%	5,415,779	6,768,602	-20.0%
T. V. A. In Lieu Payments	1,414,607	4,063,828	-65.2%	4,837,148	7,473,689	-35.3%
Other	0	0	---	0	0	---
Nontax Receipts	\$34,322,836	\$31,750,759	8.1%	\$108,719,704	\$107,265,597	1.4%
Departmental Fees	1,135,991	(192,607)	---	4,788,219	5,657,490	-15.4%
PSC Assessment Fee	118,056	2,627	4394.1%	14,367,772	13,076,156	9.9%
Fines & Forfeitures	2,087,602	2,125,700	-1.8%	8,297,586	10,410,545	-20.3%
Income on Investments	(63,692)	(366,226)	---	(219,693)	809,036	---
Lottery	19,139,743	17,000,000	12.6%	67,639,743	65,500,000	3.3%
Sale of NOx Credits	0	0	---	39,000	6,500	500.0%
Miscellaneous	11,905,136	13,181,265	-9.7%	13,807,078	11,805,869	17.0%
Redeposit of State Funds	\$123,818	\$192,595	-35.7%	\$628,219	\$710,330	-11.6%

2. ROAD FUND REVENUE

	<u>2013</u>	<u>OCTOBER</u>	<u>% Change</u>	<u>JULY THROUGH OCTOBER</u>		<u>% Change</u>
		<u>2012</u>		<u>FY 2014</u>	<u>FY 2013</u>	
TOTAL STATE ROAD FUND	\$127,157,598	\$135,861,055	-6.4%	\$524,897,264	\$494,562,033	6.1%
Tax Receipts-	\$124,303,332	\$133,830,736	-7.1%	\$515,703,793	\$485,770,611	6.2%
Sales and Gross Receipts	\$110,986,572	\$118,589,744	-6.4%	\$456,990,580	\$427,384,716	6.9%
Motor Fuels Taxes	75,153,948	76,122,956	-1.3%	305,563,588	283,267,091	7.9%
Motor Vehicle Usage	35,832,624	42,466,788	-15.6%	151,426,992	144,117,625	5.1%
License and Privilege	\$13,316,760	\$15,240,991	-12.6%	\$58,713,213	\$58,385,895	0.6%
Motor Vehicles	6,190,157	7,276,438	-14.9%	24,702,989	24,789,892	-0.4%
Motor Vehicle Operators	1,347,395	1,231,989	9.4%	5,586,433	5,539,344	0.9%
Weight Distance	4,909,874	3,995,905	22.9%	24,148,200	22,957,630	5.2%
Truck Decal Fees	3,117	8,195	-62.0%	20,227	28,085	-28.0%
Other Special Fees	866,218	2,728,464	-68.3%	4,255,364	5,070,945	-16.1%
Nontax Receipts	\$2,727,439	\$1,780,631	53.2%	\$7,601,246	\$6,845,937	11.0%
Departmental Fees	1,922,613	1,512,119	27.1%	5,565,788	4,899,677	13.6%
In Lieu of Traffic Fines	48,356	67,481	-28.3%	190,945	239,060	-20.1%
Income on Investments	705,544	200,549	251.8%	1,492,513	1,531,598	-2.6%
Miscellaneous	50,926	483	10451.3%	352,000	175,602	100.5%
Redeposit of State Funds	\$126,827	\$249,689	-49.2%	\$1,592,225	\$1,945,484	-18.2%

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