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GENERAL FUND RECEIPTS INCREASE IN AUGUST 2014
ROAD FUND RECEIPTS DECREASE IN AUGUST 2014

General Fund receipts rose 1.2 percent
Road Fund receipts fell 0.1 percent

FRANKFORT, Ky. (Wednesday, September 10, 2014) - State Budget Director Jane Driskell reported today that General Fund receipts increased 1.2 percent in August compared to last year. Total revenues for the month were \$671.9 million, compared to \$663.7 million during August 2013. So far this fiscal year (FY15), General Fund receipts have increased 1.7 percent. The official revenue estimate for FY15 calls for revenue to increase 3.6 percent compared to FY14 actual receipts. Based on August results, General Fund revenues need to grow 3.9 percent for the remainder of the fiscal year to meet the official estimate.

Despite the low rate of nominal growth, there were some encouraging undertones reflected in the monthly numbers. Driskell noted that "I am pleased to see two solid performances from our largest revenue sources, the individual income tax and year-to-date sales tax revenues. On the income tax side, growth in withholding payments (payroll taxes) grew 9.7 percent, following growth of 6.5 percent in July. The growth rate on sales tax receipts was only 1.1 percent for the month, but 4.4 percent year to date." Driskell further noted that potential weakness in the corporate income tax continues to be a concern. "September corporate income receipts will be a more appropriate barometer, as it is the first month in FY15 where estimated quarterly payments are due. We'll be in a better position to reexamine the fiscal year projections once the first quarter is complete," Driskell said.

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Among the major General Fund accounts:

- Individual income taxes increased 9.0 percent almost entirely due to withholding payments. Collections year-to-date are up 7.5 percent.
- Sales tax revenues rose 1.1 percent and have increased 4.4 percent through the first two months of the fiscal year.
- Corporation income tax collections declined \$11.4 million as both declarations and net returns posted declines. Year-to-date receipts have fallen 98.8 percent. Three of the previous four fiscal years have reflected negative corporate income receipts for August.
- Cigarette taxes fell 0.3 percent but have grown 0.9 percent for the year.
- Property taxes grew 30.3 percent (timing issues) but have decreased 7.0 for the fiscal year.
- Coal severance tax collections increased 5.9 percent in August but are down 4.9 percent through the first two months of the year.
- Lottery revenues grew 6.3 percent on the basis of a \$17.0 million dividend payment.

Road Fund revenue fell (slightly) in August with revenues of \$141.1 million. The official Road Fund revenue estimate calls for a 0.9 percent decline in receipts for the entire fiscal year (FY15). Based on year-to-date collections, revenues can decrease 1.5 percent for the remainder of the fiscal year and still meet the estimate.

Among the accounts:

- Motor fuels fell 0.7 percent in August but have increased 0.9 percent for the year.
- Motor vehicle usage collections decreased 0.9 percent for the month but have grown 0.2 percent for the first two months of the fiscal year.
- License and privilege tax fell 4.4 percent.
- Nontax receipts increased \$2.4 million and are up \$2.1 million for the fiscal year.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	AUGUST			JULY THROUGH AUGUST		
	2014	2013	% Change	FY 2015	FY 2014	% Change
TOTAL GENERAL FUND	\$671,973,625	\$663,703,532	1.2%	\$1,377,865,470	\$1,354,282,273	1.7%
Tax Receipts	\$649,930,658	\$635,733,141	2.2%	\$1,319,020,719	\$1,301,151,217	1.4%
Sales and Gross Receipts	\$299,666,200	\$296,425,312	1.1%	\$621,045,840	\$597,453,690	3.9%
Beer Consumption	600,812	494,975	21.4%	1,150,650	1,091,883	5.4%
Beer Wholesale	5,448,640	5,108,390	6.7%	10,844,291	10,711,004	1.2%
Cigarette	20,691,180	20,762,641	-0.3%	40,254,945	39,883,722	0.9%
Distilled Spirits Case Sales	10,123	9,992	1.3%	22,312	21,157	5.5%
Distilled Spirits Consumption	967,857	941,491	2.8%	2,130,881	2,045,476	4.2%
Distilled Spirits Wholesale	2,669,306	2,542,245	5.0%	5,943,685	5,470,420	8.7%
Insurance Premium	153,583	345,161	-55.5%	317,174	350,903	-9.6%
Pari-Mutuel	200,041	258,180	-22.5%	394,744	623,102	-36.6%
Race Track Admission	74,316	235	---	74,316	77,378	-4.0%
Sales and Use	260,476,685	257,631,231	1.1%	542,941,560	520,202,906	4.4%
Wine Consumption	229,421	217,916	5.3%	493,986	443,692	11.3%
Wine Wholesale	1,235,423	1,139,359	8.4%	2,551,503	2,286,349	11.6%
Telecommunications Tax	5,140,356	5,091,345	1.0%	10,434,476	10,577,875	-1.4%
Other Tobacco Products	1,768,457	1,881,894	-6.0%	3,490,993	3,667,044	-4.8%
Floor Stock Tax	0	258	-100.0%	324	780	-58.5%
License and Privilege	\$27,222,664	\$26,806,396	1.6%	\$56,036,579	\$61,303,261	-8.6%
Alc. Bev. License Suspension	37,330	27,183	37.3%	54,130	55,833	-3.1%
Coal Severance	16,923,701	15,986,774	5.9%	31,822,156	33,468,680	-4.9%
Corporation License	56,416	226,452	-75.1%	78,905	242,143	-67.4%
Corporation Organization	420	0	---	4,930	1,580	212.0%
Occupational Licenses	4,113	11,296	-63.6%	37,104	34,795	6.6%
Oil Production	1,342,785	929,493	44.5%	2,147,599	1,967,678	9.1%
Race Track License	95,000	0	---	95,000	95,000	0.0%
Bank Franchise Tax	(405,478)	(1,239,452)	---	(364,980)	(1,227,360)	---
Driver License Fees	58,900	58,666	0.4%	135,680	112,468	20.6%
Minerals Severance	1,376,414	1,576,529	-12.7%	2,872,933	2,830,728	1.5%
Natural Gas Severance	719,073	2,450,309	-70.7%	2,190,710	3,647,433	-39.9%
Limited Liability Entity	7,013,989	6,779,146	3.5%	16,962,412	20,074,283	-15.5%
Income	\$291,812,658	\$286,311,486	1.9%	\$593,727,164	\$593,704,909	0.0%
Corporation	(11,416,550)	8,047,163	---	484,963	41,635,071	-98.8%
Individual	303,229,208	278,264,324	9.0%	593,242,201	552,069,838	7.5%
Property	\$23,254,292	\$17,848,500	30.3%	\$32,861,816	\$35,325,945	-7.0%
Building & Loan Association	0	5,753	---	(498,150)	5,753	---
General - Real	(545,665)	40,708	---	(636,863)	3,611	---
General - Tangible	9,713,076	9,953,003	-2.4%	18,106,117	19,541,141	-7.3%
Omitted & Delinquent	3,598,205	2,296,022	56.7%	968,275	1,082,752	-10.6%
Public Service	10,484,128	5,552,858	88.8%	14,917,732	10,326,711	44.5%
Other	4,549	155	2838.2%	4,705	4,365,976	-99.9%
Inheritance	\$5,724,508	\$5,698,153	0.5%	\$12,142,676	\$8,675,906	40.0%
Miscellaneous	\$2,250,336	\$2,643,295	-14.9%	\$3,206,643	\$4,687,506	-31.6%
Legal Process	1,271,553	1,502,447	-15.4%	2,223,956	2,405,812	-7.6%
T. V. A. In Lieu Payments	978,784	1,140,847	-14.2%	978,784	2,281,694	-57.1%
Other	0	0	---	3,904	0	---
Nontax Receipts	\$21,932,111	\$27,794,084	-21.1%	\$58,568,987	\$52,846,785	10.8%
Departmental Fees	851,252	809,943	5.1%	2,142,552	2,141,353	0.1%
PSC Assessment Fee	1,328,170	10,324,070	-87.1%	14,670,943	14,007,429	4.7%
Fines & Forfeitures	1,858,790	2,000,675	-7.1%	3,830,115	4,163,904	-8.0%
Income on Investments	(64,819)	(52,752)	---	(99,101)	(64,759)	---
Lottery	17,000,000	16,000,000	6.3%	33,500,000	32,000,000	4.7%
Sale of NOx Credits	7,425	9,938	-25.3%	10,644	19,625	-45.8%
Miscellaneous	951,292	(1,297,789)	---	4,513,834	579,233	679.3%
Redeposit of State Funds	\$110,856	\$176,306	-37.1%	275,765	\$284,271	-3.0%

2. ROAD FUND REVENUE

	<u>AUGUST</u>			<u>JULY THROUGH AUGUST</u>		
	<u>2014</u>	<u>2013</u>	<u>% Change</u>	<u>FY 2015</u>	<u>FY 2014</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$141,108,636	\$141,281,852	-0.1%	\$266,486,751	\$260,569,429	2.3%
Tax Receipts	\$138,063,446	\$140,092,074	-1.4%	\$262,216,169	\$257,893,307	1.7%
Sales and Gross Receipts	\$113,839,261	\$114,761,191	-0.8%	\$223,473,548	\$221,911,911	0.7%
Motor Fuels Taxes	77,606,476	78,184,078	-0.7%	150,465,876	149,075,787	0.9%
Motor Vehicle Usage	36,232,786	36,577,114	-0.9%	73,007,672	72,836,125	0.2%
License and Privilege	\$24,224,185	\$25,330,883	-4.4%	\$38,742,622	\$35,981,396	7.7%
Motor Vehicles	8,349,374	6,961,537	19.9%	14,997,277	11,845,998	26.6%
Motor Vehicle Operators	1,456,339	1,476,016	-1.3%	2,766,821	2,756,222	0.4%
Weight Distance	13,778,718	14,733,818	-6.5%	19,685,772	18,576,119	6.0%
Truck Decal Fees	5,640	4,137	36.3%	16,310	15,743	3.6%
Other Special Fees	634,114	2,155,375	-70.6%	1,276,442	2,787,313	-54.2%
Nontax Receipts	\$2,858,437	\$415,382	588.1%	\$3,598,620	\$1,486,164	142.1%
Departmental Fees	1,837,644	924,314	98.8%	2,648,150	1,603,572	65.1%
In Lieu of Traffic Fines	44,255	49,203	-10.1%	86,294	99,888	-13.6%
Income on Investments	803,012	(700,665)	---	693,030	(436,416)	---
Miscellaneous	173,525	142,530	21.7%	171,146	219,120	-21.9%
Redeposit of State Funds	\$186,752	\$774,396	-75.9%	671,962	\$1,189,957	-43.5%

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