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GENERAL FUND RECEIPTS TOP \$1 BILLION IN APRIL 2015
ROAD FUND RECEIPTS DECREASE

General Fund receipts increased 23.3 percent
Road Fund receipts decreased 12.8 percent

Frankfort, KY (Tuesday May 12, 2015) - The Office of State Budget Director reported today that April's General Fund receipts set an all-time high for a month, surpassing the \$1 billion mark for the first time ever. Collections grew 23.3 percent compared to April of last year, an increase of \$193.5 million. Total revenues for the month were \$1,023.7 million, compared to \$830.2 million received during April 2014. Receipts have now grown 6.2 percent for the first ten months of FY15.

The enacted budget calls for 3.6 percent revenue growth for the entire fiscal year. With receipts through April, collections in May and June can decrease 7.8 percent from those months in 2014 to meet budgeted levels.

State Budget Director Jane C. Driskell noted that while she is pleased to see General Fund receipts top \$1 billion, she emphasized that the last quarter of almost every fiscal year typically contains some timing issues, especially in the income taxes, that create variability in monthly growth rates. Driskell further commented that "we are seeing strong signs of economic improvement. Strong growth in withholding and the sales tax are directly linked to the economy and have remained consistently strong year-to-date. Kentucky employment growth of 2.0 percent is expected in the

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fourth quarter of FY15, which translates into strong wage and salary growth of 6.5 percent. Personal income for many Kentuckians has grown as the unemployment rate has come down over the previous 12 months. Personal income is projected to grow 4.7 percent in the fourth quarter. Both employment growth and wage growth are near post-recession high marks. In addition, the outlook for consumer spending is positive due to higher levels of consumer confidence, increased purchasing power for imports due to the strong dollar, and continued low energy prices. We are confident that when we close the books on this fiscal year, revenue growth will exceed the budgeted amount. Our third quarter economic and revenue report projects that we will exceed the official estimate by \$46.1 million. This will be a remarkable turnaround given that we ended last fiscal year with a \$90 million revenue shortfall.”

Among the major accounts in April:

- Sales and use tax receipts increased 7.3 percent for the month and have grown 4.4 percent year-to-date.
- Individual income tax collections grew 39.5 percent in April. Growth in this account was broad-based and the withholding component posted a 12.3 percent increase in April indicating a strong labor market. Total individual income tax receipts have grown 11.4 percent though the first ten months of FY15.
- Business tax collections showed a solid pattern of growth in April. Corporation income tax receipts grew 4.4 percent and have increased 1.6 percent for the year. The limited liability entity tax, a backstop to the corporate income tax, grew 47.8 percent with nominal growth of \$14.8 million.
- Property tax collections rose 0.6 percent and are up 0.9 percent year-to-date.
- Cigarette tax receipts grew 14.6 percent but are down 2.3 percent year-to-date.
- Coal severance tax receipts fell 7.5 percent for the month and are down 7.2 percent through the first ten months of the fiscal year.

Road Fund receipts declined 12.8 percent in April with collections of \$115.1 million. The decline was generally across the board as most of the major accounts experienced declines. The official Road Fund revenue estimate call for revenues to decline 0.9 percent for the fiscal year. Based on year-to-date tax collections, revenues must increase 0.8 percent for the remainder of the year to meet the estimate. Among the accounts, taxes on motor fuels fell 14.8 percent due to a lower tax rate. Motor vehicle usage revenue decreased 2.9 percent as vehicle sales are not outpacing the new tax credit for trade-ins on new vehicles. License and privilege receipts decreased 16.0 percent. The Office of State Budget Director’s third quarter economic and revenue report projects that the Road Fund will fall short of the official estimate by \$11.1 million.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	APRIL			JULY THROUGH APRIL		
	2015	2014	% Change	FY 2015	FY 2014	% Change
TOTAL GENERAL FUND	\$1,023,697,292	\$830,223,513	23.3%	\$8,180,954,661	\$7,705,574,871	6.2%
Tax Receipts	\$996,216,289	\$800,427,083	24.5%	\$7,900,484,144	\$7,437,265,557	6.2%
Sales and Gross Receipts	\$333,268,576	\$308,016,658	8.2%	\$3,171,091,920	\$3,052,230,674	3.9%
Beer Consumption	551,478	459,508	20.0%	5,076,801	5,076,106	0.0%
Beer Wholesale	4,752,754	3,544,835	34.1%	47,449,429	46,553,247	1.9%
Cigarette	21,147,284	18,445,141	14.6%	183,032,737	187,416,270	-2.3%
Distilled Spirits Case Sales	11,299	9,960	13.5%	110,270	105,811	4.2%
Distilled Spirits Consumption	1,071,464	945,805	13.3%	10,363,758	9,874,980	4.9%
Distilled Spirits Wholesale	3,238,875	2,663,730	21.6%	30,163,469	27,931,406	8.0%
Insurance Premium	153,029	(208,781)	---	99,861,717	95,656,325	4.4%
Pari-Mutuel	242,701	432,355	-43.9%	2,284,794	1,738,568	31.4%
Race Track Admission	6,528	15,109	-56.8%	155,426	173,769	-10.6%
Sales and Use	293,422,469	273,553,934	7.3%	2,706,263,575	2,592,128,557	4.4%
Wine Consumption	238,425	214,646	11.1%	2,449,630	2,404,913	1.9%
Wine Wholesale	1,345,155	1,135,902	18.4%	13,619,439	12,787,615	6.5%
Telecommunications Tax	5,297,930	5,100,931	3.9%	52,492,448	53,077,943	-1.1%
Other Tobacco Products	1,788,629	1,703,585	5.0%	17,762,618	17,307,410	2.6%
Floor Stock Tax	555	0	---	5,810	(2,246)	---
License and Privilege	\$65,109,106	\$49,865,603	30.6%	\$460,377,627	\$467,936,530	-1.6%
Alc. Bev. License Suspension	98,545	23,275	323.4%	369,517	271,465	36.1%
Coal Severance	14,753,559	15,947,416	-7.5%	152,924,524	164,800,745	-7.2%
Corporation License	36,208	(68,441)	---	414,816	782,139	-47.0%
Corporation Organization	41,635	6,905	503.0%	109,926	38,322	186.9%
Occupational Licenses	16,457	38,621	-57.4%	125,091	134,124	-6.7%
Oil Production	499,433	760,370	-34.3%	8,658,081	10,447,837	-17.1%
Race Track License	6,475	0	---	247,766	248,375	-0.2%
Bank Franchise Tax	1,851,498	(206,433)	---	99,709,390	102,691,802	-2.9%
Driver License Fees	52,309	54,653	-4.3%	555,507	527,822	5.2%
Minerals Severance	1,019,352	813,441	25.3%	12,393,747	12,052,106	2.8%
Natural Gas Severance	922,800	1,494,439	-38.3%	13,934,682	14,487,836	-3.8%
Limited Liability Entity	45,810,834	31,001,359	47.8%	170,934,580	161,453,959	5.9%
Income	\$572,456,291	\$419,386,768	36.5%	\$3,684,148,429	\$3,336,154,092	10.4%
Corporation	37,277,164	35,721,245	4.4%	332,842,712	327,517,112	1.6%
Individual	535,179,128	383,665,523	39.5%	3,351,305,717	3,008,636,980	11.4%
Property	\$18,750,848	\$18,639,283	0.6%	\$523,471,712	\$518,984,763	0.9%
Building & Loan Association	0	0	---	(498,150)	5,753	---
General - Real	2,854,415	2,417,087	18.1%	256,415,269	255,176,085	0.5%
General - Tangible	18,547,495	17,659,399	5.0%	202,372,082	200,426,077	1.0%
Omitted & Delinquent	(5,913,182)	(2,621,146)	---	7,299,816	11,257,686	-35.2%
Public Service	3,259,447	1,173,942	177.6%	56,393,146	46,312,556	21.8%
Other	2,673	10,001	-73.3%	1,489,550	5,806,606	-74.3%
Inheritance	\$4,454,990	\$1,975,727	125.5%	\$40,607,624	\$37,308,543	8.8%
Miscellaneous	\$2,176,479	\$2,543,043	-14.4%	\$20,786,832	\$24,650,956	-15.7%
Legal Process	1,392,254	1,547,531	-10.0%	12,869,991	13,890,669	-7.3%
T. V. A. In Lieu Payments	784,225	978,784	-19.9%	7,883,982	10,709,849	-26.4%
Other	0	16,728	-100.0%	32,858	50,437	-34.9%
Nontax Receipts	\$27,243,718	\$29,652,740	-8.1%	\$279,002,245	\$266,716,954	4.6%
Departmental Fees	2,006,940	4,139,958	-51.5%	16,182,565	19,424,938	-16.7%
PSC Assessment Fee	0	6,613	-100.0%	14,696,059	14,842,830	-1.0%
Fines & Forfeitures	1,939,472	2,126,980	-8.8%	18,893,930	21,055,302	-10.3%
Income on Investments	(79,886)	(51,751)	---	(663,700)	(907,675)	---
Lottery	18,000,000	19,000,000	-5.3%	183,000,000	175,639,743	4.2%
Sale of NOx Credits	0	32,063	-100.0%	27,594	87,304	-68.4%
Miscellaneous	5,377,192	4,398,878	22.2%	46,865,798	36,574,513	28.1%
Redeposit of State Funds	\$237,285	\$143,691	65.1%	\$1,468,272	\$1,592,360	-7.8%

2. ROAD FUND REVENUE

	<u>APRIL</u>			<u>JULY THROUGH APRIL</u>		
	<u>2015</u>	<u>2014</u>	<u>% Change</u>	<u>FY 2015</u>	<u>FY 2014</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$115,150,163	\$132,103,223	-12.8%	\$1,278,293,768	\$1,294,250,511	-1.2%
Tax Receipts-	\$113,752,016	\$128,688,919	-11.6%	\$1,256,910,937	\$1,272,137,070	-1.2%
Sales and Gross Receipts	\$94,326,942	\$105,561,510	-10.6%	\$1,079,543,167	\$1,100,180,198	-1.9%
Motor Fuels Taxes	58,446,148	68,603,443	-14.8%	720,436,047	737,481,683	-2.3%
Motor Vehicle Usage	35,880,794	36,958,067	-2.9%	359,107,121	362,698,515	-1.0%
License and Privilege	\$19,425,074	\$23,127,408	-16.0%	\$177,367,770	\$171,956,872	3.1%
Motor Vehicles	12,154,713	15,920,852	-23.7%	87,370,757	85,975,597	1.6%
Motor Vehicle Operators	1,476,832	1,451,964	1.7%	13,454,011	13,556,799	-0.8%
Weight Distance	4,830,813	4,702,131	2.7%	65,097,181	62,428,576	4.3%
Truck Decal Fees	178,503	224,022	-20.3%	217,252	261,394	-16.9%
Other Special Fees	784,211	828,439	-5.3%	11,228,569	9,734,506	15.3%
Nontax Receipts	\$1,936,418	\$3,220,595	-39.9%	\$18,601,282	\$18,002,074	3.3%
Departmental Fees	1,559,038	2,307,233	-32.4%	14,550,728	13,866,721	4.9%
In Lieu of Traffic Fines	32,788	40,371	-18.8%	386,792	450,600	-14.2%
Income on Investments	237,215	871,199	-72.8%	2,812,599	3,014,242	-6.7%
Miscellaneous	107,376	1,793	5890.1%	851,163	670,512	26.9%
Redeposit of State Funds	(\$538,271)	\$193,710	---	\$2,781,548	\$4,111,367	-32.3%

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